

APRIL 2022
MONTHLY UPDATE

Evolve Metaverse ETF

MESH provides investors with an actively managed diversified portfolio of companies involved in the development of the metaverse.

TSX

MESH

ETF TICKER: MESH (HEDGED)

Investment Thesis: The metaverse is an immersive next-generation digital universe with vast opportunities in the software, VR/AR hardware and virtual platforms involved in its development.

GENERAL INDUSTRY UPDATE



Source: Rawpixel.com

The metaverse may still be in its infancy, but the idea of an immersive, constructed, three-dimensional world where people interact, shop, dine, work, exercise, buy property, and become part of meta-societies is attracting a lot of attention.

Already, there is a growing demand for services like concerts, ceremonies, conferences, real estate, and journey builders. This will create opportunities for “gig” workers within the metaverse, available to anyone with access to the virtual universe.

Last year, 600 pairs of digital shoes were sold for \$3.1 million in just seven seconds¹ and a digital-only version of Gucci’s Dionysus Bag sold on the Roblox marketplace for over \$4,000. More than the \$3,400 price of the physical bag.²

Businesses also understand that for the metaverse to survive, it needs to attract users of all ages. Epic Games and The Lego Group have agreed to build an immersive, family-friendly virtual world that is safe and fun for children and families.³

JPMorgan Chase & Co. estimates the metaverse will generate \$1 trillion on an annual basis.⁴ Gartner Inc. predicts that by 2026, 25% of people will spend at least one hour every day in the metaverse for work, shopping, or entertainment.⁵

Accenture meanwhile warns businesses that if they ignore the metaverse, they “will soon find themselves operating in worlds others have defined—playing by someone else’s rules.”⁶

COMPANY SPECIFIC UPDATES



Source: FT montage/Dreamstime/Meta | An image from one of Meta's patents

Meta Platforms Inc

Meta Platforms Inc, which is held by the fund, has been in the news a lot lately. Facebook owner Meta Platforms is cancelling its annual developers conference, saying it needs more time to focus on its next big project: building the metaverse.⁷

In its first quarter 2022 results, Meta Platforms CEO Mark Zuckerberg said its family of apps— Facebook, Instagram, Messenger, WhatsApp—are vehicles that will help fund Meta's project in virtual reality (VR). This move is expected to make VR the company's crown jewel.⁸

The company began rolling out creator monetization features in the first quarter for Horizon Worlds, its social VR app. It will also soon roll out a web version of Horizon Worlds too. These are important first steps with Zuckerberg calling Horizon Worlds the company's "centerpiece" to developing the metaverse.



Source: Businesswire.com/ Logitech and Bretman Roc

Roblox Corp

Roblox Corp, which is also held by the fund, has announced a number of new firsts for the metaverse. In April, Roblox held the first metaverse music awards show, the second annual Logitech Song Breaker Awards.⁹

In early May, Spotify announced that it launched an interactive space called Spotify Island, where Roblox users can meet artists, create music, explore virtual venues, and unlock exclusive content, including virtual merchandise.¹⁰

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