
ITEQTM

Annual Report

September 30, 2018

BlueStar Israel Technology ETF
Ticker: ITEQ

etfmg

The fund is a series in the ETF Managers Trust.

BlueStar Israel Technology ETF

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BlueStar Israel Technology ETF

Dear Shareholder,

On behalf of the entire team, we want to express our appreciation for the confidence you have placed in the BlueStar Israel Technology Exchange-Traded Fund (“ITEQ” or the “Fund”). The following information pertains to the fiscal period from October 1, 2017 to September 30, 2018.

The Fund seeks to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the BlueStar Israel Global Technology Index (the “Index”).

Over the 12-month period ending September 30, 2018, the total return for the Fund was 15.41% while the total return for the Index was 16.38%. The difference was primarily attributable to Fund expenses that are not a part of the Index. The best performers in the Fund on the basis of contribution to its return were NovoCure, NICE Systems, and Wix.com, while the worst performers were OPKO Health, Tower Semiconductor, and Elbit Systems.

We believe Israeli companies play an essential role in the global high technology value chain. Most technology users, from online shoppers to Fortune 500 companies, use Israeli technology applications and solutions every day without ever being aware of it. From cybersecurity and defense to clean energy and agriculture, Israeli innovations power some of the biggest names in the tech industry today.

Even in industries where Israeli companies do not have dominant individual market share, the collective footprint of Israeli companies is significant in many key technology subsectors, and Israel-based Research & Development and non-public companies are usually significant contributors to that same sub-industry’s ecosystem.

There is much ahead for Israeli Technology companies and we are thankful you have joined us. You can find further details about ITEQ by visiting www.iteqtf.com, or by calling 1-844-ETF-MGRS. (1-844-383-6477).

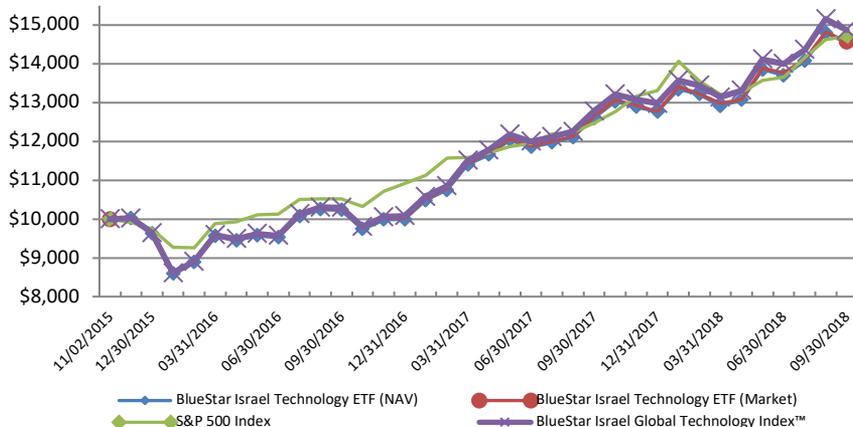
Sincerely,



Samuel Masucci III
Chairman of the Board

Samuel Masucci III is a registered representative of ETFMG Financial, LLC.

BlueStar Israel Technology ETF Growth of \$10,000 (Unaudited)



Average Annual Returns

Period Ended September 30, 2018	1 Year Return	Since Inception (11/2/2015)	Value of \$10,000 (9/30/2018)
BlueStar Israel Technology ETF (NAV)	15.41%	13.72%	\$ 14,543
BlueStar Israel Technology ETF (Market)	15.08%	13.79%	\$ 14,567
S&P 500 Index	17.91%	14.18%	\$ 14,872
BlueStar Israel Global Technology Index™	16.38%	14.60%	\$ 14,713

Total Fund Operating Expenses¹

0.75%

1. The expense ratio is taken from the Fund's most recent prospectus dated January 31, 2018.

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. All performance is historical and includes reinvestment of dividends and capital gains. Performance data current to the most recent month end may be obtained by calling 1-844-ETF-MGRS (1-844-383-6477).

The chart illustrates the performance of a hypothetical \$10,000 investment made on November 2, 2015, and is not intended to imply any future performance. The returns shown do not reflect the deduction of taxes that a shareholder would pay on fund distributions from the sales of Fund shares. The chart assumes reinvestment of capital gains and dividends. The chart assumes reinvestment of capital gains and dividends, if any. The index returns do not reflect fees or expenses and are not available for direct investment.

BlueStar Israel Technology ETF

Top Ten Holdings (Unaudited)*

	<u>Security</u>	<u>% of Total Investments</u>
1	Check Point Software Technologies Ltd.	8.15%
2	NICE Ltd.	6.93%
3	Amdocs Ltd.	6.42%
4	Wix.com Ltd.	4.70%
5	Novocure Ltd.	4.13%
6	Mellanox Technologies Ltd.	4.01%
7	Verint Systems, Inc.	3.78%
8	Elbit Systems Ltd.	3.49%
9	CyberArk Software Ltd.	3.35%
10	Orbotech Ltd.	3.16%

Top Ten Holdings = 48.12% of Total Investments

* Current Fund holdings may not be indicative of future Fund holdings.

BlueStar Israel Technology ETF

Important Disclosures and Key Risk Factors

Investing involves risk, including the possible loss of principal. Shares of any ETF are bought and sold at market price (not NAV), may trade at a discount or premium to NAV and are not individually redeemed from the Fund. Brokerage commissions will reduce returns. Narrowly focused investments typically exhibit higher volatility.

The BlueStar Israel Technology ETF (the “Fund”) seeks to provide investment results that, before fees and expenses, correspond generally to the total return performance of the BlueStar Israel Global Technology Index™ (“BIGITech™” or the “Index”).

Investment in securities of Israeli companies involves risks that may negatively affect the value of your investment in the Fund. Among other things, Israel’s economy depends on imports of certain key items, such as crude oil, coal, grains, raw materials and military equipment. Foreign investing involves special risks such as currency fluctuations and political uncertainty. Funds that invest in smaller companies may experience greater volatility. Funds that emphasize investments in technology generally will experience greater price volatility. The Fund’s return may not match or achieve a high degree of correlation with the return of the BIGITech™ Index. To the extent the Fund utilizes a sampling approach, it may experience tracking error to a greater extent than if the Fund had sought to replicate the Index. Diversification does not guarantee a profit, nor does it protect against a loss in a declining market.

The BlueStar Israel Global Technology Index™ (BIGITech™) is an index of Israeli technology companies listed on global stock exchanges in Tel Aviv, New York, London and elsewhere.

S&P 500: The S&P 500 Index is the Standard & Poor’s composite index of 500 stocks, a widely recognized, unmanaged index of common stock prices.

BlueStar Israel Technology ETF

PORTFOLIO ALLOCATIONS

As of September 30, 2018 (Unaudited)

	BlueStar Israel Technology ETF
As a percent of Net Assets:	
Australia	0.4 %
Cayman Islands	0.6
Guernsey	7.4
Hong Kong	0.3
Israel	60.5
Jersey	5.0
United Kingdom	4.0
United States	21.3
Short-Term and other Net Assets (Liabilities)	0.5
	<u>100.0 %</u>

BlueStar Israel Technology ETF

Schedule of Investments

September 30, 2018

	<u>Shares</u>	<u>Value</u>
COMMON STOCKS - 99.5%		
Australia - 0.4%		
Diversified Telecommunication Services - 0.2%		
Sky & Space Global Ltd. (a)	2,657,952	\$ 121,042
Machinery - 0.2%		
Fluence Corp Ltd. (a)	472,041	145,017
Total Australia		<u>266,059</u>
Cayman Islands - 0.6%		
Software - 0.6%		
Sapiens International Corp. NV	32,236	380,993
Guernsey - 7.4%		
IT Services - 7.4%		
Amdocs Ltd.	64,653	4,265,805
SafeCharge International Group Ltd.	66,407	283,902
Total IT Services		<u>4,549,707</u>
Hong Kong - 0.3%		
Health Care Equipment & Supplies - 0.3%		
Sisram Medical Ltd. (a)	295,519	200,829
Israel - 60.5%		
Aerospace & Defense - 4.3%		
Aeronautics Ltd. (a)	77,899	180,624
Elbit Systems Ltd.	18,270	2,316,524
RADA Electronic Industries Ltd. (a)	60,487	177,227
Total Aerospace & Defense		<u>2,674,375</u>
Auto Components - 0.3%		
Foresight Autonomous Holdings Ltd. (a)	272,997	156,185
Biotechnology - 2.9%		
BioLine RX Ltd. - ADR (a)(c)	209,523	224,190
Galmed Pharmaceuticals Ltd. (a)	23,274	316,061
Intec Pharma Ltd. (a)	49,514	279,754
Kamada Ltd. (a)	49,719	306,865
UroGen Pharma Ltd. (a)	10,546	498,088
Vascular Biogenics Ltd. (a)	71,114	115,560
Total Biotechnology		<u>1,740,518</u>
Communications Equipment - 4.1%		
AudioCodes Ltd.	32,884	330,813
Ceragon Networks Ltd. (a)	89,897	302,953
Ituran Location & Control Ltd.	15,592	536,365
RADCOM Ltd. (a)	13,371	150,424
Radware Ltd. (a)	32,693	865,383
Silicom Ltd. (a)	7,736	313,772
Total Communications Equipment		<u>2,499,710</u>

The accompanying notes are an integral part of these financial statements.

BlueStar Israel Technology ETF

Schedule of Investments

September 30, 2018 (Continued)

	<u>Shares</u>	<u>Value</u>
Electronic Equipment, Instruments & Components - 3.7%		
Magal Security Systems Ltd. (a)	33,361	\$ 187,489
Orbotech Ltd. (a)	35,296	2,097,994
Total Electronic Equipment, Instruments & Components		<u>2,285,483</u>
Health Care Equipment & Supplies - 1.8%		
Mazor Robotics Ltd. (a)	38,395	1,103,062
Household Durables - 0.6%		
Maytronics Ltd.	54,778	355,712
Independent Power and Renewable Electricity Producers - 0.8%		
Energix-Renewable Energies Ltd. (a)	196,271	226,197
Enlight Renewable Energy Ltd. (a)	478,530	249,960
Total Independent Power and Renewable Electricity Producers		<u>476,157</u>
IT Services - 6.4%		
Formula Systems 1985 Ltd.	8,438	354,464
Matrix IT Ltd.	34,601	414,272
Wix.com Ltd. (a)	26,123	3,126,923
Total IT Services		<u>3,895,659</u>
Life Sciences Tools & Services - 0.4%		
Compugen Ltd. (a)	73,036	268,057
Machinery - 1.4%		
Kornit Digital Ltd. (a)	29,424	644,385
Sarine Technologies Ltd.	361,377	173,148
Total Machinery		<u>817,533</u>
Pharmaceuticals - 1.3%		
Foamix Pharmaceuticals Ltd. (a)	49,199	281,910
MediWound Ltd. (a)	30,554	187,907
Redhill Biopharma Ltd. - ADR (a)(c)	34,076	300,891
Total Pharmaceuticals		<u>770,708</u>
Semiconductors & Semiconductor Equipment - 8.5%		
Camtek Ltd.	29,047	248,933
Mellanox Technologies Ltd. (a)	36,281	2,664,839
Nova Measuring Instruments Ltd. (a)	23,131	598,466
Tower Semiconductor Ltd. (a)	79,648	1,734,239
Total Semiconductors & Semiconductor Equipment		<u>5,246,477</u>
Software - 22.3%		
Allot Communications Ltd. (a)	42,384	266,022
Allot Communications Ltd. (a)	1,782	11,013
Attunity Ltd. (a)	23,551	444,878
Check Point Software Technologies Ltd. (a)(c)	46,057	5,419,526
CyberArk Software Ltd. (a)	27,852	2,223,704
Hilan Ltd.	15,594	388,157
Magic Software Enterprises Ltd.	32,443	286,755
Nice Ltd. (a)	40,712	4,605,759
Total Software		<u>13,645,814</u>
Technology Hardware, Storage & Peripherals - 1.7%		
Stratasys Ltd. (a)(c)	46,216	1,068,052
Total Israel		<u>37,003,502</u>

The accompanying notes are an integral part of these financial statements.

BlueStar Israel Technology ETF

Schedule of Investments

September 30, 2018 (Continued)

	<u>Shares</u>	<u>Value</u>
Jersey - 5.0%		
Health Care Equipment & Supplies - 4.5%		
Novocure Ltd. (a)	52,367	\$ 2,744,031
Interactive Media & Services - 0.5%		
XLMedia PLC	226,828	276,432
Total Jersey		<u>3,020,463</u>
United Kingdom - 4.0%		
Communications Equipment - 0.5%		
Telit Communications PLC (a)	146,320	329,364
Diversified Financial Services - 2.2%		
Plus500 Ltd.	76,374	1,326,954
Hotels, Restaurants & Leisure - 0.8%		
888 Holdings PLC	201,975	524,668
Media - 0.5%		
Taptica international Ltd.	71,678	350,346
Total United Kingdom		<u>2,531,332</u>
United States - 21.3%		
Aerospace & Defense - 0.3%		
Arotech Corp. (a)	50,641	172,179
Biotechnology - 2.6%		
BrainStorm Cell Therapeutics, Inc. (a)	37,988	145,114
OPKO Health, Inc. (a)	291,660	1,064,839
Pluristem Therapeutics, Inc. (a)	167,641	216,845
Protalix BioTherapeutics, Inc. (a)	331,521	220,564
Total Biotechnology		<u>1,647,362</u>
Commercial Services & Supplies - 0.3%		
Pointer Telocation Ltd. (a)	12,547	159,882
Communications Equipment - 0.8%		
Gilat Satellite Networks Ltd. (a)	55,398	483,555
Electric Utilities - 2.5%		
Ormat Technologies, Inc.	29,684	1,561,157
Semiconductors & Semiconductor Equipment - 3.5%		
CEVA, Inc. (a)	20,679	594,521
DSP Group, Inc. (a)	26,298	312,946
SolarEdge Technologies, Inc. (a)(c)	32,015	1,205,365
Total Semiconductors & Semiconductor Equipment		<u>2,112,832</u>
Software - 11.3%		
ForeScout Technologies, Inc. (a)	18,945	715,363
Imperva, Inc. (a)	26,691	1,239,797
LivePerson, Inc. (a)	45,912	1,172,729
Varonis Systems, Inc. (a)	16,848	1,234,116
Verint Systems, Inc. (a)	50,103	2,510,160
Total Software		<u>6,872,165</u>
Total United States		<u>13,009,132</u>
TOTAL COMMON STOCKS (Cost \$54,347,232)		<u>60,962,017</u>

The accompanying notes are an integral part of these financial statements.

BlueStar Israel Technology ETF

Schedule of Investments

September 30, 2018 (Continued)

	<u>Shares</u>	<u>Value</u>
SHORT-TERM INVESTMENTS - 0.3%		
Money Market Funds - 0.3%		
Invesco Advisers, Inc. STIT - Treasury Portfolio - Institutional Class, 1.90% (b)	193,052	\$ 193,052
TOTAL SHORT-TERM INVESTMENTS (Cost \$193,052)		<u>193,052</u>
INVESTMENTS PURCHASED WITH SECURITIES LENDING COLLATERAL - 8.7%		
Mount Vernon Liquid Assets Portfolio, LLC, 2.31% (b)		<u>5,313,584</u>
TOTAL INVESTMENTS PURCHASED WITH PROCEEDS FROM SECURITIES LENDING (Cost 5,313,584)		<u>5,313,584</u>
Total Investments (Cost \$59,853,868) - 108.5%		66,468,653
Liabilities in Excess of Other Assets - (8.5)%		<u>(5,225,564)</u>
TOTAL NET ASSETS - 100.0%		<u>\$61,243,089</u>

Percentages are stated as a percent of net assets.

ADR American Depositary Receipt.

(a) Non-income producing security.

(b) The rate quoted is the annualized seven-day yield at September 30, 2018.

(c) All or a portion of this security is out on loan as of September 30, 2018.

The Global Industry Classification Standard (GICS[®]) was developed by and/or is the exclusive property of MSCI, Inc. and Standard & Poor's Financial Services LLC ("S&P"). GICS[®] is a service mark of MSCI, Inc. and S&P and has been licensed for use by the Fund's Administrator, U.S. Bancorp Fund Services, LLC, doing business as U.S. Bank Global Fund Services ("Fund Services").

The accompanying notes are an integral part of these financial statements.

BlueStar Israel Technology ETF

STATEMENT OF ASSETS AND LIABILITIES

As of September 30, 2018

	BlueStar Israel Technology ETF
ASSETS	
Investments in securities, at value*	\$ 66,468,653
Cash	274
Receivables:	
Dividends and interest receivable	120,981
Securities lending income receivable	1,206
Total Assets	<u>66,591,114</u>
LIABILITIES	
Collateral received for securities loaned (Note 7)	5,313,584
Payables:	
Management fees payable	34,441
Total Liabilities	<u>5,348,025</u>
Net Assets	<u>\$ 61,243,089</u>
NET ASSETS CONSIST OF:	
Paid-in Capital	\$ 55,102,365
Total Distributable Earnings	6,140,724
Net Assets	<u>\$ 61,243,089</u>
*Identified Cost:	
Investments in securities	\$ 59,853,868
Shares Outstanding [^]	1,700,000
Net Asset Value, Offering and Redemption Price per Share	<u>\$ 36.03</u>

[^] No par value, unlimited number of shares authorized

The accompanying notes are an integral part of these financial statements.

BlueStar Israel Technology ETF

STATEMENT OF OPERATIONS

For the Year Ended September 30, 2018

	BlueStar Israel Technology ETF
INVESTMENT INCOME	
Income:	
Dividends from unaffiliated securities (net of foreign withholdings tax of \$39,241)	\$ 309,937
Interest	1,706
Securities lending income	25,358
Total Investment Income	<u>337,001</u>
Expenses:	
Management fees	<u>292,018</u>
Total Expenses	<u>292,018</u>
Net Investment Income	<u>44,983</u>
 REALIZED & UNREALIZED GAIN (LOSS) ON INVESTMENTS	
Net Realized Gain (Loss) on:	
Unaffiliated investments	(78,659)
In-Kind redemptions	1,535,893
Foreign currency	(1,961)
Net Realized Gain on Investments and Foreign Currency	<u>1,455,273</u>
Net Change in Unrealized Appreciation (Depreciation) of:	
Unaffiliated investments	3,976,021
Foreign currency and foreign currency translation	<u>(60)</u>
Net Change in Unrealized Appreciation of Investments and Foreign Currency	<u>3,975,961</u>
Net Realized and Unrealized Gain on Investments	<u>5,431,234</u>
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	<u>\$ 5,476,217</u>

The accompanying notes are an integral part of these financial statements.

BlueStar Israel Technology ETF

STATEMENTS OF CHANGES IN NET ASSETS

	<u>Year Ended September 30, 2018</u>	<u>Year Ended September 30, 2017</u>
OPERATIONS		
Net investment income	\$ 44,983	\$ 8,590
Net realized gain on investments	1,455,273	221,184
Net change in unrealized appreciation of investments	<u>3,975,961</u>	<u>2,411,218</u>
Net increase in net assets resulting from operations	<u>5,476,217</u>	<u>2,640,992</u>
DISTRIBUTIONS TO SHAREHOLDERS		
Total distributions from distributable earnings	<u>(163,624)</u>	<u>(18,370)*</u>
CAPITAL SHARE TRANSACTIONS		
Net increase in net assets derived from net change in outstanding shares	<u>32,392,245</u>	<u>15,800,080</u>
Net increase in net assets	<u>37,704,838</u>	<u>18,422,702</u>
NET ASSETS		
Beginning of Year	<u>23,538,251</u>	<u>5,115,549</u>
End of Year	<u>\$ 61,243,089</u>	<u>\$ 23,538,251**</u>

* Includes net investment income distributions of \$18,370.

** Includes undistributed (accumulated) net investment loss of \$(1,355).

Summary of share transactions is as follows:

	<u>Year Ended September 30, 2018</u>		<u>Year Ended September 30, 2017</u>	
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>
Shares Sold	1,150,000	\$38,822,145	650,000	\$18,752,200
Shares Redeemed	(200,000)	(6,429,900)	(100,000)	(2,952,120)
Net Transactions in Fund Shares	<u>950,000</u>	<u>\$32,392,245</u>	<u>550,000</u>	<u>\$15,800,080</u>
Beginning Shares	<u>750,000</u>		<u>200,000</u>	
Ending Shares	<u>1,700,000</u>		<u>750,000</u>	

The accompanying notes are an integral part of these financial statements.

BlueStar Israel Technology ETF

FINANCIAL HIGHLIGHTS

For a capital share outstanding throughout the year/period

	Year Ended September 30, 2018	Year Ended September 30, 2017	Period Ended September 30, 2016¹
Net Asset Value, Beginning of Year/Period	\$ 31.38	\$ 25.58	\$ 25.00
Income from Investment Operations:			
Net investment income ²	0.04	0.02	0.05
Net realized and unrealized gain on investments	4.78	5.87	0.53
Total from investment operations	4.82	5.89	0.58
Less Distributions:			
Distributions from net investment income	(0.17)	(0.09)	-
Net asset value, end of year/period	\$ 36.03	\$ 31.38	\$ 25.58
Total Return	15.41%	23.16%	2.31% ³
Ratios/Supplemental Data:			
Net assets at end of year/period (000's)	\$ 61,243	\$ 23,538	\$ 5,116
Expenses to Average Net Assets	0.75%	0.75%	0.75% ⁴
Net Investment Income to Average Net Assets	0.12%	0.07%	0.23% ⁴
Portfolio Turnover Rate	11%	19%	14% ³

¹ Commencement of operations on November 2, 2015.

² Calculated based on average shares outstanding during the year/period.

³ Not annualized.

⁴ Annualized.

The accompanying notes are an integral part of these financial statements.

BlueStar Israel Technology ETF

NOTES TO FINANCIAL STATEMENTS

September 30, 2018

NOTE 1 – ORGANIZATION

BlueStar Israel Technology ETF (formerly known as BlueStar TA – BIGITech™ Israel Technology ETF) (the “Fund”) is a series of ETF Managers Trust (the “Trust”), an open-end management investment company consisting of multiple investment series, organized as a Delaware statutory trust on July 1, 2009. The Trust is registered with the SEC under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company and the offering of the Fund’s shares (“Shares”) is registered under the Securities Act of 1933, as amended (the “Securities Act”). The Fund seeks to provide investment results that, before fees and expenses, correspond generally to the total return performance of the BlueStar Israel Global Technology Index™ (“BIGITech™” or the “Index”). The Fund commenced operations on November 2, 2015.

The Fund currently offers one class of shares, which has no front end sales load, no deferred sales charges, and no redemption fees. The Fund may issue an unlimited number of shares of beneficial interest, with no par value. All shares of the Fund have equal rights and privileges.

Shares of the Fund are listed and traded on the NASDAQ Stock Market, LLC. Market prices for the Shares may be different from their net asset value (“NAV”). The Fund issues and redeems Shares on a continuous basis at NAV only in blocks of 50,000 shares, called “Creation Units.” Creation Units are issued and redeemed principally in-kind for securities included in the Index. Once created, Shares generally trade in the secondary market at market prices that change throughout the day in quantities less than a Creation Unit. Except when aggregated in Creation Units, Shares are not redeemable securities of the Fund. Shares of the Fund may only be purchased or redeemed by certain financial institutions (“Authorized Participants”). An Authorized Participant is either (i) a broker-dealer or other participant in the clearing process through the Continuous Net Settlement System of the National Securities Clearing Corporation or (ii) a DTC participant and, in each case, must have executed a Participant Agreement with the Distributor. Most retail investors do not qualify as Authorized Participants nor have the resources to buy and sell whole Creation Units. Therefore, they are unable to purchase or redeem the Shares directly from the Fund. Rather, most retail investors may purchase Shares in the secondary market with the assistance of a broker and may be subject to customary brokerage commissions or fees.

Authorized Participants transacting in Creation Units for cash may pay an additional variable charge to compensate the relevant Fund for certain transaction costs (i.e., brokerage costs) and market impact expenses relating to investing in portfolio securities. Such variable charges, if any, are included in “Transaction Fees” in the Statements of Changes in Net Assets.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Fund. These policies are in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

The Fund follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board Accounting Standard Codification Topic 946 Financial Services – Investment Companies.

The Fund may invest in certain other investment companies (underlying funds). For specific investments in underlying funds, please refer to the complete schedule of portfolio holdings on Form N-CSR(S) for this reporting period, which is filed with the U.S. Securities and Exchange Commission (SEC). For more information about the underlying Fund’s operations and policies, please refer to those Funds’ semiannual and annual reports, which are filed with the SEC.

A. Security Valuation. Securities listed on a securities exchange, market or automated quotation system for which quotations are readily available (except for securities traded on NASDAQ), including securities traded over the counter, are valued at the last quoted sale price on the primary exchange or market (foreign or domestic) on which they are traded on the valuation date (or at

NOTES TO FINANCIAL STATEMENTS

September 30, 2018 (Continued)

approximately 4:00 pm Eastern Time if a security's primary exchange is normally open at that time), or, if there is no such reported sale on the valuation date, at the most recent quoted bid price. For securities traded on NASDAQ, the NASDAQ Official Closing Price will be used.

Securities for which quotations are not readily available are valued at their respective fair values as determined in good faith by the Board of Trustees (the "Board"). When a security is "fair valued," consideration is given to the facts and circumstances relevant to the particular situation, including a review of various factors set forth in the pricing procedures adopted by the Fund's Board. The use of fair value pricing by the Fund may cause the net asset value of its shares to differ significantly from the net asset value that would be calculated without regard to such considerations. As of September 30, 2018, the Fund did not hold any fair valued securities.

As described above, the Fund utilizes various methods to measure the fair value of its investments on a recurring basis. U.S. GAAP establishes a hierarchy that prioritizes inputs to valuation methods. The three levels of inputs are:

- Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.
- Level 2 Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.
- Level 3 Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available; representing the Fund's own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety, is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

BlueStar Israel Technology ETF

NOTES TO FINANCIAL STATEMENTS

September 30, 2018 (Continued)

The following is a summary of the inputs used to value the Funds' net assets as of September 30, 2018:

BlueStar Israel Technology ETF

<u>Assets</u> [^]	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Stocks	\$60,962,017	\$ —	\$ —	\$60,962,017
Short-Term Investments	193,052	—	—	193,052
Investments Purchased with Securities Lending Collateral*	—	—	—	5,313,584
Total Investments in Securities	<u>\$61,155,069</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$66,468,653</u>

[^] See Schedule of Investments for classifications by country and industry.

* Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The value amounts presented in the table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Schedule of Investments.

B. *Federal Income Taxes.* The Fund has elected to be taxed as a “regulated investment company” and intends to distribute substantially all taxable income to its shareholders and otherwise comply with the provisions of the Internal Revenue Code applicable to regulated investment companies. Therefore, no provisions for federal income taxes or excise taxes have been made.

To avoid imposition of the excise tax applicable to regulated investment companies, the Fund intends to declare each year as dividends, in each calendar year, at least 98.0% of its net investment income (earned during the calendar year) and 98.2% of its net realized capital gains (earned during the twelve months ended October 31) plus undistributed amounts, if any, from prior years.

Net capital losses incurred after October 31, within the taxable year are deemed to arise on the first business day of the Fund's next taxable year.

The Fund recognizes the tax benefits of uncertain tax positions only where the position is “more likely than not” to be sustained assuming examination by tax authorities. The Fund has analyzed its tax position and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions expected to be taken in the Fund's 2018 tax returns. The Fund identifies its major tax jurisdictions as U.S. Federal, the State of New Jersey, and the State of Delaware; however the Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next twelve months.

As of September 30, 2018, management has reviewed the tax positions for open periods (for federal purposes, three years from the date of filing and for state purposes, four years from the date of filing) as applicable to the Fund, and has determined that no provision for income tax is required in the Fund's financial statements.

C. *Security Transactions and Investment Income.* Investment securities transactions are accounted for on the trade date. Gains and losses realized on sales of securities are determined on a specific identification basis. Discounts/premiums on debt securities purchased are accreted/amortized over the life of the respective securities using the effective interest method. Dividend income is recorded on the ex-dividend date. Interest income is recorded on an accrual basis. Income

NOTES TO FINANCIAL STATEMENTS

September 30, 2018 (Continued)

, including gains, from investments in foreign securities received by the Fund may be subject to income, withholding or other taxes imposed by foreign countries.

- D. *Foreign Currency Translations and Transactions.* The Fund may engage in foreign currency transactions. Foreign currency transactions are translated into U.S. dollars on the following basis: (i) market value of investment securities, assets and liabilities at the daily rates of exchange, and (ii) purchases and sales of investment securities, dividend and interest income and certain expenses at the rates of exchange prevailing on the respective dates of such transactions. For financial reporting purposes, the Fund does not isolate changes in the exchange rate of investment securities from the fluctuations arising from changes in the market prices of securities for unrealized gains and losses. However, for federal income tax purposes, the Fund does isolate and treat as ordinary income the effect of changes in foreign exchange rates on realized gains or losses from the sale of investment securities and payables and receivables arising from trade-date and settlement-date differences.
- E. *Distributions to Shareholders.* Distributions to shareholders from net investment income, if any are generally declared and paid by the Fund on a quarterly basis. Net realized gains on securities of the Fund normally are declared and paid on an annual basis. Distributions are recorded on the ex-dividend date.
- F. *Use of Estimates.* The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.
- G. *Share Valuation.* The net asset value (“NAV”) per share of the Fund is calculated by dividing the sum of the value of the securities held by the Fund, plus cash and other assets, minus all liabilities (including estimated accrued expenses) by the total number of shares outstanding of the Fund, rounded to the nearest cent. The Fund’s shares will not be priced on the days on which the NYSE is closed for trading. The offering and redemption price per share for the Fund is equal to the Fund’s net asset value per share.
- H. *Guarantees and Indemnifications.* In the normal course of business, the Fund enters into contracts with service providers that contain general indemnification clauses. The Fund’s maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. However, based on experience, the Fund expects the risk of loss to be remote.

NOTE 3 – RISK FACTORS

Investing in the BlueStar Israel Technology ETF may involve certain risks, as discussed in the Fund’s prospectus, including, but not limited to, those described below. Any of these risks could cause an investor to lose money.

Market Risk. Financial markets rise and fall in response to a variety of factors, sometimes rapidly and unpredictably. As with any investment whose performance is tied to these markets, the value of an investment in a fund will fluctuate, which means that an investor could lose money over short or long periods.

Investment Style Risk. The Fund is not actively managed. Therefore, the Fund follows the securities included in its respective index during upturns as well as downturns. Because of its indexing strategy, the Fund does not take steps to reduce market exposure or to lessen the effects of a declining market. In addition, because of the Fund’s expenses, the Fund’s performance may be below that of its index.

BlueStar Israel Technology ETF

NOTES TO FINANCIAL STATEMENTS

September 30, 2018 (Continued)

Equity Risk. The prices of equity securities rise and fall daily. These price movements may result from factors affecting individual companies, industries or the securities market as a whole. In addition, equity markets tend to move in cycles which may cause stock prices to fall over short or extended periods of time.

Securities Lending Risk. Securities lending involves the risk of loss of rights in, or delay in recovery of, the loaned securities if the borrower fails to return the security loaned or becomes insolvent.

Concentration Risk. To the extent that the Fund's or its underlying index's portfolio is concentrated in the securities of issuers in a particular market, industry, group of industries, sector or asset class, the Fund may be adversely affected by the performance of those securities, may be subject to increased price volatility and may be more vulnerable to adverse economic, market, political or regulatory occurrences affecting that market, industry, group of industries, sector or asset class.

NOTE 4 – COMMITMENTS AND OTHER RELATED PARTY TRANSACTIONS.

ETF Managers Group, LLC (the "Advisor"), serves as the investment advisor to the Fund. Pursuant to an Investment Advisory Agreement ("Advisory Agreement") between the Trust, on behalf of the Fund, and the Advisor, the Advisor provides investment advice to the Fund and oversees the day-to-day operations of the Fund, subject to the direction and control of the Board and the officers of the Trust.

Under the Investment Advisory Agreement with the Fund, the Advisor has overall responsibility for the general management and administration of the Fund and arranges for sub-advisory, transfer agency, custody, fund administration and accounting, securities lending, and all other non-distribution related services necessary for the Fund to operate. The Advisor bears the costs of all advisory and non-advisory services required to operate the Fund, in exchange for a single unitary management fee. For services provided the Fund pays the Advisor at an annual rate of 0.75% of the Fund's average daily net assets. The Advisor has an agreement with, and is dependent on, a third party to pay the Fund's expenses in excess of 0.75% of the Fund's average daily net assets. Additionally, under the Investment Advisory Agreement, the Advisor has agreed to pay all expenses of the Fund, except for: the fee paid to the Advisor pursuant to the Investment Advisory Agreement, interest charges on any borrowings, taxes, brokerage commissions and other expenses incurred in placing orders for the purchase and sale of securities and other investment instruments, acquired fund fees and expenses, accrued deferred tax liability, extraordinary expenses, and distribution (12b-1) fees and expenses (collectively, "Excluded Expenses"). The Advisor has entered into an Agreement with ITEQ ETF Partners, LLC (the "Sponsor"), under which the Sponsor agrees to sublicense the use of the Underlying Index to the Advisor. The Sponsor also provides marketing support for the Fund, including distributing marketing materials related to the Fund. ITEQ ETF Partners, LLC is a privately held business focused on bringing exchange-traded investment products to investors in the U.S. The Sponsor does not make investment decisions, provide investment advice, or otherwise act in the capacity of an investment adviser to the Fund. Additionally, the Sponsor is not involved in the maintenance of the Underlying Index and does not otherwise act in the capacity of an index provider.

U.S. Bancorp Fund Services, LLC, doing business as U.S. Bank Global Fund Services (the "Administrator"), provides fund accounting, fund administration, and transfer agency services to the Fund. The Advisor compensates the Administrator for these services under an administration agreement between the two parties.

BlueStar Israel Technology ETF

NOTES TO FINANCIAL STATEMENTS

September 30, 2018 (Continued)

The Advisor pays each independent Trustee a quarterly fee for service to the Fund. Each Trustee is also reimbursed by the Advisor for all reasonable out-of-pocket expenses incurred in connection with his duties as Trustee, including travel and related expenses incurred in attending Board meetings.

NOTE 5 – DISTRIBUTION PLAN

The Fund has adopted a Plan of Distribution pursuant to Rule 12b-1 under the 1940 Act. Under the Plan, the Fund may pay compensation to the Distributor or any other distributor or financial institution with which the Trust has an agreement with respect to the Fund, with the amount of such compensation not to exceed an annual rate of 0.25% of each Fund's average daily net assets. For the year ended September 30, 2018, the Fund did not incur any 12b-1 expenses.

NOTE 6 - PURCHASES AND SALES OF SECURITIES

The costs of purchases and sales of securities, excluding short-term securities and in-kind transactions, for the year ended September 30, 2018:

	<u>Purchases</u>	<u>Sales</u>
BlueStar Israel Technology ETF	\$4,255,929	\$5,170,525

The costs of purchases and sales of in-kind transactions associated with creations and redemptions for the year ended September 30, 2018:

	<u>Purchases In-Kind</u>	<u>Sales In- Kind</u>
BlueStar Israel Technology ETF	\$38,591,341	\$5,503,082

Purchases in-kind are the aggregate of all in-kind purchases and sales in-kind are the aggregate of all proceeds from in-kind sales. Net capital gains or losses resulting from in-kind redemptions are excluded from the determination of the Fund's taxable gains and are not distributed to shareholders.

There were no purchases or sales of U.S. Government obligations for the year ended September 30, 2018.

NOTE 7 — SECURITIES LENDING

The Fund may lend up to 33 1/3% of the value of the securities in its portfolio to brokers, dealers and financial institutions (but not individuals) under terms of participation in a securities lending program administered by U.S. Bank N.A. ("the Custodian"). The securities lending agreement requires that loans are collateralized at all times in an amount equal to at least 102% of the value of any loaned securities at the time of the loan, plus accrued interest. The Fund receives compensation in the form of fees and earns interest on the cash collateral. The amount of fees depends on a number of factors including the type of security and length of the loan. The Fund continues to receive interest payments or dividends on the securities loaned during the borrowing period. Gain or loss in the fair value of securities loaned that may occur during the term of the loan will be for the account of the Fund. The Fund has the right under the terms of the securities lending agreement to recall the securities from the borrower on demand. As of September 30, 2018, the Fund had loaned securities and received cash collateral for the loans. The cash collateral is invested by the Custodian in accordance with approved investment guidelines. Those guidelines require the cash collateral to be invested in readily marketable, high quality, short-term obligations; however, such investments are subject to risk of payment delays or default on the part of the issuer or counterparty or otherwise may not generate

BlueStar Israel Technology ETF

NOTES TO FINANCIAL STATEMENTS

September 30, 2018 (Continued)

sufficient interest to support the costs associated with securities lending. The Fund could also experience delays in recovering its securities and possible loss of income or value if the borrower fails to return the borrowed securities, although the Fund is indemnified from this risk by contract with the securities lending agent.

As of September 30, 2018, the value of the securities on loan and payable for collateral due to broker were as follows:

Value of Securities on Loan and Collateral Received

Fund	Values of Securities on Loan	Fund Collateral Received*
BlueStar Israel Technology ETF	\$5,165,610	\$5,313,584

* The cash collateral received was invested in the Mount Vernon Liquid Assets Portfolio, an investment with an overnight and continuous maturity, as shown on the Schedule of Investments.

Interest income earned on collateral investments (including applicable fees) and recognized by the Fund during the year ended September 30, 2018, aggregated \$25,358.

NOTE 8 – FEDERAL INCOME TAXES

The components of distributable earnings (losses) and cost basis of investments for federal income tax purposes at September 30, 2018 were as follows:

	Cost	Gross Unrealized Appreciation	Gross Unrealized Depreciation	Net Unrealized Appreciation (Depreciation)	
BlueStar Israel Technology ETF	\$ 60,394,917	\$ 10,006,885	\$ (3,933,149)	\$ 6,073,736	
	Undistributed Ordinary Income	Undistributed Long-term Gain	Total Distributable Earnings	Other Accumulated (Loss)	Total Accumulated Gain
BlueStar Israel Technology ETF	\$ 146,990	\$ —	\$ 146,990	\$ (80,002)	\$ 6,140,724

As of September 30, 2018, the Fund had accumulated capital loss carryovers of:

	Capital Loss Carryforward LT	Expires
BlueStar Israel Technology ETF	\$ 79,947	Indefinite

Under current tax law, capital and currency losses realized after October 31 of a Fund's fiscal year may be deferred and treated as occurring on the first business day of the following fiscal year for tax purposes. The following Funds had deferred post-October capital and currency losses, which will be treated as arising on the first business day of the year ended September 30, 2018.

BlueStar Israel Technology ETF

NOTES TO FINANCIAL STATEMENTS

September 30, 2018 (Continued)

	Late Year Ordinary Loss	Post-October Capital Loss
BlueStar Israel Technology ETF	None	None

U.S. GAAP requires that certain components of net assets relating to permanent differences be reclassified between financial and tax reporting. These reclassifications have no effect on net assets or net asset value per share. For the fiscal year ended September 30, 2018, the following table shows the reclassifications made:

	Undistributed Accumulated Net Investment Income	Accumulated Net Realized Loss	Paid-In Capital
BlueStar Israel Technology ETF	\$ 113,579	\$ (1,642,177)	\$ 1,528,598

The tax character of distributions paid by the Fund during the fiscal years ended September 30, 2018 and September 30, 2017 are as follows:

	Year Ended September 30, 2018		Year Ended September 30, 2017	
	From Ordinary Income	From Capital Gains	From Ordinary Income	From Capital Gains
BlueStar Israel Technology ETF	\$ 163,624	\$ —	\$ 18,370	\$ —

NOTE 9 – LEGAL MATTERS

The Trust, the trustees of the Trust, the Adviser and certain officers of the Adviser are defendants in an action filed May 2, 2017 in the Superior Court of New Jersey captioned *PureShares, LLC d/b/a PureFunds et al. v. ETF Managers Group, LLC et al.*, Docket No. C-63-17. The *PureShares* action alleges claims based on disputes arising out of contractual relationships with the Adviser. The action seeks damages in unspecified amounts and injunctive relief based on breach of contract, wrongful termination, and several other theories. At the outset of the litigation, and again a few weeks later, plaintiffs sought temporary injunctive relief. Both motions were denied, and the matter is now proceeding through pretrial discovery. The defendants believe the lawsuit is without merit and intend to vigorously defend themselves against the allegations.

The Adviser, its parent, Exchange Traded Managers Group, LLC and its chief executive officer are defendants in a case filed on October 26, 2017 in the United States District Court for the Southern District of New York by NASDAQ, Inc. captioned *Nasdaq, Inc. v. Exchange Traded Managers Group, LLC et al.*, Case 1:17-cv-08252. This action arises out of related facts and circumstances in the New Jersey litigation and asserts claims for breach of contract, wrongful termination and certain other theories with respect to the same exchange traded Fund discussed above. The defendants in the Southern District actions believe the lawsuit is without merit and intend to vigorously defend themselves against the allegations and to assert counterclaims against NASDAQ for breaches of its duties under the related index license agreement and various other agreements. Management of the Trust and the Fund, after consultation with legal counsel, believes that the resolution of these matters will not have a material adverse effect on the Fund's financial statements.

BlueStar Israel Technology ETF

NOTES TO FINANCIAL STATEMENTS

September 30, 2018 (Continued)

NOTE 10 – SUBSEQUENT EVENTS

In preparing these financial statements, the Fund has evaluated events and transactions for potential recognition or disclosure through the date the financial statements were issued. This evaluation did not result in any subsequent events that necessitated disclosures and/or adjustments to the Financial Statements.

BlueStar Israel Technology ETF

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of ETF Managers Trust
and the Shareholders of BlueStar Israel Technology ETF:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of BlueStar Israel Technology ETF (the “Fund”) (a series of ETF Managers Trust) as of September 30, 2018, the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the periods presented and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of September 30, 2018, and the results of its operations for the year then ended, the changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the periods presented, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements and financial highlights are the responsibility of the Fund’s management. Our responsibility is to express an opinion on these financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. Our procedures included confirmation of securities owned as of September 30, 2018 by correspondence with the custodian. We believe that our audits provide a reasonable basis for our opinion.

We have served as the auditor for one or more series of the Trust since 2013.

/s/WithumSmith+Brown, PC
New York, New York
November 29, 2018

BlueStar Israel Technology ETF

FREQUENCY DISTRIBUTION OF PREMIUMS AND DISCOUNTS (Unaudited)

BlueStar Israel Technology ETF Closing Price vs. NAV

The following Frequency Distribution of Premiums and Discounts chart is provided to show the frequency at which the closing price for each Fund is at a premium or discount to its daily net asset value (NAV). The chart presented represents past performance and cannot be used to predict future results.

BlueStar Israel Technology ETF	Year Ended	
	September 30, 2018	
Premium/Discount Range	Number of Days	Percentage of Total Days
Greater than 1.00%	2	0.8
Greater Than or equal to 0.75% And Less Than 1.00%	2	0.8
Greater Than or Equal to 0.50% And Less Than 0.75%	25	9.9
Greater Than or Equal to 0.25% And Less Than 0.50%	135	53.8
Greater Than or Equal to 0.00% And Less Than 0.25%	71	28.3
Less Than or Equal to 0.0% And Greater Than -0.25%	12	4.8
Less Than or Equal to -0.25% And Greater Than -0.50%	3	1.2
Less Than or Equal to -0.50% And Greater Than -0.75%	1	0.4
Less Than or Equal to -0.75% And Greater Than -1.00%	0	0.0
Less than -1.00%	0	0.0

BlueStar Israel Technology ETF	Year Ended	
	September 30, 2017	
Premium/Discount Range	Number of Days	Percentage of Total Days
Greater than 1.00%	0	0.0
Greater Than or equal to 0.75% And Less Than 1.00%	1	0.4
Greater Than or Equal to 0.50% And Less Than 0.75%	15	6.0
Greater Than or Equal to 0.25% And Less Than 0.50%	161	64.1
Greater Than or Equal to 0.00% And Less Than 0.25%	70	27.9
Less Than or Equal to 0.0% And Greater Than -0.25%	4	1.6
Less Than or Equal to -0.25% And Greater Than -0.50%	0	0.0
Less Than or Equal to -0.50% And Greater Than -0.75%	0	0.0
Less Than or Equal to -0.75% And Greater Than -1.00%	0	0.0
Less than -1.00%	0	0.0

BlueStar Israel Technology ETF	November 2, 2015* through	
	September 30, 2016	
Premium/Discount Range	Number of Days	Percentage of Total Days
Greater than 1.00%	3	1.3
Greater Than or equal to 0.75% And Less Than 1.00%	8	3.5
Greater Than or Equal to 0.50% And Less Than 0.75%	70	30.3
Greater Than or Equal to 0.25% And Less Than 0.50%	103	44.6
Greater Than or Equal to 0.00% And Less Than 0.25%	38	16.5
Less Than or Equal to 0.0% And Greater Than -0.25%	8	3.5
Less Than or Equal to -0.25% And Greater Than -0.50%	1	0.4
Less Than or Equal to -0.50% And Greater Than -0.75%	0	0.0
Less Than or Equal to -0.75% And Greater Than -1.00%	0	0.0
Less than -1.00%	0	0.0

*First day of secondary market trading

BlueStar Israel Technology ETF

EXPENSE EXAMPLE

Six Months Ended September 30, 2018 (Unaudited)

As a shareholder of BlueStar Israel Technology ETF (the "Fund") you incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of Fund shares, and (2) ongoing costs, including management fees and other Fund expenses. These examples are intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other funds. The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period (April 1, 2018 to September 30, 2018).

Actual Expenses

The first line of the table provides information about actual account values based on actual returns and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then, multiply the result by the number in the first line under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The second line of the table provides information about hypothetical account values based on a hypothetical return and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as brokerage commissions paid on purchases and sales of Fund shares. Therefore, the second line of the table is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. If these transactional costs were included, your costs would have been higher.

BlueStar Israel Technology ETF

	Beginning Account Value April 1, 2018	Ending Account Value September 30, 2018	Expenses Paid During the Period[^]	Annualized Expense Ratio During the Period April 30, 2018 – September 30, 2018
Actual	\$1,000.00	\$1,126.10	\$4.00	0.75%
Hypothetical (5% annual)	\$1,000.00	\$1,021.31	\$3.80	0.75%

[^] The dollar amounts shown as expenses paid during the period are equal to the annualized six-month expense ratio multiplied by the average account value during the period, multiplied by 183/365 (to reflect the period from April 1, 2018 to September 30, 2018).

BlueStar Israel Technology ETF

SUPPLEMENTARY INFORMATION

September 30, 2018 (Unaudited)

**FEDERAL TAX INFORMATION
(Unaudited)**

Qualified Dividend Income/Dividends Received Deduction

For the fiscal year ended September 30, 2018, certain dividends paid by the Fund may be subject to a maximum tax rate of 15%, as provided for by the Jobs and Growth Tax Reconciliation Act of 2003. The percentage of dividends declared from ordinary income designated as qualified dividend income was as follows:

Fund Name	QDI
Etho Climate Leadership U.S. ETF	100.00%

For corporate shareholders, the percent of ordinary income distributions qualifying for the corporate dividends received deduction for the fiscal year ended September 30, 2018 was as follows:

Fund Name	DRD
Etho Climate Leadership U.S. ETF	100.00%

Short Term Capital Gain

The percentage of taxable ordinary income distributions that are designated as short-term capital gain distributions under Internal Revenue Section 871 (k)(2)(C) for the Fund was as follows:

Fund Name	Short-Term Capital Gain
Etho Climate Leadership U.S. ETF	5.17%

BlueStar Israel Technology ETF

SUPPLEMENTARY INFORMATION

September 30, 2018 (Unaudited) (Continued)

INFORMATION ABOUT PORTFOLIO HOLDINGS

The Fund files a Form N-Q with the Securities and Exchange Commission (the “SEC”) no more than sixty days after the Fund’s first and third fiscal quarters. For the Fund, this would be for the fiscal quarters ending June 30 and December 31. Form N-Q includes a complete schedule of the Funds’ portfolio holdings as of the end of those fiscal quarters. The Fund’s N-Q filings can be found free of charge on the SEC’s website at <http://www.sec.gov>. The Fund’s portfolio holdings are posted on the Fund’s website at www.iteqtf.com daily.

INFORMATION ABOUT PROXY VOTING

A description of the policies and procedures the Fund uses to determine how to vote proxies relating to portfolio securities is provided in the Statement of Additional Information (“SAI”). The SAI is available without charge upon request by calling toll-free at 1-844-ETF-MGRS (1-844-383-6477), by accessing the SEC’s website at www.sec.gov, or by accessing the Fund’s website at www.iteqtf.com.

Information regarding how the Fund voted proxies relating to portfolio securities during the period ending June 30 is available by calling toll-free at 1-844-ETF-MGRS (1-844-383-6477) or by accessing the SEC’s website at www.sec.gov.

Carefully consider the Fund’s investment objectives, risk factors, charges, and expenses before investing. This and additional information can be found in the Fund’s prospectus, which may be obtained by calling 1-844-ETF-MGRS (1-844-383-6477) or by visiting www.iteqtf.com. Read the prospectus carefully before investing.

BlueStar Israel Technology ETF

SUPPLEMENTARY INFORMATION

September 30, 2018 (Unaudited) (Continued)

Board of Trustees

Set forth below are the names, birth years, positions with the Trust, length of term of office, and the principal occupations and other directorships held during at least the last five years of each of the persons currently serving as a Trustee of the Trust, as well as information about each officer. The business address of each Trustee and officer is 30 Maple Street, 2nd Floor, Summit, New Jersey 07901. The SAI includes additional information about Fund directors and is available, without charge, upon request by calling 1-844-ETF-MGRS (1-844-383-6477).

Name and Year of Birth	Position(s) Held with the Trust, Term of Office and Length of Time Served	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen By Trustee	Other Directorships Held by Trustee During Past 5 Years
Interested Trustee* and Officers				
Samuel Masucci, III (1962)	Trustee, Chairman of the Board and President (since 2012); Secretary (since 2014)	Chief Executive Officer, Exchange Traded Managers Group, LLC (since 2013); Chief Executive Officer (since 2016), ETF Managers Group, LLC; Chief Executive Officer, ETF Managers Capital LLC (commodity pool operator) (since 2014); Chief Executive Officer (2012–2016) and Chief Compliance Officer (2012–2014), Factor Advisors, LLC (investment adviser); President and Chief Executive Officer, Factor Capital Management LLC (2012–2014) (commodity pool operator).	10	None
Reshma J. Amin (1978)	Chief Compliance Officer (since 2016)	Chief Compliance Officer, ETF Managers Group LLC (since 2016); Partner, Crow & Cushing (law firm) (2007–2016).	n/a	n/a
John A. Flanagan (1946)	Treasurer (since 2015)	President, John A. Flanagan CPA, LLC (accounting services) (since 2010); Treasurer, ETF Managers Trust (since 2015); Principal Financial Officer, ETF Managers Capital, LLC (commodity pool operator) (since 2014); Chief Financial Officer, Macromarkets LLC (exchange traded funds) (2007–2010)	n/a	n/a

* Mr. Masucci is an interested Trustee by virtue of his role as the Chief Executive Officer of the Adviser.

SUPPLEMENTARY INFORMATION

September 30, 2018 (Unaudited) (Continued)

BlueStar Israel Technology ETF

SUPPLEMENTARY INFORMATION

September 30, 2018 (Unaudited) (Continued)

Board of Trustees (Continued)

Name and Year of Birth	Position(s) Held with the Trust, Term of Office and Length of Time Served	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen By Trustee	Other Directorships Held by Trustee During Past 5 Years
Independent Trustees				
Jared Chase (1955)	Trustee (since 2018)	Chairman, State Street Global Alliance LLC, State Street Corporation (2007-2012); Head of Global Treasury, Liability Management, Money Markets & Derivatives, State Street Corporation (2004-2007)	10	None
Terry Loeb (1963)	Trustee (since 2014)	Founder and Managing Member, Pulsenomics LLC (index product development and consulting firm) (since 2011); Managing Director, MacroMarkets, LLC (exchange-traded products firm) (2006–2011).	10	None

SUPPLEMENTARY INFORMATION

September 30, 2018 (Unaudited) (Continued)

ETF MANAGERS TRUST

Privacy Policy and Procedures

ETF Managers Trust, (the “Trust”) has adopted the following privacy policies in order to safeguard the personal information of the Trust’s customers and consumers in accordance with Regulation S-P as promulgated by the U.S. Securities and Exchange Commission.

Trust officers are responsible for ensuring that the following policies and procedures are implemented:

1) The Trust is committed to protecting the confidentiality and security of the information they collect and will handle personal customer and consumer information only in accordance with Regulation S-P and any other applicable laws, rules and regulations¹. The Trust will ensure: (a) the security and confidentiality of customer records and information; (b) that customer records and information are protected from any anticipated threats and hazards; and (c) that customer records and information are protected from unauthorized access or use.

2) The Trust conducts its business affairs through its trustees, officers and third parties that provide services pursuant to agreements with the Trust. The Trust has no employees. It is anticipated that the trustees and officers of the Trust who are not employees of service providers of the Trust will not have access to customer records and information in the performance of their normal responsibilities for the Trust.

3) The Trust may share customer information with its affiliates, subject to the customers’ right to prohibit such sharing.

4) The Trust may share customer information with unaffiliated third parties only in accordance with the requirements of Regulation S-P. Pursuant to this policy, the Trust will not share customer information with unaffiliated third parties other than as permitted by law, unless authorized to do so by the customer.

Consistent with these policies, the Trust has adopted the following procedures:

1) The Trust will determine that the policies and procedures of its affiliates and Service Providers are reasonably designed to safeguard customer information and only permit appropriate and authorized access to and use of customer information through the application of appropriate administrative, technical and physical protections.

2) The Trust will direct each of its Service Providers to adhere to the privacy policy of the Trust and to its privacy policies with respect to all customer information of the Trust and to take all actions reasonably necessary so that the Trust is in compliance with the provisions of Regulation S-P, including, as applicable, the development and delivery of privacy notices and the maintenance of appropriate and adequate records.

3) The Trust requires its Service Providers to provide periodic reports to the Trust’s Board of Trustees outlining their privacy policies and the implementation of such policies. Each Service Provider is required to promptly report to the Trust’s Board any material changes to its privacy policy before, or promptly after, the adoption of such changes

⁽¹⁾ Generally, the Funds have institutional clients which are not considered “customers” for purposes of regulation S-P.

Advisor

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Distributor

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Custodian

U.S. Bank National Association
Custody Operations
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Transfer Agent

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Securities Lending Agent

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