GLOBAL X INSIGHTS

Global X Commodity Strategy ETF (COMD) 2Q26 Commentary

Trevor Yates
tyates@globalxetfs.com

Date: August 20, 2026
Topic: Commodities

After a strong start to the year, commodities, as measured by the Bloomberg Commodity Total Return Index (BCOMTR or "the Index"), consolidated in the second quarter of 2026 as the Strait of Hormuz situation eased. Commodities nonetheless continued to outpace both U.S. and global equities over the first half of 2026, with the Index returning over 14% year-to-date through June 30, 2026[1].

Market Review

Though COMD outperformed the BCOMTR benchmark, the asset class pared early 2026 gains, declining -8% during the second quarter[2]. Energy led the index decline, falling -14% during the second quarter as traffic through the Hormuz Strait began to normalize later in the quarter following the US-Iran agreement[3]. Brent and WTI oil fell -21% and -18% respectively, with their curves flipping from record backwardation to contango[4]. The product market proved more resilient as global refining capacity remains constrained.

Precious and industrial metals moved in opposing directions. Gold and silver fell roughly -14% and -22% respectively, as the market priced in a more hawkish Federal Reserve[5]. Industrial metals told a different story, rising 1% for the quarter[6]. Copper gained over +9% and zinc rose +3% on resilient underlying demand and constrained supply[7].

Agriculture performance was more mixed, with the Bloomberg Agriculture Subindex (BCOMAG index) declining -4% during the quarter[8]. Cocoa surged over +47% on growing risks of a super El Nino, with coffee adding +12% on tight supply[9]. Grains broadly declined alongside energy prices, with corn falling -17%, wheat declining -9%, and soybeans down -8%[10].

Fund Performance & Attribution

COMD outperformed the broad BCOMTR benchmark by +2.92%, returning -5.16% (NAV return) during the second quarter versus a -8.08% decline in the benchmark[11]. On a market price return basis, the fund returned -5.14% during the quarter[12]. Since the fund's inception on February 10, 2026, the fund has returned +3.73% (NAV)[13].

The fund's positioning further out on the energy curve was the leading contributor to performance this quarter as the oil futures curve flipped from record backwardation to contango following the US-Iran deal[14,]. The fund's overweight positioning in cocoa also added to relative performance. The main detractors to performance were the fund's underweight positioning in coffee and overweight position in gold, with the precious metals' impact partially offset by the fund's underweight in silver, which underperformed gold. During the quarter the fund entered a new position in cocoa while also sold out of a position in platinum.

COMD PERFORMANCE THROUGH JUNE 30, 2026 (%)

	Q2	1Y	Since Inception*
NAV	-5.16%	-	3.37%
Market Price	-5.14	-	3.98%
Bloomberg Commodity Total Return Index	-8.08	-	6.10%

*From February 10, 2026
Source: Global X ETFs.

The performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance quoted. Performance current to the most recent quarter- and month-end is available at https://www.globalxetfs.com/funds/comd/. Expense Ratio: 0.55%.

COMD TOP 10 EXPOSURE AS OF JUNE 30, 2026 EXCLUDING CASH (% OF NAV)

MICRO GOLD Aug26	13.16%	COPPER FUTURE Sep26	5.10%
BRENT CRUDE FUTURE Sep26	9.51%	LME PRI ALUM FUTURE Dec26	5.02%
WTI CRUDE FUTURE Sep26	9.03%	CORN FUTURE Sep26	4.75%
SOYBEAN FUTURE Nov26	5.59%	NY HARB ULSD FUTURE Sep26	4.33%
NATURAL GAS FUTURE Oct26	5.24%	SOYBEAN OIL FUTURE Dec26	3.83%

Source: Global X ETFs.

Holdings are subject to change.

Outlook

We continue to believe commodities can offer various benefits to a portfolio, including a potential hedge against inflation and a weaker US dollar. Looking ahead, US consumer price inflation appears to have peaked in May, and we believe the Federal Reserve's hawkish stance has peaked alongside it, leaving room for a weaker dollar ahead. That backdrop should support demand for gold, with speculative positioning in precious metals now back to more normalized levels while central banks have remained net buyers of the bullion[15]. We are also constructive on the longer-term thesis for copper, where structural demand continues to build against a more challenged supply outlook. Within energy, we continue to favor downstream products given tight global refining capacity. In agriculture, we see further upside for cocoa and sugar on growing El Nino supply risk. Overall, we continue to believe commodities play an important role within a portfolio, especially as a way to potentially protect against inflation. COMD provides active commodity allocations while maintaining its positioning further out on the futures curve in aims of reducing the impact of rolls over time. The fund provides active commodity security selection with the fee structure, and liquidity of its ETF wrapper.

Why This Fund

Commodities once again proved their resilience in the first half of 2026, providing protection against accelerating inflation and outperforming both equities and fixed income.[16] We see inflation and portfolio concentration as structural risks for many portfolios, with growing El Niño concerns and geopolitical energy supply shocks adding to macroeconomic uncertainty and underscoring the current need to diversify. COMD provides broad exposure to commodities markets, including agriculture and energy, while the fund's active approach to futures contract selection aims to reduce the costs associated with rolling futures contracts on performance.

Related ETFs

COMD – Global X Commodity Strategy ETF

Click the fund name above to view current performance and holdings. Holdings are subject to change. Current and future holdings are subject to risk.

Footnotes

1. Bloomberg LP. Data as of June 30, 2026. U.S Equities represented by S&P 500 Total Return Index: **10.21% YTD**. Global Equities represented by MSCI ACWI Index (Net) Total Return USD: **11.50% YTD**.
2. Bloomberg LP. Data as of June 30, 2026.
3. Ibid.
4. Ibid.
5. Bloomberg LP. Data as of June 30, 2026. Gold is represented by XAU CURNCY. Silver represented by XAG CURNCY.
6. Bloomberg LP. Data as of June 30, 2026. Industrial Metals represented by Bloomberg Commodity Index Industrial Metals Subindex.
7. Bloomberg LP. Data as of June 30, 2026. Copper and Zinc represented using the generic first contracts for both copper (HG1 COMDTY) and zinc (LX1 COMDTY)
8. Ibid.
9. Bloomberg LP. Data as of June 30, 2026. Represented using the generic first contracts for both cocoa (CC1 COMDTY) and Coffee (KC1 COMDTY)
10. Bloomberg LP. Data as of June 30, 2026. Represented using the generic first contracts for corn (C 1 COMDTY) wheat (W 1 COMDTY) and soybeans (S 1 COMDTY)

11. Ibid.
12. Ibid.
13. Ibid.
14. Reuters. Mccartney, Georgina. Somasekhar, Arathy. "Near-term oil prices hit record premium over later deliveries after Trump vows more attacks on Iran." April 2, 2026.
15. World Gold Council. (2026, July 2). Central bank gold statistics: Central banks remain committed to gold.
16. Equities (S&P 500) gained +10.21% in the first half of 2026, Fixed Income (Bloomberg US Aggregate Index Total Return Value Unhedged USD) returned +0.62% in the first half of 2026. Bloomberg LP. Data as of June 30, 2026.

Glossary

Backwardation: A futures curve where near-term contracts trade above longer-dated contracts.
Contango: A futures curve where longer-dated contracts trade above near-term contracts.
Exposure (%): Exposure (%) is equal to the Exposure Amount of a position divided by the total Market Value of the Fund's assets.
Exposure Amount: Exposure Amount ($), when in reference to the Fund's equity security holdings (including any ETFs or individual stocks), refers to its Market Value. In reference to the Fund's futures positions, it refers to the notional value of the futures positions, which represents the total value of the positions referenced by the futures contracts. An 'Exposure Amount' figure is not provided for cash and/or treasury security holdings.
Market Value: Market Value ($) represents the total current value of a given holding. For equity securities, this is calculated as the number of shares held multiplied by its most recent closing price. Because futures contracts are marked to market on a daily basis, any change in the value of a futures contract impacts the amount of cash and/or treasuries held by the Fund, and the Market Value of a futures contract is equal to zero at the close of each business day.
Rolls: The process of replacing an expiring futures contract with a longer-dated contract to maintain continuous market exposure.
Generic First Contracts: A continuous futures price series that tracks the most actively traded, nearest-to-expiration futures contract, switching to the next contract before the current one expires.

This material represents an assessment of the market environment at a specific point in time and is not intended to be a forecast of future events, or a guarantee of future results. This information is not intended to be individual or personalized investment advice and should not be used for trading purposes.

COMD is subject to certain principal risks, including: Active Management Risk; Derivatives Risk; ETF Investment Risk; ETP Investment Risk; Futures Risk; U.S. Treasury Obligations Risk; Cash Transaction Risk; Commodities Regulatory Risk; Commodity Risk, including Agricultural and Soft Sector Risk, Energy Sector Risk, Industrial Metals Sector Risk and Precious Metals Sector Risk; Currency Risk; Custody Risk; Focus Risk; Foreign Securities Risk; Risk of Exposure to Emerging Markets; Risk of Investing in the United States; Issuer Risk; Market Risk; Models and Data Risk; Natural Resources Risk; New Fund Risk; Non-Diversification Risk; Operational Risk; Qualifying Income Risk; Regulatory Risk; Risks associated with Exchange-Traded Funds, including Authorized Participants Concentration Risk, Large Shareholder Risk, Listing Standards Risk, Market Trading Risks and Premium/Discount Risks; Subsidiary Investment Risk; Tax Risk; Trading Halt Risk; and Valuation Risk.

Diversification does not ensure a profit or guarantee against a loss. Investments in commodities and commodity-linked instruments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs, international economic and political developments, and regulatory changes. The Fund's investments in commodity futures and other derivatives may subject the Fund to risks including but not limited to market risk, liquidity risk, counterparty risk, roll yield risk, and risks related to contango and backwardation. Commodities and commodity futures markets may be highly volatile, and losses may occur due to adverse movements in commodity prices or market conditions.

COMD is actively managed, which could increase its transaction costs (thereby lowering its performance) and could increase the amount of taxes you owe by generating short-term gains, which may be taxed at a higher rate. As an actively managed fund, the Fund does not seek to replicate the performance of a specific index. There can be no guarantee that the Fund's active management strategies and processes will be successful.

Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Brokerage commissions will reduce returns.

Index returns are for illustrative purposes only and do not represent actual Fund performance. Index returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index. Past performance does not guarantee future results.

Carefully consider the fund's investment objective, risks, and charges and expenses before investing. This and other information can be found in the fund's full or summary prospectuses, which may be obtained at globalxetfs.com. Please read the prospectus carefully before investing.

Global X Management Company LLC serves as an advisor to Global X Funds. The Funds are distributed by SEI Investments Distribution Co. (SIDCO), which is not affiliated with Global X Management Company LLC or Mirae Asset Global Investments.