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# Short & Leveraged ETFs/ETPs

## Global Report

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30<sup>th</sup> June 2013

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## Global Assets Under Management

- The global Short & Leveraged (S&L) ETP industry grew further in June, with AUM up \$1.7 billion or 3.5% to \$50.9 billion (as of June 30<sup>th</sup> 2013)
- YTD, global S&L ETP AUM is up \$6.8 billion or 15%
- 57% of AUM is held in short products with leverage factors ranging between -1x to -3x. However the leverage factor with the most assets is +2x, with 33% of AUM. 43% of AUM is held in long products with leverage factors ranging between +1.5x to +3x
- In terms of S&L asset allocation, equity ETPs are by far the most popular with 70% of AUM, followed by Debt with 18% and Commodities with 8%
- The largest individual S&L ETPs are short US treasuries and long US equities.

## Short & Leverage Equities (Global)

- Currently there is \$35.4 billion of AUM held in S&L equity ETPs of which 54% is held in long ETPs and 46% is held in short ETPs
- S&L equity ETPs experienced \$3.5 billion of inflows in June, with US, Japan and South Korean equities as the major winners. YTD net flows total \$7.2 billion
- From January to May there was a decline in long equity positions and an increase in short equity positions. June saw a reversal of that trend with inflows of \$4.1 billion into long equity ETPs and outflows of \$609 million from short equity ETPs equal to \$10.1 billion net long notional flows in June (after taking leverage factor into account).
- June saw \$246 million of outflows from short US equity ETPs and inflows of \$1.7 billion into long leveraged US equity ETPs.
- For the second consecutive month, Japanese equity ETPs experienced over \$400 million of inflows, almost entirely into long ETPs. Since the start of 2013, Japanese S&L equity ETPs experienced \$1.3 billion of inflows, of which \$1.2 billion have been into long leveraged ETPs

## Short & Leverage Equities (Europe)

- Currently there is \$4.1 billion of AUM held in S&L equity ETPs tracking Europe or European countries of which 46% is held in long ETPs and 54% is held in short ETPs, with the largest positions being in German, French, Italian and broad European equities
- S&L European equities experienced \$74 million of net outflows in June. Italian and German equity S&L ETPs experienced \$67 million and \$64 million of outflows respectively, while broad European equities and French equities gained \$27 million and \$22 million respectively
- Investors are becoming more bullish in the major European equity markets, which experienced outflows out of short ETPs and inflows into long ETPs in June, reversing a bearish trend since the end of last year

## Short & Leverage Debt (Global)

- Currently there is \$9.2 billion of AUM held in S&L debt ETPs of which 2% is held in long debt ETPs and 98% is held in short debt ETPs
- There were \$1.2 billion of outflows from debt ETPs in June, however YTD there were \$881 million of net inflows
- In line with investors' expectations of a rise in interest rates, \$1 billion (90%) of the flows in June were attributable to outflows from long debt ETPs.
- US debt holds the largest amount of AUM, with German and European debt a distant second and third. The Lyxor Double Short Bund ETF is the largest S&L ETP in Europe
- All the main debt ETP markets are net short, consistent with investor's expectation of an increase in rates

## Short & Leverage Commodities (Global)

- Currently there is \$3.9 billion of AUM held in S&L commodity ETPs of which 51% is held in long commodity ETPs and 49% is held in short commodity ETPs

There were \$117 million of outflows from commodity ETPs in June, consisting of \$47m inflows into long commodity ETPs and \$163 million of outflows from short commodity ETPs. YTD, there have been \$97 million of

net inflows into S&L commodity ETPs

- The S&L commodity ETPs with the most assets are those on gold, silver, oil and natural gas
- **Precious Metals:** S&L gold ETPs have seen the largest outflows, most of which was from short ETPs, indicating some S&L investors may think gold could turn. Silver also saw \$205m net long positioning in June
- **Energy:** in a repeat of May, long oil ETPs saw outflows while short oil ETPs saw inflows in June, equivalent to net short positioning of \$272 million. In contrast, Natural Gas saw inflows into long ETPs and outflows from short ETPs, amounting to a net long positioning of \$350m
- Silver has by far the largest net long position while copper has the largest net short position

## Data, Methodology and Terms Used

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This report provides statistics of AUM, flows and related measures for short & leveraged ETFs/ETPs. Short & leveraged ETFs/ETPs are ETFs/ETPs whose leverage factor which respect to the underlying asset class is currently between -1x and -3x or +1.5x to +3x. ETFs/ETPs which offer a non-leveraged exposure are not included in the analysis.

Following are some definitions for the terms used in the analyses:

- **ETF/ETP** are used as generic terms to refer to ETFs, ETPs, ETNs and ETCs.
- **AUM or Assets** represents the assets under management in an ETF/ETP. For some ETFs/ETPs for which the AUM is not available, their market capitalisations have been used where possible<sup>1</sup>.
- **Asset Flow or Net Subscriptions**, is a measure representing the value of net subscriptions over the period, thus removing the affect of changes due to price.
- **Notional AUM** is the sum of the AUM in each ETP multiplied by the absolute value of its leverage factor, e.g. \$1 in a 3x long ETP or \$1 in a -3x short ETP is \$3 of Notional AUM in both cases.
- **Notional Flow** is the net subscriptions for each ETP multiplied by the absolute value of the leverage factor. Alternatively, it is the change in the Notional AUM that is not due to price changes.
- **Net Position** is the sum of the AUM in each ETP multiplied by its leverage factor (which June be either negative or positive). A negative figure indicates investors are net short.
- **Net Position Flow** is Notional Flow in long ETPs minus the Notional Flow in short ETPs. Alternatively, it is the change in the Net Position that is not due to price changes and indicates whether investors are bullish (net long) or bearish (net short) after taking leverage factor into account
- **Average Investor Leverage** is calculated as the average leverage factor across all ETPs of a certain index / exposure and is weighted by the total AUM and leverage factor for each ETP. Average Investor Leverage is used as a proxy for overall investor sentiment with regard to an asset. It June be biased due to leverage factors on offer for each index / exposure<sup>2</sup>, and thus the change in Average Investor Leverage is the most relevant observation rather than the actual number.

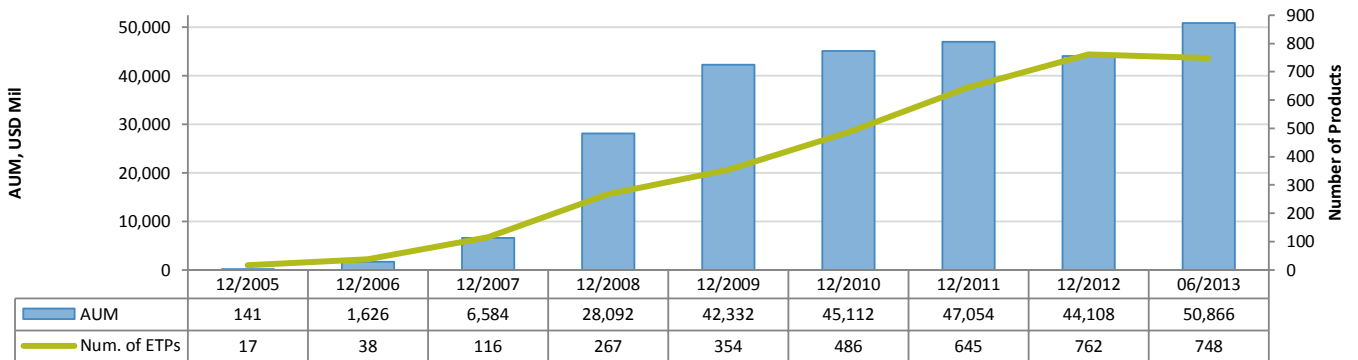
The source for the data is calculations by Boost ETP which are performed on underlying price, return, AUM, currency and market capitalisation data from Bloomberg®. Any fund description data is also obtained from Bloomberg. All data is as of 30th June 2013. All figures are denominated in USD.

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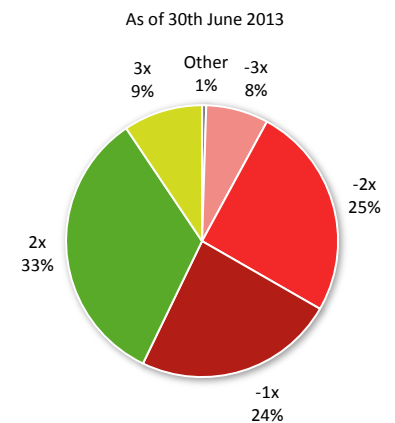
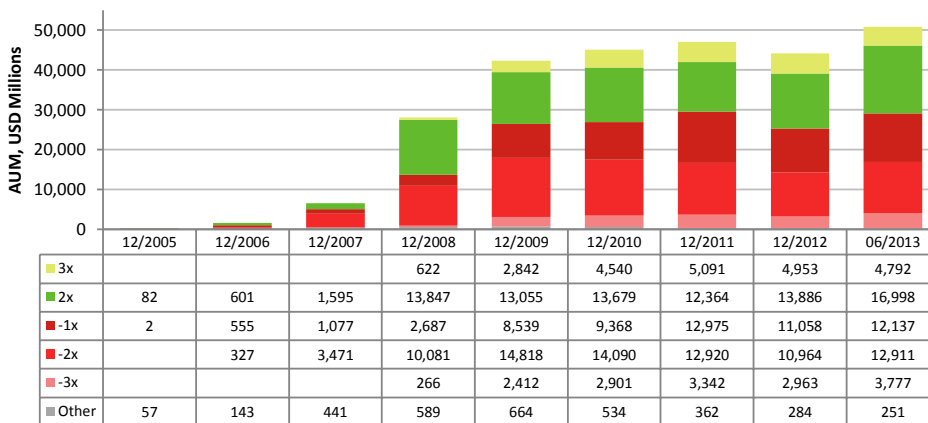
<sup>1</sup> For a minority of short & leveraged ETFs/ETPs, neither the AUM nor the market capitalisation is available. The AUM data for these ETFs/ETPs, as well as all related statistics, as described above, are not included in the analyses presented.

<sup>2</sup> This bias June be exacerbated in cases of a limited offering of short & leveraged ETFs/ETPs on a particular asset class For example, since non-leveraged ETFs/ETPs are not included in the analysis, in cases where only -1x and +1x ETFs/ETPs are offered on an asset class, the Average Investor Leverage will be -1.

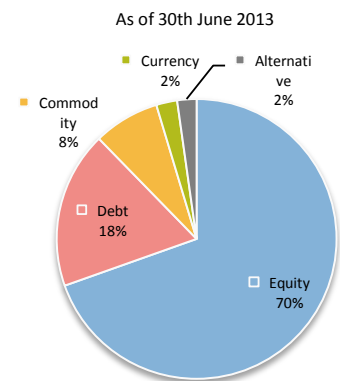
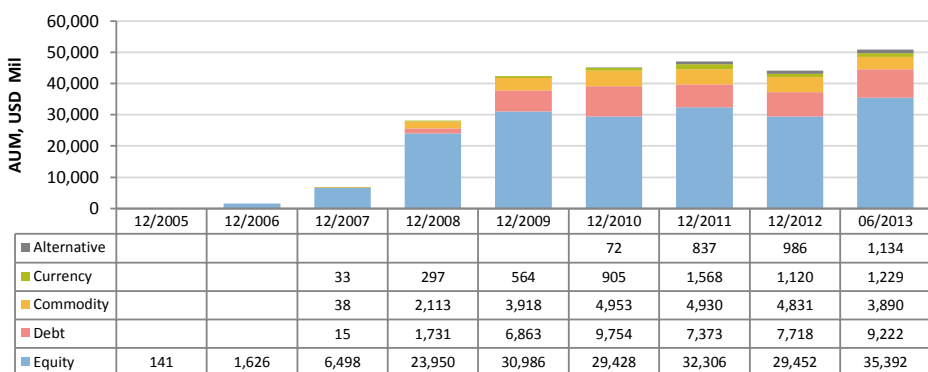
## AUM and Number of Products



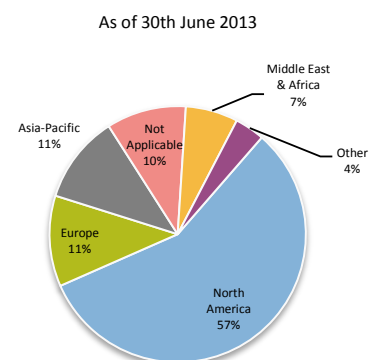
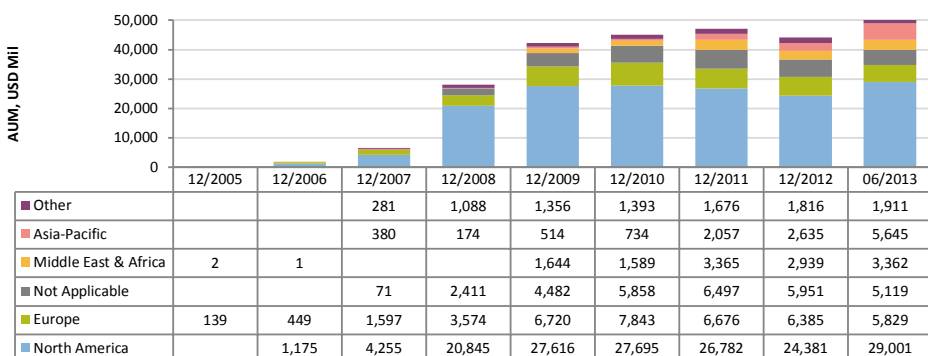
## AUM by Leverage Factor



## AUM by Asset Class



## AUM by Geographic Exposure



# Top S&L ETFs/ETPs

## By Asset Class Focus and ETF/ETP Domicile

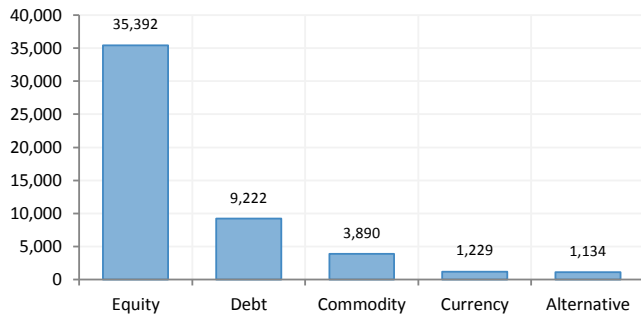


	By AUM		By Past Month's Asset Flows		By YTD Asset Flows	
	Showing 15 largest ETPs by AUM		Showing 15 largest asset flows in the past month		Showing 15 largest asset net flows YTD	
Equities Domiciled in N. America	ETF / ETP	AUM	ETF / ETP Name	Asset Flow	ETF / ETP Name	Asset Flow
	ProShares Ultra S&P500	2,537	ProShares Ultra Russell2000	1,129	ProShares UltraShort S&P500	913
	ProShares Short S&P500	2,071	Direxion Daily Gold Miners Bull 3x Shares	232	ProShares Ultra S&P500	687
	ProShares UltraShort S&P500	1,881	ProShares Short S&P500	223	FI Enhanced Big Cap Growth ETN	642
	Direxion Daily Financial Bull 3X Shares	1,313	ProShares Ultra S&P500	183	Direxion Daily Small Cap Bear 3X Shares	594
	ProShares Ultra Russell2000	1,273	Direxion Daily Financial Bull 3X Shares	136	Direxion Daily Gold Miners Bull 3x Shares	425
	FI Enhanced Big Cap Growth ETN	801	ProShares Short MSCI Emerging Markets	113	ProShares UltraPro Short S&P 500	346
	ProShares Ultra Financials	767	Direxion Daily Small Cap Bull 3X Shares	113	Direxion Daily Financial Bear 3X Shares	327
	Direxion Daily Small Cap Bear 3X Shares	758	ProShares UltraPro S&P 500	101	ProShares Short S&P500	237
	Direxion Daily Financial Bear 3X Shares	602	ProShares UltraShort MSCI Emerging Markets	95	ProShares UltraPro QQQ	-190
	ProShares UltraPro Short S&P 500	601	ProShares Ultra QQQ	89	Direxion Daily Energy Bull 3X Shares	-204
	Direxion Daily Small Cap Bull 3X Shares	566	Direxion Daily Emerging Markets Bull 3X Shar	88	ProShares Ultra Financials	-240
	ProShares Ultra QQQ	554	ProShares Short SmallCap600	-87	ProShares Ultra QQQ	-312
	ProShares UltraPro S&P 500	438	ProShares UltraShort Russell2000	-92	Direxion Daily Financial Bull 3X Shares	-491
	Direxion Daily Gold Miners Bull 3x Share:	406	ProShares UltraShort S&P500	-99	Direxion Daily Small Cap Bull 3X Shares	-529
ProShares Short Russell2000	396	Direxion Daily Small Cap Bear 3X Shares	-116	ProShares Ultra MidCap400	-746	
Equities Domiciled in Europe	ETF / ETP	AUM	ETF / ETP Name	Asset Flow	ETF / ETP Name	Asset Flow
	db x-trackers ShortDAX Daily UCITS ETF	479	Lyxor ETF Leverage CAC 40	161	Lyxor ETF CAC 40 Daily Double Short	101
	Lyxor ETF Leverage CAC 40	374	Lyxor ETF FTSE MIB Daily Leveraged	53	Lyxor ETF FTSE MIB Daily Double Short XBear	59
	Lyxor ETF FTSE MIB Daily Leveraged	337	Lyxor ETF LevDAX	31	db x-trackers S&P 500 2x Inverse Daily ETF	49
	Lyxor ETF LevDAX	253	Lyxor ETF EURO STOXX 50 Daily Leverage	21	db x-trackers - EURO STOXX 50 Short Daily UCITS ETF	36
	db x-trackers S&P 500 Inverse Daily ETF	242	Xact Derivative Bull	20	Lyxor ETF EURO STOXX 50 Daily Double Short	30
	LYXOR ETF CAC 40 Daily Double Short	230	db x-trackers S&P 500 Inverse Daily UCITS ETF	16	Lyxor ETF Daily Shortdax x2	29
	db x-trackers - EURO STOXX 50 Short Daily ETF	207	DnB Norway OBX Derivate Bull	12	db x-trackers ShortDAX x2 Daily UCITS ETF	26
	Lyxor ETF EURO STOXX 50 Daily Leverage	180	Lyxor ETF Daily Shortdax x2	-11	ETFX DAX 2x Short Fund	21
	Lyxor ETF FTSE MIB Daily Double Short XBear	171	XACT Bear	-11	DnB Norway OBX Derivate Bull	-22
	db x-trackers HSI Short Daily Index UCITS ETF	146	Xact Derivat BEAR	-15	XACT Bull 2	-38
	XACT Bull 2	132	ETFX DAX 2x Short Fund	-15	Xact Derivative Bull	-58
	XACT Bull	132	db x-trackers ShortDAX x2 Daily UCITS ETF	-18	Lyxor ETF FTSE MIB Daily Leveraged	-69
	XACT Bear	119	db x-trackers ShortDAX Daily UCITS ETF	-57	Lyxor ETF EURO STOXX 50 Daily Leverage	-110
	Lyxor ETF EURO STOXX 50 Daily Double Short	111	Lyxor ETF FTSE MIB Daily Double Short XBear	-101	Lyxor ETF LevDAX	-162
Xact Derivat Bull	105	Lyxor ETF CAC 40 Daily Double Short	-129	Lyxor ETF Leverage CAC 40	-211	
Fixed Income Domiciled in N. America	ETF / ETP	AUM	ETF / ETP Name	Asset Flow	ETF / ETP Name	Asset Flow
	ProShares UltraShort 20+ Year Treasury	3,792	ProShares Short 20+ Year Treasury	105	ProShares UltraShort 20+ Year Treasury	707
	ProShares Short 20+ Year Treasury	1,259	ProShares Short High Yield	38	ProShares Ultra 7-10 Year Treasury	412
	Direxion Daily 20 Year Plus Treasury Bear 3x Shares	472	Direxion Daily 20 Year Plus Treasury Bull 3x	14	ProShares Short 20+ Year Treasury	305
	ProShares UltraShort Lehman 7-10 Year Treasury	332	ProShares Ultra 20+ Year Treasury	132	Direxion Daily 20+ Yr Treasury Bear 3x Shares	104
	ProShares Short High Yield	86	ProShares UltraShort Lehman 7-10 Year Treas	8	ProShares UltraPro Short 20+ Year Treasury	35
	ProShares UltraPro Short 20+ Year Treasury	69	iPath US Treasury 10-year Bear ETN	5	PowerShares DB 3x Inverse Japan Govt Bond Futures	33
	iPath US Treasury 10-year Bear ETN	62	iPath US Treasury Long Bond Bear ETN	5	ProShares Short 7-10 Treasury	16
	Direxion Daily 7-10 Year Treasury Bear 3x Shares	59	Direxion Daily Total Bond Market Bear 1x Sha	4	ProShares UltraShort Lehman 7-10 Year Treasury	10
	PowerShares DB 3x Inverse Japanese Govt Bond Futures ETN	54	ProShares Short 7-10 Treasury	3	ProShares Short High Yield	8
	PowerShares DB 3x Short 25+ Year Treasury Bond ETN	48	Direxion Daily 20+ Year Treasury Bear 1x Shar	3	ProShares Ultra 20+ Year Treasury	7
	iPath US Treasury Long Bond Bear ETN	39	ProShares Short Investment Grade Corporate	2	iPath US Treasury Long Bond Bear ETN	6
	ProShares Short 7-10 Treasury	36	Direxion Daily 7-10 Year Treasury Bull 3x Shar	-4	PowerShares DB 3X Short 25+ Yr Treasury ETN	5
	Direxion Daily 20 Year Plus Treasury Bull 3x Shares	33	Direxion Daily 20 Year Plus Treasury Bear 3x	-17	Direxion Daily 7-10 Yr Treasury Bull 3x	4
	ProShares Ultra 20+ Year Treasury	29	ProShares UltraShort 20+ Year Treasury	-321	JPMorgan Double Short US 10 Year Treasury Futures ETN	-6
PowerShares DB 3X Long 25+ Year Treasury Bond ETN	24	ProShares Ultra 7-10 Year Treasury	-1,051	iPath US Treasury 10-year Bear ETN	-59	
Fixed Income Domiciled in Europe	ETF / ETP	AUM	ETF / ETP Name	Asset Flow	ETF / ETP Name	Asset Flow
	Lyxor ETF SGI Daily Double Short Bund	697	db x-trackers II iTraxx Crossover Short Daily	16	Lyxor ETF Daily Double Short BTP ETF	161
	db x-trackers Short iBoxx Euro Sovereign	212	ComStage ETF Commerzbank Bund-Future SF	15	Lyxor ETF SGI Daily Double Short Bund	71
	Lyxor ETF Daily Double Short BTP ETF	181	AMUNDI ETF SHORT GOVT BOND EUROMTS B	8	AMUNDI Short US Treasury 7-10 DAILY	20
	Commerzbank Bund-Future Short TR	120	Lyxor ETF Daily Leveraged BTP	5	db x-trackers UK Gilts Double Short Daily ETI	13
	Commerzbank Bund-Future Double Short	99	AMUNDI ETF SHORT GOVT BOND EUROMTS B	3	Commerzbank Bund-Future Double Short TR	12
	db x-trackers II iTraxx Crossover Short Dai	48	db x-trackers II US TREASURIES SHORT DAILY I	1.8	Commerzbank Bund-Future Short TR	7
	Commerzbank Bund-Future Leveraged	27	db x-trackers II UK Gilts Double Short Daily	0.9	db x-trackers II US TREASURIES SHORT DAILY I	2
	AMUNDI ETF Short US Treasury 7-10	25	ComStage ETF Bund-Future Double Short TR	0.1	AMUNDI Short EuroMTS Govt Bond Broad IG	-2
	db x-trackers II iTraxx Europe Short Daily	22	db x-trackers II UK Gilts Double Long Daily	-0.3	AMUNDI Short EuroMTS Govt Bond Broad IG	-5
	Lyxor ETF Daily Leveraged BTP	20	db x-trackers II USD Treasuries Inflation-Linki	-0.5	AMUNDI Short EuroMTS Govt Bond Broad IG	-7
	db x-trackers II UK Gilts Double Short	20	db x-trackers Short iBoxx Euro Sovereigns	-1	db x-trackers II iTraxx Crossover Short Daily L	-8
	AMUNDI Short Govt Bond EuroMTS	16	Lyxor ETF Daily Double Short BTP ETF	-2	AMUNDI Short Govt Bond Broad IG 10-15	-12
	AMUNDI Short Govt Bond EuroMTS 1-3	14	Lyxor ETF Daily Leveraged Bund	-4	Lyxor ETF Daily Leveraged Bund	-13
	db x-trackers II US TREASURIES SHORT DA	12	AMUNDI ETF Short US Treasury 7-10 Yr	-4	Lyxor ETF Daily Leveraged Bund	-14
db x USD Treasuries Inflation-Linked	12	Lyxor ETF SGI Daily Double Short Bund	-7	db x-trackers Short iBoxx Euro Sovereigns	-20	
Commodities	ETF / ETP	AUM	ETF / ETP Name	Asset Flow	ETF / ETP Name	Asset Flow
	ProShares Ultra Silver	419	VelocityShares 3x Long Natural Gas ETN	49	ProShares Ultra Silver	225
	ProShares UltraShort DJ-UBS Crude Oil	242	ProShares UltraShort DJ-UBS Crude Oil	44	ProShares UltraShort DJ-UBS Crude Oil	128
	ProShares Ultra DJ-UBS Crude Oil	219	VelocityShares 3x Long Silver ETN	28	Horizons BetaPro NYMEX NatGas Bear Plus ETF	121
	Horizons BetaPro NYMEX NatGas Bear Plus	211	PowerShares DB Crude Oil Double Short ETN	27	ETFs Daily Short Copper	89
	ETFs Daily Short Copper	197	ProShares Ultra DJ-UBS Natural Gas ETN	16	VelocityShares 3x Long Silver ETN	74
	PowerShares DB Gold Double Long ETN	190	ETFs Daily Leveraged Natural Gas	15	ETFs Daily Short Gold	70
	ProShares UltraShort Gold	188	ETFs Daily Short WTI Crude Oil	-10	PowerShares DB Gold Short ETN	65
	Horizons BetaPro NYMEX Crude Oil Bull Plus	163	ProShares UltraShort DJ-UBS Natural Gas ETF	-12	ProShares UltraShort Gold	61
	ProShares Ultra Gold	138	ProShares Ultra Gold	-16	Horizons BetaPro NYMEX Natural Gas Bull Plus ETF	-53
	ETFs Daily Short Gold	123	PowerShares DB Gold Short ETN	-27	VelocityShares 3x Long Natural Gas ETN	-55
	ProShares UltraShort Silver	100	ETFs Daily Short Copper	-28	PowerShares DB Gold Double Long ETN	-65
	ETFs Daily Leveraged Silver	93	VelocityShares 3x Inverse Natural Gas ETN	-36	ProShares Ultra DJ-UBS Natural Gas ETF	-66
	PowerShares DB Gold Double Short ETN	93	ProShares UltraShort Silver	-48	ETFs Daily Leveraged WTI Crude Oil	-84
	Horizons BetaPro NYMEX NatGas Bull Plus	89	ProShares UltraShort Gold	-48	ETFs Daily Leveraged Natural Gas	-91
PowerShares DB Crude Oil Double Short I	89	ProShares Ultra DJ-UBS Crude Oil	-67	ProShares Ultra DJ-UBS Crude Oil	-231	

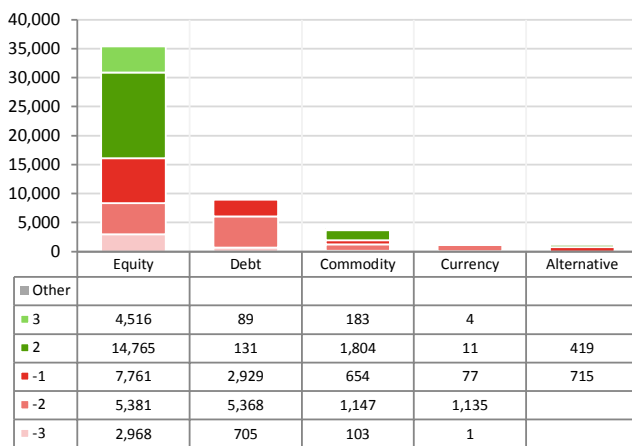
## Current Allocations

As of 30th June 2013; Figures in USD Mil.

### AUM

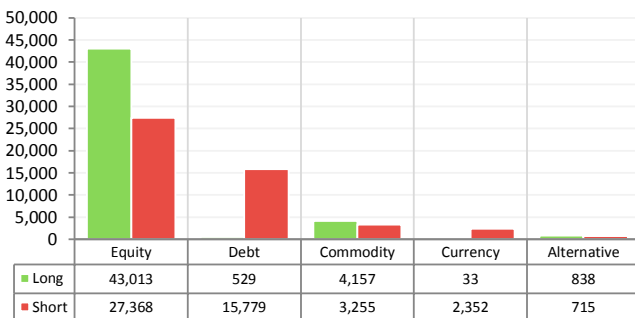


### AUM by Leverage Factor



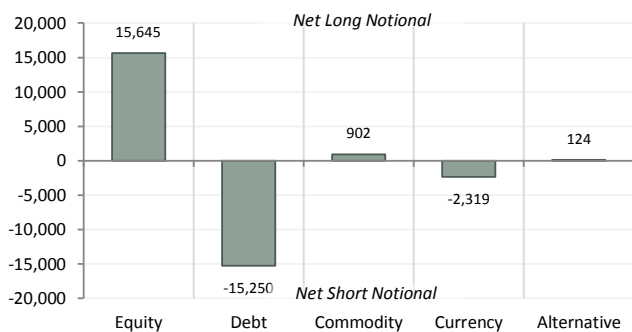
### Notional AUM

The sum of the AUM in each ETP multiplied the absolute value of its leverage factor. E.g., \$1 of assets in a 3x leverage or a 3x short ETP equals \$3 of notional AUM



### Net Position

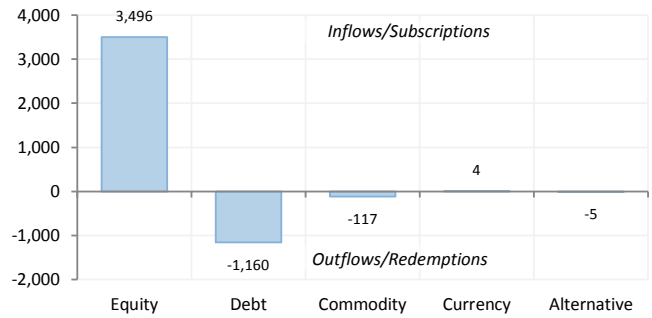
The notional AUM in long minus the notional AUM in short. A negative figure indicates investors are net short



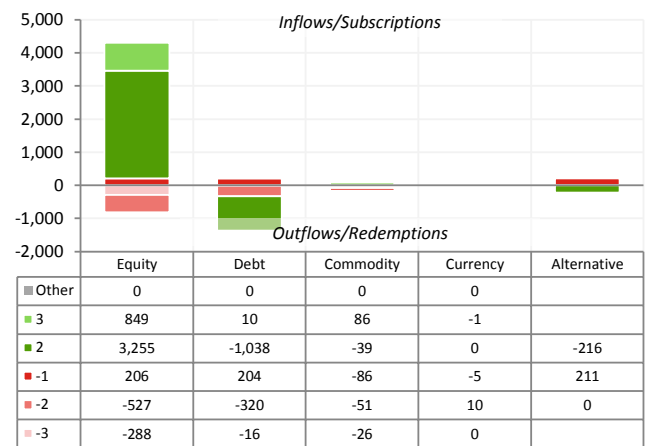
## June 2013 Flows

Over June 2013; Figures in USD Mil.

### Asset Flows

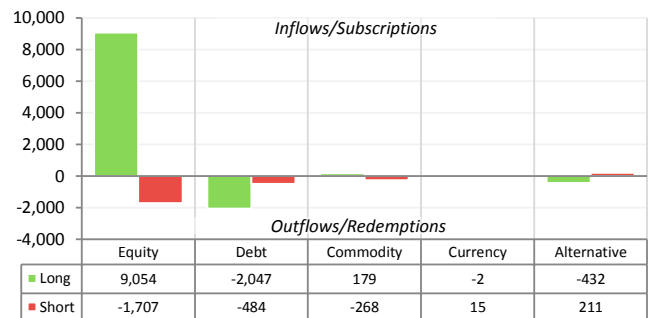


### Asset Flows by Leverage Factor



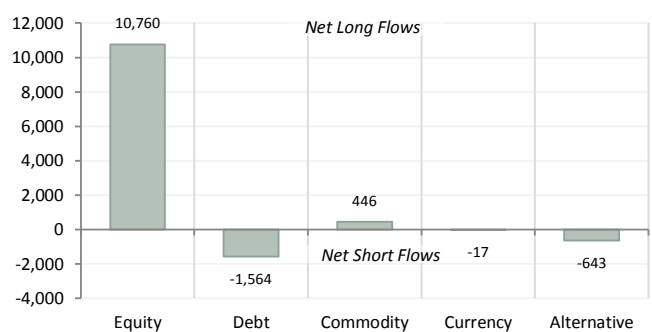
### Notional Flows

The net subscriptions for each ETP multiplied by the absolute value of its leverage factor. E.g., \$1 of outflows from a 3x leverage ETP equals -\$3 of notional flow

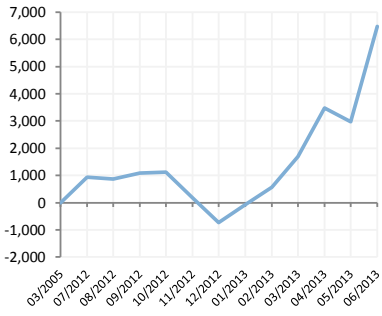
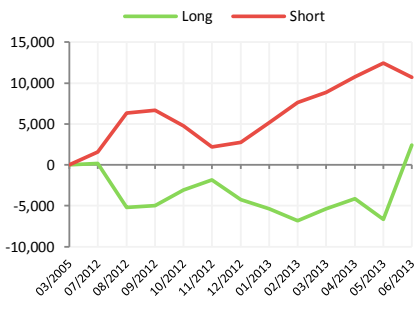
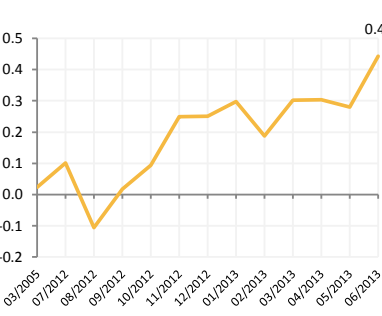
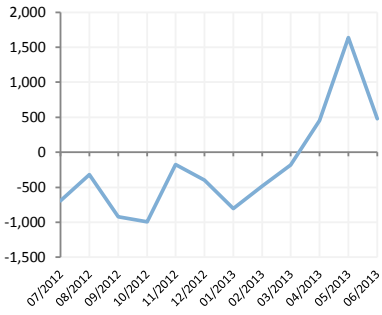
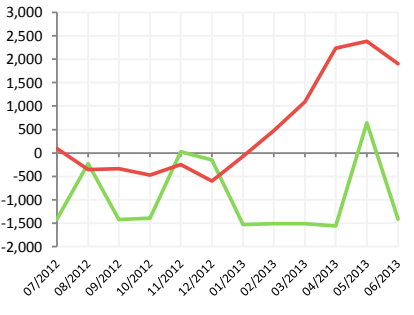
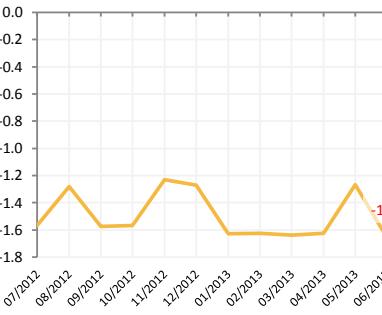
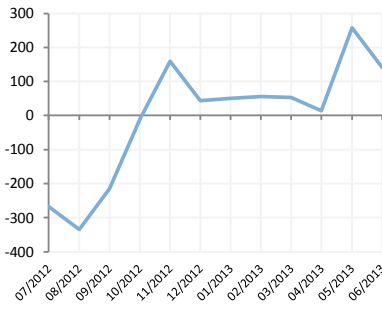
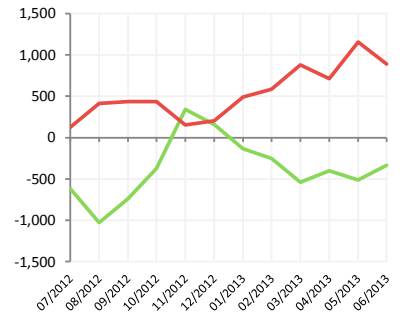
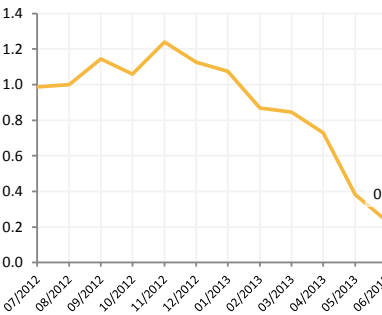


### Net Position Flows

The notional flow in long ETPs minus the notional flow in short ETPs. A negative figure indicates bearish asset flows



## Past Year

	<b>Cumulative Asset Flows</b> Cumulative from end of June 2012; Figures in USD Mil Asset flows represent net subscriptions	<b>Cumulative Notional Flows</b> Cumulative from 1 year ago; Figures in USD Mil Notional flows are the sum of net subscriptions for each ETP multiplied by its leverage factor	<b>Average Investor Leverage</b> The average leverage employed by investors in S&L ETPs. A negative figure implies investors are net short
<b>Equities</b>			
<b>Fixed-Income</b>			
<b>Commodities</b>			

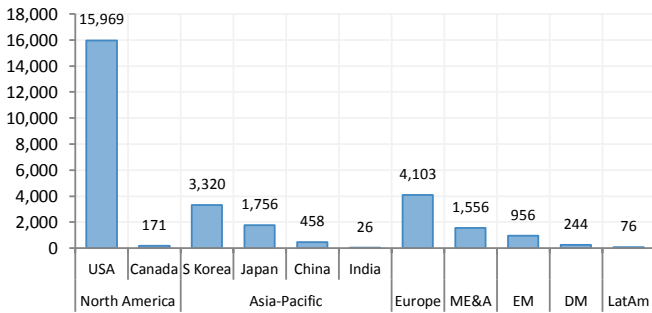
# Short & Leveraged Equities

## Global

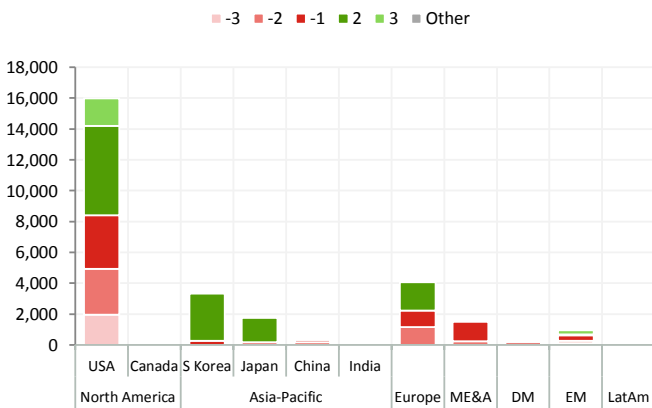
### Current Allocations

By Geographic Exposure; As of 30th June 2013; Figures in USD Mil.

#### AUM

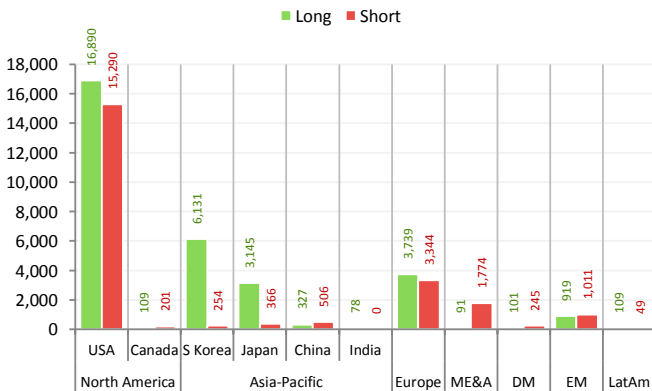


#### AUM by Leverage Factor



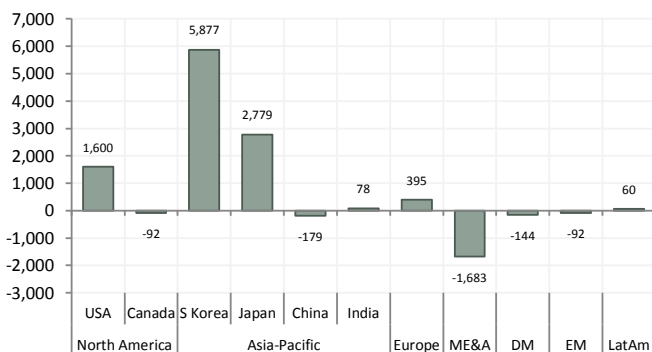
#### Notional AUM

The sum of the AUM in each ETP multiplied the absolute value of its leverage factor. E.g., \$1 of assets in a 3x leverage or a 3x short ETP equals \$3 of notional AUM



#### Net Position

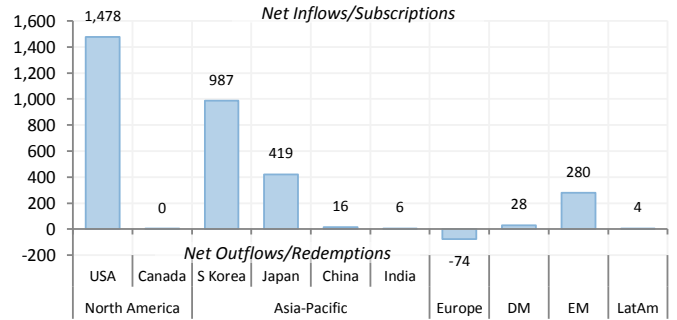
The notional AUM in long minus the notional AUM in short. A negative figure indicates investors are net short



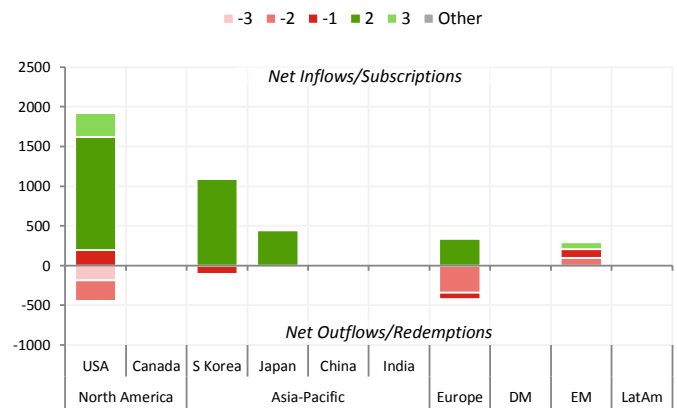
### June 2013 Flows

By Geographic Exposure; Over June 2013; Figures in USD Mil.

#### Asset Flows

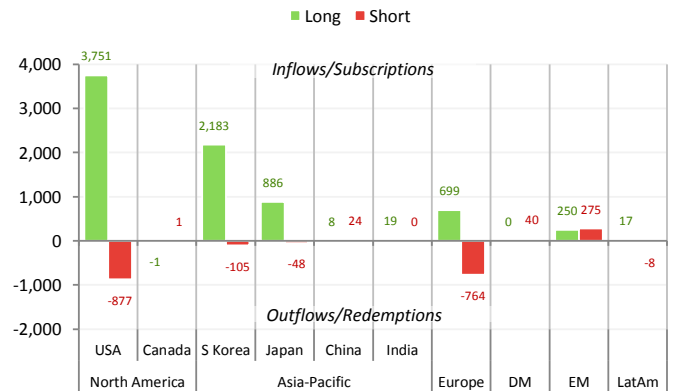


#### Asset Flows by Leverage Factor



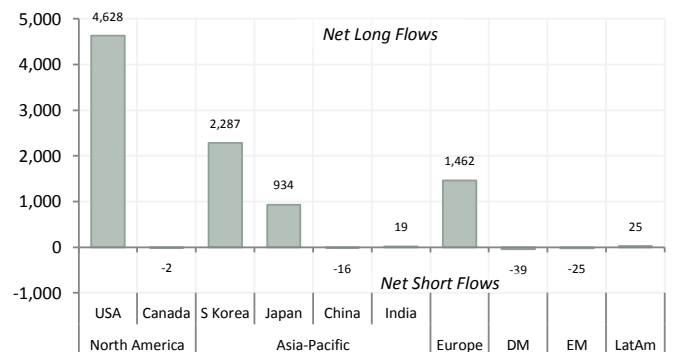
#### Notional Flows

The net subscriptions for each ETP multiplied by the absolute value of its leverage factor. E.g., \$1 of outflows from a 3x leverage ETP equals -\$3 of notional flow



#### Net Position Flows

The notional flow in long ETPs minus the notional flow in short ETPs. A negative figure indicates bearish asset flows

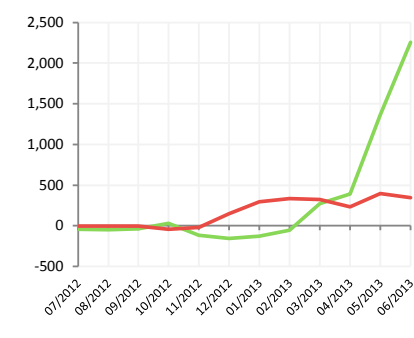
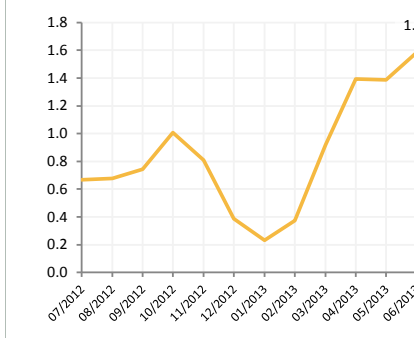
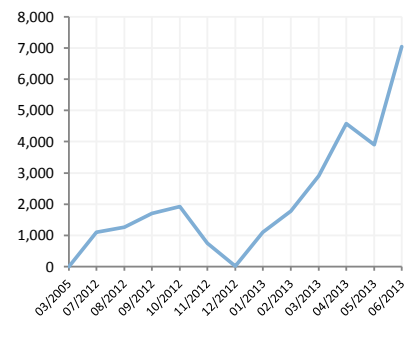




# Short & Leveraged Equities

## Global

### Past Year

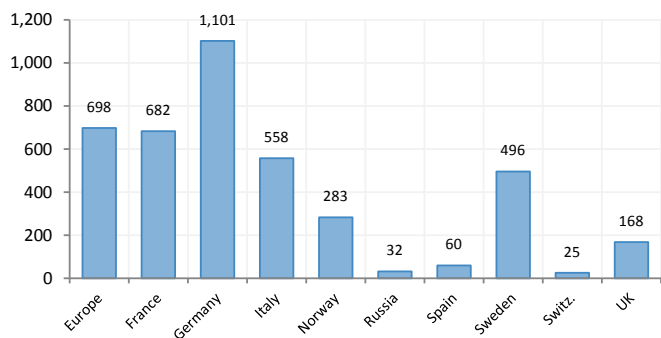
	<b>Cumulative Asset Flows</b> Cumulative from end of June 2012; Figures in USD Mil Asset flows represent net subscriptions	<b>Cumulative Notional Flows</b> Cumulative from 1 year ago; Figures in USD Mil Notional flows are the sum of net subscriptions for each ETP multiplied by its leverage factor	<b>Average Investor Leverage</b> The average leverage employed by investors in S&L ETPs. A negative figure implies investors are net short
<b>USA</b>			
<b>Japan</b>			
<b>Emerging Markets</b>			
<b>China</b>			
<b>South Korea</b>			

### Current Allocations

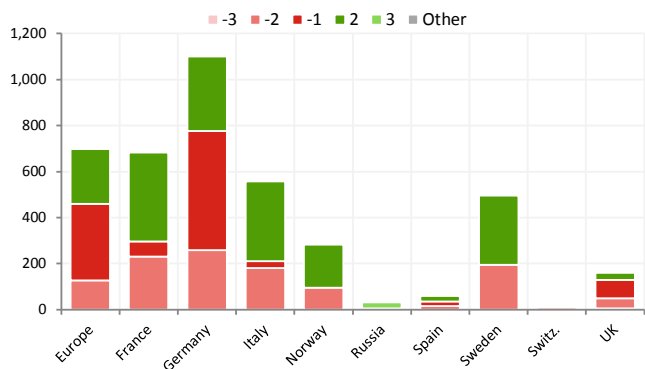
By Geographic Exposure; As of 30th June 2013; Figures in USD Mil.

#### AUM

Showing countries with AUM above \$10mm

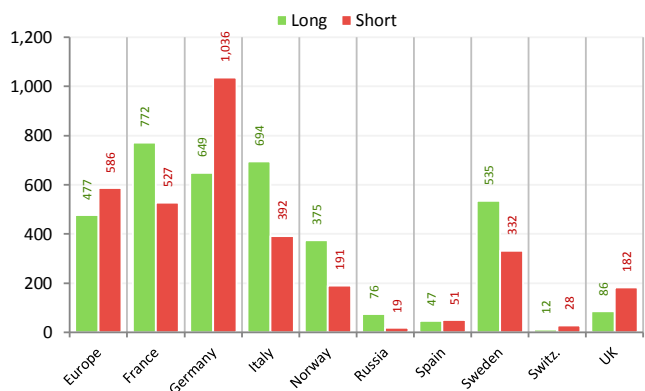


#### AUM by Leverage Factor



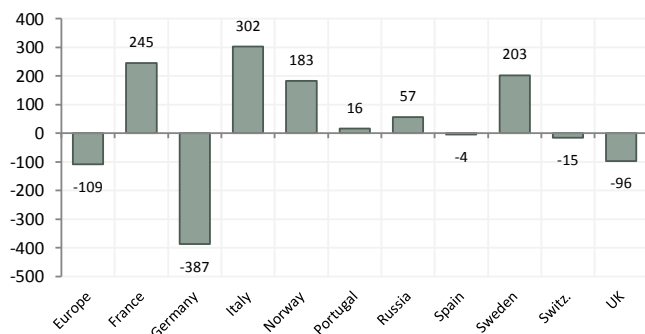
#### Notional AUM

The sum of the AUM in each ETP multiplied the absolute value of its leverage factor. E.g., \$1 of assets in a 3x leverage or a 3x short ETP equals \$3 of notional AUM



#### Net Position

The notional AUM in long minus the notional AUM in short. A negative figure indicates investors are net short

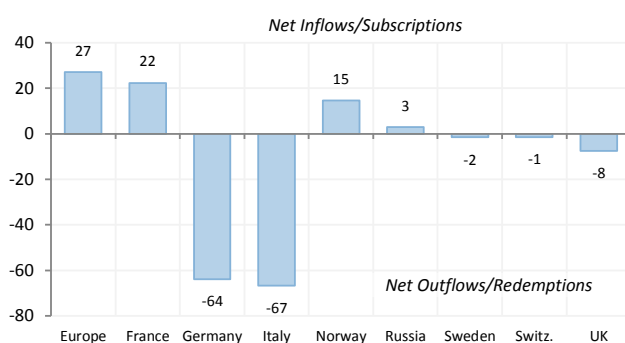


### June 2013 Flows

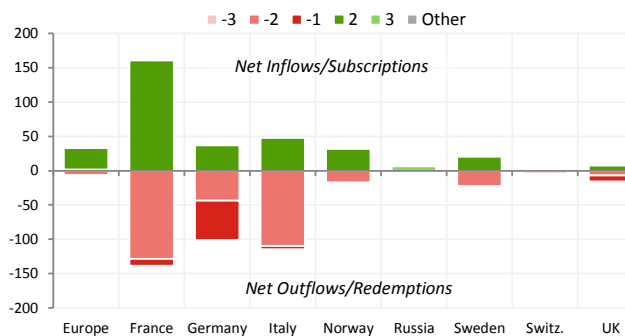
By Geographic Exposure; Over June 2013; Figures in USD Mil.

#### Asset Flows

Showing countries with inflows or outflows above \$1mm

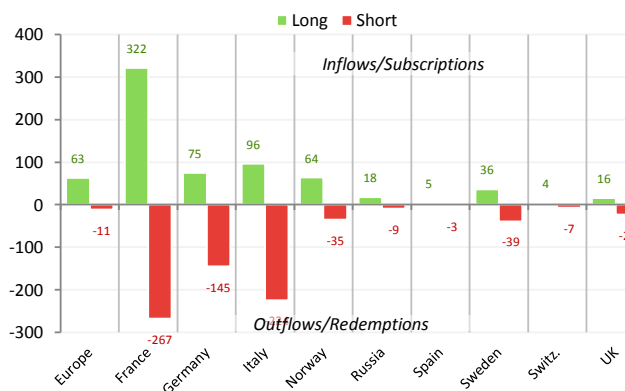


#### Asset Flows by Leverage Factor



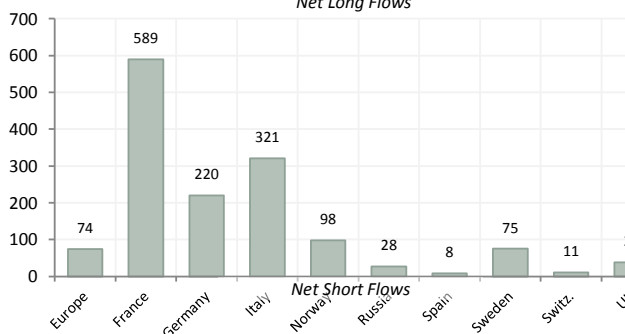
#### Notional Flows

The net subscriptions for each ETP multiplied by the absolute value of its leverage factor. E.g., \$1 of outflows from a 3x leverage ETP equals -\$3 of notional flow



#### Net Position Flows

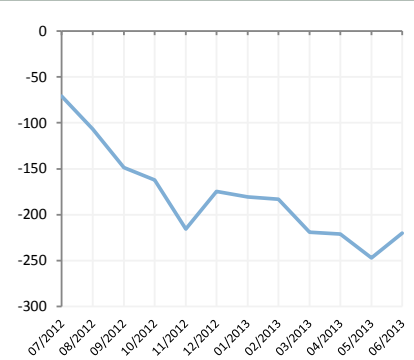
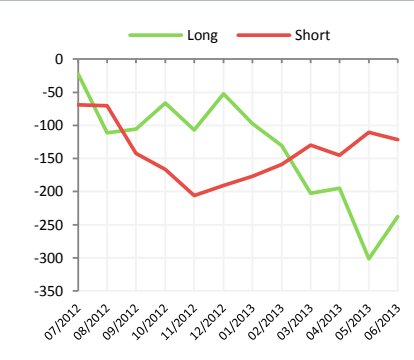
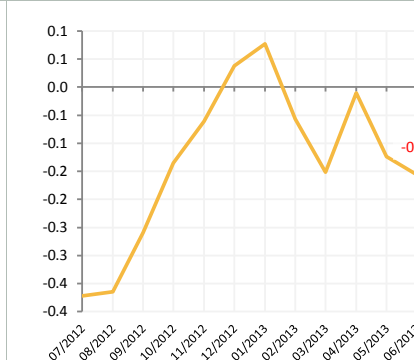

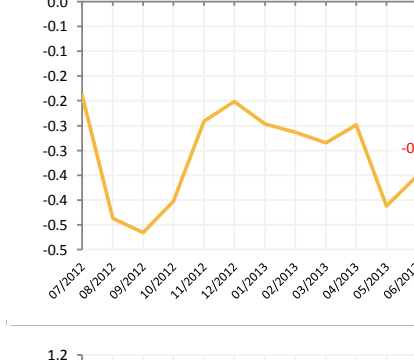
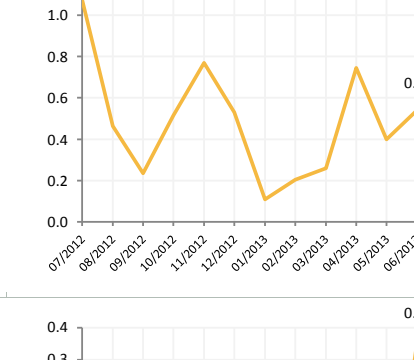
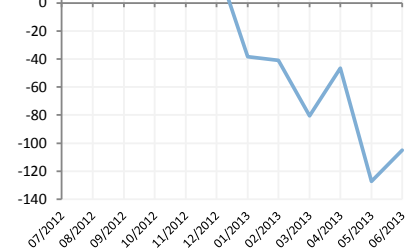
The notional flow in long ETPs minus the notional flow in short ETPs. A negative figure indicates bearish asset flows



# Short & Leveraged Equities

## Europe

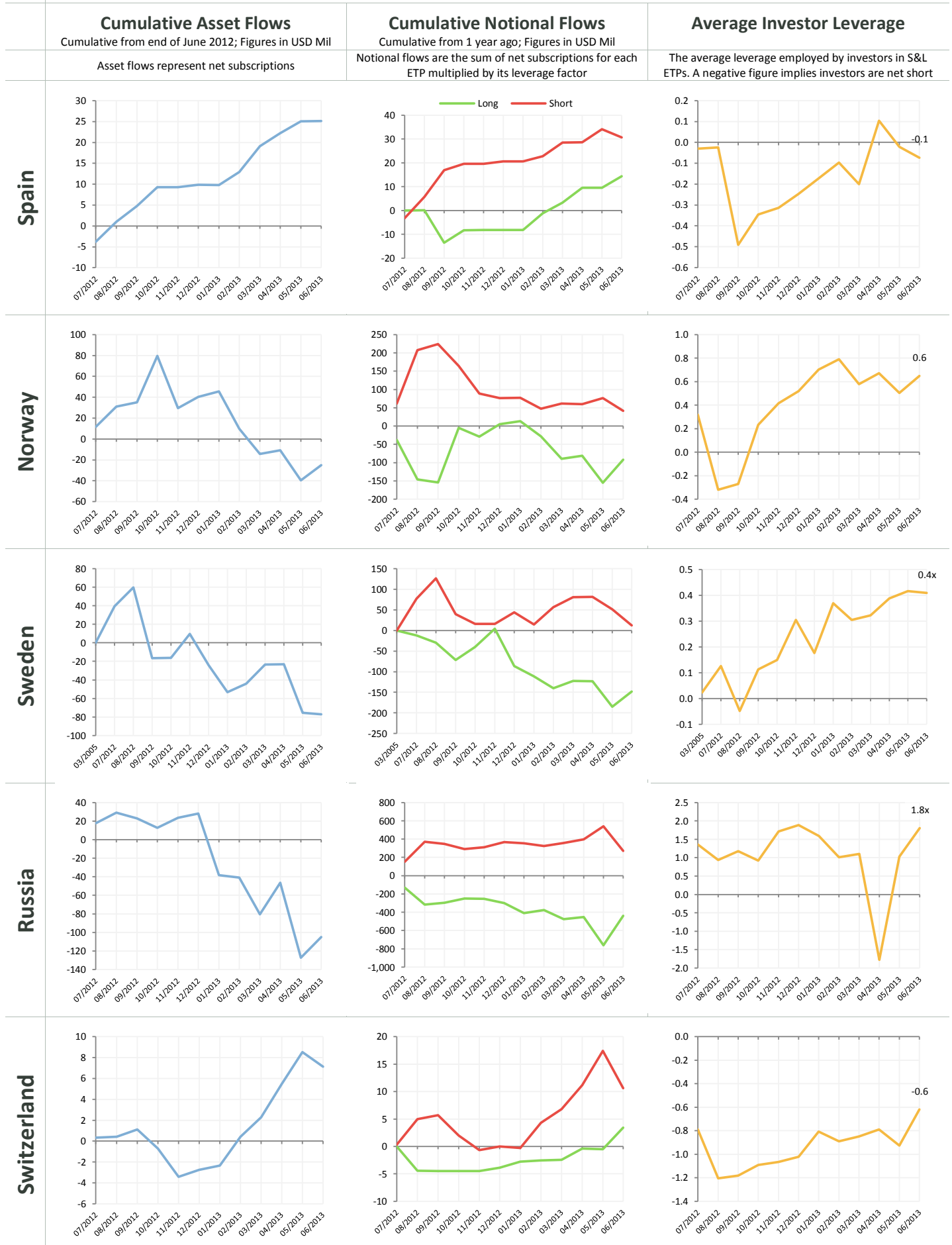
### Past Year

	<b>Cumulative Asset Flows</b> Cumulative from end of June 2012; Figures in USD Mil Asset flows represent net subscriptions	<b>Cumulative Notional Flows</b> Cumulative from 1 year ago; Figures in USD Mil Notional flows are the sum of net subscriptions for each ETP multiplied by its leverage factor	<b>Average Investor Leverage</b> The average leverage employed by investors in S&L ETPs. A negative figure implies investors are net short
<b>Europe (Broad Exposure)</b>			
<b>UK</b>			
<b>Germany</b>			
<b>Italy</b>			
<b>France</b>			

# Short & Leveraged Equities

## Europe

### Past Year

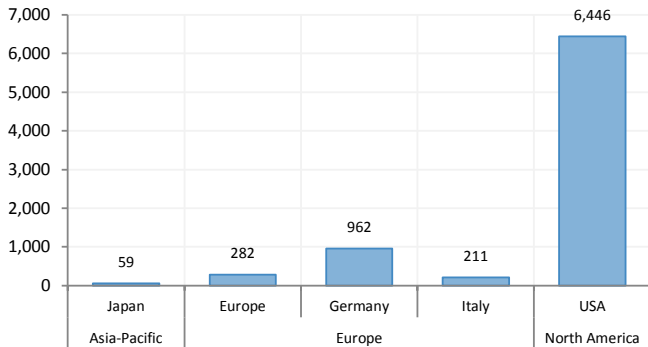


### Current Allocations

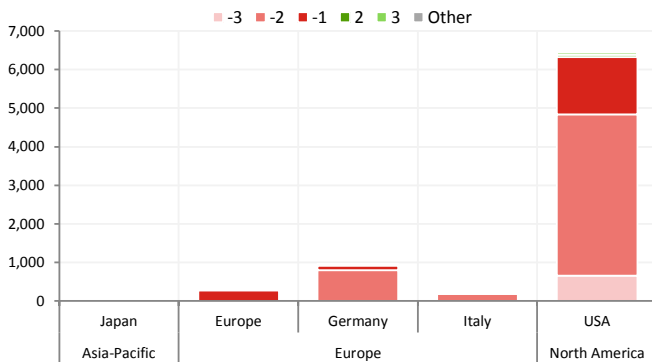
By Geographic Exposure; As of 30th June 2013; Figures in USD Mil.

#### AUM

Showing countries with AUM above \$10mm

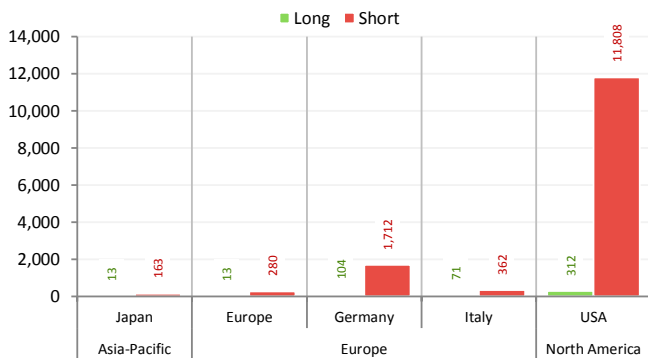


#### AUM by Leverage Factor



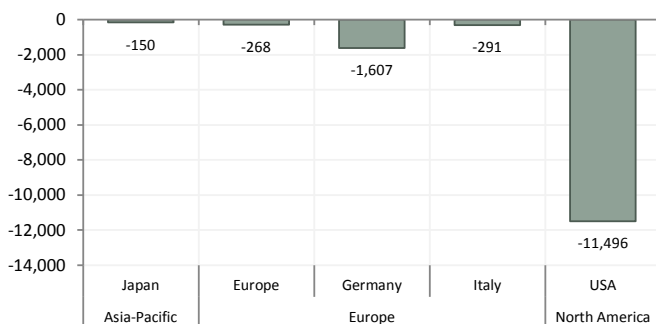
#### Notional AUM

The sum of the AUM in each ETP multiplied the absolute value of its leverage factor. E.g., \$1 of assets in a 3x leverage or a 3x short ETP equals \$3 of notional AUM



#### Net Position

The notional AUM in long minus the notional AUM in short. A negative figure indicates investors are net short

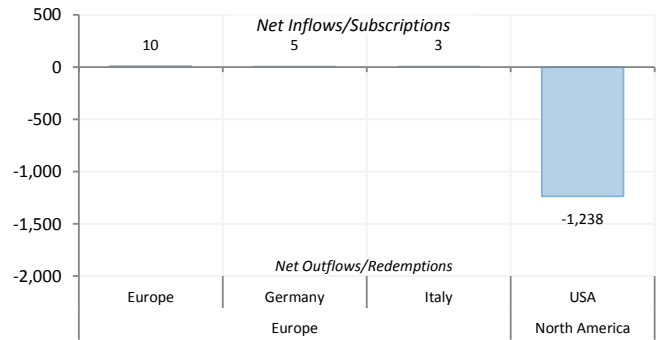


### June 2013 Flows

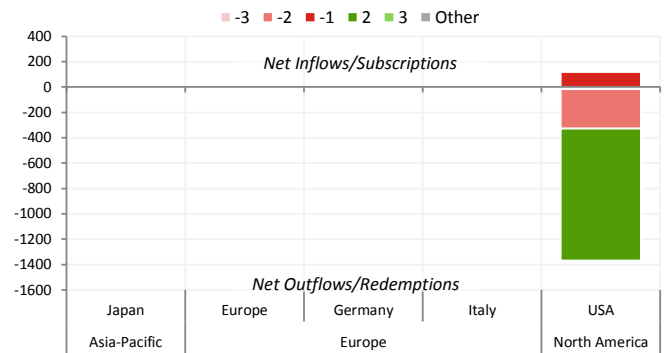
By Geographic Exposure; Over June 2013; Figures in USD Mil.

#### Asset Flows

Showing countries with inflows or outflows above \$1mm

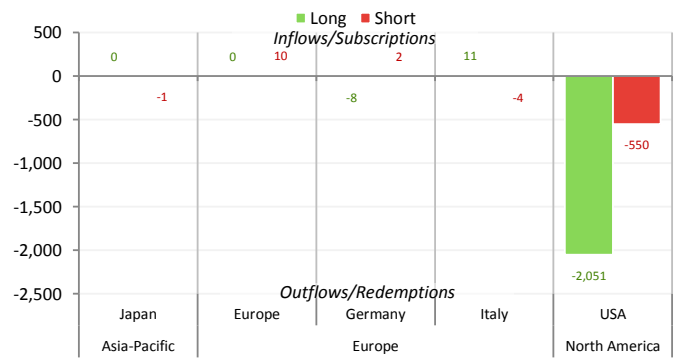


#### Asset Flows by Leverage Factor



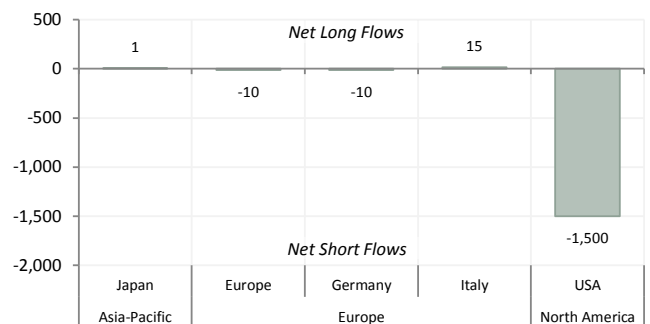
#### Notional Flows

The net subscriptions for each ETP multiplied by the absolute value of its leverage factor. E.g., \$1 of outflows from a 3x leverage ETP equals -\$3 of notional flow



#### Net Position Flows

The notional flow in long ETPs minus the notional flow in short ETPs. A negative figure indicates bearish asset flows



# Short & Leveraged Govt. Debt

## Global

### Past Year

#### Cumulative Asset Flows

Cumulative from end of June 2012; Figures in USD Mil

Asset flows represent net subscriptions

#### Cumulative Notional Flows

Cumulative from 1 year ago; Figures in USD Mil

Notional flows are the sum of net subscriptions for each ETP multiplied by its leverage factor

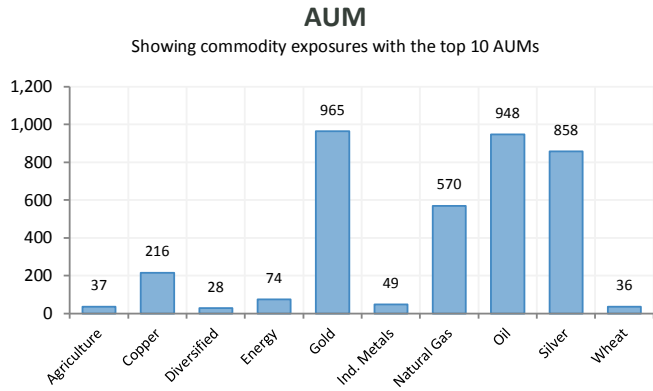
#### Average Investor Leverage

The average leverage employed by investors in S&L ETPs. A negative figure implies investors are net short

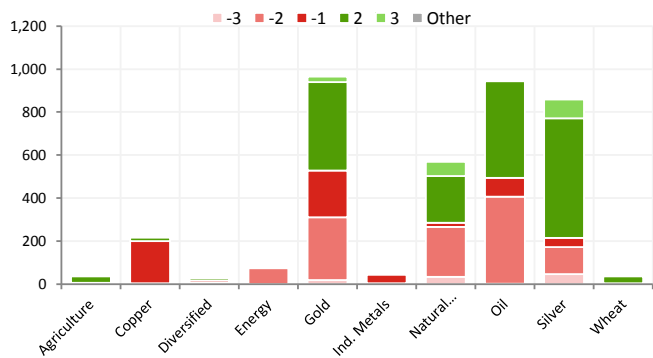


### Current Allocations

By commodity exposure; As of 30th June 2013; Figures in USD Mil;  
Showing the top 10 AUM commodity exposures

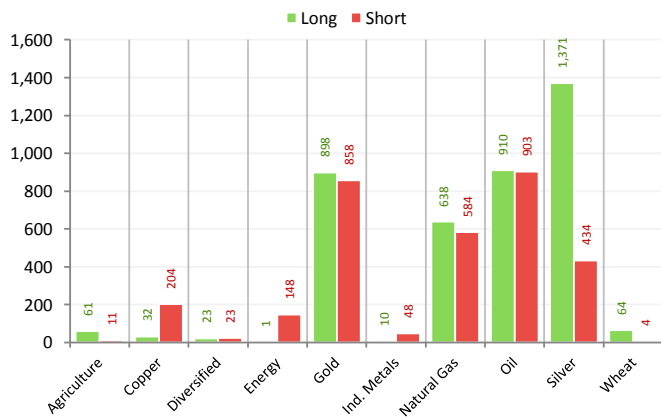


### AUM by Leverage Factor



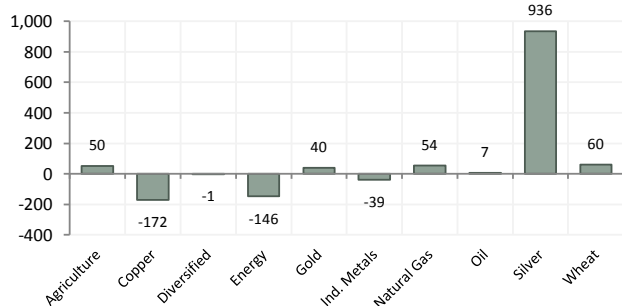
### Notional AUM

The sum of the AUM in each ETP multiplied the absolute value of its leverage factor.  
E.g., \$1 of assets in a 3x leverage or a 3x short ETP equals \$3 of notional AUM



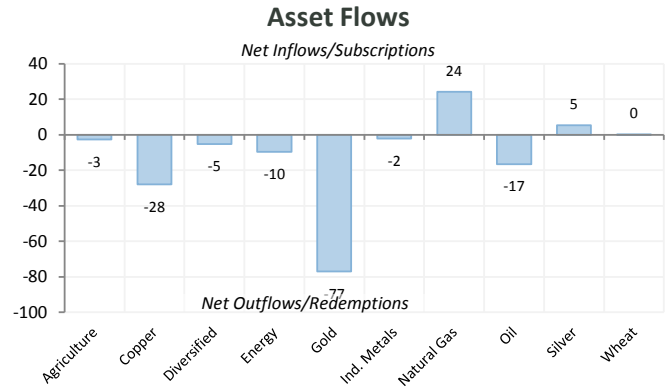
### Net Position

The notional AUM in long minus the notional AUM in short.  
A negative figure indicates investors are net short

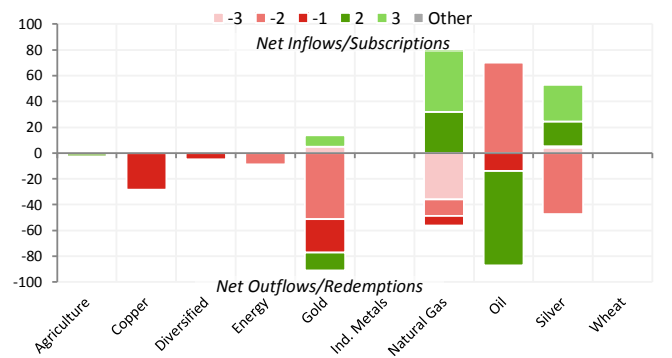


### June 2013 Flows

By commodity exposure; Over June 2013; Figures in USD Mil;  
Showing the top 10 AUM commodity exposures

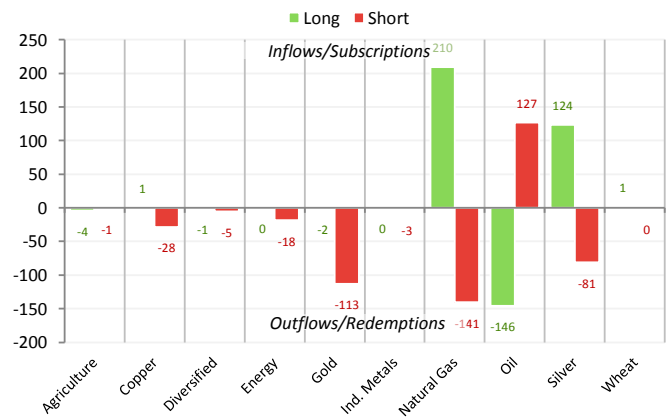


### Asset Flows by Leverage Factor



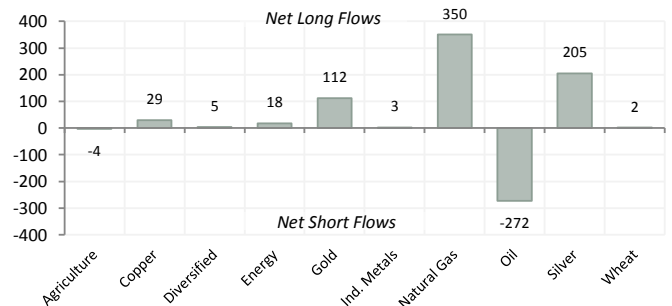
### Notional Flows

The net subscriptions for each ETP multiplied by the absolute value of its leverage factor.  
E.g., \$1 of outflows from a 3x leverage ETP equals -\$3 of notional flow



### Net Position Flows

The notional flow in long ETPs minus the notional flow in short ETPs.  
A negative figure indicates bearish asset flows



# Short & Leveraged Commodities

## Global



### Past Year

	<b>Cumulative Asset Flows</b> Cumulative from end of June 2012; Figures in USD Mil Asset flows represent net subscriptions	<b>Cumulative Notional Flows</b> Cumulative from 1 year ago; Figures in USD Mil Notional flows are the sum of net subscriptions for each ETP multiplied by its leverage factor	<b>Average Investor Leverage</b> The average leverage employed by investors in S&L ETPs. A negative figure implies investors are net short
<b>Gold</b>			
<b>Silver</b>			
<b>Copper</b>			
<b>Oil</b>			
<b>Natural Gas</b>			



## Product List

For detailed product information please go to our website [Products Page](#)

PRODUCT NAME	ISIN	EXCHANGE	LSE CODE	BBG CODE	TRADING CURRENCY	BASE CURRENCY	PRODUCT LEVERAGE FACTOR
<b>ETPs</b>							
Boost FTSE 100 1x Short Daily ETP	IE00B94QKG22	LSE	SUK1	SUKL LN	GBx	GBP	-1x
Boost FTSE 100 2x Leverage Daily ETP	IE00B94QKC83	LSE	2UKL	2UKL LN	GBx	GBP	2x
Boost FTSE 100 2x Short Daily ETP	IE00B94QKF15	LSE	2UKS	2UKS LN	GBx	GBP	-2x
Boost FTSE 100 3x Leverage Daily ETP	IE00B88D2999	LSE	3UKL	2UKL LN	GBx	GBP	3x
Boost FTSE 100 3x Short Daily ETP	IE00B7VB3908	LSE	3UKS	3UKS LN	GBx	GBP	-3x
Boost FTSE 250 1x Short Daily ETP	IE00BBGBF313	LSE	1MCS	1MCS LN	GBx	GBP	-1x
Boost FTSE 250 2x Leverage Daily ETP	IE00B94QKJ52	LSE	2MCL	2MCL LN	GBx	GBP	2x
Boost LevDAX 3x Daily ETP	E00B878KX55	LSE	3DEL	3DEL LN	EUR	EUR	3x
Boost LevDAX 3x Daily ETP (£)	IE00B878KX55	LSE	3LDE	3LDE LN	GBx	EUR	3x
Boost ShortDAX 3x Daily ETP	IE00B8GKPP93	LSE	3DES	3DES LN	EUR	EUR	-3x
Boost ShortDAX 3x Daily ETP (£)	IE00B8GKPP93	LSE	3SDE	3SDE LN	GBx	EUR	-3x
Boost EURO STOXX 50 3x Leverage Daily ETP	IE00B7SD4R47	LSE	3EUL	3EUL LN	EUR	EUR	3x
Boost EURO STOXX 50 3x Short Daily ETP	IE00B8JF9153	LSE	3EUS	3EUS LN	EUR	EUR	-3x
Boost NASDAQ 100 3x Leverage Daily ETP	IE00B8W5C578	LSE	QQQ3	QQQ3 LN	USD	USD	3x
Boost NASDAQ 100 3x Short Daily ETP	IE00B8VZVH32	LSE	QQQS	QQQS LN	USD	USD	-3x
Boost Russell 1000 3x Leverage Daily ETP	IE00B7Y34M31	LSE	3USL	3USL LN	USD	USD	3x
Boost Russell 1000 3x Short Daily ETP	IE00B8K7KM88	LSE	3USS	3USS LN	USD	USD	-3x
Boost TOPIX 1x Short Daily ETP	IE00BBGBF420	LSE	1JAS	1JAS LN	GBx	JPY	-1x
Boost TOPIX 2x Leverage Daily ETP	IE00BBGBF537	LSE	2JAL	2JAL LN	GBx	JPY	2x
<b>ETCs</b>							
Boost Copper 3x Leverage Daily ETP	IE00B8JVMZ80	LSE	3HCL	3HCL LN	USD	USD	3x
Boost Copper 3x Short Daily ETP	IE00B8KD3F05	LSE	3HCS	3HCS LN	USD	USD	-3x
Boost Gold 1x Short Daily ETP	IE00B94QKW89	LSE	1GOS	1GOS LN	USD	USD	-1x
Boost Gold 2x Leverage Daily ETP	IE00B94QKS44	LSE	2GOL	2GOL LN	USD	USD	2x
Boost Gold 2x Short Daily ETP	IE00B94QKT50	LSE	2GOS	2GOS LN	USD	USD	-2x
Boost Gold 3x Leverage Daily ETP	IE00B8HGT870	LSE	3GOL	3GOL LN	USD	USD	3x
Boost Gold 3x Leverage Daily ETP (£)	IE00B8HGT870	LSE	3LGO	3LGO LN	GBx	USD	3x
Boost Gold 3x Short Daily ETP	IE00B6X4BP29	LSE	3GOS	3GOS LN	USD	USD	-3x
Boost Gold 3x Short Daily ETP (£)	IE00B6X4BP29	LSE	3SGO	3SGO LN	GBx	USD	-3x
Boost Natural Gas 2x Leverage Daily ETP	IE00B94QKX96	LSE	2NGL	2NGL LN	USD	USD	2x
Boost Natural Gas 2x Short Daily ETP	IE00B94QL251	LSE	2NGS	2NGS LN	USD	USD	-2x
Boost Natural Gas 3x Leverage Daily ETP	IE00B8VC8061	LSE	3NGL	3NGL LN	USD	USD	3x
Boost Natural Gas 3x Short Daily ETP	IE00B76BRD76	LSE	3NGS	3NGS LN	USD	USD	-3x
Boost WTI Oil 3x Leverage Daily ETP	IE00B7ZQC614	LSE	3OIL	3OIL LN	USD	USD	3x
Boost WTI Oil 3x Leverage Daily ETP (£)	IE00B7ZQC614	LSE	3LOI	3LOI LN	GBx	USD	3x
Boost WTI Oil 3x Short Daily ETP	IE00B7SX5Y86	LSE	3OIS	3OIS LN	USD	USD	-3x
Boost WTI Oil 3x Short Daily ETP (£)	IE00B7SX5Y86	LSE	3SOI	3SOI LN	GBx	USD	-3x
Boost Palladium 1x Short Daily ETP	IE00B94QLR02	LSE	1PAS	1PAS LN	USD	USD	-1x
Boost Palladium 2x Leverage Daily ETP	IE00B94QLN63	LSE	2PAL	2PAL LN	USD	USD	2x
Boost Silver 2x Leverage Daily ETP	IE00B94QL699	LSE	2SIL	2SIL LN	USD	USD	2x
Boost Silver 2x Short Daily ETP	IE00B94QL921	LSE	2SIS	2SIS LN	USD	USD	-2x
Boost Silver 3x Leverage Daily ETP	IE00B7XD2195	LSE	3SIL	3SIL LN	USD	USD	3x
Boost Silver 3x Leverage Daily ETP (£)	IE00B7XD2195	LSE	3LSI	3LSI LN	GBx	USD	3x
Boost Silver 3x Short Daily ETP	IE00B8JG1787	LSE	3SIS	3SIS LN	USD	USD	-3x
Boost Silver 3x Short Daily ETP (£)	IE00B8JG1787	LSE	3SSI	3SSI LN	GBx	USD	-3x

## Recent Trade Ideas

All trade ideas are available on Boost's website and to registered subscribers. To register to receive trade ideas as and other Boost research please contact us. You will be required to register at the Boost website in order to download the full documents.



### Tapering thrusts TOPIX to the top

Tuesday 16th July '13

Fed tapering boosts sentiment on Japanese equities as much as BoJ's explicit QE targets through its devaluation of the yen. Japan is in a stronger position to end deflation with QE than when it was impaired by corporate balance sheets and extraordinary macro events which undermined previous stimulus efforts. Investors may consider a long leveraged position on Japanese equities through Boost TOPIX 2x Leverage Daily ETP (2JAL).



### Trade Idea - Turn in interest rate cycle bolsters UK Mid-cap (2MCL)

Tuesday 9th July '13

Higher and stickier interest rates are a direct result of investors putting their money back to risk assets. It signals investor's confidence in UK growth. Domestic and secular growth themes help UK Mid cap stocks gain momentum. The outperformance against UK large cap stocks may continue.



### China credit crunch could cripple copper

Tuesday 2nd July '13

The end of cheap credit in China may focus over leveraged base metal producers on cutting costs. The wind-down of copper stocks may have further to go. The directional downturn in copper is led by weakening fundamentals. Without policy stimulus, increasing speculative short positions may feed negative sentiment on copper.



### Broken safe haven assets

Monday 24th June '13

Details of full QE unwinding by the Fed signals markets and economies can absorb rising borrowing costs. Safe haven asset prices appear the most vulnerable, offering investors an opportunity to short. Investors may consider a short leveraged position on gold or silver.



### Rising bond yields pose macro risks for Eurozone equities (ETF/ETP)

Monday 17th June '13

Sharp increases in interest rates revive macro risks for Eurozone's indebted economies. Highly leveraged balance sheets of banks and bank reliant companies sour sentiment on Eurozone's equity markets. Investors may consider a short leveraged position on Eurozone equities by buying the Boost EURO STOXX 50 3x Short Daily ETP (3EUS).



### Disinflation in bearish bond markets. More sell signals for gold?

Monday 10th June '13

Disinflation in the US may reflect restored competitiveness of US jobs and longer-term structural advantages for the economy. The downward price pressure building in US TIPS suggests benign inflation risks, undermining the case for gold. Investors may consider buying Boost Gold 3x Short Daily ETP (3GOS)

## Educational Resources

All educational resources are available on Boost's website, and more resources are added all the time. You can find them under the "Resources" section. You may be required to register to the Boost website in order to download the full documents.



### ***Short & Leveraged ETF/ETP Advisor Tool Kit***

The Tool Kit has been designed to provide simple and easy to understand educational materials for anyone considering an investment in a short or leveraged ETF or ETP... [View page](#)



### ***Short/Leveraged ETF/ETP Simulator***

A downloadable spreadsheet illustrates how a short or leveraged daily ETP performs over a period of 11 days. It allows the user to select a leverage factor for a daily short or leveraged ETP and type in returns for an index for each one of 11 days to see how the short or leveraged ETP would perform. It also allows the user to select from three pre-defined scenarios of trending and volatile markets...

[Simulator page](#)



### ***Eight Things to Know About Leveraged & Short ETFs/ETPs & ETFs/ETPs***

Boost ETPs are trading instruments that need to be clearly understood before an investor should trade or invest. Once understood they are highly efficient tools that provide magnified long and short exposure in an efficient product wrapper. The following are eight key things to know about leveraged and short ETFs/ETPs & ETFs/ETPs... [View document](#)



### ***The Daily Compounding Effect***

Boost Short and Leverage Daily ETFs/ETPs are designed to track either a leveraged index or unleveraged index. In either case, the daily return is multiplied by the leverage factor on each day. Other frequencies of re-balancing could be used but the actual leverage an investor would be exposed to would depend at what point of time they bought the investment. [View document](#)



### ***Liquidity Explained***

The major benefit of an Exchange Traded Product (ETF/ETP) is that it gives access to very liquid underlying markets and its own liquidity reflects this. Investors often assume that liquidity in ETFs/ETPs is derived from ETF/ETP volumes. ETFs/ETPs even if thinly traded and can still be liquid...

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### ***Counterparty Risk Fact Sheet***

Boost ETPs have a robust and transparent collateral structure, which Boost believes offers ETF/ETP investors a best of breed counterparty risk model, where ETF/ETP investors' interests are aligned with Boost... [View document](#)

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The value of an investment in ETFs/ETPs may go down as well as up and past performance is not a reliable indicator of future performance. An investment in ETFs/ETPs is dependent on the performance of the underlying index, less costs, but it is not expected to match that performance precisely. ETFs/ETPs involve numerous risks including among others, general market risks relating to the relevant underlying index, credit risks on the provider of index swaps utilised in the ETF/ETP, exchange rate risks, interest rate risks, inflationary risks, liquidity risks and legal and regulatory risks.

ETFs/ETPs offering daily leveraged or daily short exposures (“Leveraged ETFs/ETPs”) are products which feature specific risks that prospective investors should understand before investing in them. Higher volatility of the underlying indices and holding periods longer than a day June have an adverse impact on the performance of Leveraged ETFs/ETPs. As such, Leveraged ETFs/ETPs are intended for financially sophisticated investors who wish to take a short term view on the underlying indices. As a consequence, Boost ETP LLP is not promoting or marketing Boost ETPs to Retail Clients. Investors should refer to the section entitled “Risk Factors” and “Economic Overview of the ETF/ETP Securities” in the Prospectus for further details of these and other risks associated with an investment in Leveraged ETFs/ETPs and consult their financial advisors as needed.

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