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# Short & Leveraged ETFs/ETPs

## Global Report

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31st Oct 2013

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## Global Assets Under Management

- The total global AUM of Short & Leveraged (S&L) ETPs at the end of October was \$51.5 billion.
- YTD, global S&L ETP AUM is up \$6.6 billion or 15%, compared to 10% for the wider global ETP industry<sup>1</sup>.
- 52% 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 34% of AUM. 45% 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 the most popular with 68% of AUM, followed by debt with 18% and commodities with 9%.
- The largest individual S&L ETPs are short US treasuries and leveraged US equities.
- Turnover in S&L ETPs in October was \$173 billion, up 52% from December 2012.

## Short & Leverage Equities: Global

- Currently there is \$34.4 billion of AUM held in S&L equity ETPs of which 59% is held in long ETPs, up from 54% in August.
- S&L equity ETPs experienced \$865 million of inflows in October and \$5 billion YTD. Country or region focused ETPs saw inflows of \$1.2 billion, led by \$1.4 billion in inflows into US focused equity ETPs, while S&L equity sector ETPs experienced outflows of \$326 million.
- US focused equity ETPs saw record net long flows in October, pushing them into the most bullish net position since S&L ETPs were created in 2005, with an average investor leverage of +0.5x and net long position of \$7.7 billion.
- Japanese equity ETPs saw bullish flows in October, dominated by flows into long ETPs which continue a trend of net long flows since February.
- At the end of the month, net positions show S&L ETP investors are the most bullish ever on the US, bullish on Japan and South Korea and bearish on Europe.

## Short & Leverage Equities: Europe

- Currently there is \$4.5 billion of AUM held in S&L equity ETPs tracking Europe or European countries of which 42% is held in long ETPs and 58% is held in short ETPs, with the largest positions being in German (\$1.2 billion), broad European (\$760 million), Italian (\$695 million) and French (\$614 million) equities.
- Investors in S&L European equity ETPs were bearish on Germany and Italy in October with flows out of long ETPs and into short ETPs for both countries. Net short flows totalled \$82 million for Germany and \$222 million for Italy. Since July, there have been net short flows totalling \$829 million in Italian and \$613 million in German equities. In contrast, French equities which have also been seeing bearish flows, out of long and into short ETPs, since July, saw a reversal of that in October with bullish flows, into long and out of short ETPs.
- Investors ended the month net bearish on Germany, France and broad European equities, and bullish on Sweden, Norway and Italy.

## Short & Leverage Debt: Global

- Currently there is \$9.4 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 \$314 million of outflows from debt ETPs in October, however YTD there was \$1 billion of net inflows. The US was the major loser in October with \$436 million of outflows.
- October flows in US debt were bearish and dominated by flows of \$848 million out of long debt ETPs and flows of \$375 million into short debt ETPs. Germany was also bearish with flows into short ETPs amounting to net short repositioning of \$130 million.
- Investors ended the month with a net short position of \$12.7 billion in US debt – the most bearish since August 2011. Investors are also bearish on German, Italian, European and Japanese government debt.

<sup>1</sup> Source: ETFGI monthly newsletter, End of October 2013

## Short & Leverage Commodities: Global

- Currently there is \$4.5 billion of AUM held in S&L commodity ETPs of which 56% is held in long commodity ETPs and 44% is held in short commodity ETPs.
- The S&L commodity ETPs with the most assets are on oil, silver, gold and natural gas.
- Overall, S&L commodity ETPs experienced net inflows of \$94 million in October, with the highest net inflows going to natural gas (totalling \$135 million) and silver (at \$10 million); while gold and oil experienced outflows of \$27 million and \$26 million, respectively.
- **Energy:** September and October saw investors make a U-turn on oil ETPs, with bullish flows, into long and out of short ETPs, replacing the bearish flows that had persisted in the preceding four months since May. In contrast, investors in natural gas continued the bullish trend since May with flows out of short and into long ETPs. October amounted to the most bullish flows in S&L natural gas ETPs in 3 years (\$378 net long repositioning), elevating investors' position in natural gas ETPs to the most bullish it has been (\$748 million net long position) since February '12.
- **Precious Metals:** Gold S&L ETPs in October saw mixed flows with outflows from both long and short ETPs, amounting overall to net long repositioning of \$23 million, which is small relative to the \$1.8 billion notional AUM in long ETPs and short ETPs. Silver was the same with very little overall change in investors' net position.

## Data, Methodology and Terms Used

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 -1x or lower and +1.5x or higher. ETFs/ETPs which offer a non-leveraged exposure are not included in the analysis<sup>2</sup>.

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

- **ETF/ETP** is used as a generic, interchangeable term to refer to ETF, ETP, ETN and ETC.
- **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>3</sup>.
- **Asset Flow or Net Subscriptions**, is a measure representing the value of net subscriptions over the period, thus removing the effect 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 may be either negative or positive). A negative figure indicates investors are net short.
- **Net Position Flow or Repositioning** 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>4</sup>, and thus the change in Average Investor Leverage is the most relevant observation rather than the actual number.

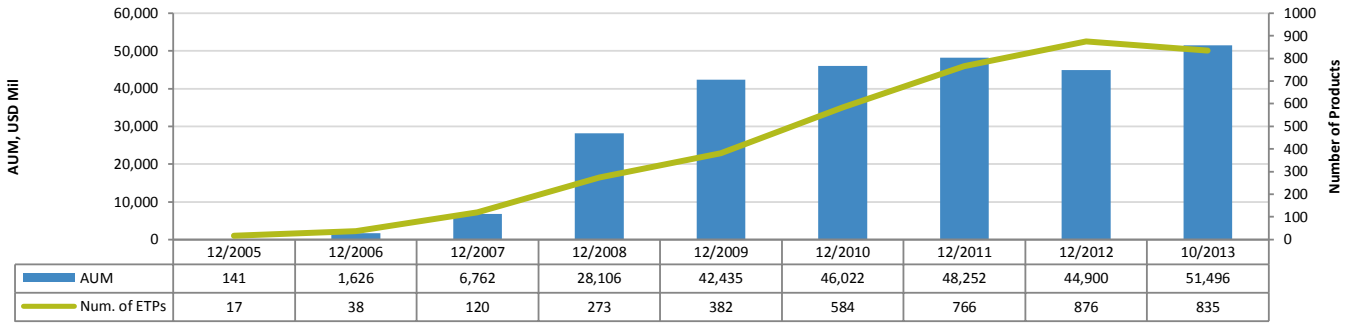
The source for the data is calculations by Boost ETP which are performed on underlying price, return, AUM, currency and market capitalisation data from Bloomberg®. Any fund description data is also obtained from Bloomberg. All data is as of 31st Oct 2013. All figures are denominated in USD.

<sup>2</sup> ETPs which are long-short or have a leverage factor lower than -3x or higher than 3x are included but grouped under "Other leverage" in this report.

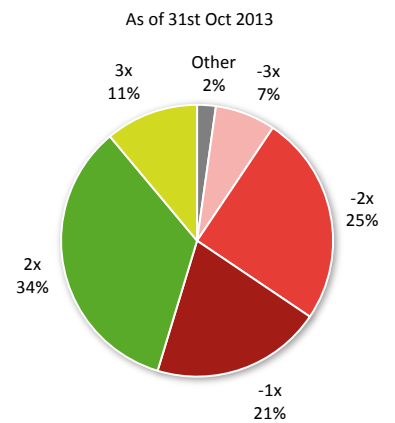
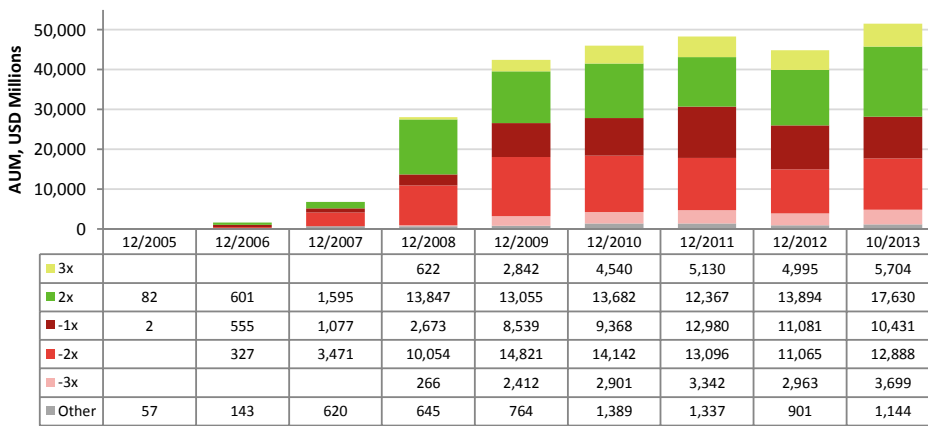
<sup>3</sup> For a minority of short & leveraged ETFs/ETPs, neither the AUM nor the market capitalisation is available. The AUM data for these ETFs/ETPs, as well as all related statistics, as described above, are not included in the analyses presented.

<sup>4</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.

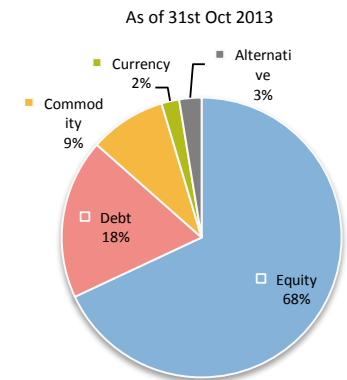
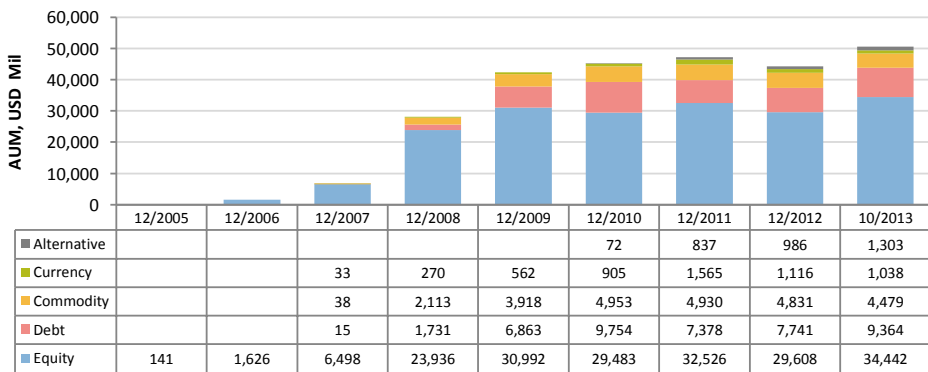
## AUM and Number of Products



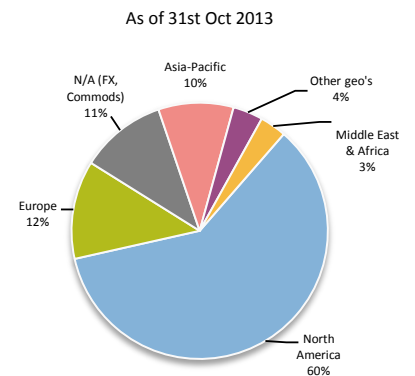
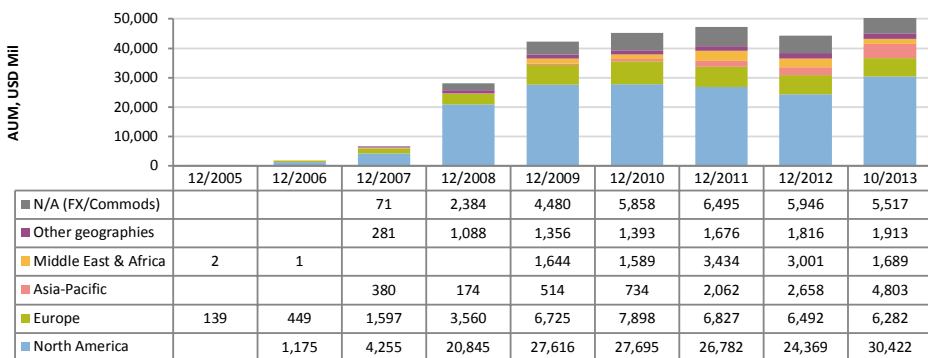
## AUM by Leverage Factor



## AUM by Asset Class



## AUM by Geographic Exposure



# Top S&L ETFs/ETPs

## By Asset Class Focus and ETF/ETP Domicile

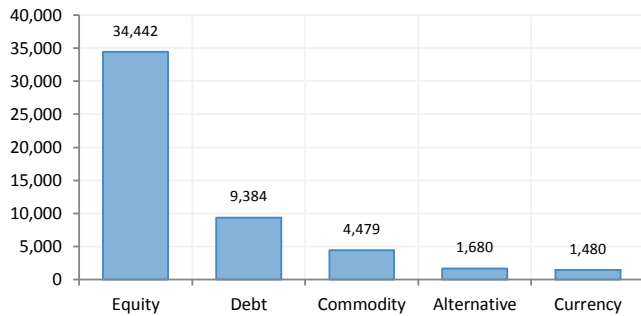


	By AUM Showing 15 largest ETPS by AUM			By Past Month's Asset Flows Showing 15 largest asset flows in the past month			By YTD Asset Flows Showing 15 largest asset net flows YTD		
	ETF / ETP	AUM		ETF / ETP Name	Asset Flow		ETF / ETP Name	Asset Flow	
Equities Domiciled in N. America	ProShares Ultra Russell2000	1,807		ProShares Ultra MidCap400	1,394		ProShares Ultra Russell2000	1,133	
	ProShares Short S&P500	1,708		ProShares Ultra Russell2000	192		Direxion Daily Gold Miners Bull 3x Shares	1,012	
	ProShares UltraShort S&P500	1,682		Direxion Daily Small Cap Bull 3X Shares	141		ProShares UltraShort S&P500	988	
	ProShares Ultra S&P500	1,542		Direxion Daily Financial Bear 3X Shares	70		Direxion Daily Small Cap Bear 3X Shares	708	
	ProShares Ultra MidCap400	1,534		ProShares Ultra QQQ	52		FI Enhanced Big Cap Growth ETN	647	
	Direxion Daily Financial Bull 3X Shares	1,112		ProShares UltraPro S&P 500	49		ProShares Ultra MidCap400	540	
	FI Enhanced Big Cap Growth ETN	975		ProShares UltraPro QQQ	47		Direxion Daily Financial Bear 3X Shares	476	
	ProShares Ultra Financials	799		Direxion Daily S&P 500 Bull 3X	44		ProShares UltraPro Short S&P 500	426	
	Direxion Daily Small Cap Bull 3X Shares	745		ProShares Short MSCI Emerging Markets	-48		ProShares Short S&P500	318	
	Direxion Daily Small Cap Bear 3X Shares	665		ProShares UltraShort Russell2000	-51		Direxion Daily Energy Bull 3X Shares	-247	
	ProShares Ultra QQQ	640		ProShares Short Russell2000	-63		ProShares Ultra Financials	-301	
	Direxion Daily Gold Miners Bull 3x Share:	636		ProShares UltraShort S&P500	-87		ProShares Ultra QQQ	-304	
	Direxion Daily Financial Bear 3X Shares	613		Direxion Daily Small Cap Bear 3X Shares	-139		Direxion Daily Small Cap Bull 3X Shares	-466	
	ProShares UltraPro S&P 500	547		ProShares Short S&P500	-223		ProShares Ultra S&P500	-514	
	ProShares UltraPro Short S&P 500	507		Direxion Daily Financial Bull 3X Shares	-304		Direxion Daily Financial Bull 3X Shares	-807	
Equities Domiciled in Europe	db x-trackers ShortDAX Daily UCITS ETF	562		Lyxor ETF FTSE MIB Daily Double Short XBear	44		Lyxor ETF FTSE MIB Daily Double Short XBear	186	
	Lyxor ETF FTSE MIB Daily Leveraged	348		db x-trackers - EURO STOXX 50 Short Daily UCITS ETF	29		Lyxor ETF CAC 40 Daily Double Short	112	
	LYXOR ETF CAC 40 Daily Double Short	297		db x-trackers ShortDAX Daily UCITS ETF	17		db x-trackers - EURO STOXX 50 Short Daily UCITS ETF	71	
	Lyxor ETF FTSE MIB Daily Double Short XBear	291		Lyxor ETF EURO STOXX 50 Daily Leverage	13		XACT Bear 2	63	
	Lyxor ETF Leverage CAC 40	241		Xact Derivat BEAR	11		Lyxor ETF Daily Shortdax x2	63	
	Lyxor ETF LevDAX	236		db x-trackers S&P 500 2x Inverse Daily UCITS ETF	8		db x-trackers S&P 500 2x Inverse Daily ETF	62	
	db x-trackers S&P 500 Inverse Daily ETF	226		XACT Bear	8		Lyxor ETF EURO STOXX 50 Daily Double Short	59	
	db x-trackers - EURO STOXX 50 Short Daily ETF	220		Lyxor ETF Leverage CAC 40	8		db x-trackers ShortDAX Daily UCITS ETF	53	
	Lyxor ETF EURO STOXX 50 Daily Leverage	215		Lyxor ETF EURO STOXX 50 Daily Short	-7		db x-trackers ShortDAX x2 Daily UCITS ETF	49	
	XACT Bull	160		AMUNDI ETF LEVERAGED MSCI USA DAILY	-8		Xact Derivative Bull	-69	
	XACT Bull 2	152		Lyxor ETF EURO STOXX 50 Daily Double Short	-9		db x-trackers HSI Short Daily Index UCITS ETF	-94	
	ETFX DAX 2x Short Fund	116		Lyxor ETF CAC 40 Daily Double Short	-21		Lyxor ETF EURO STOXX 50 Daily Leverage	-123	
	XACT Bear	113		Lyxor ETF LevDAX	-24		Lyxor ETF FTSE MIB Daily Leveraged	-187	
	XACT Bear 2	111		DnB Norway OBX Derivate Bull	-32		Lyxor ETF LevDAX	-222	
	Lyxor ETF EURO STOXX 50 Daily Double Short	103		Lyxor ETF FTSE MIB Daily Leveraged	-65		Lyxor ETF Leverage CAC 40	-281	
Fixed Income Domiciled in N. America	ProShares UltraShort 20+ Year Treasury	4,102		ProShares UltraShort 20+ Year Treasury	326		ProShares UltraShort 20+ Year Treasury	665	
	ProShares Short 20+ Year Treasury	1,416		iPath US Treasury 10-year Bear ETN	24		ProShares Short 20+ Year Treasury	565	
	Direxion Daily 20 Year Plus Treasury Bear 3x Shares	543		Direxion Daily 20 Year Plus Treasury Bear 3x	23		Direxion Daily 20+ Yr Treasury Bear 3x Shares	162	
	ProShares UltraShort Lehman 7-10 Year Treasury	305		ProShares UltraPro Short 20+ Year Treasury	13		ProShares UltraPro Short 20+ Year Treasury	65	
	ProShares UltraPro Short 20+ Year Treasury	99		ProShares Ultra 20+ Year Treasury	3		ProShares Short 7-10 Treasury	36	
	iPath US Treasury 10-year Bear ETN	95		ProShares UltraShort Lehman 7-10 Year Treas	1		PowerShares DB 3x Inverse Japan Govt Bond Futures	33	
	ProShares Short High Yield	60		Direxion Daily 7-10 Year Treasury Bear 3x Sha	1		ProShares Short High Yield	25	
	Direxion Daily 7-10 Year Treasury Bear 3x Shares	57		iPath US Treasury Long Bond Bear ETN	0		Direxion Daily 20 Year Plus Treasury Bull 3x S	20	
	PowerShares DB 3X Short 25+ Year Treasury Bond ETN	53		ProShares Short 20+ Year Treasury	-1		PowerShares DB Inverse Japanese Govt Bond	18	
	ProShares Short 7-10 Treasury	51		ProShares Short High Yield	-2		iPath US Treasury Long Bond Bear ETN	17	
	PowerShares DB 3x Inverse Japanese Govt Bond Futures ETN	50		ProShares Short 7-10 Treasury	-2		ProShares Ultra 20+ Year Treasury	13	
	iPath US Treasury Long Bond Bear ETN	44		Direxion Daily 20 Year Plus Treasury Bull 3x	-3		PowerShares DB 3X Short 25+ Yr Treasury ETN	9	
	PowerShares DB Inverse Japanese Govt Bond	39		PowerShares DB US Deflation ETN	-4		iPath US Treasury Flattenner ETN	-15	
	Direxion Daily 20 Year Plus Treasury Bull 3x Shares	35		JPMorgan Double Short US 10 Year Treasury F	-8		JPMorgan Double Short US 10 Year Treasury Futures ETN	-16	
	PowerShares DB 3X Long 25+ Treasury Bond ETN	23		ProShares Ultra 7-10 Year Treasury	-851		ProShares Ultra 7-10 Year Treasury	-641	
Fixed Income Domiciled in Europe	Lyxor ETF SGI Daily Double Short Bund	679		Lyxor ETF SGI Daily Double Short Bund	66.0		Lyxor ETF Daily Double Short BTP ETF	206	
	db x-trackers Short iBoxx Euro Sovereigns	216		db x-trackers II iTraxx Crossover Short Daily	53.8		db x-trackers II iTraxx Crossover Short Daily L	100	
	Lyxor ETF Daily Double Short BTP ETF	211		db x-trackers II US Treasuries Double Long	38.8		Lyxor ETF SGI Daily Double Short Bund	42	
	db x-trackers II iTraxx Crossover Short Daily	138		Lyxor ETF Daily Double Short BTP ETF	4.5		db x-trackers II US TREASURIES DOUBLE SHOR	40	
	Commerzbank Bund-Future Short TR	123		AMUNDI ETF Short US Treasury 7-10 Yr	4.1		AMUNDI Short US Treasury 7-10 DAILY	35	
	Commerzbank Bund-Future Double Short TR	99		Lyxor ETF Daily Leveraged Bund	1.0		db x-trackers UK GILTS Double Short Daily ETI	25	
	db x-trackers II US TREASURIES DOUBLE SI	44		db x-trackers II USD Treasuries Inflation-Linked	0.1		Commerzbank Bund-Future Short TR	22	
	AMUNDI ETF Short US Treasury 7-10	43		db x-trackers US TREASURIES DOUBLE LONG DAILY	0.0		Commerzbank Bund-Future Double Short TR	12	
	db x-trackers II UK GILTS Double Short	31		db x-trackers II UK GILTS Double Long Daily	0.0		AMUNDI Short EuroMTS Govt Bond Broad IG	-4	
	Commerzbank Bund-Future Leveraged	29		db x-trackers II EUROZONE SOVEREIGNS DOU	0.0		db x-trackers II Euro Interest Rates Volatility	-8	
	db x-trackers II iTraxx Europe Short Daily	22		ComStage ETF Commerzbank Bund-Future Short TR	0.0		db x-trackers II iTraxx HiVol Short Daily UCITS	-11	
	AMUNDI Short Govt Bond EuroMTS 1-3	18		db x-trackers II iTraxx Europe Subordinated F	-0.1		AMUNDI Short Govt Bond Broad IG 10-15	-12	
	Amundi ETF Short Govt Bond Eur	16		ComStage ETF Bund-Future Double Short TR	-0.1		Lyxor ETF Daily Leveraged BTP	-15	
	Lyxor ETF Daily Leveraged BTP	15		db x-trackers II UK GILTS DOUBLE SHORT DAILY	-0.7		Lyxor ETF Daily Leveraged Bund	-17	
	db x-trackers II US TREASURIES SHORT DAILY UCITS ETF	12		AMUNDI ETF SHORT US TREASURY 3-7 DAILY	-1.8		db x-trackers Short iBoxx Euro Sovereigns	-19	
Commodities	ProShares Ultra Silver	560		Horizons BetaPro NYMEX Crude Oil Bear Plus	166		ProShares Ultra Silver	288	
	ProShares UltraShort DJ-UBS Crude Oil	358		Horizons BetaPro NYMEX Natural Gas Bull Plc	80		ProShares UltraShort DJ-UBS Crude Oil	276	
	Horizons BetaPro NYMEX Crude Oil Bear I	255		VelocityShares 3x Long Natural Gas ETN	45		Horizons BetaPro NYMEX Crude Oil Bear Plus ETF	146	
	Horizons BetaPro NYMEX NatGas Bear Plus	224		ProShares Ultra DJ-UBS Crude Oil	30		VelocityShares 3x Long Silver ETN	130	
	PowerShares DB Gold Double Long ETN	215		ProShares Ultra DJ-UBS Natural Gas ETF	12		Horizons BetaPro NYMEX NatGas Bear Plus ETF	120	
	Horizons BetaPro NYMEX NatGas Bull Plus	169		ETFS Daily Leveraged Natural Gas	11		VelocityShares 3x Long Natural Gas ETN	117	
	Horizons BetaPro NYMEX Crude Oil Bull Plus	167		VelocityShares 3x Long Silver ETN	10		PowerShares DB Crude Oil Double Short ETN	95	
	VelocityShares 3x Long Natural Gas ETN	164		ETFS Daily Leveraged WTI Crude Oil	6		ETFS Daily Short Gold	77	
	ProShares Ultra Gold	163		ProShares UltraShort Silver	-6		ETFS Daily Leveraged Silver	59	
	PowerShares DB Crude Oil Double Short I	148		ProShares Ultra Gold	-7		Horizons BetaPro NYMEX Natural Gas Bull Plus ETF	41	
	ProShares Ultra DJ-UBS Crude Oil	147		ETFS Daily Short WTI Crude Oil	-7		ETFS Daily Short Copper	-47	
	ETFS Daily Leveraged Natural Gas	139		VelocityShares 3x Inverse Natural Gas ETN	-13		PowerShares DB Gold Double Long ETN	-62	
	VelocityShares 3x Long Silver ETN linked	134		ProShares UltraShort Gold	-22		ProShares UltraShort Silver	-64	
	ProShares UltraShort Gold	122		PowerShares DB Crude Oil Double Short ETN	-58		ETFS Daily Leveraged WTI Crude Oil	-114	
	ETFS Daily Short Gold	117		ProShares UltraShort DJ-UBS Crude Oil	-158		ProShares Ultra DJ-UBS Crude Oil	-394	

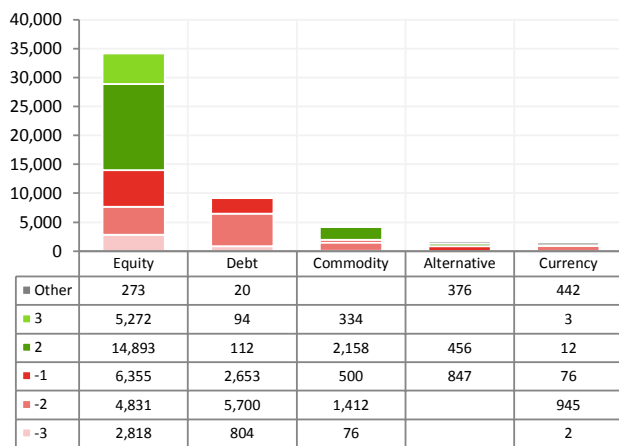
## Current Allocations

As of 31st Oct 2013; Figures in USD Mil.

### AUM

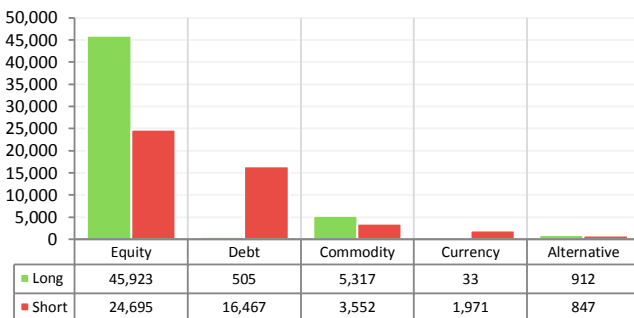


### AUM by Leverage Factor



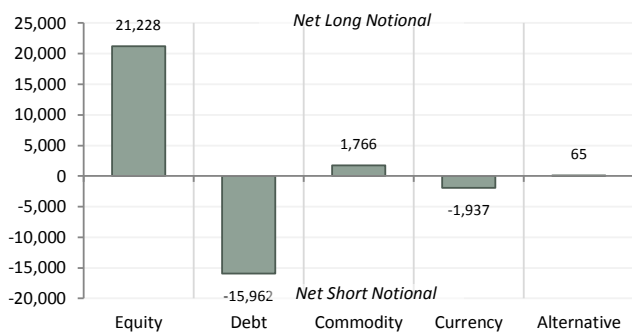
### Notional AUM

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

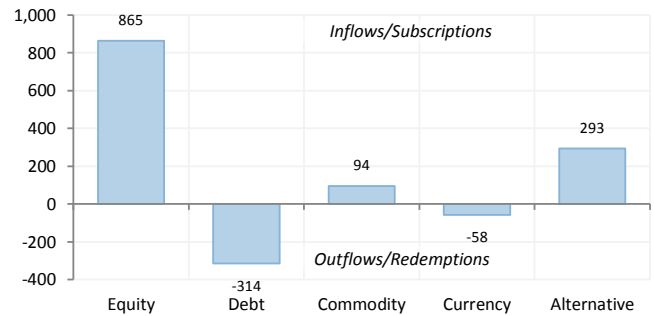
The notional AUM in long minus the notional AUM in short.  
A negative figure indicates investors are net short



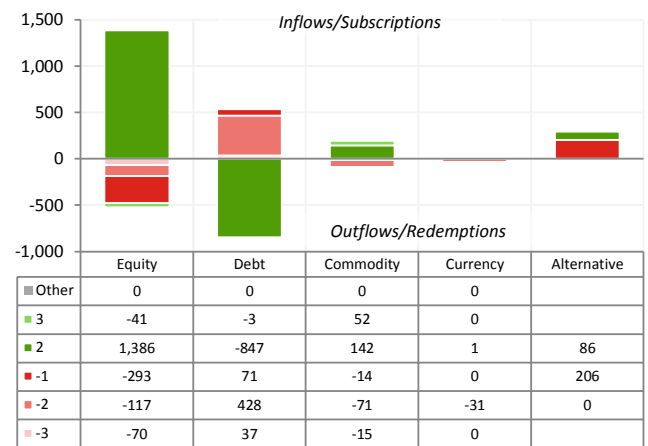
## Oct 2013 Flows

Over Oct 2013; Figures in USD Mil.

### Asset Flows

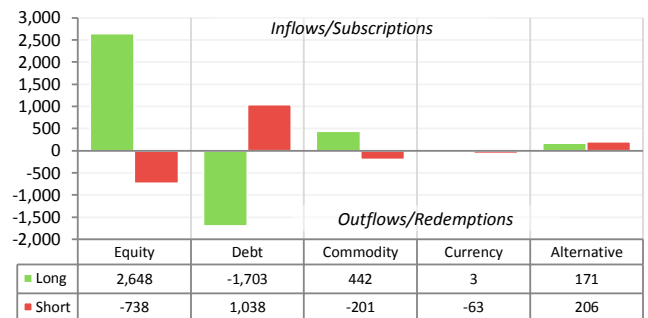


### Asset Flows by Leverage Factor



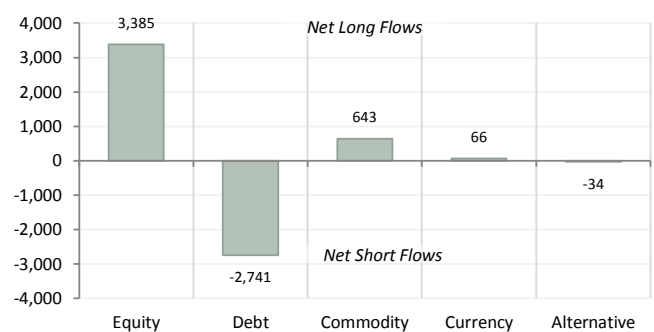
### Notional Flows

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

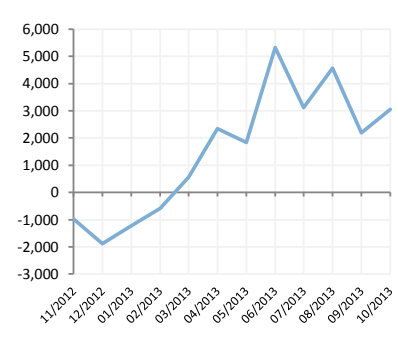
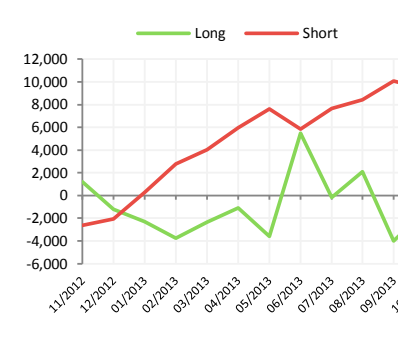
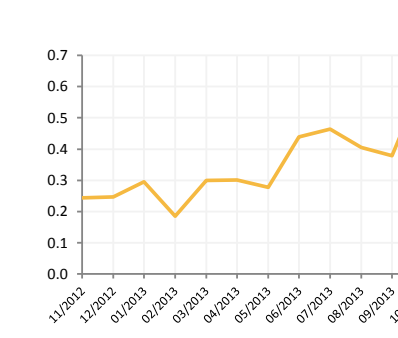
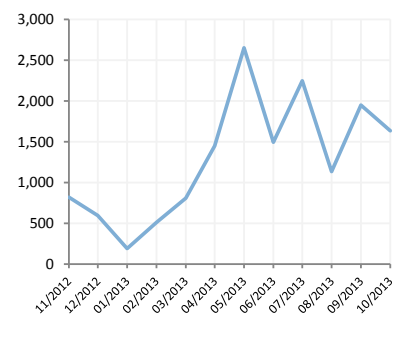
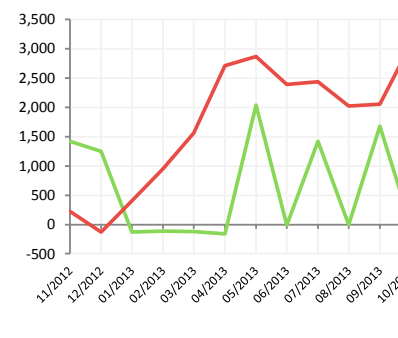
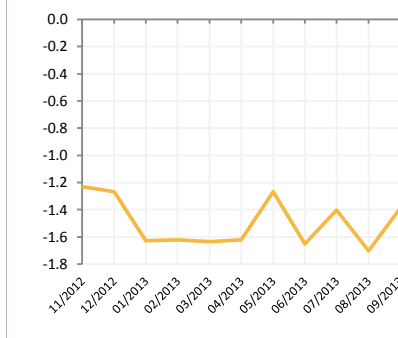
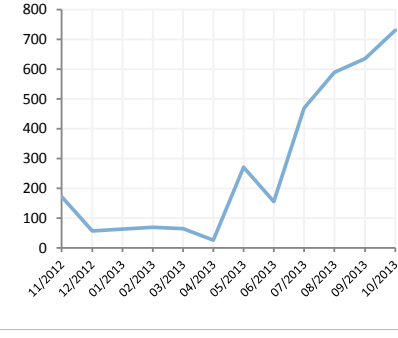

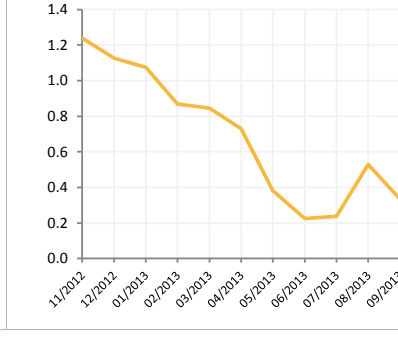


### Net Position Flows

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 over past 12 months; Figures in USD Mil Asset flows represent net subscriptions	<b>Cumulative Notional Flows</b> Cumulative over past 12 months; 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> Over past 12 months The average leverage employed by investors in S&L ETPs. A negative figure implies investors are net short
Equities			
Fixed-Income			
Commodities			



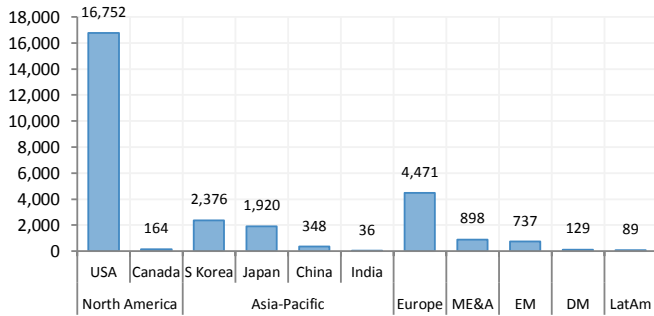
# Short & Leveraged Equities

## ETPs Focused on Any Country or Region

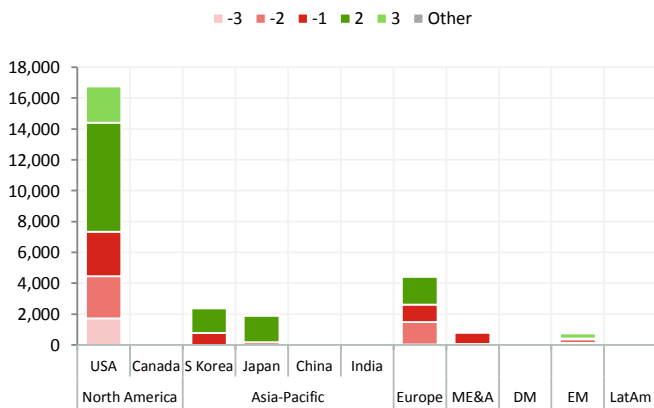
### Current Allocations

By Geographic Exposure; As of 31st Oct 2013; Figures in USD Mil.

#### AUM

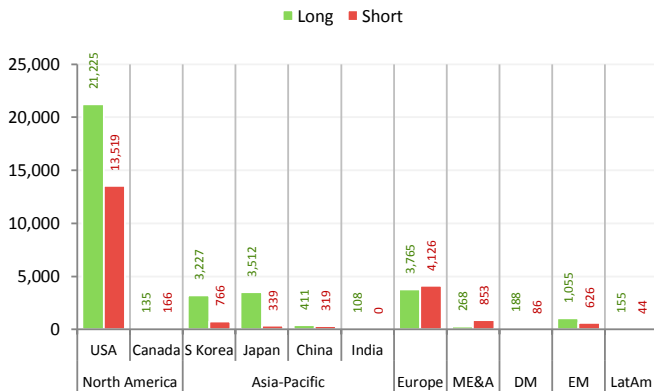


#### AUM by Leverage Factor



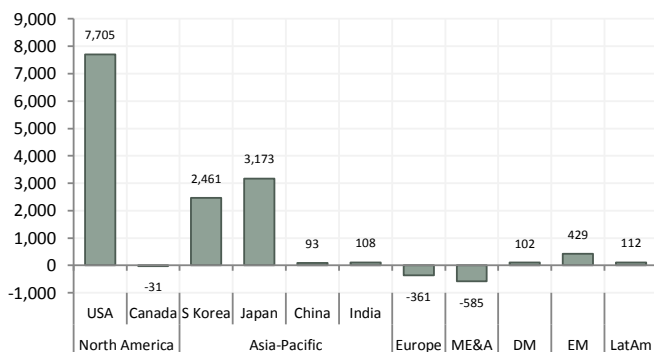
#### Notional AUM

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

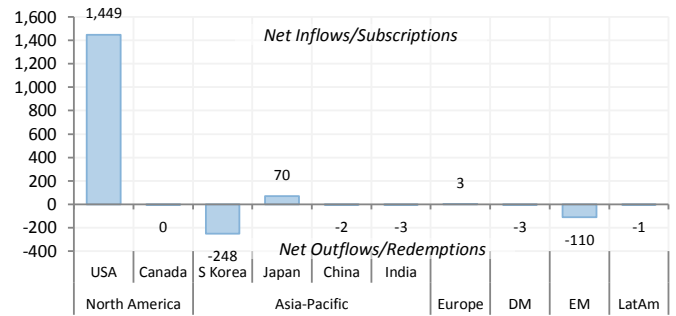
The notional AUM in long minus the notional AUM in short. A negative figure indicates investors are net short



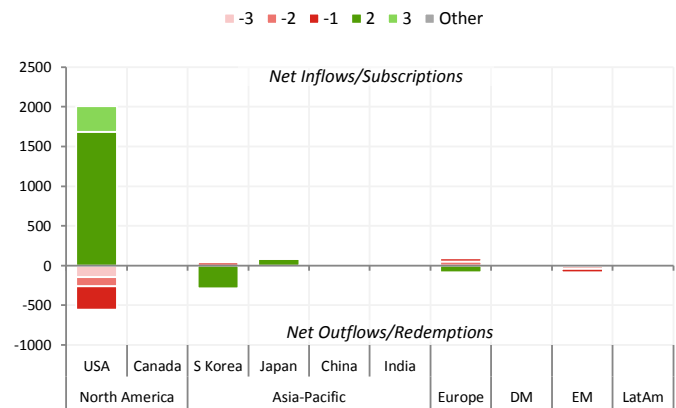
### Oct 2013 Flows

By Geographic Exposure; During Oct 2013; Figures in USD Mil.

#### Asset Flows

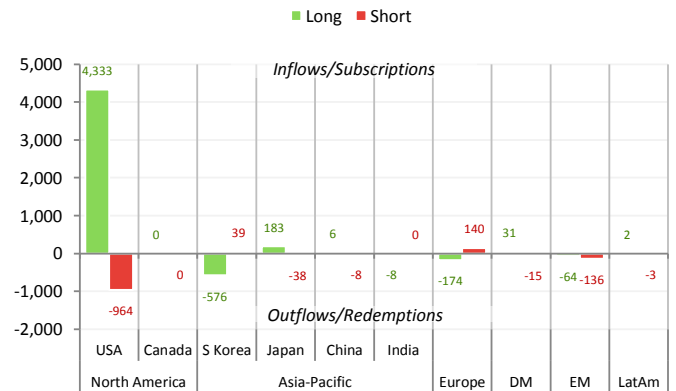


#### Asset Flows by Leverage Factor



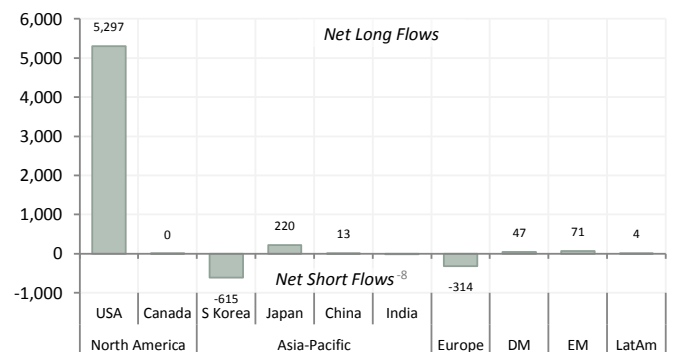
#### Notional Flows

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

ETPs Focused on Any Country or Region



## Past Year

	<b>Cumulative Asset Flows</b> Cumulative over past 12 months; Figures in USD Mil Asset flows represent net subscriptions	<b>Cumulative Notional Flows</b> Cumulative over past 12 months; 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> During past 12 months 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>			

# Short & Leveraged Equities

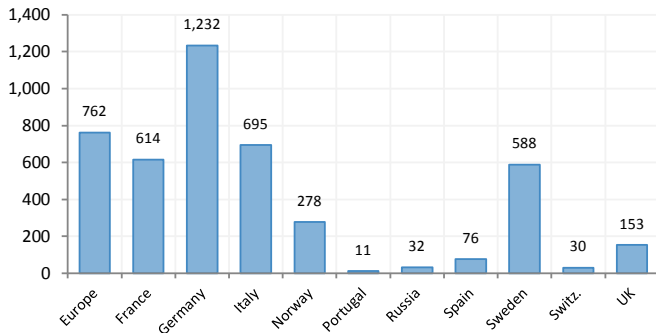
## ETPs Focused on European Countries or Europe

### Current Allocations

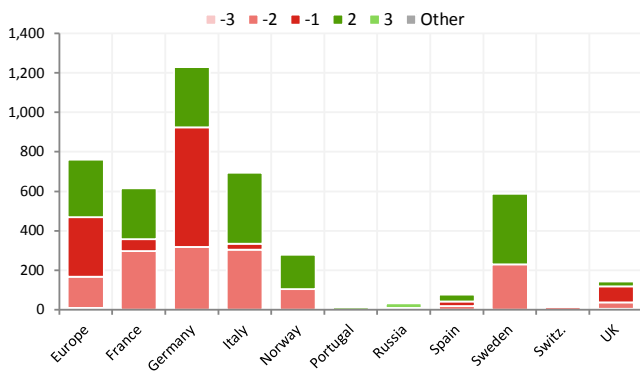
By Geographic Exposure; As of 31st Oct 2013; Figures in USD Mil.

#### AUM

Showing countries with AUM above \$10mm

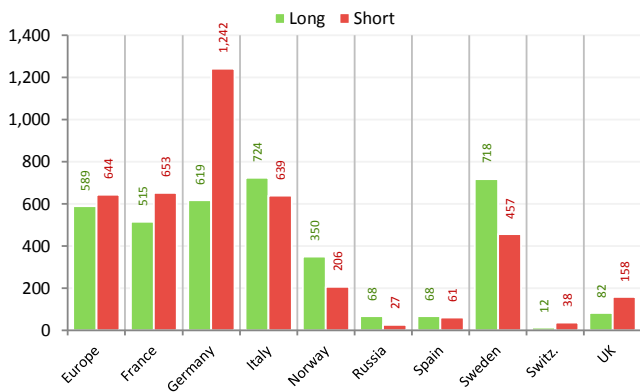


#### AUM by Leverage Factor



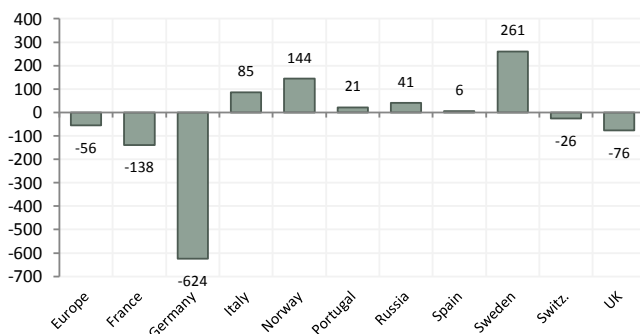
#### Notional AUM

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

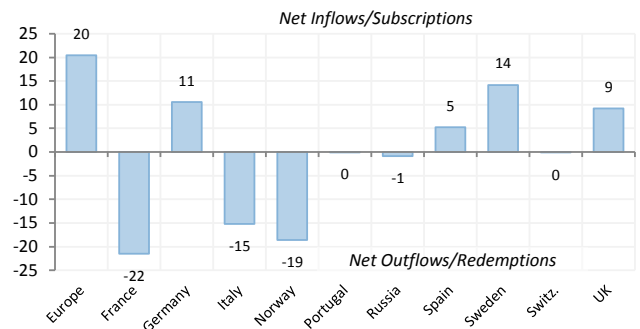
The notional AUM in long minus the notional AUM in short. A negative figure indicates investors are net short



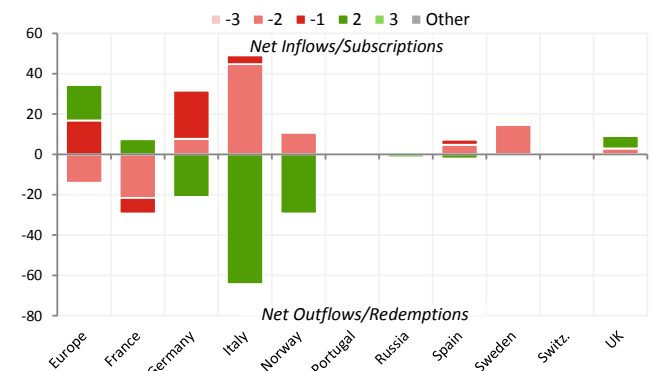
### Oct 2013 Flows

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

#### Asset Flows

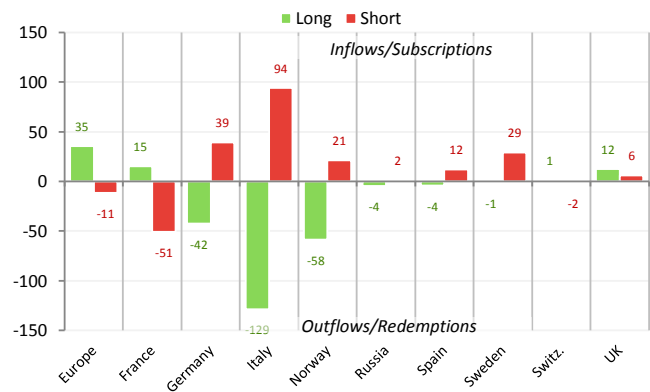


#### Asset Flows by Leverage Factor



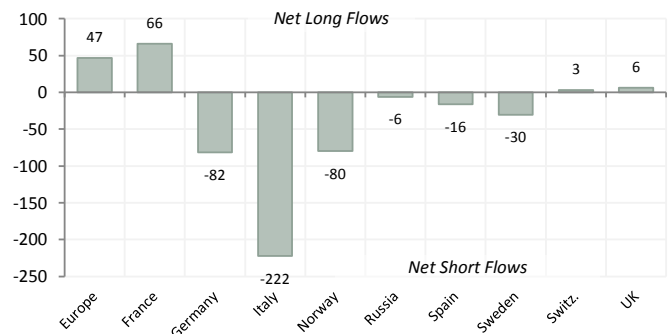
#### Notional Flows

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

## ETPs Focused on European Countries or Europe



### Past Year

	<b>Cumulative Asset Flows</b> Cumulative over past 12 months; Figures in USD Mil Asset flows represent net subscriptions	<b>Cumulative Notional Flows</b> Cumulative over past 12 months; 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> During past 12 months 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

## ETPs Focused on European Countries or Europe



### Past Year

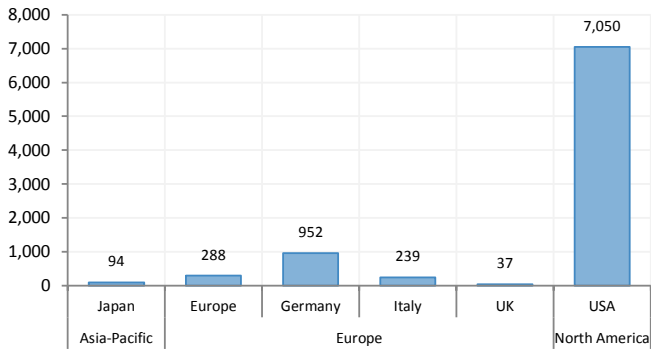
	<b>Cumulative Asset Flows</b> Cumulative over past 12 months; Figures in USD Mil Asset flows represent net subscriptions	<b>Cumulative Notional Flows</b> Cumulative over past 12 months; Figures in USD Mil Notional flows are the sum of net subscriptions for each ETP multiplied by its leverage factor	<b>Average Investor Leverage</b> During past 12 months The average leverage employed by investors in S&L ETPs. A negative figure implies investors are net short
<b>Spain</b>			
<b>Norway</b>			
<b>Sweden</b>			
<b>Russia</b>			
<b>Switzerland</b>			

### Current Allocations

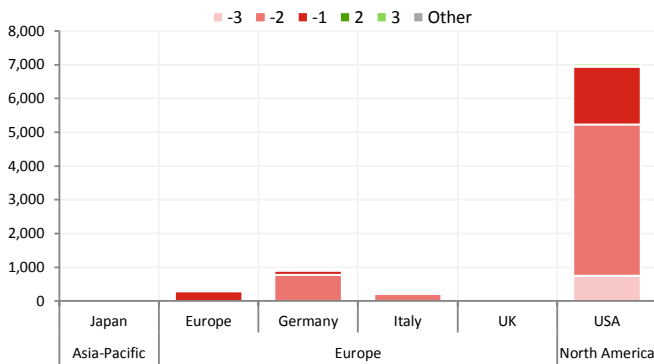
By Geographic Exposure; As of 31st Oct 2013; Figures in USD Mil.

#### AUM

Showing countries with AUM above \$10mm

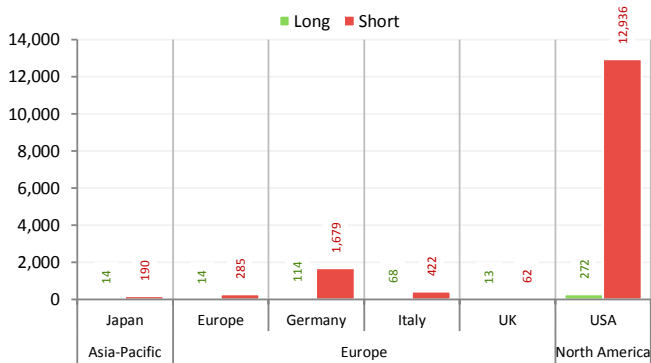


#### AUM by Leverage Factor



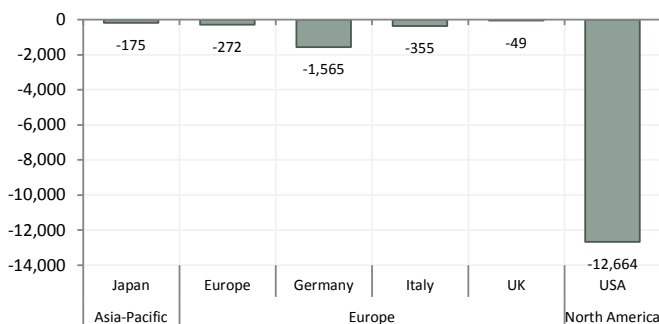
#### Notional AUM

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

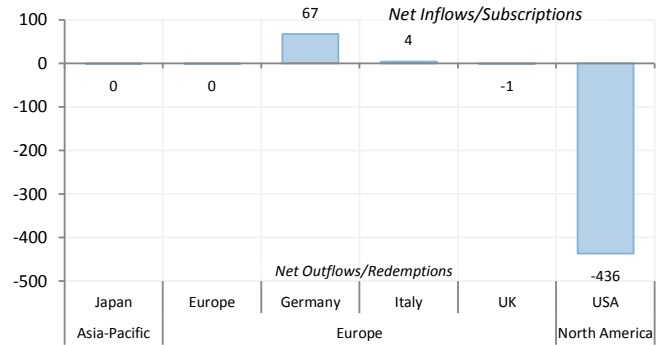


### Oct 2013 Flows

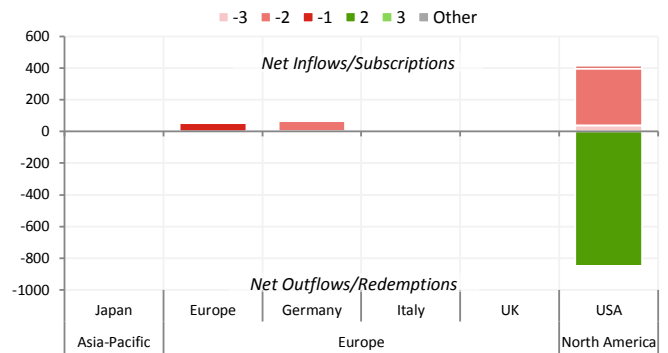
By Geographic Exposure; Over Oct 2013; Figures in USD Mil.

#### Asset Flows

Showing countries with inflows or outflows above \$1mm

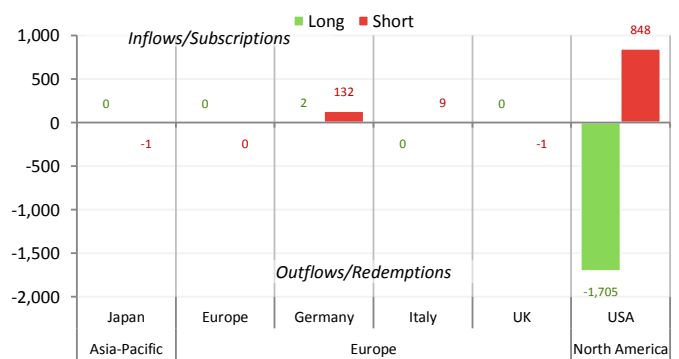


#### Asset Flows by Leverage Factor



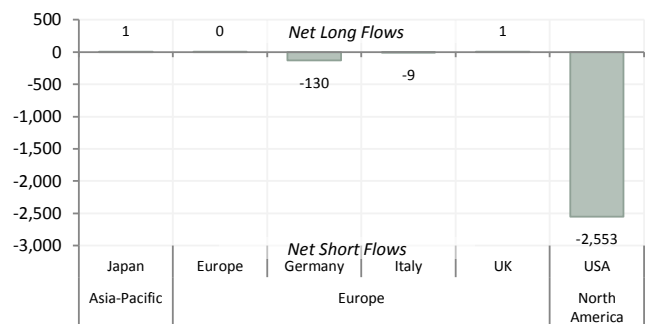
#### Notional Flows

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 over past 12 months; Figures in USD Mil

Asset flows represent net subscriptions

#### Cumulative Notional Flows

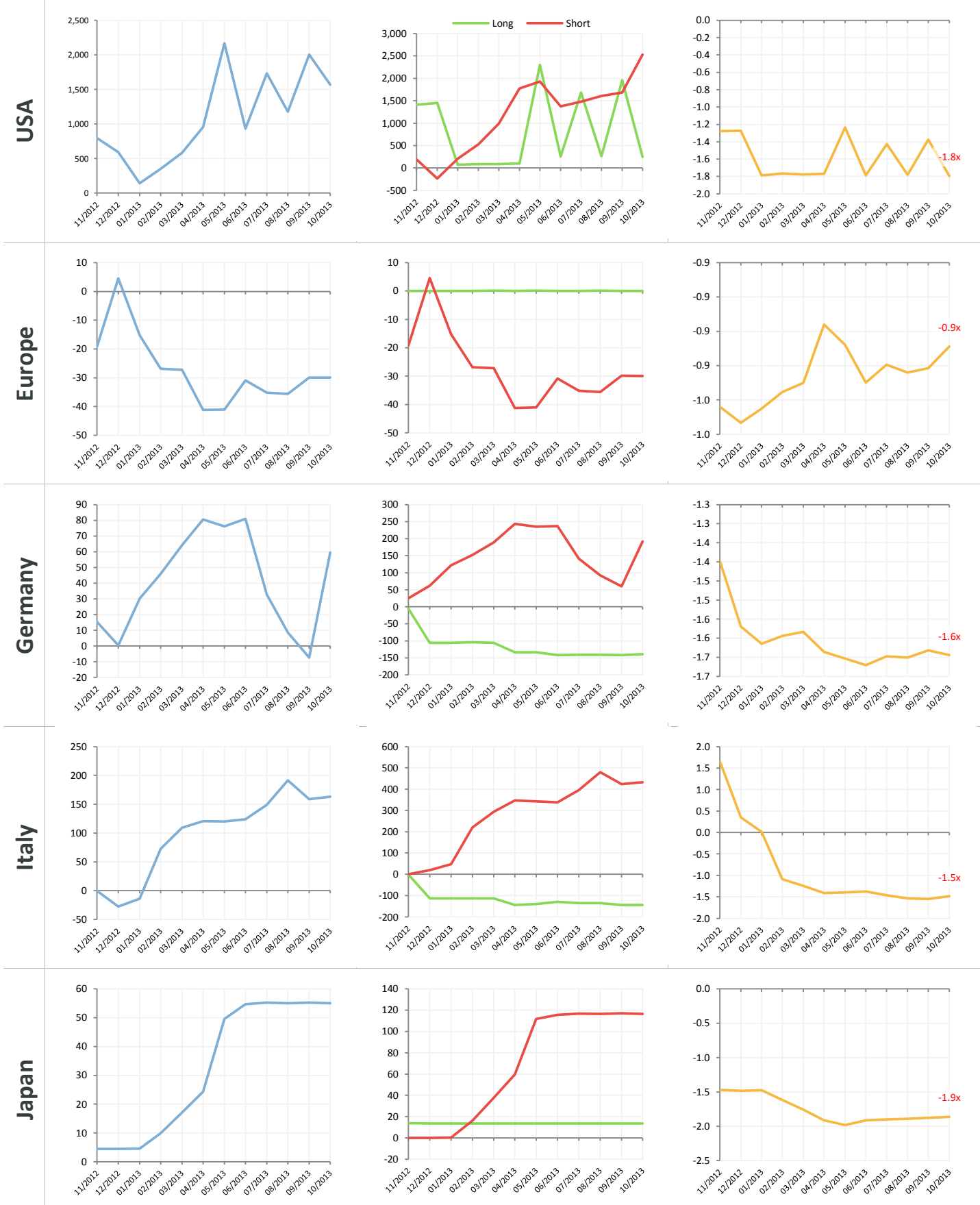
Cumulative over past 12 months; Figures in USD Mil

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

#### Average Investor Leverage

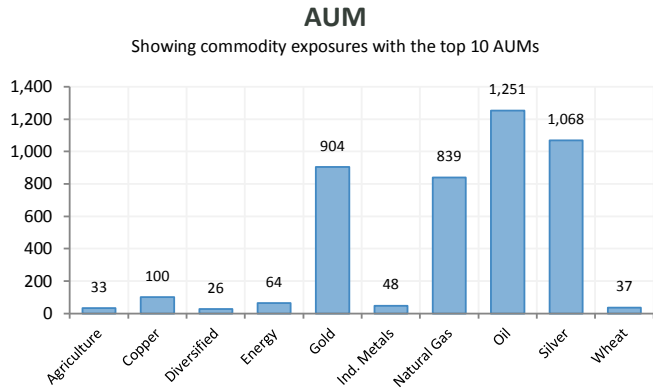
During past 12 months

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

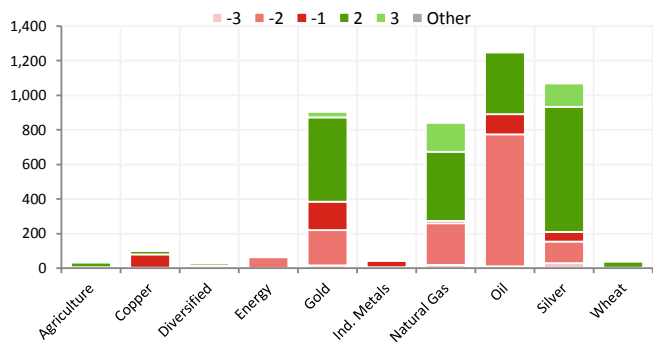


### Current Allocations

By commodity exposure; As of 31st Oct 2013; Figures in USD Mil;  
Showing the top 10 AUM commodity exposures

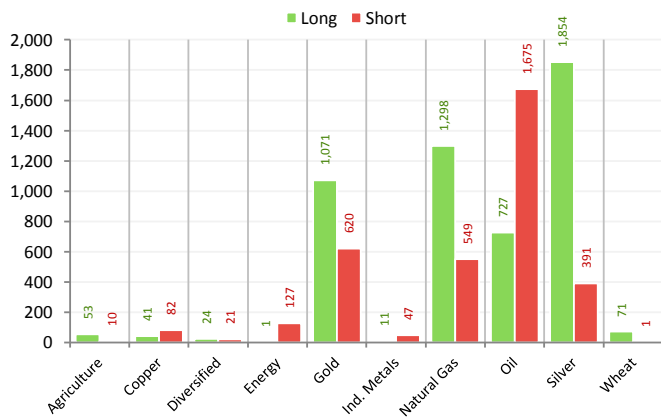


### AUM by Leverage Factor



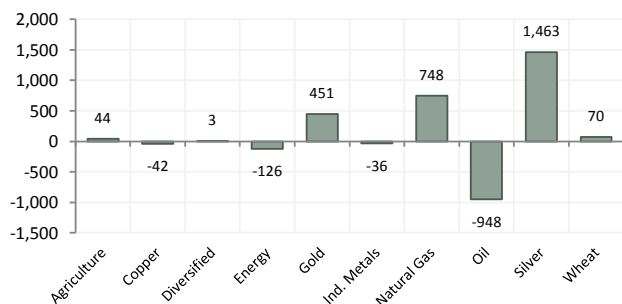
### Notional AUM

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



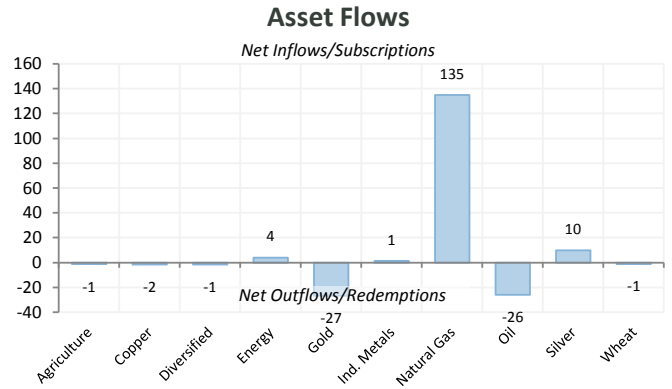
### Net Position

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

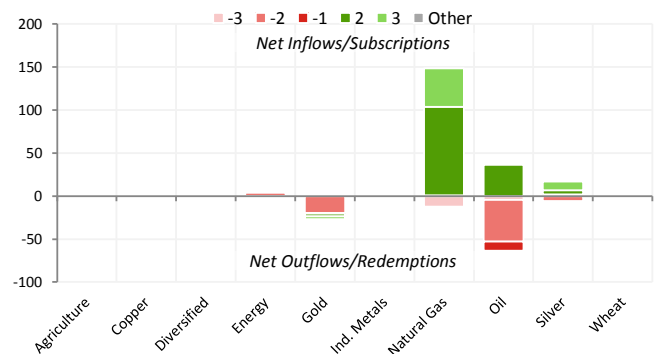


### Oct 2013 Flows

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

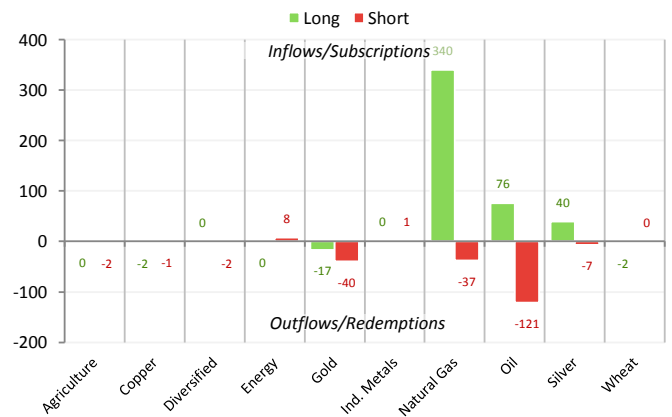


### Asset Flows by Leverage Factor



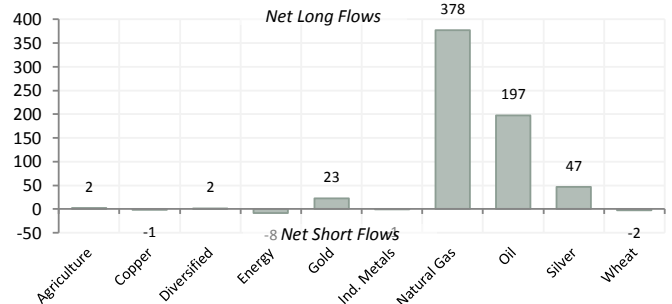
### Notional Flows

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 over past 12 months; Figures in USD Mil Asset flows represent net subscriptions	<b>Cumulative Notional Flows</b> Cumulative over past 12 months; 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> During past 12 months 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>			

## 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...

[View document](#)



### ***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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