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# Short & Leveraged ETFs/ETPs

## Global Flows Report

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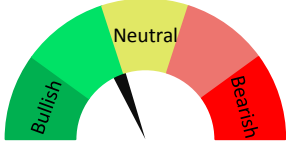
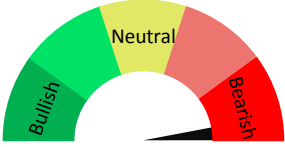
28<sup>th</sup> Feb 2014



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# Boostometer

Equities	Debt	Commodities
 <p><b>US</b></p>	 <p><b>US</b></p>	 <p><b>Gold</b></p>
 <p><b>Europe</b></p>	 <p><b>Europe</b></p>	 <p><b>Silver</b></p>
 <p><b>Japan</b></p>	 <p><b>Japan</b></p>	 <p><b>Copper</b></p>
 <p><b>UK</b></p>	 <p><b>UK</b></p>	 <p><b>Oil</b></p>
 <p><b>Germany</b></p>	 <p><b>Germany</b></p>	 <p><b>Natural Gas</b></p>
 <p><b>Italy</b></p>	 <p><b>Italy</b></p>	

## Global Assets Under Management

- The total global AUM of Short & Leveraged (S&L) ETPs at the end of February 2014 is a record \$61.3 billion, up 6% YTD.
- 48% 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 38% of AUM.
- In terms of S&L asset allocation, equity ETPs are the most popular with 65% of AUM, followed by debt with 22% and commodities with 7%. The remaining 6% is allocated between currency and alternative ETPs.
- The largest individual S&L ETPs are short US treasuries (\$4.3bn) and leveraged US treasuries (\$3bn).

## Short & Leverage Equities: Global

- Currently there is \$39.8 billion of AUM held in S&L equity ETPs of which 55% is held in long ETPs.
- S&L equity ETPs have seen \$2.7 billion of net outflows in February, a marked reversal from the \$2.7 billion of net inflows in January. Leading the outflows were US equity ETPs with \$3.2 billion of net outflows.
- Outside the US, the most notable flows were seen in Japan, with \$463 million of net inflows, \$452 million of which went into long Japan ETPs.
- AUM in S&L US equity ETPs as at the end of February was \$20.4 billion, a 10% decline from \$22.7 billion in January.

## Short & Leverage Equities: Europe

- Currently there is \$5.6 billion of AUM held in S&L equity ETPs tracking Europe (as a region) or European countries of which 56% is held in long ETPs and 44% is held in short ETPs.
- European net outflows of \$61 million paled in comparison to the large outflows seen in US equities.
- Bearish positioning was evident in Italy, France and Sweden where outflows from long equity ETPs coincided with inflows into short equity ETPs. While UK equity ETPs saw inflows into short ETPs, European region focused equity ETPs saw some inflows into long equity ETPs.
- In contrast to the overall bearish sentiment underpinning European equities, German equity ETPs saw \$73 million short positions being sold, the largest unwinding of shorts seen across ETPs tracking Europe.

## Short & Leverage Debt: Global

- Currently there is \$13.7 billion of AUM in S&L debt ETPs, an increase of 25% (from \$10.9 billion of AUM in January). Out of the \$13.7 billion in S&L debt ETPs, \$12.3 billion are in government debt, \$1bn is in corporate debt, and an additional \$349 million are in S&L total market bond ETPs.
- The total AUM in US government debt ETPs at the end of February was \$10.5 billion. As a result of large inflows of \$2.9 billion into long US debt ETPs in February, the share of bullish positions in US debt ETPs has risen to 29%, a significant increase from 1.4% in January.
- With \$87 million of inflows into short German debt ETPs, the bearish positioning in German debt by S&L investors for March has risen.
- Against the backdrop of the Fed's commitment to withdraw monetary stimulus, confirmed by the release of the latest FOMC minutes, S&L investors have remained overwhelmingly bearishly positioned in government debt.

## Short & Leverage Commodities: Global

- The AUM of S&L commodity ETPs for the end of February is \$4.2 billion, an increase of 11% (from January's AUM of 3.7 billion). 48% is currently held in long commodity ETPs, compared to 50% in January.
- S&L commodity ETPs are dominated by gold, silver, oil and natural gas, representing 90% of total AUM. With over \$1 billion in AUM silver is the largest commodity ETP for the second month running, followed closely by natural gas which has overtaken gold as the second largest commodity ETP.
- The strong rise in AUM in natural gas to \$1 billion has been driven by \$311 million of inflows in February, the largest seen across commodity S&L ETPs. The bulk of the inflows were in short ETPs, as the strong rise in Henry Hub natural gas prices during US's cold snap may have provoked contrarian bearish positioning for March.

- S&L investors have turned more bearish on oil, with \$223 million of inflows into short ETPs and \$150 million of outflows from long ETPs. With \$790 million of short ETPs representing 87% of total AUM in S&L oil ETPs, S&L investors remain bearish positioned in oil for March.
- Silver and gold S&L ETPs saw no major flow movement in February. As a result, the overall bullish conviction on silver and gold by S&L investors remains, helped in part by rebounding precious metals prices.

## 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 with 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>1</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>2</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 may be biased due to leverage factors on offer for each index / exposure<sup>3</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 28<sup>th</sup> Feb 2014. All figures are denominated in USD.

<sup>1</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.

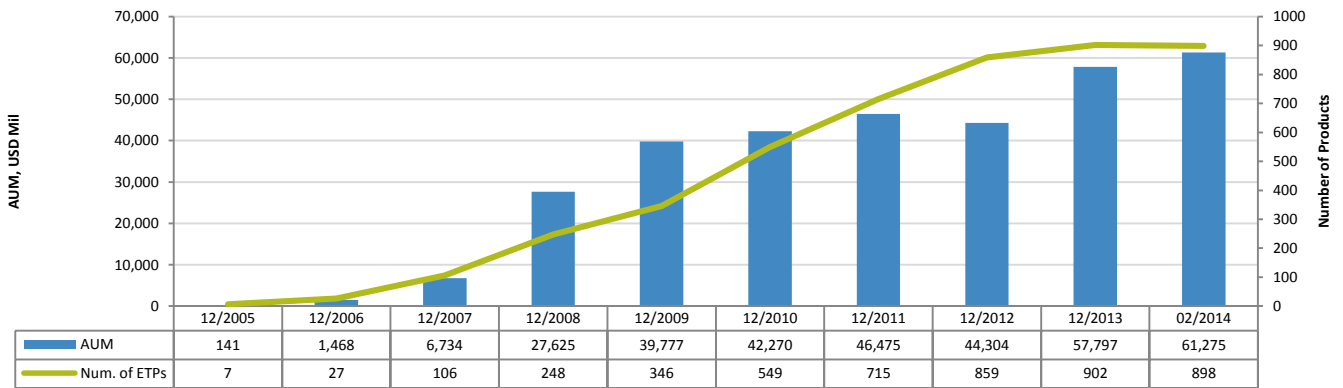
<sup>2</sup> For a minority of short & leveraged ETFs/ETPs, neither the AUM nor the market capitalisation is available. The AUM data for these ETFs/ETPs, as well as all related statistics, as described above, are not included in the analyses presented.

<sup>3</sup> This bias may 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.

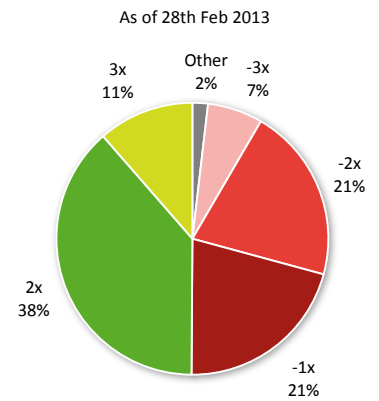
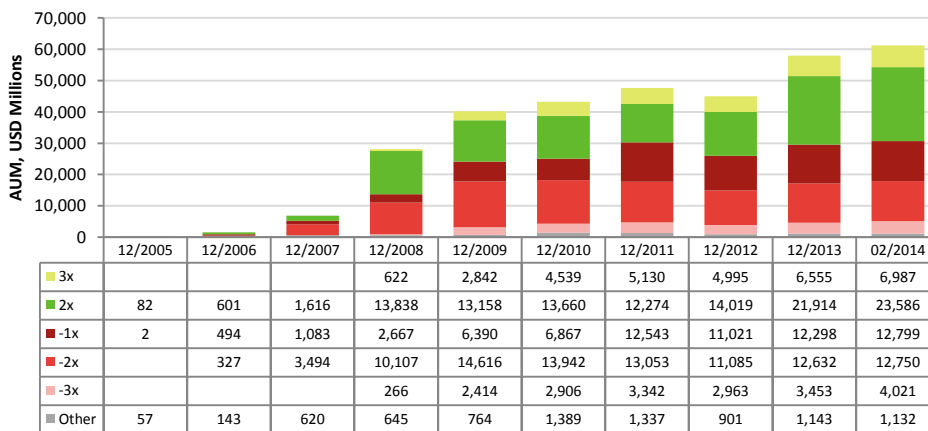
# Global Growth of S&L ETFs/ETPs



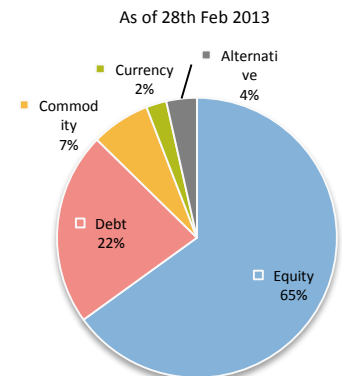
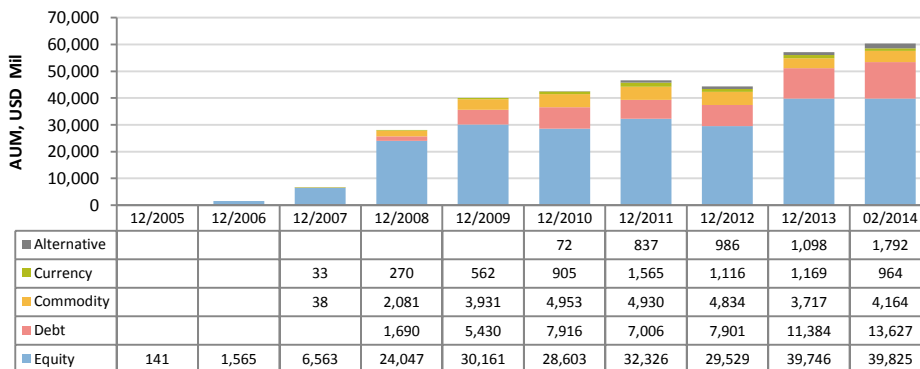
## AUM and Number of Products



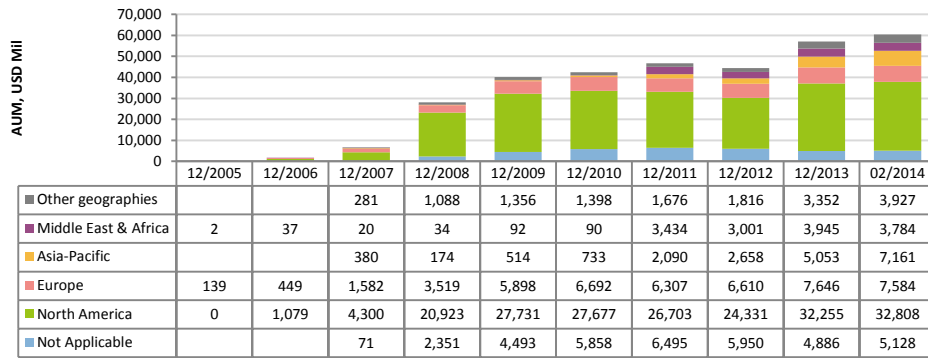
## AUM by Leverage Factor



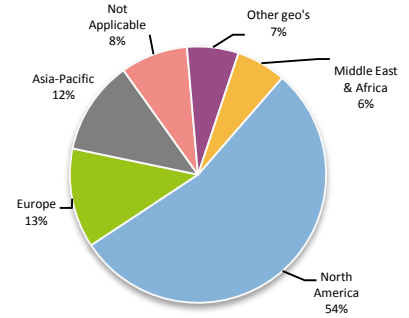
## AUM by Asset Class



## AUM by Geographic Exposure



As of 28th Feb 2013



## Top S&L ETFs/ETPs



### By Asset Class Focus and ETF/ETP Domicile

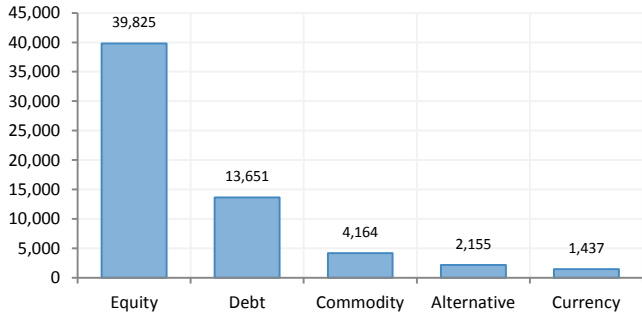
	By AUM Showing 15 largest ETPS by AUM		By Past Month's Asset Flows Showing 15 largest asset flows in the past month		By YTD Asset Flows Showing 15 largest asset net flows YTD	
	ETF / ETP	AUM	ETF / ETP Name	Asset Flow	ETF / ETP Name	Asset Flow
Equities Domiciled in N. America	ProShares Short S&P500	1,701	ProShares UltraShort S&P500	185	ProShares Short S&P500	327
	ProShares Ultra S&P500	1,619	Direxion Daily Gold Miners Bear 3x Shares	144	ProShares UltraShort S&P500	248
	ProShares UltraShort S&P500	1,578	Direxion Daily Small Cap Bear 3x Shares	107	Direxion Daily Gold Miners Bear 3x Shares	241
	Direxion Daily Financial Bull 3X Shares	1,330	ProShares Ultra Nasdaq Biotechnology	83	Direxion Daily Small Cap Bull 3X Shares	180
	FI Enhanced Big Cap Growth ETN	1,096	ProShares UltraPro Short S&P 500	72	ProShares Ultra Nasdaq Biotechnology	126
	Direxion Daily Small Cap Bull 3X Shares	860	ProShares Short S&P500	71	Direxion Daily Financial Bull 3X Shares	111
	ProShares Ultra Financials	846	ProShares UltraPro Short QQQ	62	Direxion Daily Small Cap Bear 3X Shares	97
	ProShares Ultra QQQ	782	Direxion Daily Financial Bear 3X Shares	60	ProShares UltraPro Short S&P 500	86
	Direxion Daily Gold Miners Bull 3x Share:	724	CS FI Enhanced Europe 50 ETN	-117	Direxion Daily Small Cap Bull 3X Shares	-77
	ProShares UltraPro S&P 500	645	Direxion Daily Small Cap Bull 3X Shares	-134	CS FI Enhanced Europe 50 ETN	-101
Direxion Daily Small Cap Bear 3X Shares	610	Direxion Daily Gold Miners Bull 3x Shares	-163	Direxion Daily Gold Miners Bull 3x Shares	-335	
ProShares UltraPro QQQ	577	FI Enhanced Europe 50 ETN	-1,094	FI Enhanced Europe 50 ETN	-1,079	
ProShares UltraPro Short S&P 500	481	FI Enhanced Global High Yield ETN	-1,441	FI Enhanced Global High Yield ETN	-1,434	
ProShares Short Russell2000	449	ProShares Ultra MidCap400	-1,775	ProShares Ultra MidCap400	-1,715	
ProShares Ultra Nasdaq Biotechnology	435	ProShares Ultra S&P500	-1,829	ProShares Ultra S&P500	-1,981	
Equities Domiciled in Europe	db x-trackers ShortDAX Daily UCITS ETF	492	Lyxor ETF CAC 40 Daily Double Short	47	Lyxor ETF FTSE MIB Daily Double Short XBear	88
	Lyxor ETF FTSE MIB Daily Leveraged	333	Xact Derivat Bull	31	Lyxor ETF CAC 40 Daily Double Short	78
	Lyxor ETF LevDAX	311	Lyxor ETF FTSE MIB Daily Double Short XBear	19	Xact Derivat Bull	37
	LYXOR ETF CAC 40 Daily Double Short	292	db x-trackers FTSE 100 Short Daily UCITS ETF	16	db x-trackers S&P 500 Inverse Daily UCITS ETF	36
	db x-trackers S&P 500 Inverse Daily ETF	280	Lyxor ETF Daily Double Short SMI	14	db x-trackers S&P 500 2x Inverse Daily ETF	26
	Lyxor ETF FTSE MIB Daily Double Short XBear	261	db x-trackers Euro Stoxx 50 <sup>®</sup> Double Short Daily UCITS ETF	10	Lyxor ETF Daily Double Short SMI	17
	Lyxor ETF EURO STOXX 50 Daily Leverage	232	Lyxor ETF FTSE MIB Daily Short Bear	10	Lyxor ETF Ibox 35 Doble Apalancado Diario	13
	db x-trackers - EURO STOXX 50 Short Daily ETF	223	db x-trackers ShortDAX x2 Daily UCITS ETF	-11	ETF DAX 2x Short Fund	12
	Lyxor ETF Leverage CAC 40	220	Lyxor ETF Daily Shortdax x2	-11	Lyxor ETF EURO STOXX 50 Daily Short	-13
	XACT Bull	140	Xact Derivat BEAR	-15	Lyxor ETF EURO STOXX 50 Daily Leverage	-24
Xact Derivat Bull	137	Lyxor ETF FTSE MIB Daily Leveraged	-19	XACT Bull	-38	
XACT Bull 2	135	XACT Bull	-37	XACT Bull 2	-39	
XACT Bear	109	XACT Bull 2	-39	db x-trackers ShortDAX Daily UCITS ETF	-52	
ETF DAX 2x Short Fund	104	Lyxor ETF Leverage CAC 40	-48	Lyxor ETF Leverage CAC 40	-93	
XACT Bear 2	98	db x-trackers ShortDAX Daily UCITS ETF	-58	Lyxor ETF FTSE MIB Daily Leveraged	-117	
Fixed Income Domiciled in N. America	ProShares UltraShort 20+ Year Treasury	4,302	ProShares Ultra 7-10 Year Treasury	2,938	ProShares Ultra 7-10 Year Treasury	2,935
	ProShares Ultra 7-10 Year Treasury	2,951	Direxion Daily Total Bond Market Bear 1x Sha	18	ProShares UltraShort 20+ Year Treasury	314
	ProShares Short 20+ Year Treasury	1,502	ProShares UltraPro Short 20+ Year Treasury	15	Direxion Daily 20+ Yr Treasury Bear 3x Shares	65
	Direxion Daily 20 Year Plus Treasury Bear 3x Shares	593	ProShares UltraShort Lehman 7-10 Year Treas	10	ProShares UltraPro Short 20+ Year Treasury	19
	ProShares UltraShort Lehman 7-10 Year Treasury	305	ProShares Ultra 20+ Year Treasury	3	ProShares UltraShort Lehman 7-10 Year Treasury	16
	ProShares UltraPro Short 20+ Year Treasury	117	Direxion Daily 7-10 Year Treasury Bear 3x Sha	3	Direxion Daily Total Bond Market Bear 1x Sha	14
	iPath US Treasury 10-year Bear ETN	81	ProShares Short 7-10 Treasury	2	ProShares Short Investment Grade Corporate	5
	ProShares Short 7-10 Treasury	71	PowerShares DB 3X Long 25+ Treasury Bond E	-1	iPath US Treasury Steepener ETN	4
	Direxion Daily 7-10 Year Treasury Bear 3x Shares	59	ProShares Short High Yield	-1	Direxion Daily 20 Year Plus Treasury Bull 3x S	3
	PowerShares DB 3X Short 25+ Year Treasury Bond ETN	50	ProShares Short Investment Grade Corporate	-2	Direxion Daily 7-10 Year Treasury Bear 3x Sha	2
iPath US Treasury Long Bond Bear ETN	49	iPath US Treasury Long Bond Bear ETN	-2	iPath US Treasury Long Bond Bear ETN	-4	
PowerShares DB 3x Inverse Japanese Govt Bond Futures ETN	49	iPath US Treasury 10-year Bear ETN	-10	ProShares Short High Yield	-5	
ProShares Short High Yield	46	Direxion Daily 20 Year Plus Treasury Bear 3x	-14	ProShares Short 7-10 Treasury	-7	
PowerShares DB Inverse Japanese Govt B	39	ProShares Short 20+ Year Treasury	-42	iPath US Treasury 10-year Bear ETN	-15	
Direxion Daily 20 Year Plus Treasury Bull 3x Shares	26	ProShares UltraShort 20+ Year Treasury	-78	ProShares Short 20+ Year Treasury	-96	

	ETF / ETP		Asset		ETF / ETP Name		Asset	
	LY	AUM	LY	Flow	LY	Flow	LY	Flow
Fixed Income Domiciled in Europe	Lyxor ETF SGI Daily Double Short Bund	845	Lyxor ETF SGI Daily Double Short Bund	66.4	Lyxor ETF SGI Daily Double Short Bund	166		
	Lyxor ETF Daily Double Short BTP ETF	202	ComStage ETF Commerzbank Bund-Future Short TR	14.0	Commerzbank Bund-Future Short TR	14		
	db x-trackers Short iBoxx Euro Sovereigns	193	db x-trackers II iTraxx Crossover Short Daily	8.2	Commerzbank Bund-Future Double Short TR	7		
	Commerzbank Bund-Future Short TR	150	ComStage ETF Bund-Future Double Short TR	7.1	Lyxor ETF Daily Leveraged Bund	2		
	db x-trackers II iTraxx Crossover Short Daily	91	AMUNDI ETF Short US Treasury 7-10 Yr	1.4	AMUNDI ETF SHORT GOVT BOND EUROMTS B	-3		
	Commerzbank Bund-Future Double Short TR	65	db x-trackers II Markit CDX North America High Yield	0.3	db x-trackers II Eurozone Sovereigns Double	-3		
	db x-trackers II UK GILTS SHORT DAILY ETF	55	db x-trackers II US Treasuries Double Long	-0.2	db x-trackers II US TREASURIES DOUBLE LONC	-3		
	AMUNDI ETF Short US Treasury 7-10	54	Lyxor ETF Daily Double Short BTP ETF	-0.2	Lyxor ETF Daily Double Short BTP ETF	-4		
	db x-trackers II US TREASURIES DOUBLE SI	32	AMUNDI ETF SHORT GOVT BOND EUROMTS B	-2.5	db x-trackers II UK GILTS Double Long Daily U	-5		
	Commerzbank Bund-Future Leveraged	30	db x-trackers II Eurozone Sovereigns Double	-3.0	db x-trackers II EUROZONE SOVEREIGNS DOU	-5		
	db x-trackers II iTraxx Europe 2x Daily UCITS	23	db x-trackers US TREASURIES DOUBLE LONG DAILY	-3.5	AMUNDI Short US Treasury 7-10 DAILY	-7		
	db x-trackers II iTraxx Europe Short Daily	22	db x-trackers II EUROZONE SOVEREIGNS DOU	-5.5	db x-trackers II iTraxx Crossover Short Daily L	-12		
	db x-trackers II iTraxx Crossover 2x Daily UCITS	22	db x-trackers II UK GILTS Double Long Daily	-5.6	db x-trackers UK GILTS Double Short Daily ETI	-19		
	db x-trackers II UK GILTS Double Short	15	db x-trackers II UK GILTS DOUBLE SHORT DAILY	-17.3	db x-trackers Short iBoxx Euro Sovereigns	-19		
	Lyxor ETF Daily Leveraged BTP	14	db x-trackers Short iBoxx Euro Sovereigns	-20.4	db x-trackers II iTraxx Europe 2x Daily UCITS I	-48		
	Commodities	ProShares Ultra Silver	536	VelocityShares 3x Inverse Natural Gas ETN	183	VelocityShares 3x Inverse Natural Gas ETN	381	
		VelocityShares 3x Inverse Natural Gas ETN	379	ProShares UltraShort DJ-UBS Crude Oil	128	Horizons BetaPro NYMEX NatGas Bear Plus ETF	173	
		ProShares UltraShort DJ-UBS Crude Oil	322	Horizons BetaPro NYMEX Crude Oil Bear Plus	60	ProShares UltraShort DJ-UBS Crude Oil	85	
		Horizons BetaPro NYMEX NatGas Bear Plus	211	Horizons BetaPro NYMEX Natural Gas Bear Plus	47	ProShares UltraShort DJ-UBS Natural Gas ETF	77	
PowerShares DB Gold Double Long ETN		183	ProShares UltraShort DJ-UBS Natural Gas ETF	44	Boost Natural Gas 3x Short Daily ETP	23		
VelocityShares 3x Long Silver ETN linked		160	VelocityShares 3x Long Natural Gas ETN	43	ETFS Daily Short Natural Gas	23		
ProShares Ultra Gold		149	PowerShares DB Crude Oil Double Short ETN	35	VelocityShares 3x Inverse Gold ETN linked to S&P 500 Gold	-19		
Horizons BetaPro NYMEX Crude Oil Bear Plus		134	Boost Natural Gas 3x Short Daily ETP	15	VelocityShares 3x Long Natural Gas ETN	-27		
ETFS Daily Short Gold		126	PowerShares DB Gold Short ETN	-16	ETFS Daily Leveraged Coffee	-28		
PowerShares DB Crude Oil Double Short ETN		116	ProShares Ultra DJ-UBS Natural Gas ETF	-20	Horizons BetaPro NYMEX Crude Oil Bull Plus ETF	-31		
ProShares Ultra DJ-UBS Crude Oil		112	ProShares UltraShort Silver	-22	ETFS Daily Leveraged Natural Gas	-33		
ETFS Daily Leveraged Silver		109	ETFS Daily Leveraged WTI Crude Oil	-28	PowerShares DB Gold Short ETN	-33		
ProShares UltraShort Gold		105	ETFS Daily Leveraged Coffee	-30	ProShares Ultra DJ-UBS Crude Oil	-48		
VelocityShares 3x Long Natural Gas ETN		92	Horizons BetaPro NYMEX Crude Oil Bull Plus ETF	-31	ProShares Ultra DJ-UBS Natural Gas ETF	-52		
ProShares UltraShort DJ-UBS Natural Gas		88	ProShares Ultra DJ-UBS Crude Oil	-91	Horizons BetaPro NYMEX Natural Gas Bull Plus ETF	-60		

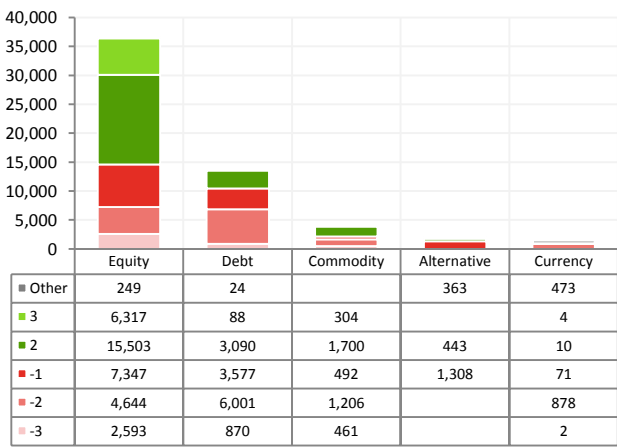
## Current Allocations

As of 28th Feb 2014; Figures in USD Mil.

### AUM

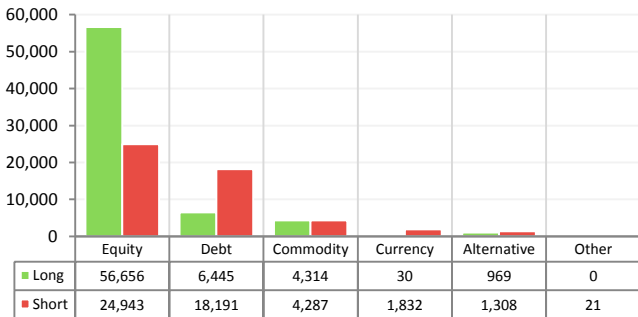


### AUM by Leverage Factor



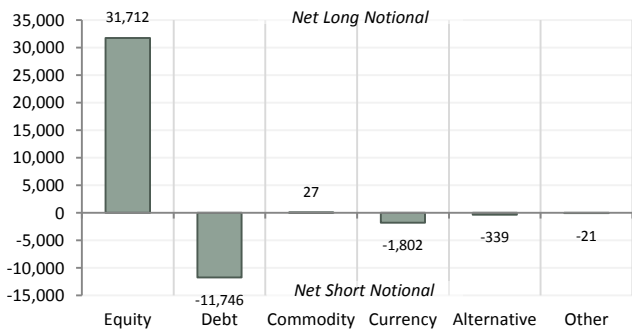
### Notional AUM

The sum of the AUM in each ETP multiplied by 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

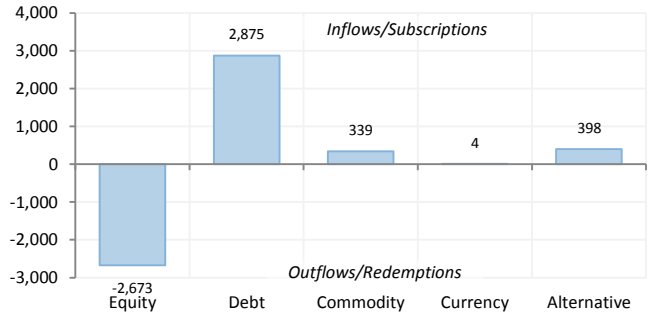
The notional AUM in long minus the notional AUM in short. A negative figure indicates investors are net short



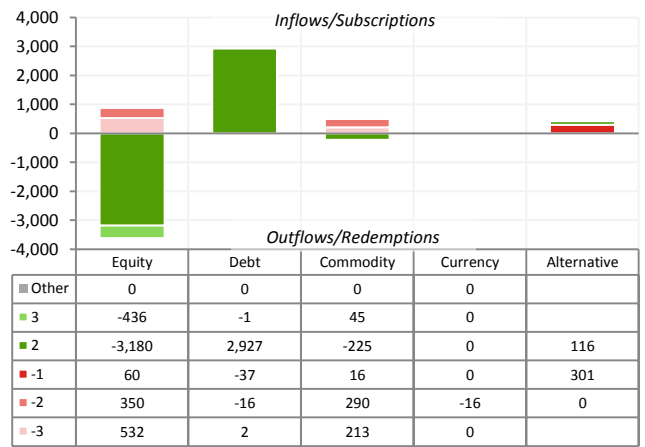
## Feb 2014 Flows

Over Feb 2014; Figures in USD Mil.

### Asset Flows

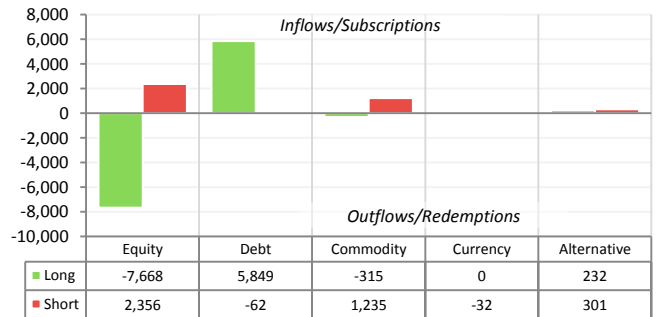


### Asset Flows by Leverage Factor



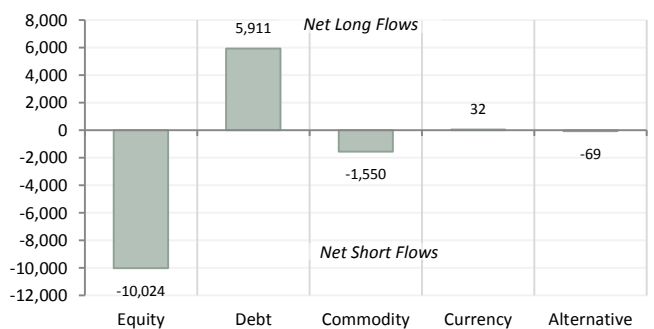
### Notional Flows

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



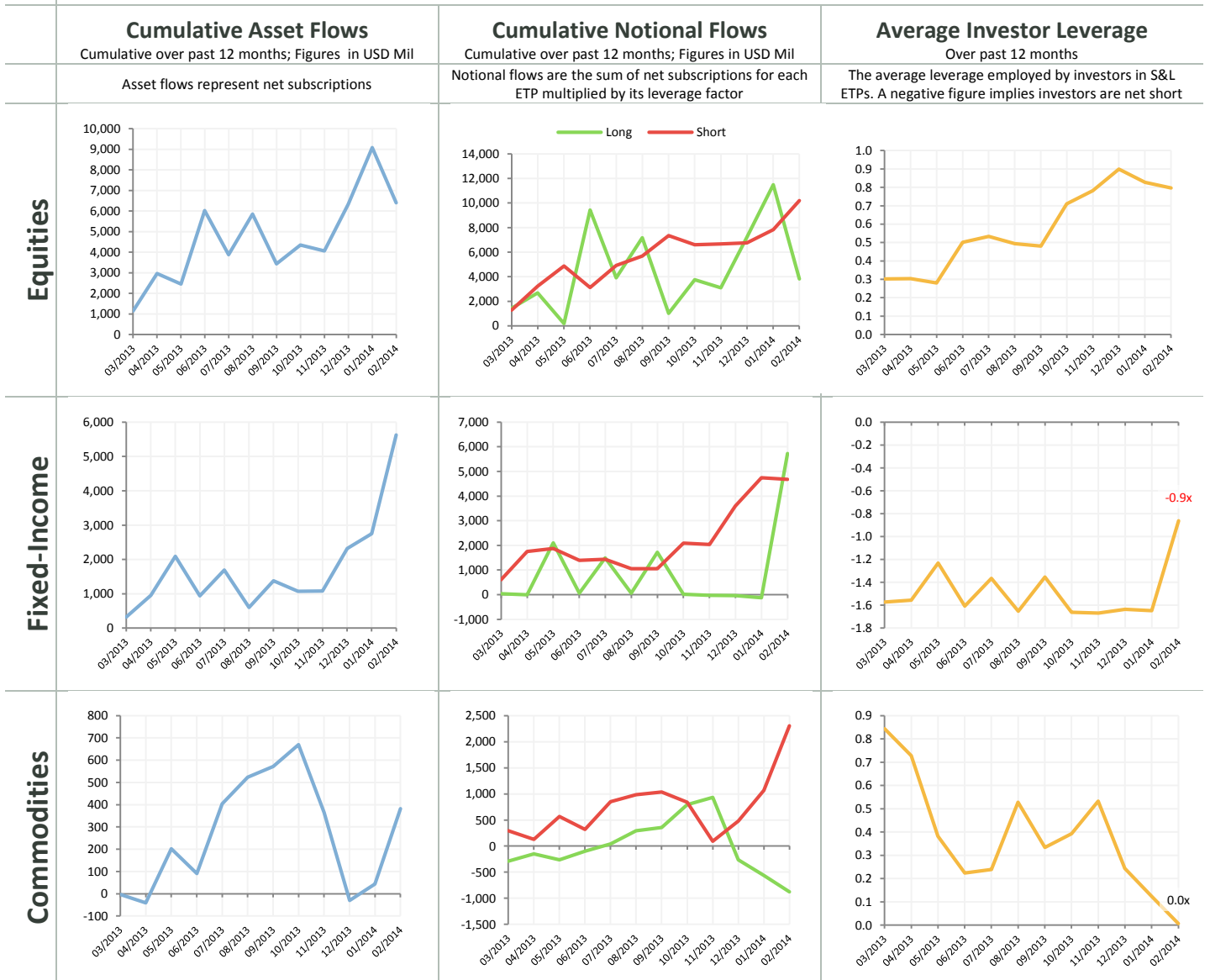
### Net Position Flows

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





## Past Year



# Short & Leveraged Equities

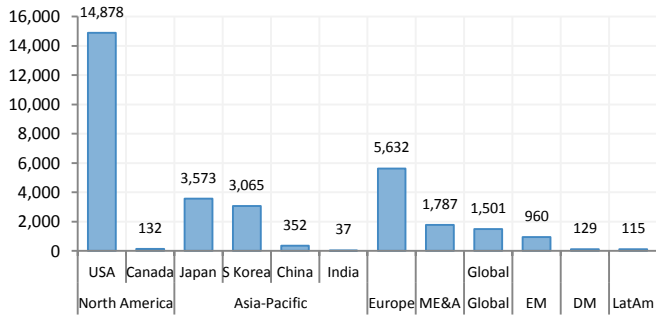


## ETPs Focused on Any Country or Region

### Current Allocations

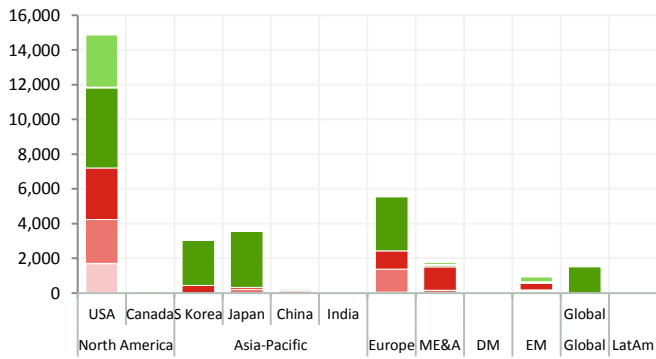
By Geographic Exposure; As of 28th Feb 2014; Figures in USD Mil.

#### AUM



#### AUM by Leverage Factor

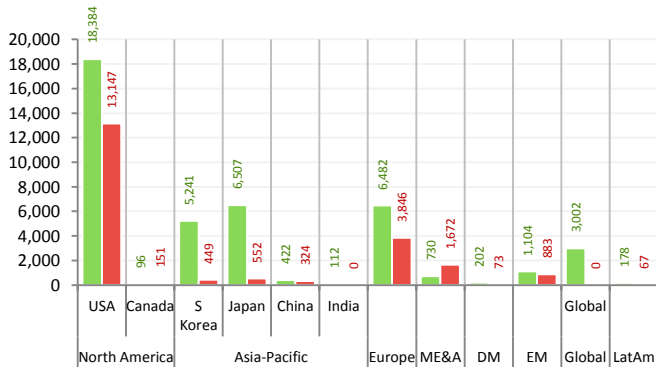
Legend: -3 (red), -2 (orange), -1 (yellow), 2 (green), 3 (dark green), Other (grey)



#### Notional AUM

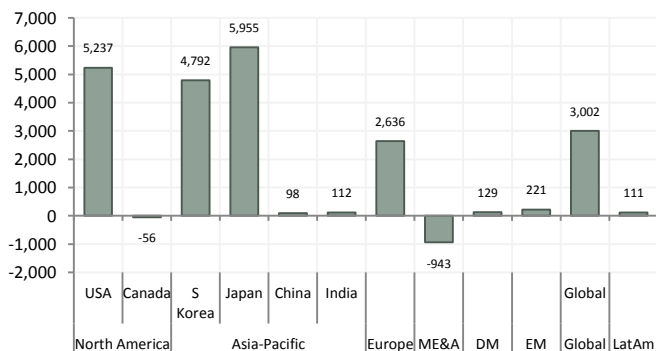
The sum of the AUM in each ETP multiplied the absolute value of its leverage factor. E.g., \$1 of assets in a 3x leverage or a 3x short ETP equals \$3 of notional AUM

Legend: Long (green), Short (red)



#### Net Position

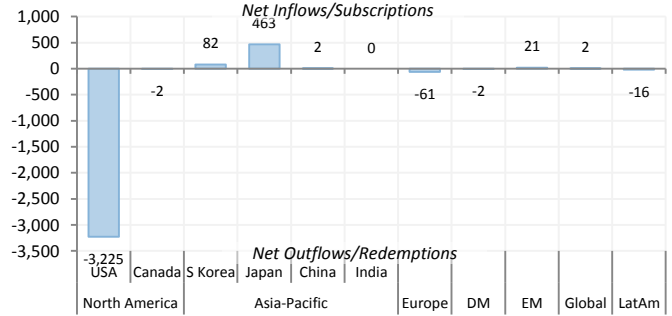
The notional AUM in long minus the notional AUM in short. A negative figure indicates investors are net short



### Jan 2014 Flows

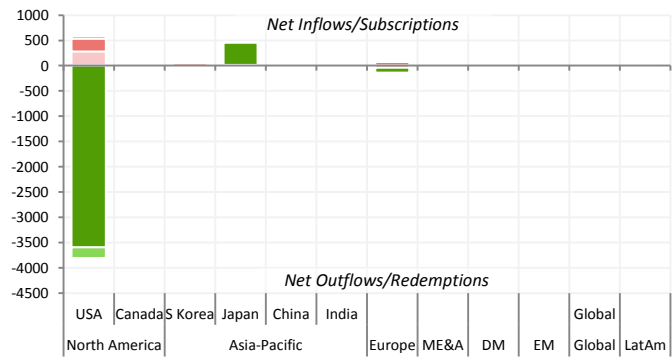
By Geographic Exposure; During Feb 2014; Figures in USD Mil.

#### Asset Flows



#### Asset Flows by Leverage Factor

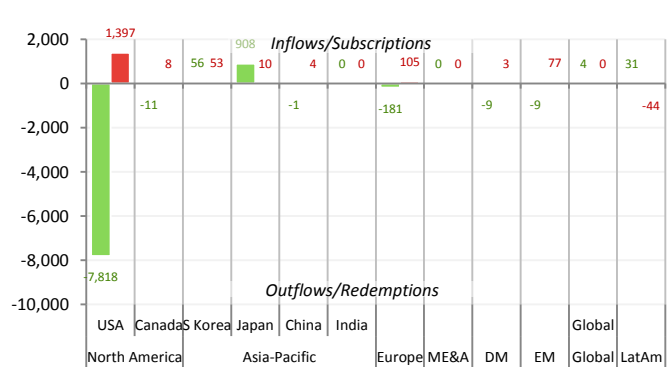
Legend: -3 (red), -2 (orange), -1 (yellow), 2 (green), 3 (dark green), Other (grey)



#### Notional Flows

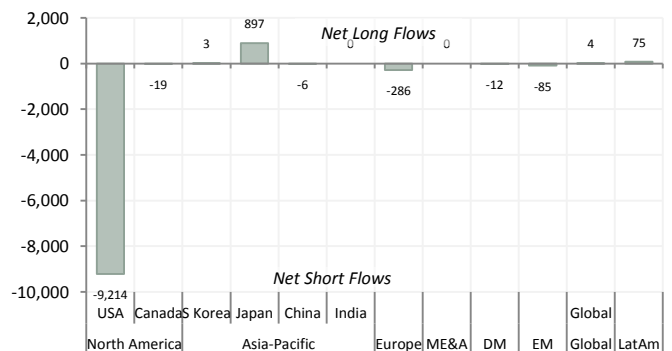
The net subscriptions for each ETP multiplied by the absolute value of its leverage factor. E.g., \$1 of outflows from a 3x leverage ETP equals -\$3 of notional flow

Legend: Long (green), Short (red)



#### 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



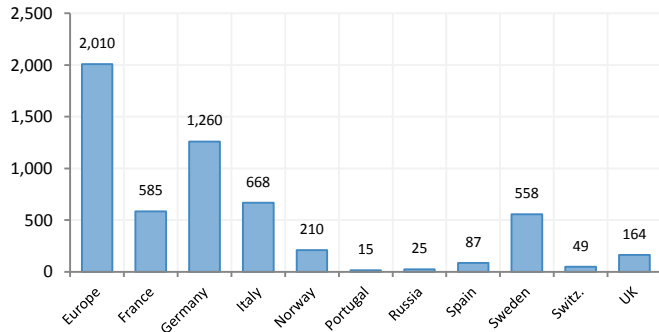
## ETPs Focused on European Countries or Europe

### Current Allocations

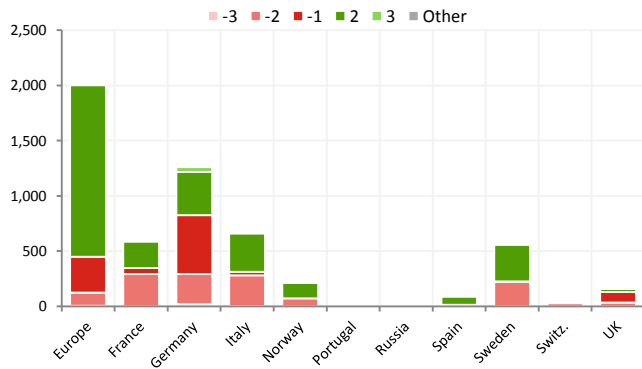
By Geographic Exposure; As of 28th Feb 2014; Figures in USD Mil.

#### AUM

Showing countries with AUM above \$10mm

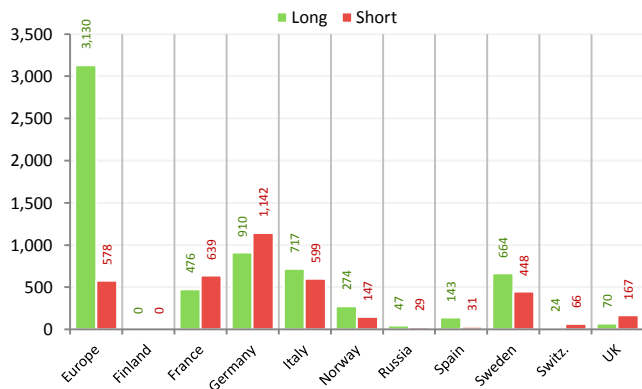


#### AUM by Leverage Factor



#### 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



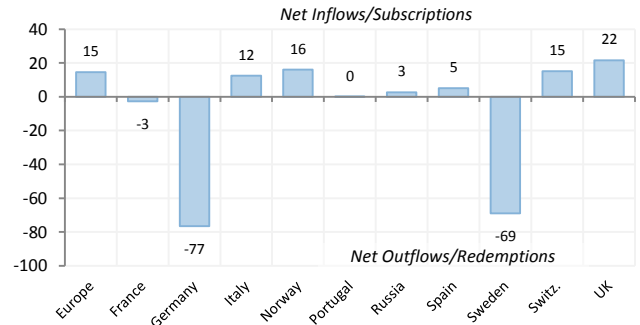
#### Net Position

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

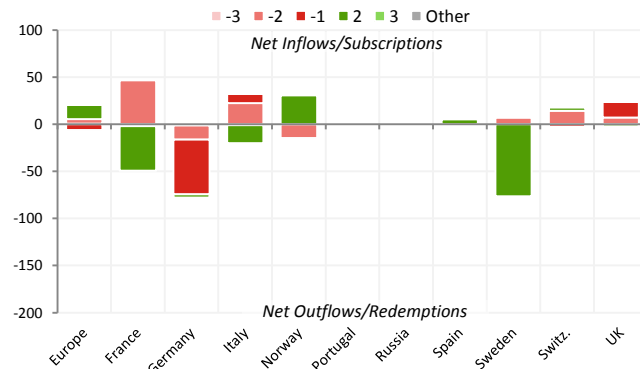
### Feb 2014 Flows

By Geographic Exposure; Over Feb 2014; Figures in USD Mil.

#### Asset Flows

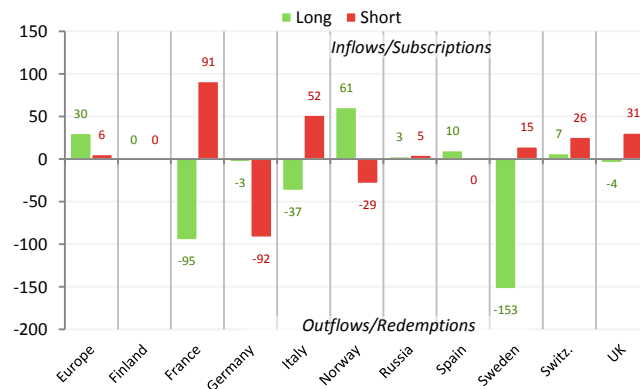


#### Asset Flows by Leverage Factor



#### 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



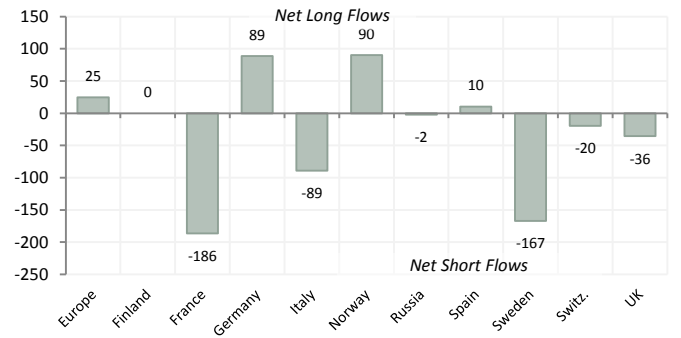
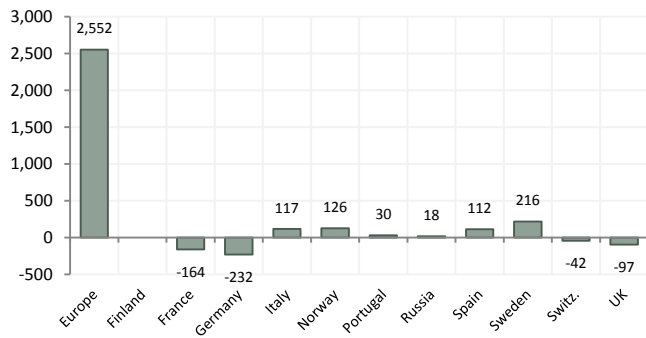
#### Net Position Flows

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

# Short & Leveraged Equities



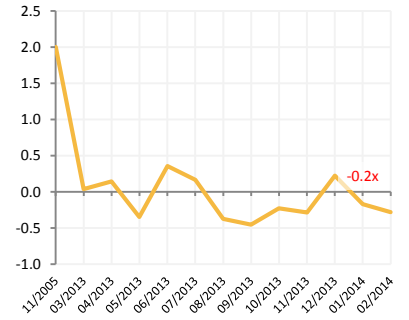
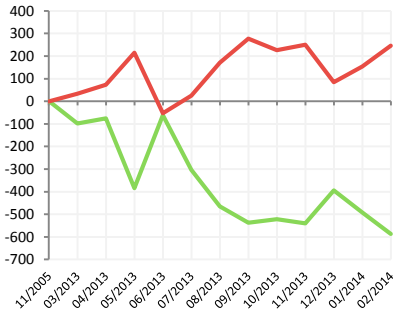
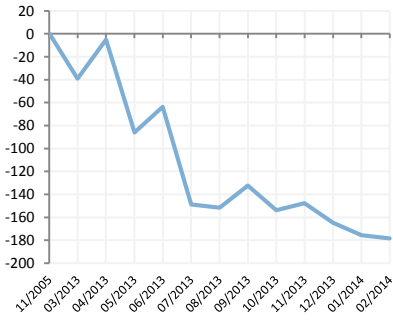
## ETPs Focused on European Countries or Europe



### Past Year

	<b>Cumulative Asset Flows</b> <small>Cumulative over past 12 months; Figures in USD Mil</small> <small>Asset flows represent net subscriptions</small>	<b>Cumulative Notional Flows</b> <small>Cumulative over past 12 months; Figures in USD Mil</small> <small>Notional flows are the sum of net subscriptions for each ETP multiplied by its leverage factor</small>	<b>Average Investor Leverage</b> <small>During past 12 months</small> <small>The average leverage employed by investors in S&amp;L ETPs. A negative figure implies investors are net short</small>
<b>Europe (Broad Exposure)</b>			
<b>UK</b>			
<b>Germany</b>			
<b>Italy</b>			

France



# Short & Leveraged Equities

## ETPs Focused on European Countries or Europe



### 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

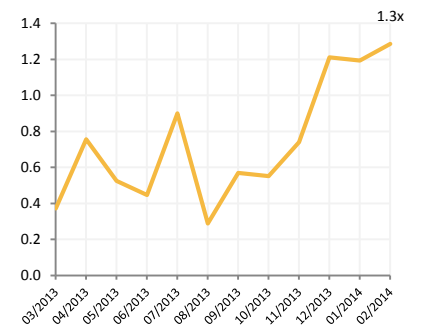
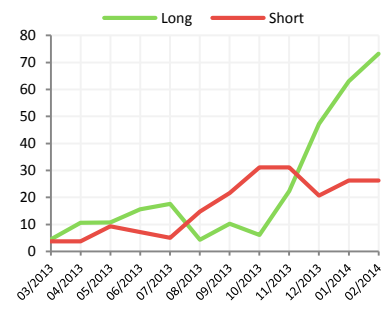
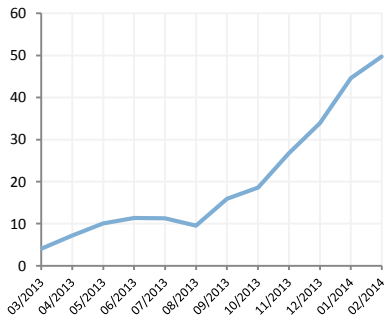
Notional flows are the sum of net subscriptions for each ETP multiplied by its leverage factor

#### Average Investor Leverage

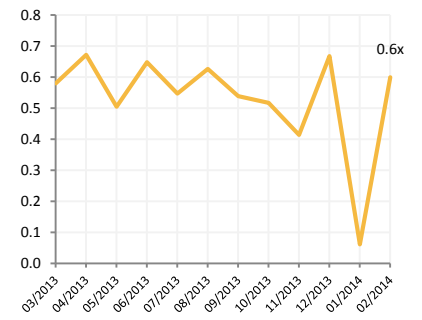
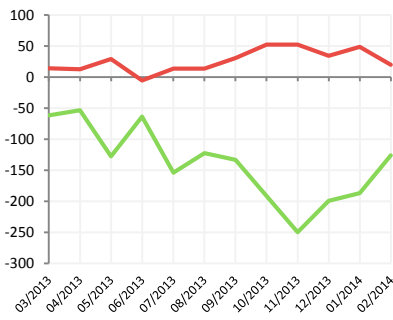
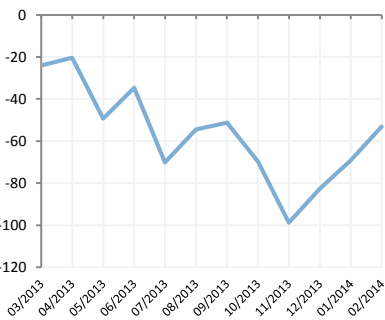
During past 12 months

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

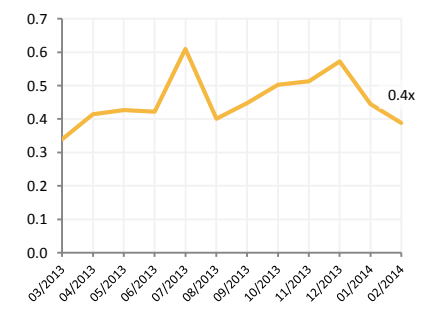
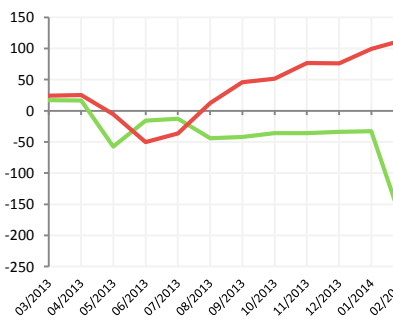
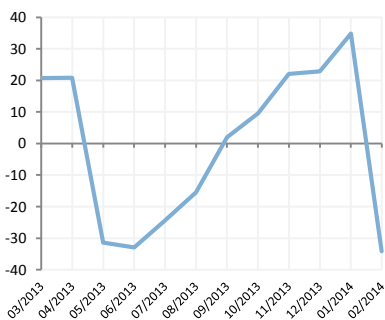
Spain



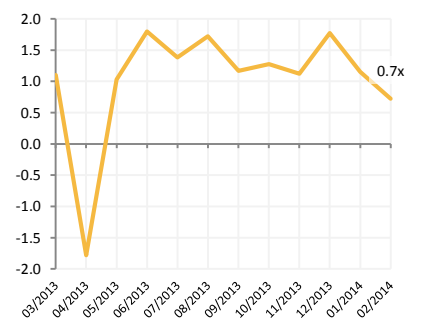
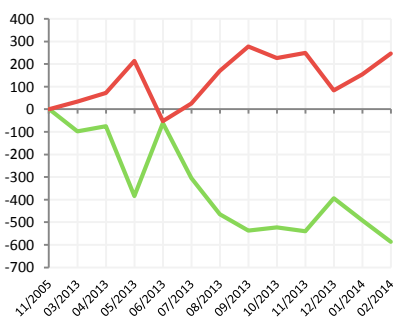
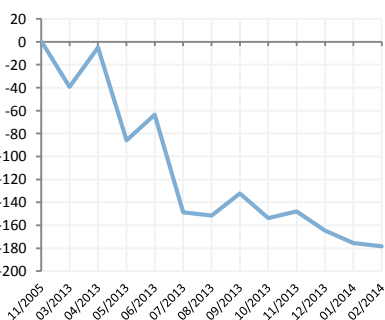
Norway



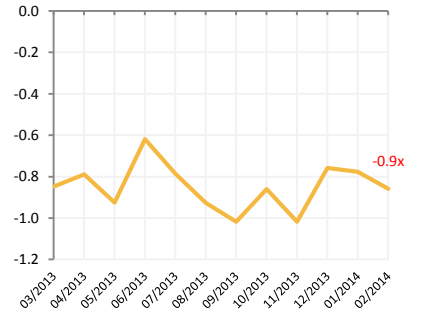
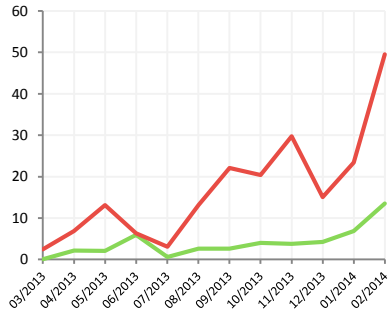
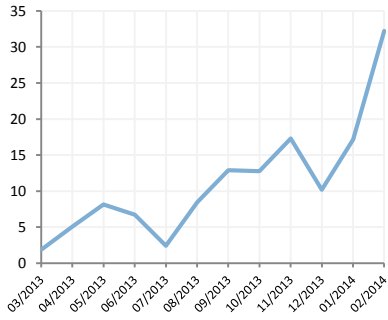
Sweden



Russia



# Switzerland



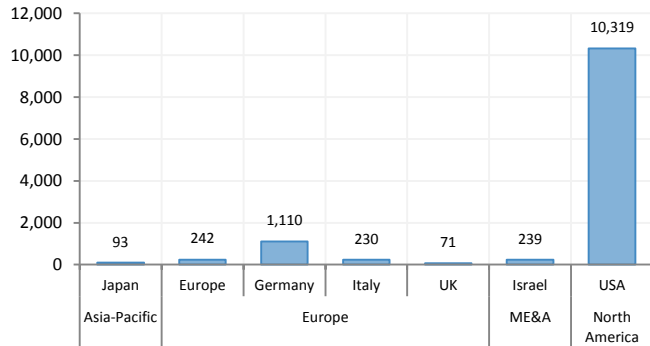


### Current Allocations

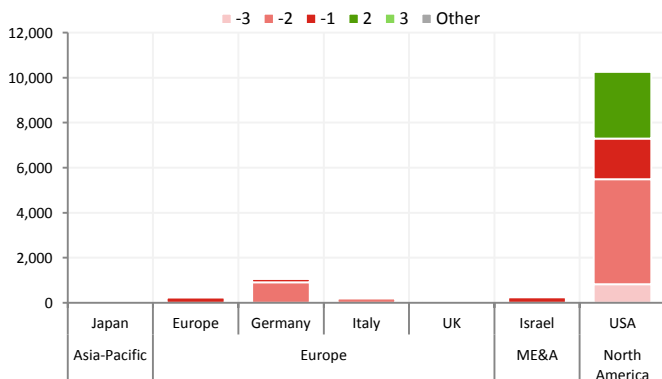
By Geographic Exposure; As of 28th Feb 2014; Figures in USD Mil.

#### AUM

Showing countries with AUM above \$10mm

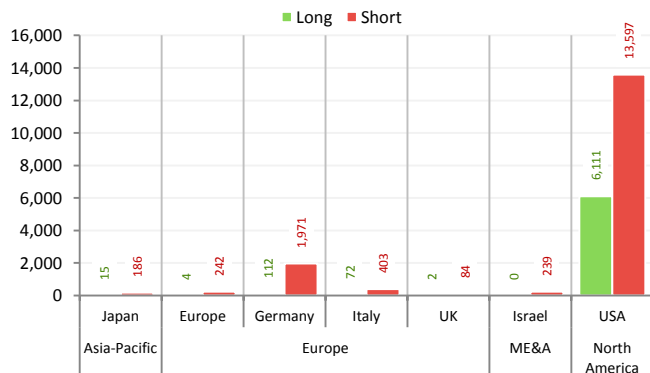


#### AUM by Leverage Factor



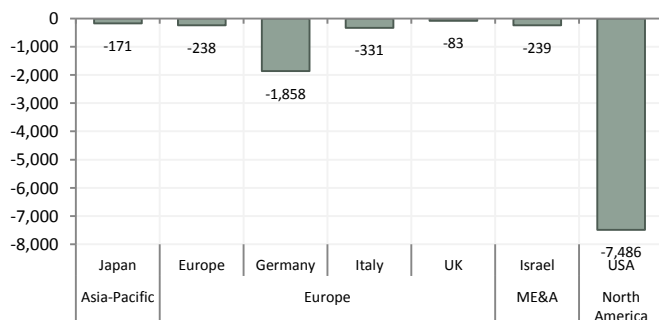
#### Notional AUM

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

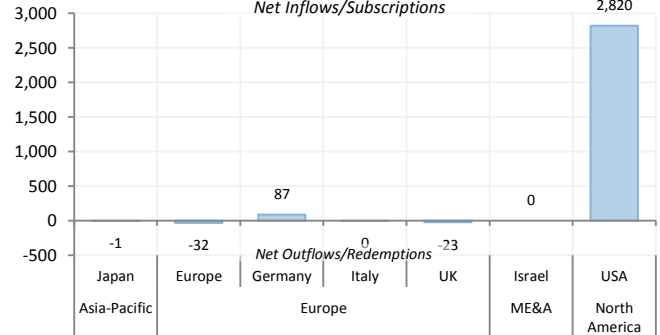


### Feb 2014 Flows

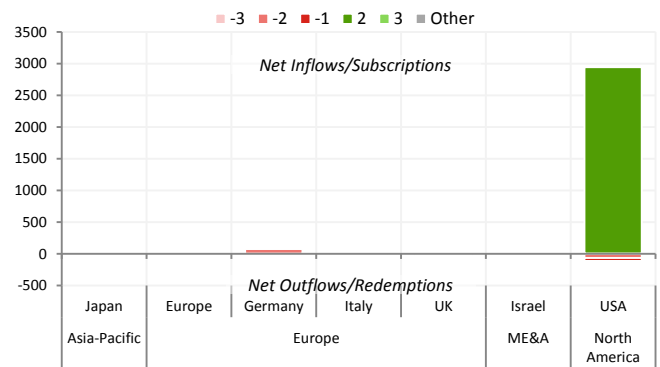
By Geographic Exposure; Over Feb 2014; Figures in USD Mil.

#### Asset Flows

Showing countries with inflows or outflows above \$1mm

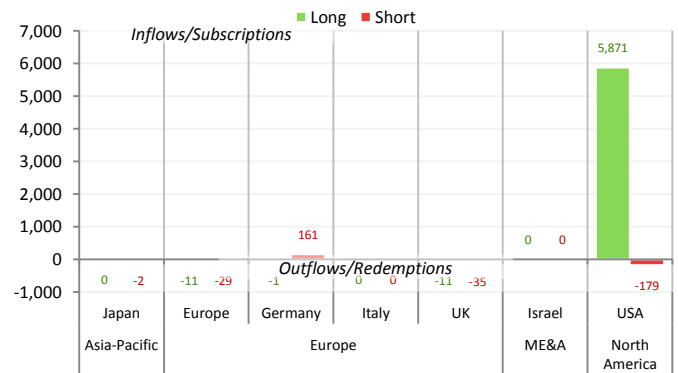


#### Asset Flows by Leverage Factor



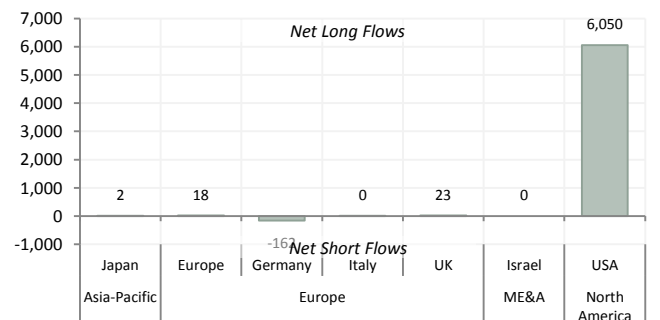
#### Notional Flows

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



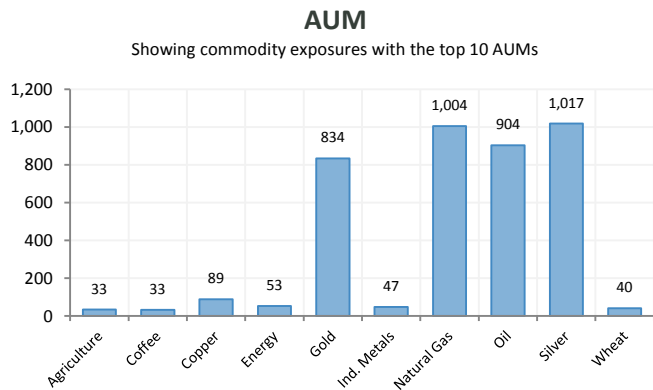
## Past Year

	<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>Europe</b>			
<b>Germany</b>			
<b>Italy</b>			
<b>Japan</b>			

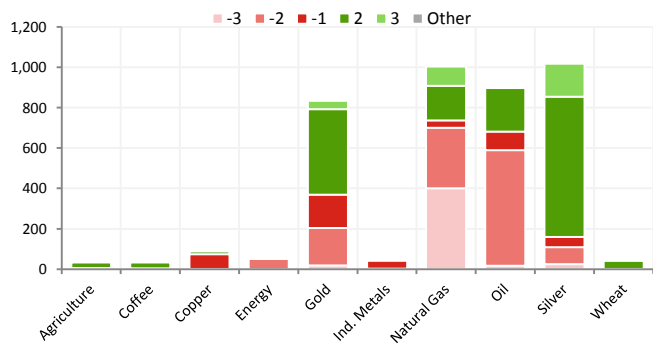


### Current Allocations

By commodity exposure; As of 28th Feb 2014; Figures in USD Mil;  
Showing the top 10 AUM commodity exposures

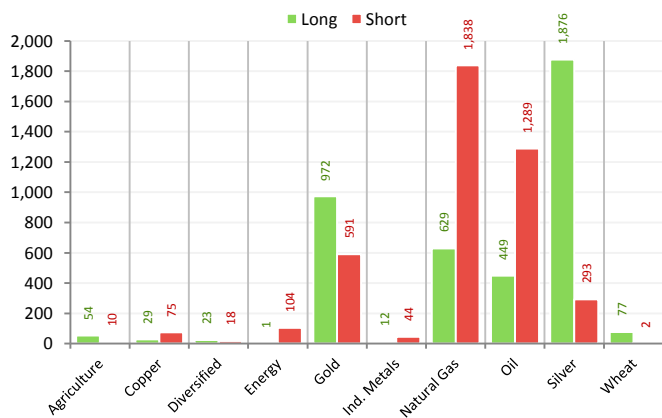


### AUM by Leverage Factor



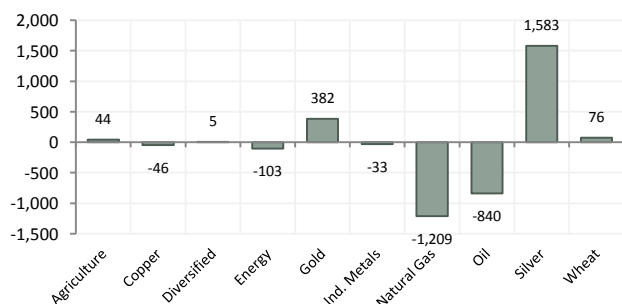
### Notional AUM

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



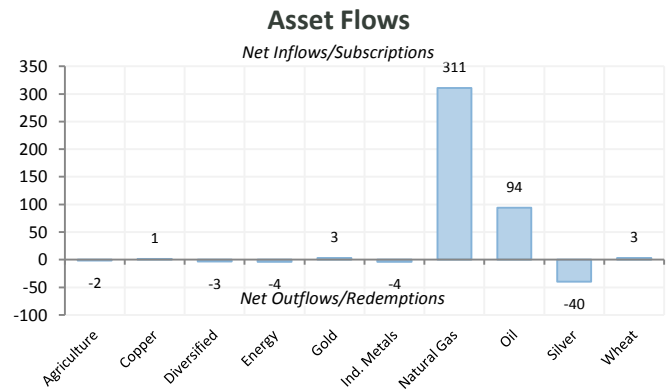
### Net Position

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

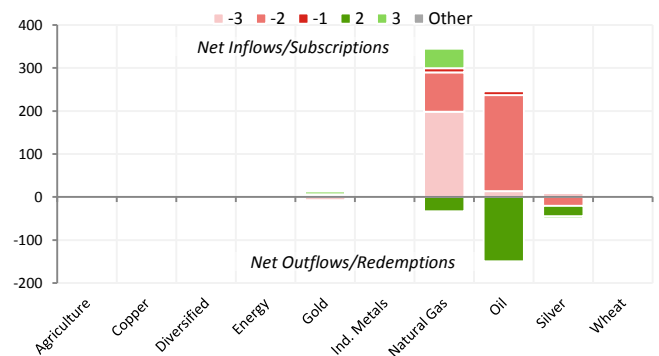


### Feb 2014 Flows

By commodity exposure; Over Feb 2014; Figures in USD Mil;  
Showing the top 10 AUM commodity exposures

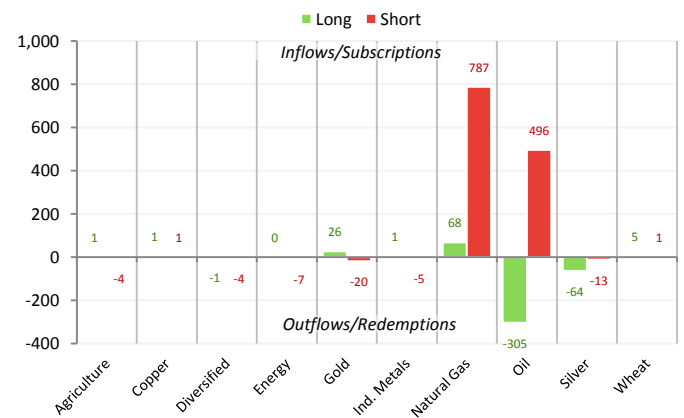


### Asset Flows by Leverage Factor



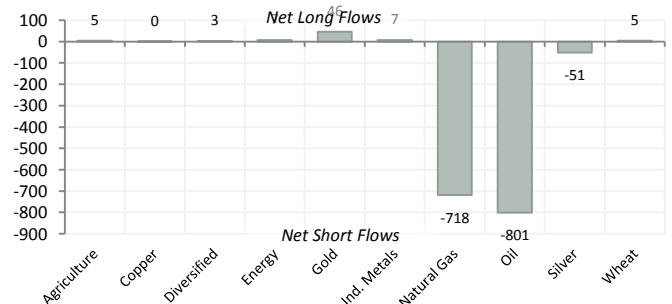
### Notional Flows

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 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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