

# Betashares Strong Australian Dollar Fund (hedge fund)



31 May 2024

## Objective

AUDS aims to provide geared exposure to changes in the value of the Australian dollar against the US dollar.

## Strategy

AUDS invests in cash and cash equivalents and buys AUD / USD exchange-traded futures contracts to obtain a magnified (or geared) exposure. Buying these futures can typically be expected to generate a positive return when the Australian dollar strengthens against the US dollar on a given day, and a negative return when the Australian dollar weakens against the US dollar.

## Benefits



### Geared exposure to a rising AUD

Potential for magnified gains if the AUD appreciates against the USD (but with the potential for magnified losses if the AUD depreciates against the USD).



### Simple to access, convenient

AUDS is traded in Australian dollars on the ASX, avoiding the inconvenience and complexity of trading CFDs, or dealing in FX markets, with no margin calls.



### Hedge international investments

Reduce the currency impact of an appreciating AUD on your investments denominated in USD.

## Performance

PERIOD	1 mth	3 mth	6 mth	1 yr	3 yr (p.a.)	5 yr (p.a.)	10 yr (p.a.)	Inception (p.a.)
FUND	5.53%	5.17%	-0.31%	2.78%	-16.02%	-8.49%	-	-8.42%
Spot AUD / USD	2.49%	2.30%	0.54%	2.31%	-4.96%	-0.87%	-	-1.56%

## Calendar year performance

PERIOD	YTD	2023	2022	2021	2020	2019	2018	2017
FUND	-6.61%	-4.47%	-20.68%	-16.54%	8.92%	-4.24%	-23.36%	19.24%
Spot AUD / USD	-2.50%	0.05%	-6.33%	-5.65%	9.80%	-0.41%	-9.79%	8.30%

Value of \$100 invested since inception



Source: Betashares, Bloomberg. **Past performance is not indicative of future performance.**

Fund returns are calculated in A\$ using net asset value per unit at the start and end of the specified period and do not reflect the brokerage or bid-ask spread that investors may incur when buying and selling units on the ASX. Returns are after fund management costs, assume reinvestment of any distributions and do not take into account income tax.

## Fund information

Betashares Funds can be bought or sold during the trading day on the ASX, and trade like shares.

ASX CODE AUDES

BLOOMBERG CODE AUDES AU

IRESS CODE AUDES.AXW

IRESS INAV CODE AUDESINAV.ETF

DISTRIBUTIONS\* ANNUAL

MGT FEE 1.19% P.A.

EXPENSES CAPPED AT 0.19% P.A.

FUND INCEPTION 28 NOV 16

\*It is not the intention of AUDES to provide regular distributions to unitholders. In some circumstances AUDES may generate amounts of income which would be distributed to unitholders at least annually.

## Categorisation

CURRENCY

There are risks associated with an investment in AUDES, including currency exchange rate risk, gearing risk, currency futures risk and concentration risk. For more information on risks and other features of AUDES, please see the Product Disclosure Statement.

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## Sector allocation



The target asset allocation is reviewed, and may be adjusted, annually.

## Distributions

12 mth distribution yield (%) 0.0%

Yield is calculated by summing the prior 12-month per unit distributions divided by the closing NAV per unit at the end of the relevant period. Yield will vary and may be lower at time of investment. Past performance is not indicative of future performance.

## The currency gearing strategy

AUDS generally expects to generate a positive return of between 2% and 2.75% for a 1% rise in the value of the Australian dollar against the US dollar on a given day (and a corresponding negative return if the Australian dollar falls against the US dollar).

Investors should note that the return earned on their investment over any longer period will not necessarily be equivalent to 200% to 275% of the return of the Australian dollar relative to the US dollar over that period. As such, investors should check Betashares' website for details of the AUDS' historical performance, as well as the current gearing exposure, to ensure it continues to meet their investment objectives.

Investors in geared strategies should be willing to accept higher levels of investment volatility and potentially large moves (both up and down) in the value of their investment. Investors should seek professional financial advice before investing, and monitor their investment actively. The Fund does not track a published benchmark.

**Returns over periods longer than a day will not necessarily be equivalent to the expected return on a given day. Gearing magnifies gains and losses and may not be a suitable strategy for all investors.**