

BetaShares Australian Equities Bear Hedge Fund

 **ASX: BEAR**

31 October 2020



BetaShares
Exchange Traded Funds

Investment Objective

The Fund provides investors with a simple way to profit from, or protect against, a declining Australian sharemarket. It seeks to generate returns that are negatively correlated to the returns of the Australian sharemarket (as measured by the S&P/ASX 200 Accumulation index).

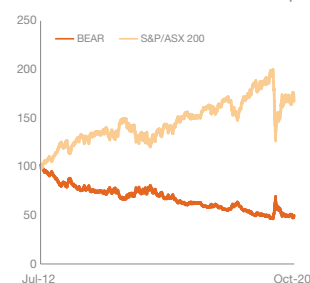
Portfolio Exposure

Market movements may cause the Fund's exposure to vary between 90% to 110% short on a given day. Therefore a 1% fall in the Australian sharemarket on a given day can generally be expected to deliver a 0.9% to 1.1% increase in the value of the Fund (and vice versa).

The portfolio exposure is actively monitored and adjusted to stay within this range. The Fund should not be expected to provide the exact opposite of the market return over any time period. As such, investors should check BetaShares' website for details of the Fund's historical performance, as well as the current portfolio exposure, to ensure that the Fund continues to meet their investment objectives.

Performance

Value of \$100 invested since inception



PERIOD	FUND RETURN	S&P/ASX 200 RETURN
1 mth	-1.94%	1.93%
3 mth	-1.13%	0.98%
6 mth	-8.96%	8.67%
1 yr	-0.88%	-8.15%
3 yr (p.a)	-6.15%	4.09%
5 yr (p.a)	-7.43%	6.80%
Inception	-7.99%	8.89%

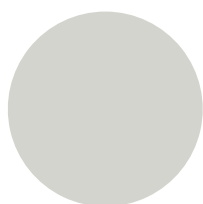
Graph shows performance of Fund relative to S&P/ASX 200 index since inception. Please note, the Bear Fund's portfolio is managed actively and should not be expected to provide the exact opposite of the market return over any time period. Fund returns are calculated in A\$ using net asset value per unit at the start and end of the specified period and do not reflect the brokerage or the bid ask spread that investors 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. Returns for periods longer than one year are annualised. Past performance is not an indicator of future performance. Source: BetaShares, Bloomberg.

Distributions

12 mth distribution yield (%) 0.0%

Yield figures are calculated by summing the prior 12 month fund per unit distributions divided by the fund closing NAV per unit at period-end. Past performance is not an indicator of future performance.

Asset Allocation



● Short Australian Equities ~100.0%

Trading Information

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

EXCHANGE	ASX
ASX CODE	BEAR
CURRENCY	AUD
TRADING HOURS	10:00-16:00 (AEST)
BLOOMBERG CODE	BEAR AU
IRESS CODE	BEAR.AXW
IRESS INAV CODE	BEARINAV.ETF

Fund Information

DISTRIBUTIONS*	ANNUAL
MANAGEMENT FEE	1.19% P.A
EXPENSES	CAPPED AT 0.19% P.A
INDIRECT COSTS	0.10% P.A
FUND INCEPTION	6 JULY 2012

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

Contact

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- ▶ info@betashares.com.au

There are risks associated with an investment in the Fund, including risk associated with negatively correlated returns, market risk and futures risk. For more information on risks and other features of the Fund please see the Product Disclosure Statement.

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Investment Strategy

The Fund invests in cash and cash equivalents and sells equity index futures contracts (i.e. ASX SPI 200 futures). Selling these futures can typically be expected to generate a positive return when the S&P/ASX Accumulation 200 Index declines (and a negative return when the S&P/ASX 200 Accumulation Index increases).

The Fund's strategy of seeking returns that are negatively correlated to market returns is the opposite of most managed funds. Note that the Fund does not track a published benchmark and past performance is not an indication of future performance.

Benefits of BetaShares Australian Equities Bear Hedge Fund

- ▶ **Simple access to short exposure** – ability to obtain returns that are negatively correlated to the Australian sharemarket as simply as buying any share
- ▶ **Convenience** – avoid the complications and costs of other investments providing 'short' exposure, such as CFDs, futures, short selling individual equities
- ▶ **No margin calls for investors** – investors cannot lose more than their initial investment
- ▶ **Liquidity** – available to trade on ASX like any share
- ▶ **Transparent** – portfolio exposure, value of the Fund's assets, net asset value per unit and portfolio holdings available daily on our website

How to use the BetaShares Australian Equities Bear Hedge Fund in your portfolio

The Fund can be used to implement a variety of investment strategies. For example:

- ▶ Hedge portfolios against falling markets
- ▶ Seek profits when markets decline
- ▶ Alternative to using futures, swaps or other derivatives – easier to trade and administer
- ▶ Pairs Trading – for example going long the Fund and long an individual stock to seek to reduce the impact of market movements on a stock's performance
- ▶ Obtain short exposure instead of selling equities and crystallising capital gains

An investment in any BetaShares Fund ("Fund") is subject to investment risk including possible delays in repayment and loss of income and principal invested. Neither BetaShares Capital Ltd ("BetaShares") nor BetaShares Holdings Pty Ltd guarantees the performance of any Fund or the repayment of capital or any particular rate of return. Past performance is not an indication of future performance. This information is prepared by BetaShares Capital Ltd (ABN 78 139 566 868 AFS License 341181) ("BetaShares"), the product issuer. It is general information only and does not take into account your objectives, financial situation or needs so it may not be appropriate for you. Before making an investment decision you should consider the product disclosure statement ("PDS") and your circumstances and obtain financial advice. The PDS is available at www.betashares.com.au or by calling 1300 487 577 (within Australia) or +61 2 9290 6888 (outside Australia). Only investors who are authorised as trading participants under the Australian Securities Exchange (ASX) Operating Rules may invest through the PDS. Other investors may buy units in the Fund on the ASX through a stockbroker, financial adviser or online broker. This document does not constitute an offer of, or an invitation to purchase or subscribe for securities. This information was prepared in good faith and to the extent permitted by law BetaShares accepts no liability for any errors or omissions or loss from reliance on any of it.

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