

BetaShares Strong U.S. Dollar Fund (hedge fund)

ASX: YANK

30 November 2018



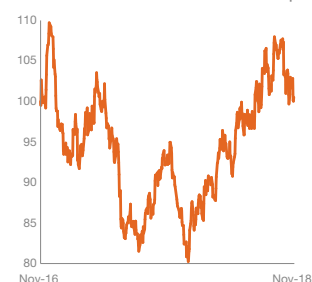
BetaShares
Exchange Traded Funds

Investment Objective

The Fund provides investors with a simple way to obtain cost-effective geared exposure to the change in value of the U.S. Dollar relative to the Australian Dollar (i.e. it aims to provide a magnified "long" exposure to the value of the U.S. Dollar relative to the Australian Dollar).

Performance

Value of \$100 invested since inception



| PERIOD | FUND RETURN | INDEX RETURN |
|------------|-------------|--------------|
| 1 mth | -6.33% | 3.22% |
| 3 mth | -3.40% | 1.68% |
| 6 mth | 7.74% | -3.50% |
| 1 yr | 7.63% | -3.46% |
| 3 yr (p.a) | - | - |
| 5 yr (p.a) | - | - |
| Inception | 0.26% | -1.16% |

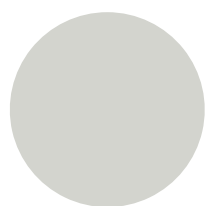
Fund returns are calculated in A\$ using net asset value per unit at the start and end of the specified period and do not reflect the brokerage or the bid ask spread that investors incur when buying and selling units on the ASX. Returns are after fund management costs, assume reinvestment of any distributions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

Gearing Exposure

The Fund's exposure to the change in value of the U.S. Dollar relative to the Australian Dollar can be expected to vary between 200% and 275% on a given day. Therefore a 1% increase in the value of the U.S. Dollar relative to the Australian Dollar can generally be expected to deliver a 2.0% to 2.75% increase in the value of the Fund (and vice versa) on a given day.*

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 U.S. Dollar relative to the Australian dollar over that period. As such, investors should check BetaShares' website for details of the Fund's historical performance, as well as the current gearing exposure, to ensure that the Fund continues to meet their investment objectives.

Asset Allocation



● United States Dollars ~200% - 275% 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 | YANK |
| CURRENCY | AUD |
| TRADING HOURS | 10:00-16:00 (AEST) |
| BLOOMBERG CODE | YANK AU |
| IRESS CODE | YANK.AXW |
| IRESS INAV CODE | YANKINAV.ETF |

Fund Information

| | |
|------------------|------------------|
| DISTRIBUTIONS* | ANNUAL |
| MANAGEMENT COSTS | 1.19% P.A |
| EXPENSES | -0.19% P.A |
| FUND INCEPTION | 28 NOVEMBER 2016 |

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

Contact

- ▶ betashares.com.au
- ▶ 1300 487 577 (Australia)
- ▶ + 61 2 9290 6888 (ex Australia)
- ▶ info@betashares.com.au

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

(* As measured by the currency futures contracts held by the Fund. Changes in the value of the futures will not always move in line with changes in the spot Australian dollar / U.S dollar currency exchange rates.

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Investment Strategy

The Fund invests in cash and cash equivalents and sells Australian Dollar / U.S. Dollar exchange-traded futures contracts (AUD / USD futures). Selling these futures can typically be expected to generate a positive return when the U.S. Dollar strengthens relative to the Australian Dollar (and a negative return when the U.S. Dollar weakens relative to the Australian Dollar).

The Fund does not borrow for investment purposes, it uses AUD / USD futures to obtain a magnified (or “geared”) exposure. The Fund’s exposure to the change in value of the U.S. Dollar relative to the Australian Dollar generally varies between 200% and 275% on a given day.

Gearing magnifies gains and losses and may not be a suitable strategy for all investors. 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.

Benefits of BetaShares Strong U.S. Dollar Fund (hedge fund)

- ▶ **Simple access to geared USD exposure** – ability to obtain magnified returns to the performance of the U.S. Dollar relative to the Australian Dollar as simply as buying any share
- ▶ **Convenience** – avoid the complexity and costs of other investments providing “geared” currency exposure, such as CFDs
- ▶ **No margin calls for investors** – investors cannot lose more than their initial investment
- ▶ **Liquidity** – available to trade on ASX like any share
- ▶ **Transparent** – gearing exposure, gearing multiple, value of the Fund’s assets, net asset value per unit and portfolio holdings available daily on our website

How to use the BetaShares Strong U.S. Dollar Fund (hedge fund) in your portfolio

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

- ▶ Profit from a view that the U.S. Dollar will strengthen relative to the Australian Dollar via an efficient use of capital (i.e. that the AUD will fall in value against the USD)
- ▶ Hedge against USD currency risk – can be used by individuals or businesses that are exposed to movements in the AUD/USD exchange rates
- ▶ Diversify a portfolio – currencies have historically shown low correlation to equities, fixed income and most other asset classes

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