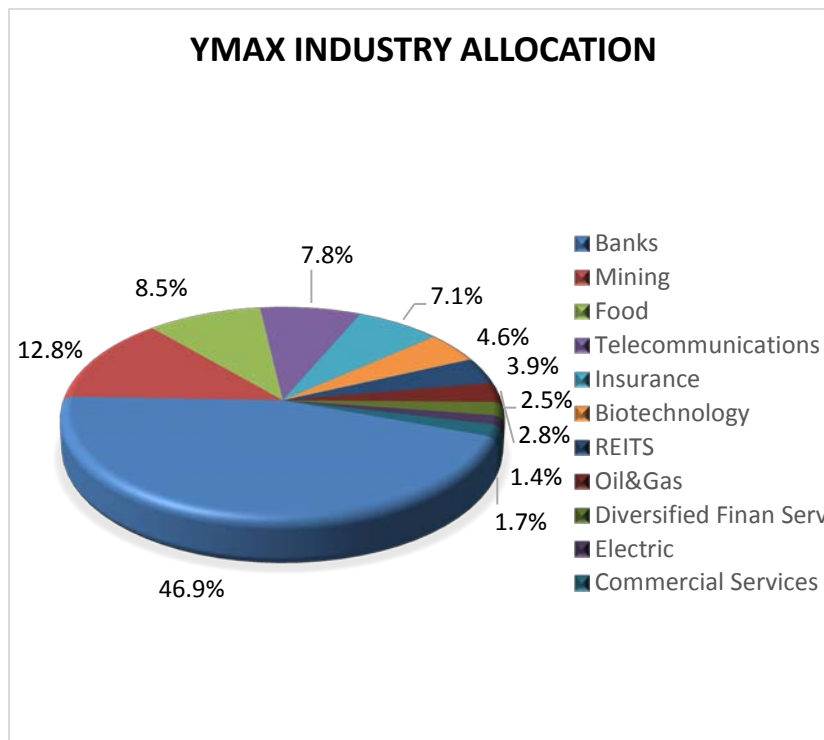


YMAX Commentary – May 2015 (April Option Period)
Adviser Use Only


Source: Horizons ETFs, as of 27 April, 2015.

YMAX: ASX

NAV per unit (April 23)	\$11.0678
NAV per unit (March 26)	\$11.3829

April Option Period Returns

YMAX Total Return	-1.02%
S&P/ASX 20 Total Return	-1.24%
Over (Under) Performance	0.22%

April Options at Inception

1-Mth Implied Vol.	17.70%
Portfolio Delta	-0.23
% Portfolio Written	64%

May Options at Inception

1-Mth Implied Vol.	19.92%
Portfolio Delta	-0.16
% Portfolio Written	60%

Distribution Per Unit History (by ex-date)

1 April 2014	\$0.2019
1 July 2014	\$0.1598
1 October 2014	\$0.2704
2 January 2015	\$0.3107
1 April 2015	\$0.2004

The YMAX total return was -1.02% between 26 March 2015 and 23 April 2015 (“April Option Period”). The S&P/ASX 20 Index (“S&P/ASX 20” or “Index”) total return was -1.24%, underperforming YMAX by -0.22% for the April Option Period. Despite the seemingly non-descript total return of -1.24% there was once again volatility throughout the period. The Index experienced a sharp decline at the beginning of the April Option Period and a sharp increase during the third week of the period before ultimately selling off in the last three days into expiry. Each YMAX constituent experienced some volatile moves during the April Option Period which provided an opportunity to inexpensively repurchase some of the written call options back, resulting in reduced risk to the portfolio. Consumer Staples and Financials were the worst performing sectors in the Index, down -2.41% and -1.66% respectively, during the April Option Period. In contrast, Energy and Health Care were the top performing sectors in the Index, up 2.78% and 1.34% respectively over the same period. Due to the generally broad-based lackluster performance of YMAX constituents, YMAX managed a very successful 92% call premium capture for the period. Weighted average call implied volatility increased from 17.70% at the beginning of the April Option Period to 19.92% on 20 April 2015. Mining and energy constituents continued to experience more volatility than other sectors which allowed the YMAX portfolio to write call options further out-of-the-money (“OTM”) while maintaining a good risk/reward structure. May options were written approximately 2.35% OTM on 60% of the portfolio as of 30 April 2015. Additional May option coverage will be added to the portfolio during the month to take advantage of favourable call writing opportunities. Some ASX200 Index coverage has been implemented to mitigate some of the upside single name performance risk going forward – single name constituents may occasionally have outsized performances that lead to some capped underperformance relative to the unwritten basket. Index calls, while generally traded at lower implied vols, can smooth out this impact over time resulting in a better total return profile.

Banks (portfolio weight: 46.9%)

The sector continues to be the most significant equity component in the portfolio and generally provides the sentiment for overall YMAX performance. The S&P/ASX 200 Financial Index decreased by -1.66% and large cap YMAX banking names significantly underperformed with an average decrease of -2.63%. Australia and New Zealand Bank (“ANZ”), National Australia Bank (“NAB”), and Commonwealth Bank of Australia (“CBA”) all decreased by more than -2%. This resulted in many of the written call options expiring worthless and providing net positive premium in the portfolio.

Mining (portfolio weight: 12.8%)

Iron ore names remain a large weighting in the YMAX portfolio. The mining constituents, Rio Tinto (“RIO”) and BHP Billiton (“BHP”) had a weighted average increase of 0.28% in the April Option Period. Implied volatility remained relatively unchanged during the April Option Period, but remained one of the highest levels in the YMAX portfolio. BHP options were rolled down to take advantage of the implied volatility and time value. Virtually all April option premiums were retained in the mining sector.

Food (portfolio weight: 8.5%)

The two constituents in this sector continued to decrease in the April Option Period. Woolworths (“WOW”) and Wesfarmers (“WES”) decreased by -2.90% and -2.95% respectively during the period, relatively in line with the S&P/ASX 200 consumer staples sector performance. WOW and WES implied volatility increased slightly during the April Option Period. WOW and WES call options provided net positive premium to the YMAX portfolio as most of the premiums were retained in both names.

Telecommunications (portfolio weight: 7.8%)

Telstra Corporation (“TLS”), the sole portfolio constituent in the telecommunications sector, performed in tandem with the Index and remained relatively unchanged, decreasing -0.63% during the April Option Period. TLS underperformed the broader S&P/ASX Telecommunications Sector Index, which decreased by -0.12% in the April Option Period. The net option premium was positive in the period. YMAX maintained lower coverage in TLS to maintain an acceptable risk/reward level relative to the remaining portfolio.

Insurance (portfolio weight: 7.1%)

The four insurance names experienced mixed performance results in the April Option Period. QBE Insurance (“QBE”) recovered from a poor-performing

March Period, increasing 5.23%. Insurance Australia Group Ltd (“IAG”), on the other hand, decreased by -2.48% over the same period. AMP Limited (“AMP”) and Suncorp FPO (“SUN”) had pedestrian returns, up 0.15% and 0.51%, respectively. The QBE call options ended the period slightly in-the-money (“ITM”) and resulted in marginally higher buyback costs. However, overall industry sector premiums were positive because call premiums were retained for the remaining constituents.

Biotechnology (portfolio weight: 4.6%)

The only constituent in the biotechnology sector is CSL Limited (“CSL”), which posted a seventh consecutive period of gains, rising by 2.31% in the April Option Period. CSL strike prices were written approximately 5% OTM and therefore, the option premium was retained. Realized and implied volatilities have subsided somewhat and YMAX continues to be less aggressive writing calls.

REITS (portfolio weight: 3.9%)

Westfield Corporation (“WFD”) and Scentre Group (“SCG”) are the two constituents in this sector. WFD and SCG decreased by -0.41% and -1.57% respectively in the April Option Period. Both WFD and SCG were written approximately 3% OTM on 34% of the position. Both constituents were trading below \$10 at the beginning of the April Option Period, causing challenges to sell option premium. However, the modest declines in both constituents allowed YMAX to retain most of the written option premium during the period.

Oil & Gas (portfolio weight: 2.5%)

Australia’s biggest oil producer Woodside Petroleum (“WPL”) is the sole YMAX oil and gas constituent. Crude oil continued to stabilize in the April Option Period but WPL returned some prior period gains. WPL posted a decrease of -1.33% in the April Option Period. The move provided net positive option premium to the YMAX portfolio. Implied volatility remained relatively unchanged during the April Option Period however, however, the WPL option premium remains very favourable for call writing and yield enhancement.

Diversified Financial Services (portfolio weight: 2.8%)

This sector’s only constituent, Macquarie Group Ltd (“MQG”). MQG continued its torrid pace of gaining in 2015, up 40.86%, year-to-date, period ending 23 April 2015. MQG’s year-to-date performance includes a YMAX best positive return of 6.27% in the April Option Period. Implied volatility is significantly elevated relative to the 30-day realized volatility. Therefore, MQG continues to attract good option premium in the YMAX portfolio. Unfortunately, MQG’s continued large upward



price movements resulted in elevated buyback costs and resulted in negative net option premium in the April Option Period.

Electric (portfolio weight: 1.4%)

Origin Energy Limited ("ORG"), one of Australia's leading integrated energy companies, increased by 6.27% in the April Option Period, sharply reversing the -4.35% drop in the March Period. However, the high implied volatility allowed YMAX to write ORG options much further OTM than options on other portfolio constituents. The result was an incrementally higher net buyback cost, resulting in a slightly negative yield contribution during the April

Option Period – a very acceptable outcome given the very large upward move in ORG.

Commercial Services (portfolio weight: 1.7%)

The lone name in the sector is Brambles ("BXB"), which peaked at \$11.07 on 27 April 2015, providing an excellent opportunity to write calls. BXB ultimately ended the April Option Period down -4.49%. The written calls ended the April Option Period OTM and YMAX retained the option premium for a net positive yield contribution. At-the-money implied volatility increased significantly, which YMAX used to write May call options at the April expiry.

This information has been prepared by BetaShares Capital Ltd (ACN 139 566 868 AFS Licence 341181) ("BetaShares") the responsible entity of BetaShares Australian Top 20 Equity Yield Maximiser Fund (managed fund) (the "Fund") for adviser use only. It is general information only and does not take into account any investor's objectives, financial situation or needs so it may not be appropriate for an investor's particular circumstances. Before making an investment decision an investor should consider the product disclosure statement ("PDS") and their circumstances and obtain financial advice. The PDS is available at www.betashares.com.au. This information is not a recommendation or offer to buy units or adopt any particular strategy. An investment in the Fund is subject to investment risk and the value of units may go down as well as up. Past performance is not an indication of future performance. The performance of the Fund is not guaranteed by BetaShares or any other person. To the extent permitted by law BetaShares accepts no liability for any errors or omissions or loss from reliance on the information herein.