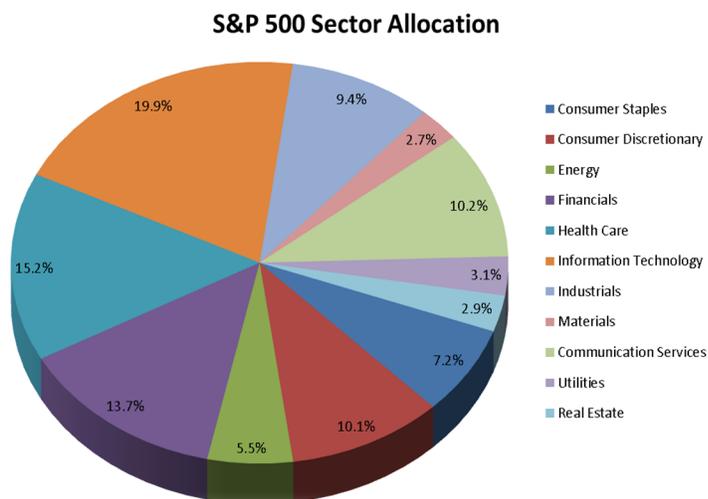


UMAX commentary – February 2019 (January Option Period)
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Source: Bloomberg, as of 18 January 2019.

The UMAX total return was 5.01% between 21 December 2018 and 18 January 2019 (“January Option Period” or “January Period”). The S&P 500® Index (the “S&P 500” or “Index”) had a total return of 9.04% in AUD terms during the same January Period. The January Option Period started off on the wrong foot as we entered the end of year holiday season. The trading activity on Christmas Eve surprised investors, as the market headed sharply lower on low volume. The half-day session, normally characterized by few price movements, saw the market make new lows for the year. As traders returned to their desks, the markets recovered towards the end of the calendar year. Strong markets then continued almost uninterrupted during the rest of the January Period. What turned out to be the worst month of December for the Index in years, also turned out to be one of the best starts to the year as well. All but one sector in the Index increased during the January Period, almost the exact opposite of the previous December Period. The CBOE VIX® Index (“VIX”) declined for most of the period following the Christmas Eve sell off, and closed on its low for the year at a level of 17.80. However this is still quite elevated relative to the levels seen in the past several years. The one-month at-the-money options volatility closed at 14.0% on 18 January 2019. The new February 2019 options were written with approximately 95% coverage, 2.2% out-of-the money and to an initial portfolio delta of -0.27.

Information Technology (Index weight: 19.9%)

The Information Technology sector recovered strongly from December’s rout, rising 10% in the January Option Period. This broke a string of three consecutive period losses for the sector. 39 of 68 names in the sector surged by more than 10% apiece.

Financials (Index weight: 13.7%)

Financials names pushed higher by 13.8% in the January Period, regaining much of the lost ground from the previous month. All 67 constituents, save one, were

positive in the period, with 16 of the names up by more than 20%.

Real Estate (Index weight: 2.9%)

The Real Estate sector followed the broader market higher and rose 5.2% in the January Option Period. Weyerhaeuser (“WY”) and CBRE Group (“CBRE”) powered higher by more than 15% apiece as a sense of calm returned to equities in general.

UMAX: ASX

NAV per unit (December 21)	\$17.5058
NAV per unit (January 18)	\$18.0916

January Option Period Returns

UMAX Total Return	5.01%
S&P 500 Total Return	9.04%
Over (Under) Performance	-4.03%

January Options at Inception

1-Mth Implied Vol.	25.9%
Portfolio Delta	-0.22
% Portfolio Written	95%

February Options at Inception

1-Mth Implied Vol.	14.0%
Portfolio Delta	-0.27
% Portfolio Written	95%

Distribution Per Unit History (by ex-date)

2 January 2019	\$0.2896
1 October 2018	\$0.2290
2 July 2018	\$0.2706
2 April 2018	\$0.2386

Healthcare (Index weight: 15.2%)

The Healthcare sector traded significantly higher in the January Option Period, rising by 8.9% into the broader global equity market recovery that kicked off 2019. Celgene (“CELG”) jumped 41.61% on news that the company will be acquired by Bristol-Myers Squibb (“BMJ”). This proved fortuitous for Celgene, which had fallen 41% in 2018.

Consumer Discretionary (Index weight: 10.1%)

The Consumer Discretionary sector powered higher by a sector-best 14.7% in the January Period. Amazon.com (“AMZN”) recovered from December’s rout by rising 23.14%. Home Depot (“HD”) rose 11.90% as consumer confidence returned to markets.

Industrials (Index weight: 9.4 %)

The Industrials sector also benefitted from a return to optimism, rising 12.6% in the January Option Period. General Electric Co. (“GE”), which had been under severe selling pressure throughout much of the last two years, finally rebounded 26.71% in the period. Industrial names moved sharply higher, on balance, with an impressive 68 of 69 constituents positive for the month.

Consumer Staples (Index weight: 7.2%)

The Consumer Staples sector disappointed and underperformed the overall Index during the January Period. While the sector rose over 4% during the period, it did not come close to recovering the losses incurred during the December Period when the sector dropped more than 10%.

Energy (Index weight: 5.5%)

Oil prices rebounded sharply after a difficult December Period. The energy sector was the third best performing

sector in the Index, increasing 13.6% during the January Period. Every company in the sector had positive returns during the January Options Period, but Oil services stocks did particularly well, with four out of five stocks increasing over 20%.

Materials (Index weight: 2.7%)

The Materials sector performed in line with the Index, increasing 10% during the January Option Period. Only one stock traded lower during the January Period. Gold miner Newmont Mining Corp. (“NEM”) decreased 5.2% during the period, as investors reacted to the company announcing a merger with Canadian competitor Goldcorp Inc. (“GG”).

Communication Services (Index weight: 10.2%)

The Communication Services sector rallied strongly during the January Period, increasing 12.7% and more than offsetting the December Period’s declines. Every stock in the sector traded higher during the January Option Period. Social media stocks did particularly well with Facebook Inc. (“FB”) and Twitter (“TWTR”) both increasing over 20% during the period.

Utilities (Index weight: 3.1%)

While the Utilities sector outperformed the Index in the previous December Period, it was the only sector to trade lower during the January Period. The sector’s return of -1.3% matched its performance of the previous period. Investors opted to sell the relative safe haven of utility stocks and participate in the broader market recovery.

The Fund’s equity exposures continue to be obtained indirectly via its holding of one or more US-listed exchange traded funds.

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