

Securities Ltd

ETFS Physical Palladium

Investment objective

ETFS Physical Palladium (ETPMPD) is designed to offer investors a simple, cost-efficient and secure way to access the precious metals market. ETPMPD is intended to provide investors with a return equivalent to movements in the palladium spot price less fees.

About the security

ETPMPD is a transferable security that can be created or redeemed on demand by market-makers, and that can be redeemed by investors. It trades on exchange as an equity.

ETPMPD is backed by physical allocated metal held by the Custodian (HSBC Bank USA N.A.). All physical palladium metal held with HSBC conforms to the London Platinum Palladium Market's (LPPM) rules for Good Delivery.

Key features

- Tracks the price of palladium, not a portfolio of equities
- Simple to trade on a major stock exchange
- Settled and held in ordinary brokerage accounts
- Transparent tracking with clear pricing
- Backed by physical, allocated metal
- Provides additional portfolio diversification
- Able to short, and margin eligible

About the pricing

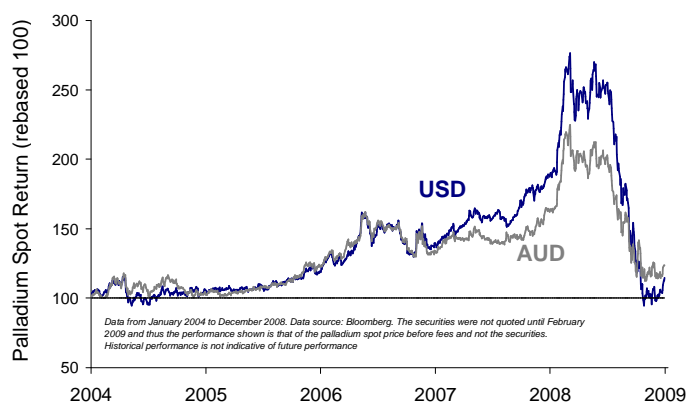
The price of ETPMPD is based on the spot price of palladium less the daily Management Fee. Daily price of ETPMPD:

$$= 0.10\text{oz of Palladium} \times \text{Palladium spot price} \\ \text{less daily Management Fee}$$

Details regarding the pricing calculations are available on http://www.etfsecurities.com/msl/index_au.asp

The spot price for palladium is based on the LPPM's specifications for Good Delivery (loco Zurich), which is an internationally recognised and transparent benchmark for pricing physical palladium.

Simulated historical performance (see disclaimer)



Trading data and quotation

Primary Quotation	Australian Securities Exchange (ASX)
Trading	Normal exchange hours
NAV	Daily NAV at www.etfsecurities.com
Approximate price	1/10 th of USD/oz palladium spot price
Base currency	USD (no hedge)
Minimum investment	1 security
Security & trading codes	
<i>Quotation</i>	Australia
<i>Quotation currency</i>	A\$
<i>Exchange code</i>	ETPMPD
<i>ISIN</i>	AU000ETPMPD3
<i>SEDOL</i>	B3KMGB9
<i>Bloomberg</i>	ETPMPD AU <Eq>
<i>Reuters</i>	ETPMPD.AX

Security features

Underlying metal	Physical, allocated palladium, to LPPM specifications
Custodian of metal	HSBC Bank USA N.A.
Product manager	ETF Securities Ltd
Issuer	ETFS Metal Securities Australia Ltd
Registrar	Link Market Services Limited
Management fee	0.49% p.a.
Entry/Exit fees	None when traded on exchange
Legal Form	Redeemable preference share with an entitlement to metal
Open-ended	Yes
Domicile	Australia
Regulator	Australian Securities and Investments Commission ("ASIC")

For more information

About ETF Securities

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Other sources of information

www.asx.com.au



About ETF Securities Limited

The management of ETF Securities Limited pioneered the development of Exchange Traded Commodities (ETCs) with the world's first listing of Exchange Traded Gold on the ASX in 2003. Now ETF Securities has over 130 ETCs listed on 6 Exchanges with over US\$8 billion in assets as at Feb 09. Our range of products include:

- Gold Bullion Securities – World's first listing of an ETC backed by physical bullion (first issued on the ASX in 2003 and on the LSE in 2003. Gold Bullion Securities in Australia now called ETFS Metal Securities Australia)
- ETFS Metal Securities Australia – ETCs tracking physical precious metal stored in HSBC's bullion vault. ETFS Physical Gold Securities (formerly called Gold Bullion Securities) first issued on ASX in 2003. Other securities issued in Jan 2009.
- ETFS Oil Securities – ETCs tracking different oil returns (first issued in 2005) and carbon emission allowance returns (first issued in 2008) currently listed in Europe.
- ETFS Commodity Securities - a large range of ETCs offering long, forward, leveraged and short exposure to all commodity sectors (first issued in 2006) currently listed in Europe.
- ETFS Metal Securities – ETCs tracking physical precious metal stored in HSBC's bullion vault (first issued in 2007) currently listed in Europe.

Disclaimer

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