

ETFS Brent 2yr (OSB2)

Investment objective

ETFS Brent 2yr (OSB2) has been designed to enable investors to gain a total return exposure to movements in the price of Brent 2yr oil futures without needing to purchase or take delivery of oil, or to trade in future contracts.

About the security

OSB2 is an exchange traded commodity ("ETC") structured as a secured, undated limited recourse debt security which can be created and redeemed on demand (by market makers). It trades on exchanges just like an equity and its pricing and tracking operate similarly to an Exchange Traded Fund.

The ETC is backed by matching fully funded swaps with Royal Dutch Shell Group companies who provide the oil exposure for OSB2.

Key features

- Tracks the commodity return, 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
- Exposure provided by Shell
- Provides additional portfolio diversification
- Able to short, and margin eligible

About the pricing

The price of OSB2 is based on a total return methodology. This comprises the excess return from rolling approximately 1/12th of the exposure from the second December ICE Futures Brent contract to the third December Brent contract over two days each month, thereby giving an approximate maturity of two years. This rolling methodology provides an excess return which incorporates any gain or loss from backwardation or contango.

Interest is declared weekly and accrued daily to give a total return.

Details regarding the pricing calculations are available on www.etfsecurities.com/osl.

Trading data and listings

Primary listing	London Stock Exchange (LSE)
Trading	Normal Exchange hours
NAV	Daily NAV at www.etfsecurities.com
Base currency	USD (no hedge)
Minimum investment	1 security

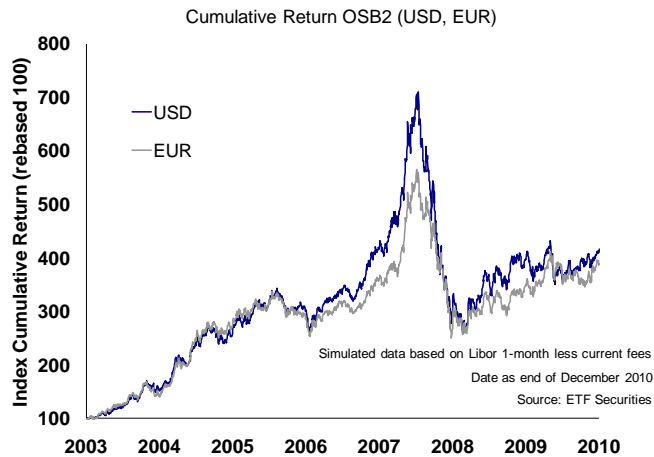
Security codes

Listing	Exchange code	Currency
- London	OSB2	USD
Data providers	Bloomberg	Reuters
- London	OSB2 LN <Eq>	OSB2.L
ISIN	JE00B1YNWG12	
SEDOL	B1YNWG1	

Security features

Underlying exposure	Energy futures swaps with Royal Dutch Shell Group companies
Product manager	ETFS Management Company (Jersey) Limited
Issuer	ETFS Oil Securities Ltd
Registrar	Computershare
Management fee	0.49% p.a.
Entry/Exit fees	None when traded on Exchange
Legal Form	Secured, undated, debt security
Open-ended	Yes
UCITS 3	Eligible investments
ISA/SIPP/CTF (UK)	Yes, eligible
Domicile	Jersey
Home regulator (prospectus)	Financial Services Authority (FSA UK)
EU Passport	Netherlands, Germany, France, Italy
UK Reporting Fund Status	Yes, with effect from 1 Jan 2009

Simulated historical performance



Allocation of underlying contracts



For more information

Roll Methodology: ETFS Brent 2yr rolls approximately 1/12th of the exposure from the second December ICE Futures Brent contract to the third December Brent contract over the first two business days each month, thereby giving an approximate maturity of two years. This rolling methodology provides an excess return which incorporates any gain or loss from backwardation or contango. The table below shows the "Near" and "Next" contracts to which the product is exposed to during the month, prior and post to the roll.

	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
Near	Dec-12	Dec-12	Dec-12	Dec-12	Dec-12	Dec-12	Dec-12	Dec-12	Dec-12	Dec-12	Dec-12	Dec-13
Next	Dec-13	Dec-13	Dec-13	Dec-13	Dec-13	Dec-13	Dec-13	Dec-13	Dec-13	Dec-13	Dec-13	Dec-14

About ETF Securities

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Other sources of information

www.londonstockexchange.com/etcs
www.deutsche-boerse.com/etcs
www.euronext.com/etcs
www.borsaitaliana.it/etfs

About ETF Securities

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ETPs are simple to access as they are traded in five currencies (EUR, USD, GBP, JPY and AUD) and listed on nine major exchanges globally including the London Stock Exchange, the New York Stock Exchange, the Tokyo Stock Exchange, NYSE-Euronext Paris, NYSE-Euronext Amsterdam, Deutsche Börse, Borsa Italiana, the Australian Securities Exchange and the Irish Stock Exchange.

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