

## ETFS Short EUR Long GBP (URGB)

### Investment objective

ETFS Short EUR Long GBP (URGB) is designed to track the MSFX<sup>SM</sup> Short Euro/GBP Index (TR) which aims to reflect movements in exchange rates between the two currencies, and exposure to an interest rate differential.

### About the security

URGB is a debt security which can be created or redeemed on demand (by authorised participants). It trades on Exchange just like an equity and its pricing and tracking operate similar to an Exchange Traded Fund.

### Collateralisation

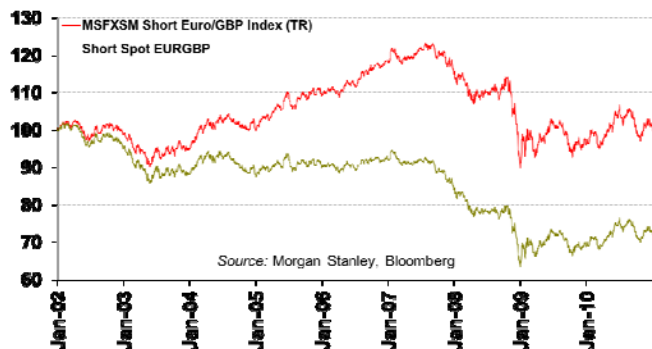
URGB is backed by Currency Transactions entered into with a Currency Transaction Counterparty (CTC). Counterparty risk is minimised by way of daily mark to market payments, and cash is used to enter repo transactions with the CTC in exchange for eligible collateral. The eligible collateral is held by the collateral manager BNY Mellon in a custody account and valued daily.

### Key features

- Tracks an index priced off liquid forward contracts
- Provides exposure to foreign exchange movements
- Simple to trade on a major stock exchange
- Settled and held in ordinary brokerage accounts
- Transparent tracking with clear pricing
- Currency securities are collateralised with BNY Mellon as collateral manager
- Provides additional portfolio diversification
- Able to short, and margin eligible

### Index performance

#### MSFX<sup>SM</sup> Short Euro/GBP Index (TR)



The index performance shown here is the back tested performance of the corresponding MSFX<sup>SM</sup> Total Return Index and not the performance of the security. Please refer to the Historical Performance Disclaimer on the following page.

### Trading data and listings

<b>Trading</b>	Normal Exchange hours
<b>NAV</b>	Daily NAV at <a href="http://www.etfsecurities.com">www.etfsecurities.com</a>
<b>Base currency</b>	GBP
<b>Minimum investment</b>	1 security
<b>Security codes</b>	
<b>Listing</b>	London Stock Exchange (LSE)
<b>Currency</b>	GBP
<b>Exchange code</b>	URGB
<b>ISIN</b>	JE00B45CYD99
<b>SEDOL</b>	B45CYD9
<b>Bloomberg</b>	URGB LN
<b>Reuters</b>	URGB.L

### Security features

<b>Index</b>	MSFX <sup>SM</sup> Short Euro/GBP Index (TR)
<b>Product manager</b>	ETFS Management Company (Jersey) Limited
<b>Issuer</b>	ETFS Foreign Exchange Ltd
<b>Currency Transaction Counterparty</b>	Morgan Stanley & Co. International plc
<b>Registrar</b>	Computershare
<b>Management fee</b>	0.39% p.a.
<b>Entry/Exit fees</b>	None when traded on Exchange
<b>Legal Form</b>	Secured, undated, debt security
<b>Open-ended</b>	Yes
<b>UCITS 3 Eligible</b>	Eligible investments
<b>ISA/SIPP/CTF (UK)</b>	Yes, eligible
<b>Domicile</b>	Jersey (Channel Islands)
<b>Home regulator (prospectus)</b>	Financial Services Authority (FSA UK)
<b>EU Passport</b>	Austria, Denmark, Finland, France, Germany, Italy, Netherlands, Portugal, Spain, Sweden

### About the index

MSFX<sup>SM</sup> Short Euro/GBP Index (TR) is a total return index reflecting the performance of a fully collateralised position in currency forward contracts which are rolled on a daily basis. The index provides short exposure to (i) movements in exchange rates between the local currency (EUR) and GBP and (ii) an interest differential component - to the extent either are incorporated in forward contract prices. The Index also provides a Daily Collateral Yield.

The methodology which Morgan Stanley & Co Inc. uses in order to calculate the index is set out in the MSFX<sup>SM</sup> Indices Manual available at:

<http://www.morganstanley.com/institutional/research/msfx.html>

The historical data about the indices is available on the website as well as on Bloomberg: <ALLX> <MSCE> <GO>.



## **For more information**

---

### *About ETF Securities*

Web: [www.etfsecurities.com](http://www.etfsecurities.com)

Email: [info@etfsecurities.com](mailto:info@etfsecurities.com)

Telephone: +44 20 7448 4330

### *Other sources of information*

[www.londonstockexchange.com/etcs](http://www.londonstockexchange.com/etcs)

## **About ETF Securities**

---

ETF Securities is a provider of Exchange Traded Products (ETFs, Commodity ETCs and Currency ETCs). The management of ETF Securities pioneered the development of ETCs, with the world's first listing of an ETC, Gold Bullion Securities in Australia and London in 2003 and then the world's first entire ETC platform which was listed on the London Stock Exchange in September 2006.

ETF Securities now offers more than 270 Exchange Traded Products (ETPs). The ETPs provide investors with a wide variety of investment strategies, with ETPs offering access to asset classes such as equities, currencies and commodities with physical, long, forward, leveraged and short exposure.

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.

## **Important Information**

### **General**

This communication has been provided by ETF Securities (UK) Limited ("ETFs UK") which is authorized and regulated by the United Kingdom Financial Services Authority. The products discussed in this document are issued by ETFS Foreign Exchange Limited (the "Issuer"). The Issuer is regulated by the Jersey Financial Services Commission. When being made within Italy, this communication is for the exclusive use of the "qualified investors" and its circulation among the public is prohibited.

This document is not, and under no circumstances is to be construed as, an advertisement or any other step in furtherance of a public offering of shares in the United States or any province or territory thereof, where none of the Issuer or any securities issued by it are authorised or registered for distribution and where no prospectus of the Issuer has been filed with any securities commission or regulatory authority. Neither this document nor any copy hereof should be taken, transmitted or distributed (directly or indirectly) into the United States. Neither the Issuer nor any securities issued by it have been or will be registered under the United States Securities Act of 1933 or the Investment Company Act of 1940 or qualified under any applicable state securities statutes.

This document may contain independent market commentary prepared by ETFS UK based on publicly available information. ETFS UK does not warrant or guarantee the accuracy or correctness of any information contained herein and any opinions related to product or market activity may change. Any third party data providers used to source the information in this communication make no warranties or representation of any kind relating to such data.

Any historical performance included in this document may be based on back testing. Back tested performance is purely hypothetical and is provided in this document solely for informational purposes. Back tested data does not represent actual performance and should not be interpreted as an indication of actual or future performance.

Historical performance is not an indication of or a guide to future performance.

The information contained in this communication is neither an offer for sale nor a solicitation of an offer to buy securities. This communication should not be used as the basis for any investment decision.

ETFs UK is required by the United Kingdom Financial Services Authority ("FSA") to clarify that it is not acting for you in any way in relation to the investment or investment activity to which this communication relates. In particular, ETFS UK will not provide any investment services to you and or advise you on the merits of, or make any recommendation to you in relation to, the terms of any transaction. No representative of ETFS UK is authorised to behave in any way which would lead you to believe otherwise. ETFS UK is not, therefore, responsible for providing you with the protections afforded to its clients and you should seek your own independent legal, investment and tax or other advice as you see fit.

### **Risk Warnings**

Securities issued by the Issuer are complex, structured products involving a significant degree of risk and are not suitable for all types of investor. Securities offered by the Issuer are aimed at sophisticated, professional and institutional investors. You must seek appropriate financial, tax and other advice from independent financial advisors with appropriate regulatory authorisation and qualifications. Any decision to invest should be based on the information contained in the prospectus of the Issuer (or any supplements thereto) which includes, inter alia, information on certain risks associated with an investment. The price of any securities may go up or down and an investor may not get back the amount invested. Securities are priced in US Dollars and the value of the investment in other currencies will be affected by exchange rate movements. Investments in the securities of the Issuer which provide a short and/or leveraged exposure are only suitable for sophisticated, professional and institutional investors who understand leveraged and compounded daily returns and are willing to magnify potential losses by comparison to investments which do not incorporate these strategies. Over periods of greater than one day, investments with a short and/or leveraged exposure do not necessarily provide investors with a return equivalent to a return from the unleveraged long or unleveraged short investments multiplied by the relevant leverage factor.

Investors should refer to the section entitled "Risk Factors" in the relevant prospectus for further details of these and other risks associated with an investment in the securities offered by the Issuer.

The prospectus of the Issuer may be obtained from [www.etfsecurities.com](http://www.etfsecurities.com). Please contact ETFS UK at +44 20 7448 4330 or [info@etfsecurities.com](mailto:info@etfsecurities.com) for more information.

### **Passporting and Restricted Investors**

The FSA has delivered to the regulators listed below certificates of approval attesting that the prospectus of the Issuer has been drawn up in accordance with Directive 2003/71/EC:

The prospectus (and any supplements thereto) of the Issuer has been passported from the United Kingdom into Austria, Denmark, Finland, France, Germany, Italy, the Netherlands, Portugal, Spain and Sweden and has been filed with Österreichische Finanzmarktaufsicht (Austrian Financial Market Authority) in Austria, Finanstilsynet (Financial Supervisory Authority) in Denmark, Finanssivalvonta (Finnish Financial Supervisory Authority) in Finland, l'Autorité des Marchés Financiers (AMF) in France the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) in Germany, CONSOB and the Bank of Italy in Italy, the Authority Financial Markets (Autoriteit Financiële Markten) in the Netherlands, Comissão do Mercado de Valores Mobiliários (Portuguese Securities Market Commission) in Portugal, Comisión Nacional del Mercado de Valores (Securities Market Commission) in Spain and the Finansinspektionen (Financial Supervisory Authority) in Sweden. Copies of the prospectus and related regulatory documentation, including annual reports, can be obtained in France from HSBC France, 103, Avenue des Champs Elysées, 75008 Paris, in Germany from HSBC Trinkhaus & Burkhardt, AG, Konsortialgeschäft, Königsallee 21/23, 40212 Düsseldorf and in the Netherlands from AMN Amro Bank (Nederland) N.V. (t) +31 20 527 2467 or faxed request to +31 20 527 1928. Investors in other countries can obtain the prospectus from [www.etfsecurities.com](http://www.etfsecurities.com). Please contact ETFS UK at +44 20 7448 4330 or [info@etfsecurities.com](mailto:info@etfsecurities.com) for more information.

**This document is not a financial analysis pursuant to Section 34b of the German Securities Trading Act (*Wertpapierhandelsgesetz – WpHG*) and consequently does not meet all legal requirements to warrant the objectivity of a financial analysis and is also not subject to the ban on trading prior to the publication of a financial analysis.**

This document is not addressed to or intended directly or indirectly, to (a) any persons who do not qualify as qualified investors (gekwalificeerde beleggers) within the meaning of section 1:1 of the Dutch Financial Supervision Act as amended from time to time; and/or (b) in circumstances where other exemptions or dispensations from the prohibition the Dutch Financial Supervision Act or the Exemption Regulation of the Act on Financial Supervision apply.

The Issuer is not required to have a license pursuant to the Dutch Financial Supervision Act as it is exempt from any licensing requirements and is not regulated by the Netherlands Authority for the Financial Markets and consequently no prudential and conduct of business supervision will be exercised.

Other than as set out above investors may contact ETFS UK at +44 (0)20 7448 4330 or at [info@etfsecurities.com](mailto:info@etfsecurities.com) to obtain copies of the prospectus and related regulatory documentation, including annual reports. Other than as separately indicated, this communication is being made on a "private placement" basis and is intended solely for the professional / institutional recipient to which it is delivered.

### **Third Parties**

Securities issued by the Issuer are direct, limited recourse obligations of the Issuer alone and are not obligations of or guaranteed by any of Morgan Stanley & Co International plc, Morgan Stanley & Co. Incorporated, any of their affiliates or anyone else or any of their affiliates. Each of Morgan Stanley & Co International plc and Morgan Stanley & Co. Incorporated disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above) which it might have in respect of this document or its contents otherwise arising in connection herewith.

The Morgan Stanley Indices are the exclusive property of Morgan Stanley & Co. Incorporated ("Morgan Stanley"). Morgan Stanley and the Morgan Stanley index names are service mark(s) of Morgan Stanley or its affiliates and have been licensed for use for certain purposes by ETF Securities Limited in respect of the securities issued by FXL. The securities issued by FXL are not sponsored, endorsed, or promoted by Morgan Stanley, and Morgan Stanley bears no liability with respect to any such financial securities. The prospectus of FXL contains a more detailed description of the limited relationship Morgan Stanley has with FXL and any related financial securities. No purchaser, seller or holder of securities issued by FXL, or any other person or entity, should use or refer to any Morgan Stanley trade name, trademark or service mark to sponsor, endorse, market or promote this product without first contacting Morgan Stanley to determine whether Morgan Stanley's permission is required. Under no circumstances may any person or entity claim any affiliation with Morgan Stanley without the prior written permission of Morgan Stanley.