

## ETFS Short Coffee

### Investment objective

ETFS Short Coffee (SCFE) is designed to provide investors with a total return equivalent (before fees and expenses) to -100% of the daily percentage change in the DJ-UBS Coffee Sub-Index<sup>SM</sup> (the "Sub-Index"), which is an index tracking the futures price of coffee plus a collateral yield.

### About the security

SCFE 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 Commodity Contracts (fully funded swaps) with Commodity Contract Counterparties whose payment obligations are backed by collateral which is marked to market daily to reflect the value of the Commodity Contracts. Collateral is held in pledge accounts at Bank of New York Mellon.

### Benefits of Short ETCs

#### Offers similar features to traditional ETCs:

- Simple to trade on a major stock exchange
- Settled and held in ordinary brokerage accounts
- Transparent and clear pricing formula
- Backed by collateral held by a collateral manager
- Multiple market makers provide liquidity and continuous pricing
- Commodities provide additional portfolio diversification

#### Specific features of Short ETCs:

- Provides inverse exposure therefore investors will earn a positive return when the index falls but will earn a negative return when the index rises, excluding fees and adjustments
- No margin account is required, nor any requirement to borrow the security and sell into the market
- Cost efficient way of obtaining short (inverse) exposure
- Maximum loss is an investor's initial investment

### Specific Risks of Short ETCs

- The Short ETC price will fall when the index rises
- If the value of the index increases for extended periods, a Short ETC will likely lose most or all of its value
- If the index rises by 100% or more in one day, an investment in a Short ETC will lose all of its value
- Returns measured over periods longer than one day may differ from minus one times the index's return over that period
- Short ETCs are only suitable for professional investors who understand the risks and benefits to an inverse strategy
- Please see the Prospectus for a more detailed explanation and a more complete list of risk

### Trading data and listings

<b>Primary listing</b>	London Stock Exchange (LSE)
<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>	USD (no hedge)
<b>Minimum investment</b>	1 security
<b>Security codes</b>	
<b>Listing</b>	London
<b>Exchange code</b>	SCFE
<b>Currency</b>	USD
<b>Bloomberg</b>	SCFE LN <Eq>
<b>Reuters</b>	SCFE.L
<b>Sedol</b>	B24DK53
<b>ISIN</b>	JE00B24DK538

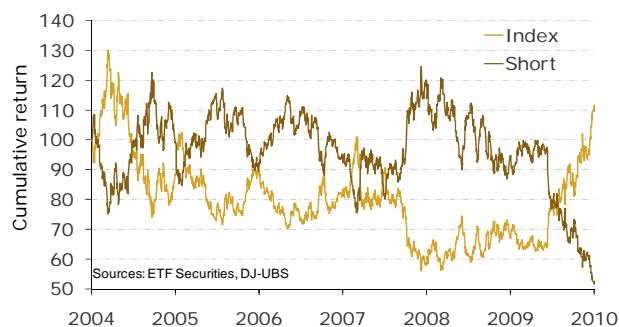
### Security features

<b>Exposure</b>	<b>-100%</b> of the daily percentage change of the DJ-UBS Coffee Sub-Index <sup>SM</sup>
<b>Underlying exposure</b>	Fully funded Swap with Commodity Contract Counterparties
<b>Product manager</b>	ETFS Management Company (Jersey) Limited
<b>Issuer</b>	ETFS Commodity Securities Ltd
<b>Commodity Contract Counterparties</b>	UBS AG and Bank of America Merrill Lynch (acting through Merrill Lynch Commodities Inc.)
<b>Registrar</b>	Computershare
<b>Management fee</b>	0.98% 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 III</b>	Eligible investments
<b>ISA/SIPP/CTF (UK)</b>	Yes, eligible
<b>Domicile</b>	Jersey
<b>Home regulator (prospectus)</b>	UK Financial Services Authority
<b>UK Reporting Fund Status</b>	Yes, with effect from 1 Jan 2009
<b>EU Passport</b>	Austria, Denmark, Finland, France, Germany, Italy, Netherlands, Portugal, Spain, Sweden

### Simulated Historical returns

DJ-UBS Coffee Index and ETFS Short Coffee DJ-UBSCI historical performance

Period considered: December 2004 to December 2010



Simulated historical performance for the Sub-Index exists back to 1991 however the Sub-Index performance shown was first published by DJ-UBS in April 2006. Please refer to the Historical Performance Disclaimer on the following page. The returns shown here are not intended to represent actual performance and does not take into account management fees, transaction costs or expenses.

## Symbols for additional information

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*Underlying:*

Bloomberg

Reuters

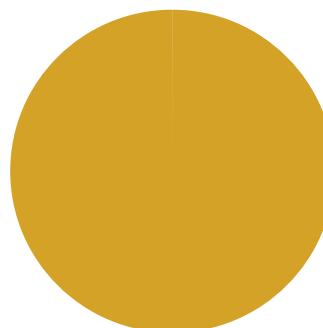
DJUBSKC

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*Additional information on Bloomberg:* DJGI und DJUB

## Index Allocation

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Coffee 100%

## For more information

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*About ETF Securities*

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

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Tel: +44 20 7448 4330

*Other sources of information*

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

[www.deutsche-boerse.com/etcs](http://www.deutsche-boerse.com/etcs)

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

[www.borsaitaliana.it/etf](http://www.borsaitaliana.it/etf)

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