

etf Securities

ETFS Physical Palladium Shares– PALL

January 2010

Investment objective

ETFS Physical Palladium Shares (“the Shares”) are issued by ETFS Palladium Trust (“the Trust”). The investment objective of the Trust, Symbol: PALL is for the Shares to reflect the performance of the price of Palladium bullion, less Trust’s expenses. The Shares are designed for investors who want a cost-effective and convenient way to invest and gain exposure into physical Palladium.

Key features

Palladium bullion in plate and ingot form held in London and Zurich⁽²⁾ The Shares represent beneficial interest in the Trust, which in turn holds allocated physical palladium bullion bars stored in secure vaults in London and Zurich on behalf of the Custodian, JPMorgan Chase Bank, N.A.,. Each physical plate and ingot is properly segregated, individually identified and allocated towards the property of the Trust. All physical palladium conforms to the London Platinum and Palladium Market (LPPM) rules for Good Delivery.

Cost effective - The Shares are designed for investors who want a cost-effective and convenient way to invest in palladium. For many investors, it is expected that the transaction costs for buying and selling the Shares will be lower than purchasing, storing and insuring physical palladium.

Liquid – The Shares trade on an exchange like any other exchange-listed security. The Trust structure allows for shares to be created and redeemed according to supply and demand in the market.

Transparent – The palladium held by the trust is inspected biannually by the independent metal assayer, Inspectorate International. The pricing information, net asset value of the Trust, and palladium bar numbers held by the Trust are published daily on our website www.etfsecurities.com.

Flexible - The Shares are listed on the New York Stock Exchange (NYSE Arca code: PALL). The shares are available to be bought or sold, like ordinary listed securities, throughout the trading day. The shares are eligible for margin accounts.

About the pricing

The price of PALL is based on the spot price of palladium less the Trust’s expenses. Daily price of palladium:

$$= 0.1 \text{ oz of palladium spot price less Trusts expenses}$$

All palladium is priced off the LPPM’s specifications for Good Delivery, which is an internationally recognised and transparent benchmark for pricing physical palladium. Details regarding the pricing calculations are available on www.etfsecurities.com/msl.

Risks & Important considerations:

The ETFS Palladium Trust is not an investment company registered under the Investment Company Act of 1940 or a commodity pool for purposes of the Commodity Exchange Act. Shares of the Palladium Trust are not subject to the same regulatory requirements as mutual funds. These investments are not suitable for all investors. Trusts focusing on a single commodity generally experience greater volatility.

⁽¹⁾ There are special risks associated with short selling and margin investing. Please ask your financial advisor for more information about these risks.

⁽²⁾ London/Zurich Good Delivery™ or “Good Delivery” Palladium in plate or ingot form with a minimum fineness and purity of 99.95% weighing between 32.151 and 192.904 troy ounces. One troy ounce equals 31.103grams meeting the London/Zurich Good Delivery Standards.

Trading data and listing⁽¹⁾

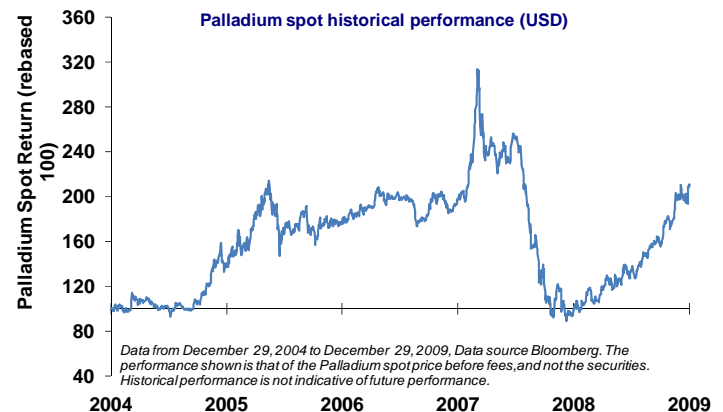
Primary listing	New York Stock Exchange - Arca
Ticker	PALL
IOPV*	PALL.IV
Trading	Normal Exchange hours
NAV	Daily NAV at www.etfsecurities.com
Base currency	USD
Margin Eligible	Yes
Short Sale Eligible	Yes
Security & trading codes	
<i>Inception Date</i>	01/08/2010
<i>Listing</i>	NYSE Arca
<i>Ticker</i>	PALL
<i>CUSIP</i>	26923A 106
<i>Bloomberg</i>	PALL US
<i>Reuters</i>	PALL.P

* Indicative Optimized Portfolio Value

Trust features

Sponsor	ETF Securities USA LLC
Underlying metal	Physical, allocated palladium plates and ingots, to LPPM specifications
Vault Inspector	<i>Inspectorate International</i>
Palladium Bar Count	<i>List of allocated plates and ingots and copies of the plate and ingot counts available daily at www.etfsecurities.com</i>
Custodian	JPMorgan Chase Bank, N.A.
Zurich Sub-Custodian (January 2010)	UBS A.G.
Vault Location	London, UK and Zurich, Switzerland
Trustee	The Bank of New York Mellon
Expense ratio	0.60% per annum ordinary brokerage commissions do apply

Palladium spot historical performance (USD)



The performance quoted represents past performance of the Palladium spot price (as measured by the London PM Fix) and is not indicative of future performance. The Palladium spot prices are for illustrative purposes only and do not represent actual Trust performance. Palladium spot returns rebased to 100 on December 31, 2003 to show palladium returns since that date (e.g. 150=50% return from December 31, 2003, 50=50% decline from that date, etc).



Additional information

To access the list of allocated plates and ingots held by the Custodian and a copy of the bar counts conducted by Inspectorate International Limited go to: www.etfsecurities.com

For more information

About ETF Securities

Web: www.etfsecurities.com

Email: info@etfsecurities.com

Telephone : (212) 918-4954

Other sources of information

www.nyse.com

About ETFS Services USA LLC

ETF Securities USA LLC is a wholly owned subsidiary of ETF Securities Ltd. ETF Securities Ltd is a provider of Exchange Traded Commodities (ETCs) and Exchange Traded Funds (ETFs). ETF Securities is independently owned and is a European market leader in ETCs. The management of ETF Securities created the first physically-backed precious metal product. ETF management also constructed the world's first full ETC platform in 2006, which has listings on various global exchanges.

Risks and Important Considerations: The value of the Shares relates directly to the value of the palladium held by the Trust and fluctuations in the price of palladium could materially adversely affect an investment in the Shares. Several factors may affect the price of palladium, including: A change in economic conditions, such as a recession, can adversely affect the price of palladium. Palladium is used in a wide range of industrial applications, and an economic downturn could have a negative impact on its demand and, consequently, its price and the price of the Shares; Investors' expectations with respect to the rate of inflation; Currency exchange rates; Interest rates; Investment and trading activities of hedge funds and commodity funds; and Global or regional political, economic or financial events and situations. Should there be an increase in the level of hedge activity of palladium producing companies, it could cause a decline in world prices, adversely affecting the price of the Shares. Also, should the speculative community take a negative view towards palladium, it could cause a decline in world palladium prices, negatively impacting the price of the Shares. There is a risk that part or all of the Trust's palladium could be lost, damaged or stolen. Failure by the Custodian or Sub-Custodian to exercise due care in the safekeeping of the precious metal held by the Trusts could result in a loss to the Trusts. The Trust will not insure its palladium and shareholders cannot be assured that the custodian will maintain adequate insurance or any insurance with respect to the palladium held by the custodian on behalf of the Trust. Consequently, a loss may be suffered with respect to the Trust's palladium that is not covered by insurance. Since there is no limit on the amount of palladium that the Trust may acquire, the Trust, as it grows, may have an impact on the supply and demand of palladium.

Investors buy and sell shares on a secondary market (i.e., not directly from trust). Only market makers or "authorized participants" may trade directly with the fund, typically in blocks of 50k to 100k shares.

The Trust is new and has limited operating history. **Commodities and futures generally are volatile and are not suitable for all investors.** Trusts focusing on a single commodity generally experience greater volatility. Please refer to the prospectus for complete information regarding all risks associated with the Trust before making an investment decision about investment in the Shares.

This document contains "forward-looking statement" with respect to the Trust's financial conditions, results of operations, plans, objectives, future performance and business. Statements preceded by, followed by or that include words such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", or similar expressions are intended to identify some of the forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and are included, along with the statement, for purposes of complying with the safe harbour provisions of that Act. All statements (other than statements of historical fact) included in this document that address activities, events or developments that will or may occur in the future, including such matters as changes in commodity prices and market conditions (for palladium and the Shares), the Trusts operations, the Sponsors plans and references to the Trusts future success and other similar matters are forward looking statements. These statements are only predictions. Actual events or results may differ materially. These statements are based upon certain assumptions and analyses the Sponsor made based on its perception of historical trends, current conditions and expected future developments, as well as other factors appropriate in the circumstances. Neither the Trust nor the Sponsor is under a duty to update any of the forward looking statements to confirm such statements to actual results or to reflect a change in the Sponsor's expectations or predictions.

Shares in the Trust are not FDIC insured, may lose value and have no bank guarantee.

This material must be accompanied or preceded by a prospectus. The prospectus contains material information about the Trust and its Shares which is material which may be important to you. Please read the prospectus carefully before investing.

ALPS Distributors, Inc. is the marketing agent for ETFS Palladium Trust. ETF Securities Ltd. or its affiliates is not affiliated with ALPS Distributors, Inc. Certain marketing services may be provided for ETFS Palladium Trust by ETFS Marketing LLC.

ETFS Palladium Trust shares are not guaranteed by JPMorgan Chase Bank, N.A, or anyone else: ETFS Palladium Trust shares are direct, limited recourse obligations of the Trust alone and not obligations of any other person including JP Morgan Chase Bank, N.A, any member of the JP Morgan Chase Bank Group, or it's affiliates.