



BetaShares

Exchange Traded Funds

Media release

BetaShares US Dollar ETF debuts as top 10 most traded ETF on ASX

- AUM more than doubled in second week of trading
- Median trade was A\$15,000, indicating pent up demand from retail investors for access to U.S dollar exposure in a simple, transparent and low cost way
- Strong interest from small businesses looking to use the ETF to hedge upcoming U.S. dollar purchases

SYDNEY, 21 February 2011: BetaShares Capital Limited (BetaShares) today announced its newly listed US dollar exchange traded fund (ASX: USD) was one of the top 10 most traded ETFs on the Australian Securities Exchange in its first two weeks of trading with assets under management doubling in the second week of trading.

Listed on 1 February 2011, *BetaShares US Dollar ETF* tracks the performance of the US dollar (US\$) relative to the Australian dollar (A\$) using a simple, transparent and highly cost-effective structure backed by US dollars held in a bank account with JP Morgan Chase Bank.

Drew Corbett, Head of Investment Strategy & Distribution at BetaShares said the average trade size of \$15,000 indicates strong retail appetite for foreign exchange investment opportunities that were previously unavailable to them.

“Exorbitant fees and poor exchange rates in foreign currency bank accounts mean retail investors have been effectively shut out of the foreign exchange markets up until now. Heavy trading by retail investors in the USD ETF suggests a high level of pent up demand for cost effective and simple foreign exchange investment opportunities,” Mr Corbett said.

“In addition, we are finding that there are a significant number of investors who are investing in this product as a simple way to get exposure to the potential recovery of the U.S. economy”, he continued.

The launch of the USD ETF comes at a time of historic strength for the Aussie dollar, which is currently trading at about 40% above its long run average value. The ETF enables investors to capitalise on any potential weakening in the A\$ relative to the US\$. For example, if the US\$ appreciates 10% against the A\$ (i.e. if the A\$ falls in value), the price of the ETF should go up 10% too.

This exposure comes at a fraction of the cost of current mechanisms available to most investors. Investing A\$10,000 in a US dollar bank account can cost an individual up to \$700

Betashares Capital Ltd ABN 78 139 566 868

AFS License 341 181

Level 12, 50 Margaret Street Sydney NSW 2000 Australia

Telephone +61 2 9290 6888 Facsimile +61 2 9262 4950

www.betashares.com.au

over a six month period due to fees, costs and poor exchange rates. The superior rates provided by BetaShares mean the same investment in its ETF would cost around A\$70.

BetaShares has also reported strong interest from small to medium business owners which have large US dollar capital expenditures planned in the future and are looking to hedge against a fall in the Australian dollar.

The US Dollar ETF is the third ETF listed by BetaShares after the Resources Sector ETF (ASX: QRE) and Financial Sector ETF (ASX: QFN) listed on the ASX in mid December. The product launch is further evidence of BetaShares' commitment to provide Australian investors with ETFs tailored to the Australian market.

Further information can be found at www.betashares.com.au and www.asx.com.au.

Media inquiries:

Yolanda Beattie
Honner Media

Yolanda@honnermedia.com.au

+61 2 8248 3744

+61 450 327 785

Drew Corbett
BetaShares

drew.corbett@betashares.com.au

+61 2 9290 6803

About BetaShares

BetaShares is a specialist provider of ETFs designed for Australian investors. BetaShares objective is to expand the universe of investment possibilities open to investors by providing ETFs that empower investors to implement their investment strategies with ease.

About BetaShares ETFs

BetaShares ETFs are Australian domiciled ETFs which trade on the Australian Securities Exchange, and are bought and sold by investors like shares. BetaShares will deliver ETF products that allow investors to track the performance of a range of market indices and asset classes.

Australian-owned and managed, BetaShares is affiliated with BetaPro Management, one of the largest ETF issuers in North America.