

# ETFs Physical Gold PHAU

## Investment Objective

ETFs Physical Gold (PHAU) is designed to offer security holders a simple and cost-efficient way to access the gold market by providing a return equivalent to the movements in the gold spot price less the applicable management fee.

PHAU is backed by physical allocated gold held by HSBC Bank plc (the custodian). Only metal that conforms with the London Bullion Market Association's (LBMA) rules for Good Delivery can be accepted by the custodian. Each physical bar is segregated, individually identified and allocated.

## About the pricing

Each individual ETFs Physical Gold security has an effective entitlement to gold, and that entitlement changes daily to reflect the accrual of the management fee.

Authorised participants create and redeem ETFs Physical Gold securities by delivering or receiving gold that conforms to LBMA Good Delivery standards.

ETFs Physical Gold securities are traded on exchange with a price that is based on the spot price of gold multiplied by the applicable metal entitlement.

## Product Information

Product Name	ETFs Physical Gold
Issuer	ETFs Metal Securities Limited
Legal Form	Debt security
Domicile	Jersey
Assets	Physically backed with allocated metal subject to LBMA rules for Good Delivery
Metals Lending	No
Vault Location	London, UK
Listing Date	24 April 2007
Base Currency	USD
Currency Hedged	No – this product is not protected against adverse currency movements
Management Fee	0.39% p.a.
Product Manager	ETFs Management Company (Jersey) Limited
Custodian	HSBC Bank plc
Trustee	The Law Debenture Trust Corporation p.l.c.
UCITS Eligible	Yes
SIPP & ISA (UK) Eligible	Yes
UK Reporting Fund Status	Yes
Passported To	Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Netherlands, Norway, Portugal, Spain, Sweden, United Kingdom

## Benchmark Information

Benchmark	Spot Gold LBMA specifications
Base Currency	USD
Bloomberg Code	GOLDLNPM
Reuters Code	XAU=

## Trading Information

Exchange	ISIN	Exchange Code	Currency (Trading)	Bloomberg Code	Reuters Code
London Stock Exchange	JE00B1VS3770	PHAU	USD	PHAU LN	PHAU.L
Deutsche Börse	DE000A0N62G0	VZLD	EUR	VZLD GY	VZLD.DE
NYSE Euronext	JE00B1VS3770	PHAU	EUR	PHAU NA	PHAU.AS
Borsa Italiana	JE00B1VS3770	PHAU	EUR	PHAU IM	PHAU.MI
Tokyo Stock Exchange	JE00B1VS3770	1672	JPY	1672 JP	1672.T
London Stock Exchange	JE00B1VS3770	PHGP	GBX	PHGP LN	PHGP.L

## Index Performance

Historical index performance based on investment from 1 March 2011 to 29 February 2016. This information is denominated in USD .

— Spot Gold LBMA specifications



Data from 1 March 2011 to 29 February 2016, Data source: Bloomberg. The performance shown is that of the gold spot price before fees, and not the securities. Historical performance is not indicative of future performance.

Index (performance in USD)	YTD	2 Years	3 Years	4 Years	5 Years
Spot Gold LBMA specifications	14.1%	-2.2%	-22.0%	-29.0%	-13.1%

## Risks

An investment in this product involves a degree of risk. Any decision to invest should be based on the information contained in the relevant prospectus. Prospective investors should obtain independent accounting, tax and legal advice and should consult their professional advisers to ascertain the suitability of this product as an investment to their own circumstances.

This product is not a UCITS product.

Securities in this product are structured as debt securities and not as shares (equity).

The value of a security in this product may go up or down and a security holder may lose some or all of the amount invested.

The price of precious metals may fluctuate and may be affected by numerous factors including supply and demand, the global financial markets and other political, financial or economic events.

The price of precious metals is generally quoted in US Dollars. To the extent that a security holder values precious metals in another currency, the value will be affected by changes in the exchange rate.

At any time, the price at which metal securities trade on an exchange may not always accurately reflect the price of precious metals.

## Glossary

Authorised participant	Banks or other financial institutions that act as intermediaries between providers of securities and the ultimate investors. Authorised participants will liaise with providers to arrange for the creation and redemption of securities as requested by security holders.
ETC	Exchange-traded commodities are products that track the price of commodities, providing security holders with the opportunity to gain access to the commodities market without having to take delivery of the commodities in question. Securities in ETCs are generally structured as debt securities rather than as equity.
Good delivery	Rules for Good Delivery are issued by supervisory metals bodies in order to ensure that metals comply with a certain standard.
Physically backed	Physically backed ETCs hold the physical metal that the product is tracking. This physical metal is held in a vault by a custodian bank nominated by the provider and gives security holders a further level of security.
Trustee	The trustee is an independent entity that holds the physical metal on trust for the benefit of the security holders in proportion to each security holder's respective entitlement.
Spot Price	The price of a commodity or security at any given time.

## Important Information

## General

This financial promotion has been issued and approved for the purpose of section 21 of the Financial Services and Markets Act 2000 by ETF Securities (UK) Limited ("ETF UK") which is authorized and regulated by the United Kingdom Financial Conduct Authority ("FCA"). The products discussed in this document are issued by ETFS Metal Securities Limited (the "Issuer"). The Issuer is regulated by the Jersey Financial Services Commission.

This communication constitutes an advertisement within the meaning of Section 31 para. 2 of the German Securities Trading Act (Wertpapierhandelsgesetz - WpHG); it is not a financial analysis pursuant to Section 34b 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.

## No investment advice

ETF UK is required by the FCA to clarify that it is not acting for you in any way in relation to the investment or investment activity to which this financial promotion relates. In particular, ETF 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 ETF UK is authorised to behave in any way which would lead you to believe otherwise. ETF 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.

## United States information

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.

## No guarantee of accuracy

This document may contain independent market commentary prepared by ETF UK based on publicly available information. ETF UK does not warrant, guarantee or otherwise confirm 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 financial promotion make no warranties or claims of any kind relating to such data.

## Historical performance is no indication of future performance

Any historical performance included in this document may be based on back testing. Back testing is the process of evaluating an investment strategy by applying it to historical data to simulate what the performance of such strategy would have been. However, 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.

## No offer for sale

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

## Risk Warnings

Securities issued by the Issuer are products involving a significant degree of risk and may not be suitable for all types of investor. 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.

## Prospectus

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 FCA has delivered to the regulators listed below certificates of approval attesting that the prospectus of the Issuer has been drawn up in accordance with European Directive 2003/71/EC as amended by European Directive 2010/73/EU.

The prospectus (and any supplements thereto) of the Issuer has been passported from the United Kingdom into Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Portugal, Spain and Sweden and has been filed with Österreichische Finanzmarktaufsicht (Austrian Financial Market Authority) in Austria, Autorité des Services et Marchés Financiers (the Financial Services and Markets Authority) in Belgium, Finanstilsynet (Financial Supervisory Authority) in Denmark, Finanssivalvonta (Finnish Financial Supervisory Authority) in Finland, the Autorité des Marchés Financiers (French Authority for the Financial Markets) in France, the Bundesanstalt für Finanzdienstleistungsaufsicht (the German Federal Financial Supervisory Authority) in Germany, the Central Bank of Ireland in Ireland, Commissione Nazionale per le Società e la Borsa (CONSOB) in Italy, the Autoriteit Financiële Markten (Netherlands Authority for the Financial Markets) in the

Netherlands, the Kredittilsynet (Norwegian Financial Supervisory Authority) in Norway, Comissão do Mercado de Valores Mobiliários (Portuguese Securities Market Commission) in Portugal, Comisión Nacional del Mercado de Valores (Spanish 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, (t) + 33 (0) 1 49 52 20 00 or (f) + 33 (0) 1 49 52 20 00, in Germany from HSBC Trinkaus & Burkhardt AG, Konsortialgeschäft, Königsallee 21/23, 40212 Düsseldorf, in the Netherlands from AMN Amro Bank (Nederland) N.V. (t) +31 20 527 2467 or (f) +31 20 527 1928 and in Italy from [www.etfsecurities.com](http://www.etfsecurities.com).

Passporting is where a prospectus that has been approved in the UK is automatically approved in certain other countries without such prospectus having to go through the approval process again.

## 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 HSBC Bank plc and JP Morgan Chase Bank, N.A. any of their affiliates or anyone else or any of their affiliates. Each of HSBC Bank plc and JP Morgan Chase Bank, N.A. disclaims all and any liability whether arising in tort, contract or otherwise which it might have in respect of this document or its contents otherwise arising in connection herewith.



ETF Securities (UK) Limited  
3 Lombard Street  
London  
EC3V 9AA  
United Kingdom

t +44 (0)207 448 4330  
f +44 (0)207 448 4366  
e [infoUK@etfsecurities.com](mailto:infoUK@etfsecurities.com)  
w [etfsecurities.com](http://etfsecurities.com)