

INVESTOR WARNING: SOURCE PRODUCTS PLACE YOUR CAPITAL AT RISK. INVESTORS MAY NOT GET BACK THE ORIGINAL AMOUNT INVESTED

PRESS RELEASE

(Not for release in the United States of America)

RESEARCH REVEALS PLANNED FUTURE USE OF DIFFERENT TYPES OF ETPS

London, 29th June 2015: New research from Source, one of the largest providers of Exchange Traded Products (ETPs) in Europe, reveals that those investing in ETPs on average use three to four different types, and 78% plan to maintain or increase their exposure to these products during 2015.

The findings reveal that 71% of these investors currently have exposure to tracker ETPs, and 37% plan to increase this during 2015, compared to just 5% who intend to reduce their exposure here. The corresponding figures for actively managed ETPs are 40%, 10% and 4%.

Just over one in three of those interviewed claim to use risk controlled ETPs, and 13% intend to increase their exposure to these vehicles, compared to just 3% who anticipate they will reduce it.

Type of ETP	Currently using	Plan to increase their exposure	Plan to decrease their exposure	Net Change
Pure tracker	71%	37%	5%	32%
Actively managed	40%	10%	4%	6%
Risk controlled strategies	34%	13%	3%	11%
FX hedged	32%	5%	3%	2%
Futures	31%	6%	3%	3%
Alternative benchmarks	26%	8%	3%	4%
Factor based indices	23%	9%	2%	7%
Algorithmic structured products	16%	4%	2%	2%

The survey⁽¹⁾ was conducted among 559 professional investors and advisers based in 11 European countries who invest in ETPs. Each of those interviewed are responsible for at least £50 million worth of private client investments or £100 million of institutional assets.

Peter Thompson, President of Source, says: "The ETP market is incredibly creative and is constantly pushing back the boundaries of innovation. We have just announced that together with FTSE Russell and Research Affiliates, we have created the FTSE RAFI™ Equity Income Index Series, a new family of indices targeting high dividend-paying stocks which have also been screened to favour sustainable income.

"It is clear that innovation, coupled with the fact that ETPs are often very liquid and often have very competitive fees, is fuelling growing demand for these products."

Source UK Services Limited is authorised and regulated by the Financial Conduct Authority in the UK.

Important Information

The prospectus documentation describing the products, risks and related costs of Source products are available for residents of countries where such products are authorised for sale at www.source.info

The products described on www.source.info are not suitable for everyone. Investors' capital is at risk and they may get back less than they invested. Investors should not deal in these products unless they understand their nature and the extent of their exposure to risk. The value of these products can go down as well as up and can be subject to volatility due to factors such as price changes in the underlying instrument and interest rates. It is recommended that potential investors study the prospectus before investing.

ENDS

For further information:

(1) Source commissioned the research company Prescient to interview 751 professional investors in a range of organisations and job roles across Europe. 559 of these investors were investing in ETPs. Telephone interviews took place between 14th November and 18th December 2014 across 11 countries. Each of those interviewed are responsible for at least £50 million worth of private client investments or £100 million of institutional assets.

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About Source

Source is an investment firm and one of Europe's leading Exchange Traded Product (ETP) providers, with approximately US\$18 billion in assets under management. Since launch in April 2009, Source has focused

on delivering incremental value to European ETP investors through a combination of enhanced indices, strong partnerships, improved structuring and active trading. Its range of just under 80 products gives investors the ability to gain exposure to equities, commodities, fixed income and alternative assets, through ETF and ETC structures with deep liquidity, increased transparency and reduced counterparty risk.

Further information about Source is available at www.source.info

About FTSE Group

FTSE is a global leader in indexing and analytic solutions. FTSE calculates thousands of unique indices that measure and benchmark markets and asset classes in more than 80 countries around the world. FTSE indices are used extensively by market participants worldwide for investment analysis, performance measurement, asset allocation and hedging. Leading pension funds, asset managers, ETF providers and investment banks work with FTSE to benchmark their investment performance and use FTSE's indices to create world-class ETFs, index tracking funds, structured products and index derivatives. FTSE also provides many exchanges around the world with their domestic indices.

A core set of universal principles guides FTSE's index design and management: FTSE's transparent rules-based methodology is overseen by independent committees of leading market participants, focused on applying the highest industry standards in index design and governance. The foundation of FTSE's global, regional, country and sector indices is the FTSE Global Equity Index Series, which includes the flagship FTSE All-World Index.

FTSE is well known for index innovation and customer partnerships as it seeks to continually enhance the breadth, depth and reach of its offering.

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