

**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)

SOURCE AND ROTHSCHILD LAUNCH FIRST EQUAL RISK ETF IN EUROPE

London, 20 January 2015: Source, an investment firm and a leading provider of Exchange Traded Products (ETPs), and Risk Based Investment Solutions (“RBIS”), a wholly owned subsidiary of Rothschild, are pleased to announce the launch of the Source R Equal-Risk European Equity UCITS ETF.

This is the first Rothschild product available using an ETF structure. It aims to provide broad European equity exposure with lower volatility than traditional market-capitalisation-weighted investments.

“While there are countless ways in which to select what goes into a portfolio and how much to weight each constituent, most traditional methods treat risk as an incidental consequence of the process,” explains Herve Foucault, Managing Director, Business and Product Development at RBIS. “The R Risk-Based European Equity Index effectively turns the process around by using risk as an input.”

The Index is constructed by evaluating the individual volatility of the largest 250 stocks from 18 European countries, as well as the correlation between stocks, and systematically removing the riskiest 50% of stocks¹. The remaining 125 stocks are weighted so that each individual stock contributes an equal amount of risk. The Index is reviewed quarterly and rebalanced monthly.

“Smart beta funds have been growing in demand as investors seek alternate sources of returns and opportunities to reduce portfolio risk,” says Michael John Lytle, Chief Development Officer at Source. “We are delighted to be working with Rothschild on this pioneering product. This form of risk reduction is the next iteration beyond volatility targeting and minimum variance strategies.” Based on simulations conducted by RBIS, the R Equal-Risk European Equity Index delivered better risk-adjusted performance than broad European equity indices over the past five years.

The ETF is available in EUR on the Deutsche Borse (Xetra) and in GBP on the London Stock Exchange.

¹ The Index assigns a zero weighting to the 50% of stocks with the highest risk score.

PRODUCT SUMMARY

Product name	Source R Equal-Risk European Equity UCITS ETF	
Benchmark	R Risk-Based European Equity Index	
Listing	London Stock Exchange	Xetra
ISIN	DE000A13PG83	DE000A13PG75
Base and Trading currency	EUR/GBP	EUR/EUR
Bloomberg (ticker)	REQR LN	REQR GY
Reuters (ticker)	REQR.L	SOREQR.DE
Management fee	0.48% per annum	
Domicile	Ireland	

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:

Source

Michael John Lytle

Tel: +44 20 3370 1102

invest@source.info

RBIS

Herve Foucault

Tel: +44 20 7280 5670

Herve.Foucault@Rothschild.com

CTF Corporate & Financial

Adrian Flook

Tel: +44 20 3540 6456

aflook@ctfcomms.com

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 Rothschild

Rothschild is one of the world's largest independent financial advisory groups employing approximately 2,800 people in 40 countries around the world. There are four main arms to Rothschild's business: Global Financial Advisory, Wealth Management & Trust, Merchant Banking and Institutional Asset Management which includes Risk-Based Investment Solutions Ltd ("RBIS"). Rothschild is family-controlled and independent and has been at the centre of the world's financial markets for over 200 years. From its historical roots in Europe Rothschild has developed a unique global footprint. Today Rothschild has full-scale global advisory businesses, including locally staffed offices in China, Brazil, India, the United States of America, the Middle East and Asia Pacific. Overall, the Rothschild Group manages more than EUR 42 billion.