

Fine-tune your portfolio

Lyxor's ETF Diversifiers

This document is for the exclusive use of investors acting on their own account and categorised either as "eligible counterparties" or "professional clients" within the meaning of markets in financial instruments directive 2004/39/ce

Obvious is obsolete

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Time to go off map

When markets move in tandem, creating a portfolio that can weather the storms takes careful planning. You need to seek out new and innovative ways to spread your risk and plot your ideal journey.

Diversification can help you find the smoothest way forward, giving you more flexibility, balance and potential for growth. However, true diversifiers are becoming harder and harder to find. That’s where the expertise and track record of a trailblazer like Lyxor can make all the difference.

Diversity delivers

To provide extra balance and growth potential to your portfolio, Lyxor offers you a range of options that open up new, remote and occasionally exotic market exposures. As Europe’s true ETF innovators, we know how to create new solutions that could help you build better portfolios.

We’ll take you beyond the traditional by targeting the themes and asset classes most likely to sidestep the mainstream. It’s time to make the obvious obsolete.



As Europe’s true ETF innovators, we know how to create new solutions that could help you build better portfolios.



An off-the-beaten track record

As you’d expect from a pioneer, we were first to market across a wide range of diversifiers. We’ve been running factor-based strategies for more than 12 years, and run the oldest truly broad commodities ETF in the market – the most widely traded of its kind over the last five years.* We are the only European provider to offer Thomson Reuters CRB (Commodities Research Bureau) indices, bringing you a complete and consistent range with different routes to broad commodity exposures.*

We’ve also been managing property and Real Estate Investment Trusts (REITs) ETFs for more than eight years, and have the only European and US broad infrastructure ETFs in Europe. So if you’re looking to add more balance or an element of adventure to your portfolio, we have the experience to guide you in the right direction.

*Source: Lyxor International Asset Management, as at 31/01/2018.

Remote working

Wherever the search for the final piece of your investment puzzle takes you, we can help.

We offer:

- ▶ The full ThomsonReuters CRB commodity suite: broad, broad ex-agriculture and broad ex-energy
- ▶ The only broad, regional infrastructure equity ETFs you can buy
- ▶ Ways to capture specific themes and sectors, including gold mining, listed private equity and property
- ▶ Numerous potentially performance-enhancing factors, from simple tilts to high factor content exposures, including value, growth, and multifactor funds

All told, we manage €2.1bn AUM in our diversifiers.

€2.1_{bn}

We manage €2.1bn
AUM in our diversifiers

Commodities



Make a material difference

Commodities have long been used to fine-tune portfolios because they provide some natural diversification and a potential hedge against inflation.

As befits true pioneers, we've been running truly broad Commodity ETFs longer than any other European provider and tread a singular path by giving you access to the gold standard-setting ThomsonReuters/CRB indices. You can choose the flagship broad index – the oldest of its kind – or to exclude Energy or Agriculture.

€1_{bn}

Over €1bn in assets*

12^{yrs}

12 years' track record*

#1

Europe's first truly broad commodity ETF*



UCITS funds with strict guidelines on collateral

*Source: Lyxor International Asset Management, 30 January 2018.

Listed infrastructure companies



Open up new routes

Yield-hungry investors can find an alternative route to more income with our infrastructure ETFs – the only ones of their kind in Europe.

And with global economies required to invest €3.3tn in infrastructure annually between 2016 and 2030 to keep up with desired growth rates*, you may need to leave now to beat the rush.



The only European and US broad infrastructure ETFs on the market**



Defensive exposures can reduce drawdowns



With returns often linked to inflation, the asset class can act as an inflation hedge



Income less sensitive to short-term market cycles

*Source: McKinsey, "Bridging Global Infrastructure Gaps", June 2016.
**Source: Lyxor International Asset Management, 30 January 2018.

Listed property companies and REITs



Fundamental foundations

Listed real estate companies and REITs differ fundamentally from other asset classes, and their unique properties could make them ideal portfolio diversifiers.

Their correlation with general stock markets is often low, while they also act as a natural inflation hedge and, potentially, a decent source of income. In ETF form, they can break open a previously illiquid and expensive asset class, making it accessible to all kinds of investors.



Liquid and low cost access to a traditionally illiquid asset class



Potential for above-average income generation



Over 8 years' track record in property and REIT ETFs*



Best performing global property/REIT ETF over 5 years*

*Source: Lyxor International Asset Management, 30 January 2018. Statement refers to European ETF market. Past performance is not a reliable indicator of future results.

Listed private equity



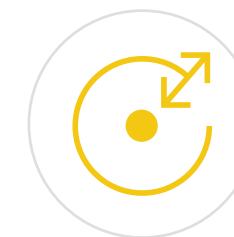
Access the inaccessible

Listed private equity companies can really take your portfolio somewhere new but gaining access to them hasn't always been easy. ETFs changed all of that, breaking open the sector, adding liquidity and transparency and removing the barriers that once deterred investors.

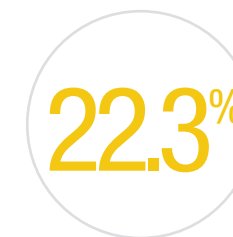
Through our ETF you can now invest in 25 of the largest and most liquid private equity stocks from around the world.



Transparent access to listed private equity firms around the world



No entry/exit constraints or minimum investment size



Outperformed MSCI World by 22.3% over 5 years*



Over 11 years' track record*

*Source: Lyxor International Asset Management, 30 January 2018. Past performance is no guide to future returns.

Gold mining



Prospecting for returns

Targeted access to global gold miners could add some precious diversification and a natural hedge to your portfolio, as these companies are more closely linked to gold price moves than they are global stock markets.

Our gold miners ETF invests in global companies generating revenue from gold or related products. Weights are capped at 18%, minimising any risk of over-concentration or top-heavy exposure.



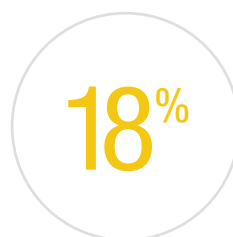
Over 5 years' track record*



2nd best-performing Gold Mining ETF*



12 of world's leading gold miners*



18% cap on weightings to avoid over concentration

*Source: Lyxor International Asset Management, 30 January 2018. Statement refers to European ETF market. Past performance is not a reliable indicator of future results.

Factors



Firing up growth

Equity factors have long been recognised by investors and academics alike for their long-term diversification benefits and their performance-enhancing potential.

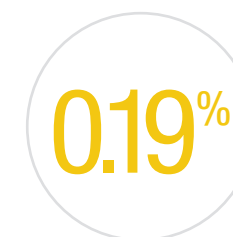
Our factor-based ETFs can help you fine-tune your portfolio by targeting not only a specific region, but a specific type of stock too. Choose value or growth individually, or a combination of all five factors in a multifactor fund.



Exposures across global, European and US markets



Tilt towards value or growth, or balance across equal-weighted factors



£790m in assets across the range with TERs starting at just 0.19%*



Over 12 years' experience in factor-based ETFs*

*Source: Lyxor International Asset Management, 30 January 2018.

Lyxor’s portfolio diversifiers

x3

Commodities
ETFs

x2

Infrastructure
ETFs

x1

Listed private
equity ETF

x7

Equity factor
ETFs

x3

Property /
REITs ETFs

x1

Gold mining
equities ETF

ETF Name	Region	Exposure	TER
Commodities			
Lyxor Commodities CRB Thomson Reuters/CoreCommodity UCITS ETF		Broad commodities	0.35%
Lyxor Commodities CRB Ex-Energy Thomson Reuters/CoreCommodity UCITS ETF		Broad commodities	0.35%
Lyxor Commodities Thomson Reuters/CoreCommodity CRB EX-Agriculture TR UCITS ETF		Broad commodities	0.35%
Equities			
Lyxor J.P. Morgan Multi-Factor World Index UCITS ETF	Global	Equity factors	0.40%
Lyxor J.P. Morgan Multi-Factor Europe Index UCITS ETF	Europe	Equity factors	0.40%
Lyxor SG Global Value Beta UCITS ETF	Global	Equity factors	0.40%
Lyxor MSCI EMU Value (DR) UCITS ETF	Europe	Equity factors	0.40%
Lyxor Russell 1000 Value UCITS ETF	US	Equity factors	0.19%
Lyxor MSCI EMU Growth (DR) UCITS ETF	Europe	Equity factors	0.40%
Lyxor Russell 1000 Growth UCITS ETF	US	Equity factors	0.19%
Lyxor FTSE Developed Europe Core Infrastructure Capped UCITS ETF	Europe	Infrastructure	0.50%
Lyxor FTSE USA Core Infrastructure Capped UCITS ETF	US	Infrastructure	0.50%
Lyxor MSCI ACWI Gold UCITS ETF	Global	Gold miners	0.50%
Lyxor PRIVEX UCITS ETF	Global	Private equity	0.70%
Lyxor FTSE EPRA/NAREIT Global Developed UCITS ETF	Global	Property/REITs	0.45%
Lyxor FTSE EPRA/NAREIT Developed Europe UCITS ETF	Europe	Property/REITs	0.40%
Lyxor FTSE EPRA/NAREIT United States UCITS ETF	US	Property/REITs	0.40%

Investigate each fund

If you'd like to see exactly how each ETF is performing, what it owns and what risks are involved, head to www.lyxoretf.com

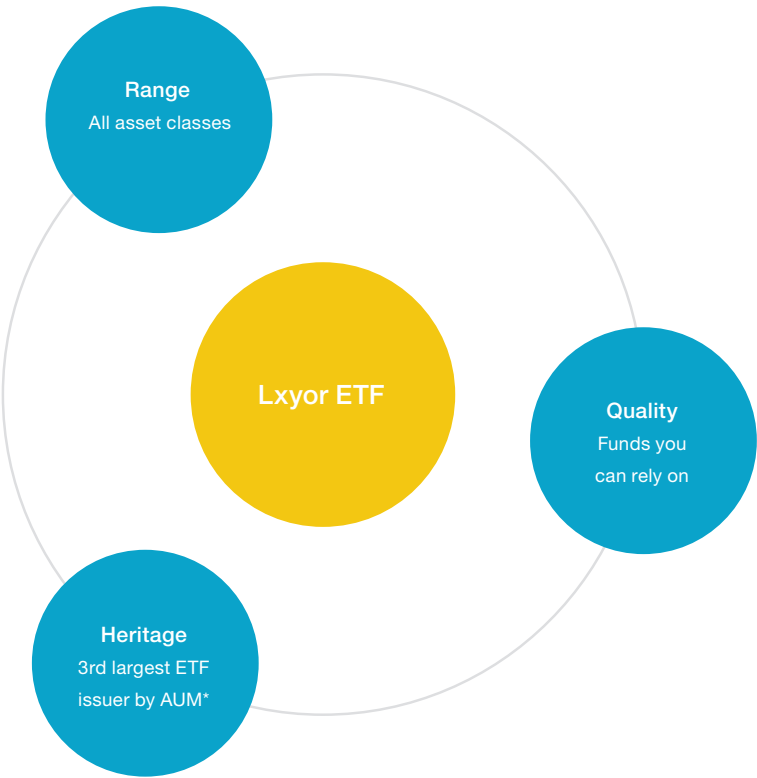
We are curious explorers

Our success is built on a history of innovation and a constant drive to provide investors with better, more efficient ways to access more investment opportunities around the world.

With 17 years of commitment to performance, risk control, liquidity and transparency, it's no surprise Lyxor ranks third in Europe with €62.3bn of ETF assets under management* and second in terms of the liquidity of its ETFs**.

As one of the most experienced ETF providers, Lyxor has the scope to offer greater choice when it comes to your investment. With more than 220 products spanning all asset classes, geographies, sectors and types, our investors enjoy the freedom to choose precisely where and how they want to invest.

However, it's more than just the choice; it is our absolute commitment to tracking efficiency, and our relentless focus on quality that tells investors they can trust us wherever they want to invest, and whatever their investment goals.



Source: Lyxor International Asset Management, as at 28/02/2018.

*Source: Lyxor International Asset Management, as at 13/02/2018.
**Source: Lyxor International Asset Management, Bloomberg. Based on average daily volume. Data period from 31/01/2017 to 31/01/2018.

Knowing your risk

It is important for potential investors to evaluate the general risks described below and in the fund prospectus on our website www.LyxorETF.com

Capital at risk

ETFs are tracking instruments: Their risk profile is similar to a direct investment in the Underlying index. Investors' capital is fully at risk and investors may not get back the amount originally invested.

Replication risk

The fund objectives might not be reached due to unexpected events on the underlying markets which will impact the index calculation and the efficient fund replication.

Counterparty risk

With synthetic ETFs, investors are exposed to risks resulting from the use of an OTC swap with Société Générale. In-line with UCITS guidelines, the exposure to Société Générale cannot exceed 10% of the total fund assets. Physically replicated ETFs may have counterparty risk if they use a securities lending programme.

Concentration risk

Smart Beta ETFs select stocks or bonds for their portfolio from the original benchmark index. Where selection rules are extensive it can lead to a more concentrated portfolio where risk is spread over fewer stocks than the original benchmark.

Underlying risk

The Underlying index of a Lyxor ETF may be complex and volatile. For example, when investing in commodities, the Underlying index is calculated with reference to commodity futures contracts exposing the investor to a liquidity risk linked to costs such as cost of carry and transportation. ETFs exposed to Emerging Markets carry a greater risk of potential loss than investment in Developed Markets as they are exposed to a wide range of unpredictable Emerging Market risks.

Currency risk

ETFs may be exposed to currency risk if the ETF is denominated in a currency different to that of the Underlying index they are tracking. This means that exchange rate fluctuations could have a negative or positive effect on returns.

Liquidity risk

Liquidity is provided by registered market-makers on the respective stock exchange where the ETF is listed, including Société Générale. On exchange, liquidity may be limited as a result of a suspension in the underlying market represented by the Underlying index tracked by the ETF; a failure in the systems of one of the relevant stock exchanges, or other market-maker systems; or an abnormal trading situation or event.

Important information

This communication is exclusively directed and available to Institutional Investors as defined by the 2004/39/EC Directive on markets in financial instruments acting for their own account and categorised as eligible counterparties or professional clients. This communication is not directed at retail clients.

This document is issued in the UK by Lyxor Asset Management UK LLP, which is authorized and regulated by the Financial Conduct Authority in the UK under Registration Number 435658.

Some of the funds described in this brochure are investment companies with Variable Capital (SICAV) incorporated under Luxembourg Law, listed on the official list of Undertakings for Collective Investment, authorised under Part I of the Luxembourg Law of 17th December 2010 (the "2010 Law") on Undertakings for Collective Investment in accordance with provisions of the Directive 2009/65/EC (the "2009 Directive") and subject to the supervision of the Commission de Surveillance du Secteur Financier (CSSF).

These funds are sub-funds of either Multi Units Luxembourg or Lyxor Index Fund and have been approved by the CSSF.

Alternatively, some of the funds described in this document are sub-funds of Multi Units France a French SICAV incorporated under the French Law and approved by the French Autorité des marchés financiers. Each fund complies with the UCITS Directive (2009/65/CE), and has been approved by the French Autorité des marchés financiers.

Société Générale and Lyxor AM recommend that investors read carefully the "risk factors" section of the product's prospectus and Key Investor Information Document (KIID). The prospectus and the KIID are available in French on the website of the AMF (www.amf-france.org). The prospectus in English and the KIID in the relevant local language (for all the countries referred to, in this document as a country in which a public offer of the product is authorised) are available free of charge on lyxoretf.com or upon request to client-services-etf@lyxor.com

The products are the object of market-making contracts, the purpose of which is to ensure the liquidity of the products on NYSE Euronext Paris, Deutsche Boerse (Xetra) and the London Stock Exchange, assuming normal market conditions and normally functioning computer systems. Units of a specific UCITS ETF managed by an asset manager and purchased on the secondary market cannot usually be sold directly back to the asset manager itself. Investors must buy and sell units on a secondary market with the assistance of an intermediary (e.g. a stockbroker) and may incur fees for doing so. In addition, investors may pay more than the current net asset value when buying units and may receive less than the current net asset value when selling them.

Updated composition of the product's investment portfolio is available on www.lyxoretf.com. In addition, the indicative net asset value is published on the Reuters and Bloomberg pages of the product, and might also be mentioned on the websites of the stock exchanges where the product is listed.

Prior to investing in the product, investors should seek independent financial, tax, accounting and legal advice. It is each investor's responsibility to ascertain that it is authorised to subscribe, or invest into this product.

This document together with the prospectus and/or more generally any information or documents with respect to or in connection with the Fund does not constitute an offer for sale or solicitation of an offer for sale in any jurisdiction (i) in which such offer or solicitation is not authorized, (ii) in which the person making such offer or solicitation is not qualified to do so, or (iii) to any person to whom it is unlawful to make such offer or solicitation. In addition, the shares are not registered under the U.S Securities Act of 1933 and may not be directly or indirectly offered or sold in the United States (including its territories or possessions) or to or for the benefit of a U.S Person (being a "United State Person" within the meaning of Regulation S under the Securities Act of 1933 of the United States, as amended, and/or any person not included in the definition of "Non-United States Person" within the meaning of Section 4.7 (a) (1) (iv) of the rules of the U.S. Commodity Futures Trading Commission). No U.S federal or state securities commission has reviewed or approved this document and more generally any documents with respect to or in connection with the fund. Any representation to the contrary is a criminal offence.

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These funds include a risk of capital loss. The redemption value of this fund may be less than the amount initially invested. The value of this fund can go down as well as up and the return upon the investment will therefore necessarily be variable. In a worst case scenario, investors could sustain the loss of their entire investment.

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The market information displayed in this document is based on data at a given moment and may change from time to time.

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Société Générale is a French credit institution (bank) authorised by the Autorité de contrôle prudentiel et de résolution (the French Prudential Control Authority).



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