

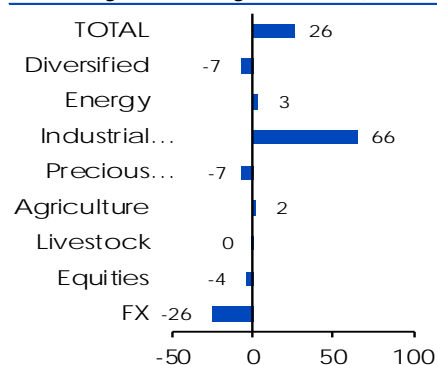
25 September 2018

ETF Securities Weekly Flows Analysis

Industrial metals inflows rebound despite US-China trade dispute

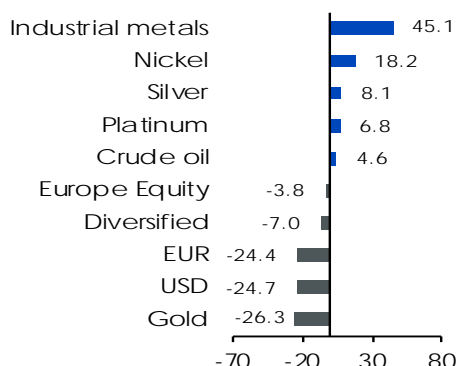
- **Industrial metals inflows rebound to their highest level in 15 weeks despite the ongoing sabre-rattling**
- **Gold ETPs faced outflows for the second week in a row ahead of the Federal Reserve meeting**
- **Investors reduced positions in ETPs tracking long EUR/short USD pair as Brexit risks are brewing**

Weekly Flows by Sector (US\$m)



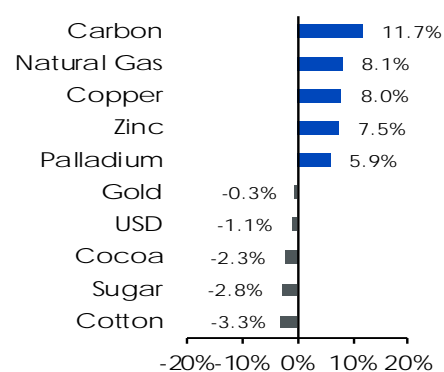
Industrial metals ETP inflows rebound to their highest level in 15 weeks. Investors appear to be taking the escalation of the US-China trade conflict in their stride as we saw industrial metal ETPs garner the highest inflows in 15 weeks, worth US\$45mn. The Bloomberg Industrial Metals Sub-Index rose 5.8% last week, indicating that investors may be coming to terms with the fact that the bilateral trade negotiations between the world's largest developed economy (US) and the world's largest emerging economy (China) is likely to be a long drawn out process. While very little progress has been made so far, investors are taking solace from the fact that the US is still willing to negotiate terms. Last week, President Trump declared that US\$200bn worth of Chinese goods would immediately be subject to a 10% tariffs, rising to 25% by the end of the year. Investors were appeased from the low level of initial tariffs, which was also viewed as a base for further negotiation on behalf of the US Administration. In turn, Chinese officials have announced a series of measures to open China's markets to foreign goods. Additionally, Chinese officials indicated that they would not allow the Yuan to devalue further. After the implementation of the latest round of tariffs, only about 12% of US imports will be subject to higher tariffs and the average tariff increase across all imports will only be around 1.6%. We expect this to have a very marginal impact on overall GDP levels for both economies. China is also using policy stimulus to offset any economic impact of the tariffs.

Top 5 Inflows/Outflows (US\$m)



Inflows into nickel ETPs garner momentum rising to their highest level at US\$18mn in 6 weeks. The advent of electric vehicles and the associated clean air battery technology appears to be lending buoyancy for nickel's demand. Though batteries represented only 3% of overall demand for nickel in 2017 according to International Nickel Study Group (INSG), this is set to rise as manufacturers shift towards higher nickel content in batteries owing to its favourable properties. The sharp rise in new car registrations in the European Union (EU) in July (up 10.5%) and August (up 31.2%) also lent a tailwind to nickel prices.

Top 5 / Bottom 5 Performers



Gold ETP outflows continued for the second week in a row ahead of the US Federal Reserve meeting. Investors withdrew US\$26.3mn from gold ETPs as the US interest rate decision takes centre stage this week.

Investors reduced exposure to ETPs tracking long EUR/short USD positions by US\$24.4mn as Brexit risks are brewing. The odds of a hard Brexit rose last week as UK Prime Minister Theresa May and EU leaders ended the Salzburg summit with little progress. The EU wants a customs border in the Irish Sea between Northern Ireland and the rest of the UK, a demand previously rejected by May.

Source: ETF Securities
Note: see next page (*)

Note: All flow and AUM data in this report are based on ETF Securities ETP numbers to 21 September 2018 and are denominated in USD unless otherwise indicated. Investments may go up or down in value and you may lose some or all of the amount invested.

Past performance does not guarantee future results.

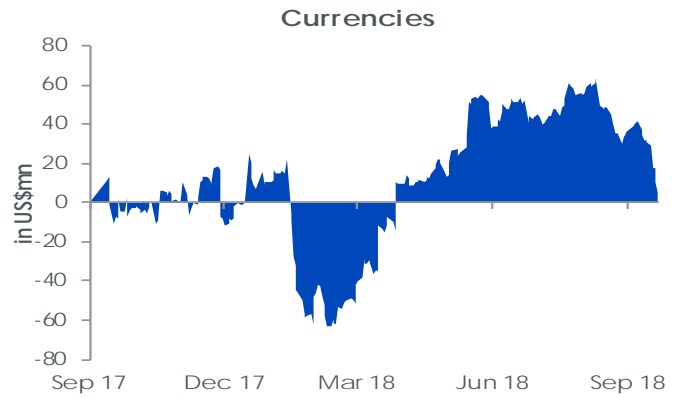
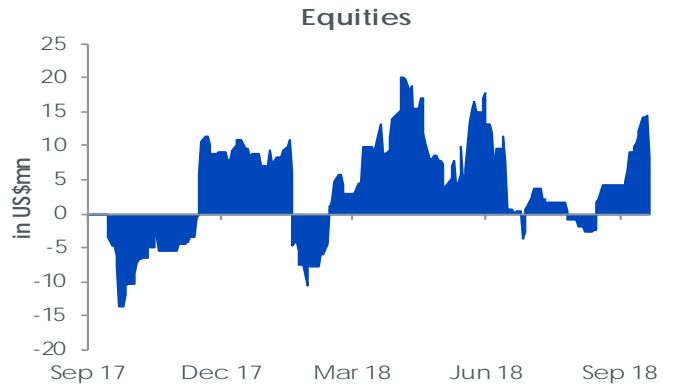
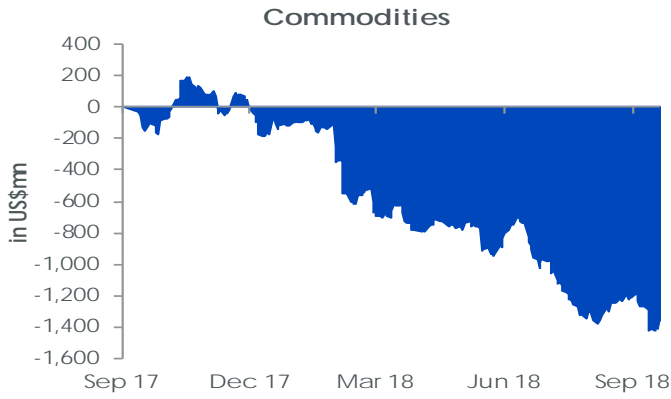
ETF Securities Commodity ETP Flow Trends

	ETP FLOWS (in US\$m)				ASSETS (in \$m)	PERFORMANCE (US\$)			
	-1 Week	-1 Month	YTD	-1 Year		-1 Week	-1 Month	YTD	-1 Year
TOTAL	26.4	-158.4	-1,239.2	-1,217.2	15,436				
Diversified	-7.0	-29.8	-94.8	-114.7	433				
Precious Metals	-7.2	38.9	-761.7	-326.6	11,245				
Basket	4.6	7.9	-0.9	-55.5	134	0.4%	-1.5%	-11.6%	-11.2%
Gold	-26.3	-7.4	-641.1	-277.5	9,859	-0.3%	0.1%	-7.8%	-7.8%
Silver	8.1	46.8	-16.4	90.3	893	0.8%	-2.0%	-15.3%	-16.0%
Platinum	6.8	-6.7	-75.0	-45.5	258	3.0%	5.4%	-10.9%	-11.8%
Palladium	-0.4	-1.7	-28.3	-38.4	99	5.9%	12.1%	-1.4%	13.5%
Energy	3.2	-64.1	-524.9	-978.8	1,380				
Basket	-2.7	-19.1	12.9	17.4	123	3.2%	2.5%	12.7%	23.9%
Crude oil	4.6	-56.7	-532.0	-999.9	1,115	0.8%	3.5%	22.1%	46.4%
Natural Gas	1.0	6.8	-11.4	10.1	86	8.1%	1.0%	-2.1%	-14.3%
Heating Oil		1.2	3.5	2.9	9.8	0.8%	0.9%	10.1%	25.2%
Gasoline	-0.1	-0.2	-5.8	-18.1	29.7	2.2%	2.6%	9.0%	20.9%
Carbon	0.5	4.0	8.0	8.7	15.9	11.7%	8.1%	161.5%	219.7%
Industrial Metals	65.6	-51.7	29.1	75.8	953				
Basket	45.1	-28.2	-170.4	-129.6	195	5.8%	1.4%	-11.6%	-2.3%
Aluminium	0.7	-53.9	-80.4	-76.7	59	2.7%	-0.2%	-6.6%	-2.6%
Copper	0.3	8.6	-11.2	8.0	233	8.0%	5.0%	-15.2%	-5.6%
Nickel	18.2	21.4	296.4	284.0	445	4.7%	-1.4%	2.8%	25.2%
Zinc	0.9	1.3	-3.9	-7.2	17	7.5%	-1.1%	-23.2%	-15.3%
Tin	0.3	-0.7	-0.9	-1.7	2.2	-0.1%	0.2%	-3.7%	-5.7%
Lead		-0.2	-0.5	-0.8	1.7	0.1%	-2.1%	-17.7%	-18.1%
Agriculture	1.7	-25.3	116.5	98.0	802				
Basket	-2.6	-16.5	88.2	83.5	359	0.8%	-1.2%	-11.1%	-14.2%
Wheat	-1.3	1.9	-27.4	-40.3	121	2.0%	-2.7%	7.9%	-1.5%
Corn	0.4	-8.4	9.3	-8.7	53	1.6%	-1.4%	-7.7%	-11.8%
Soybeans	0.1	-4.1	12.5	11.9	25	2.0%	-0.9%	-15.2%	-19.0%
Cotton	0.0	-4.1	-8.0	-10.1	8	-3.3%	-3.0%	2.3%	17.1%
Coffee	3.7	13.4	68.9	100.2	136	0.2%	-4.5%	-26.7%	-32.9%
Sugar	1.1	-7.8	36.3	32.2	64	-2.8%	6.8%	-29.3%	-26.8%
Soybean Oil	-0.1	0.0	0.5	-0.4	2.7	2.1%	-0.5%	-17.6%	-20.8%
Cocoa	0.3	0.1	-63.6	-70.2	34	-2.3%	-8.3%	8.2%	4.0%
Livestock	0.0	-0.2	0.7	-2.1	8				
Basket			-0.2	-1.2	1.2	0.6%	8.0%	-3.7%	-0.5%
Lean Hogs	0.0	-0.2	0.6	-0.8	4.9	1.3%	11.0%	-10.5%	1.9%
Live Cattle		0.0	0.3	-0.1	2.1	0.3%	6.8%	-0.6%	-1.8%
Equities	-3.8	4.0	1.4	21.9	128				
US					0	0.9%	2.1%	11.2%	19.4%
Europe	-3.8	3.9	-0.9	19.2	124	2.0%	-0.1%	-0.7%	1.3%
Asia		0.1	2.3	2.6	4	2.0%	-0.7%	-26.4%	-25.7%
Australia					0.0	0.0%	-0.6%	5.1%	13.9%
FX	-26.1	-30.3	-5.5	9.2	488				
G10	-0.1	-0.2	-0.1	-0.7	2.2				
USD	-24.7	-33.7	-66.6	-77.9	266	-1.1%	-1.3%	1.9%	1.9%
CAD		-0.5	-0.2	-0.6	3.2	0.0%	0.0%	-4.5%	-6.2%
EUR	-24.4	-27.6	24.7	43.8	423	0.1%	0.2%	-0.6%	-0.2%
GBP	-1.7	-2.1	-16.4	-14.9	98	0.5%	2.2%	0.7%	0.6%
CHF		-0.5	-1.5	-0.5	13.1	0.0%	0.0%	0.5%	-0.2%
NOK	0.1	1.3	-5.4	1.3	14.1	0.0%	0.0%	3.9%	-0.9%
SEK	-0.8	2.4	3.1	7.6	16.7	0.0%	0.0%	-6.6%	-9.0%
JPY	-0.6	0.2	53.0	91.6	127	0.0%	0.0%	3.0%	2.6%
CNY		0.0	-0.1	-0.2	2.3	-0.1%	-0.6%	-1.9%	-0.9%
INR		0.0	-0.1	-0.1	0.3	-1.3%	-3.7%	-8.2%	-7.2%
AUD			-3.1	-3.4	6.7	0.0%	0.0%	-4.7%	-6.1%
NZD	-0.1	-0.1	0.0	-0.7	1.4	1.2%	0.2%	-2.6%	-5.3%
Commodity FX			1.7	-26.8	2.4				

(*) All data as at 21 Sep 18, based on ETF Securities global commodity ETP flows and assets. In FX due to being pair trades there is double counting. Price performance is based on NAV data for commodities, indices for Bonds & Equities, Trade weighted indices for FX

Source: ETF Securities, Bloomberg

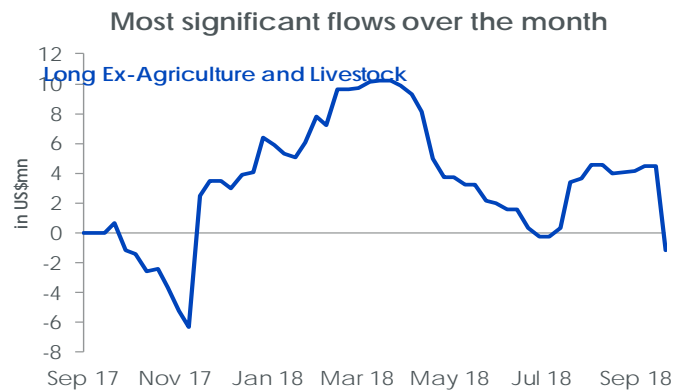
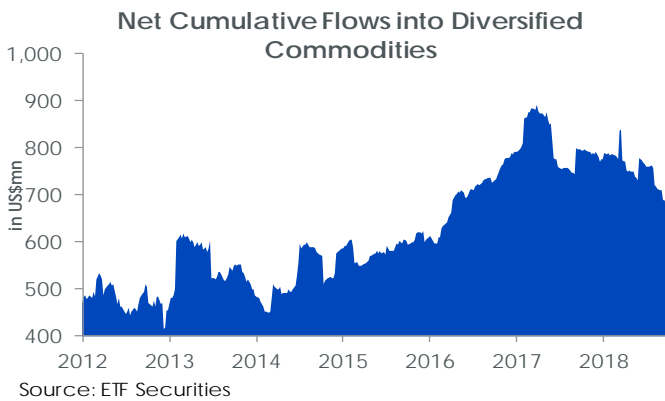
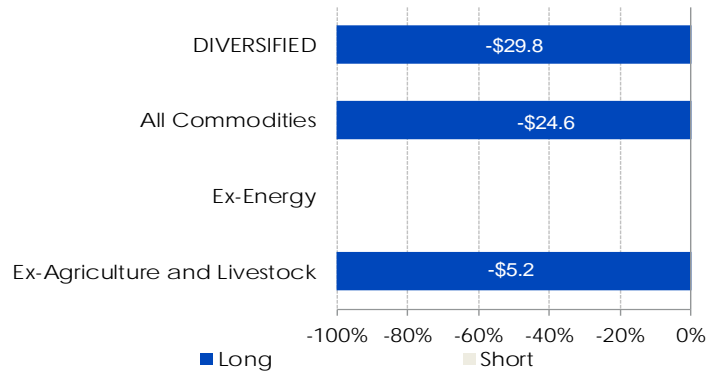
Net Cumulative Flows by Asset Classes over the past year



All Commodity ETPs Flows Analysis

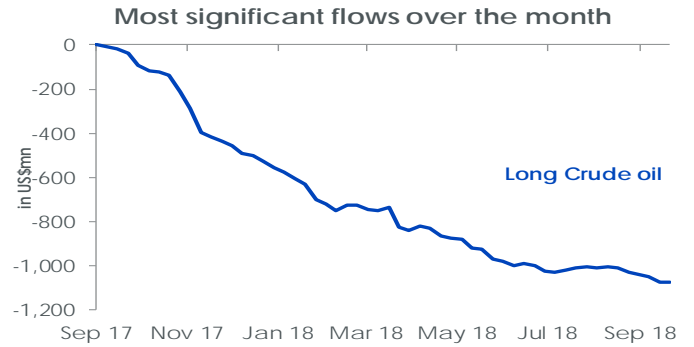
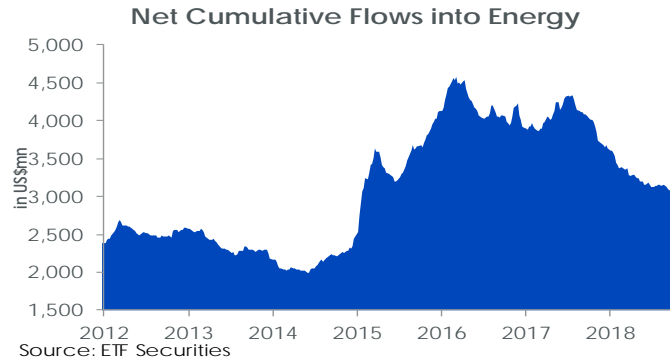
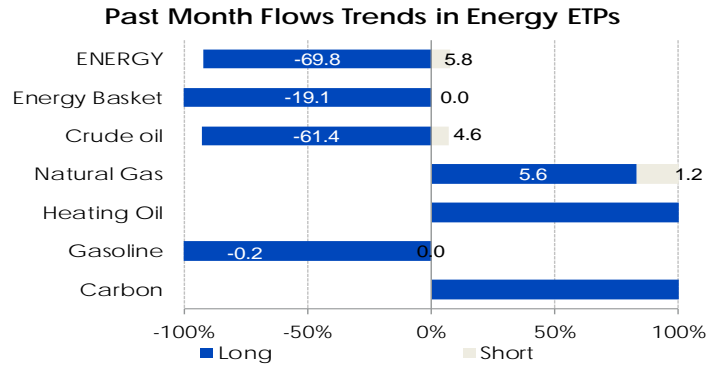
	FLOWS (in \$m)				AUM (in \$m)
	-1 Week	-1 Month	YTD	-1 Year	
Diversified	-7.0	-29.8	-94.8	-114.7	433
All Commodity	-1.4	-24.6	-87.0	-112.6	348
Ex-Energy			-0.2	-0.3	1
Ex-Ags and Liv	-5.6	-5.2	-7.6	-1.8	84

Past Month Flows in Diversified ETPs



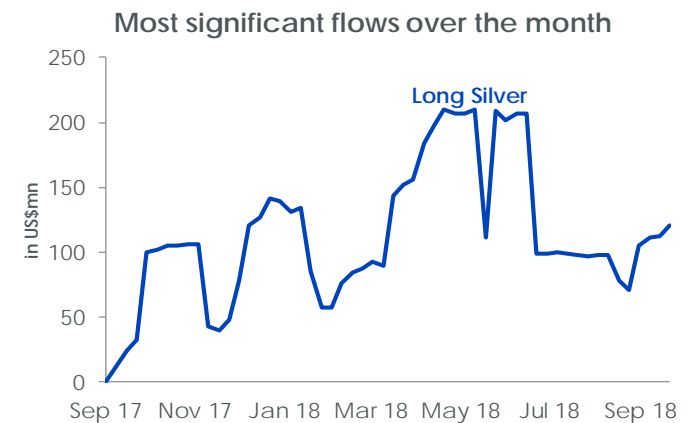
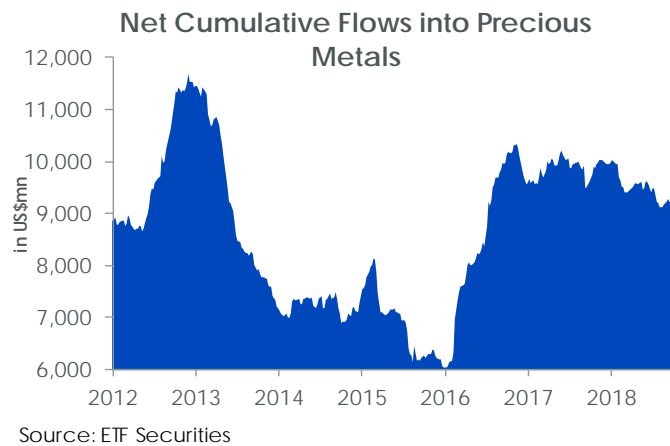
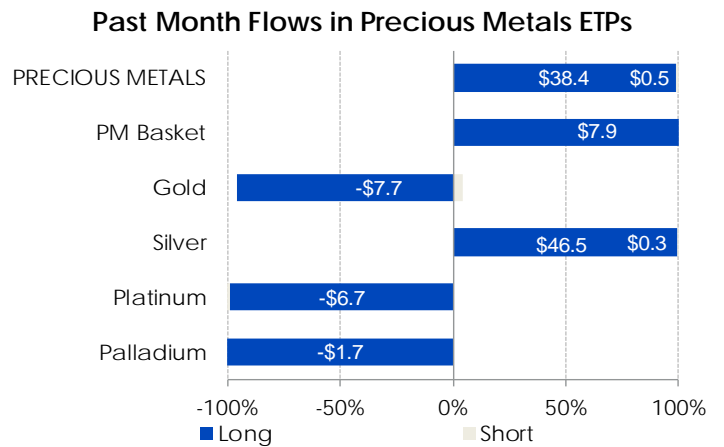
Energy ETPs Flows Analysis

	FLOWS (in \$m)				AUM (in \$m)
	-1 Week	-1 Month	YTD	-1 Year	
Energy	3.2	-64.1	-524.9	-978.8	1,380
Energy Basket	-2.7	-19.1	12.9	17.4	123
Crude oil	4.6	-56.7	-532.0	-999.9	1,115
Natural Gas	1.0	6.8	-11.4	10.1	86
Heating Oil		1.2	3.5	2.9	10
Gasoline	-0.1	-0.2	-5.8	-18.1	30
Carbon	0.5	4.0	8.0	8.7	16



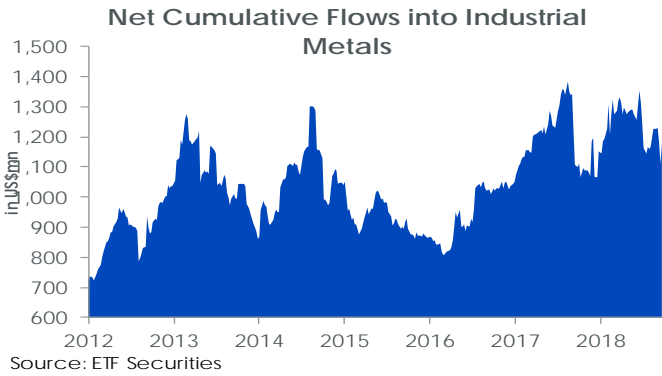
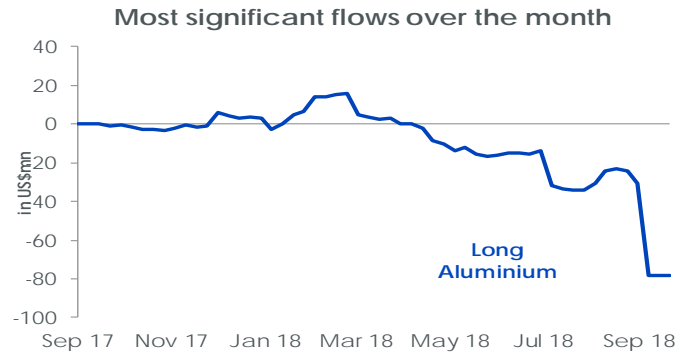
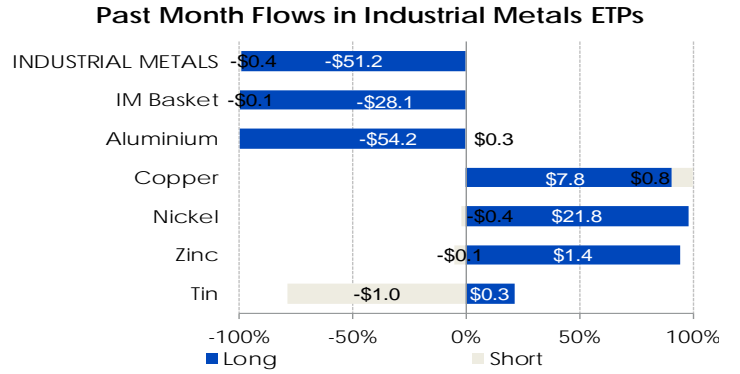
Precious Metals ETPs Flows Analysis

	FLOWS (in \$m)				AUM (in \$m)
	-1 Week	-1 Month	YTD	-1 Year	
Precious Metals	-7.2	38.9	-761.7	-326.6	11,245
PM Basket	4.6	7.9	-0.9	-55.5	134
Gold	-26.3	-7.4	-641.1	-277.5	9,859
Silver	8.1	46.8	-16.4	90.3	893
Platinum	6.8	-6.7	-75.0	-45.5	258
Palladium	-0.4	-1.7	-28.3	-38.4	99



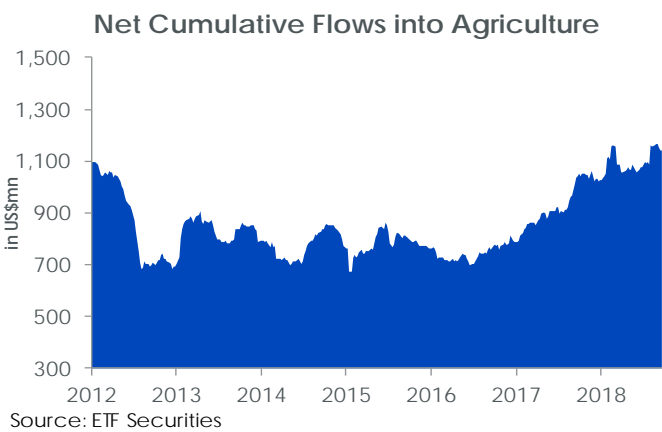
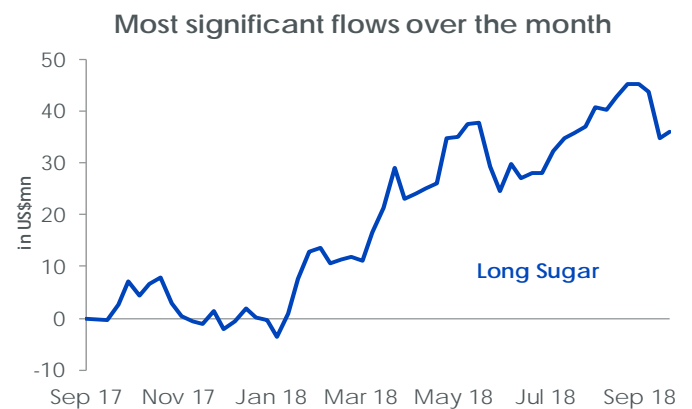
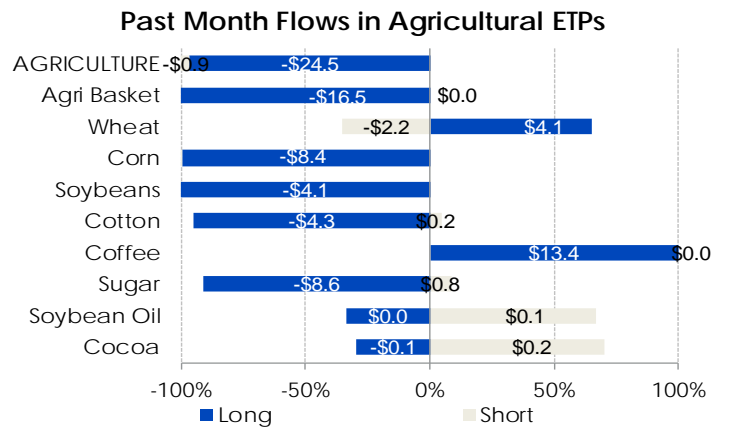
Industrial Metals ETPs Flows Analysis

	FLOWS (in \$m)				AUM (in \$m)
	-1 Week	-1 Month	YTD	-1 Year	
Industrial Metals	65.6	-51.7	29.1	75.8	953
IM Basket	45.1	-28.2	-170.4	-129.6	195
Aluminium	0.7	-53.9	-80.4	-76.7	59
Copper	0.3	8.6	-11.2	8.0	233
Nickel	18.2	21.4	296.4	284.0	445
Zinc	0.9	1.3	-3.9	-7.2	17
Tin	0.3	-0.7	-0.9	-1.7	2
Lead		-0.2	-0.5	-0.8	2



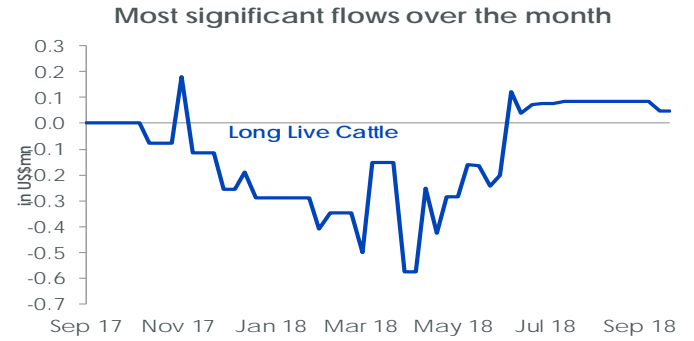
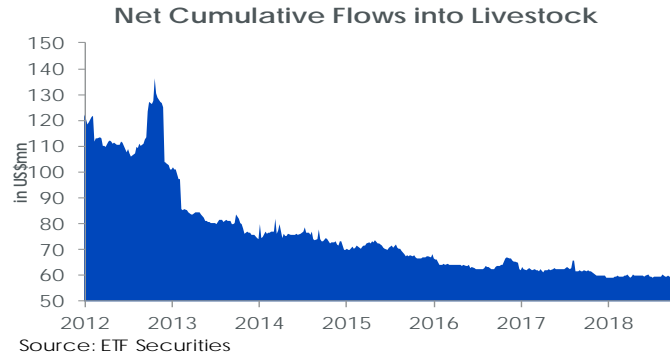
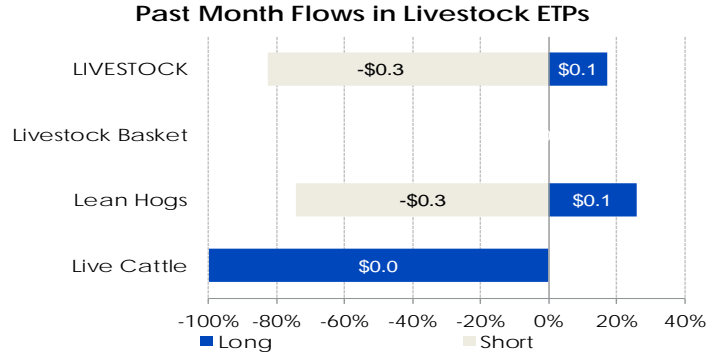
Agriculture ETPs Flows Analysis

	FLOWS (in \$m)				AUM (in \$m)
	-1 Week	-1 Month	YTD	-1 Year	
Agriculture	1.7	-25.3	116.5	98.0	802
Agri Basket	-2.6	-16.5	88.2	83.5	359
Wheat	-1.3	1.9	-27.4	-40.3	121
Corn	0.4	-8.4	9.3	-8.7	53
Soybeans	0.1	-4.1	12.5	11.9	25
Cotton	0.0	-4.1	-8.0	-10.1	8
Coffee	3.7	13.4	68.9	100.2	136
Sugar	1.1	-7.8	36.3	32.2	64
Soybean Oil	-0.1	0.0	0.5	-0.4	3
Cocoa	0.3	0.1	-63.6	-70.2	34



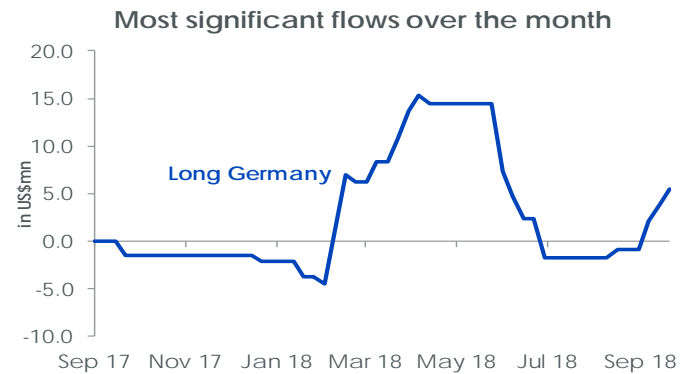
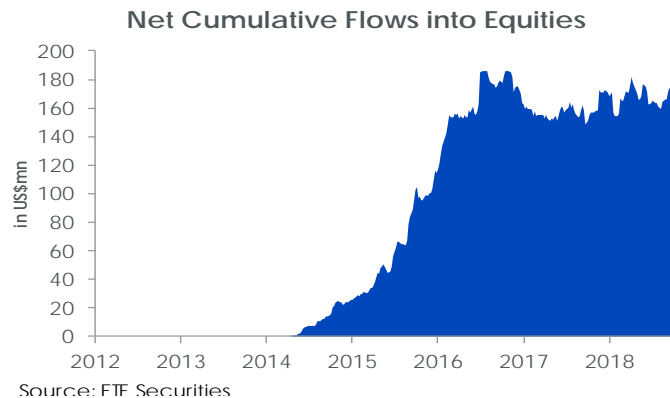
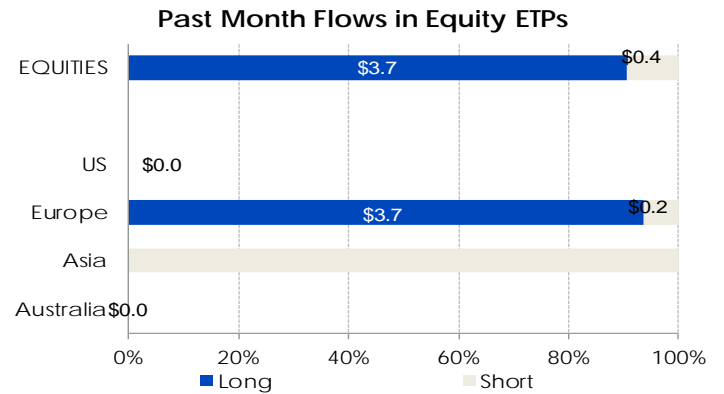
Livestock ETPs Flows Analysis

	FLOWS (in \$m)				AUM (in \$m)
	-1 Week	-1 Month	YTD	-1 Year	
Livestock	0.0	-0.2	0.7	-2.1	8
Livestock Basket			-0.2	-1.2	1
Lean Hogs	0.0	-0.2	0.6	-0.8	5
Live Cattle		0.0	0.3	-0.1	2



Equity ETPs Flows Analysis

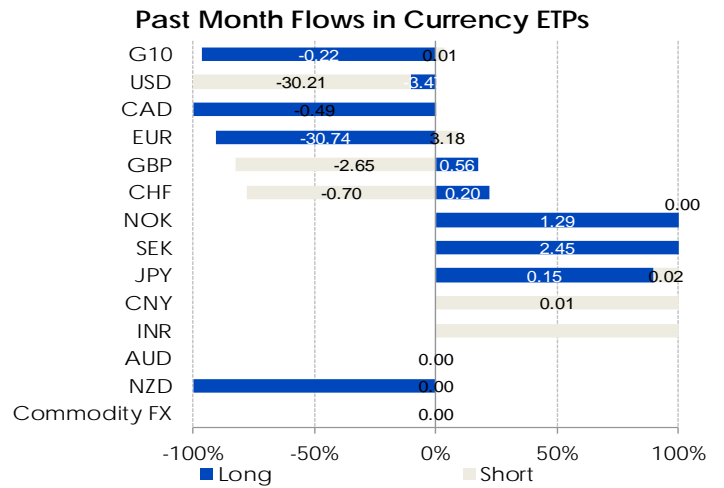
Region	FLOWS (in \$m)				AUM (in \$m)
	-1 Week	-1 Month	YTD	-1 Year	
Region	-3.8	4.0	1.4	21.9	128
US					
Europe	-3.8	3.9	-0.9	19.2	124
Asia		0.1	2.3	2.6	4
Australia					



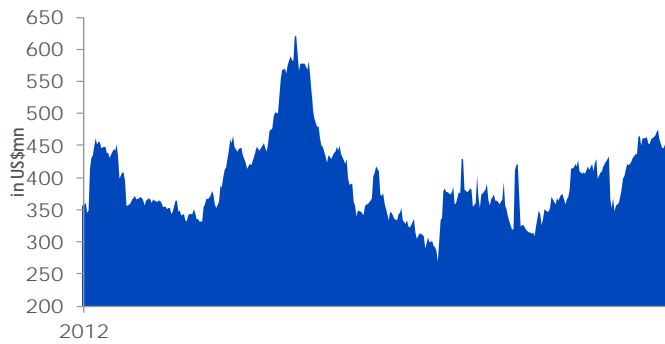
Currency ETPs Flows Analysis

FX	FLOWS (in \$m)				AUM (in \$m)
	-1 Week	-1 Month	YTD	-1 Year	
FX	-26.1	-30.3	-5.5	9.2	488
G10	-0.1	-0.2	-0.1	-0.7	2
USD	-24.7	-33.7	-66.6	-77.9	266
CAD		-0.5	-0.2	-0.6	3
EUR	-24.4	-27.6	24.7	43.8	423
GBP	-1.7	-2.1	-16.4	-14.9	98
CHF		-0.5	-1.5	-0.5	13
NOK	0.1	1.3	-5.4	1.3	14
SEK	-0.8	2.4	3.1	7.6	17
JPY	-0.6	0.2	53.0	91.6	127
CNY		0.0	-0.1	-0.2	2
INR		0.0	-0.1	-0.1	0
AUD			-3.1	-3.4	7
NZD	-0.1	-0.1	0.0	-0.7	1
Commodity FX			1.7	-26.8	2

n.b. Due to each currency being a pair, there is double counting in the flow data



Net Cumulative Flows into Currencies



Source: ETF Securities

Most significant flows over the month



Important Information

This communication has been issued and approved for the purpose of section 21 of the Financial Services and Markets Act 2000 by WisdomTree UK Limited ("WTUK") which is authorised and regulated by the United Kingdom Financial Conduct Authority (the "FCA").

The information contained in this communication is for your general information only and is neither an offer for sale nor a solicitation of an offer to buy securities. This communication should not be used as the basis for any investment decision. Historical performance is not an indication of future performance and any investments may go down in value.

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 or securities in the United States or any province or territory thereof. Neither this document nor any copy hereof should be taken, transmitted or distributed (directly or indirectly) into the United States.

This communication may contain independent market commentary prepared by WTUK based on publicly available information. Although WTUK endeavours to ensure the accuracy of the content in this communication, WTUK does not warrant or guarantee its accuracy or correctness. Any third party data providers used to source the information in this communication make no warranties or representation of any kind relating to such data. Where WTUK has expressed its own opinions related to product or market activity, these views may change. Neither WTUK, nor any affiliate, nor any of their respective officers, directors, partners, or employees accepts any liability whatsoever for any direct or consequential loss arising from any use of this publication or its contents.

WTUK 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 communication relates. In particular, WTUK 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 WTUK is authorised to behave in any way which would lead you to believe otherwise. WTUK 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. R-0087
