



6 May 2020

Market Announcements Office
ASX Limited

**UPDATE REGARDING TEMPORARY CHANGE TO OOO'S UNDERLYING FUTURES
EXPOSURE FROM ONE-MONTH TO THREE-MONTH WTI CRUDE OIL FUTURES CONTRACTS**

We refer to the announcement made on 23 April 2020 regarding the BetaShares Crude Oil Index ETF – Currency Hedged (Synthetic) (the “Fund”). That announcement advised that the Fund had temporarily replaced its investment exposure to the one-month WTI crude oil futures contract (the June 2020 contract at the time) with exposure to the three-month contract (currently September 2020) until further notice, to reduce the risk to the Fund should the near-month futures contracts trade at negative prices given the unprecedented global oil market conditions evident recently.

In line with that announcement, as the three-month forward WTI crude oil futures contract is due to change over from the September 2020 contract to the October 2020 contract, we advise that the Fund's investment exposure will roll from the September 2020 contract to the October 2020 contract over a 5-day period commencing on Thursday, 7 May 2020 (U.S. time). The timing of this roll will align with the timing of the next scheduled roll of the Fund's underlying index, the S&P GSCI Crude Oil Index Excess Return (the “Index”).

As previously announced, the Fund's exposure to the three-month futures contract can be expected to temporarily result in a higher level of tracking error of the Fund's performance relative to the Index than would otherwise be the case.

We note that S&P Dow Jones Indices, the provider of the Index, has announced that the Index will roll exposure into the August 2020 contract, instead of the previously scheduled July 2020 contract.¹ We understand that this decision has been taken in view of the high level of risk associated with maintaining exposure to the near-month contract.

The Index provider has also issued a public consultation requesting feedback on the current market conditions and additional measures that its Index Committee should consider. We have been actively engaging with the Index provider and intend to take into account any recommendations made by the Index provider that arises from this consultation process, when considering any further decisions regarding the Fund.

BetaShares will continue to closely monitor market developments and will notify investors of any further updates to the Fund's investment approach.

¹ Source: S&P Dow Jones Indices, Index Announcement titled “May Roll Period of WTI Crude Oil in S&P Dow Jones Commodity Indices”, New York, 1 May 2020.

As this information does not take into account the personal circumstances of any particular investor, investors should consider consulting their financial adviser regarding this announcement.

For any inquiries regarding this announcement, please contact BetaShares Client Services on 1300 487 577 or info@betashares.com.au.

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