

# WisdomTree

## Short CHF Long EUR 3x Daily

### Investment Objective

WisdomTree Short CHF Long EUR 3x Daily is designed to provide investors with a 'leveraged short' exposure to Swiss Franc ("CHF") relative to Euro ("EUR") by tracking the MSFX Triple Short Swiss Franc/Euro Index (TR) (the "Index"), which aims to reflect three times the performance of a position in forward contracts which are rolled on a daily basis.

WisdomTree Short CHF Long EUR 3x Daily is an exchange traded currency ("ETC"). Its securities can be created and redeemed on demand by authorised participants and traded on exchange just like shares in a company.

The ETC obtains exposure to the Index by entering into unfunded swaps with a counterparty. There is no upfront cash payment by the Issuer to the counterparty when an unfunded swap is created. However, daily cash payments are made between the Issuer and the counterparty to reflect the movements in the value of the Index.

Separately, the Issuer uses the cash it holds to purchase eligible collateral from the counterparty under a daily reverse repurchase agreement ("reverse repo"), an agreement whereby the counterparty agrees to repurchase such eligible collateral from the Issuer the following day. The eligible collateral is held by the custodian in a custody account.

### Index Description

The Index provides a 3x leveraged 'short' exposure to: (i) CHF relative to EUR. For example, if CHF were to rise in value relative to EUR, the Index (tracked by the ETC) would decrease in value by three times the same amount. Conversely if CHF were to decrease in value relative to EUR, the Index would increase in value by three times the same amount; and (ii) an interest rate differential reflecting the difference between the CHF and the EUR exchange rates.

The Index is a total return index, which means that it also provides a collateral yield.

### Potential Risks

"General investment risk: An investment in an ETC involves a significant degree of risk. Any decision to invest should be based on the information contained in the relevant prospectus. Prospective investors should obtain independent accounting, tax and legal advice and should consult their professional advisers to ascertain the suitability of this ETC as an investment to their own circumstances. The value of securities in this ETC is directly affected by increases and decreases in the value of the Index. Accordingly, the value of a security may go up or down and a security holder may lose some or all of the amount invested.

### Product Information

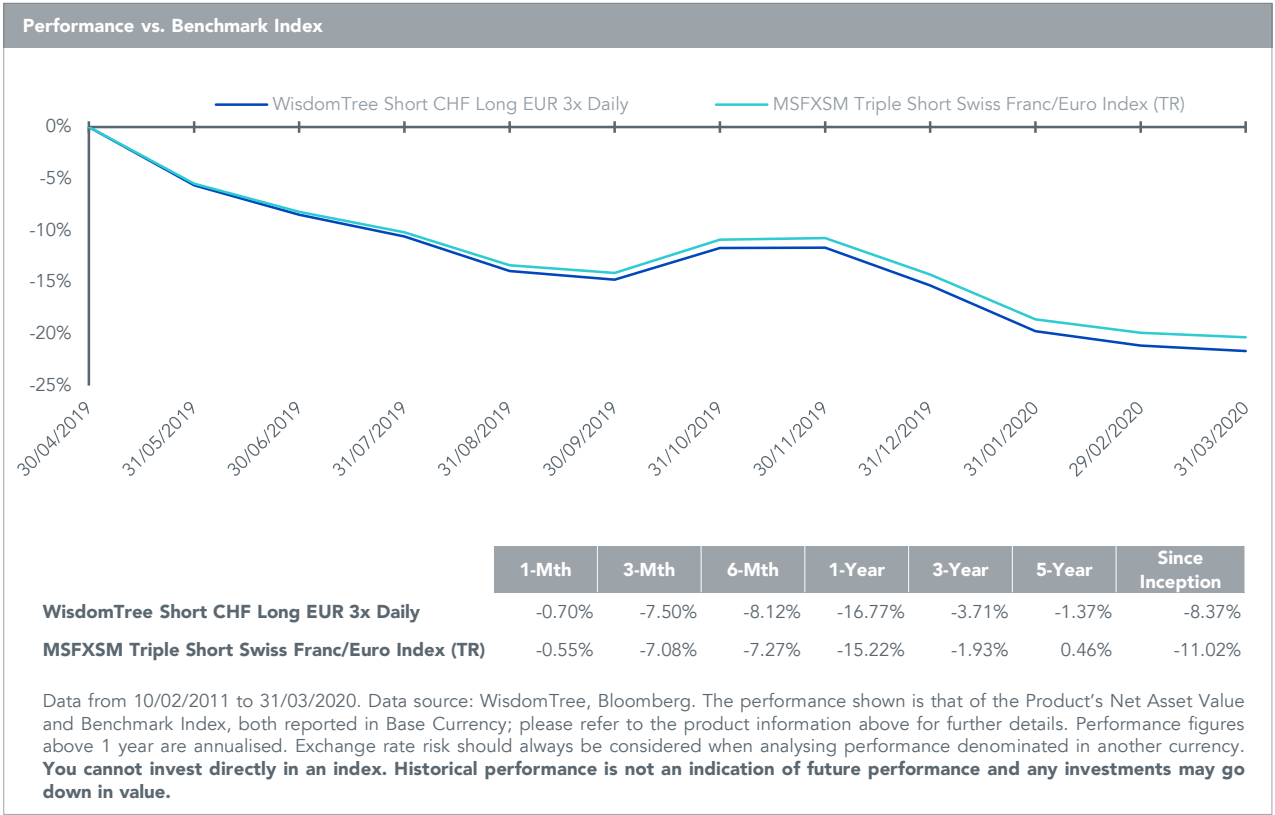
Asset Class	Currencies
ISIN	JE00B3S71Q64
Base Currency	EUR
Inception Date	10/02/2011
Currency Hedged	No
Management Fee	0.98%
Daily Swap Rate	0.002329%
Domicile	Jersey
Legal Form / Structure	Debt security / ETC
Replication Method	Synthetic - unfunded swap backed by collateral
UCITS Eligible	Yes
UCITS Compliant	No
ISA Eligible	Yes
SIPP Eligible	Yes
UK Fund Reporting Status	Yes
Passporting	AT,BE,DE,DK,FI,FR,IRL,IT,NL,N O,SE,ES,UK
Use of Income	N/A
Issuers	WisdomTree Foreign Exchange Limited
Trustee	The Law Debenture Trust Corporation p.l.c.
Collateral Administrator	The Bank of New York Mellon

### Index Information

Index	MSFXSM Triple Short Swiss Franc/Euro Index (TR)
Index Provider	MSFX
Index Currency	EUR
Index Bloomberg Code	MSCEEHUS

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### Listing Information

Exchange	Trading Currency	Exchange Ticker	Bloomberg Code	RIC	SEDOL	ISIN	WKN	Listing Date
Borsa Italiana	EUR	CHE3	CHE3 IM	CHE3.MI	B3S71Q6	JE00B3S71Q64		10/02/2011

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### Glossary

**Authorised participant** Banks or other financial institutions that act as intermediaries between issuers of securities and other investors or intermediaries. Authorised participants subscribe for and redeem securities directly with the Issuer and buy and sell those securities to investors/intermediaries either directly or via stock exchanges. **Eligible Collateral** Cash from creations is used by the Issuer to purchase securities that meet certain eligibility criteria from the counterparty under a reverse repo. Such eligible collateral is held by the Issuer in an account in its name with the custodian. **Collateral yield** The collateral yield is the hypothetical interest that an investor would have received on cash equal in value to the underlying futures contracts. **Counterparty** A Counterparty is a bank or financial institution with whom the Issuer enters into swaps or other similar transactions. **Forward Contract** A currency forward contract is an agreement to purchase an amount of one currency with another currency at a certain date in the future ("maturity"). At maturity, a new currency forward contract is purchased with the cash proceeds from the last contract (a process known as 'rolling') so that continuous exposure to the exchange rate is maintained. **Swap or swap agreement** This is where the Issuer enters into contracts with one or more swap counterparties whereby the Issuer receives payments from a swap counterparty when the Index (tracked by the relevant ETC) goes up and the Issuer makes payments to the swap counterparty when the Index goes down. By using swaps, the ETC can efficiently track the upward or downward performance of the Index without having to actually own the underlying constituent(s) which make up the Index. **Unfunded swap** This is a swap whereby the cash from investors is not transferred by the Issuer to the swap counterparties but is retained by the Issuer for use as collateral.

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