



ETF Securities

Investment Professional Presentation – The Fundamentals of Precious Metals

April 2012

ETF Securities – U.S. Offerings

This presentation is given to you on behalf of the following trusts:

- ETFS Silver Trust (SIVR)
- ETFS Gold Trust (SGOL)
- ETFS Platinum Trust (PPLT)
- ETFS Palladium Trust (PALL)
- ETFS Precious Metals Basket Trust (GLTR)
- ETFS White Metals Basket Trust (WITE)
- ETFS Asian Gold Trust (AGOL)

Sponsored by ETF Securities USA LLC

Important Information

The ETFS Silver Trust, ETFS Gold Trust, ETFS Platinum Trust, ETFS Palladium Trust and ETFS Precious Metals Basket Trust, ETFS White Metals Basket Trust and ETFS Asian Gold Trust are not investment companies registered under the Investment Company Act of 1940 or a commodity pool for purposes of the Commodity Exchange Act. Shares of the Trusts are not subject to the same regulatory requirements as mutual funds. These investments are not suitable for all investors. Trusts focusing on a single commodity generally experience greater volatility.

The value of the Shares relates directly to the value of the precious metal held by the Trusts and fluctuations in the price could materially adversely affect an investment in the Shares. Several factors may affect the price of precious metals, including:

A change in economic conditions, such as a recession, can adversely affect the price of the precious metal held by the Trusts. Some metals are used in a wide range of industrial applications, and an economic downturn could have a negative impact on its demand and,

- consequently, its price and the price of the Shares;
- Investors' expectations with respect to the rate of inflation;
- Currency exchange rates;
- Interest rates;
- Investment and trading activities of hedge funds and commodity funds; and
- Global or regional political, economic or financial events and situations. Should there be an increase in the level of hedge activity of the precious metal held by the Trusts or producing companies, it could cause a decline in world precious metal prices, adversely affecting the price of the Shares. Also, should the speculative community take a negative view towards the precious metal held by the Trusts, it could cause a decline in prices, negatively impacting the price of the Shares.

There is a risk that part or all of the Trusts' physical precious metal could be lost, damaged or stolen. Failure by the Custodian or Sub-Custodian to exercise due care in the safekeeping of the precious metal held by the Trusts could result in a loss to the Trusts.

Commodities generally are volatile and are not suitable for all investors. Trusts focusing on a single commodity generally experience greater volatility. Please refer to the prospectus for complete information regarding all risks associated with the Trusts. Shares in the Trusts are not FDIC insured and may lose value and have no bank guarantee.

Investors buy and sell shares on a secondary market (i.e., not directly from Trusts). Only market makers or “authorized participants” may trade directly with the Trusts, typically in blocks of 50k to 100k shares.

Carefully consider each Trust's investment objectives, risk factors, and fees and expenses before investing.

ALPS Distributors, Inc. is separate and unaffiliated to all other entities mentioned herein.

ALPS Distributors, Inc. is the marketing agent for ETFS Silver Trust, ETFS Gold Trust, ETFS Platinum Trust, ETFS Palladium Trust and ETFS Precious Metals Basket Trust, ETFS White Metals Basket Trust and ETFS Asian Gold Trust. For further discussion of the risks associated with an investment in the Trusts please read the prospectus. **This material must be accompanied or preceded by the prospectus.** Please [click here](#) to view the prospectus.

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I. ETF Securities – Global Issuer of Commodity ETPs

ETF Securities

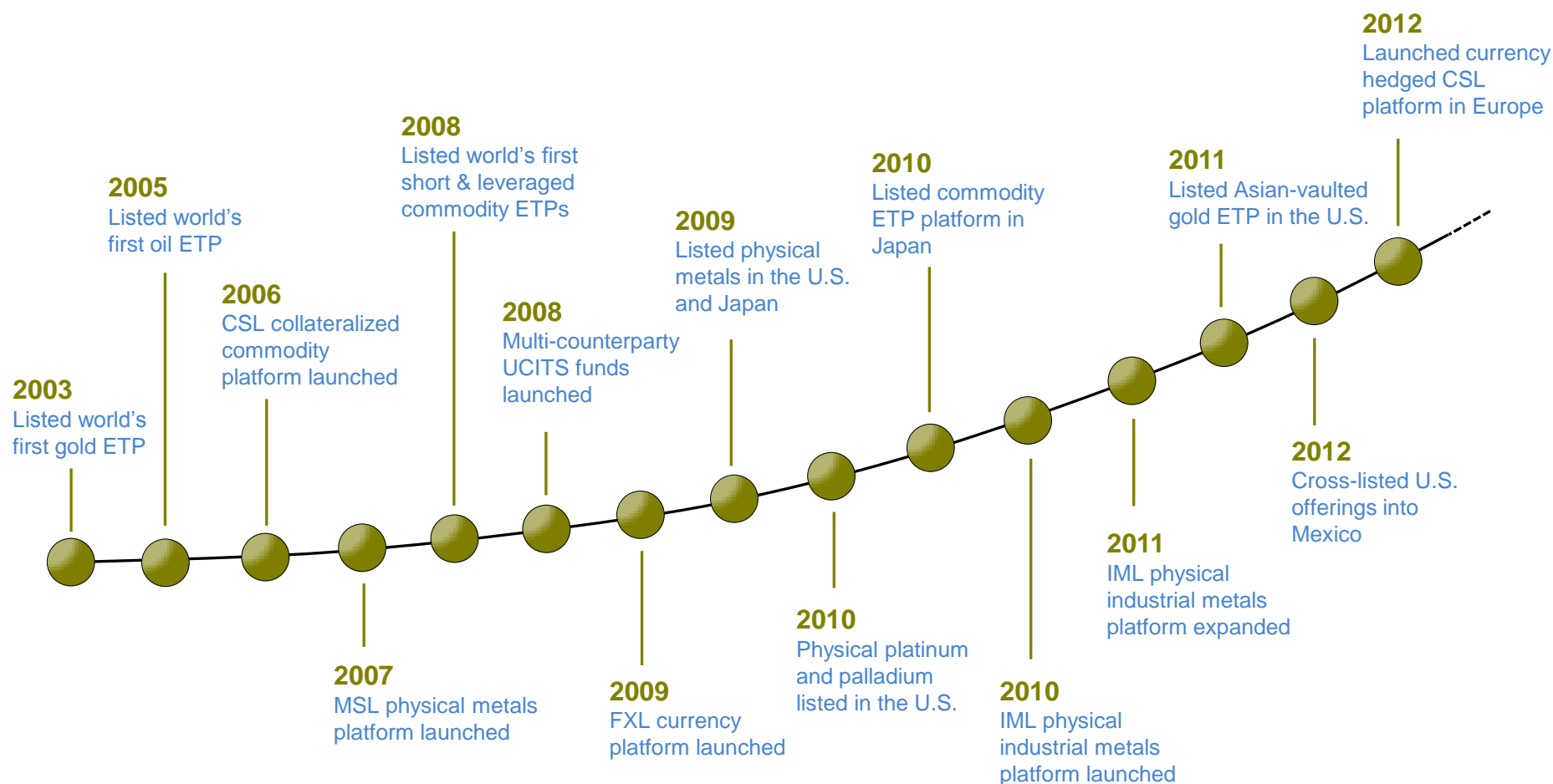
About ETF Securities

- We specialize in commodity ETPs
- Created the world's first gold ETP
- As of March 31, 2012, manage approximately \$30b globally, with over 200 products on 10 exchanges in 6 currencies
- In the U.S., we are based in New York and offer most comprehensive physically-backed precious metals platform (7 products) → No K-1s
- We offer products which provide exposure to Gold, Silver, Platinum and Palladium as well as multi-metal basket products for diversification solutions.
- Dedicated research team

Investment Philosophy – Committed to Commodities

- Strategic buy and hold asset allocations to commodities
- Opportunities for tactical, shorter-term trading strategies in commodities
- In-depth research into global commodities markets
- One-stop access to a broad range of commodity-focused ETPs
- Think commodities – think ETF Securities

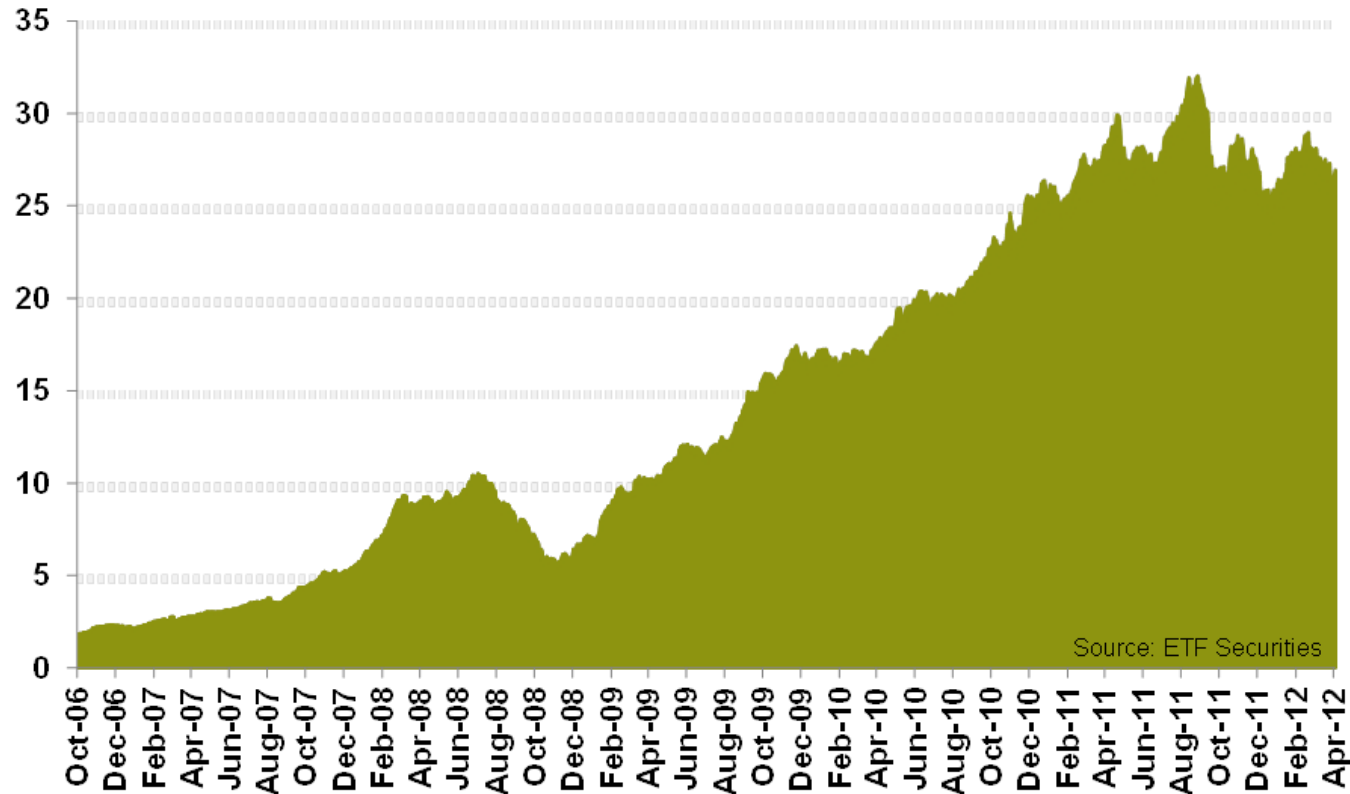
ETF Securities – Global Product Timeline



ETF Securities – Historical AUM Snapshot

ETF Securities' Assets Under Management

From October 2006 to April 2012, in billions USD



Source: ETF Securities

Data: Daily observations, ranging from October 2, 2006 to April 30, 2012.

II. Portfolio Construction Utilizing Precious Metals

Precious Metals Returns, Correlations and Volatility

- Precious metals have outperformed equities over the past 10 years, with volatility similar to the S&P 500 and low correlations to equities and bonds

	Cumulative Returns				Correlations with		Volatility
	1 Yr	3 Yrs	5 Yrs	10 Yrs	S&P 500	Barcap Aggregate Bond Index	
Precious Metals Basket	8%	93%	139%	451%	0.03	0.15	23%
Gold spot price	18%	81%	151%	456%	-0.04	0.20	19%
Silver spot price	-11%	145%	143%	593%	0.00	0.12	38%
Platinum spot price	-5%	45%	32%	218%	0.09	0.08	24%
Palladium spot price	-12%	203%	85%	69%	0.12	0.07	37%
S&P 500	10%	83%	11%	49%	1.00	-0.22	22%

Source: Bloomberg. Returns are in USD, dates are from the March 28, 2002 to the March 28, 2012, unless otherwise stated.

Precious Metals – Diverse Performance Characteristics

- It is difficult to choose which precious metal will outperform consistently over time.
- Broad precious metals basket exposure potentially solves this problem and increases diversification*.

Precious Metals Performance Ranked: 2002-2011

		Year										
		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	10 Yrs
Performance Ranking	1	Gold 25.6%	Platinum 36.0%	Silver 14.2%	Palladium 40.2%	Silver 46.1%	Platinum 36.9%	Gold 4.3%	Palladium 113.6%	Palladium 102.8%	Gold 8.9%	Silver 20.1%
	2	Platinum 24.6%	Silver 27.9%	Platinum 5.7%	Silver 29.6%	Palladium 25.4%	Gold 31.9%	Silver -26.9%	Platinum 62.7%	Silver 80.3%	Silver -8.0%	Gold 18.7%
	3	Silver 3.2%	Gold 19.9%	Gold 4.6%	Gold 17.8%	Gold 23.2%	Silver 14.4%	Platinum -41.3%	Silver 57.5%	Gold 29.2%	Palladium -20.2%	Platinum 11.1%
	4	Palladium -46.4%	Palladium -17.4%	Palladium -5.6%	Platinum 12.3%	Platinum 15.9%	Palladium 12.5%	Palladium -49.5%	Gold 25.0%	Platinum 20.1%	Platinum -21.3%	Palladium 3.8%

Source: ETF Securities, Bloomberg

Data set from December 31, 2001 until December 30, 2011 ; All returns are in USD; 10 Yrs returns are annualised

Data: Gold - London PM Fixing LBMA, Silver - LBMA London Fixing, Platinum - LPPM London PM Fixing, Palladium - LPPM London PM Fixing

*Diversification does not completely eliminate risk.

Diversification Through Precious Metals

- Precious metals are not all highly correlated with each other
 - Gold – perceived to be defensive with store of value characteristics
 - Platinum and Palladium – industrial metal characteristics
 - Silver – a hybrid

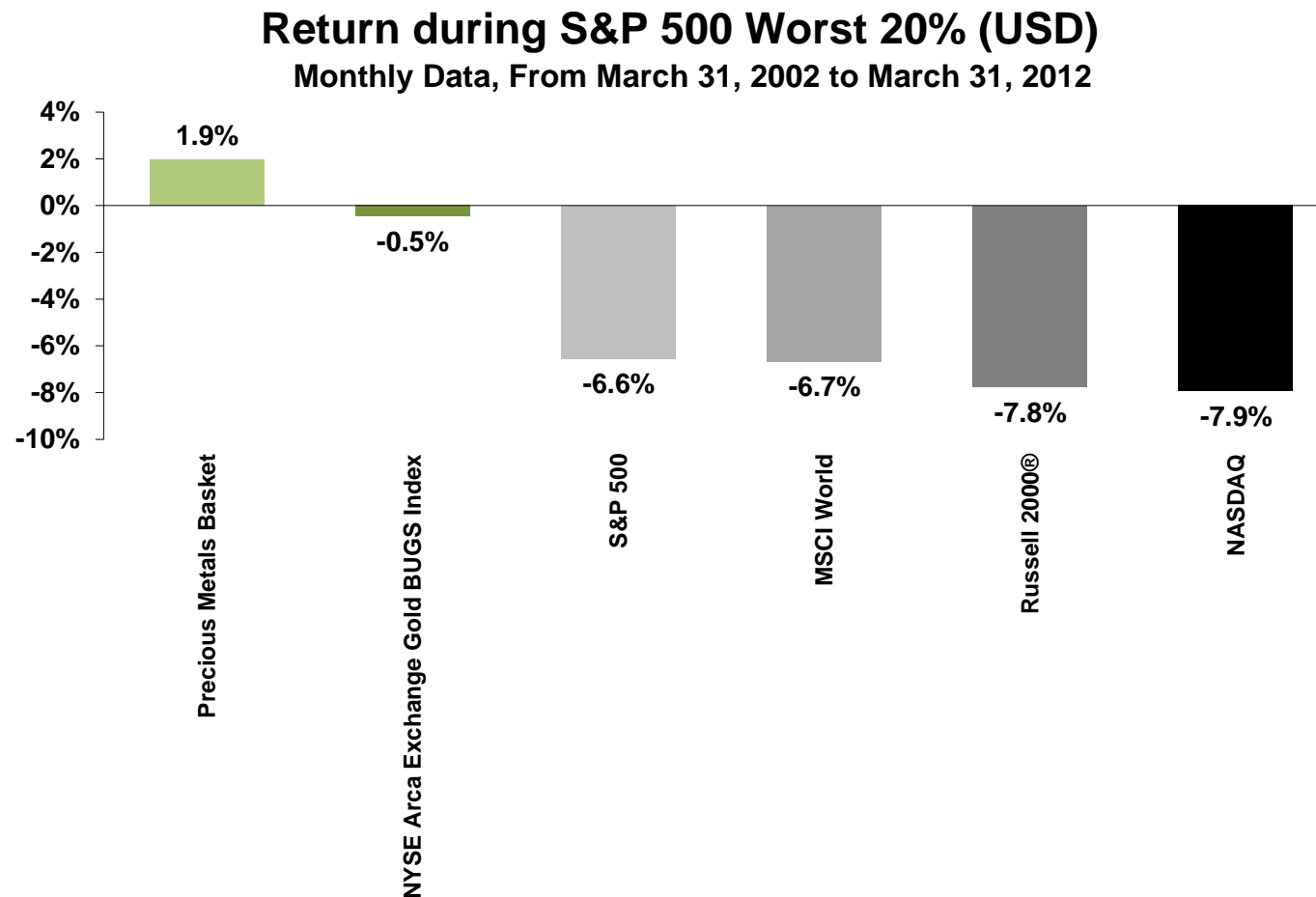
Correlation Matrix	Gold	Silver	Palladium	Platinum
Gold		0.74	0.31	0.55
Silver	0.74		0.49	0.62
Palladium	0.31	0.49		0.69
Platinum	0.55	0.62	0.69	

10 Years correlation based on monthly returns in USD, from Dec 31, 2001 to Dec 30, 2011

Source: ETF Securities, Bloomberg

Precious Metals Historical Event Hedge Properties

- Precious metals have historically outperformed when equity markets perform poorly.



Sources: ETF Securities, Bloomberg

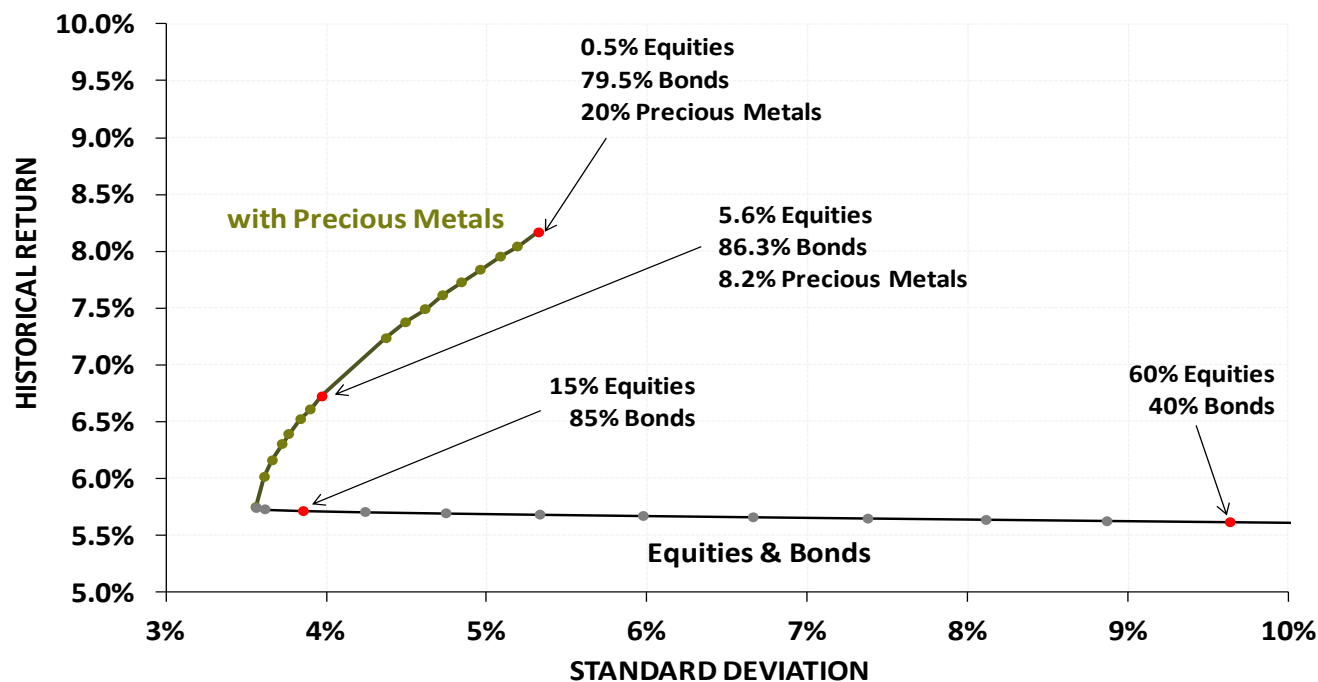
* Weakest 20% of trading months in the S&P 500 over the period

Precious Metals can Improve Portfolio Risk-Reward

- Precious metals have historically broadened the potential risk-reward opportunity set for investors, reflecting generally high returns and limited correlation to other asset classes.

Portfolio Allocation with Addition of Precious Metals

Monthly, Feb 28 2002 - Feb 29, 2012



Source: ETF Securities, Bloomberg

Diversification Solutions – Precious Metals Baskets

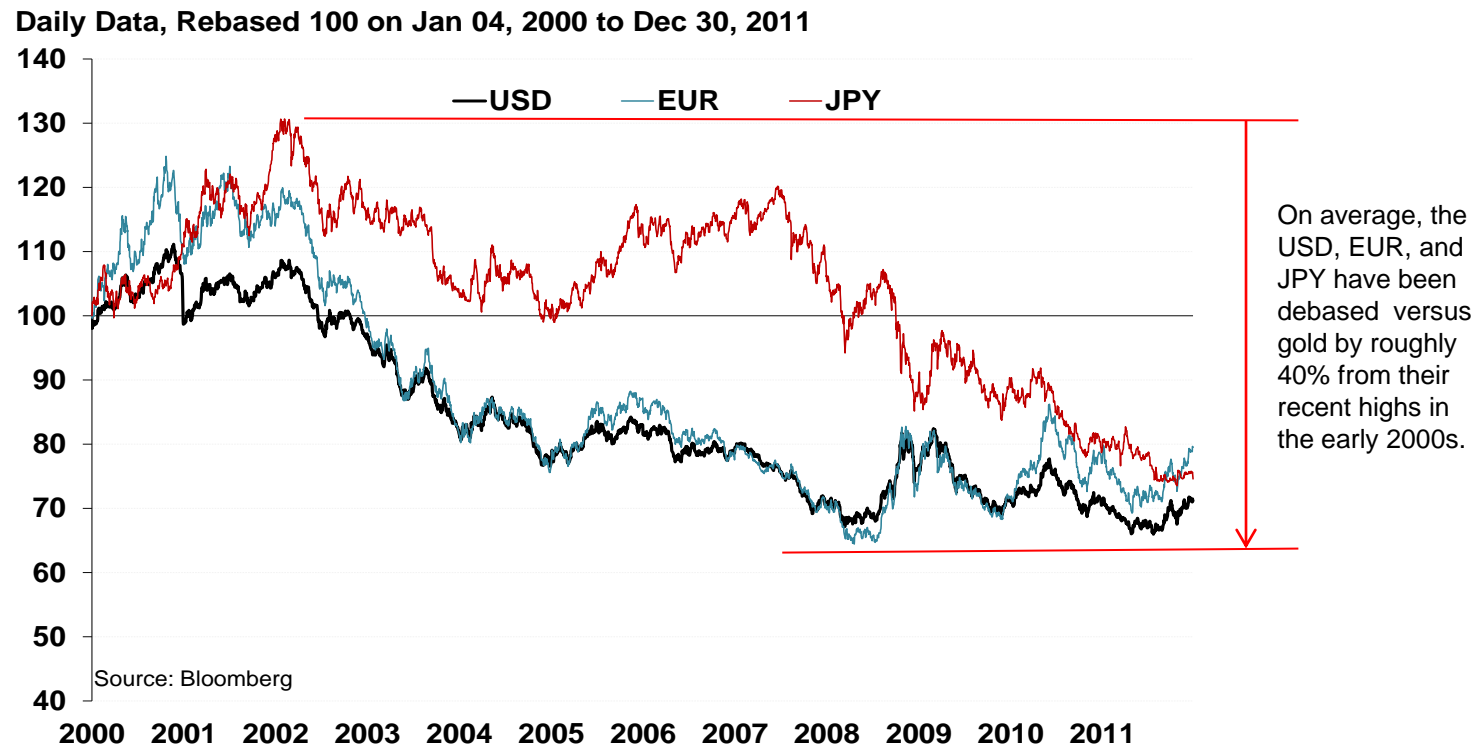
- **GLTR** – ETFS Physical Precious Metals Basket Shares
 - A basket of all four precious metals: Gold, Silver, Platinum and Palladium
 - Single-ticker precious metals solution
 - Weightings as of 03/31/2012
 - Gold – 51.95%
 - Silver – 37.15%
 - Platinum – 6.83%
 - Palladium – 4.07%

- **WITE** – ETFS Physical White Metals Basket Shares
 - A basket of the white precious metals: Silver, Platinum and Palladium
 - Portfolio uses:
 - Diversify portfolios heavily weighted towards gold
 - Exposure to pro-growth metals with higher volatility
 - Weightings as of 03/31/2012
 - Silver – 60.01%
 - Platinum – 30.35%
 - Palladium – 9.64%

III. The Fundamentals of Precious Metals

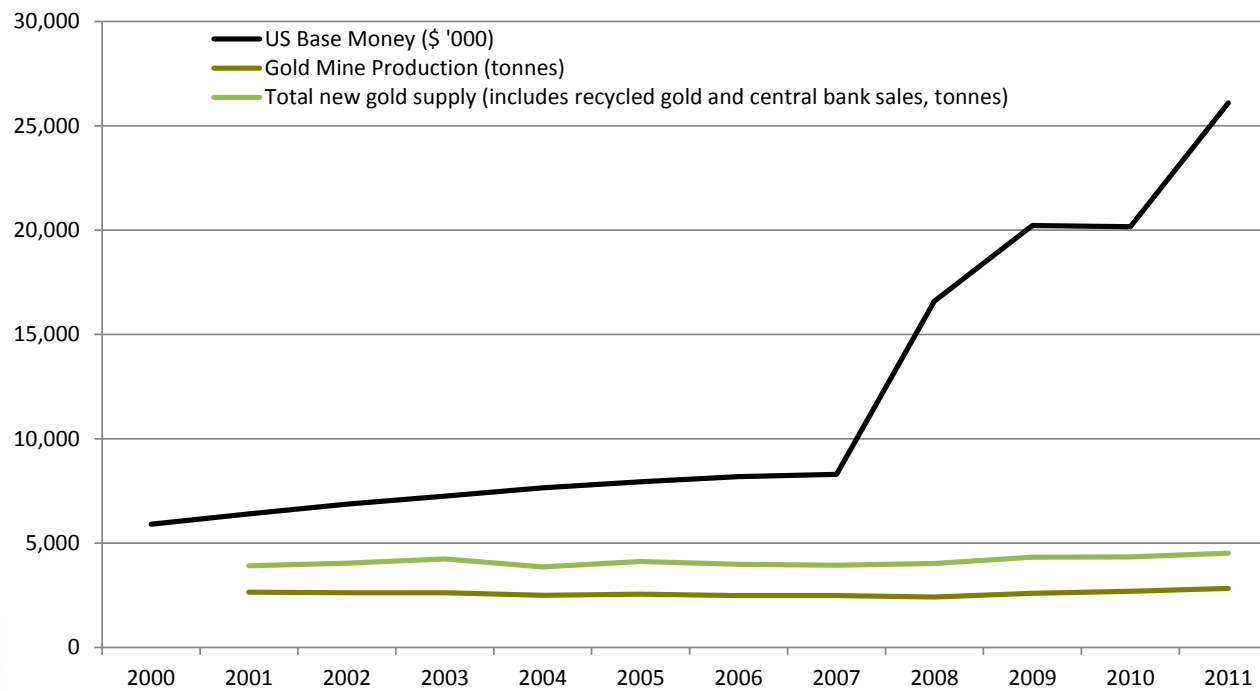
Gold – The Decline of Paper Currencies Versus Gold

- The world's major reserve currencies have all declined versus gold over the past ten years. Further currency debasement remains a risk.



Gold – Is Printing Money Inflationary?

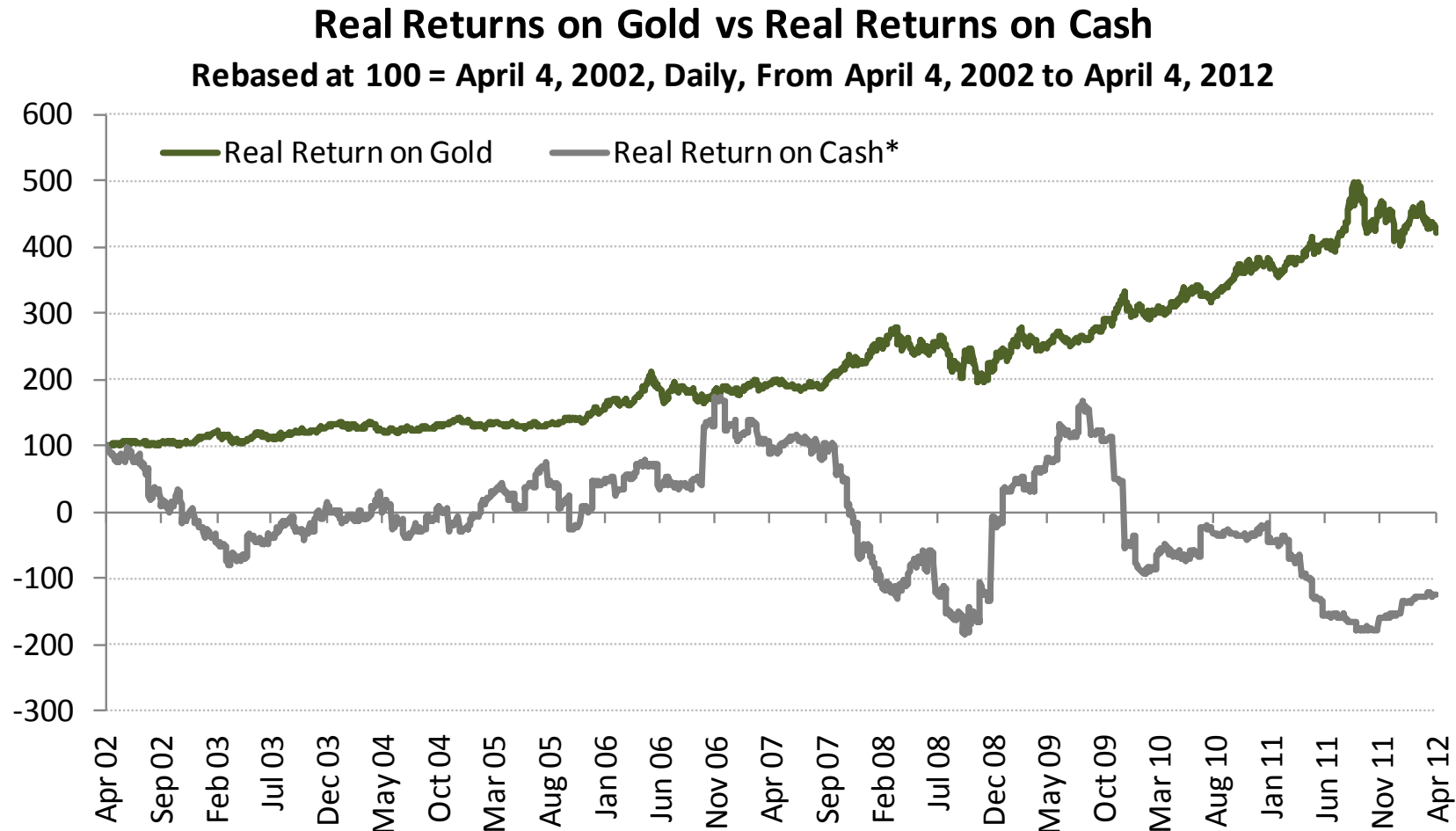
US Dollar Money Supply vs New Gold Supply
(1/1/2000 - 12/31/2011)



Source: Bloomberg, GFMS, ETF Securities



Gold – Real Purchasing Power of Cash is Declining



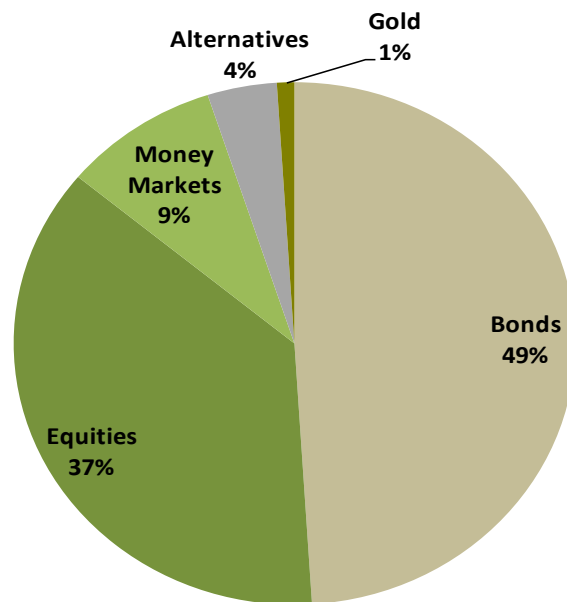
Source: Bloomberg, ETF Securities

* US 2yr Govt Bond Yield - US CPI, gold price also deflated by US CPI index.

Gold – Are Global Portfolios Underweight Gold?

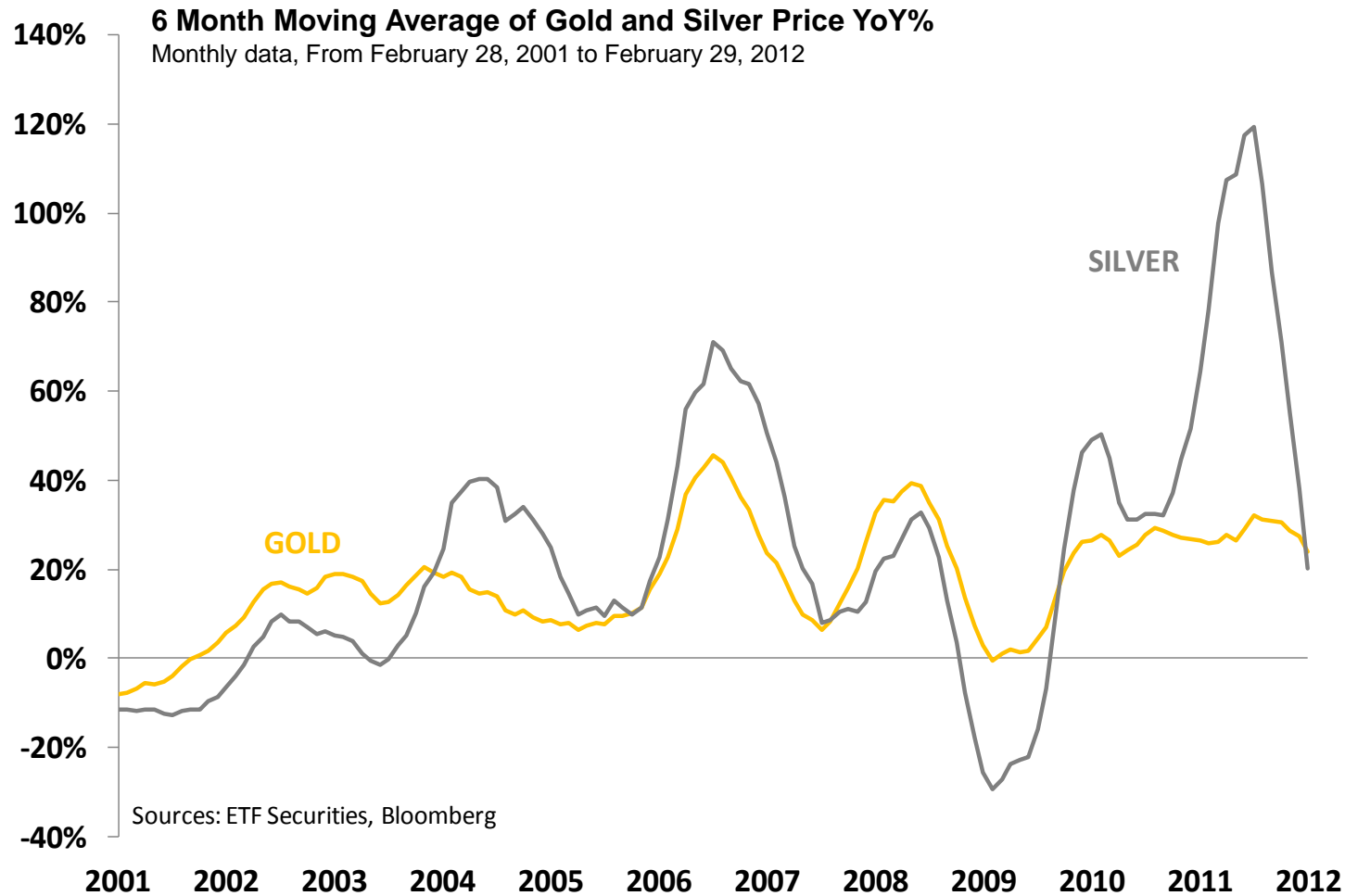
- Gold accounts for just 1% of global financial portfolios according to World Gold Council estimates.
- If gold holdings were to increase to just 2% of global financial portfolios, it would equate to nearly 6 years of 2011 annual gold supply.
- This represents roughly 770m oz., and \$1.3T based on the 03/30/2012 London PM fix.

Global Portfolio Allocations Across Financial Markets



Figures estimated as at December 2010, World Gold Council study

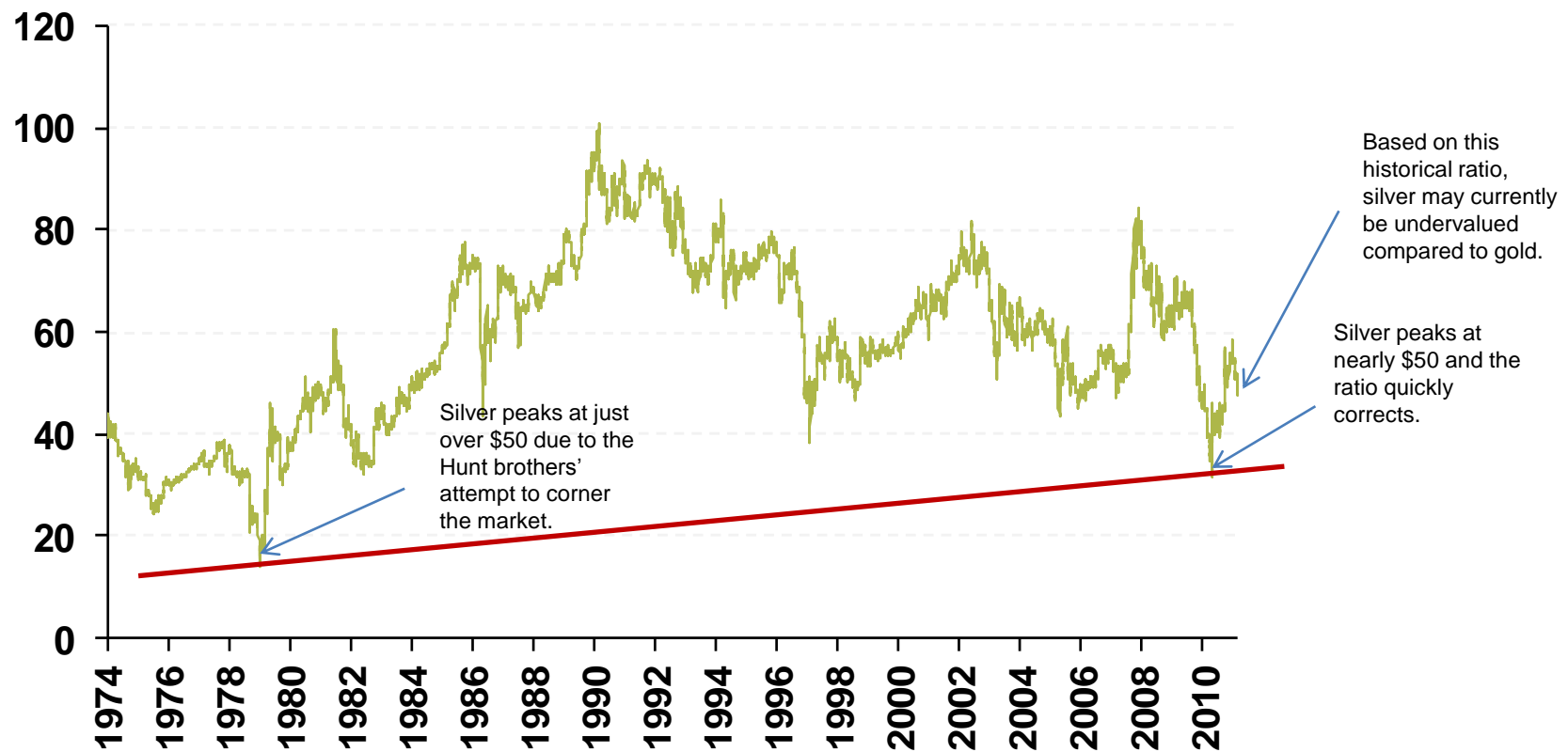
Silver – A Leveraged Play on Gold?



Silver - Gold/Silver Ratio Rebounds from 30-year Low

Gold/Silver Price Ratio

Daily Data, From Dec 31, 1974 to Mar 02, 2012



Source: ETF Securities, Bloomberg

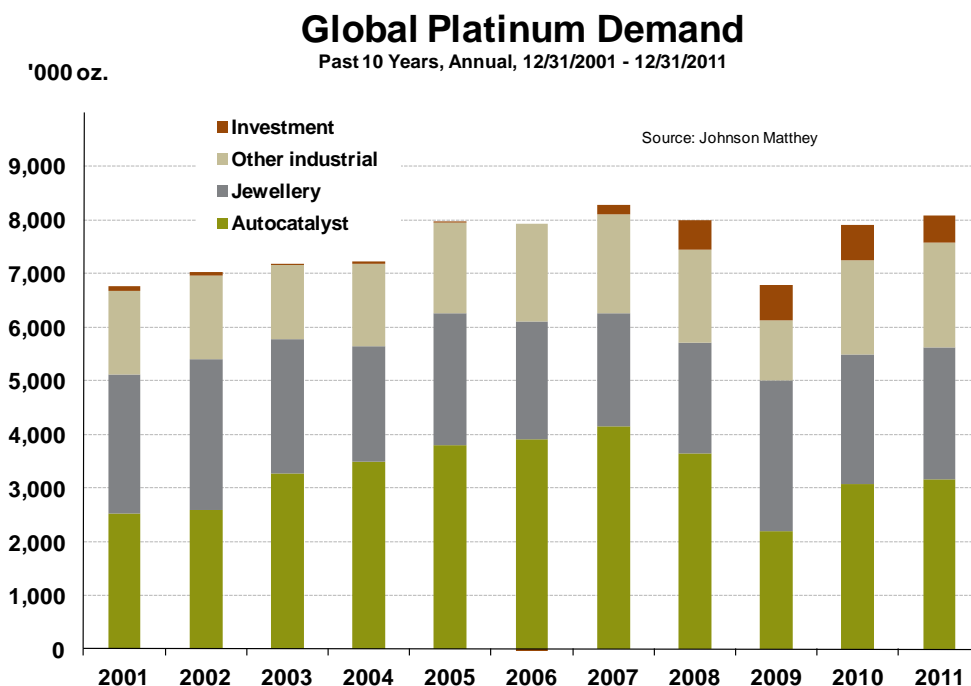
Silver – Investment Characteristics

- Due to its low price relative to gold, some investors look to silver as a leveraged play
- Historically, at times when the price of gold increases or decreases, silver tends to increase or decrease exponentially in the same direction
- Higher volatility than gold due to economic cyclical industrial demand
- Silver can be thought as having similar store of value characteristics to gold while also exhibiting traits of the industrial metals



Platinum – Key Uses and Sources of Demand

- Catalytic converters account for around 40% of platinum annual demand. The bulk of this demand is for use in diesel vehicles.
- Other major industrial demand includes industrial catalysts and glass technology (LCD displays).



Platinum – U.S. Diesel Sales vs. Gasoline Prices

- Currently, diesel car sales in the U.S. only account for 3% of the overall market compared with 50% in Europe.
- Diesel engine cars are coveted for their superior fuel efficiency compared to unleaded gasoline engines.
- Diesel engines require 5 to 10 times more platinum than their unleaded gasoline engine counterparts.
- Diesel car sales are currently growing rapidly in the U.S. due to high fuel prices at the pump. It is expected that the U.S. market will expand to 10% or more of overall sales by 2015.
- If gas prices continue to rise, we could potentially see a much higher demand for platinum as consumers opt for vehicles with higher fuel efficiencies.



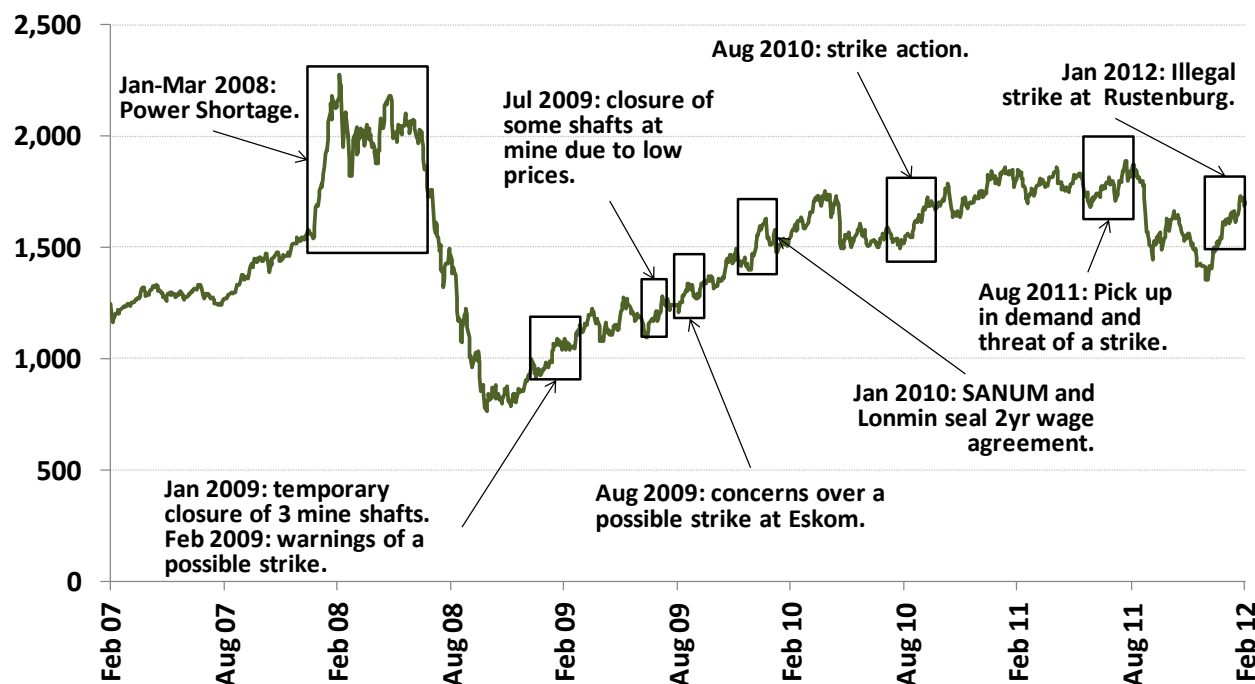
Source: ETF Securities



Platinum – South Africa Supply Disruption Risk

- With nearly 80% of the world's supply of platinum mined in South Africa, supply disruptions and/or political disruptions in the country can have a big impact on price

The Impact of Supply Disruptions in South Africa on the Platinum Price
US\$/oz, Daily, From February 28, 2007 to February 29, 2012



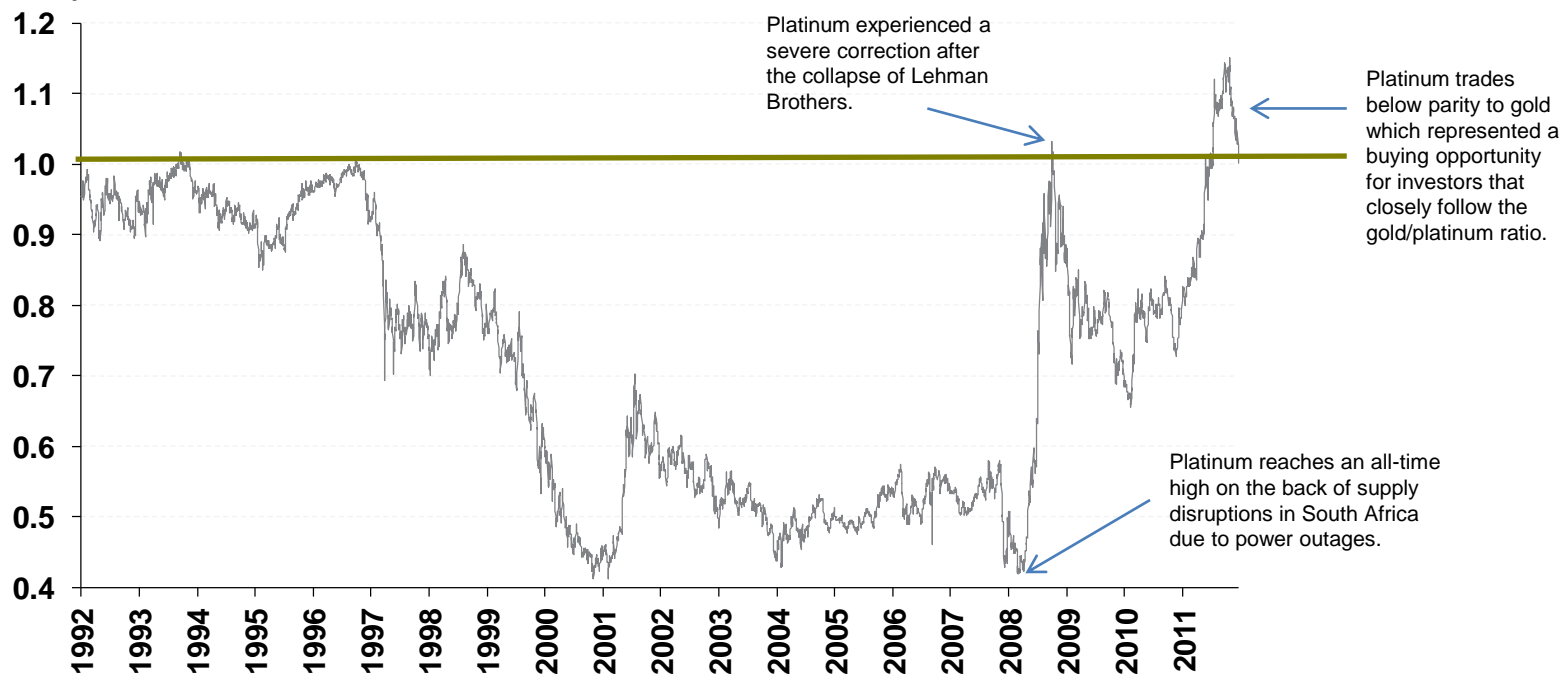
Source: press news, Johnson Matthey, Bloomberg, ETF Securities

Platinum – The Gold/Platinum Ratio

- Platinum historically has traded at a premium to gold.
- Every so often, the gold/platinum ratio reaches parity, which historically has often represented a buying opportunity in platinum.

Gold/Platinum Price Ratio

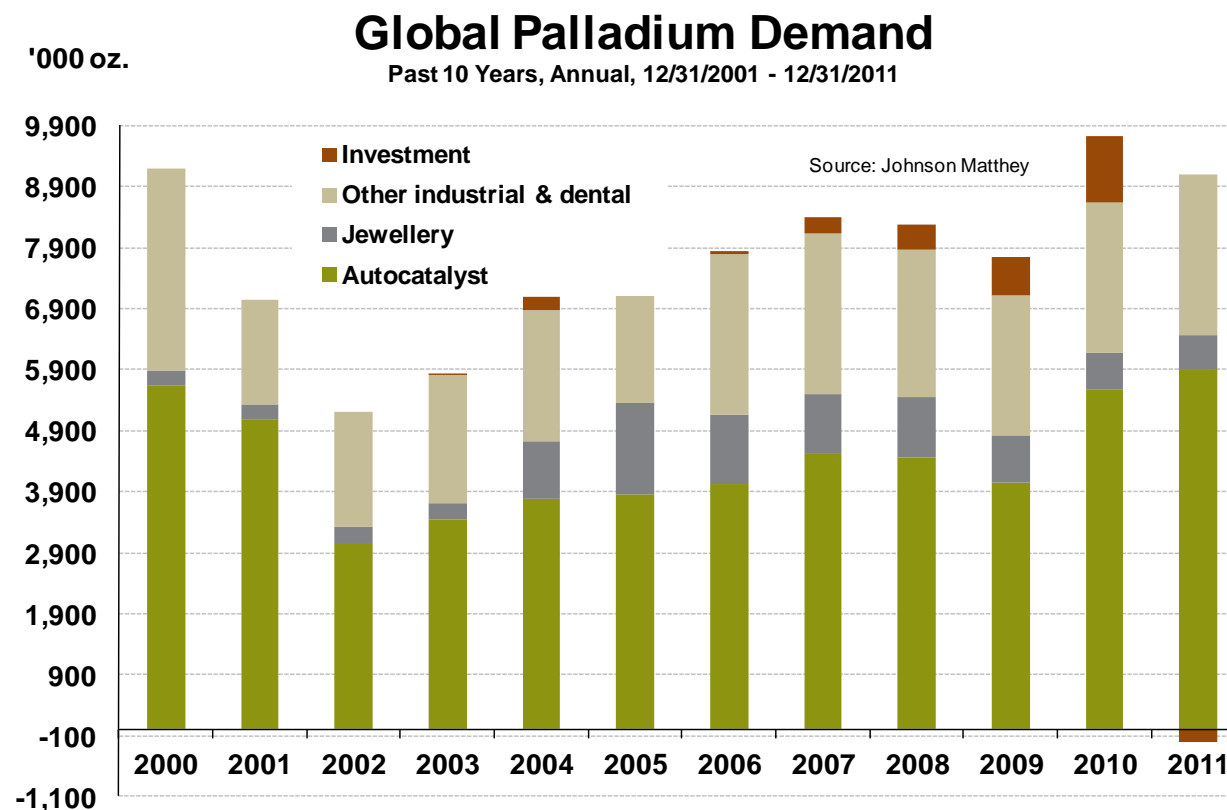
Daily Data, From Jan 07, 1987 to Mar 02, 2012



Source: ETF Securities, Bloomberg

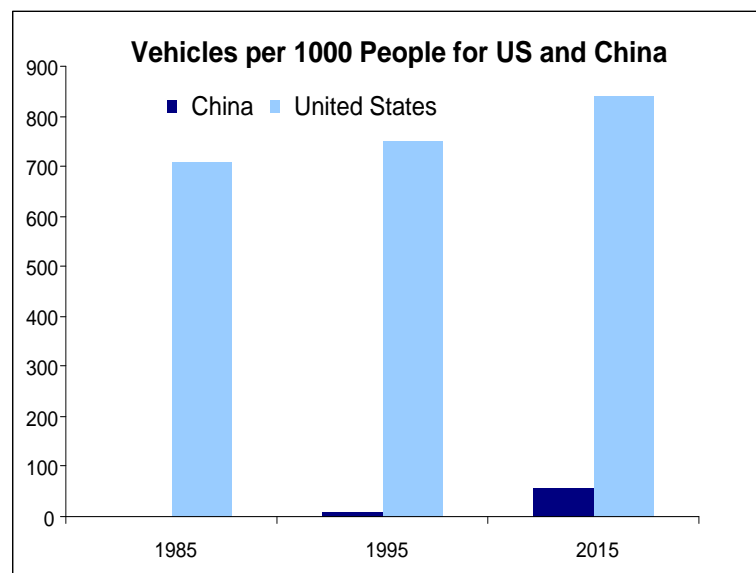
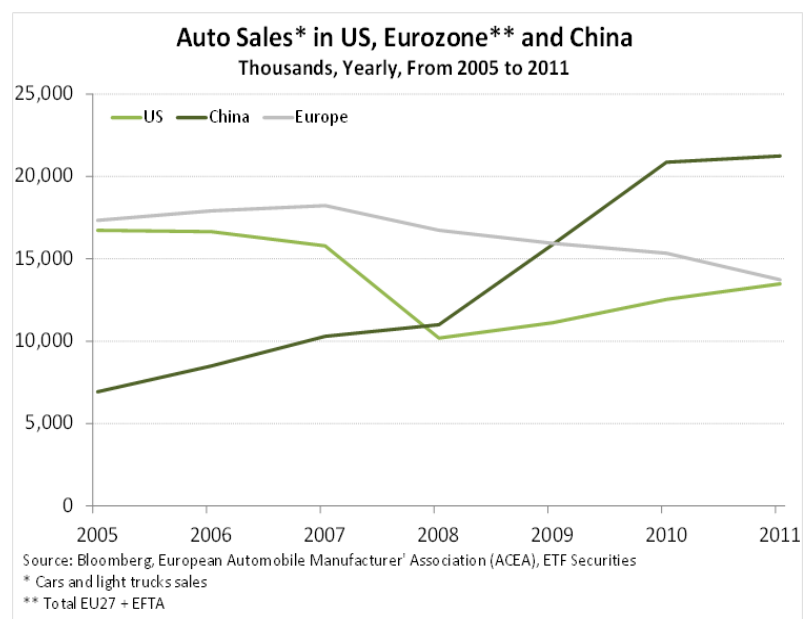
Palladium – Key Uses and Sources of Demand

- Autocatalysts make up around 65% of demand, with the bulk of demand for use in vehicles with gasoline engines. Steady demand uptrend driven by rising vehicle sales and tightening emission standards.



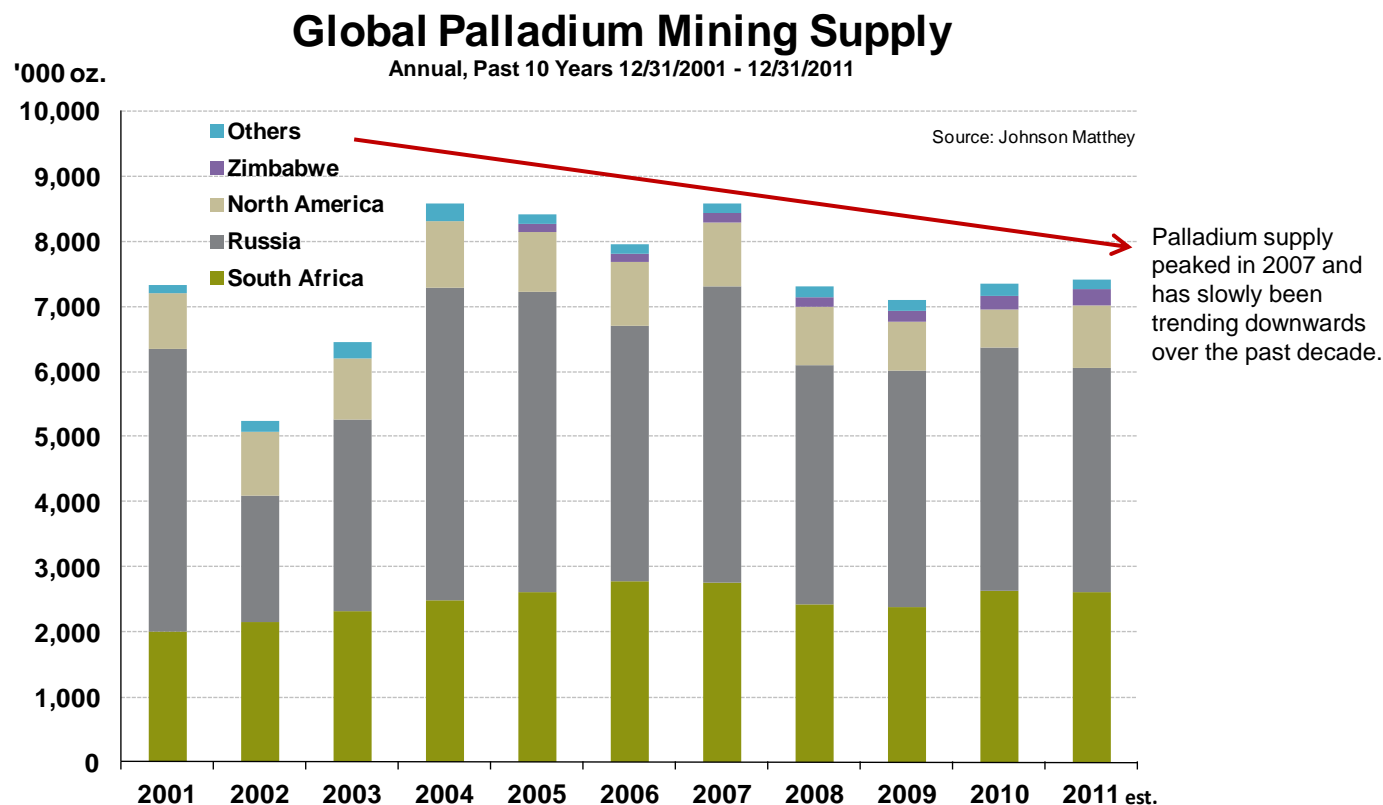
Palladium – China is the World’s Largest Auto Market

- China’s demand for automobiles has surged in recent years as rising per capita wealth combined with a large and growing population has led to a structural increase in auto demand.
- The structural rise in China, India and other developing economies auto demand, together with tightening global emission standards provides a firm medium to long-term demand for autocatalysts and the platinum and palladium used in them.



Palladium – Supply Diminishing

- Production concentrated in Russia (50%) and S. Africa (35%). Mine production peaked in 2007.
- Drops across the major producers over the past 5 years on infrastructure, labour, weather constraints.
- Russian state stockpiles no longer provide a supply overhang, with officials indicating limited futures reserve sales.



Summary and Conclusions

- Precious metals have outperformed key equity and bond benchmarks over the past ten years.
- Precious metals as a group have achieved this with volatility similar to that of the S&P 500 index.
- Precious metals have tended to have a low correlation to equities and bonds, providing potential portfolio diversification benefits.
- Precious metals have also tended to show diverse performance relative to each other, with gold often exhibiting defensive and store of value characteristics, platinum and palladium industrial metal characteristics, and silver often acting as a hybrid.
- An environment of high economic, political and sovereign risk, low real interest rates and quantitative easing by the world's main reserve currency central banks provides medium-term support for precious metals.
- The rebound in global – particularly US – growth indicators, has more recently added impetus to demand for the more cyclically-gearred precious metals such as palladium, platinum and silver.

V. U.S. Product Information

U.S. Product Information

■ **SGOL – ETFS Physical Swiss Gold Shares**

Trust Objective	To reflect the performance of gold (London PM Fix), net of fees
Structure	Continuously offered investment trust
Trading Symbol	SGOL
Listing	NYSE-Arca
Initial Pricing	Based on the price of 0.1 oz. of gold
Margin Eligible	Yes*
Short Sale Eligible	Yes*
Annual Management Fees	0.39% per annum**
Underlying Metal	Allocated gold that conforms to LBMA “good delivery” standards
Vault Location	Zurich, Switzerland
Sponsor	ETF Securities USA LLC
Custodian	JPMorgan Chase Bank, N.A.
Trustee	The Bank of New York Mellon
Independent Vault Inspector	Inspectorate International Limited

* There are special risks associated with short selling and margin investing. Please ask your financial advisor for more information about these risks.

**Brokerage commissions will increase fees paid by shareholders. The LBMA is the London-based trade association that represents the wholesale over-the-counter market for gold in London.

U.S. Product Information

■ SIVR – ETFS Physical Silver Shares

Trust Objective	To reflect the performance of silver (London Fix), net of fees
Structure	Continuously offered investment trust
Trading Symbol	SIVR
Listing	NYSE-Arca
Initial Pricing	Based on the price of 1 oz. of silver
Margin Eligible	Yes*
Short Sale Eligible	Yes*
Annual Management Fees	0.30% per annum**
Underlying Metal	Allocated silver that conforms to LBMA “good delivery” standards
Vault Location	London, U.K.
Sponsor	ETF Securities USA LLC
Custodian	HSBC Bank USA
Trustee	The Bank of New York Mellon
Independent Vault Inspector	Inspectorate International Limited

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U.S. Product Information

■ PPLT – ETFS Physical Platinum Shares

Trust Objective	To reflect the performance of platinum (London PM Fix), net of fees
Structure	Continuously offered investment trust
Trading Symbol	PPLT
Listing	NYSE-Arca
Initial Pricing	Based on the price of 0.1 oz. of platinum
Margin Eligible	Yes*
Short Sale Eligible	Yes*
Annual Management Fees	0.60% per annum**
Underlying Metal	Allocated platinum that conforms to LPPM “good delivery” standards
Vault Location	London, U.K. and Zurich, Switzerland
Sponsor	ETF Securities USA LLC
Custodian	JPMorgan Chase Bank, NA
Trustee	The Bank of New York Mellon
Independent Vault Inspector	Inspectorate International Limited

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**Brokerage commissions will increase fees paid by shareholders. The LPPM is the London-based trade association that represents the wholesale over-the-counter market for platinum in London.

U.S. Product Information

■ PALL – ETFS Physical Palladium Shares

Trust Objective	To reflect the performance of palladium (London PM Fix), net of fees
Structure	Continuously offered investment trust
Trading Symbol	PALL
Listing	NYSE-Arca
Initial Pricing	Based on the price of 0.1 oz. of palladium
Margin Eligible	Yes*
Short Sale Eligible	Yes*
Annual Management Fees	0.60% per annum**
Underlying Metal	Allocated palladium that conforms to LPPM “good delivery” standards
Vault Location	London, U.K. and Zurich, Switzerland
Sponsor	ETF Securities USA LLC
Custodian	JPMorgan Chase Bank, NA
Trustee	The Bank of New York Mellon
Independent Vault Inspector	Inspectorate International Limited

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U.S. Product Information

■ AGOL – ETFS Physical Asian Gold Shares

Trust Objective	To reflect the performance of gold (London PM Fix) net of fees
Structure	Continuously offered investment trust
Trading Symbol	AGOL
Listing	NYSE-Arca
Initial Pricing	Based on the price of 0.1 oz. of gold
Margin Eligible	Yes*
Short Sale Eligible	Yes*
Annual Management Fees	0.39% per annum**
Underlying Metal	Allocated gold that conforms to LBMA “good delivery” standards
Vault Location	Singapore
Sponsor	ETF Securities USA LLC
Custodian	JPMorgan Chase Bank, N.A.
Trustee	The Bank of New York Mellon
Independent Vault Inspector	Inspectorate International Limited

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U.S. Product Information

■ **GLTR – ETFS Physical Precious Metals Basket Shares**

Trust Objective

To reflect the performance of gold, platinum, and palladium (London PM Fix) and silver (London Fix), net of fees

Structure

Continuously offered investment trust

Trading Symbol

AGOL

Listing

NYSE-Arca

Initial Pricing

Based on the price of 0.03 oz. of gold; 1.1 oz. of silver; 0.0004 oz. of platinum; 0.006 oz. of palladium

Margin Eligible

Yes*

Short Sale Eligible

Yes*

Annual Management Fees

0.60% per annum**

Underlying Metal

Allocated metal that conforms to LBMA and LPPM “good delivery” standards

Vault Location

London, U.K. and Zurich, Switzerland

Sponsor

ETF Securities USA LLC

Custodian

JPMorgan Chase Bank, N.A.

Trustee

The Bank of New York Mellon

Independent Vault Inspector

Inspectorate International Limited

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U.S. Product Information

■ WITE – ETFS Physical White Metals Basket Shares

Trust Objective	To reflect the performance of platinum, and palladium (London PM Fix) and silver (London Fix), net of fees
Structure	Continuously offered investment trust
Trading Symbol	WITE
Listing	NYSE-Arca
Initial Pricing	Based on the price of 1 oz. of silver; 0.01 oz. of platinum; 0.008 oz. of palladium
Margin Eligible	Yes*
Short Sale Eligible	Yes*
Annual Management Fees	0.60% per annum**
Underlying Metal	Allocated metal that conforms to LBMA and LPPM “good delivery” standards
Vault Location	London, U.K. and Zurich, Switzerland
Sponsor	ETF Securities USA LLC
Custodian	JPMorgan Chase Bank, N.A.
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Important Information

This document contains “forward-looking statement” with respect to the Trust’s financial conditions, results of operations, plans, objectives, future performance and business. Statements preceded by, followed by or that include words such as “may”, “will”, “should”, “expect”, “plan”, “anticipate”, “believe”, “estimate”, “predict”, “potential”, or similar expressions are intended to identify some of the forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and are included, along with the statement, for purposes of complying with the safe harbour provisions of that Act. All statements (other than statements of historical fact) included in this document that address activities, events or developments that will or may occurring the future, including such matters as changes in commodity prices and market conditions (for platinum and palladium and the Shares), the Trusts operations, the Sponsors plans and references to the Trusts future success and other similar matters are forward looking statements. These statements are only predictions. Actual events or results may differ materially. These statements are based upon certain assumptions and analyses the Sponsor made based on its perception of historical trends, current conditions and expected future developments, as well as other factors appropriate in the circumstances. Neither the Trust nor the Sponsor is under a duty to update any of the forward looking statements to confirm such statements to actual results or to reflect a change in the Sponsor’s expectations or predictions.

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