

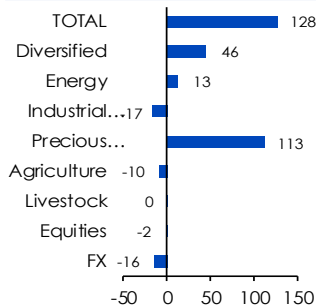
4 June 2018

ETF Securities Weekly Flows Analysis

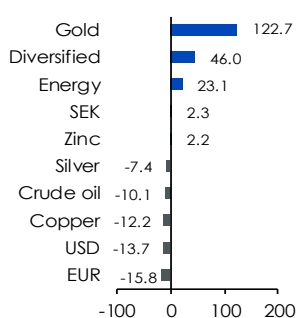
Gold's safe haven status reignited by fears of 'Quitaly' and trade tariffs

- **Gold ETPs took the lion's share of inflows as Italy's political chaos and trade tariffs took centre stage**
- **Diversified basket ETPs draw in US\$46mn of inflows as investors appear to rotate back into commodities**
- **Energy sector ETP flows bifurcate – energy baskets attract inflows while crude oil ETPs suffer outflows**

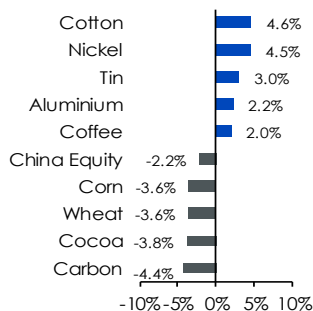
Weekly Flows by Sector (US\$m)



Top 5 Inflows/Outflows (US\$m)



Top 5 / Bottom 5 Performers



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

Gold ETPs took the lion's share of inflows, garnering inflows worth US\$122.7mn, marking its highest level in 33 weeks. A turbulent week in Italian politics coupled with the intensification of US trade tariffs supported a reversal in trend of the prior two weeks of outflows among gold ETPs. Fears of a new round of elections in Italy sparked by the rejection of the candidate for the economic and finance minister by President Sergio Mattarella widened the gap between yields on the ten year Italian and German government bonds to over 250 Basis Points (Bps), its highest level since October 2013. Gold prices followed fluctuations in the yield spread of the Italian versus German government bonds, that for a time climbed above 300Bps. However in a spectacular reversal of political fortunes towards the end of the week, Italy's Five Star Movement and League parties managed to form a government at the last minute, gaining the acceptance of the President. While the short term reaction has been a relief following the appointment of the new government, markets continue to trade on tender hooks as the new populist administration in Italy embarks on a course of confrontation with the EU. Meanwhile the uncertainty linked to trade tensions are back to the fore again overshadowing the positive economic data in the US. Payroll data released on Friday, showed nonfarm payrolls rose by 223k beating expectations and wage growth rose 2.8% to its highest level since 2009 providing signs of growing inflation risks. This paves the way for further rates hikes by the Federal Reserve which should keep gold prices in check as the next meeting takes place in two weeks' time. That being said, gold prices seem to be profiting more from the escalating spiral of tit-for-tat trade wars that were triggered after the US tariffs on steel and aluminium imports came into effect on Friday last week. **Silver ETPs faced US\$7.4mn of outflows on profit-taking, reversing the last week's surge of inflows.**

Diversified basket ETPs attract US\$46mn of inflows last week, attaining its highest level in 13 weeks. Broad commodity basket ETPs with a longer term horizon are garnering interest as investors appear to be rotating towards the asset class.

Energy sector ETP flows bifurcate. Energy basket ETPs garnered inflows worth US\$23.1mn surging to their highest level since December 2015. While crude oil ETPs suffered outflows worth US\$ 10.1mn, extending outflows for the eighth week in a row.

Copper ETPs saw US\$12.2mn worth of redemptions, reversing the prior two weeks of inflows, as investors appeared to take profit. Concerns of supply disruptions supported copper prices higher by 1% last week. Collective wage negotiations are currently underway at Escondida copper mine in Chile and the outcome is highly unpredictable since the union's demands are expected to be higher than last year. Last year saw the longest strike in Chilean mining history at this mine causing substantial production outages. In addition the Tamil- Nadu state government in India ordered closure of Vedanta's 400kt Sterlite copper smelter, owing to environmental concerns. While it is uncertain if the closure is likely to be permanent, the absence of the Sterlite smelter jeopardises 1.7% of global copper supply. Positive economic data from the US (ISM Manufacturing) and China (Purchasing Managers Index) have helped offset concerns from trade tensions.

ETF Securities Commodity ETP Flow Trends

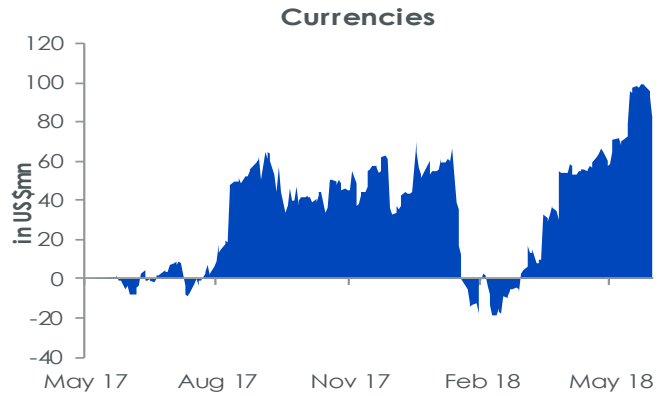
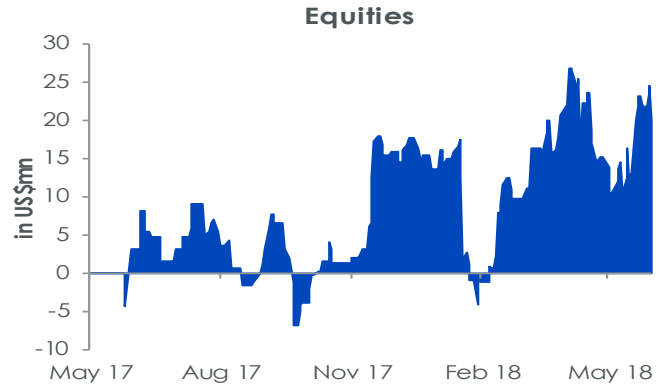
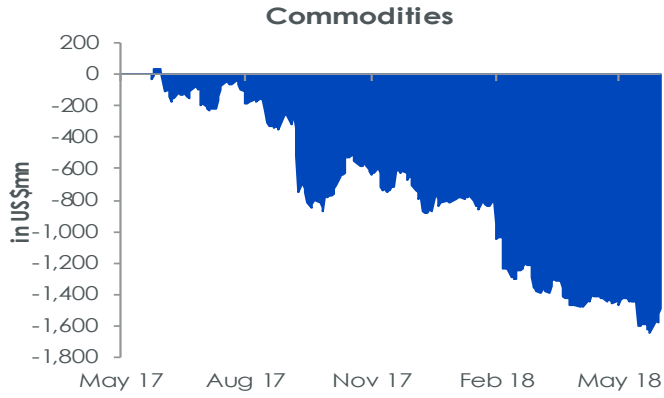
Note: All flow and AUM data in this report are based on ETF Securities ETP numbers to 1 June 2018 and are denominated in USD unless otherwise indicated. Investments may go up or down in value and you may lose some or all of the amount invested. Past performance does not guarantee future results.

	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	127.8	-28.5	-641.8	-1,276.3	17,266				
Diversified	46.0	25.8	0.7	-1.3	561				
Precious Metals	113.2	34.4	-372.2	-513.5	12,621				
Basket	-1.5	-13.0	14.1	-12.6	160	-0.7%	-1.3%	-2.6%	-2.6%
Gold	122.7	53.8	-386.8	-484.9	10,931	-0.7%	-1.2%	-0.3%	1.1%
Silver	-7.4	-6.7	63.7	45.2	1,109	-1.5%	0.0%	-2.8%	-4.9%
Platinum	0.7	5.0	-37.8	-25.0	325	-0.6%	0.2%	-2.8%	-3.6%
Palladium	-1.2	-4.8	-25.4	-36.2	97	1.3%	2.9%	-6.3%	17.8%
Energy	13.5	-76.7	-448.4	-1,003.2	1,360				
Basket	23.1	24.2	-4.1	21.7	100	-0.9%	1.7%	8.5%	27.5%
Crude oil	-10.1	-97.7	-430.6	-1,025.9	1,131	0.5%	3.2%	18.0%	57.0%
Natural Gas	-0.6	-2.5	-12.2	14.3	86	0.0%	8.1%	-2.4%	-17.5%
Heating Oil	0.2	0.3	0.3	0.2	6.5	-1.3%	1.4%	7.8%	46.7%
Gasoline	0.6	-1.8	-3.4	-15.7	30.7	-1.4%	1.4%	7.0%	33.9%
Carbon	0.2	0.8	1.5	2.3	5.8	-4.4%	14.6%	80.1%	199.6%
Industrial Metals	-17.3	-27.9	110.2	-13.9	1,181				
Basket	-0.7	-12.0	-51.8	-73.9	363	1.9%	1.6%	-0.1%	25.4%
Aluminium	0.5	-2.4	-18.3	-13.3	134	2.2%	-2.1%	2.9%	18.6%
Copper	-12.2	-5.8	4.9	-57.8	273	0.7%	0.5%	-7.1%	17.0%
Nickel	-6.3	-8.1	177.1	134.6	384	4.5%	10.0%	20.4%	69.9%
Zinc	2.2	1.8	0.6	0.3	24	1.6%	1.5%	-6.4%	23.4%
Tin	-0.2	-0.9	-1.4	-2.5	1.9	3.0%	-2.2%	4.3%	4.0%
Lead	-0.5	-0.4	-1.0	-1.3	1.7	0.2%	5.4%	-1.6%	14.8%
Agriculture	-9.9	-11.6	32.5	150.8	867				
Basket	-0.6	5.4	36.2	105.7	365	-1.6%	-0.6%	4.2%	-0.8%
Wheat	-1.6	-10.2	-20.6	-26.9	137	-3.6%	-0.5%	15.6%	0.8%
Corn	-0.4	0.6	14.9	8.2	69	-3.6%	-3.6%	7.2%	-8.3%
Soybeans	-0.3	0.6	8.3	11.7	26	-1.9%	-1.4%	4.2%	5.6%
Cotton	1.8	8.5	10.6	12.0	29	4.6%	7.4%	17.9%	25.4%
Coffee	-4.4	0.1	22.4	64.2	135	2.0%	0.2%	-5.8%	-11.6%
Sugar	-4.2	-13.0	25.6	37.2	65	0.5%	8.8%	-17.3%	-13.3%
Soybean Oil	0.4	0.4	0.6	-0.4	3.2	-0.5%	1.4%	-7.4%	-3.2%
Cocoa	-0.6	-4.1	-65.5	-60.8	38	-3.8%	-11.4%	26.3%	18.6%
Livestock	0.0	-0.4	0.8	-2.8	8				
Basket			0.2	-0.9	1.6	1.4%	1.6%	-8.3%	-16.6%
Lean Hogs	-0.1	-0.5	0.5	-1.5	4.8	1.6%	5.3%	-9.9%	-10.9%
Live Cattle	0.0	0.1	0.1	-0.4	1.7	1.3%	-0.1%	-7.6%	-19.2%
Equities	-1.8	9.4	6.3	16.9	134				
US					0	-0.5%	1.8%	2.0%	13.1%
Europe	-1.8	10.3	5.3	14.6	131	-0.8%	0.4%	-0.7%	-1.4%
Asia		-0.9	1.1	2.3	3	-2.2%	-1.7%	-8.6%	7.5%
Australia					0.0	-0.6%	-0.3%	0.7%	9.3%
FX	-15.8	18.5	28.3	90.8	532				
G10	-0.1	-0.2	-0.2	-4.2	2.1				
USD	-13.7	-5.1	-12.6	14.1	325	-0.1%	1.7%	2.2%	-2.7%
CAD		-0.1	0.5	0.0	3.9	0.0%	-0.6%	-3.3%	3.7%
EUR	-15.8	17.5	61.5	121.3	469	0.0%	-2.0%	-1.7%	2.7%
GBP	-1.0	-2.3	-19.7	-5.4	98	-0.2%	-0.2%	0.4%	1.4%
CHF		-0.3	0.9	4.1	15.6	0.7%	3.5%	1.2%	-4.8%
NOK		0.0	-5.7	1.7	13.7	-0.4%	0.1%	3.0%	1.2%
SEK	2.3	2.3	-2.8	2.1	10.7	-1.0%	1.4%	-5.6%	-4.8%
JPY	-3.0	24.9	37.3	68.3	115	0.5%	1.2%	4.8%	0.3%
CNY			-0.1	-0.8	2.3	-0.4%	0.2%	2.9%	5.6%
INR		-0.1	-0.1	-0.5	0.2	0.5%	0.2%	-3.6%	-5.7%
AUD	-0.5	0.1	-2.2	0.5	7.6	-0.1%	1.0%	-3.3%	0.3%
NZD			0.0	-0.6	1.4	1.2%	0.2%	-0.7%	-3.7%
Commodity FX			-0.2	-18.9	0.5				

(*) All data as at 01 Jun 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

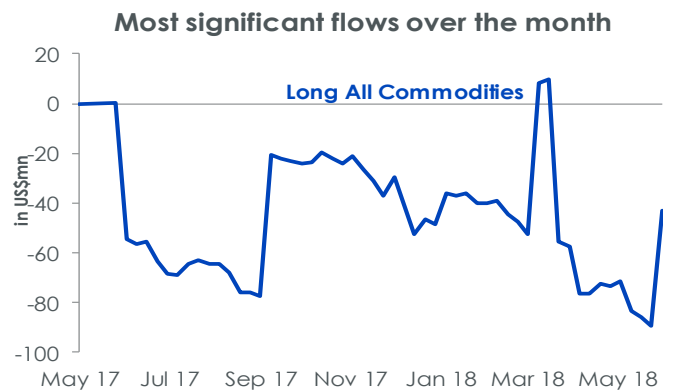
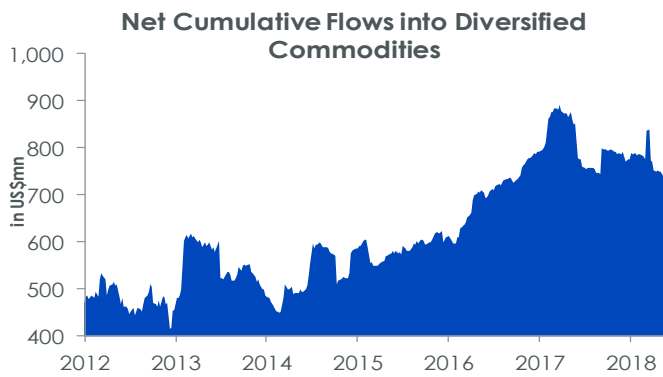
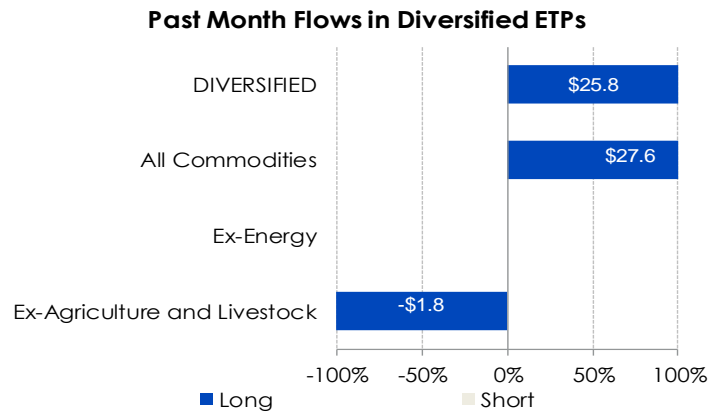
Source: ETF Securities, Bloomberg

Net Cumulative Flows by Asset Classes over the past year



All Commodity ETPs Flows Analysis

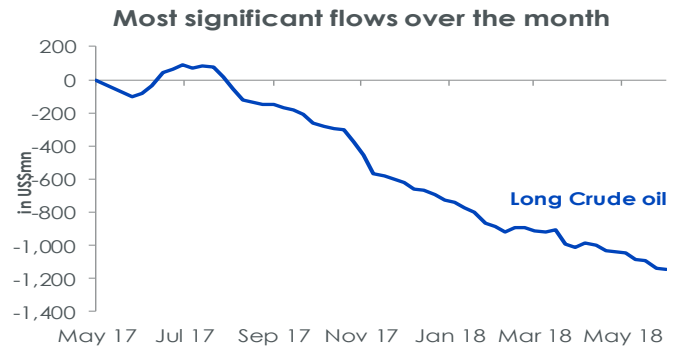
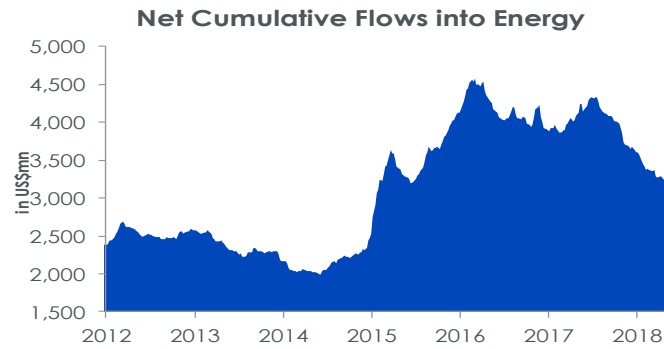
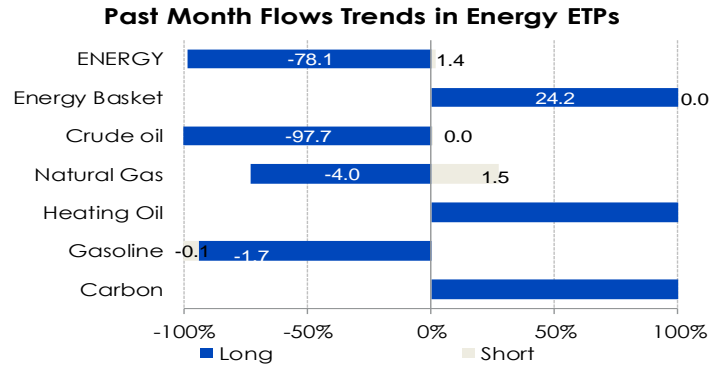
	FLOWS (in \$m)				AUM (in \$m)
	-1 Week	-1 Month	YTD	-1 Year	
Diversified	46.0	25.8	0.7	-1.3	561
All Commodity	46.2	27.6	5.4	11.3	470
Ex-Energy			-0.2	-0.5	1
Ex-Ags and Liv	-0.2	-1.8	-4.5	-12.1	90



Source: FIF Securities

Energy ETPs Flows Analysis

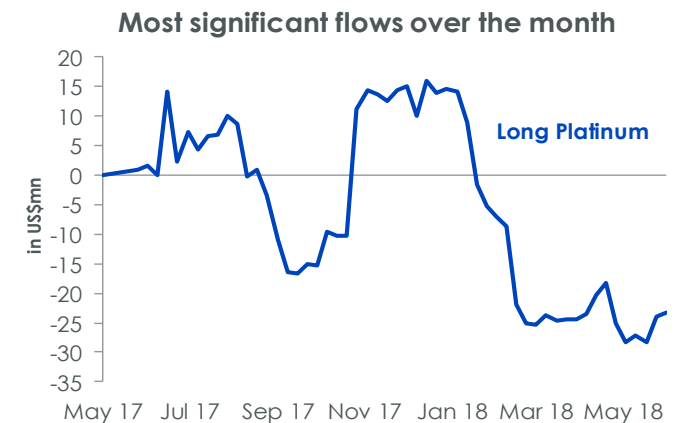
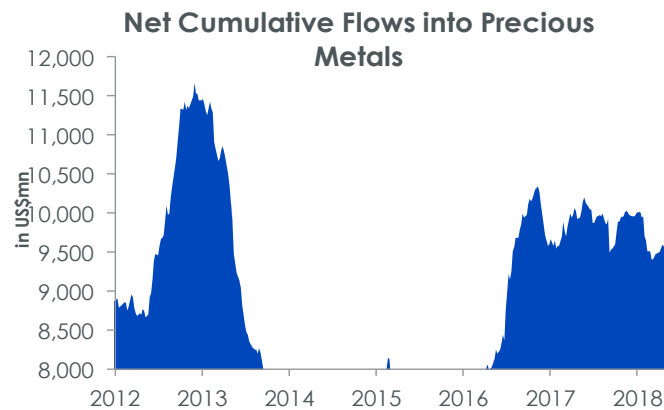
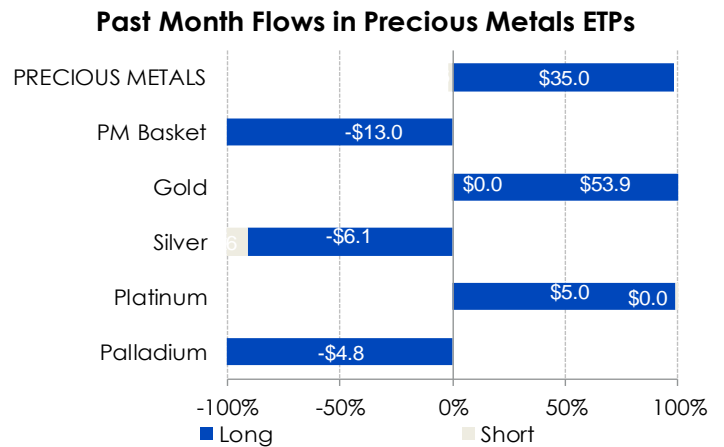
	FLOWS (in \$m)				AUM (in \$m)
	-1 Week	-1 Month	YTD	-1 Year	
Energy	13.5	-76.7	-448.4	-1,003.2	1,360
Energy Basket	23.1	24.2	-4.1	21.7	100
Crude oil	-10.1	-97.7	-430.6	-1,025.9	1,131
Natural Gas	-0.6	-2.5	-12.2	14.3	86
Heating Oil	0.2	0.3	0.3	0.2	6
Gasoline	0.6	-1.8	-3.4	-15.7	31
Carbon	0.2	0.8	1.5	2.3	6



Source: ETF Securities

Precious Metals ETPs Flows Analysis

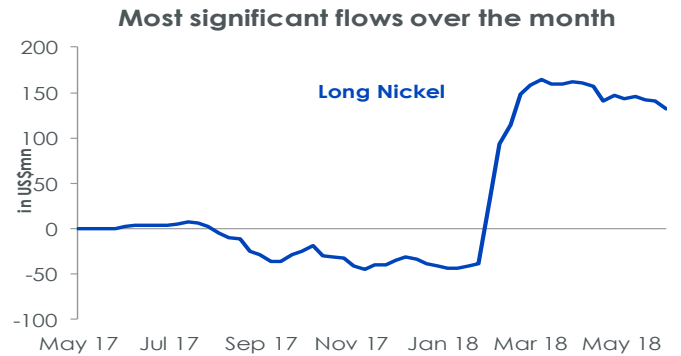
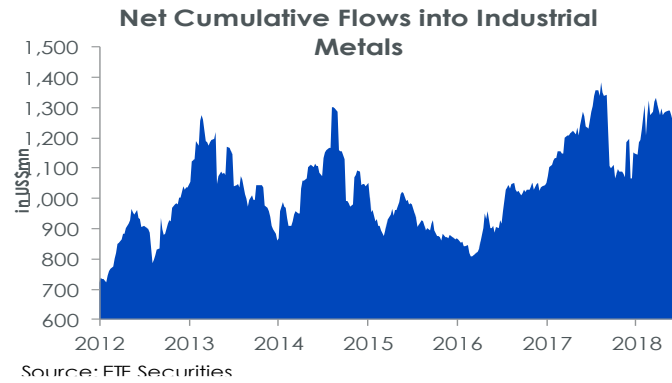
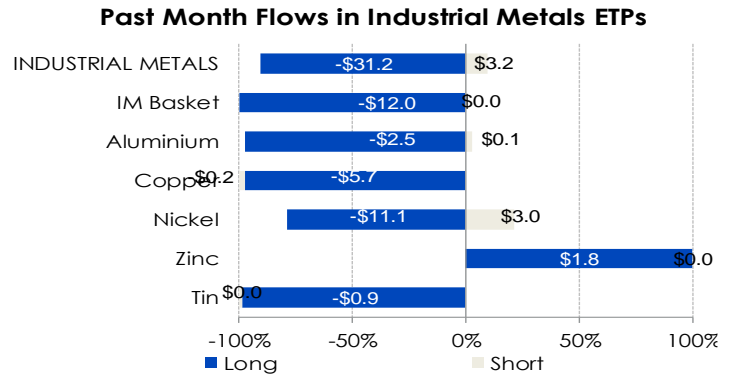
	FLOWS (in \$m)				AUM (in \$m)
	-1 Week	-1 Month	YTD	-1 Year	
Precious Metals	113.2	34.4	-372.2	-513.5	12,621
PM Basket	-1.5	-13.0	14.1	-12.6	160
Gold	122.7	53.8	-386.8	-484.9	10,931
Silver	-7.4	-6.7	63.7	45.2	1,109
Platinum	0.7	5.0	-37.8	-25.0	325
Palladium	-1.2	-4.8	-25.4	-36.2	97



Source: ETF Securities

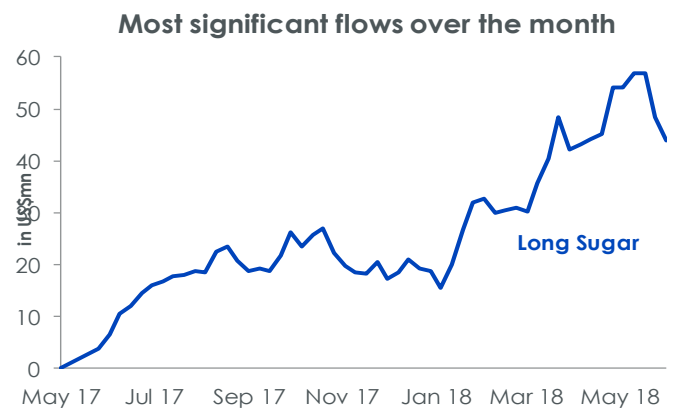
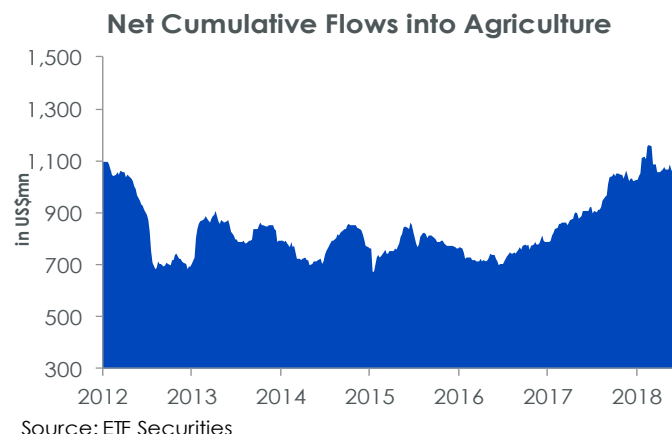
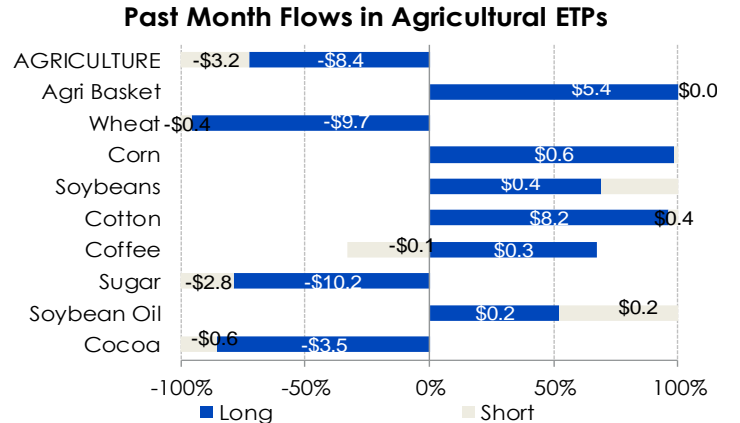
Industrial Metals ETPs Flows Analysis

	FLOWS (in \$m)				AUM (in \$m)
	-1 Week	-1 Month	YTD	-1 Year	
Industrial Metals	-17.3	-27.9	110.2	-13.9	1,181
IM Basket	-0.7	-12.0	-51.8	-73.9	363
Aluminium	0.5	-2.4	-18.3	-13.3	134
Copper	-12.2	-5.8	4.9	-57.8	273
Nickel	-6.3	-8.1	177.1	134.6	384
Zinc	2.2	1.8	0.6	0.3	24
Tin	-0.2	-0.9	-1.4	-2.5	2
Lead	-0.5	-0.4	-1.0	-1.3	2



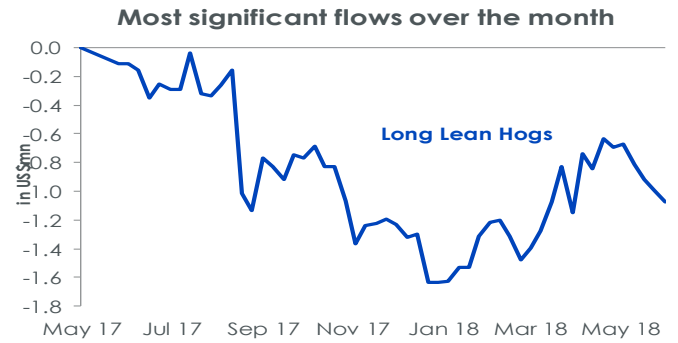
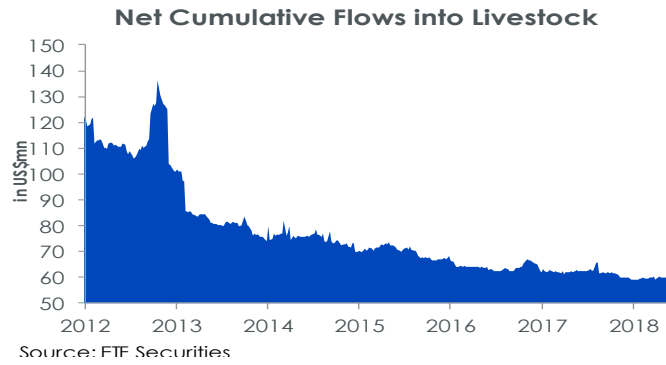
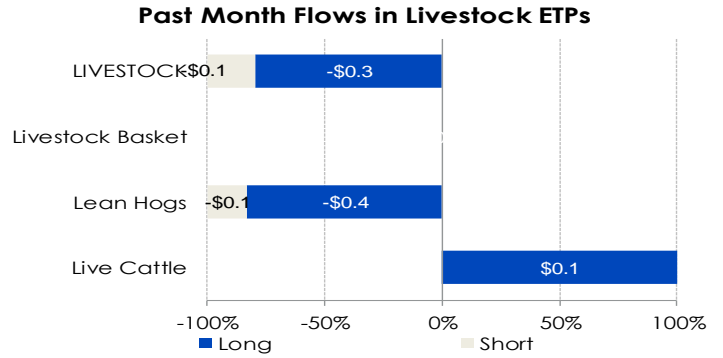
Agriculture ETPs Flows Analysis

	FLOWS (in \$m)				AUM (in \$m)
	-1 Week	-1 Month	YTD	-1 Year	
Agriculture	-9.9	-11.6	32.5	150.8	867
Agri Basket	-0.6	5.4	36.2	105.7	365
Wheat	-1.6	-10.2	-20.6	-26.9	137
Corn	-0.4	0.6	14.9	8.2	69
Soybeans	-0.3	0.6	8.3	11.7	26
Cotton	1.8	8.5	10.6	12.0	29
Coffee	-4.4	0.1	22.4	64.2	135
Sugar	-4.2	-13.0	25.6	37.2	65
Soybean Oil	0.4	0.4	0.6	-0.4	3
Cocoa	-0.6	-4.1	-65.5	-60.8	38



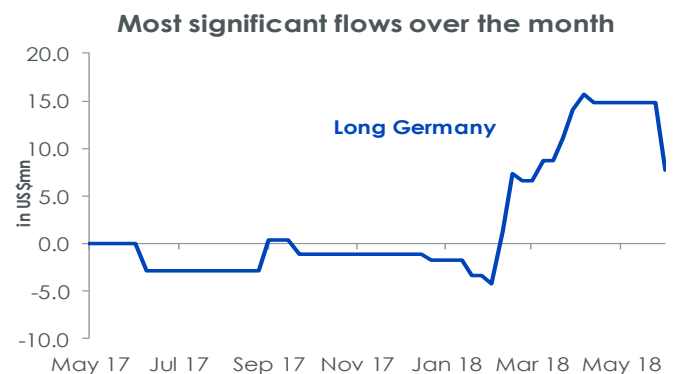
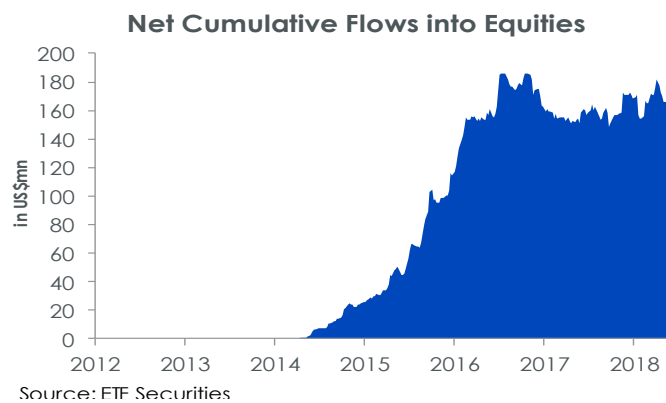
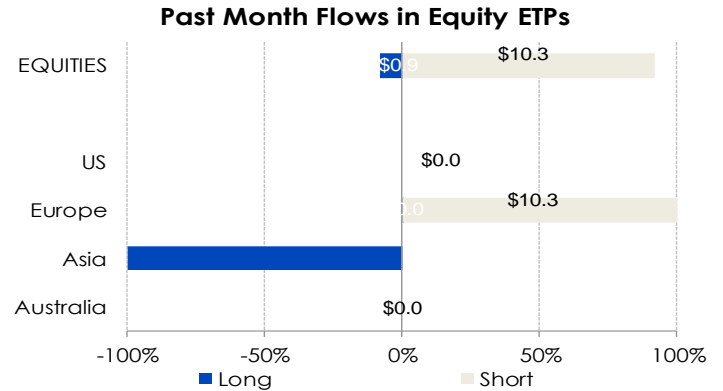
Livestock ETPs Flows Analysis

	FLOWS (in \$m)				AUM (in \$m)
	-1 Week	-1 Month	YTD	-1 Year	
Livestock	0.0	-0.4	0.8	-2.8	8
Livestock Basket			0.2	-0.9	2
Lean Hogs	-0.1	-0.5	0.5	-1.5	5
Live Cattle	0.0	0.1	0.1	-0.4	2



Equity ETPs Flows Analysis

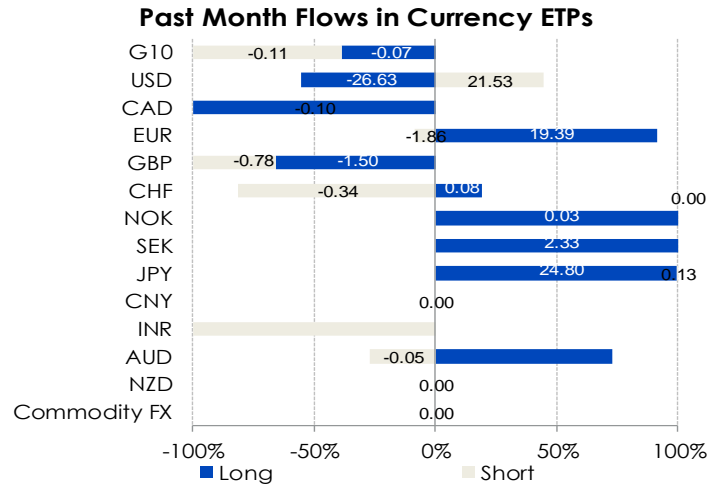
Region	FLOWS (in \$m)				AUM (in \$m)
	-1 Week	-1 Month	YTD	-1 Year	
Region	-1.8	9.4	6.3	16.9	134
US					
Europe	-1.8	10.3	5.3	14.6	131
Asia		-0.9	1.1	2.3	3
Australia					



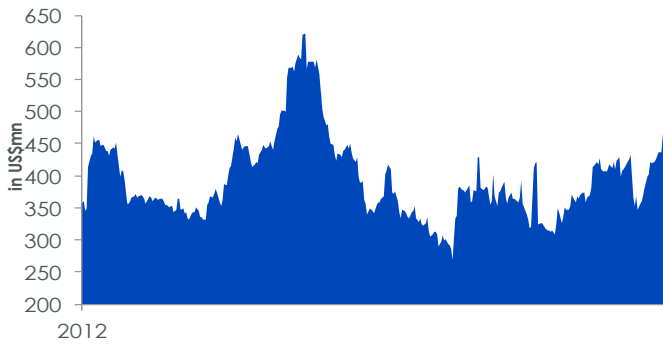
Currency ETPs Flows Analysis

FX	FLOWS (in \$m)				AUM (in \$m)
	-1 Week	-1 Month	YTD	-1 Year	
	-15.8	18.5	28.3	90.8	532
G10	-0.1	-0.2	-0.2	-4.2	2
USD	-13.7	-5.1	-12.6	14.1	325
CAD		-0.1	0.5	0.0	4
EUR	-15.8	17.5	61.5	121.3	469
GBP	-1.0	-2.3	-19.7	-5.4	98
CHF		-0.3	0.9	4.1	16
NOK		0.0	-5.7	1.7	14
SEK	2.3	2.3	-2.8	2.1	11
JPY	-3.0	24.9	37.3	68.3	115
CNY			-0.1	-0.8	2
INR		-0.1	-0.1	-0.5	0
AUD	-0.5	0.1	-2.2	0.5	8
NZD			0.0	-0.6	1
Commodity FX			-0.2	-18.9	1

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



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