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Creating an alternative market view

By Marsha Zapson

At a time when major market indices are down (the S&P 500 by 22.1% in 2002 and 3.2% in the first quarter of this year), investors who want to remain in the market are seeking alternative market views in which to invest. Enter S&P EWI, a recently launched equal-weight version of the stalwart S&P 500 index.

In a collaborative effort, Rydex Global Advisors and Standard & Poor's created S&P EWI, and launched the index in January of this year. It was followed by an exchange-traded fund tracking it, Rydex S&P Equal Weight ETF (RSP), which began trading on the American Stock Exchange on April 30.



QQQ picks up stream in 1Q

By Philip Scipio

In a reversal of fortune that may indicate a redistribution of assets toward the technology sector, the Nasdaq-100 Index Tracking Stock, QQQ, grew by \$1.5 billion, or 9%, during the first quarter, while the S&P 500 SPDR lost close to \$560 million, or 1%.

In addition to the technology-laden QQQ, Merrill Lynch's Biotech HOLDRS was among the big winners during the quarter, drawing in \$230 million to push its assets to \$1.4 billion. Several other HOLDR products also added significant capital in the quarter. The DJIA Diamonds, with its large cap industrials, added \$483 million to end the quarter with \$5.2 billion. Barclays' fixed income products had mixed results, with two funds adding and two funds losing assets. The iShares GS I InvesTop Corporate, which reached \$1 billion in its first week of trading in July 2002, added \$200 million in the first quarter, pushing assets past the \$2 billion mark.

The Nasdaq iShares Biotech fund added \$55 million, or 11%, to end the quarter with \$542 million. The iShares Goldman Sachs Semiconductors fund added \$49 million and iShares Goldman Sachs Software fund added \$43 million, increases of 202% and 309%, respectively.

The Select Sector SPDR series performed well during the quarter. The Select Sector SPDR-Industrial Fund added \$112 million, or 47%, to end the quarter with \$347 million. The Select Sector SPDR Financial and Energy funds added \$83 million each, or 18% and 29%, respectively.

The iShares Russell 1000 grew by \$243 million, or 35%, to end the quarter with \$935 million, while iShares Russell 1000 Growth took on an additional \$188 million, or 25%, to end the quarter with \$931 million.



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A trader's delight

By Elise Coroneos

SELECT SECTOR SPDR TECHNOLOGY

Ticker	XLK		
Launch date	December 22, 1998		
<i>(Data as of April 22, 2003)</i>			
Net assets	\$957,495,150		
Shares outstanding (000)	63,201		
Avg daily trading volume	1,076,379		
Expense ratio	0.28%		
	High	52-week	Low
Price	20.04		11.58
NAV	20.55		11.57
Sector focus	Technology		
Portfolio structure	Full replication		
No of stocks in fund	88		
Options available	Yes		
Minimum trade-size	1 share		
Distribution frequency	Quarterly		
	3 month	YTD	1-yr
Benchmark index (3/31/2003)	(3.2%)	(3.2%)	(33.7%)
Income	\$0.00	\$0.00	\$0.00
	2000	2001	2002
Capital gains	N/A	N/A	N/A
Custodian	State Street Bank and Trust Co		
Index provider	Standard & Poor's		
Distributor	ALPS Distributors Inc		

Top 10 holdings as of March 31, 2003

Stocks	(%)
Microsoft Corp	17.9
Int'l Business Machines Corp	9.2
Intel Corp	7.5
Verizon Communications	6.7
Cisco Systems Inc	6.4
Dell Computer Corp	4.9
Oracle Corp	4.0
SBC Communications Inc	3.5
Hewlett-Packard Co	3.3
BellSouth Corp	2.8
Total	66.2%

Top subsectors as of March 31, 2003

Technology Hardware & Equipment	51.55%
Software & Services	29.41%
Telecommunication Services	19.04%
Total	100%

Although a popular vote might once have put the NASDAQ-100 Index Tracking Stock (QQQ) in first place in the ETF technology stakes, the broad range of industries in which its constituents now partake no longer allows it to be seriously considered a pure technology fund.

QQQ's evolution has left room for other US-based technology ETFs to jostle for assets and volume in this most hotly contested of sectors. The Select Sector SPDR Technology Fund (XLK), launched in December 1998, has steadily and convincingly established itself as the preeminent US-based ETF in its sector.

Its superiority in trading circles stands out when one considers that while XLK's assets are not even double those of its nearest rival in its sector, the SPDR outrades this rival by a ratio of about 6:1.

For the week ended April 11, 2003, the technology SPDR, which has around \$280 million in assets, was the sixth most traded ETF on the American Stock Exchange, with an average daily volume of 584,460 shares. This compared with a volume of 94,080 shares for the iShares Dow Jones US Technology Sector Index Fund (IYW), which has \$179 million in assets, and 53,400 shares for the Goldman Sachs Technology Index Fund (IGM) with \$50 million in assets.

Smaller index and expense ratio

Gus Fleites, a principal at State Street Global Advisors, attributes the dominance of the Select Sector SPDR Technology to two factors: the ETF's clean definition of technology exposure as defined by the S&P index, and its expense ratio, which is lower than that of any other ETF in its sector. "The fact that it has each tech component of the S&P 500 makes it attractive to investors because it uses a nice broad-based definition of the sector with very large and liquid names," says Fleites.

Unlike Standard & Poor's, which customarily splits the S&P 500 into 10 sectors, the Select Sector SPDRs split the index into nine. The Technology SPDR combines the stocks of both the information technology and telecommunications services sectors, which currently have 76 and 12 stocks, respectively. These stocks make up 18.6% of the S&P 500 index.

The Select Sector SPDR that makes up the largest piece of the S&P 500 pie is financials (XLF) with 20.9%. Second place goes to the technology SPDR, followed by health care (XLV) with 14.8% of the index, consumer discretionary (XLY) with 14.2%, industrials (XLI) with 11.5%, consumer staples (XLP) with 8.8%, energy (XLE) with 5.8%, utilities (XLU) with 2.8% and materials (XLB) with 2.7%.

The number of stocks in the technology SPDR, at 88, is significantly more defined than the Dow Jones and Goldman Sachs technology iShares, which have 253 and 228 stocks, respectively. Although the larger constituent base may be an advantage for competing ETFs in terms of added diversification, it can have a negative effect on the overall liquidity of the funds—an area in which the SPDR excels.

"The iShares technology ETFs include smaller cap names, which in some instances can be seen as an advantage if you are looking for broader diversification," says Paul Mazzilli,

director of ETF research at Morgan Stanley. "But this means that they do include smaller cap names, which are inherently harder to trade."

The greater level of liquidity in the SPDR product also has advantages in that it promotes greater ease in the creation process and a tighter bid/ask spread. As an example, on one day in the week ended April 25, 2003, the SPDR's bid/ask spread was 3 cents, compared with the iShares' 24 cents and the Goldman ETF's 18 cents. "Because SPDRs are very broadly accepted," says Mazzilli, "aggressive traders like trading them for their greater liquidity, better execution and better spreads."

Like all of the Select Sector SPDRs, the technology-based product has a low expense ratio compared with its peers. At 0.28%, the SPDR is considerably cheaper than the Dow Jones-based iShare, which has an expense ratio of 0.6%, and the Goldman-based iShare, which sports an expense ratio of 0.5%.

When asked why SSGA's expense ratios were comparatively lower, Fleites replied: "It is in line with everything else we have in the marketplace, so you might to ask the others why theirs is so expensive."

The strategies

The superiority of the SPDR technology ETF also lies in the fact that it is a ready-made fit for the systems infrastructure found in most trading firms. "A lot of automated program trading is tied to the S&P 500 names," says Mazzilli. "So the collection of Select Sector SPDRs allows you to do different arbitrage and automated strategies with the various parts."

These strategies include custom tailoring asset allocations to the technology sector or to hedge certain holdings in a portfolio. Although the technology SPDR may bear a higher level of risk than broader technology funds because of its more limited diversity, it may also offer opportunities for returns greater than an investment in the entire S&P 500 index. "You might have hedge funds that are doing spread trades looking at technology versus financials, so they might want to go long one and short the other," says Fleites.

Hedge funds can use the technology SPDR to hedge the

risk associated with having a lot of exposure to a particular company or a broader segment of technology stocks, such as restricted stock or stock options, that has a high correlation to the underlying index.

Another strategy may involve small cap versus large cap technology stocks. "Someone who particularly likes large cap stocks over small cap stocks in the technology sector can go long the technology Select Sector SPDR and short the Dow Jones-based iShare, which is a broader-based fund," says Fleites. "By shorting the Dow Jones fund, they are netting out the small cap end of the spectrum."

Index composition

The technology SPDR is not optimized, but fully replicated to reflect the composition of the sectors it represents in the S&P index. Within the larger S&P 500 index, each company is assigned to a subindustry, and therefore an industry, industry group and sector, according to the definition of its principal business activity. Companies' classifications are based primarily on revenues; however, earnings and market perception are also considered important criteria for analysis. The primary sources of information used to classify a company are annual reports and financial statements.

Activities of constituent companies in the technology SPDR include technology software and services for the Internet, applications, systems and/or database management; technology hardware, including manufacturers and distributors of communications equipment, computers, electronic and semiconductor equipment; and companies that provide communications services through a fixed line, cellular, wireless, high-bandwidth and/or fiber-optic cable network.

The underlying indices that make up the technology SPDR are calculated using a base-weight aggregate methodology. This means the level of the index reflects the total market value of all component stocks relative to a particular base period. Each of the component stocks is represented in a proportion consistent with its percentage of the total market cap in its particular index. ↕

Daily average trading volume FIRST QUARTER 2003

Source: amextrader.com and State Street Global Advisors

Vanguard switches indices

By Marsha Zapson

The Vanguard Group has begun switching to MSCI indices from those of Standard & Poor's and Russell, making it one of the first ETF providers to switch indices. (BGI in Europe dumped Bloomberg indices in favor of FTSE late last year.) The process, which began on April 20, is slated to conclude on September 30, but "will not impact any of our existing ETFs," says Gus Sauter, Vanguard's chief investment officer.

Sauter doesn't see the index substitution affecting Vanguard investors. "Funds tracking the S&P 500 will continue tracking the S&P 500," he says. "That index does have brand recognition, and we have investors who specifically request an S&P 500 fund." However, Sauter argues, investors—especially retail investors—who seek exposure other than to the S&P 500 request a fund by sector or style rather than by index name. "We don't think investors are driven by index brand recognition, and I don't recall anyone specifically asking for a fund tracking a specific index in other market segments," he says.

And yes, Vanguard is planning to launch additional VIPERs (Vanguard Index Participation Equity Receipts) on MSCI indices. Industry sources say there may be as many as 20 ETFs in the mutual fund giant's pipeline. "We currently have filings with the SEC for our European, Pacific and Emerging Markets Stock Index portfolios," says Sauter. "We're looking to offer a full lineup, hopefully as soon as this fall, but that depends on the SEC."

According to one source, Vanguard has dumped S&P in part because of its recent lawsuit with that index provider, but also because of an increasing industrywide reliance on exclusive licensing agreements between index provider and sponsor. In order to salvage its business, says the source, Vanguard had to find an available index family. Also, Vanguard figured that, regardless of the index it slapped on its funds, they would sell because they carry the Vanguard name.

The change in benchmark affects seven Vanguard mutual funds—Growth, Small-Cap, Mid-Cap, Value, Small-Cap Value, Small-Cap Growth and Variable Insurance Mid-Cap—bringing the total number of its funds tracking 11 MSCI indices to 13. Vanguard still has five funds tracking two S&P indices.

Last August, Vanguard filed a preliminary proxy statement with the SEC, seeking shareholder approval on, among other issues, changing target indices. This was a coda to a legal battle in which Vanguard and S&P had been engaged for about a year over Vanguard's right to launch a VIPERs tracking the S&P 500. The dispute was finally settled in court in May 2001, with Vanguard losing the suit and rumored at the time to be seeking a new index partner.

Vanguard launched its first Vipers (VTI) in May 2001, and its second one (VFX) in January 2002. For the week ended April 11, VTI had some \$1.5 billion in assets, ranking ninth on the Amex in terms of assets, and VXF had some \$34.5 million, ranking number 80. ♦

FITRs liquidate after losing battle

By Philip Scipio

Everyone knew the odds were stacked against ETF Advisors' series of fixed income ETFs (see *ETFR*, April 2003, page 2), but hardly anyone predicted a rapid demise. A little more than six months after their launch in October 2002, however, ETF Advisors announced that it will liquidate its four Treasury Fixed Income Trust Receipts, or FITRs, citing a lack of assets.

The funds will stop trading on the American Stock Exchange on May 21, and begin a four-day liquidation process from May 22 to May 27. The firm will calculate the final NAV of the funds' shares, capital gains and dividends on May 27. Shareholders remaining after May 21 will receive the NAV of their shares as of May 27, and any capital gains and dividends into the cash portion of their brokerage account on May 30.

The decision to close the funds came after 11th hour negotiations to sell them to ETF powerhouse State Street fell through, says ETF Advisors managing director Gary Gastineau. State Street, which manages the SPDR product line, has been moving toward offering a full complement of ETF products, but has yet to announce plans for a fixed income product. Sources familiar with the negotiations say that State Street was unable to line up enough capital commitments for the FITRs and walked away.

State Street representatives did not return calls for comment.

The FITRs, pronounced "fighters," had some 1,500 accounts and approximately \$80 million under management

when the decision was made to liquidate them. "We have not been able to make a big enough impact on enough people to make it work," says Gastineau. "We thought it would be possible to place the funds elsewhere, even if it meant that we were not a part of the deal." But that didn't happen.

The stunning speed of the product line's failure illustrates the difficulty faced by any firm looking to enter the ETF marketplace without serious financial backing. The FITRs were conceived as part of Nuveen Investments, and would have benefited significantly from the marketing machine in place there. But Nuveen had a change of heart after deciding that the profit margin on the funds was too thin. With Nuveen's blessing, but without its financial backing, the funds were later launched out of a new corporate entity called ETF Advisors.

The funds, the Treasury 1 FITR, Treasury 2 ETF, Treasury 5 FITR and Treasury 10 FITR, were designed to track the returns of the Ryan OTR Treasury Indexes.

From the outset, they faced enormous obstacles in addition to lack of marketing muscle. The biggest impediment was Barclay Global Investor's four fixed income ETFs, which beat the FITRs to the marketplace. The FITRs were also handicapped by the Ryan indices' lack of name recognition. Barclay's funds, by contrast, were based on the well-known Lehman and Goldman bond indices. During their short life span, the FITRs performed well and boasted tighter spreads than their larger rivals, but that proved irrelevant. ♦

◀¹ QQQ picks up steam in 1Q

Fixed income takes a dive

All four of ETF Advisors' fixed income funds added money during the first quarter, but not enough to keep them afloat. The Treasury FITRs, or fighters, succumbed to a TKO in what amounted to the first round (*see related story page 4*). The Treasury 10 fund added \$13 million, or 121%, to end the quarter with \$21 million, while the Treasury 5 Fund added more than \$8 million, or 100%, to end the quarter with \$17 million.

Merrill's Oil Services HOLDRS, buoyed by geopolitical events, added more than \$77 million, to end the quarter with \$411 million. The HOLDRS product line grew by more than \$420 million during the quarter. This included \$64 million in the Semiconductor HOLDRS, which pushed assets in the fund to \$750 million, and \$57 million in the Regional Bank HOLDRS, which pushed its assets to \$179 million. The Retail HOLDRS added \$41 million, to end the quarter with \$260 million, while the Utilities and Internet HOLDRS added \$36 million and \$28 million, respectively.

The S&P 400 MidCap SPDR was the biggest loser during the quarter, offloading more than \$850 million in assets to end the quarter with \$4.2 billion. Barclays' iShares S&P 500 also wound up in the loss column after giving up \$309 million to end the quarter with \$4.8 billion.

The iShares Lehman 20+ Year Treasury Bond Fund suffered the quarter's most dramatic losses. The fund ended with \$167 million, off \$337 million, or 67%, from the end of the fourth quarter. The fund recoiled as the effect of the Treasury's decision to kill the 30-year Note was fully appreciated by the markets and questions arose about the future of the 20-Year Note. The iShares Lehman 7-10 Year Treasury Bond Fund also had trouble holding onto assets during the quarter, as it lost \$164 million, or 28%, to end the period with \$430 million.

Like the S&P 500 SPDR, iShares S&P 500 fund ended in the loss column at the end of the first quarter. The fund gave up \$309 million, or 6%, to end the period with about \$4.8 billion in assets. In fact, just about the entire iShares S&P lineup had difficulty in the quarter. The iShares S&P SmallCap 600 lost \$308 million, or 23%, to end the quarter with about \$1 billion, while iShares S&P SmallCap/BARRA Value and Growth funds gave up \$217 million, or 38%, and \$193 million, or 31%, respectively. The iShares S&P MidCap 400 BARRA Value and Growth funds lost \$50 million, or 8%, and \$39 million, or 11%, respectively.

The iShares S&P MidCap 400 lost \$48 million, or 4%, to end the quarter with \$1.2 billion.

Global pullback

Many US-based ETFs that focus on global markets left investors cold in the first quarter. The iShares MSCI-EAFE fund, one of the biggest, lost \$322 million, or 15%, to end the quarter with about \$1.9 billion. North Korea's nuclear ambitions may have stopped the forward momentum of

2002 Asset growth

(TRAILING FOUR QUARTERS)

iShares MSCI-South Korea fund as capitals in North Asia, along with Washington and Moscow, tried to read and respond to signals out of Pyongyang. The fund lost \$17 million, or 15%, to end the quarter with about \$100 million.

The iShares MSCI-EMU fund lost \$11 million, or 8%, to end the quarter with \$131 million, iShares MSCI-Mexico lost about \$9 million, or 18%, while iShares MSCI-Hong Kong gave up \$6 million, or 5%. The iShares MSCI-France didn't play well to an American audience during the quarter. The fund lost more than \$4 million, or 9%, to end the period with \$43 million.

The iShares MSCI-Switzerland, Singapore and Malaysia funds all gave up assets during the quarter, with losses ranging from 3% to 9%. And iShares MSCI-Austria fund lost \$2 million, or 12%, to end the quarter with \$15 million. Outside the MSCI series, Barclays' iShares S&P/TOPIX 150 lost 6% of its value during the quarter, while Merrill's Europe 2001 HOLDRS lost 8% of its value.

The iShares S&P Latin America 40 fund lost 1% during the period. However, iShares MSCI-Brazil fund added 5% to end the quarter with about \$56 million. Other international funds also were able to add to their bottom lines. The iShares MSCI-Canada had a strong quarter, adding \$126 million, or 36%, and pushing assets to \$474 million.

The iShares MSCI-UK added \$52 million, or 44%, to end the quarter with \$171 million, while iShares MSCI-Japan added \$48 million, or 9%, ending with \$590 million. The iShares MSCI-Spain, Belgium, Sweden and Germany all added assets as well. The Spain fund picked up \$35 million, or 187%, and the Belgium fund added \$18 million, or 157%. ↗

◀1 Creating an alternative market view

Small-cap bets

Rydex offers 34 mutual funds, most of which are index based; they include a number of leveraged, inverse and sector funds. Chuck Tennes, director of portfolio at Rydex, says that the firm noticed its customers tended either to invest in a leveraged fund or remain in cash.

A core neutral equity product, such as RSP, allows investors to equitize that cash. "In a trendless market, which is what we have now, an equal-weighted S&P is perfect," says Tennes. "Investors don't want to be out of the market, but they don't want to be taking huge bets either."

In addition to arbitrage opportunities, S&P EWI can be used in size and sector spread bets. A cap-weighted index, such as the S&P 500 reflects the market, thereby giving a few stocks a greater percent weight. An equal-weighted index of the same 500 stocks gives the weighting scheme of a large-cap index a minor small-stock bias.

Going short the venerable Spider (SPY) and long RSP, for example, would result in a size spread bet that would in effect take short positions on a few large stocks and long positions on many small stocks. "If investors believe that larger stocks will underperform smaller stocks, then, by investing in S&P EWI, they can have long/short positions in which they're long some 400 smaller stocks and short between 80 and 100 larger stocks, relative to the market," says Srikant Dash, index officer at S&P.

Similarly, a sector spread strategy involves taking sector bets proportional to the difference in sector weights in both indices. This is possible because as the weight distribution of individual stocks varies in the S&P 500 and S&P EWI, so too do sector weightings.

According to Dash, investors and asset allocators interested in size risk have always sought an equal-weighted S&P, and so have designed their own unofficial, equal-weighted versions. "There were many fiduciaries and plan sponsors, who, in addition to having their active managers benchmarked against the S&P 500, also wanted them benchmarked against an equal-weighted neutral index. By launching EWI, S&P offers a version that is methodologically consistent with the S&P 500."

S&P, which did extensive back testing, found that S&P EWI had an annualized return of -5.0% over the last three years, while the S&P 500 was down 16.1%. Over the last seven years, S&P EWI had an annualized return of 6.5%, while the S&P 500 was up 5.6%. And over the last 12 years, from January 1990 to December 2002, EWI had an annualized return of 10.5%, while the S&P 500 was up 9.7%.

S&P 500 vs S&P EWI JANUARY 1990 – JANUARY 2003

*This chart represents a hypothetical \$10,000 investment in the two indices
Sources: Rydex, S&P*

"But return is only one part of the investment story," says Dash. "The other part is risk. Over that three-year horizon, for example, S&P EWI's standard deviation was 19.3%, and the S&P 500's was 17.6%. Those returns come with slightly higher volatility."

And S&P EWI also comes with higher transaction costs. "The S&P 500 has an average turnover of 5%, whereas S&P EWI has a 29% turnover," says Dash. "S&P EWI's higher turnover is due to its quarterly rebalancing, a process which adds investability while providing other benefits, such as coinciding with derivative contract cycles."

It's not surprising, then, that S&P EWI's outperformance comes with higher volatility and

higher transaction costs. RSP is priced at 40 bps. In comparison, the average expense ratio of all ETFs is 47 bps, according to Morgan Stanley Research in London, while that of major market ETFs is 18 bps, the Spider 12 bps and the iShares S&P 500 9 bps.

Negotiating the SEC

Interestingly, Rydex initially filed its exemptive application with the SEC in 2001 to create ETFs that would include leverage, says John McGuire, a lawyer with Morgan, Lewis & Bockius who worked on RSP and has filed many other ETF applications, notably BGI's. But it soon became evident that the SEC would not move quickly on the leveraged product, he says.

"I advised Rydex that if they wanted to remain with the leveraged format, they could be waiting years before seeing resolution. There were other leveraged products filed about the same time, and they have not seen the light of day yet."

As a result, McGuire and Rydex amended the initial application in April 2002 to launch a more traditional ETF. "Even so, it was a relatively long process," he says. The SEC approval took a year, which is longer than average for a plain vanilla ETF. But to be fair to the regulator, McGuire notes there were other changes made along the way to RSP besides moving from leveraged to unleveraged.

"Rydex spent time selecting the index and deciding how many funds to launch initially," he says. "Also, S&P EWI lacks a lengthy track record. I think that may have required a little more SEC examination than an ETF tracking an index with a 20-year history."

Will Rydex eventually launch those leveraged ETFs? Tennes says he can't discuss product that may be in the pipeline; however, no additional funds are currently in registration. "I imagine Rydex will offer other ETFs, and they'll all be fairly innovative in one way or another," he says. ♦

PowerShares launches two dynamic ETFs

In a step that moves the industry closer to actively managed ETFs, Wheaton, Illinois-based **PowerShares Capital Management LLC** launched two dynamic ETFs on the Amex May 1. "The important distinction to keep in mind is that these ETFs passively replicate an index," says **Bruce Bond**, PowerShares' president. "But that index is fairly active."

The new ETFs track the **Dynamic Market Intellidex** and **Dynamic OTC Intellidex** indices, indices created by **Amex** in conjunction with PowerShares. The resulting ETFs, **Dynamic Market Portfolio** and **Dynamic OTC Portfolio** ETFs, trade under XTF.M and XTF.Q, respectively.

Each index is modified and equal-dollar weighted, and consists of 100 large, midsize, and small companies. Sector weightings resemble the US market. XTF.M comprises primarily S&P 500 companies, while XTF.Q is made up of Nasdaq-listed companies. "We think these ETFs are a strong alternatives to SPY and QQQ," says **John Southard**, head of research at PowerShares. "They will track those ETFs closely, but by adding a valuation component, we hope to outperform them."

"These indices are extremely different from indices in the market now," says Bond. "They seek performance rather than representation of a group of securities." The firm's modeling evaluates stocks in several ways—including valuation, fundamental, timeliness, risk—to assure that stocks selected have growth potential.

PowerShares seems to be skirting a fine line between plain vanilla ETFs and actively managed ones. Says Bond: "We'll be rebalancing quarterly and expect the underlying index to have a turnover of about 100–150%. We're also aiming for outperformance over a benchmark of 200–300 bps annually."

The cost is 60 bps (in comparison, the average ETF runs about 47 bps), which Bond says would be considered high "if we weren't adding value. If you look at other products pursuing growth or capital appreciation, you'll find their expenses are much greater."

FTSE and Euronext create new indices and products

FTSE has teamed with **Euronext** to create new pan-European indices and products, including ETFs. The inaugural indices in the **Eurofirst Index** series, **FTSEurofirst 80** and **FTSEurofirst 100**, launched April 29. "We then have a hiatus to allow investors to become familiar with the indices," said **Gareth Parker**, FTSE's head of index design. "We'll launch futures and options as well as ETFs in the near future."

Parker said the new indices answer the question of how to rebalance portfolios once the UK joins the Eurozone. "If a plan sponsor's mandate is to run a Eurozone portfolio, then once the UK joins, he'll have to implement vast changes," says Parker. "These new indices solve the problem. The UK is about 40% of European capitalization and will be 40% of the Eurozone. We've been totally honest about the size of the UK and the representation it needs to have."

By launching these new indices and their attendant products now, FTSE is allowing plan sponsors to make that transition in their own time, at their own speed. "This way, fund managers can use cash flows in and out of their funds to reduce turnover costs," says Gareth. "If turnover is 80%, ie selling 40% in order to buy 40%, that's a vast impact on the fund. But if you know months ahead, then you can transition slowly, at the most financially efficient time."

FTSEurofirst 80 includes the largest 60 companies by market cap in the FTSE Eurozone Index, plus 20 companies selected to ensure correct economic group weightings. Similarly, FTSEurofirst 100 includes the largest 60 companies in the **FTSE All-World Developed Europe Index**, plus 40 companies.

BGI launches emerging market iShares fund

iShares MSCI Emerging Markets Index Fund (EEM) began trading on Amex on April 11 with an expense ratio of 75 bps, which is comparable to other ETFs in the iShares MSCI series. This is the second emerging markets ETF to be launched in recent months. The first, **Emerging Markets 50 ADR BLDRs**,

was launched on the Nasdaq November 2002.

EEM, which is denominated in US dollars, uses representative sampling strategy to approximate index performance and invests in securities with a similar investment profile. The ETF will hold approximately 200 local securities, American Depositary Receipts and Global Depositary Receipts to cover 20 equity markets. In order to improve portfolio liquidity and its ability to track the index, the fund may hold, for example, positions in iShares Malaysia and Taiwan Index Funds.

Gold ETF makes debut on Australian Stock Exchange

A gold ETF began trading on the Australian Stock Exchange at the end of March. The **Gold Bullion Securities** fund, or GOLD, is backed by real gold stored in a London vault, and may be the first commodity-based ETF. BGI in Canada offers the **iUnits S&P TSX Canadian Gold Index Fund** (TSX:XGD), but that ETF tracks 11 gold mining companies, of which **Barrick Gold Corp** is the largest.

Each share of the new ETF equals one tenth of one fine troy ounce of gold. It is a joint initiative of the **World Gold Council** and **Investor Resources Ltd**, which created a new Australian company called **Gold Bullion Ltd**.

FTSE plans to launch Global Small Cap index

FTSE Group will launch a new **Global Small Cap** index series in the fourth quarter of 2003 to complement its existing large- and midcap indices, which are part of the **FTSE All-World Index** series. The new Global Small Cap and All-World indices will cover 98% of the world's investable market capitalization.

Encompassing 49 countries and more than 4,500 companies with a minimum size of \$100 million, the new index series is geared for international investors and offers transparency, liquidity, free float adjustment and low turnover costs. A new, more transparent constituent selection methodology will be introduced covering both the FTSE All-World and Global Small Cap series.

◀7 New index will cover Italian equities markets

Borsa Italiana and **Standard & Poor's** will begin calculating the **S&P/MIB Index**, covering the Italian equities market, on June 2. It is anticipated that ETFs will be among the products based on the index. The S&P/MIB Index covers approximately 80% of Italy's market capitalization and free float. While it currently includes 40 companies listed on the Italian exchange, that number is not fixed. Revisions of the constituents will occur every six months, in March and September, with the weight of each constituent updated quarterly. Among the criteria for index inclusion are average daily liquidity, free float market cap and industry or sector representation.

Fresco Bees cross-list on Virt-x in London

The **Fresco DJ Euro Stoxx 50 Bees** ETF was cross-listed on London-based **Virt-x** on March 28. This cross-listing will give UK investors easier access to the Fresco Bees, which already trades on **Euronext Paris**.

UBS Global Asset Management has sought to distinguish its Fresco ETFs by offering both **A-Class** and **B-Class** shares on the **DJ Euro Stoxx 50** and the **DJ US Large Cap ETFs**. The B-Class ETFs, which are being marketed to institutional clients, have a fee of 24 bps, whereas the A-Class costs 50 bps. The B-Class ETFs also differ from the A-Class in that one fund share is a multiple of the index rather than fraction of the index, thereby requiring the investor to hold larger portions of the underlying constituents in one trade.

XMTCH on SMI trades on Deutsche Börse's platform

In early April, **XMTCH on SMI**, which had previously traded on **SWX**, began trading on **XETRA**, the **DBAG's** electronic trading platform. German investors will be able to buy the ETF in euros and benefit from low transaction costs associated with home country trading. **XMTCH on SMI**, which tracks the **Swiss Market Index SMI**, was launched in March 2001 as the first Swiss ETF. In October 2002, four more

ETFs were added to the **XMTCH** family (one regional and three global sector funds.) There are plans to trade these ETFs on **XETRA** as well.

Unico launches ETF to track MSCI Europe

On April 1, **Unico Asset Management** launched a new ETF—the **MSCI EuropeSM: UNICO i-tracker**. It is the first ETF to track MSCI Europe, and trades in euros under **UNM-SEUR** on the **DBAG**. The fund is authorized for distribution in Germany, Italy, Liechtenstein, Luxembourg, Austria, and Sweden. The new launch follows on the heels of five Unico ETFs shuttered in early March that had traded on the **DBAG**.

Philippines exchange issues ETF draft rules

The **Philippine Stock Exchange** released ETF draft rules that say ETFs traded in Philippine pesos must have assets of at least P50 million (US\$938,000). ETFs denominated in a foreign currency must have a minimum asset equivalent to at least US\$10 million, and ETFs incorporated or established in a foreign country must be listed on a foreign stock exchange acceptable to the **PSE**. To establish a more robust infrastructure, the exchange also hopes to develop a futures market. First, however, the issue of which regulator will have jurisdiction over the industry must be resolved.

. . . and Hong Kong's SFC drafts guidelines for ETFs

Hong Kong's **Securities and Futures Commission** drafted guidelines for regulating ETFs under its **Code on Unit Trusts and Mutual Funds**. Under the new guidelines, a platform would be created to admit overseas ETFs based on "regulatory equivalence," ie, overseas jurisdictions that share similar investment regulatory principles and which regulate ETFs in their home markets.

The **SFC** also considers that ETFs should be given relief from compliance with certain requirements designed for funds that are not exchange traded. To be eligible, ETFs would provide certain trading information and product disclosure documents to the public to ensure

sufficient transparency.

Susquehanna's new SIG index debuts in Philadelphia

The **SIG Investment Managers Index (SMQ)**, created by **International Group LLP**, has been launched on the **Philadelphia Stock Exchange**. The **SMQ** is a modified cap-weighted index reflecting the performance of 19 publicly traded investment management companies, including 1940 Act companies, banks and broker/dealers. **SIG**, which is specialist in nearly 40 index products, created the index to allow institutional and retail investors to isolate and hedge the performance of managers of public and private assets.

London exchange lobbies for abolition of stamp duty

Earlier this week, the chairman of the **London Stock Exchange** lobbied for the abolition of the stamp duty in an attempt to boost the economy. In his appeal, **LSE's** chairman **Don Cruickshank** cited ETFs in particular, noting that "abolition of Stamp Duty on in-kind creation of ETFs and on European ETFs where they are moved into **CREST**" would help revitalize the UK market. "For example, why is it that Europe's leading index—the **FTSE 100**—cannot produce an ETF which is in the global top 20 or better than seventh place in Europe? The evidence points towards this being caused by the imposition of stamp duty on what is supposedly a stamp duty-free product."

According to **Debbie Fuhr**, executive director of global ETF research at **Morgan Stanley** in London, **LSE** was fourth among European exchanges in terms of overall ETF volume in 2002. **NextTrack** came in first with 46.6% market share, **DBAG** was second with 44.9% and **SWX** was third with 3.9%; **LSE** had 3.2%. In addition, no ETFs trading on **LSE** rank within the top 20 globally in terms of assets or volume.

As exchanges worldwide seek to follow the lead of the **American Stock Exchange** and revitalize their business with ETFs, so too does **LSE**. "And yes, removal of the stamp tax would help trading of ETFs and their underlying constituents," says **Fuhr**.

US EXCHANGE-TRADED FUNDS

Week ending April 11 2003

Volume statistics reflect Amex trading only, except for QQQ, SPY and DIA.

Fund Name	Ticker	Volume	Shares (000)	Net assets (million)	Price	NAV	Spread (%)	Return 1 Week	Return YTD	Return 1 Yr
Major market indices										
Nasdaq-100 Tracking Stock	QQQ	68 070 720	729 200	18 609.18	25.51	25.52	(0.03)	(2.1)	4.7	(23.9)
S&P 500 SPDR	SPY	51 035 100	453 995	39 556.58	87.15	87.13	0.02	(1.2)	(0.8)	(20.4)
DJIA Diamonds	DIA	9 087 980	67 056	5 511.33	82.20	82.19	0.01	(0.8)	(1.1)	(17.7)
iShares Dow Jones series										
DJ US Basic Materials	IYM	46 520	2 600	83.54	32.18	32.13	0.16	(0.8)	(6.2)	(21.6)
DJ US Consumer Cyclical	IYC	18 320	2 750	117.51	42.84	42.73	0.26	0.2	2.3	(24.5)
DJ US Energy	IYE	22 820	2 650	103.35	39.05	39.00	0.13	(1.4)	(0.4)	(16.1)
DJ US Financial Sector	IYF	33 240	2 050	139.36	68.00	67.98	0.03	(0.4)	0.1	(16.6)
DJ US Financial Services	IYG	6 040	700	54.94	78.30	78.48	(0.23)	(0.5)	0.3	(15.5)
DJ US Healthcare	IYH	31 520	7 150	350.06	49.00	48.96	0.08	(2.8)	1.2	(16.1)
DJ US Industrial	IYJ	12 480	2 100	75.79	36.09	36.09	0.00	(0.6)	(3.3)	(24.7)
DJ US Non-Consumer Cyclical	IYK	28 500	2 200	86.17	39.29	39.17	0.31	1.0	(3.2)	(17.0)
DJ US Real Estate	IYR	35 020	2 250	175.21	77.92	77.87	0.06	(0.2)	1.7	(7.3)
DJ US Technology	IYW	94 080	6 100	198.43	32.38	32.53	(0.46)	(3.5)	(0.4)	(28.2)
DJ US Telecommunications	IYZ	74 300	6 550	110.96	17.00	16.94	0.35	(2.8)	(10.4)	(28.0)
DJ US Total Market	IYY	38 140	3 850	155.81	40.42	40.47	(0.12)	(1.4)	(1.1)	(21.0)
DJ US Utilities	IDU	32 140	5 100	235.47	46.26	46.17	0.19	(0.5)	(2.5)	(26.2)
iShares MSCI series										
Australia	EWA	10 180	8 200	79.46	9.74	9.68	0.62	(0.2)	7.3	2.9
Austria	EWO	3 320	1 700	15.59	9.26	9.15	1.20	2.9	7.5	10.3
Belgium	EWK	13 460	2 240	20.74	9.39	9.26	1.40	6.6	(4.9)	(13.7)
Brazil	EWZ	94 200	6 650	59.12	8.87	8.86	0.11	(2.4)	11.2	(34.6)
Canada	EWC	14 800	48 200	486.34	10.24	10.08	1.59	2.9	8.5	(5.8)
EAFFE	EFA	205 000	20 200	1 900.21	94.11	94.05	0.06	(0.2)	(4.9)	(19.2)
EMU	EZU	56 160	3 300	137.68	41.85	41.71	0.34	1.0	(3.8)	(22.1)
France	EWQ	5 400	3 200	44.70	13.83	13.97	(1.00)	0.1	(6.6)	(22.9)
Germany	EWG	85 860	9 000	86.85	9.74	9.65	0.93	4.8	(1.0)	(33.6)
Hong Kong	EWH	115 940	16 050	109.14	6.79	6.80	(0.15)	(3.7)	(8.6)	(23.4)
Italy	EWI	24 400	1 800	26.48	14.61	14.70	(0.61)	3.2	0.1	(9.5)
Japan	EWJ	588 740	84 000	526.68	6.31	6.27	0.64	(2.9)	(9.2)	(21.1)
Malaysia	EWM	78 520	13 575	67.88	4.96	5.00	(0.80)	0.0	(1.2)	(19.3)
Mexico	EWV	30 020	3 300	40.99	12.39	12.32	0.57	1.3	(0.5)	(27.2)
Netherlands	EWN	16 700	1 700	19.79	11.61	11.64	(0.26)	3.1	(12.1)	(32.6)
Pacific ex-Japan	EPP	15 500	3 100	159.77	52.09	51.51	1.13	(0.4)	3.0	(5.2)
Singapore	EWS	31 180	17 100	71.65	4.14	4.19	(1.19)	(0.5)	(3.0)	(23.0)
South Africa	EZA	14 600	1 750	65.82	37.73	37.72		1.8		
South Korea	EWY	95 540	6 300	104.71	16.65	16.62	0.18	6.1	(9.3)	(23.4)
Spain	EWV	17 380	2 250	44.30	19.67	19.69	(0.10)	1.5	11.1	(1.0)
Sweden	EWD	6 260	1 350	13.11	9.80	9.74	0.62	0.7	2.6	(22.9)
Switzerland	EWL	15 980	2 500	26.50	10.55	10.60	(0.47)	(0.8)	(5.0)	(19.8)
Taiwan	EWT	87 480	17 650	143.85	8.21	8.15	0.74	2.1	0.7	(29.6)
UK	EWU	141 560	15 200	176.17	11.69	11.59	0.86	0.3	(3.8)	(17.6)
iShares Russell series										
Russell 1000	IWB	132 240	19 850	916.47	46.14	46.17	(0.06)	(1.4)	(0.9)	(20.5)
Russell 1000 Growth	IWF	118 520	21 350	783.12	36.79	36.68	0.30	(1.4)	1.4	(21.7)
Russell 1000 Value	IWD	104 280	22 650	1 008.38	44.59	44.52	0.16	(0.6)	(2.3)	(19.5)
Russell 2000	IWM	410 700	26 100	1 931.14	73.84	73.99	(0.20)	(0.9)	(2.4)	(27.0)
Russell 2000 Growth	IWO	96 380	16 550	647.60	39.10	39.13	(0.08)	(1.5)	(1.8)	(30.3)
Russell 2000 Value	IWN	84 300	6 000	649.98	108.10	108.33	(0.21)	(0.4)	(2.7)	(24.5)
Russell 3000	IWV	85 440	25 250	1 219.32	48.32	48.29	0.06	(1.3)	(1.0)	(20.9)
Russell 3000 Growth	IWZ	7 640	2 000	58.52	29.18	29.26	(0.27)	(1.8)	0.0	(22.7)
Russell 3000 Value	IWW	10 780	1 750	100.38	57.49	57.36	0.23	(0.9)	(2.2)	(19.7)
Russell MidCap	IWR	21 000	4 100	195.98	47.86	47.80	0.13	(0.9)	(1.3)	(19.9)
Russell MidCap Growth	IWP	10 380	2 250	117.11	52.09	52.05	0.08	(1.4)	0.8	(23.1)
Russell MidCap Value	IWS	5 940	1 600	106.91	66.88	66.82	0.09	(0.7)	(2.0)	(19.1)

Fund Name	Ticker	Volume	Shares (000)	Net assets (million)	Price	NAV	Spread (%)	Return 1 Week	Return YTD	Return 1 Yr
iShares Sectors										
Nasdaq Biotech	IBB	133 400	11 100	561.22	50.25	50.56	(0.61)	(5.3)	1.8	(30.2)
Cohen & Steers Realty Majors	ICF	32 920	3 050	254.31	83.47	83.38	0.11	(0.3)	3.1	(6.3)
Goldman Sachs Natural Resources	IGE	3 520	350	27.79	79.63	79.41	0.28	(0.3)	(1.8)	(17.4)
Goldman Sachs Networking	IGN	31 280	2 500	36.33	14.55	14.53	0.14	(3.3)	7.1	(33.4)
Goldman Sachs Semiconductor	IGW	24 920	2 000	69.88	34.76	34.94	(0.52)	(4.9)	0.2	(47.7)
Goldman Sachs Software	IGV	49 740	2 250	56.57	25.05	25.14	(0.36)	(2.4)	(0.5)	(30.1)
Goldman Sachs Technology	IGM	53 400	1 700	51.20	30.19	30.12	0.23	(2.2)	0.5	(29.1)
iShares S&P series										
S&P 500	IVV	213 520	57 750	5 031.18	87.21	87.12	0.10	(1.2)	(0.9)	(20.4)
S&P 100	IEF	318 856	7 200	318.74	44.32	44.27	0.11	(1.2)	(0.3)	(19.7)
S&P 500/Barra Growth	IVW	144 360	14 200	641.41	45.29	45.17	0.27	(1.3)	1.1	(19.0)
S&P 500/Barra Value	IVE	122 700	17 100	711.87	41.60	41.63	(0.07)	(1.0)	(2.9)	(21.9)
S&P MidCap 400	IJH	34 220	14 450	1 191.26	82.42	82.44	(0.02)	(1.4)	(4.1)	(23.3)
S&P MidCap 400/Barra Growth	IJK	24 260	3 500	309.89	88.63	88.54	0.10	(1.5)	(3.0)	(24.0)
S&P MidCap 400/Barra Value	IJJ	16 000	7 300	552.76	75.63	75.72	(0.12)	(1.1)	(5.1)	(23.0)
S&P SmallCap 600	IJR	69 520	11 550	1 070.92	92.54	92.71	(0.18)	(1.3)	(4.9)	(25.9)
S&P SmallCap 600/Barra Growth	IJT	24 400	5 000	313.75	62.80	62.75	0.08	(1.5)	(3.4)	(22.0)
S&P SmallCap 600/Barra Value	IJS	33 080	7 250	492.20	67.88	67.89	(0.01)	(0.2)	(6.5)	(29.6)
International										
S&P Global 100	IOO	42 220	1 570	68.84	43.56	43.47	0.21	(0.6)	(1.7)	(19.4)
S&P Europe 350	IEV	61 080	8 750	398.65	45.80	45.54	0.57	1.5	(3.5)	(20.8)
S&P Latin America 40	ILF	7 400	350	13.16	37.45	37.47	(0.05)	(1.8)	2.4	(28.4)
S&P Topix	ITF	560	150	8.27	55.69	55.11	1.05	(3.6)	(10.2)	(23.2)
S&P Global Energy	IXC	680	400	17.86	45.09	44.65	0.99	(1.2)	(1.3)	(11.1)
S&P Global Financials	IXG	2 720	400	16.94	43.07	42.35	1.70	1.8	0.5	(17.6)
S&P Global Healthcare	IXJ	5 140	650	26.14	40.37	40.21	0.40	(1.8)	(0.0)	(15.1)
S&P Global Technology	IXN	440	200	6.76	34.20	33.79	1.21	(2.1)	(0.7)	(27.5)
S&P Global Telecommunications	IXP	2 760	300	10.42	34.95	34.71	0.69	0.9	(4.9)	(12.8)
iShares Fixed Income										
1-3 Year Treasury	SHY	77 100	11 400	937.76	82.23	82.19	0.05	(0.1)	0.3	
7-10 Year Treasury	IEF	36 560	5 000	427.85	85.51	85.49	0.02	(0.0)	0.1	
20+ Year Treasury	TLT	120 600	2 500	218.10	87.26	87.14	0.14	0.2	(0.3)	
GS InvesTop Corporate Bond	LQD	37 380	19 700	2 149.86	109.25	109.17	0.07	(0.2)	0.8	
ETF Advisors FITRs										
ETF Advisors Treasury 1 FITR	TFT	11 880	200	17.05	85.26	85.24	0.03	(0.1)	0.3	
ETF Advisors Treasury 2 FITR	TOU	10 560	200	17.13	85.58	85.60	(0.02)	(0.2)	0.4	
ETF Advisors Treasury 5 FITR	TFI	1 240	200	17.15	85.65	85.63	0.02	(0.2)	0.4	
ETF Advisors Treasury 10 FITR	TTE	15 780	300	25.80	85.92	85.84	0.09	(0.2)	0.2	
Fresco										
Fresco DJ Euro Stoxx 50	FEZ	115 440	6 652	161.62	24.26	24.26	0.00	1.5	(3.1)	
Fresco DJ Stoxx 50	FEU	15 540	1 202	29.66	24.53	24.57	(0.16)	1.2	(0.3)	
Merrill Lynch HOLDRS										
HOLDRS B2B Internet	BHH	19 680	12 942	28.99	2.30			(0.4)	16.2	(38.3)
HOLDRS Biotech	BBH	393 380	14 545	1 356.27	93.21			(4.1)	10.2	(12.7)
HOLDRS Broadband	BDH	83 140	7 402	58.69	7.54			(4.4)	(0.1)	(34.9)
HOLDRS Europe 2001	EKH	5 820	468	18.56	41.50			0.2	(0.4)	(27.7)
HOLDRS Internet	HHH	131 280	4 237	122.87	29.89			(0.0)	20.9	10.8
HOLDRS Internet Architecture	IAH	4 700	2 250	58.10	26.19			(2.9)	1.7	(12.3)
HOLDRS Internet Infrastructure	IIH	18 960	8 550	19.32	2.27			(5.4)	(4.3)	(47.0)
HOLDRS Market 2000	MKH	4 340	1 645	70.72	43.94			(1.7)	(1.7)	(19.3)
HOLDRS Oil Services	OIH	338 360	7 471	411.19	56.21			3.0	(1.8)	(10.3)
HOLDRS Pharmaceutical	PPH	116 840	6 629	490.98	74.16			(3.3)	0.6	(17.0)
HOLDRS Regional Bank	RKH	30 580	1 887	179.36	98.18			0.3	(4.0)	(17.2)
HOLDRS Retail	RTH	190 780	3 709	259.98	73.45			(0.6)	5.4	(26.9)
HOLDRS Semiconductor	SMH	1 621 360	32 517	750.81	23.45			(3.9)	5.9	(46.3)
HOLDRS Software	SWH	184 620	9 003	228.76	26.32			(0.9)	(0.5)	(26.4)
HOLDRS TeleBras	TBH				21.89			(3.1)	17.4	(33.5)
HOLDRS Telecommunications	TTH	16 180	5 894	133.14	22.48			(3.8)	(13.8)	(31.5)
HOLDRS Utilities	UTH	51 700	3 551	219.46	62.41			(0.4)	(1.8)	(31.7)
HOLDRS Wireless	WMH	3 680	1 345	44.68	32.79			(2.5)	(6.0)	(22.2)

Statistics for shares outstanding and net assets are based on Mar-21-2003 data

Fund Name	Ticker	Volume	Shares (000)	Net assets (million)	Price	NAV	Spread (%)	Return 1 Week	Return YTD	Return 1 Yr
NASDAQ Baskets of Liquid Depositary Receipts (BLDRs)										
Asia 50	ADRA					42.63				
Developed Markets 100	ADRD					42.85		1.3	(1.3)	
Emerging Markets 50	ADRE				47.90	47.10	1.70	0.2	(5.9)	
Europe 100	ADRU					43.38		9.2	(1.6)	
S&P Depositary Receipts (SPDRs)										
S&P 400 MidCap SPDR	MDY	361 640	56 334	4 250.96	75.45	75.47	(0.03)	(1.5)	(3.8)	(23.5)
Consumer Discretionary	XLY	51 260	5 650	134.81	23.82	23.86	(0.17)	(0.3)	3.2	(21.2)
Consumer Staples	XLP	97 040	11 700	221.25	18.92	18.91	0.05	0.4	(4.6)	(24.7)
Energy	XLE	82 700	15 000	331.50	22.11	22.10	0.05	(1.3)	(0.5)	(16.5)
Financial	XLF	459 220	26 654	584.52	21.93	21.93	0.00	(0.3)	0.1	(17.7)
Health Care	XLV	35 920	5 950	159.16	26.78	26.76	0.07	(2.7)	1.1	(8.5)
Industrial	XLI	82 560	18 300	364.35	19.94	19.90	0.20	(0.5)	(2.8)	(24.5)
Materials	XLB	167 220	12 250	228.46	18.61	18.65	(0.21)	(1.4)	(5.8)	(18.4)
Technology	XLK	584 460	63 201	911.99	14.41	14.43	(0.14)	(3.2)	(2.6)	(27.0)
Utilities	XLU	171 600	39 950	742.27	18.64	18.58	0.32	(0.3)	(1.6)	(27.9)
streetTRACKS (State Street Global Advisors)										
Dow Jones series										
DJ Global Titans	DGT	4 220	300	14.69	48.89	48.96	(0.14)	(1.1)	(1.6)	(18.9)
DJ US Large Cap Growth	ELG	6 620	400	14.94	37.34	37.36	(0.05)	(1.5)	2.3	(22.6)
DJ US Large Cap Value	ELV	3 420	300	29.19	97.35	97.31	0.04	(1.1)	(3.2)	(20.2)
DJ US Small Cap Growth	DSG	1 020	350	15.35	43.87	43.86	0.02	(1.5)	(2.4)	(33.7)
DJ US Small Cap Value	DSV	2 500	250	28.32	113.79	113.27	0.46	(0.1)	(3.1)	(18.6)
Sectors										
Fortune 500	FFF	13 540	1 300	81.55	62.63	62.73	(0.16)	(1.1)	(0.8)	(20.3)
Fortune e-50	FEF	1 380	250	5.28		21.13		(2.0)	4.5	(23.0)
Morgan Stanley High Tech 35	MTK	380	950	27.54	29.06	28.99	0.24	(1.7)	1.4	(30.1)
Morgan Stanley Internet	MII	3 320	400	3.25	8.12	8.13	(0.12)	(0.1)	7.7	(19.6)
Wilshire REIT	RWR	16 600	900	105.93	118.00	117.70	0.25	(0.1)	2.9	(5.9)
VIPERs (Vanguard)										
Total Market	VTI	264 640	17 506	1 424.99	81.45	81.39	0.07	(1.0)	(1.1)	(20.4)
Extended Market	VXF	1 200	711	34.48	48.63	48.53	0.21	(0.3)	(1.9)	(20.5)
EUROPEAN EXCHANGE-TRADED FUNDS										
Euro denominated unless otherwise stated										
Deutsche Börse										
German market indices										
DAX Ex	DAXEX	Data not available at press-time								
MDAX Ex	MDAXEX									
NEMAX 50 Ex	NMKXEX									
eb.rexx German Govt Bonds										
Fresco DJ German Titans										
European market indices										
DJ Stoxx 50 [Ex]	SX5P	129 245	7 004	165.23	23.21			(0.2)	(4.8)	
DJ Stoxx 50 [LDRS]	EUN1	41 794	17 600	400.40	22.80	22.75	0.22	0.7	(6.3)	
DJ Euro Stoxx 50 [Ex]	SX5E	2 212 570	43 227	1 003.72	22.83			0.6	(5.9)	
DJ Euro Stoxx 50 [Fresco]	FSEU50	280 936	7 250	163.06	22.40	22.49	(0.40)	0.4	(5.6)	
DJ Euro Stoxx 50 [LDRS]	EUN2	978 196	49 700	1 119.74	22.50	22.53	(0.13)	0.9	(5.9)	
DJ Euro Stoxx 50 [Master Unit]	MSE		38 882	873.69	17.10			(0.6)	(0.6)	
FTSE 100	EXI4	Data not available at press-time								
Fresco UK Titans 50	FRC6									
SMI Ex	SMI									
European sector indices										
DJ Stoxx Banks [Fresco]	FSTEBA		250	6.54	26.25	26.17	0.31	2.2	(1.2)	
DJ Stoxx Healthcare [Fresco]	FSTEHC		250	7.35	29.47	29.40	0.24	0.7	(1.4)	
DJ Stoxx Technology [Fresco]	FSTETC		250	4.55	18.19	18.20	(0.05)	0.3	0.3	
DJ Stoxx Telecommunications [Fresco]	FSTETL	22	350	7.58	21.74	21.66	0.37	2.6	1.5	
DJ Euro Stoxx Banks [Ex]	SX7E	4 663	497	0.00	20.43			5.3		
DJ Euro Stoxx Healthcare [Ex]	SXDE	1 680	633	20.69	32.10	32.70	(1.83)	1.9	3.6	
DJ Euro Stoxx Technology [Ex]	SX8E	16 646	907	0.00	24.85			1.8	0.2	
DJ Euro Stoxx Telecommunications [Ex]	SXKE	406	300	8.70	28.80	28.98	(0.62)	(1.0)	(8.5)	

Fund Name	Ticker	Volume	Shares (000)	Net assets (million)	Price	NAV	Spread (%)	Return 1 Week	Return YTD	Return 1 Yr
Deutsche Börse (continued)										
DJ Stoxx 600 Autos [Ex]	SXAP	44 976	250		14.68					
DJ Stoxx 600 Banks [Ex]	SX7P	1 651	873	23.40	26.30	26.79	(1.83)	1.2	(3.9)	
DJ Stoxx 600 Basic Resources [Ex]	SXPP	37 130	199							
DJ Stoxx 600 Chemicals [Ex]	SX4P	2 606	200						(10.2)	
DJ Stoxx 600 Construction [Ex]	SXOP	12 080	150							
DJ Stoxx 600 Cyclical Goods [Ex]	SX2P	230	1 091							
DJ Stoxx 600 Energy [Ex]	SXEP	195	547							
DJ Stoxx 600 Financial Ser [Ex]	SXFP		299							
DJ Stoxx 600 Food [Ex]	SX3P	1 479	41		19.56					
DJ Stoxx 600 Healthcare [Ex]	SXDP	198	503	15.02	29.30	29.86	(1.88)	(0.3)	(2.7)	
DJ Stoxx 600 Industrial Goods [Ex]	SXNP		64							
DJ Stoxx 600 Insurance [Ex]	SXIP	11 476	872		13.40			4.2	(19.7)	
DJ Stoxx 600 Media [Ex]	SXMP	70	100		14.56					
DJ Stoxx 600 Non-Cyclical [Ex]	SXHP		150							
DJ Stoxx 600 Retail [Ex]	SX1P		97							
DJ Stoxx 600 Technology [Ex]	SX8P	16 646	907		24.85			1.8	0.2	
DJ Stoxx 600 Telecommunications [Ex]	SXKP	4 548	2 222	49.01	21.60	22.06	(2.09)	0.9	(0.9)	
DJ Stoxx 600 Utilities [Ex]	SX6P	144	102							
Global & US indices										
DJ Global Titans [Ex]	DJGTE	Data not available at press time								
DJ Industrial Average [Ex]	DJI									
DJ Industrial Average [Fresco]	FRC2									
DJ Japan Titans [Fresco]	FRC5									
DJ US Large Cap [Fresco]	FRC3									
DJ US Technology [Fresco]	FRC4									
FTSE Global Autos LDRS	LDRA									
FTSE Global Banks LDRS	LDRB									
FTSE Global Basic Indus LDRS	LDRI									
FTSE Global Cyclical LDRS	LDRC									
FTSE Global Energy LDRS	LDRE									
FTSE Global Financials LDRS	LDRF									
FTSE Global Industries LDRS	LDRG									
FTSE Global Media LDRS	LDRM									
FTSE Global Non-Cyclicals LDRS	LDRN									
FTSE Global Pharmaceutical LDRS	LDRP									
FTSE Global Technology LDRS	LDRQ									
FTSE Global Telecoms LDRS	LDRT									
FTSE Global Utilities LDRS	LDRU									
Unico MSCI World	UNO1									
Euronext Amsterdam										
Dutch market index										
streetTRACKS AEX	AEXT	30 266	3 300	91.61	28.16	27.76	1.44	2.0	(14.8)	(49.6)
European market indices										
DJ Euro Stoxx 50 LDRS	EUE	117 996	47 700	1 074.68	22.63	22.53	0.44	(2.4)	(5.7)	(44.4)
DJ Stoxx 50 LDRS	EUN	6 134	17 600	400.40	22.97	22.75	0.97	(2.0)	(5.5)	(41.4)
iShares FTSE 100 (GBP)	ISFA	700	112 620	439.77		3.90			(0.1)	
iShares FTSE Euro 100	IERA	25	6 932	46.98		6.78			(5.7)	
iShares FTSE EuroTop 100	IETA	3 050	1 105	20.07		18.16			(4.8)	
streetTRACKS MSCI UK	STUK		100	2.37		23.68			(1.0)	
European sector indices										
iShares FTSE Euro Banks	IBKS		2 100	10.67		5.08			(1.8)	
iShares FTSE Euro Cons Cyclical	ICYC		2 250	13.89		6.17			(8.7)	
iShares FTSE Euro Cons Non-Cyclical	IUSE		1 500	10.05		6.70			(7.8)	
iShares FTSE Euro Media	ISEE	250	3 262	9.37		2.87			(10.5)	
iShares FTSE Euro Oil & Gas	IOIL	920	1 650	12.17	7.52	7.38	1.92	(1.4)	(8.3)	
iShares FTSE Euro Pharm/Biotech	BIO		1 500	9.40		6.27			(4.2)	
iShares FTSE Euro Technology	ITEK	80	2 100	4.73	2.26	2.25	0.40	(5.2)	(3.7)	
iShares FTSE Euro Utilities	IUTL		1 500	8.46		5.64			(0.3)	
Global indices										
FTSE Global Autos LDRS	TGA		100	3.47		34.72			(10.9)	
FTSE Global Bank LDRS	TGB		500	17.60		35.20			(2.1)	
FTSE Global Cyclical LDRS	TGC		200	6.30		31.48			(2.0)	
FTSE Global Energy LDRS	TGE	72	300	11.39		37.96			(4.7)	
FTSE Global Financials LDRS	TGF	492	300	7.51		25.02			(7.0)	
FTSE Global General Industries LDRS	TGG		400	10.44		26.09			(7.6)	

Fund Name	Ticker	Volume	Shares (000)	Net assets (million)	Price	NAV	Spread (%)	Return 1 Week	Return YTD	Return 1 Yr
Euronext (Amsterdam) (continued)										
FTSE Global Basic Indus LDRS	TGI		700	23.95		34.21				(9.6)
FTSE Global Media LDRS	TGM		300	8.08		26.94				(6.7)
FTSE Global Non-Cyclical LDRS	TGN	726	400	16.96		42.39				(7.0)
FTSE Global Pharmaceuticals LDRS	TGP	2 476	400	12.19		30.48				(4.4)
FTSE Global Technology LDRS	TGQ	500	200	3.68		18.42				(2.8)
FTSE Global Telecoms LDRS	TGT	454	100	2.29		22.92				(6.7)
FTSE Global Utilities LDRS	TGU		200	5.55		27.77				(3.8)
Euronext Brussels										
Belgian market index										
BEL 20 Master Unit	BEL	17 431	1 000	18.19	18.18	18.19	(0.05)	(1.4)		(9.5)
Euronext Paris										
French market index										
CAC 40 Master Unit	CAC	1 346 368	46 069	1 297.76	28.34	28.17	0.60	(2.7)	(6.9)	(44.4)
European market indices										
DJ Stoxx 50 [EasyETF]	ETE	174 428	24 865	56.69	2.25	2.28	(1.32)		(5.0)	
DJ Stoxx 50 LDRS	EUE	23 396	17 600	400.40	22.78	22.75	0.13	(2.9)	(5.5)	(41.4)
DJ Stoxx 50 SM EX	GXN	340	6 993	163.64		23.40			(4.5)	
DJ Euro Stoxx 50 [EasyETF]	ETN	26 080	10 576	24.32	2.28	2.30	(0.87)		(3.8)	
*DJ Euro Stoxx 50 [Fresco] Class B	FRE	252	2	45.66	22.53	22.27	1.14			
DJ Euro Stoxx 50 LDRS	EUN	146 045	47 700	1 074.68	22.68	22.53	0.67	(2.2)	(5.7)	(44.4)
DJ Euro Stoxx 50 SM EX	GXE	38 324	42 108	970.60	23.34	23.05	1.26	2.5	(5.7)	
DJ Euro Stoxx 50 Master Unit	MSE	1 782 959	38 920	874.54	22.58	22.47	0.49	(1.6)	(4.8)	(45.3)
SPDR Euro 350	SPE	62 579	3 000	247.41	83.15	82.47	0.82	(1.8)	(6.1)	
SPDR Euro	SPO	56 978	1 850	159.67		86.31			(5.8)	
streetTRACKS MSCI Pan-Euro	ERO	50 566	4 750	324.95	69.85	68.41	2.10	1.7	(6.1)	(38.6)
* Price and NAV 000 Euros										
European sector indices										
EasyETF ASPI Euro	SYV		112	5.77		51.46			(5.3)	
EasyETF Euro Stoxx Banks	SYB	255	148	30.47	207.00	206.38	0.30		0.9	
EasyETF Euro Stoxx Energy	SYE	200	72	18.66		258.68			(6.9)	
EasyETF Euro Stoxx Healthcare	SYH	200	45	12.87		288.98			(9.8)	
EasyETF Euro Stoxx Insurance	SYI	8 431	292	40.30	137.19	137.81	(0.45)		(16.4)	
EasyETF Euro Stoxx Media	SYM	1 667	125	17.18		137.10			(11.8)	
EasyETF Euro Stoxx Technology	SYT	77	49	12.05		243.52			0.3	
EasyETF Euro Stoxx Telecoms	SYQ	500	35	11.71	329.30	330.65	(0.41)		6.4	
EasyETF Euro Stoxx Utilities	SYU		53	10.83		205.44			0.7	
streetTRACKS MSCI Euro Cons Disc	STV	384	400	10.76		26.90			(10.5)	
streetTRACKS MSCI Euro Cons Stap	STS	340	400	16.24		40.60			(7.5)	
streetTRACKS MSCI Euro Energy	STN	1 152	400	21.54		53.84			(8.7)	
streetTRACKS MSCI Euro Financials	STK	894	650	21.63		33.28			(6.5)	
streetTRACKS MSCI Euro Healthcare	STW	200	550	20.72		37.68			(4.1)	
streetTRACKS MSCI Euro Industrials	STQ	200	900	31.06		34.51			(4.9)	
streetTRACKS MSCI Euro IT	STZ	5 809	700	16.39	23.60	23.42	0.77	(1.8)	(5.9)	
streetTRACKS MSCI Euro Materials	STP	46	200	9.33		46.63			(10.6)	
streetTRACKS MSCI Euro Telecoms	STT	1 189	550	15.33	28.38	27.87	1.83	2.4	0.2	
streetTRACKS MSCI Euro Utilities	STU	234	150	5.09		33.90			(3.0)	
US/Global indices										
EasyETF DJ Global Titans	ETT	2 432	2 080	38.07		18.30			(4.4)	
DJIA Master Unit	DJE PA	49 134	3 450	268.40	76.90	77.79	(1.14)	(4.5)	(2.3)	(35.9)
MSCI US Tech Master Unit	UST	27 527	12 419	57.75	4.50	4.65	(3.23)	(8.9)	0.0	
Finland										
HEX25	IHEX25	5 640	1 525	18.50	12.08	12.13	(0.41)	(1.0)	(6.2)	(28.4)
Italy										
B1 Ethical Index	B1ET	17 169	325	16.64		51.21		0.9		
B1 MSCI Euro	B1EU	19 121	850	55.58	65.79	65.39	0.61	1.0	(5.6)	
DJ Industrial Average	DJE	4 063	3 450	268.40	78.00	77.79	0.27	0.0	(2.8)	
DJ Euro Stoxx 50 LDRS	EUE	16 285	47 700	1 074.68	22.70	22.53	0.75	1.2	(5.7)	
DJ Stoxx 50 LDRS	EUN	11 312	17 600	400.40	22.87	22.75	0.53	0.6	(5.5)	
iShares S&P 500	IUSA	32 301	8 500	68.90	8.24	8.11	1.65	(1.3)		
DJ Euro Stoxx 50 Master Unit	MSE	72 674	38 920	874.54	22.56	22.47	0.40	2.6	(4.8)	
SPDR Euro 350	SPDRE	686	3 000	247.41		82.47		0.9	(5.3)	

Fund Name	Ticker	Volume	Shares (000)	Net assets (million)	Price	NAV	Spread (%)	Return 1 Week	Return YTD	Return 1 Yr
Italy (continued)										
SPDR Euro	SPDRO	958	1 850	159.67	87.75	86.31	1.67	1.2	(5.3)	
MSCI US Technology Master Unit	UST	8 068	12 419	57.75	4.58	4.65	(1.51)	(2.9)	(2.1)	
Sweden (SEK denominated)										
XACTOMX	XACT	1 510 270	16 650	813.00	48.70	48.82	(0.25)	1.7	(8.1)	(36.8)
Switzerland (CHF denominated)										
XMTCH	XMSMI	666 228	36 008	1 585.89	44.86	44.86	0.00	(1.2)	(2.1)	(32.2)
SMI EX	SMIEX	100	392	17.16	45.20				(6.9)	(30.7)
Fresco DJ Euro Stoxx 50	FSEU50	14 058	7 250	224.11	34.10			(1.9)	(0.4)	(35.5)
Fresco DJ Industrial Average	FDUSIA	3 288	1 350	152.21	115.50			(2.9)	(2.9)	(33.2)
Fresco DJ Japan Titans 100	FDJ100	5 940	900	22.64	37.70			(5.0)	(11.5)	(37.3)
Fresco DJ UK Titans 50	FDUK50	1 400	550	18.84	35.60				(1.0)	(30.7)
Fresco DJ US Large Cap	FDUSLC	91	700	36.96	52.80			(2.3)	(0.7)	(33.7)
Fresco DJ US Technology 40	FDUSTC	8 721	650	29.40	46.55			(4.2)	0.1	(35.3)
Euro denominated										
DJ Stoxx 50 LDRS	EUN	53 764	17 600	386.32	22.92	22.75	0.75	(2.2)	(4.7)	(35.4)
DJ Euro Stoxx 50 LDRS	EUNE	177 340	47 700	1020.78	22.60	22.53	0.31	(2.0)	(5.0)	(37.4)
XMTCH MSCI Euro	XMMSE	22 577	2 520	152.00	64.90			(4.0)	(4.7)	(9.2)
USD denominated										
XMTCH DJ Banks Titans	XMTBK		96	9.03	98.60				(14.1)	(15.4)
XMTCH DJ Healthcare Titans	XMTHC	500	98	10.03	97.90				3.1	(1.5)
XMTCH DJ Technology Titans	XMTTE	400	99	10.03	106.50			(2.7)	(1.8)	1.4
YTD and 12-month return are since inception for products with less than 12-month's trading										
United Kingdom (GBP denominated)										
UK market indices										
iShares FTSE 100	ISF	Data not available at press-time								
iShares FTSE TMT	ITMT									
European/US market indices										
DJ Euro Stoxx 50 LDRS	EUE	10 507	49 700	768.48	15.42	15.28	0.93	1.3	(2.3)	
DJ Stoxx 50 LDRS	EUN	6 001	17 600	274.79	15.61	15.43	1.19	1.0	(1.5)	
iShares FTSE Euro 100	IEUR	Data not available at press-time								
iShares FTSE EuroTop 100	IEUT									
iShares S&P 500 ETF (USD)	IUSA									
European sector indices										
iShares FTSE Euro Banks	IBKS	Data not available at press-time								
iShares FTSE Euro Cons Cyclicals	ICYC									
iShares FTSE Euro Cons Non-cyclicals	IUSE									
iShares FTSE Euro Media	ISEE									
iShares FTSE Euro Oil and Gas	IOIL									
iShares FTSE Euro Pharm/Biotech	IBIO									
iShares FTSE Euro Technology	ITEK									
iShares FTSE Euro Utilities	IUTL									
Virt-X (Euro denominated)										
European market indices										
LDRS Euro Stoxx 50	EUE	6 892	47 700	1020.78	22.60			(3.3)	(5.4)	(34.7)
LDRS Stoxx 50	EUN	48 303	17 600	386.32	22.81			(4.1)	(4.5)	(31.6)
Fresco Euro Stoxx 50	FSEU50	23 994	7 250	149.80	22.53			(2.9)	(7.8)	(34.8)
*Fresco Euro Stoxx 50 B	FRE	2	2	42.42	22.468			9.0	9.5	9.5
iShares FTSE 100	ISF	1 060	112 620	616.80	5.77			7.3	(8.4)	(32.0)
iShares FTSE Euro 100	IEUR		6 932	43.39	6.76				(18.4)	(39.1)
iShares FTSE Eurotop 100	IEUT		1 105	18.70	18.04				(14.7)	(34.7)
SPDR Europe 350	SPE		2 999	232.52	82.60				(16.2)	(16.2)
SPDR Euro	SPO		1 850	148.16	86.40				(4.1)	(4.1)
* Price and NAV 000 Euros										
US/Global market indices										
FTSE Global Autos LDRS	FTGA		100	3.42	34.75					(36.1)
FTSE Global Bank LDRS	FTGB		500	16.93	35.04					(35.3)
FTSE Global Cyclicals LDRS	FTGC		700	23.39	34.26				(10.8)	(35.3)
FTSE Global Energy LDRS	FTGE		200	6.09	31.32				(23.3)	(18.5)
FTSE Global Financials LDRS	FTGF		300	11.45	37.92				(1.7)	(25.3)
FTSE Global General Industries LDRS	FTGG		300	7.20	24.92					(6.2)
FTSE Global Basic Industries LDRS	FTGI	293	400	10.31	26.19				(4.2)	(35.5)
FTSE Global Media LDRS	FTGM		300	7.90	26.80				(20.2)	(3.0)

Fund Name	Ticker	Volume	Shares (000)	Net assets (million)	Price	NAV	Spread (%)	Return 1 Week	Return YTD	Return 1 Yr
Virt-X (continued)										
FTSE Global Non-Cyclical LDRS	FTGM		400	16.53	42.10				(12.1)	(19.5)
FTSE Global Pharmaceuticals LDRS	FTGP		400	12.24	30.65				(10.6)	(10.7)
FTSE Global Technology LDRS	FTGQ		200	3.68	18.50					(14.5)
FTSE Global Utilities LDRS	FTGT		100	2.28	22.87					9.6
FTSE Global Telecoms LDRS	FTGU		200	5.46	27.82				2.9	(25.1)
US market indices (USD denominated)										
Fresco DJ Industrial Average	FDUSIA	2 518	1 350	109.74	82.07			(4.1)	(3.5)	(17.5)
Fresco DJ US (Large Cap)	FDUSLC	1 380	700	26.65	38.43			0.9	2.8	(18.5)
Fresco DJ US Technology	FDUSTC	34	650	21.20	33.00			(4.9)	(3.5)	(20.3)
iShares S&P 500	IUSA	4 000	8 250	71.18	8.76					
INTERNATIONAL EXCHANGE-TRADED FUNDS										
Australia (AUD denominated)										
streetTRACKS ASX S&P 200	STW		13 805	415.40	30.08	30.09	(0.03)	0.6	(0.6)	(8.7)
streetTRACKS ASX S&P 50	SFY		803	24.28	30.32	30.24	0.26	0.2	(1.1)	(10.2)
streetTRACKS ASX S&P 200 Property	SLF		5 000	74.86	14.81	14.97	(1.07)	2.5	1.0	7.7
Canada (CAD denominated)										
Canadian market indices										
iUnits S&P/TSE 60	XIU	3 187 384	108 729	4 003.00	36.81	36.82	(0.02)	(0.4)	(3.5)	(15.8)
iUnits S&P/TSE Capped 60	XIC	47 539	5 694	232.00	40.80	40.74	0.15	(0.6)	(3.8)	(15.6)
iUnits S&P/TSE Canadian MidCap	XMD	52 386	1 810	73.00	40.45	40.43	0.04	0.0	(6.6)	(19.6)
TD S&P/TSX Composite	TTF	643	5 776	124.46	21.60	21.55	0.23	0.6	(2.2)	(14.8)
TD S&P/TSX Capped Composite	TCF	120	2 850	71.23	24.75	24.99	(0.96)	0.6	(2.2)	(14.9)
TD Select Canadian Growth	TAG	0	2 021	11.82	5.84	5.85	(0.17)	(0.9)	(3.8)	(31.0)
TD Select Canadian Value	TAV	160	1 424	21.45	15.00	15.06	(0.40)	1.4	(0.2)	(7.1)
Canadian sector indices										
iUnits S&P/TSE Canadian Energy	XEG	27 767	1 928	59.00	30.50	30.47	0.11	1.0	(4.4)	(3.5)
iUnits S&P/TSE Canadian Financials	XFN	34 519	2 437	67.00	27.60	27.60	(0.01)	1.5	1.8	(7.7)
iUnits S&P/TSE Canadian Gold	XGD	770 947	3 982	155.00	38.94	39.01	(0.18)	2.7	(22.3)	(10.0)
iUnits S&P/TSE Canadian IT	XIT	176 328	10 703	43.00	4.04	4.01	0.75	(1.9)	(4.5)	(39.7)
iUnits S&P/TSX Canadian REIT	XRE	63 100	2 058	20.00	9.55	9.50	0.51			
Fixed income										
iUnits Canada 5-year Govt Bond	XGV	89 281	5 179	145.00	28.06	28.05	0.05	0.3	(0.1)	2.2
iUnits Canada 10-year Govt Bond	XGX	68 749	2 842	77.00	27.25	27.26	(0.03)	1.0	0.2	4.8
US/Global indices										
iUnits S&P 500 RSP	XSP	713 428	9 202	118.00	12.86	12.86	(0.02)	(2.9)	(11.3)	(27.3)
iUnits MSCI International Equity RSP	XIN	85 674	3 950	59.00	15.10	14.94	1.08	(1.6)	(11.2)	(26.3)
Hong Kong (HKD denominated)										
TraHK	2800.HK	4 690 000	2 363	20 917.25	8.85	8.85	0.00	(1.7)	(5.9)	(18.8)
iShares MSCI China Tracker	2801.HK	30 930	14 200	199.73	14.05	14.07	(0.14)	(2.1)	(1.6)	(12.9)
India (INR denominated)										
Nifty Benchmark ET Scheme	NBEES	18 719	957	1.93	2.03	2.02	0.50	(6.6)	(5.0)	(15.7)
Sensex SPiCE	ICSPICE	6 000	6 350	4.03	30.79	30.01	2.61	(5.3)	(8.3)	
<i>SPiCE assets in USD, other values in INR; NBEES values stated in USD</i>										
Israel (ILS denominated)										
TALI 25	TALI	5 859	496	1 771.95	769.21	766.94	0.30	2.4	9.3	(7.2)
Japan (JPY denominated)										
Tokyo Stock Exchange										
Nikkei 225	iShares	1329	24	813	53.46	7 866				
	Nikko	1330	71 896	11 389	750.25	7 910	7 881	0.37	(3.1)	(7.6)
									(29.6)	
S&P/Topix 150	iShares	1315	0	4 501	25.21	670				
Topix	Daiwa	1305	91 500	122 080	810.44	792	794	(0.27)	(2.2)	(6.7)
									(26.6)	
Topix	iShares	1307	0	15 091	99.59	790				
	Nomura	1306	2 364 660	1 160 468	7 703.39	793	794	(0.14)	(2.0)	(6.3)
									(26.4)	
	Nikko	1308	2 868 600	1 080 621	7 148.59	791	791	(0.05)	(2.0)	(6.4)
									(26.6)	
Topix Core 30	Daiwa	1310	820	2 413	10.62	534	526	1.45	(1.7)	(12.6)
									(34.4)	
	Nomura	1311	5 060	5 000	22.01	525	527	(0.30)	(14.1)	(35.2)
Topix Sectors	Banking: Daiwa	1612	2 000	10 200	11.18	131				
	Banking: Nomura	1615	31 260	30 048	32.57	124	130	(4.39)	(2.4)	(20.5)
									(41.8)	
	ElecApp: Daiwa	1610	180	1 024	10.06	1 185	1 176	0.77	(4.5)	(10.0)
									(37.1)	
	Elec App: Nomura	1613	720	3 000	29.56	1 151	1 178	(2.33)	(5.7)	(13.5)
									(38.9)	

Fund Name	Ticker	Volume	Shares (000)	Net assets (million)	Price	NAV	Spread (%)	Return 1 Week	Return YTD	Return 1 Yr
Japan (continued)										
Transport: Daiwa	1611	0	1 014	10.20	1 209	1 203	0.48	(2.7)	(11.3)	(22.2)
Transport: Nomura	1614	20	2 000	20.14	1 202	1 205	(0.21)		(11.6)	(19.9)
*Net assets in USD, other values in JPY										
Mexico (MXP denominated)										
NAFTRAC	Trading commenced Apr-16-2002									
New Zealand (NZD denominated)										
NZSE10	TNZ	209 085	86 398	76.17	0.87	0.89	(2.25)	(1.0)	0.7	1.5
NZ Mid Cap	MDZ	23 932	15 432	28.55	1.85	1.85	0.00	0.5	(3.0)	(3.4)
Australian 20 Leaders	OZY	49 215	54 763	104.60	1.91	1.90	0.53	0.0	1.6	(22.0)
AMP Investments' World	WIN	42 467	361 935	387.27	1.07	1.03	3.88	3.7	(4.7)	(52.7)
South Africa (ZAR denominated)										
SATRIX 40	STX40	Data not available at press-time								
SATRIX Industrial	STXIND									
SATRIX Financial	STXFIN									
Singapore (SGD denominated)										
streetTRACKS Straits Times	STTF	7 760	22 500	297.90	13.20	13.24	(0.30)	(0.5)	(6.1)	
South Korea (KRW denominated)										
Kodex 200	6950 KS	Data not available at press-time								
Kospi 200	6966 KS									
Kosef 50	6955 KS									
Kodex 50	6960 KS									

Volume shows average daily volume for the week ending Apr-11-2003; **Shares** shows the number of outstanding shares; **Net assets** are approximations, shown in millions of the appropriate currency unit (unless otherwise stated); **Price** shows the closing price on Apr-11-2003; **Spread** shows the difference between the closing price and the NAV as at Apr-11-2003, expressed as a percentage. **Sources include** Thomson Financial, fund managers, MAR research and other sources.

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