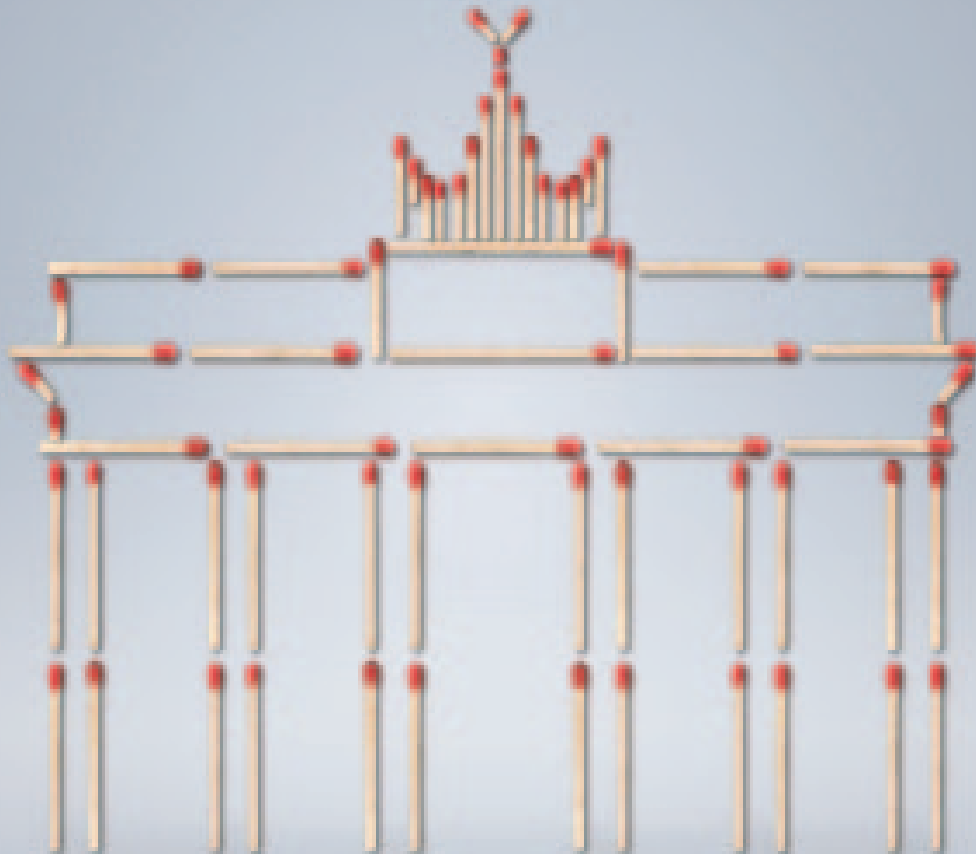


# ComStage ETFs on Bund-Future strategies

The right solution for each investment strategy

ComStage ETF | Easy – Transparent – Fair

Achieving more together

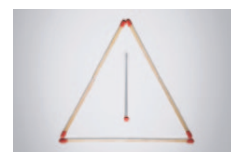
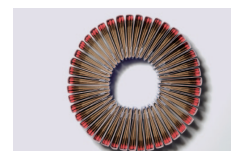




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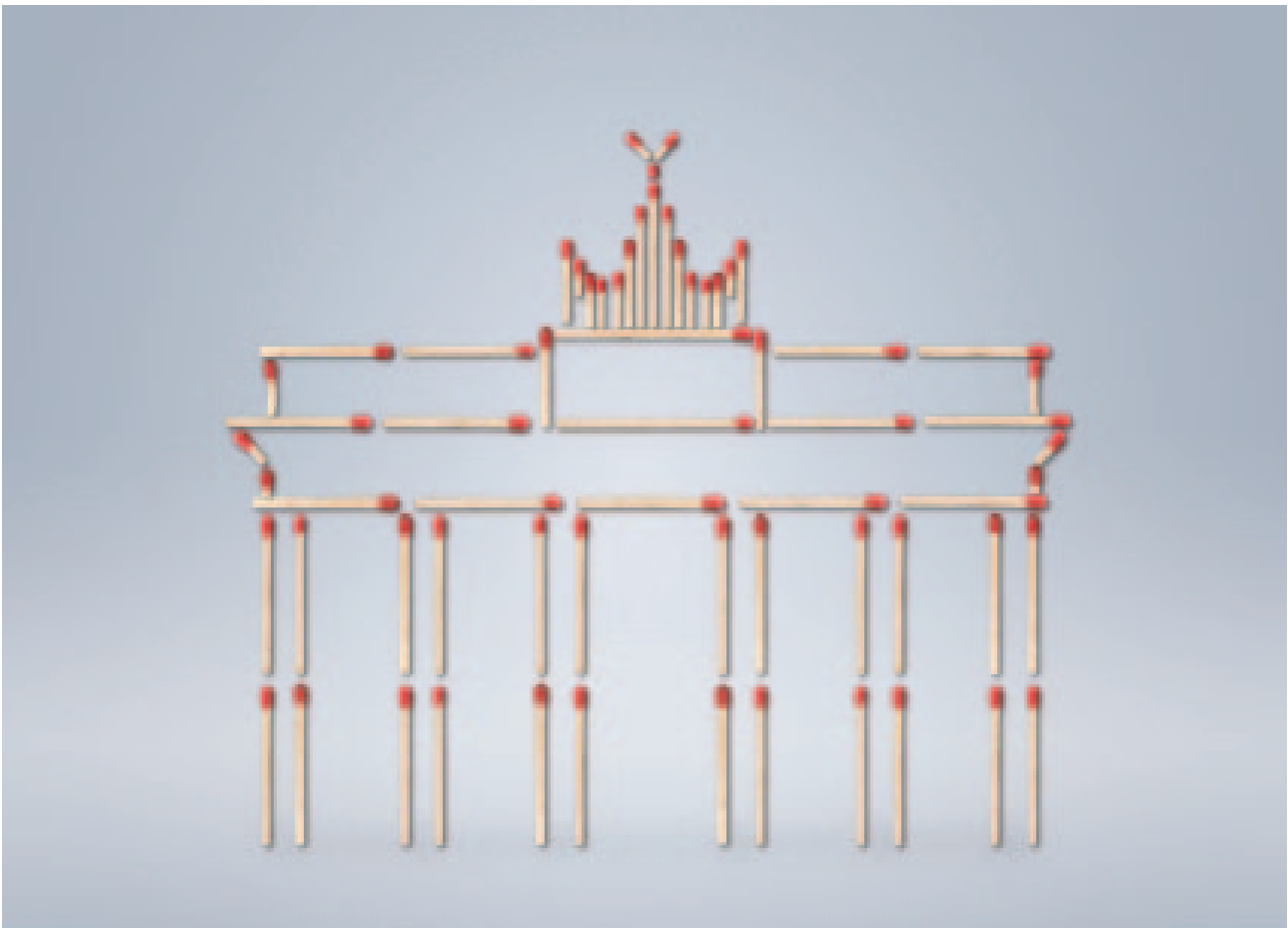
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# Participating in changes in market interest rates with ComStage ETFs

Investors who fear the risks of volatile equity markets are finding an investment alternative by investing in fixed-income securities. The markets for bonds are also subject to fluctuations that are reflected in the price of a bond in the event of a change in interest rates. The Euro-Bund-Future is of central importance as an indicator of the development of long-term interest rates. With ComStage ETFs on Commerzbank Bund-Future strategies you can specifically benefit from changes in interest rates for ten-year bonds.

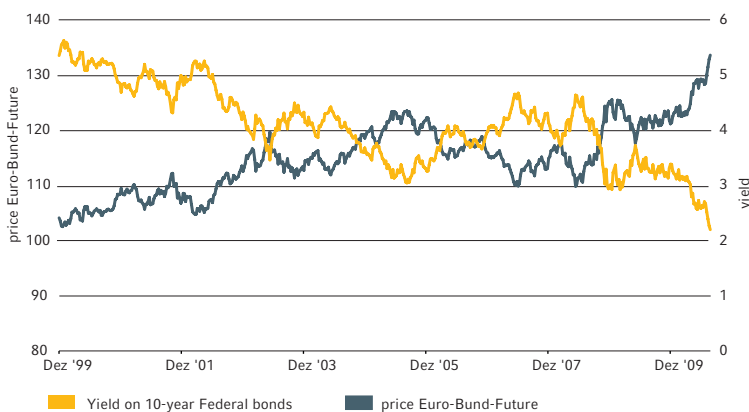


### What is behind the Euro-Bund-Future?

A Euro-Bund-Future, or Bund-Future, is a futures contract on a notional bond of the Federal Republic of Germany with an eight-and-a-half to ten-and-a-half year term for a nominal amount of 100,000 euros and a coupon of 6 percent.

In the ten-year bond category, the Bund-Future is the most significant and most liquid interest rate futures contract in the European bond market and is regarded as the most important indicator of interest rate developments in Germany. If, for example, the yield for ten-year bonds (and thus the interest rate level) falls, the price of the Bund-Future increases and vice versa.

### The price of the Bund-Future vs. the yield on Federal government bonds in percent



Source: Reuters, As of: August 31, 2010; The Bund-Future reflects long-term interest rates and is an indicator of the interest rate for ten-year Federal government bonds.

### Track the index easily with ETFs

As well as using traditional mutual funds or certificates for wealth-building, more and more investors are using what are known internationally as „Exchange Traded Funds“ (ETFs). Their investment objective is to track the performance of an index as closely as possible. So an ETF does not aim to outperform the benchmark but to perform in line with the underlying index.

#### Important information at a glance

**ETF** = Exchange Traded Funds. These are index funds that are traded on the stock exchange. Exchange Traded Funds track their respective benchmark index as closely as possible.

**Futures Exchange** = Exchange on which standardised futures contracts (futures and options) are traded and which are settled at a later date. Thus the prices of futures contracts reflect the expected future price of the underlying asset. On the equity side, the DAX future is the best known futures contract and on the bond side it is the Bund-Future.

**TR** = Total Return. A total return index measures the increase in value of investments, including the interest portion (the Commerzbank Bund-Future strategies contain an interest component equivalent to the EONIA rate).

# Replicating the Bund-Future change in a strategy

**Important information at a glance**

**Long Position** = A Long Position profits when the price of the underlying security rises

**Short Position** = A Short Position profits when the price of the underlying security declines

**Leveraged** = "Leveraged" ComStage ETFs are a special instrument which enables investors to enjoy leveraged participation in the performance of an underlying security. The leverage acts as a multiplier.

To provide a flexible, cost-effective way for retail investors to trade in the performance of the Bund-Future through an ETF, Commerzbank has defined four different strategies:

**Long-Strategy**

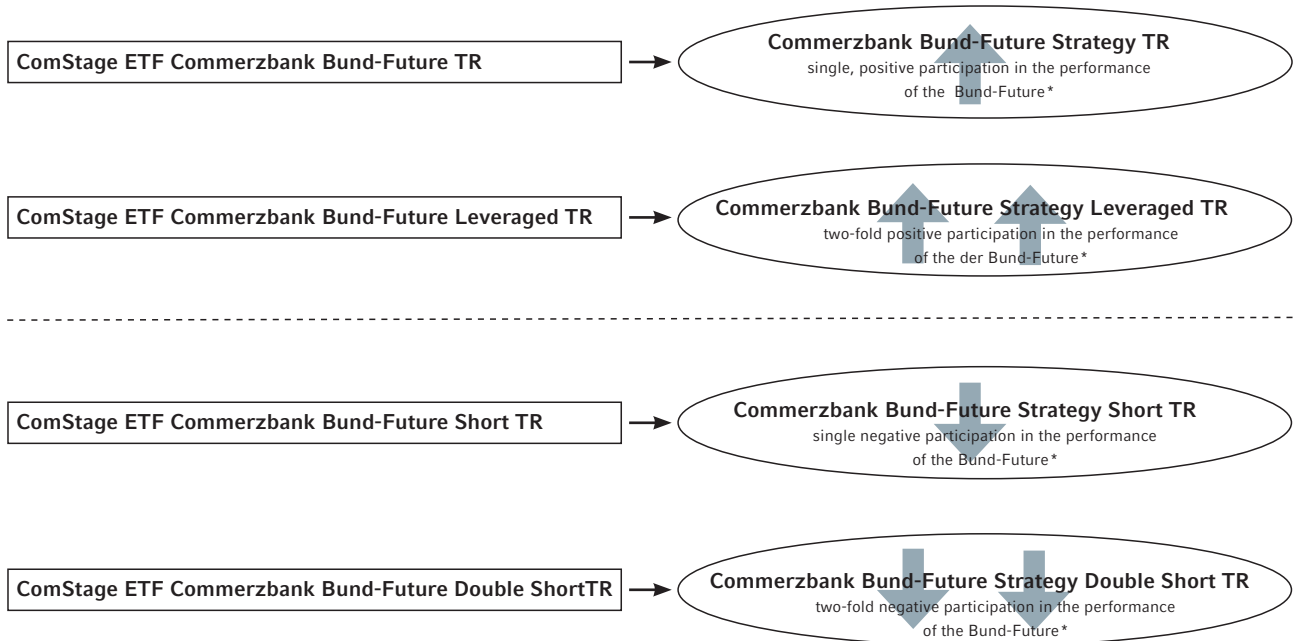
- Commerzbank Bund-Future Strategy TR
- Commerzbank Bund-Future Strategy Leveraged TR

**Short-Strategy**

- Commerzbank Bund-Future Strategy Short TR
- Commerzbank Bund-Future Strategy Double Short TR

Each of the four strategies is comparable with an index and reflects the performance of the Bund-Future price in a fixed ratio. With the ComStage ETFs presented here on these strategies, you can directly participate in the change in the Bund-Future price.

**Exchange Traded Funds auf Commerzbank Bund-Future strategies**



\* on a daily basis

# Who are ComStage Bund-Future ETFs suitable for?

The ComStage ETFs presented here are no substitute for a bond. They do not pay a coupon and are not redeemed at face value. Rather, they look for a change in the Bund-Future's price and therefore the interest rate. If the interest rate remains constant at an unchanged level, the price of the ComStage ETF does not change.

## Reasons for speculation

ComStage ETFs on Commerzbank Bund-Future strategies are aimed primarily at investors who wish to speculate short- to medium-term on a change in interest rates for ten-year bonds and wish to benefit from this change on a single or leveraged basis.

An investor who, during a high interest rate phase, assumes interest rates will fall can achieve gains with ComStage ETF Commerzbank Bund-Future TR in anticipation of a rising Bund-Future price. The ComStage ETF Commerzbank Bund-Future Leveraged TR, with its leverage factor of two, is right for the more opportunistic investor. Conversely, investors speculating on a rising level of interest rates may profit from a falling Bund-Future price with

## Reasons to hedge

Reasons to hedge Investors who already hold bonds or bond funds in their account can protect themselves against falling bond prices with ComStage Short strategies. If interest rates rise, the price of a bond will fall accordingly. This rise in interest rates is reflected in a declining Bund-Future price. This benefits the ComStage ETF Commerzbank Bund-Future Strategy Short TR.



# Speculating on rising Bund-Future prices

You participate positively in price increases with a long strategy and negatively in falls in the price of the Bund-Future. In addition to the single strategy, there is a leveraged strategy that allows you to share positively on a daily basis in increases in the price of the Bund-Future with a leverage factor of two. The same applies to price falls. In this case, they will have a double negative effect on a daily basis.

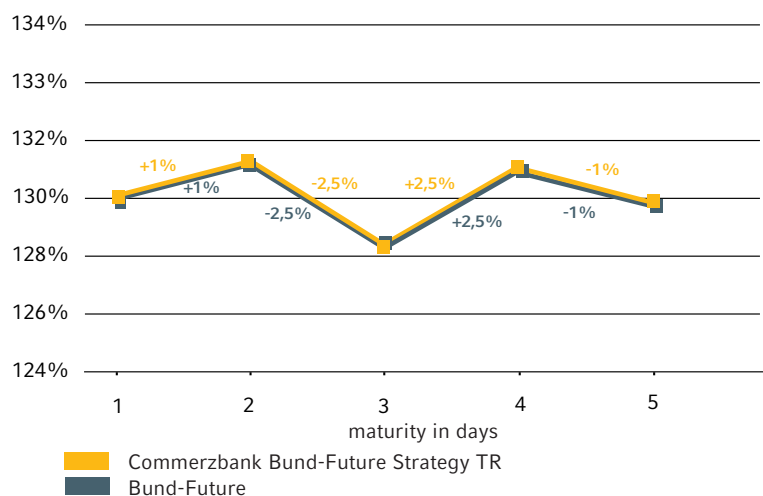
## ComStage ETF Commerzbank Bund-Future TR

The ComStage ETF Commerzbank Bund-Future TR (SIN: ETF560) is linked to the Commerzbank Bund-Future Strategy TR, which aims to model the performance of the Bund-Future one-to-one on a daily basis. The strategy will increase if the price of the Bund-Future rises (and interest rates for ten-year bonds fall) and the strategy will fall when the price of the Bund-Future drops (and interest rates rise for ten-year bonds).

	Bund-Future	ETF
Day 1	closing price: 130,00 %	100 €
Day 2	closing price: 131,30 % change: +1,00%	+1,00% 101,00 €
Day 3	closing price: 128,02 % change: -2,50%	-2,50% 98,48 €
Day 4	closing price: 131,22 % change: +2,50%	+2,50% 100,94 €
Day 5	closing price: 129,91 % change: -1,00%	-1,00% 99,93 €

## Bund-Future vs. Commerzbank Bund-Future Strategy TR

in percent



The Bund-Future represents the daily percentage performance and not the absolute performance of the Bund-Future. If the Bund-Future falls and then rises by the exact same value the next day, the strategy does not achieve the initial level. Simulation: Commerzbank's own calculation.

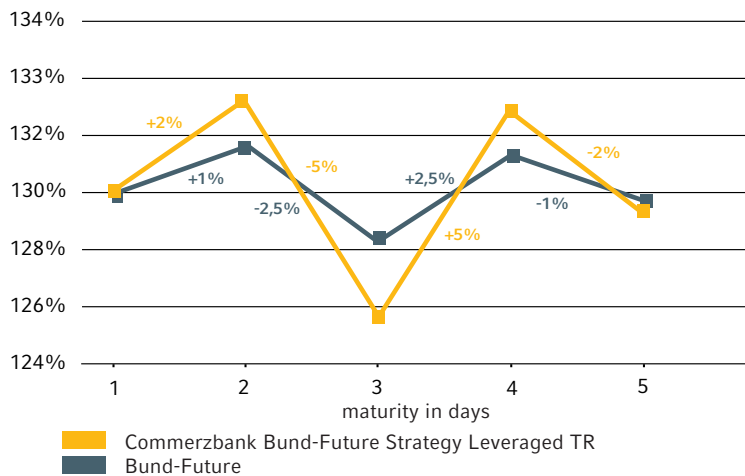


### ComStage ETF Commerzbank Bund-Future Leveraged TR

The ComStage ETF Commerzbank Bund-Future Leveraged TR (SIN: ETF561) is linked to the Commerzbank Bund-Future Strategy Leveraged TR. The goal of this strategy is to replicate the performance of the Bund-Future two-fold on a daily basis. The rise in the strategy will be double that of the Bund-Future if the price of the Bund-Future rises (and interest rates for ten-year bonds fall) and the strategy will fall by twice the amount compared to the Bund-Future if the price of the Bund-Future falls (and interest rates for ten-year bonds rise). The leverage factor of two allows disproportionate participation in the price rise of the Bund-Future.

#### Bund-Future vs. Commerzbank Bund-Future Strategy Leveraged TR

in percent



	Bund-Future	ETF
day 1	closing price: 130,00 %	100 €
day 2	closing price: 131,30 % change: +1,00 %	+ 2,00 % 102,00 €
day 3	closing price: 128,02 % change: -2,50 %	- 5,00 % 96,90 €
day 4	closing price: 131,22 % change: +2,50 %	+ 5,00 % 101,75 €
day 5	closing price: 129,91 % change: -1,00 %	- 2,00 % 99,72 €

The Bund-Future Strategy represents the daily percentage performance and not the absolute performance of the Bund-Future. If the Bund-Future falls and then rises by the exact same value the next day, the Strategy does not achieve the initial level. Simulation: Commerzbank's own calculation.

# Speculating on falling Bund-Future prices

Those who expect a decline in the Bund-Future and would like to benefit from this market development can use the ComStage ETF Bund-Future „Short“. A Short ETF performs in the opposite way to the underlying asset. In this case, a negative change in the Bund-Future leads to a positive one in the short strategy and a positive change in the Bund-Future leads to a negative change in the Short Strategy. This strategy is also available in a single and a leveraged version.

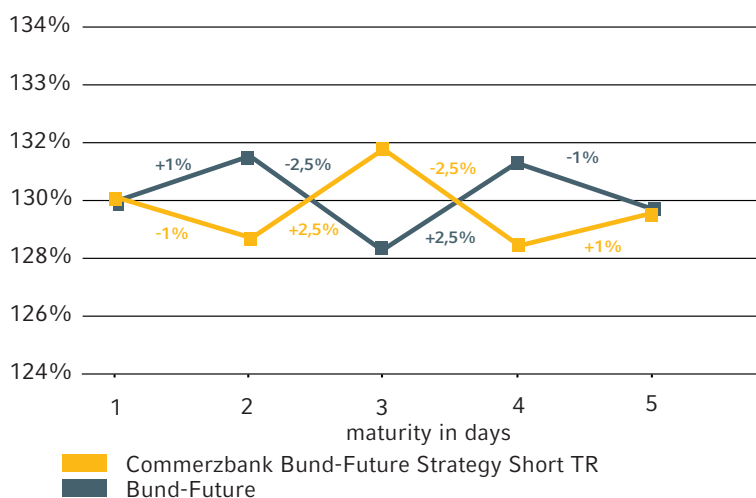
## ComStage ETF Commerzbank Bund-Future Short TR

The ComStage ETF Commerzbank Bund-Future Short TR (SIN: ETF562) is linked to the Commerzbank Bund-Future Strategy Short TR, which aims to model the inverse performance of the Bund-Future one-to-one on a daily basis. The strategy will increase if the price of the Bund-Future falls (and interest rates for ten-year bonds rise) or the strategy will fall when the price of the Bund-Future rises (and interest rate.

	Bund-Future	ETF
day 1	closing price: 130,00 %	100 €
day 2	closing price: 131,30 % change: +1,00%	-1,00 % 99,00 €
day 3	closing price: 128,02 % change: -2,50%	+2,50 % 101,48 €
day 4	closing price: 131,22 % change: +2,50%	-2,50 % 98,94 €
day 5	closing price: 129,91 % change: -1,00%	+1,00 % 99,93 €

## Bund-Future vs. Commerzbank Bund-Future Strategy Short TR

in percent



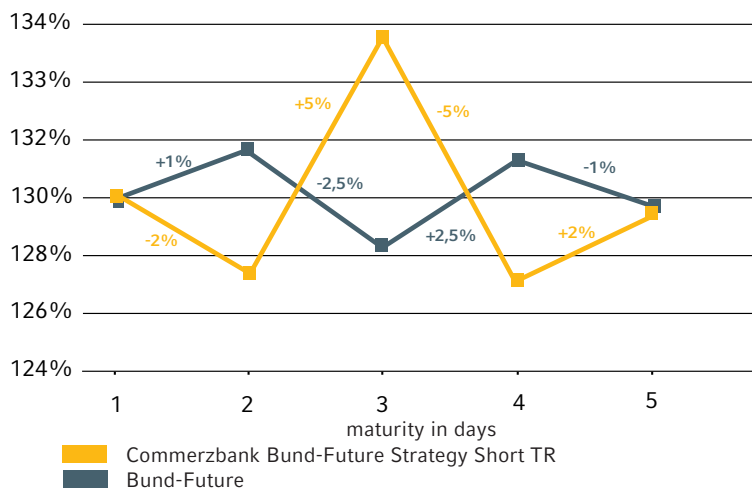
The Bund-Future strategy represents the daily percentage performance and not the absolute performance of the Bund-Future. If the Bund-Future falls and then rises by the exact same value the next day, the strategy does not achieve the initial level. Simulation: Commerzbank's own calculation.

### ComStage ETF Commerzbank Bund-Future Double Short TR

The ComStage ETF Commerzbank Bund-Future Double Short TR (SIN: ETF563) is linked to the Commerzbank Bund-Future Strategy Double Short TR, which aims to model the double inverse performance of the Bund-Future on a daily basis. The strategy will increase if the price of the Bund-Future falls (and interest rates for ten-year bonds rise) and the strategy will fall if the price of the Bund-Future rises (and interest rates fall for ten-year bonds).

#### Bund-Future vs. Commerzbank Bund-Future Strategy Double Short TR

in percent



The Bund-Future strategy represents the daily percentage performance and not the absolute performance of the Bund-Future. If the Bund-Future falls and then rises by the exact same value the next day, the strategy does not achieve the initial level. Simulation: Commerzbank's own calculation.

	Bund-Future	ETF
day 1	closing price: 130,00 %	100 €
day 2	closing price: 131,30 % change: +1,00 %	-2,00 % 98,00 €
day 3	closing price: 128,02 % change: -2,50 %	+5,00 % 102,90 €
day 4	closing price: 131,22 % change: +2,50 %	-5,00 % 97,76 €
day 5	closing price: 129,91 % change: -1,00 %	+2,00 % 99,72 €

# Product Overview

ETF information				
ETF name	ComStage ETF Commerzbank Bund-Future TR	ComStage ETF Commerzbank Bund-Future Leveraged TR	ComStage ETF Commerzbank Bund-Future Short TR	ComStage ETF Commerzbank Bund-Future Double Short TR
Underlying index	Commerzbank Bund-Future Strategy TR	Commerzbank Bund-Future Strategy Leveraged TR	Commerzbank Bund-Future Strategy Short TR	Commerzbank Bund-Future Strategy Double Short TR
Duration	unlimited	unlimited	unlimited	unlimited
Available through	banks and savings institutions	banks and savings institutions	banks and savings institutions	banks and savings institutions
Exchange ratio	approx. 1/1 of the index value	approx. 1/1 of the index value	approx. 1/1 of the index value	approx. 1/1 of the index value
Type of fund	interest strategy fund	interest strategy fund	interest strategy fund	interest strategy fund
OGAW / UCITS III	yes	yes	yes	yes
Fund currency	EUR	EUR	EUR	EUR
Use of income	reinvestment fund	reinvestment fund	reinvestment fund	reinvestment fund
Front load	0 % (in secondary market)	0 % (in secondary market)	0 % (in secondary market)	0 % (in secondary market)
Redemption fee	0 % (in secondary market)	0 % (in secondary market)	0 % (in secondary market)	0 % (in secondary market)
Flat fee	0.20 % p.a.	0.20 % p.a.	0.20 % p.a.	0.20 % p.a.
Replication	Swap	Swap	Swap	Swap

Trading informationen				
WKN	ETF 560	ETF 561	ETF 562	ETF 563
ISIN	LU0508799334	LU0530118024	LU0530119774	LU0530124006
Designated Sponsor	Commerzbank AG	Commerzbank AG	Commerzbank AG	Commerzbank AG
Trading times (exchange)	9 am to 8 pm	9 am to 8 pm	9 am to 8 pm	9 am to 8 pm
Trading times (off exchange)	8 am to 10 pm	8 am to 10 pm	8 am to 10 pm	8 am to 10 pm
Trading currency	EUR	EUR	EUR	EUR
Listing	Xetra, Frankfurt, Stuttgart	Xetra, Frankfurt, Stuttgart	Xetra, Frankfurt, Stuttgart	Xetra, Frankfurt, Stuttgart
Reuters	CBBUND.DE	CBBUND2L.DE	CBBUNDS.DE	CBBUND2S.DE
iNAV Reuters	CBBUNDNAV=COBA	CBBUND2LNAV=COBA	CBBUNDSNAV=COBA	CBBUND2SNAV=COBA
Bloomberg	5X60	5X61	5X62	5X63
iNAV Bloomberg	CNAV5X60	CNAV5X61	CNAV5X62	CNAV5X63
Information and prices	<a href="http://www.comstage.de/en">www.comstage.de/en</a>	<a href="http://www.comstage.de/en">www.comstage.de/en</a>	<a href="http://www.comstage.de/en">www.comstage.de/en</a>	<a href="http://www.comstage.de/en">www.comstage.de/en</a>

# Rollover processes employed

Bund-Future contracts are traded on the Futures Exchange for three terms. Delivery months are the quarterly months of March, June, September and December, whereby only the next three terms are tradeable. Hence, a Bund-Future contract has a predetermined duration (as opposed to an equity share). When an expiration date approaches, the expiring futures contract must be sold (closed) - in order to avoid actual delivery of the underlying asset - and a contract with a new duration must be purchased (opened). This so-called „rollover process“ is also applied in the Commerzbank Bund-Future strategies.

Two trading days before the last trading day of the current Bund-Future contract, this contract is exchanged for the contract with a subsequent due date. As part of this rollover process, the respective Commerzbank Bund-Future Strategy is linked from this point on to the Bund-Future contract with the new due date. The associated quarterly costs (rollover costs) will be automatically deducted from the strategy.



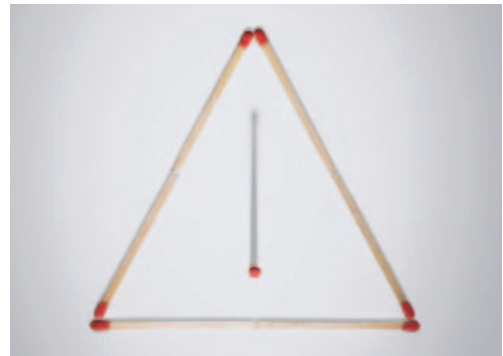
# The benefits in a nutshell

- ComStage ETFs on Commerzbank Bund-Future strategies enable the change in the Bund-Future (and thus the market interest rate) to be replicated easily and transparently in a security.
- Flexible hedging tool against falling bond prices.
- A Bund-Future contract has a term of three months. If the current Bund-Future contract expires the strategy is linked to the contract with the next expiry date (the delivery months are the quarterly months of March, June, September and December). The quarterly fees associated with this rollover process are automatically deducted from the relevant strategy.
- During trading hours, there is transparent secondary market trading at current prices.
- There is no front load when purchasing ETFs in the secondary market.
- Low flat fee of 0.20 percent p.a.
- The capital invested in a strategy accrues interest on a daily basis at the current EONIA rate.



# General risk factors

- ComStage ETFs do not come with a capital guarantee. You are linked to an index that can develop positively or negatively. Therefore, the value of the fund's shares may rise or fall. In particular, the so-called net asset value of the Fund's shares may fall below the purchase price at any time, which, in the event of sale, can result in a loss of capital and, under very unfavourable circumstances, (for example, in the event of a market-related loss in value of all index components) in a total loss of invested capital.
- For the purpose of efficient portfolio management, financial instruments and techniques are used to link the value of the Fund to the performance of the index. The prudent use of these financial instruments and techniques is generally an advantage, but also carries risks that arise from the special structure of derivatives and the mechanisms of derivatives markets.
- Legal and regulatory requirements shall apply to collateral that is made available to the Company by counterparties in connection with securities lending, repurchase and OTC transactions to minimize counterparty risk. In the case of liquidation it is possible for individual assets to be worthless or lose their value completely by the time of liquidation.







# Disclaimer

This brochure provides some information about the fund shares mentioned herein, but it is not sufficient information on which to base an investment decision. Therefore, investment decisions should not be made on the basis of this description, but solely on the basis of the detailed and simplified offering prospectus. It is moreover recommended that investors contact their tax, financial, legal or other advisors prior to the purchase of shares of the ETFs described in this brochure and that they clarify individually the possible economic and tax consequences of the share purchase. The relevant funds are not recommended, sold or promoted by the sponsors of the indices (except for Commerzbank AG) nor do the sponsors of the indices provide any other assurances for the respective funds. The sponsors of the indices referred to herein (including Commerzbank AG) do not provide any representations or warranties with regard to the results that were achieved through the use of the indices and / or the index levels on any given day or in any other respects.

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ComStage ETF is a fund registered in the Grand Duchy of Luxembourg. A comprehensive description of the fund terms is included in the offering prospectuses of the ComStage ETFs. The full offering prospectus, simplified offering prospectus, the articles and the latest annual and semi-annual reports may be obtained free of charge from the following addresses:

- Germany: Commerzbank AG, Kaiserstrasse 16 (Kaiserplatz), 60261 Frankfurt am Main, acts as an information centre;
- Erste Bank der österreichischen Sparkassen AG, Graben 21, A-1010 Vienna acts as paying agent and tax representative in Austria;
- Switzerland: Commerzbank AG, Frankfurt am Main, Zurich Branch, Utoquai 55, CH-8034 Zurich, acts as paying agent and representative in Switzerland and
- Luxembourg: Commerz Derivatives Funds Solutions SA, 25, rue Edward Steichen, 2540 Luxembourg.

As of: November 11, 2010.





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