

Press Release

For editors

18 July 2014

ComStage launches ETFs for Japan and USA with daily FX hedging

- **ComStage MSCI Japan 100% Hedged EUR Daily UCITS ETF with a flat fee of 0.45 percent per year**
- **ComStage S&P 500 Euro Hedged Daily Net TR UCITS ETF with a flat fee of 0.30 percent per year**

ComStage, the ETF brand of Germany's Commerzbank, has launched two new funds which invest in American or Japanese equities, providing investors with daily protection against currency exchange risks.

The funds invest in the MSCI Japan and S&P500 in a way that seeks to protect investors from the impact of fluctuations between the base currency of the fund – Euro – and the currency denomination of the underlying indices – yen or U.S. dollar. The ETFs are hedged against currency movements on a daily basis.

"When making equity investments in foreign markets, many investors want to achieve risk diversification, but do not want to be exposed to volatile FX rate changes," said Thomas Meyer zu Dreher, who heads the ETF Comstage business at Commerzbank.

One way to protect against exchange rate deterioration is via ETFs with currency hedging. This is now being offered through the ComStage MSCI Japan 100% Hedged EUR Daily UCITS ETF (WKN: ETF025, ISIN: LU1033694107) and the ComStage S&P 500 Euro Hedged Daily Net TR UCITS ETF (WKN: ETF014, ISIN: LU1033694362). Both ETFs started to be listed on German stock exchanges on Friday.

"These new ETFs will offer investors protection from currency movements against the euro for their investments in Japan and the USA," Meyer zu Dreher explains. For this purpose, the performance of the two underlying indices will be directly converted into euros on a daily basis.

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"As the euro is simultaneously fund and trading currency, investors no longer have to worry about the price movements of the U.S. dollar or the yen against the euro," said Meyer zu Drewer.

All 98 ComStage ETFs can be bought and sold on the German stock exchanges Xetra, Frankfurt and Stuttgart, as well as over the counter at online banks. When trading the two ComStage UCITS ETF on the stock exchange or in the OTC market no extra sales charge will be billed. However, transactions are subject to the usual costs of the relevant custodian. The flat fees of the new daily currency-hedged ETFs amount to 0.45 percent per year for Japan and 0.30 percent per year for the S&P500. Net dividends are reinvested in the funds.

At a glance:

ComStage MSCI Japan 100% Daily Hedged Euro UCITS ETF

- WKN / ISIN: ETF025 / LU1033694107
- Re-investing
- Flat fee: 0,45% p.a.
- NAV on 11 July 2014: 12.8257 Euro

ComStage S&P 500 Euro Daily Hedged Net TR UCITS ETF

- WKN / ISIN: ETF014 / LU1033694362
- Re-investing
- Flat fee: 0,30% p.a.
- NAV on 11 July 2014: 32.6297 Euro

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About Commerzbank

Commerzbank is a leading bank in Germany and Poland. It is also present worldwide in all markets for its customers as a partner to the business world. With the business areas Private Customers, Mittelstandsbank, Corporates & Markets and Central & Eastern Europe, it offers its private and corporate customers as well as institutional investors the banking and capital market services they need. With approximately 1,200 branches Commerzbank has one of the densest branch networks among German private banks and is on its way to become a modern multichannel bank. In total, Commerzbank boasts approximately 15 million private customers, as well as 1 million business and corporate customers. In 2013, it generated revenues of more than EUR 9 billion with approximately 54,000 employees on average