Commodities Product Overview

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For Financial Professional/Not for Public Distribution

There's nothing passive about how you invest.

Commodity Product Overview

- **Commodity Indices Overview**
- **Types of Products**
- **Products by Investor Type**

Commodity Indices Evolution

- **1990's**
  - Limited Providers
  - Few Index Choices
    - Standard

- **Today**
  - Limited Providers
  - Many Index Choices
    - Standard
    - Modified
    - Capped
    - Global Macro
    - Custom

S&P Indices has been on the forefront of innovative futures indices.

S&P INDICES

Commodity Indices Evolution

S&P GSCI

World Commodity

Strategic Futures

Modified Weight

Decreased Energy

Equal Weight Select

Modified Roll

Forward Indices

Enhanced

Dynamic Roll

Covered Call Select

Capped – UCITS Compliant

Custom

Weight
Roll
Sector
Component
Contracts
Collateral
Leverage
Inverse
Capped

S&P INDICES

S&P Commodity Product Matrix

S&P Commodity Indices				
Index Name	**Launch Date**	**Description**	**Significance**	**Target Client**
S&P GSCI	1991	World production weighted commodity index. Purchased by S&P in Feb. of 2007.	World's most widely tracked commodity index with numerous sub and derivative indices.	All - has been mostly an institutional tracked index.
Decreased Energy Indices	1991	Energy commodity Contract Production Weights (CPW's) are divided by 2-Reduced Energy, 4-Light Energy, 8-UltraLight Energy	Offer decreased energy weights compared to the regular world production weighted S&P GSCI	Attractive for investors seeking commodity exposure but with less energy sector exposure than the regular S&P GSCI
S&P GSCI Forward Indices	2007	Basic enhanced indices that move forward on the futures curve from 1 thru 5 months.	Simple but with a history of superior lower volatility returns.	More astute investors seeking to limit potential negative roll returns.
S&P GSCI Enhanced	2007	Designed to alleviate potentially negative roll returns. Simple to maintain investability; only 8-commodities are enhanced.	Somewhat of a benchmark in the Enhanced commodity index space. History of superior lower volatility returns.	More astute investors seeking to limit potential negative roll returns.
S&P GSCI Capped Indices	2009 (Sept)	Intended to be UCITS III Compliant in Europe. Two capping methodologies: Capped Component & Capped Commodity.	Caps constituents on a quarterly basis. Available on the base index and numerous S&P GSCI sub-indices.	Investors desirous of commodity indices that are intended to meet UCITS III regulations.
S&P DFI	2009 (Dec)	S&P Dynamic Futures Index. Strategic futures long/short index.	More investable alternative to the S&P DTI that utilizes S&P GSCI weights and methodology guidance. Uses market momentum for index signals.	Astute investors looking for an alternative to long only commodity indices.
S&P WCI	2010 (May)	S&P World Commodity Index. Unique multi-currency, long only, commodity index that excludes the U.S.	Contains liquid, tradable commodities listed on exchanges outside of the U.S. Includes numerous sub-indices and regional, WCI Asia and WCI Europe indices.	Investors looking for a global alternative to traditional U.S. dominated commodity indices.
S&P GSCI Equal Weight Select	2010 (Sept)	An equal weight version of the S&P GSCI that contains only the most liquid commodities; 14 in 2010.	A simple methodology that reweights quarterly. Back-dated history of superior, lower volatility returns.	All investors
S&P GSCI Covered Call Select Index	2010 (Oct)	Unique commodity index that systematically writes out of the money calls on only the S&P GSCI constituents with liquid options markets.	Seeks to generate income, lower volatility and benefit from taking in options premiums on constituent commodities.	More astute investors seeking long commodity exposure, potential income and to limit potential negative roll returns.
S&P GSCI Dynamic Roll Index	2011(Jan)	An enhanced version of the S&P GSCI that seeks the optimal futures roll schedule for all S&P GSCI commodities.	Most sophisticated version of the S&P GSCI that seeks to optimize the futures roll return.	More astute investors seeking to limit potential negative roll returns
S&P Systematic Global Macro Index	2011 (August)	S&P Systematic Global Macro Index (SGMI). Long/short strategic futures index.	An unbiased long/short performance index also intended to provide an investable measure.	Astute investors looking for an alternative to long only commodity indices.

S&P INDICES

S&P GSCI® Index

The most widely tracked commodity index. It is typically recognized as the leading measure of commodity prices and inflation in the world economy.

- **Constituents (currently 24)**
  - Must meet eligibility criteria on an annual basis
  - Futures contracts on physical commodities
  - Total Dollar Value Traded (TDVT) minimums
  - Reference Percentage Dollar Weight minimums
  - Denominated in USD and Trading Facility Organization for Economic Cooperation and Development (OECD)
  - Pricing and volume availability
- **Sectors (currently 5 groups)**
  - Agriculture, Energy, Livestock, Precious Metals, Industrial Metals
- **Weight**
  - World production-weighted
- **Rebalance**
  - Annual rebalance, Monthly review
- **Roll**
  - 20% each day of the 5^{th} through 9^{th} S&P GSCI Business Days of each month
  - Next nearby most liquid contract

Information as of December 30, 2011

S&P INDICES

S&P GSCI Decreased Energy Indices
Modified Weight

This index family has a decreased energy weight compared to the regular world production weighted S&P GSCI Index. There are three main versions.

- **S&P GSCI Reduced Energy Index**
  - Contract Production Weights (CPW's) are divided by 2
  - Results in 54.8% energy exposure*
- **S&P GSCI Light Energy Index**
  - Contract Production Weights (CPW's) are divided by 4
  - Results in 37.8% energy exposure*
- **S&P GSCI Ultra-Light Energy Index**
  - Contract Production Weights (CPW's) are divided by 8
  - Results in 23.3% energy exposure*
- **S&P GSCI Non-Energy Index**

**Energy weights are from November 30, 2011, compared to 70.8% Energy in the base S&P GSCI*

Information as of November, 30, 2011

S&P INDICES

S&P GSCI Equal Weight Select Index
Modified Weight

The equal commodity weight version of the S&P GSCI Index.

- **Constituents - 14 (the top commodities based on a TDVT threshold)**
  - Must be included in the S&P GSCI
  - Classified by group
  - Ranked by average daily dollar weights
- **Sectors - 6 groups** (Parenthesis indicates the number of constituents)
  - Agriculture – Grains and Oilseeds (3), Agriculture – Softs (1), Energy (4), Livestock (1), Precious Metals (1), Industrial Metals (4)
- **Weight**
  - Equally weighted by constituent
  - Each sector is not greater than 30% of the index weight
- **Rebalance**
  - Beginning of each quarter
- **Roll**
  - The same as S&P GSCI

Information as of December 30, 2011

S&P INDICES

S&P GSCI Forward Indices
Modified Roll

This index family is similar to the S&P GSCI Index with the exception that the Designated Contract Expirations are advanced by the number of months identified by the specific forward index. There are five main versions.

- **One-Month Forward (family)**
- **Two-Months Forward (family)**
- **Three-Months Forward (family)**
- **Four-Months Forward**
- **Five-Months Forward**

Index family refers to the entire set of indices related to the base index

S&P INDICES

S&P GSCI Enhanced Index
Modified Roll

Calculated on a similar basis as the S&P GSCI Index in which certain dynamic, timing, and seasonal rolling rules are applied to 8 of the most difficult to store commodities

- **Roll Date Modifications**
  - 20% each day of the 1st through 5th S&P GSCI Business Days of each month
- **Contract Roll Modifications**

  Dynamic:
  - WTI Crude Oil rolls from the 1st to 6th contract month if the contango between the 1st and 2nd contract month is greater than 0.50%.
  - Brent Crude Oil rolls from the 2nd to the 7th contract month if the contango between the 2nd and 3rd contract month is greater than 0.50%.

  Seasonal:
  - Heating Oil is rolled annually to the December contract (during the November roll).
  - Natural Gas is rolled annually to the January contract (during the December roll).
  - Chicago Wheat is rolled annually to the December contract (during the November roll).
  - Corn is rolled annually to the July contract (during the May roll).
  - Lean Hogs are rolled semiannually to the April and August contracts (April during the July roll, and August during the March roll).
  - Live Cattle is rolled semiannually to the April and October contracts (April during the September roll and October during the March roll).

S&P INDICES

S&P GSCI Dynamic Roll Index
Modified Roll

Calculated on a similar basis to the S&P GSCI Index in which an algorithm is applied to every S&P GSCI commodity during the roll period to minimize the effects from contango as well as the additional costs of rolling

- **Rank Order**
  - Chooses the number of contracts (1,2,3, or 4) in optimal set
  - Based on implied roll yield
- **Dynamic Roll Algorithm**
  - Run monthly on each commodity to determine the new contract
  - Decides the optimal set of contracts
    - Dollar Value of Open Interest
    - Does not exceed 11 contracts
    - Does not go further than 48 months out on the curve
    - Rank by implied roll yield
  - Checks if currently held contract is in optimal set
    - If yes, retain position
    - If no, choose contract based on implied roll yield

Information as of December 30, 2011

S&P INDICES

S&P GSCI Covered Call Select Index
Modified Roll and Modified Weight

This index seeks to simulate a covered call strategy on the commodities with the most active options markets included in the S&P GSCI Index. It aims to be income producing and reduce volatility as well as negative roll yield.

- **Constituents (10 commodities)**
  - Futures must be included in the S&P GSCI
  - Annual options volume at least 10% of underlying commodity volume
  - **Options Strike Determination** is based on the volatility of the underlying commodity
  - Coffee, Corn, Cotton, Crude Oil, Gold, Natural Gas, Silver, Soybeans, Sugar, and Wheat
  - Separate indices are created for each commodity
    - Long active futures contract plus write (sell) out-of-the-money call
- **Weight**
  - Equally weighted by each covered call commodity index
- **Rebalance**
  - Annually
- **Roll**
  - 20% each day of the 1st through 5th S&P GSCI Business Days of each month

S&P INDICES

Information as of December 30, 2011

S&P GSCI Capped Indices
Modified Roll and Modified Weight

Institute periodic weight caps on the index constituents of the S&P GSCI Index and are intended to be European Union UCITS III directives compliant

- **S&P GSCI Capped Component 35/20 Index**
  - 24 commodities
  - 18 components
    - Petroleum, Wheat, Cattle contain more than one commodity
  - Caps the highest component at 35% and the remaining at 20%
  - Excessive weights are redistributed among the remaining components
- **S&P GSCI Capped Commodity 35/20 Index**
  - 24 commodities
  - Caps the highest commodity at 35% and the remaining at 20%
  - Excessive weights are redistributed within the same sector
- **S&P GSCI Enhanced Capped Component 35/20 Index**
  - Same as S&P GSCI Capped Component 35/20 Index
  - Uses S&P GSCI Enhanced Index Roll Schedule
- **Rebalance**
  - Quarterly

Information as of December 30, 2011

S&P INDICES

S&P World Commodity Index (WCI)

The S&P World Commodity Indices are the first tradable commodity indices to consist solely of futures contracts traded on non-U.S. exchanges that are readily accessible to global market participants.

- **Constituents (currently 22)**
  - Futures contracts on physical commodities that trade outside of U.S.
  - No currency restrictions
  - Total Dollar Value Traded minimums
  - Reference Percentage Dollar Weight minimums
  - Pricing and Volume availability
- **Sectors (currently 3 groups)**
  - Agriculture, Energy, Metals
- **Currencies (6)**
  - USD, JPY, EUR, MYR, CAD, GBP
  - Index series calculated in USD
- **Exchanges (8)**
  - ICE Futures Europe, LME, TOCOM, NYSE Liffe-Paris, NYSE Liffe-UK, Bursa Malaysia, ICE Futures Canada, TGE
- **Weight**
  - World production-weighted
- **Rebalance**
  - Annual rebalance, Monthly review
- **Roll**
  - 20% each day of the 5^{th} through 9th S&P WCI Business Days of each month
  - Next nearby most liquid contract

Information as of December 30, 2011

S&P INDICES

S&P Systematic Global Macro Index (SGMI)
Strategic Futures

Intended to be a tradable global macro and Commodity Trading Advisor (CTA) benchmark designed to reflect the price trends of highly liquid global futures.

- **Constituents (37 futures contracts)**
  - Global futures contracts on physical commodity, financial, currency, interest rates, and equity indices
  - Total Reported Volume
  - Denominated in USD and Trading Facility OECD
  - Pricing and Volume availability
- **Sectors (6 groups)**
  - Energy (6)
  - Commodities - Grains (3), Livestock & Softs (5), Metals (3)
  - Foreign Exchange (6)
  - Fixed Income - U.S. (3), Europe (2), Asia (2)
  - Stock Indices - U.S. (2), Europe (2), Asia (2)
  - Short Term Interest rates
- **Weight**
  - Long or Short
  - Based on Equal Risk Budget
- **Rebalance**
  - Components determined every two years
  - Monthly, instituting regression based long/short signals
- **Roll**
  - 20% each day of the 2th through 6th S&P SGMI Business Days of each month
  - Next nearby most liquid contract

S&P INDICES

Information as of December 30, 2011

S&P Dynamic Futures Index (DFI)
Strategic Futures

This long/short index is designed to reflect the price momentum that physical commodities, interest rates and currencies tend to exhibit over the long term due to their cyclicality.

- **Constituents (30 or less)**
  - Global physical commodity and financial futures contracts
  - Excludes futures on short-term interest rates or equity indices
  - Total Reported Volume
  - Denominated in USD and Trading Facility OECD
  - Pricing and Volume availability
  - Signals are derived from 7-month exponential moving average
- **Sectors (3)**
  - 8 Financial
  - 6 Currencies
  - 16 or less Commodities (No more than 3 grains and 4 softs)
- **Weight**
  - Long or Short
  - Physical commodities based on the S&P GSCI Light Energy Index weights
  - Financial futures based on relative GDP
  - Equally divided by weight between financial and commodities
- **Rebalance**
  - Components annually
  - Sectors monthly
- **Roll**
  - 20% each day of the 1st through 5th S&P WCI Business Days of each month
  - Next nearby most liquid contract

Information as of December 30, 2011

S&P Commodity Indices - Categories

Index Name	Description	Significance	Target Investor
Standard - Liquidity focused, world production weighted			
S&P GSCI	World production weighted commodity index. Purchased by S&P in Feb. of 2007.	World's most widely tracked commodity index with numerous sub and derivative indices.	All - has been mostly an institutional tracked index.
S&P WCI	S&P World Commodity Index. Multi-currency, commodity index excluding the U.S.	The world's top commodities from non-U.S. exchanges. Numerous sub-indices and regional, WCI Asia and WCI Europe indices.	Investors looking for a global alternative to traditional U.S. dominated commodity indices.
Modified Weight - Generally reduce energy weight			
Decreased Energy Indices	Energy commodity Contract Production Weights (CPW's) are divided by 2-Reduced Energy, 4-Light Energy, 8-UltraLight Energy	Offer decreased energy weights compared to the regular world production weighted S&P GSCI	Investors seeking commodity exposure with less energy sector exposure than the regular S&P GSCI
S&P GSCI Capped Indices	Intended to be UCITS III Compliant in Europe. Two capping methodologies: Capped Component & Capped Commodity.	Caps constituents on a quarterly basis. Numerous sub-indices.	Investors desirous of commodity indices that are intended to meet UCITS III regulations.
S&P GSCI Equal Weight Select	Equal weight version of the S&P GSCI that contains only the most liquid commodities: 14 in 2010.	Reweights quarterly. Back-dated history of superior, lower volatility returns.	All investors
Modified Roll - Help alleviate negative impact of contango			
S&P GSCI Forward Indices	Basic enhanced indices that move forward on the futures curve from 1 thru 5 months.	Simple but with a history of superior lower volatility returns.	More astute investors seeking to limit potential negative roll returns.
S&P GSCI Enhanced	Designed to alleviate potentially negative roll returns. Simple to maintain investability; only 8-commodities are enhanced.	Somewhat of a benchmark in the Enhanced commodity index space. History of superior lower volatility returns.	More astute investors seeking to limit potential negative roll returns.
S&P GSCI Covered Call Select Index	Systematically writes out of the money calls on only the S&P GSCI constituents with liquid options markets.	Seeks to generate income, lower volatility and benefit from taking in options premiums on constituent commodities.	More astute investors seeking long commodity exposure, potential income and to limit potential negative roll returns.
S&P GSCI Dynamic Roll Index	An enhanced version of the S&P GSCI that seeks the optimal futures roll schedule for all S&P GSCI commodities.	Most sophisticated version of the S&P GSCI that seeks to optimize the futures roll return.	More astute investors seeking to limit potential negative roll returns
Strategic Futures - Long / short futures indices			
S&P Systematic Global Macro Index	S&P SGMI - A long/short strategic futures index representing the Global Macro, CTA and Managed Futures space	An unbiased long/short performance index also intended to provide an investable measure.	Astute investors looking for an alternative to long only commodity indices.
S&P Dynamic Futures Index	S&P DFI. Strategic futures long/short index.	More investable alternative to the S&P DTI that utilizes S&P GSCI weights and methodology guidance. Uses market momentum for index signals.	Astute investors looking for an alternative to long only commodity indices.

S&P INDICES

Indices in R&D

- **S&P GSCI Multiple Contract**

- **S&P SGMI sector indices: Commodities and Financials**

S&P INDICES

S&P GSCI ETP's

S&P Indices: Tickers & Exchange Traded Products November 29, 2010

S&P Commodities Indices

Standard & Poor's Index Name	Currency	Total Return Tickers		Exchange Traded Product Name	ETF Ticker
		Bloomberg	Reuters RIC		
S&P® GSCI®	US$	SPGSCITR	.SPGSCITR	iShares S&P GSCI Commodity Indexed Trust iPath S&P GSCI Total Return ETN EasyETF GSCI GS Connect S&P/GSCI Enhanced Commodity Total Return Strategy Index ETN	GSG GSP US GSCIUSD SW GSC
S&P GSCI Enhanced	US$	SPGCESTR	.SPGCESTR		
S&P GSCI Equal Weight Select	US$	SPGSEWTR			
S&P GSCI Covered Call Select	US$	SPCLCI			
S&P GSCI Energy	US$	SPGCENTR			
S&P GSCI Industrial Metals	US$	SPGCINTR			
S&P GSCI Precious Metals	US$	SPGCPMTR			
S&P GSCI Agriculture	US$	SPGCAGTR			
S&P GSCI Agriculture Capped Component 35/20	US$	SPGSGPTR	.SPGSGPTR	Amundi ETF Commodities S&P GSCI Agriculture	CA8 FP
S&P GSCI Livestock	US$	SPGCLVTR			
S&P GSCI Agricultural & Livestock	US$	SPGSALTR	.SPGSALTR	EasyETF S&P GSAL™	GSALEUR GR
S&P GSCI All Metals	US$	SPGSAMTR			
S&P GSCI All Metals Capped Commodity 35/20	US$	SPGSAPTR	.SPGSAPTR	Amundi ETF Commodities S&P GSCI Metals	CME FP
S&P GSCI Crude Oil	US$	SPGSCLTR	.SPGSCLTR	iPath S&P GSCI Crude Oil Total Return Index ETN	OIL US
S&P GSCI Crude Oil Covered Call	US$	SPCLCLTR	.SPCLCLTR		
S&P GSCI Crude Oil Enhanced	US$	SGESCLTR	.SGESCLTR	Mirae Asset MAPS Tiger WTI Future ETF	130680 KS
S&P GSCI Light Energy (CPW 4)	US$	SPGSLETR	.SPGSLETR	EasyETF S&P GSCI® Light Energy Dynamic db x-trackers DB Commodity Boost - S&P GSCI Light Energy Euro ETF Amundi ETF Commodities S&P GSCI (LE)	GSDEUR GR XCBL GR CL7 FP
S&P GSCI Non-Energy	US$	SPGSNETR	.SPGSNETR	EasyETF GSNE™ Amundi ETF Commodities S&P GSCI Non Energy	GSNEEUR GR NEG FP
S&P GSCI Reduced Energy (CPW 2)	US$	SPGSRETR	.SPGSRETR		
S&P GSCI Ultra-Light Energy (CPW 8)	US$	SPGSUETR	.SPGSUETR	EasyETF S&P GSCI® Ultra Light Energy	GSUEUR IM
S&P GSCI North American Copper	US$	SPGSHGTR	.SPGSHGTR		
S&P GSCI Gold	US$	SPGSGCTR	.SPGSGCTR	Kodex Gold Futures Special Asset ETF	132030 KS
S&P Commodity Trends Indicator (CTI)	US$	SPTICDT		ELEMENTS Linked to the S&P Commodity Trends Indicator - Total Return ETN	LSC

S&P Indices – Performance Statistics

All returns are total return

December 30, 2011	S&P 500	S&P GSCI	S&P GSCI Light Energy	S&P GSCI 3 Month Forward*	S&P GSCI Enhanced*	S&P GSCI Dynamic Roll*	S&P GSCI Covered Call Select*	S&P GSCI Equal Weight Select*	S&P GSCI Capped Component 35/20*	S&P WCI*	S&P SGMI*	S&P BG/Cantor 7/10 yr*
Cumulative Returns												
2011	2.11%	-1.18%	-7.22%	0.38%	0.50%	-0.34%	-10.09%	-11.82%	-8.13%	8.74%	3.21%	15.60%
2010	15.06%	9.03%	17.10%	12.14%	12.14%	9.52%	19.35%	17.08%	12.97%	17.10%	21.52%	9.82%
Jan. 2004 - December 2011	33.03%	8.53%	21.80%	121.31%	111.75%	207.02%	40.94%	41.51%	-2.00%	114.95%	136.96%	70.93%
Annualized Returns												
1 Year	2.11%	-1.18%	-7.22%	0.38%	0.50%	-0.34%	-10.09%	-11.82%	-8.13%	8.74%	3.21%	15.60%
3 Years	14.11%	6.93%	7.81%	10.79%	11.08%	8.87%	9.67%	8.46%	4.29%	18.03%	8.84%	6.10%
5 Years	-0.25%	-2.79%	-1.45%	2.46%	1.92%	5.66%	3.70%	-0.75%	-3.52%	3.65%	11.66%	9.25%
7 Years	2.64%	-1.10%	1.62%	7.09%	7.02%	12.14%	4.99%	4.40%	-1.18%	7.03%	11.09%	7.35%
10 Years	2.92%	5.64%	5.21%	14.23%	13.63%	17.69%	na	8.55%	3.70%	13.53%	na	7.14%
Risk (% pa)												
3 Years Std Dev	19.06%	24.40%	20.01%	22.40%	21.79%	18.11%	16.76%	18.56%	19.70%	24.31%	13.56%	8.73%
5 Years Std Dev	18.89%	27.38%	22.84%	26.01%	25.73%	21.94%	19.02%	21.18%	22.78%	28.20%	12.95%	7.67%
10 Years Std Dev	15.93%	25.10%	18.78%	23.07%	23.16%	20.11%	na	17.99%	21.16%	24.82%	na	7.09%
Sharpe Ratio												
3 Years	0.79	0.19	0.36	0.43	0.45	0.38	0.64	0.47	0.18	0.60	0.75	0.98
5 Years	0.02	-0.06	-0.05	0.13	0.12	0.26	0.19	-0.03	-0.17	0.19	0.82	0.97
10 Years	0.15	0.27	0.26	0.61	0.59	0.82	na	0.43	0.18	0.57	na	0.72

** Includes back tested data. Details in the Performance Disclosures on page 23*

Sources: Standard and Poor's. The index charts and/or other economic statistics are included solely for the purpose of presenting information on historic correlation between\among the indices and other economic statistics. Past correlation is no guarantee of future correlation. It is not possible to invest directly in an index. Returns do not include payment of any sales charges or fees an investor would pay to purchase the securities they represent. Such costs would lower performance. Past performance is not indicative of future returns. For some indices referenced in these charts, the information is based on back-testing data which follows the actual methodology of these indices at the time they were launched. Please see disclaimer at the end of the document for important information regarding the inherent limitations of back-tested performance.

S&P INDICES

S&P Indices – Correlations

Jan. 2004 - Dec. 2011	S&P 500	S&P GSCI	S&P GSCI Light Energy	S&P GSCI 3 Month Forward*	S&P GSCI Enhanced*	S&P GSCI Dynamic Roll*	S&P GSCI Covered Call Select*	S&P GSCI Equal Weight Select*	S&P GSCI Capped Component 35/20*	S&P WCI*	S&P SGMI*	S&P BG/Cantor 7/10 yr*
S&P 500	1.00	0.45	0.53	0.45	0.46	0.44	0.44	0.54	0.45	0.45	0.04	-0.24
S&P GSCI		1.00	0.95	0.99	0.99	0.96	0.73	0.87	0.96	0.96	0.24	-0.23
S&P GSCI Light Energy			1.00	0.95	0.95	0.92	0.87	0.97	0.97	0.92	0.30	-0.18
S&P GSCI 3 Month Forward*				1.00	1.00	0.98	0.75	0.88	0.96	0.97	0.27	-0.23
S&P GSCI Enhanced*					1.00	0.98	0.74	0.88	0.96	0.97	0.27	-0.23
S&P GSCI Dynamic Roll*						1.00	0.72	0.86	0.93	0.95	0.32	-0.19
S&P GSCI Covered Call Select*							1.00	0.88	0.83	0.72	0.34	-0.04
S&P GSCI Equal Weight Select*								1.00	0.94	0.85	0.33	-0.16
S&P GSCI Capped Component 35/20*									1.00	0.91	0.31	-0.17
S&P WCI*										1.00	0.23	-0.24
S&P SGMI*											1.00	0.11
S&P BG/Cantor 7/10 yr*												1.00

** Includes back tested data. Details in the Performance Disclosures on page 23*

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S&P INDICES

Index Support -> Monthly Market Attributes: Commodities & Strategic Futures

S&P INDICES

Market Attributes® Commodities

S&P GSCI®

September Total Return: -12.17% (-9.30% YTD) (All returns are total returns unless otherwise noted.)

September 2011

S&P Indices Market Attributes Series provides market commentary highlighting developments across various asset classes.

Analysis. Research. Education.
www.SPIndices.com

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Moving Closer to Recession Reality

The S&P GSCI performed poorly in September as the index declined 12.17%, reversing the year-to-date (YTD) return to a loss of 9.30%. "Risk-off" mode overwhelmed the marketplace on the month, as measured by the 7.03% month-to-date (MTD) decline in the S&P 500, 6.31% increase in the U.S. Dollar Index and 2.16% increase in the S&P/BG Cantor 7-10 Year Treasury Bond Index. Fears that the global economy was heading closer to recession and that the pace of growth in China was declining continued to grow. Compounded by equity market weakness and U.S. dollar strength, these fears resulted in the worst month for the S&P GSCI since May 2010 and the worst quarter since Q4 2008. The economically-sensitive industrial metals led index losses as measured by the YTD decline of 23.66% in the S&P GSCI Industrial Metals Index; most of the losses occurred in Q3 as reflected by the Q3 decline of 22.46%. Precious metals ended the month as the best performing sector of 2011, with a YTD gain of 11.14%, but also suffered in September due to long-liquidation and profit-taking as measured by the 14.07% MTD decline in the S&P GSCI Precious Metals Index. Led by weakness in the grains related to reports of increasing inventories, the S&P GSCI Agriculture Index was the second worst performing S&P GSCI sector index in September with a decline of 18.97%. Livestock was the sole surviving sector on the month, as measured by the 7.58% MTD increase in the S&P GSCI Livestock Index. The S&P GSCI declined 11.69% in Q3, compared to a greater decline of 12.80% for the S&P GSCI 3-Month Forward Index, which reflected movement in the futures curves towards backwardation, as the brunt of the Q3 market weakness occurred in the further-out contracts rather in the front-most active futures.

Exhibit 1: Relevant Markets: Total Returns

	Total Return					
	September 2011	YTD	12-Month	3-Year	5-Year	Since 1988
S&P GSCI	-12.17%	-9.30%	2.87%	-40.52%	-23.91%	61.87%
S&P GSCI Enhanced	-12.21%	-7.77%	4.57%	-27.21%	0.14%	285.27%
S&P GSCI 3-Month Forward	-12.80%	-6.02%	4.17%	-27.64%	2.49%	299.56%
S&P GSCI Dynamic roll	-10.87%	-4.88%	3.70%	-17.72%	28.01%	443.36%
S&P GSCI Light Energy Index	-13.69%	-11.10%	2.47%	-23.25%	-9.79%	46.28%
S&P GSCI Covered Call Select	-14.36%	-6.36%	5.04%	10.39%	34.51%	na
S&P WCI	-11.89%	3.46%	17.40%	-19.76%	10.66%	270.63%
S&P SGMI	-6.86%	2.59%	11.12%	51.46%	73.43%	na
S&P 500	-7.03%	-8.68%	1.14%	3.73%	-5.76%	-4.46%
U.S. Dollar Index	6.31%	-0.29%	0.10%	-0.82%	-6.41%	-22.65%
S&P/ BG Cantor 7-10yr Bond	2.16%	14.23%	9.40%	32.61%	54.65%	140.90%
Baltic Dry Index	17.29%	7.11%	-22.36%	-40.97%	-51.85%	43.97%
U.S. 2yr Note Yield & Change	0.25	-0.35	-0.23	-2.13	-4.53	-5.96

S&P INDICES

Market Attributes® Strategic Futures

S&P Systematic Global Macro Index (SGMI)

September Total Return: -6.86% (+2.59% YTD) (All returns are total returns unless otherwise noted.)

September 2011

Note, beginning this month, this commentary will feature the S&P Systematic Global Macro Index and will no longer feature the S&P DR or DTI. For more information on S&P Strategic Futures Indices, please visit www.spindices.com/commodities

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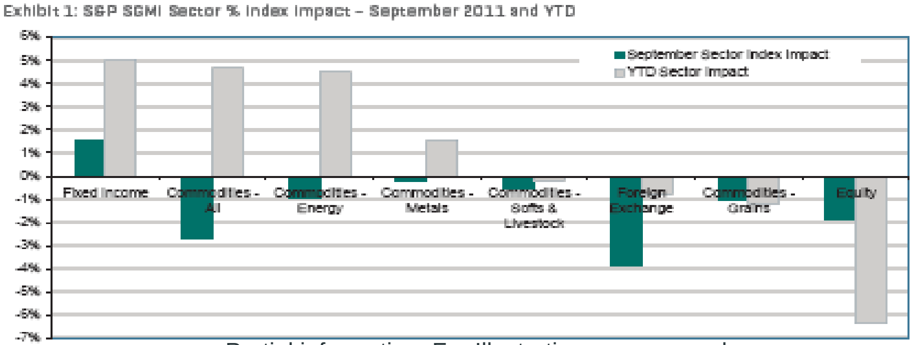
Foreign Exchange Positions Lead Index Declines

The S&P SGMI declined 6.86% in September, lessening the year-to-date (YTD) gain to 2.59%, led by losses on foreign exchange and equity positions. In the financials, the sharp rally in the U.S. dollar accounted for the majority of the S&P SGMI weakness on the month, as the index was long all the constituent foreign currencies. The index moved to a more neutral equity index bias in September, but sharp declines across all the indices hampered returns as positions moved from long to short. Fixed income was the index stalwart, though, as positions were decidedly long and benefited from the global flight to safe treasury bonds and notes. Net long commodity positions added pressure to index returns as commodities plunged sharply along with most other risky assets in September. Steep declines in the grains led commodity losses but were offset by short positions in wheat, copper and crude oil. September's sharp "risk-off" market price action helped to tip the majority of S&P SGMI positions into a more defensive posture for October.

October Positions

October positions in the S&P SGMI moved to a more defensive stance with net short biases for commodities and equities. There were no changes among energy commodities as the index remained short natural gas and crude oil. Among the remaining commodities, only sugar and the precious metals stayed long. In the financials, the index moved to completely long fixed income with the switch to get long Japanese Government Bonds (JGBs). Equity positions moved to net short, with long positions in the Kospi and Nasdaq 100 only. FX positions moved to a neutral posture on the U.S. dollar with short positions in the Euro, Australian dollar and Canadian dollar.

Exhibit 1: S&P SGMI Sector % Index Impact – September 2011 and YTD



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Index Support -> Information and Thought Leadership

Understanding Commodities and the S&P GSCI

S&P INDICES | Practice Essential

Commodities 101

Understanding Commodities and the S&P GSCI®

S&P Indices has been providing index-based performance measures of real assets since 2007 (S&P acquired the GSCI from Goldman Sachs on Februar 2, 2007). Whether you prefer equity-based exposure to companies that produce commodities, or more direct exposure through futures contracts, S& Indices offers tools for better understanding and accessing commodities market exposures. This *Practice Essentials* paper focuses on understanding commodities as an asset class as well as the S&P GSCI®, a preeminent measure of a basket of commonly traded commodities futures contracts.

Commodities exposure may be gained either by physically holding commodities or by controlling futures contracts on commodities.

What are Commodities?

Commodities such as gold and oil frequently capture media and investors attention. So what are commodities and why are some financial advisors considering allocating portions of their client's portfolio to commodities and other real assets?

Commodities can be explained as follows:

- Basic, standardized real assets that are in demand and can be supplie without substantial product differentiation across markets.
- Fungible, or in other words, considered equivalent for trading purpose despite coming from different producers.

Real Asset Solutions

S&P INDICES | Practice Essentials™

Commodities 201

Real Asset Solutions

Commodities Exposure via Indexing

Commodities, unlike most financial assets, are tangible resources that can be considered strong diversifiers and may also help reduce overall portfolio risk, when utilized properly.

The growing demand for commodities (due to modernization in emerging countries[1]) and the minimal global opportunity costs of investing in commodities (a result of the current low interest rate environment) are two main factors that may make today an opportune time to consider an allocation to commodities.

The development of investable futures-based commodity indices, such as the S&P GSCI®, has provided a way for investors to allocate assets to commodities while taking advantage of their typically low correlation with stocks.

Although most investment advisors recognize the significance of some real asset exposure, from a long-term strategic allocation perspective, the fundamental changes mentioned above have accelerated allocations from more traditional asset classes, like stocks and bonds, to more progressive investments such as commodities.

In the coming years, low interest rates and increased money supply may cause inflation or the weak economy may drive deflation. In either scenario, prices of commodities could rise rapidly and likely have an adverse impact on investors and the economy. It is clear that inflation could produce a rise in prices, but deflation could yield similar results if production slows to a pace that drops supply below demand. Therefore, an investment in commodities may act as a diversifying inflation or deflation hedge and serve as insurance. While commodities may be volatile with periods of underperformance, they may also provide event risk protection and may improve the return profile of an otherwise traditional portfolio.

S&P INDICES | Research & Design February 2011

Dynamic Roll of Commodities Futures: An Extended Framework

Thought Leadership by
Global Research & Design
www.indexresearch.standardandpoors.com

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Performance Disclosure

It is not possible to invest directly in an S&P index. Past performance of an index is not an indication of future results.

S&P acquired the GSCI from Goldman Sachs on February 2, 2007 and it was subsequently renamed the S&P GSCI. Goldman Sachs began first publishing the GSCI related indices in 1991 but has calculated the historical value of the GSCI beginning January 2, 1970 based on actual prices from that date forward and the selection criteria, methodology and procedures in effect during the applicable periods of calculation (or, in the case of all calculation periods prior to 1991, based on the selection criteria, methodology and procedures adopted in 1991). The GSCI has been normalized to a value of 100 on January 2, 1970, in order to permit comparisons of the value of the GSCI to be made over time.

The inception dates for the S&P GSCI is May 1, 1991 at the market close.
The inception date for the S&P GSCI Enhanced Index is March 28, 2007 at the market close.
The inception date for the S&P GSCI 3-Month Forward Index is February 3, 2008 at the market close.
The inception date for the S&P GSCI Equal Weight Select Index is September 9, 2010 at the market close.
The inception date for the S&P GSCI Covered Call Select Index is October 7, 2010 at the market close.
The inception date for the S&P Dynamic Futures Index (DFI) is February 19, 2010 at the market close.
The inception date for the S&P/BGCantor 7-10 Years U.S. Treasury Bond Index is February 7, 2009 at the market close.
The inception date for the S&P World Commodity Index (WCI) is May 5, 2010 at the market close.
The inception date for the S&P GSCI Dynamic Roll Index is January 27, 2011 at the market close.
The inception date for the S&P Systematic Global Macro Index (SGMI) is August 9, 2011 at the market close.

The indices were not in existence prior to that date and all data presented prior to that date are back-tested. The back-test calculations are based on the same methodology that was in effect when the indices were officially launched. Complete index methodology details are available at www.indices.standardandpoors.com.

Prospective application of the methodology used to construct the S&P GSCI, S&P GSCI Enhanced Index, S&P GSCI 3-Month Forward Index, S&P Dynamic Futures Index (DFI), S&P Commodity Trading Strategy Index (CTSI), S&P/BGCantor 7-10 Years U.S. Treasury Bond Index, and S&P World Commodity Index (WCI) may not result in performance commensurate with the back-test returns shown. The back-test period does not necessarily correspond to the entire available history of the indices. Please refer to the methodology paper for the indices, available at www.standardandpoors.com for more details about the indices, including the manner in which they are rebalanced, and the timing of such rebalancing, criteria for additions and deletions and index calculation. The indices are rules based, although the Index Committee reserves the right to exercise discretion, when necessary.

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