



London Stock Exchange welcomes



GraniteShares

Short and Leveraged Single Stock ETPs

WORLD INDICES

INDEX	PRICE	CHANGE
FTSE 100	7318.09	25.33 (0.35%)
FTSE 250	20282.60	50.82 (0.25%)
FTSE 350	4090.68	13.49 (0.33%)
FTSE Small Cap	5502.70	6.31 (0.11%)



How are ETP Securities Structured?

The Issuer

Irish special purpose vehicle (SPV)

No other activity than issuing the securities

Trustee (BNY) and independent directors (TMF) oversee the Issuer's activity

Trustee

(BNY
Mellon)

Issuer

(GraniteShares
Financial plc)

Irish domiciled

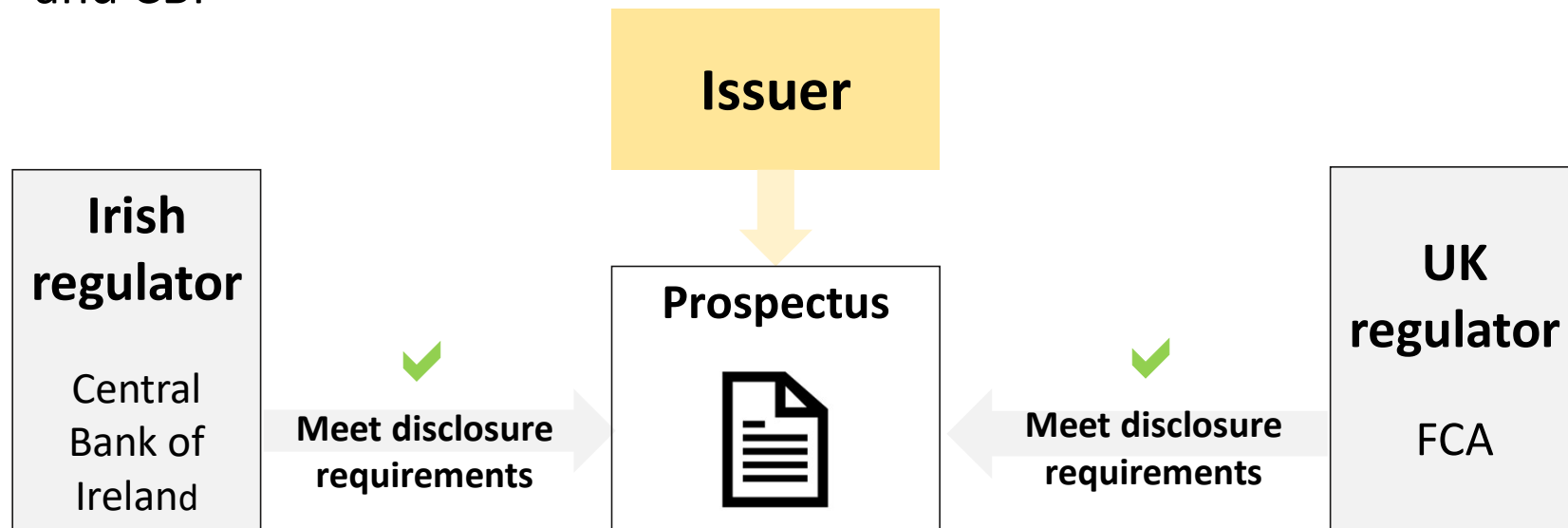
Directors

(TMF
Ireland)

The Programme

Securities are issued under the terms and conditions disclosed under the offering document (prospectus)

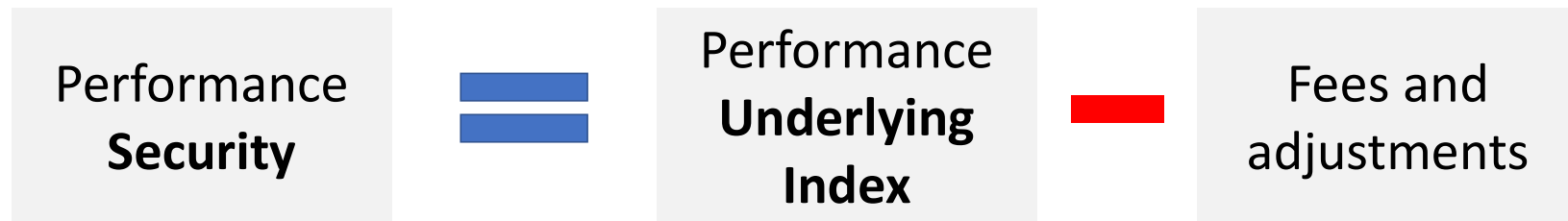
The prospectus also meets disclosure requirements set by the FCA and CBI



The securities - Performance

Each series of securities track the performance of an index after fees and adjustments

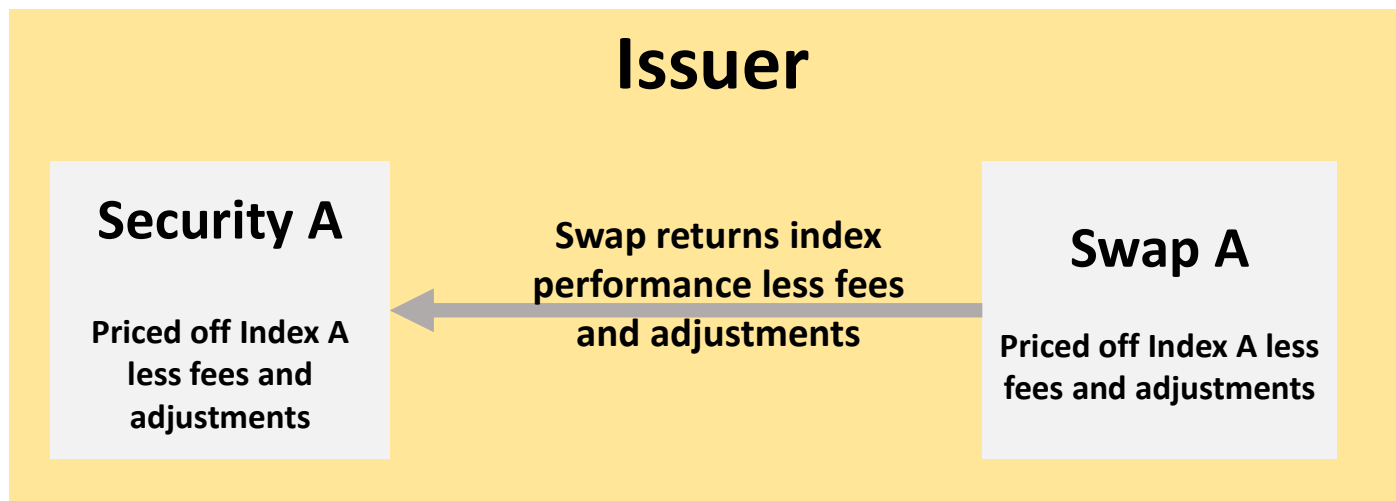
For instance, “GraniteShares FAANG ETP Securities” tracks the “Solactive FAANG Index Total Return Index” after fees and adjustments



Index exposure

Swaps provide index exposure to the securities

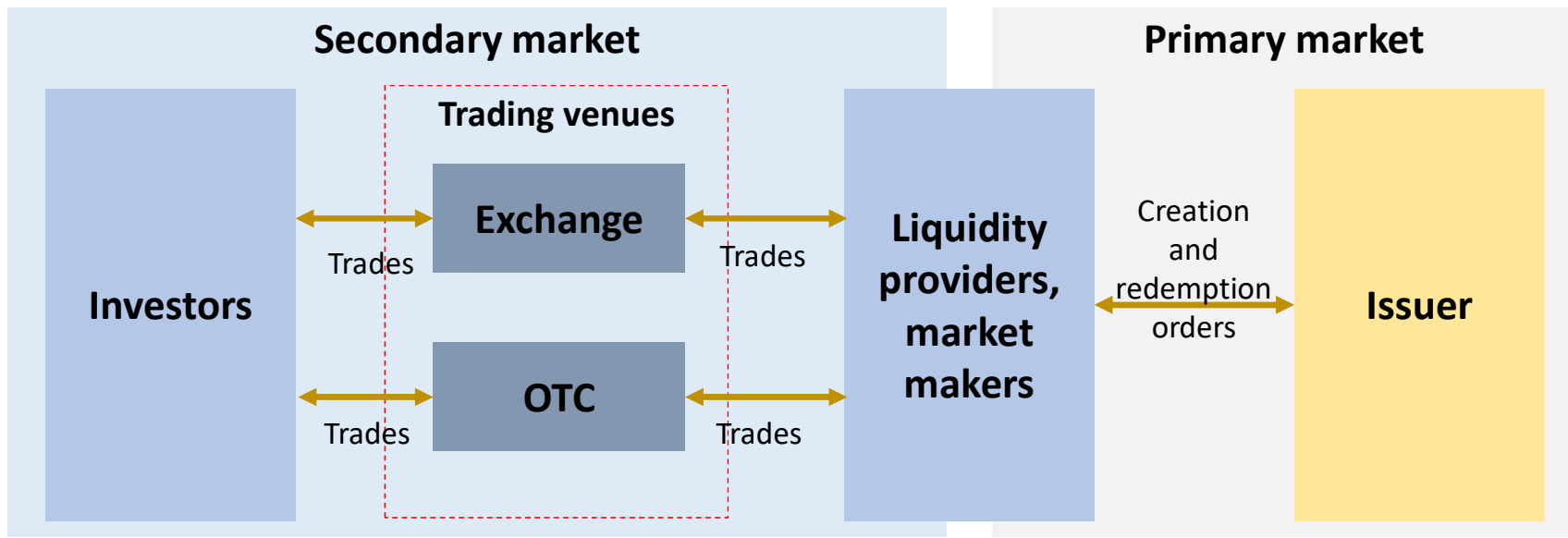
If the index goes up, so does the swap value and mechanically the security (after fees and adjustments)



Liquidity, Creation & Redemption

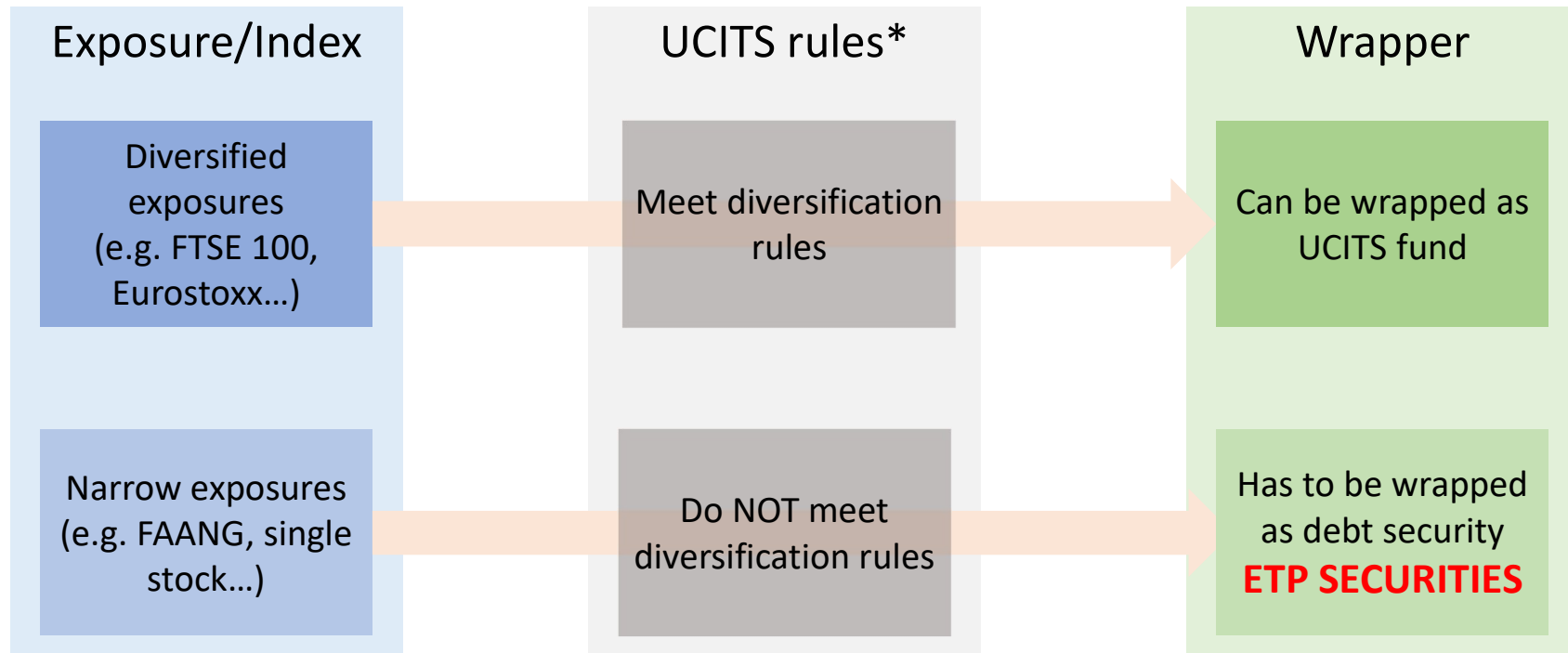
Liquidity provided to investors through market makers on the “secondary market”

Depending on the day’s activity market makers can ask the issuer to (i) create new securities (investors demand more securities) or (ii) redeem existing securities (investors closing positions)



Why are they structured as debt securities?

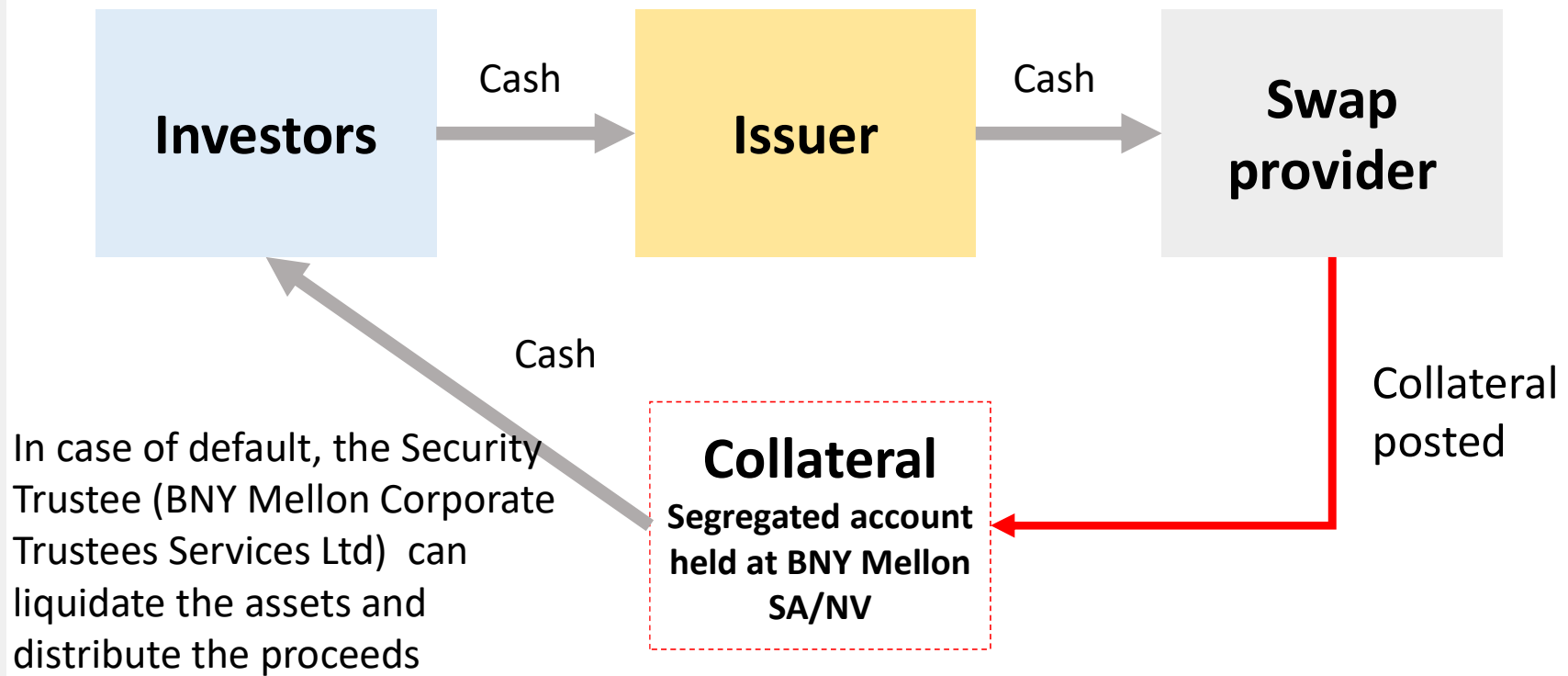
UCITS rules require diversification criteria that cannot be met with single stock or narrow basket exposures



* a UCITS may not invest more than 5% of its assets in securities of a single issuer, although this limit can be increased to 10% per single body so long as the total value of all holdings exceeding 5% does not exceed 40%.

Credit risk exposure

Exposure is collateralised and in a segregated account at BNY



Key Takeaway

- ETP Securities issued under a programme submitted to the CBI and FCA
- ETP Securities track indices
- Index exposure is obtained through swaps
- Market makers provide liquidity on exchange or OTC
- Market makers can manage investor flows by creating or redeeming securities directly with the issuer
- Structured as debt due to regulatory requirements
- Credit exposure is reduced through collateral

Want to Find Out More?

- See our education section
- Marketing documents: Brochure, factsheets and web product pages
- Legal documents: Base Prospectus, Final Terms and KIDs
- Institutional and sophisticated investors can leave a message on the “Contact Us” page of our website

General notice

For professional clients and eligible counterparties only.

GraniteShares Limited (“**GraniteShares**”) (FRN: 798443) is an appointed representative of Duff & Phelps Securities Ltd. (FRN: 466588) which is authorised and regulated by the Financial Conduct Authority.

This document does not constitute an offer to buy or sell or a solicitation of an offer to buy securities in any company. This document is not intended for distribution to any other country where such distribution or use would be contrary to local law or regulation.

Specifically, this document is not intended for general distribution in the United States or Canada.

Investing in financial markets involves a substantial degree of risk. Nothing described herein is intended to imply that an investment is “safe”, “conservative”, “risk free” or “risk averse”. This document does not consider the specific investment objective, financial situation or particular needs of any potential investor and is intended only for those investors who are capable of understanding the risk of loss of all or a substantial part of their monies. Potential investors in the UK are reminded that they will not benefit from the UK investors compensation scheme.

Nothing contained herein constitutes investment, legal, tax or other advice nor is to be relied upon in making an investment or other decision. No recommendation is made positive or otherwise, regarding individual securities or investments mentioned herein. Any summary list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in short and leveraged products. Prospective clients must consult with their own legal, tax and financial advisers before deciding to invest.

This document contains the opinions of the author and such opinions are subject to change without notice. The source of data is GraniteShares unless otherwise stated. No guarantee is made to the accuracy of the information provided which has been obtained from sources believed to be reliable. This document and the information contained herein is intended only for the use of persons (or entities they represent) to whom it has been provided.

Risk Factors

An investment in a GraniteShares short and leveraged exchange traded product (“ETP”) may not be suitable for all investors. They are intended for investors who wish to take a very short term view on the underlying asset and are not intended as buy and hold investments.

Performance and capital loss: Past performance is not a reliable indicator of future results. The value of an investment may go down as well as up and can result in losses, up to and including a total loss of the amount initially invested.

Generic risks: Investments in ETPs involve numerous risks including, among others, company risks, general market risks, credit risks, foreign exchange risks, interest rate risks, geopolitical risks and liquidity risks.

Specific product risks: The Index is constructed to track the performance of an increased (leveraged) and/or short exposure to the underlying asset. A fall (or rise where short and leveraged exposure) in value of the underlying asset can result in a greater reduction in the level of the Index. The Index is designed to do this on a daily basis only which should not be equated with seeking a leveraged position for periods longer than a day. The ETP’s performance over periods longer than one day will not be correlated or symmetrical with the returns of the underlying asset. Potential investors should refer to the section entitled “Risk Factors” and “Economic Overview of the ETP Securities” in the Prospectus relating to the GraniteShares ETPs for further details of these and other risks associated with an investment in short and leveraged ETPs and consult their financial advisers as needed.

Counterparty risk: An investment in a GraniteShares short and leveraged ETP involves counterparty risk. GraniteShares Financial plc has entered into a Swap Agreement with a counterparty, Natixis, that is backed with collateral. Failure of the counterparty to make payments may result in an investment in an ETP suffering a loss.

Index Disclaimer

The Index is created, calculated and published by Solactive AG. No financial instrument is sponsored, promoted, sold or supported in any other manner by Solactive AG nor does Solactive AG offer any express or implicit guarantee or assurance either with regard to the results of using the Index and/or Index trade mark or the Index level at any time or in any other respect.