

## Monthly Report on Tracking Error

July 2008

Tracking error measures the constancy of the relative performance-spread between an ETF and its benchmark.

Tracking error is measured as standard deviation of the difference between the ETF and index weekly performances, calculated for the greater of the last 12 months or since inception of the Fund. The better the ETF management, the lower the tracking error.

Lyxor ETFs track their benchmark indices very closely – typically, tracking error is close to zero and correlation with the index is over 99.99%.

The table below shows the tracking error of all the Lyxor ETF products listed in the Hong Kong market. The tracking error is updated every month and downloadable at [www.lyxoretf.com.hk](http://www.lyxoretf.com.hk)

For more information contact Lyxor ETF team by email [info@lyxoretf.com.hk](mailto:info@lyxoretf.com.hk) or call +852 2166-4266. Visit Lyxor ETF web-site at [www.lyxoretf.com.hk](http://www.lyxoretf.com.hk)

Fund Name	Tracking Error % p.a.*	Correlation	Exchange Code
<b>EQUITY ASIA</b>			
 Lyxor ETF MSCI India	0.05	99.99908	HKEx: 2810
 Lyxor ETF MSCI Korea	0.31	99.999546	HKEx: 2813
 Lyxor ETF Japan (TOPIX®)	0.32	99.999799	HKEx: 2814
 Lyxor ETF MSCI AC Asia Pacific Ex Japan	0.32	99.999663	HKEx: 2815
 Lyxor ETF MSCI Taiwan	0.06	99.999869	HKEx: 2837
<b>EQUITY EMERGING MARKETS</b>			
 Lyxor ETF MSCI Emerging Markets	0.12	99.999718	HKEx: 2820
 Lyxor ETF Russia (DJ RusIndex Titans 10)	0.34	99.999783	HKEx: 2831
<b>EQUITY US TECH</b>			
 Lyxor ETF NASDAQ-100	0.08	99.999939	HKEx: 2826
<b>EQUITY US</b>			
 Lyxor ETF FTSE RAFI US 1000	0.232	99.999388	HKEx: 2803
<b>EQUITY EUROPE</b>			
 Lyxor ETF FTSE RAFI Europe	0.19	99.999535	HKEx: 2806
<b>EQUITY GLOBAL</b>			
 Lyxor ETF MSCI World	0.17	99.999807	HKEx: 2812

#### COMMODITY BASKET

 Lyxor ETF Commodities CRB (Reuters/Jefferies CRB Index)	0.01	99.999985	HKEx: 2809
---	------	-----------	------------

Source: Lyxor International Asset Management, July 2008

\*Indicative as at 31/07/08, calculated for the greater of the last 12 months or since inception of the Fund.

Please refer to [www.lyxoretf.com.hk](http://www.lyxoretf.com.hk) for the disclaimers of the indexes.

#### Disclaimers:

Investment involves risks. Investors should note that investment in emerging markets and commodities markets involve higher risks. This document has been provided for information purposes only and does not constitute an offer or solicitation to purchase or sell units in each Lyxor ETF. Past performance is not indicative of future performance. Investor should read the relevant prospectus carefully including the investment objective and risk factors relating to each Lyxor ETF, including counterparty risks and the arrangement in the event the Lyxor ETF is delisted. Société Générale will be acting as the counterparty to the swap agreement. Copies of the Prospectus of the Lyxor ETFs are available on [www.lyxoretf.com.hk](http://www.lyxoretf.com.hk) or [www.hkex.com.hk](http://www.hkex.com.hk). Investors should note that the ETF differs from a typical unit trust as units may only be redeemed by authorised participants in large creation / redemption unit sizes. The Lyxor ETF's market price on the Stock Exchange of Hong Kong ("SEHK") may be different from the net asset value per unit of the Lyxor ETF and may also be delisted from the SEHK. Transaction in units of the Lyxor ETF will result in brokerage commissions.