



**RESEARCH PUBLISHED ON LEVERAGED EXCHANGE TRADED FUNDS:  
MARKET PATH DEPENDENCY KEY TO UNDERSTANDING HOLDING PERIOD RETURNS**

**Toronto, July 14, 2009** – BetaPro Management Inc. (“**BetaPro**”) has commissioned a report entitled “Understanding the Returns of Leveraged Exchange Traded Funds.”

The report by independent investing writer and National Post columnist Levi Folk discusses the use of leveraged exchange traded funds (“**ETFs**”) compared to using leverage in a margin account. When the stated investment objective of leveraged ETFs is daily performance, daily rebalancing limits the risk to the capital invested. This report reviews the effects of compounding and rebalancing if an investor would like to hold these funds over longer periods. The report concludes that the direction, or market path, of an index is a key factor in how leveraged ETFs perform for investment periods longer than one day. In particular, the amount of volatility in a market will determine if these funds diverge, positively or negatively, from two times their underlying index over any given holding period.

*“Investors and advisors need to understand all the financial products available to them in order to both build and defend their capital. We at BetaPro support any educational initiatives, particularly from balanced information sources, that lead to better-informed investors,”* said Howard J. Atkinson, President of BetaPro. *“The research conducted is a thorough, in-depth analysis on leveraged ETFs that should help dispel any concerns about how they work.”*

For a copy of the report, please visit [www.hbpetfs.com](http://www.hbpetfs.com).

**About Levi Folk**

Levi Folk is a National Post columnist and writes on the topic of investing. He is also a consultant to Excel Funds, performing the role of emerging market economist. Levi is President of Transmission Media, a leading software service company offering solutions to top-tier mutual fund companies in Canada and internationally and is a former owner and Managing Editor of The Fund Library.

**About BetaPro Management Inc.**

Horizons BetaPro Exchange Traded Funds (“**HBP ETFs**”) are managed by BetaPro Management Inc., Canada’s sole provider of investment tools allowing investors to profit when the market is rising or falling, or to reduce their risk by hedging their existing market exposure. HBP ETFs offer three types of structures: Bull<sup>+</sup>/Bear<sup>+</sup> leveraged ETFs, single ETFs, and single inverse ETFs. The HBP Bull<sup>+</sup> ETFs and HBP Bear<sup>+</sup> ETFs are designed to provide daily investment results, before fees and expenses, that correspond to double the daily performance, or double the inverse daily performance, respectively, of their specified underlying index or benchmark. The HBP Inverse ETFs are designed to provide daily investment results, before fees and expenses, that correspond to the one times the inverse of their specified underlying index or benchmark. The HBP Single ETFs are designed to provide investment results, before fees, expenses, distributions, brokerage commissions and other transaction costs, that endeavour to correspond to the performance of their specified underlying index.

BetaPro is a subsidiary of Jovian Capital Corporation and manages, as of June 30, 2009, approximately \$2.4 billion amongst 38 ETFs.

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