令和元年12月期　決算短信（平成31年1月1日～令和元年12月31日）

令和2年6月26日
上場取引所：東証

ファンド名	Ｓ＆Ｐ ＧＳＣＩ商品指数®エネルギー＆メタル・キャップド・コンポーネント35/20・ＴＨＥＡＭ・イージーＵＣＩＴＳ・ＥＴＦクラスA米ドル建受益証券
コード番号	1327（東証外国ＥＴＦ）
連動対象指標	Ｓ＆Ｐ ＧＳＣＩ商品指数®エネルギー＆メタル・キャップド・コンポーネント35/20トータル・リターン指数
主要投資資産	債券、短期金融商品（スワップ契約有り）
売買単位	1口
管理会社	ＢＮＰパリバ・アセットマネジメント・ルクセンブルク URL http://www.bnpparibas-am.lu/
代表者名	チーフ・エグゼクティブ・オフィサー　ステファン・ブルネ
上場代理人	ＢＮＰパリバ・アセットマネジメント株式会社
問合せ先責任者	クライアント・サービス部　谷下　明芳　（TEL 0120-996-222）

有価証券報告書提出予定日　令和2年6月30日
分配金支払開始予定日　該当なし

Ⅰ ファンドの運用状況

１．令和元年12月期の運用状況（平成31年1月1日～令和元年12月31日）

(1) 資産内訳　（百万円未満切捨て）

	主要投資資産		現金・預金・その他の資産（負債控除後）		合計（純資産）	
	金額	構成比	金額	構成比	金額	構成比
	百万円	%	百万円	%	百万円	%
令和元年12月期	9,664	(93.9)	623	(6.1)	10,288	(100.0)
平成30年12月期	10,398	(101.8)	-189	(-1.8)	10,209	(100.0)

(2) 設定・解約実績

	前計算期間末発行済口数(①)	設定口数(②)	解約口数(③)	当計算期間末発行済口数(①+②-③)
	口	口	口	口
令和元年12月期	3,295,724	312,321	592,422	3,015,623
平成30年12月期	3,260,914	1,733,000	1,698,190	3,295,724

(3) 基準価額

	総資産(①)	負債(②)	純資産(③（①－②）)	1口当たり基準価額
	百万円	百万円	百万円	円
令和元年12月期	10,292	4	10,288	3,412
平成30年12月期	11,162	953	10,209	3,098

（注）日本円への換算は、株式会社三菱ＵＦＪ銀行が公表した2020年5月29日現在における対顧客電信直物売買相場の仲値である１米ドル＝107.53円の換算率で行われています。

２．会計方針の変更

① 会計基準等の改正に伴う変更　該当事項無し
② ①以外の変更　該当事項無し

S&P GSCI® ENERGY & METALS CAPPED COMPONENT 35/20 THEAM Easy UCITS ETF

ANNUAL REPORT at 31/12/2019
R.C.S. Luxembourg K643

BNP PARIBAS
ASSET MANAGEMENT

The asset manager for a changing world

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No subscription can be received on the basis of the financial statements alone. Subscriptions are only valid if made on the basis of the current prospectus, accompanied by the latest annual report and the most recent semi-annual report, if published thereafter.

Organisation

Registered office

10 Rue Edward Steichen, L-2540 Luxembourg, Grand Duchy of Luxembourg

Board of Directors of the Management Company

Chairman

Mr. Fabrice SILBERZAN, Chief Operating Officer, BNP PARIBAS ASSET MANAGEMENT France, Paris

Members

Ms. Sylvie BAIJOT, Deputy Chief Executive Officer, BNP PARIBAS ASSET MANAGEMENT Luxembourg, Luxembourg (until 14 February 2019)

Mr. Stéphane BRUNET, Chief Executive Officer, BNP PARIBAS ASSET MANAGEMENT Luxembourg, Luxembourg

Mr. Georges ENGEL, Independent Director, Vincennes, France

Ms. Isabelle BOURCIER, Head of Quantitative and Index (MAQS), BNP PARIBAS ASSET MANAGEMENT France, Paris (from 3 June 2019)

Management Company

BNP PARIBAS ASSET MANAGEMENT Luxembourg, 10 Rue Edward Steichen, L-2540 Luxembourg, Grand Duchy of Luxembourg

BNP PARIBAS ASSET MANAGEMENT Luxembourg is a Management Company in the meaning of Section 15 of the Luxembourg Law of 17 December 2010 concerning undertakings for collective investment, as amended.

The management company performs the functions of **administration, portfolio management** and **marketing duties.**

Effective Investment Manager

BNP PARIBAS ASSET MANAGEMENT France, 1 Boulevard Haussmann, F-75009 Paris, France

Custodian, Registrar, Transfer Agent and NAV calculation

BNP Paribas Securities Services, Luxembourg Branch, 60 Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

Auditor

PricewaterhouseCoopers, Société coopérative, 2 Rue Gerhard Mercator, B.P. 1443, L-1014 Luxembourg, Grand Duchy of Luxembourg

Information

S&P GSCI® ENERGY & METALS CAPPED COMPONENT 35/20 THEAM Easy UCITS ETF (the "Fund") is organized in and under the laws of the Grand Duchy of Luxembourg as a Mutual Investment Fund ("*Fonds Commun de Placement*").

The Fund is governed by the provisions of Part I of the Law of 17 December 2010, as amended, governing Undertakings for Collective Investment. The Fund was incorporated for an indefinite term in Luxembourg on 30 December 2004 under the denomination "EasyETF - GSCI®".

The name has been changed to "EasyETF S&P GSCI™ Capped Commodity 35/20" on 18 January 2010, to "S&P GSCI® CAPPED COMPONENT 35/20 THEAM Easy UCITS ETF" on 30 May 2014 and to S&P GSCI® ENERGY & METALS CAPPED COMPONENT 35/20 THEAM Easy UCITS ETF" on 14 December 2015.

The Fund is managed by BNP PARIBAS ASSET MANAGEMENT Luxembourg (the "Management Company"). The Management Company was incorporated on 19 February 1988 in the form of a limited company ("*société anonyme*") under the laws of the Grand Duchy of Luxembourg for an unlimited period. The articles of incorporation were published in the Mémorial C, Recueil des Sociétés et Associations (the "Mémorial"), on 25 May 1988 after having been filed with the Registrar of the District Court of and in Luxembourg where they may be consulted. The last modification of the articles of incorporation is dated 17 May 2017 with effect on 1 June 2017, and has been published with the RESA on 2 June 2017. Its majority unitholder is BNP PARIBAS ASSET MANAGEMENT, Paris.

The Management Company is governed by chapter 15 of the Law of 2010, as amended and in that capacity, is in charge of the Fund's collective management of portfolio.

The Fund's objective is to achieve a return comparable to the S&P GSCI® ENERGY & METALS CAPPED COMPONENT 35/20 Total Return Index (Bloomberg: SPGCNCT). As the Fund is index-based, its objective is to maintain a tracking deviation in absolute terms between its Net Asset Value and the value of the relevant Benchmark Index. The anticipated level of tracking error between the Fund and the level of the Benchmark Index, in normal market conditions, is 1% at the maximum.

Manager's report

Market Trends in 2019

Equity Markets

Following very choppy movements in equities in 2019, the MSCI AC World index rose by 24.1% and the MSCI Emerging index rose by 15.4% in US dollar terms. After a sharp fall in the markets at the end of 2018 caused by the prospect of monetary tightening, the change in tone of the central banks, which led to hopes of new easing measures, reassured investors and led to a spectacular rebound in equities in January (+7.8%) compared to a low starting point. From that moment on, two themes dominated the exchanges and explain the successive bullish and bearish phases: On the one hand, the state of trade relations between the US and China, and, on the other, monetary policy announcements and concerns on global economic growth.

After the rebound in January, the equity rally continued at a more measured pace before being called into question in early May by the resurgence of protectionist fears. Trump then threatened to raise tariffs on Chinese products again and tax imports from Mexico. The rapid fall in global equities in May (-6.2%) probably explains the reaction of central banks. Their very dovish rhetoric, underscoring the low level of inflation, was understood as a firm commitment to further measures, which again led to a strong rally in equities. News flow from the trade conflict front also reassured investors. President Trump removed, at least temporarily, the threat of imposing tariffs on Mexican products after progress on illegal immigration. On the other hand, both Chinese and US statements quickly led to hopes of a bilateral meeting on the sidelines of the G-20 summit in Osaka at the end of June, which ended with a trade truce.

As the months passed, and with the trade negotiations going through numerous twists and turns, investors' bewilderment grew. This first led to a run on the markets, as illustrated by the 6.2% fall in global equities between 26 July and 15 August. But it also helped markets to regain ground in September, despite the lack of improvement in fundamentals and potentially destabilising political and geopolitical events. The start of Q4 was difficult due to the release of a number of disappointing economic indicators. However, it soon became clear that business surveys did not reflect the resilience of domestic demand.

After easing monetary policy during the summer, the major central banks made it clear that they would remain accommodative in 2020. Although monetary policy no longer appears to be a panacea, this reassured investors, who thus took calmly in their stride the announcement of a “very large trade deal” between the US and China. Progress in the negotiations between the two parties has made it possible to cancel the further tariff increases that should have entered into force in mid-December and to reduce taxes on certain imported products. This agreement, which could be signed in January 2020, is said to be 'phase 1', which means that another wave of negotiations will have to take place. Nevertheless, investors have welcomed these initial steps, which have removed some uncertainties. The same is true of the Brexit ‘saga’. While the Conservative Party's large victory in the election on 12 December does not resolve all questions, it should at least mean an end to the legislative deadlock.

Within the major developed equity markets, the full-year movements (index prices in local currencies, excluding dividends reinvested) were as follows: +28.9% for the S&P 500 and +35.2% for the Nasdaq, which set new all-time highs; +24.8% for the EuroStoxx 50 and +18.2% for the Japanese Nikkei 225. The technology sector outperformed significantly worldwide.

Manager's report

Monetary Policy

By December 2018, the US Federal Reserve (Fed) had hiked rates for the fourth time that year. The strength of the US economy led the Federal Open Market Committee (FOMC) members to consider further hikes in 2019. As early as January, Jerome Powell showed that a pause in the rate hiking cycle was very likely. In March, the FOMC's conclusions, forecasts and various official statements confirmed this approach. The other aspect of monetary policy normalisation also took on a less restrictive tone, with the Fed announcing that the balance sheet run-off operations (which had been underway since October 2017) would be halted in September, i.e. more quickly than expected. The real turning point in monetary policy came in June 2019. At the FOMC meeting, the committee indicated that it would “act to support expansion” in the face of heightened uncertainty (trade tensions and global growth). In July, September and October, the Fed acted true to its words, while continuing to believe that the US economy remained in “a good place”. As a result of these three cuts of 25bp, the federal funds target rate was lowered to a range of 1.50% -1.75%. As early as July, however, Jerome Powell made it clear that the cut was a “mid cycle adjustment.” Although this was not immediately taken seriously by observers, the comments from September onwards eventually dampened expectations of further cuts in policy rates, which were still present in futures contracts. Against this background, the FOMC meeting in December concluded, as expected, with a status quo decided unanimously.

The Fed considers the current policy rate level to be neutral or slightly accommodative and that there should now be long pause. The diagnosis of the economic situation is a little more favourable than before, reflecting the improvement in indicators at the end of the year, but low inflation allows the Fed not to tighten its monetary policy anytime soon. Jerome Powell said that it would take a significant and sustained acceleration in inflation to justify a rise in official interest rates. As it stands, despite a somewhat sharper acceleration in wages, driven by the dynamism of the labour market, inflation remains below the 2% target. The core PCE (personal consumption expenditures excluding food and energy deflator) showed no trend between 1.5% and 1.8% year-on-year. Since September, the Fed has been intervening to limit tensions in the interbank market. These actions led to an increase in the size of its balance sheet (to USD 4 166 billion at the end of 2019 vs. USD 3 760 at the end of August).

In the autumn of 2018, the European Central Bank (ECB) spoke of the normalisation of its QE (Quantitative Easing) and managed expectations of a first rate hike a year later. At the beginning of 2019, a radical change in tone occurred, with Mario Draghi being much more cautious in the face of the continuing deterioration in business surveys. Following the Governing Council meeting on 7 March, monetary policy took a more accommodative stance. A third round of the Targeted Long-Term Refinancing Operations (TLTRO-III) was announced. At the end of March, Mario Draghi wasted no time in stating that the ECB could postpone the first rate hike if necessary. Observers then anticipated a further cut in policy rates. On 6 June, the Governing Council loosened its forward guidance on monetary policy and, on 18 June, at Sintra, Mario Draghi's statements convinced that the ECB would take more drastic action if inflation did not converge towards its 2% target. In 2019, core inflation (excluding food and energy) hovered at around 1%, without showing any signs of acceleration. July's meeting was marked by the re-introduction of a downward bias on rates and a very bleak diagnosis on the economy, with Mario Draghi hinting at prospects that are becoming “worse and worse in the manufacturing sector”, particularly in Germany.

Against this background, on 12 September the ECB chose to announce a wide range of easing measures, including a 10bp cut in the deposit rate to -0.50% and a tiering of this rate applied to excess reserves to avoid penalising the banks too much. The other two key rates have remained unchanged since March 2016 (0% for the main refinancing operations rate; 0.25% for the marginal lending facility rate). The terms of TLTRO-III have been relaxed, but these operations have not been very successful. The September announcement of the resumption of QE sparked dissension within the ECB, darkening the end of President Draghi's term. Taking office on 1 November, Christine Lagarde found a divided Governing Council and preferred to wait and see. After the major decisions announced in September, the monetary policy of the ECB remained unchanged. As announced, the asset purchases, which had been interrupted in January, resumed on 1 November. They stood at EUR 24 billion in November (of which EUR 14.5 billion were government bonds).

Manager's report

Bond Markets

Until February, the yield on the 10-year US T note bobbled at around 2.60% before a sharp easing in March, marking the beginning of a firm trend that brought it down from 1.50% in August (the lowest in three years). In September and October, it had a choppier ride in response to growth concerns, equity movements, Fed statements and several incidents such as the attack on Saudi oil facilities. After this interim phase, the 10-year rate picked up a little more clearly and headed towards 2% despite expectations of the Fed easing monetary policy further. The third consecutive rate cut since July was announced on 30 October. It was accompanied by official statements suggesting that monetary policy would remain unchanged after that. US long-term yields then moved in line with economic indicators and news about trade negotiations between China and the US. The yield on the 10-year T note ended the year at 1.92%. In 12 months, it fell by 76bp. This significant drop reflects the Fed’s dovish monetary policy stance in the face of exogenous risks to US growth and still modest inflation. The downward adjustment of interest rate expectations has been very rapid and, in part, excessive. In August, amid growth concerns exacerbated by renewed trade tensions, the 10-year to 3-month spread stood at -0.50%, and the 10-year to 2-year spread became negative (up to -5bp on 28 August), which had not been seen since the last recession. The 30-year rate reached a new all-time low in August, at below 2%. These excessively low rates were corrected when it became clearer that they did not reflect the economic fundamentals and Fed’s thinking on monetary policy in 2020. The spread between the 10-year and the 2-year ended up at 35bp (vs. 20bp at the end of 2018). The yield on the German 10-year Bund, which stood at 0.24% at the end of 2018, went on a downward trend from the beginning of 2019, bringing it down to below -0.70% by August. It then rose a little more haphazardly to finish at -0.19%, a fall of 43bp in 12 months. The first phase of this movement reflected the widespread appetite for government bonds resulting from expectations of monetary easing following speeches by the Fed and the ECB. The German 10-year rate’s fall into negative territory on 22 March was triggered by a further drop in activity surveys (PMI) in the eurozone. Yields eased further in a flight-to-safety in May, with the yield on the 10-year Bund falling below its previous lows, which had been hit in July 2016. It then continued to ease, falling below the deposit rate (then at -0.40%) at the beginning of July. Anticipations of a drop in key ECB rates and expectations of a resumption of the ECB’s asset purchase programme explain this development. The fall in yields has been seen across all European markets, with investors hunting yield. In August, the German yield curve turned negative for all maturities, with the 10-year at an all-time low of -0.71%. From that point on, rates rose away from these lows as risk appetite recovered, the perception of the global economic situation improved and expectations for further monetary easing by the ECB receded after the September announcements. In four months, the German 10-year yield rose by more than 50bp, while the ECB cut its deposit rate by 10bp in September. In addition to the elements mentioned above, one other specific factor had a part to play. For investors, the progress made on Brexit (more constructive discussions, UK politics) removed one of the downside risks to European economies. The German 2-year yield thus quickly returned to its highest level since May, at around -0.65%.

Peripheral markets clearly outperformed in 2019 (-133bp for the yield on the Italian 10-year BTP at 1.41%; -128bp for the Portuguese rate at 0.44%; -95bp for the Spanish rate at 0.47%). They essentially benefited from the hunt for yield in an environment where the core rates spent several months in negative territory, such as the yield on the French 10-year OAT, which dropped to a low of -0.43% at the end of August and only settled above 0% at the end of the year to finish at 0.12%.

Manager's report

Currency Markets

Throughout 2019, the EUR/USD exchange rate (from 1.1450 at the end of 2018) moved erratically. Until June, it had evolved in a broad range (1.11 - 1.16) as policy decisions and comments on both sides of the Atlantic evolved. It then followed a downward trend, bringing it down to 1.09 by the end of September, its lowest since the spring of 2017. This reflected concerns on the European economy, particularly that of Germany, and the implementation of further monetary easing measures by the ECB. However, as early as October, the parity started to rise again to return to 1.12. The euro benefited from the progress of discussions between the UK and the EU. Indeed, investors took the view that the probability of a no deal Brexit had diminished, which also reduced the risks to eurozone activity. In addition, the technical intervention of the New York Fed in the interbank market played a role. Some observers interpreted these measures as a pick-up in quantitative easing. At the end of 2019, parity moved very little in either direction between 1.10 and 1.12, only rising above this threshold at the very end of the year to end at 1.1223, down by 2% in 12 months. This markedly modest annual change reflects some perplexity on the part of market participants facing dovish statements from all the central banks. Moreover, while the growth differential is quite favourable to the US dollar, the year was marked by comments by the US President deploring the dollar’s strength and urging the Fed to lower its key rates further. It was only at the very end of the period that short dollar positions began to build up again, essentially in response to the fading fears about global growth.

On 3 January 2019, at the start of trading in Asia in low volumes, the USD/JPY exchange rate suffered a flash crash. It fell to 105 (from 109.72 at the end of 2018), in line with the sharp fall in stock markets. After that, it quickly returned to around 108. It remained on an upward trend until March, standing at around 112, with the Bank of Japan (BoJ) no longer hesitating to acknowledge its inability to meet its inflation target and thus paving the way for a long period of highly accommodative monetary policy. After a weak performance in April, however, the yen again began to appreciate significantly due to its status as a safe haven currency in the face of falling equities. At the end of May, the USD/JPY exchange rate fell back to below 109, the threshold that at the end of 2018 led the BoJ to indicate that it was ready to intervene in the foreign exchange market. In August, the status of safe haven currency led to a further rise in the yen, with a parity of 104.4 after the sharp fall in the equity market. Right after that, the BoJ hinted that further cuts in policy rates were likely to occur in the coming months in the face of external risks to Japanese economy. These expectations pushed the parity back to 110. At the end of the year, a final stall occurred when it became apparent that the BoJ finally seemed less willing to loosen monetary policy further. In 12 months, and despite very sharp variations, the USD/JPY exchange rate (108.67 at the end of 2019) fell by only 1%.

Changes in the pound sterling in 2019 accurately reflected the many breakthroughs around Brexit, whether they involved European and UK authorities or were due to UK domestic policy. Although the replacement of Theresa May by Boris Johnson as Prime Minister on 24 July initially contributed to the weakening of the currency, subsequent developments appeared positive. The further postponement of the deadline (from 31 October 2019 to 31 January 2020) on 28 October reduced the risk of a no-deal Brexit and the large victory of the UK Conservative Party in the general election on 12 December helped to clarified the situation. The British pound returned to its highest level since May 2018 against the dollar. Against the euro, it reached its highest level since the end of June 2016. In 12 months, it regained 3.9% against the dollar and 6.0% against the euro.

Manager's report

Outlook

In 2019, global equities grew by 24.1% (MSCI AC World index in US dollar terms), the fourth largest annual increase since 1987, the index's inception date. The rally was widespread across stock markets, and bonds rose too. So much for the past; now comes the time to look ahead. Although some risks seem to have receded in the short run, the events at the end of 2019 do not seem to us to be a game changer. A Phase 1 US-China trade agreement in January would be good news, but other aspects of relations between the two giants will continue to be negotiated, and US pressure may be exerted on other trading partners. The election year in the US is opening a phase of uncertainty in which equity investors should focus on the Democratic Party presidential primaries. Polls and the results of Democratic voter consultations in the key states may lead to erratic equity movements. Donald Trump's impeachment trial, which will begin in January, is likely to move to a vote on acquittal, given that the Republican Party has a majority in the Senate. This very particular situation for an outgoing president is likely, however, to reinforce doubts about the outcome of the November elections, with every step of the process giving rise to many comments. From an economic point of view, the outlook has improved in recent weeks. The improvement in business surveys has reduced fears of a recession, which had brought long bond yields to very low levels over the summer. We reiterate our message of modest but tangible growth in 2020. Central banks should maintain a dovish stance but the risk of an acceleration in inflation cannot be ruled out entirely. The environment is still *a priori* favourable to risky assets in the medium term, but several factors require maintaining a very reactive approach and diversifying asset allocation in order to deal with alternative scenarios.

Subsequent event: COVID-19

Since the year end, the development of the coronavirus COVID-19 outbreak initially in China is now reaching all continents leading to an unprecedented sanitary and economic crisis. At present it is not possible to assess the detailed impact of this crisis on the companies in the portfolio but there is growing concern about the magnitude of its impact on the world economy. The Board continues to follow the efforts of governments to contain the spread of the virus and monitor the economic impact, if any, on the companies in the portfolio of the funds. The current situation does not have any impact on the financial statements of the fund as the net asset value used is dated on 31 December 2019.

Manager's report

Changes

BONDS

10-year yields in %	31 December 2019	31 December 2018	Change over year. (bp)
US T-note	1.92	2.68	-76
JGB	-0.01	0.00	-1
OAT	0.12	0.71	-59
Bund	-0.19	0.24	-43

CURRENCIES

	31 December 2019	31 December 2018	Change over year.
EUR/USD	1.1223	1.1450	-1.98%
USD/JPY	108.67	109.72	-0.96%
EUR/JPY	121.99	125.67	-2.93%
EUR/GBP	0.8475	0.8983	-5.66%
GBP/USD	1.3242	1.2747	3.88%
EUR/CHF	1.0870	1.1268	-3.53%
USD/CHF	0.9684	0.9840	-1.59%

EQUITIES

	31 December 2019	31 December 2018	Change over year.
Euro Stoxx 50	3745.2	3001.42	24.78%
Stoxx 50	3403.0	2760.06	23.30%
CAC 40	5978.1	4730.69	26.37%
Xetra-DAX	13249.0	10558.96	25.48%
Footsie 100	7542.4	6728.13	12.10%
SMI	10616.9	8429.3	25.95%
Dow Jones 30	28538.4	23327.46	22.34%
Nasdaq	8972.6	6635.28	35.23%
S&P 500	3230.8	2506.85	28.88%
Nikkei 225	23656.6	20014.77	18.20%
Topix	1721.36	1494.09	15.21%
MSCI all countries (*)	565.2	455.66	24.05%
MSCI Emerging (*)	1114.6	965.67	15.43%

(*) in USD

Manager's report

Funds activity in 2019

The aim of the Fund is to replicate the performance of the S&P GSCI ENERGY & METALS CAPPED COMPONENT 35/20 Index Total Return (SPGCNCT)
It has 1 share class: Class A - USD (active).

Between 31 December 2018 and 31 December 2019, the Fund's USD share performance has been +10.13 %.

Meanwhile, the performance of the Benchmark Index calculated in USD has been +10.65%

The calculated ex-post tracking error between the fund and its benchmark is 0.05% for Class A - USD (weekly annualised data). This realised ex-post TE over the period is in line with the anticipated TE level.
The replication management cost is the main source of performance difference between the fund and its benchmark.

The Board of Directors

Luxembourg, 21 January 2020

The information stated in this report is historical and not necessarily indicative of future performance.

Audit report

To the Unitholders of
S&P GSCI Energy & Metals Capped Component 35/20 THEAM EASY UCITS ETF

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of S&P GSCI Energy & Metals Capped Component 35/20 THEAM EASY UCITS ETF (the "Fund") as at 31 December 2019, and of the results of its operations and changes in its net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

What we have audited

The Fund's financial statements comprise:

- the statement of net assets as at 31 December 2019;
- the securities portfolio as at 31 December 2019;
- the statement of operations and changes in net assets for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

Other information

The Board of Directors of the Management Company is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our audit report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors of the Management Company for the financial statements

The Board of Directors of the Management Company is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Management Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Management Company is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the financial statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Management Company;

- conclude on the appropriateness of the Board of Directors of the Management Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Fund to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers, Société coopérative — Luxembourg, 24 April 2020
Represented by

Electronically signed by:
Frédéric Botteman

Frédéric Botteman

Financial statements at 31/12/2019

	Expressed in Notes	S&P GSCI® ENERGY & METALS CAPPED COMPONENT 35/20 THEAM Easy UCITS ETF USD
Statement of net assets		
Assets		**95 716 876**
Securities portfolio at cost price		89 694 486
Unrealised gain/(loss) on securities portfolio		183 709
Securities portfolio at market value	2	89 878 195
Net Unrealised gain on financial instruments	2,9	1 662 706
Cash at banks and time deposits		4 164 951
Other assets		11 024
Liabilities		**38 563**
Other liabilities		38 563
Net asset value		**95 678 313**
Statement of operations and changes in net assets		
Income on investments and assets	2,3,7	**137 973**
Management fees	4	288 069
Bank interest		17 161
Other fees	5	172 841
Total expenses		**478 071**
Net result from investments		**(340 098)**
Net realised result on:		
Investments securities		2 040 219
Financial instruments	2	(2 500 065)
Net realised result		**(799 944)**
Movement on net unrealised gain/(loss) on:		
Investments securities		(76 133)
Financial instruments	2	10 486 151
Change in net assets due to operations		**9 610 074**
Net subscriptions/(redemptions)	3	**(8 878 014)**
Increase/(Decrease) in net assets during the year/period		**732 060**
Net assets at the beginning of the financial year/period		**94 946 253**
Net assets at the end of the financial year/period		**95 678 313**

Key figures relating to the last 3 years

S&P GSCI® ENERGY & METALS CAPPED COMPONENT 35/20 THEAM Easy UCITS ETF	USD 31/12/2017	USD 31/12/2018	USD 31/12/2019	Number of units 31/12/2019
Net assets	107 069 137	94 946 253	95 678 313	
Net asset value per unit				
Class A USD	32.8341	28.8089	31.7275	3 015 623

Securities portfolio at 31/12/2019

Expressed in USD

Quantity	Denomination	Quotation currency	Market value	% of net assets
Money Market Instruments			89 878 195	93.94
	United States of America		*89 878 195*	*93.94*
8 000 000	US TREASURY BILL 0.000% 19-02/01/2020	USD	7 999 726	8.36
7 000 000	US TREASURY BILL 0.000% 19-04/02/2020	USD	6 990 229	7.31
7 000 000	US TREASURY BILL 0.000% 19-05/03/2020	USD	6 981 508	7.30
10 000 000	US TREASURY BILL 0.000% 19-06/02/2020	USD	9 985 190	10.44
7 000 000	US TREASURY BILL 0.000% 19-07/01/2020	USD	6 998 447	7.31
9 000 000	US TREASURY BILL 0.000% 19-13/02/2020	USD	8 984 155	9.39
12 000 000	US TREASURY BILL 0.000% 19-16/01/2020	USD	11 992 915	12.53
12 000 000	US TREASURY BILL 0.000% 19-20/02/2020	USD	11 975 066	12.52
7 000 000	US TREASURY BILL 0.000% 19-27/02/2020	USD	6 983 596	7.30
11 000 000	US TREASURY BILL 0.000% 19-30/01/2020	USD	10 987 363	11.48
Total securities portfolio			**89 878 195**	**93.94**

Notes to the financial statements

Notes to the financial statements at 31/12/2019

Note 1 - General Information

Events that occurred during the financial year from 1 January 2019 to 31 December 2019

No special event occurred during this financial year.

Note 2 - Principal accounting methods

a) Presentation of the financial statements

The financial statements of the Fund are presented in accordance with the legislation in force in Luxembourg on Undertakings for Collective Investment. The consolidation currency of the Fund is the US dollar (USD).

The statement of operations and changes in net assets covers the financial year from 1 January 2019 to 31 December 2019.

b) Net asset value

This annual report is prepared on the basis of the last net asset value calculated as at 31 December 2019.

c) Valuation of the securities portfolio

Investments listed on an official stock exchange or dealt in on another Regulated Market which operates regularly and is recognized and open to the public, are valued at the last available price, and, in the event that there are several such markets, on the basis of the last available price on the principal market for that investment. If such a price does not reflect the investment's fair value, it is valued at its probable sales value, which shall be estimated with prudence and in good faith by the Board of Directors of the Management Company.

Investments not dealt in or listed on a stock exchange or on a Regulated Market operating regularly, recognized and open to the public, are valued at their probable sales value, which shall be estimated with prudence and in good faith by the Board of Directors of the Management Company.

Liquid assets, money market instruments and all other instruments may be valued at the last known closing price on the valuation day or according to the straight-line depreciation method. In the case of straight-line depreciation, money market instruments are disclosed in portfolio at cost and their value is increased in the Statement of Operations and Changes in Net Assets by the accrued interest under the caption "Bank Interest". Portfolio positions will be regularly reviewed under the supervision of the Management Company in order to determine whether there is a difference between the valuation found according to the closing price method and straight-line depreciation method. If there is a difference that is likely to result in significant dilution or to be detrimental to the Unitholders, appropriate corrective action may be taken, including, if necessary, calculation of the net asset value using the last known closing prices.

The list of changes in the portfolio during the financial year from 1 January 2019 to 31 December 2019, is available free of charge at the Registered Office of the Management Company of the Fund and from local agents.

d) Conversion of foreign currencies

The cost of investments denominated in currencies other than the Fund accounting currency is converted into that currency at the exchange rate prevailing at the purchase date.

Income and expenses in currencies other than the Fund accounting currency are converted into that currency at the exchange rate at the transaction date.

At the end of the financial year, the assets and liabilities denominated in currencies other than the Fund accounting currency are converted into that currency at the exchange rates prevailing at that date. The resulting realized and unrealized foreign exchange profits or losses are included in the Statement of Operations and Changes in Net Assets.

As at 31 December 2019, the sole sub-fund and unit class was denominated in USD.

e) Swap Contracts

Open swaps are valued at their expected realization value. The resulting changes in unrealized profits or losses and the realized profits or losses are included in the Statement of Operations and Changes in Net Assets. Realized profits or losses are presented net of interest expenses paid by the Fund to the swap counterparty.

f) Income

Dividends are recorded at the ex-dividend date. Interest is recorded on an accrual basis.

g) Tracking error

The Fund's objective is to achieve a return comparable to that of the S&P GSCI® ENERGY & METALS CAPPED COMPONENT 35/20 Total Return Index (Bloomberg: SPGCNCT) (this Fund's "Benchmark Index"). As the Fund is index-based, its objective is to maintain a tracking deviation in absolute terms between its Net Asset Value and the value of the relevant Benchmark Index. The anticipated level of tracking error between the Fund and the level of the Benchmark index, in normal market conditions, is 1 % at the maximum.

The sub-fund aims at replicating as closely as possible the performance of its reference index. However, it may experience some degree of tracking error due to the replication costs.

Note 3 - Subscription and redemptions

The units issued by the Fund are in registered form. The Fund does not issue fractions of units. There are for the time being one class of units, with the following characteristics:

Class A USD (active)

Units are bought and sold on a primary market and/or on a secondary market as the case may be.

Subscriptions can be paid for in cash, or by the contribution of instruments and securities representative of the Benchmark Index.

All subscriptions of the year have been paid for in cash.

The subscription and redemption charges, if any, are recorded in the Statement of Operations and Changes in Net Assets under the caption "Income on investments and assets".

Note 4 - Management fees (maximum per annum)

In consideration of its services, the Management Company receives a management fee calculated on the net asset of the unit class, at the following annual rate:

Class A USD: up to 0.30%

The management fees are calculated on each Trading Day and provisioned during the month in question whenever the Net Asset Value is calculated. They shall be paid monthly, in arrears.

Note 5 - Other fees

Other fees are calculated each Trading Day, provisioned during the month in question whenever the Net Asset value is calculated and paid monthly in arrears from the average net assets of a sub-fund, unit category, or unit class and serve to cover general custody assets expenses (remuneration of the Custodian) and daily administration expenses (NAV calculation, record and book keeping, notices to the unitholders, providing and printing the documents legally required for the unitholders, domiciliation, auditors cost and fees…), except for brokerage fees, commissions for transactions not related to the deposit, director fees, interest and bank fees, extraordinary expenses, reporting cost in relation with regulation requirements including the European Market Infrastructure Regulation (EMIR), and the "*taxe d'abonnement*" in force in Luxembourg, as well as any other specific foreign tax and other regulators levy.

Note 6 - Taxes

In accordance with applicable Luxembourg law and accepted practice, the Fund is not liable for Luxembourg corporation tax. Similarly, no withholding tax is levied on any sums distributed by the Fund, without prejudice of the potential application of the law dated 21 June 2005 implementing the EU Savings Directive.

In Luxembourg the Fund is exempted from the obligation to pay the subscription tax ("*taxe d'abonnement*") in accordance with article 175(e) of the Law of 2010, as amended.

Some income generated by the Fund's portfolio (such as dividends or interest) may be liable for withholding tax in the countries of origin.

Investors may be personally liable for further taxes on income or gains received. Investors who are unsure of their tax position are advised to contact a professional tax consultant or their local tax authorities.

Note 7 - Securities lending

As at 31 December 2019, the Fund has not concluded securities lending agreement.

Note 8 - Transaction fees

Transaction fees incurred by the Fund relating to purchase or sale of transferable securities, money market instruments, derivatives or other eligible assets are mainly composed of standard fees, sundry fees on transaction, stamp fees, brokerage fees, custody fees, VAT fees, stock exchange fees and RTO fees (Reception and Transmission of Orders). Transaction fees are included in the cost of securities purchased and sold.

For the financial year from 1 January 2019 to 31 December 2019, no transaction fees were incurred by the Fund.

Notes to the financial statements at 31/12/2019

Note 9 - Total Return Swaps

As at 31 December 2019, the Total Return Swap contracts remaining open were as follows:

S&P GSCI® ENERGY & METALS CAPPED COMPONENT 35/20 THEAM Easy UCITS ETF

Nominal	% of net assets engaged	Counterparty	Currency	Maturity	Sub-fund paid	Sub-fund received
53 308 902	55.72%	BNP PARIBAS PARIS, FRANCE	USD	13/01/2020	USD T-BILL AUCTION HIGH RATE 3M + 0.058%	S&P GSCI ENERGY & METALS CAPPED COMPONENT 35/20 INDEX TOTAL RETURN
40 768 339	42.61%	SOCIÉTÉ GÉNÉRALE PARIS, FRANCE	USD	13/01/2020	USD T-BILL AUCTION HIGH RATE 3M + 0.059%	S&P GSCI ENERGY & METALS CAPPED COMPONENT 35/20 INDEX TOTAL RETURN
					Net unrealised gain (in USD)	**1 662 706**

Counterparties to Swaps contracts:

BNP Paribas Paris, France
Société Générale Paris, France

Note 10 - Global overview of collateral

As at 31 December 2019, the counterparties to swap agreements pledged the following collaterals in favour of the Fund:

Sub-fund	Currency	OTC collateral	Type of collateral
S&P GSCI® ENERGY & METALS CAPPED COMPONENT 35/20 THEAM Easy UCITS ETF	USD	2 670 000	Cash

Note 11 - Changes in the composition of the securities portfolio

The list of changes in the composition of the securities portfolio during the year is available free of charge at the Management Company's registered office and from local agents.

Note 12 - Subsequent event: COVID-19

Since the year end, the development of the coronavirus COVID-19 outbreak initially in China is now reaching all continents leading to an unprecedented sanitary and economic crisis. At present it is not possible to assess the detailed impact of this crisis on the companies in the portfolio but there is growing concern about the magnitude of its impact on the world economy. The Board continues to follow the efforts of governments to contain the spread of the virus and monitor the economic impact, if any, on the companies in the portfolio of the funds. The current situation does not have any impact on the financial statements of the fund as the net asset value used is dated on 31 December 2019.

Global market risk exposure

The Management Company of the Fund, after a risk profile assessment, decided to adopt the commitment approach to determine the global market risk exposure.

Information on the Remuneration Policy in effect within the Management Company / AIFM

Below are the quantitative information on remuneration, as required by Article 22 of the AIFM directive (Directive 2011/ 61 / EC of 8 June 2011) and by Article 69 (3) of the UCITS V directive (Directive 2014/91/EU of 23 July 2014), in a format compliant with the recommendations of the AFG (French Asset Management Association)[1].

Aggregate quantitative information for members of staff of BNP PARIBAS ASSET MANAGEMENT Luxembourg ("BNPP AM Luxembourg") (art 22-2-e of AIFM directive and art 69-3 (a) of the UCITS V directive):

Business Area	Number of Staff	Total Remuneration (K EUR) (fixed + variable)	Of which total variable remuneration (K EUR)
All staff of **BNPP AM Luxembourg**	78	7 486	768

Aggregate quantitative information for members of staff whose actions have a material impact on the risk profile of the firm and who are indeed "Identified Staff"[2] (art 22-2-f of AIFM directive and art 69-3 (b) of the UCITS V directive):

Business Area	Number of Staff	Total Remuneration (K EUR)
Identified Staff of **BNPP AM Luxembourg**	4	834
Of which AIF/ UCITS and European mandates Portfolio managers	*0*	*0*

Other information about BNPP AM Luxembourg:

– **Number of AIF and UCITS Funds under management:**

	Number of sub-funds (31/12/2019)	AuM (billion EUR) (31/12/2019)[3]
UCITS	179	85
AIFs	21	3

– Under the supervision of the BNP PARIBAS ASSET MANAGEMENT Holding's remuneration committee and its board of directors, an independent and central audit of the Global BNP PARIBAS ASSET MANAGEMENT remuneration policy and its implementation over the 2018/2019 financial year was conducted between May and July 2019. The results of this audit, which covered BNP PARIBAS ASSET MANAGEMENT entities included in the integrated perimeter with an AIFM and/or UCITS licence, was rated "Satisfactory".

– More information on the determination of the variable remuneration and in deferred instruments is set out in the qualitative disclosure on the remuneration policy, which is available on the website of the company.

[1] NB 1 : The remuneration amounts above are not directly reconcilable with the accounting data of the year, as they reflect the amounts allocated at the closing, in May 2019, of the annual compensation review process (CRP). Thus, for example, these amounts include all variable remuneration awarded during this CRP, whether this variable remuneration is deferred or not, and whether the employees ultimately remained in the company or not.
[2] The identified staff is determined based on end of year review.
[3] The amounts indicated take into account the master-feeder funds.

Unaudited appendix

Regulation on transparency of Securities Financing Transactions and Reuse of collateral (SFTR)

This collateral applies to all OTC activity of this fund. There is no way to distinguish it upon type of instrument it is related to.

S&P GSCI® ENERGY & METALS CAPPED COMPONENT 35/20 THEAM Easy UCITS ETF

Counterparty name	Type	Sub-fund Currency	Market Value (absolute value)	Maturity	Issuers	Safekeeping of collateral received	Safekeeping of collateral granted	Reinvestment
BNP PARIBAS	Cash	USD	1 515 000	Less than one day	None	BNP PARIBAS SECURITIES SERVICES	N/A	No
SOCIETE GENERALE	Cash	USD	1 155 000	Less than one day	None	BNP PARIBAS SECURITIES SERVICES	N/A	No
Total (absolute value)		**USD**	**2 670 000**					

Data on cost and return

There are no fee sharing arrangements on Total Return Swaps and 100% of the costs/returns generated are recognised in Fund's primary statements.

Note

All TRS are settled on a bilateral mode.

Implication of Brexit

In response to the decision of the United Kingdom (UK) to trigger Article 50 of the Treaty of the European Union (EU) leading to its withdrawal from the EU at the currently planned date of 31 January 2020, BNPP AM has set up a comprehensive contingency plan in order to continue to serve its clients without interruption, in all cases including the event of an exit without the ratification of a withdrawal agreement. In particular, the investment policy has been reviewed and any reference to the EU or the EEA (European Economic Area) has been assessed in order to adapt accordingly all related documentation and if necessary, in a limited number of occurrences, to adapt the product composition. For the funds distributed in France and eligible to PEA (Plan d'Epargne en Actions or share savings plan) a French tax investment scheme, an impact analysis has been made, appropriate measures have been set up and will be communicated to holders concerned when the exit date is confirmed. For the funds currently distributed in the UK, a notification was submitted to the FCA - Financial Conduct Authority, the UK regulator to benefit from the TPR Temporary Permission Regime to continue to market temporarily in the UK. Having said that, the recent political events, including the approval of the EU withdrawal agreement bill in the British House of commons beginning of January, suggests that the agreement will be fully ratified by 31 January, opening an 11 month transition period. Transition period means that during that period, nothing changes with respect to the way business is carried out between the UK and the EU : in term of eligibility, UK securities continue to be considered as EU securities, and the transitory contingency measures designed both on the UK and the EU sides (eg UK TPR, French temporary PEA eligibility) become obsolete and do not have to be activated.

BNP PARIBAS ASSET MANAGEMENT

The asset manager for a changing world