

## Compare Futures vs. ETFs

BENEFIT	FUTURES	ETFs
Annual Management Fees	No	Yes
Potential Cost Efficiencies*	Yes - Can have significantly lower fees	Depends - Time horizon, direction & holding costs will impact
Nearly 24-Hour Access, 6 days a Week	Yes	No
Deep Liquidity	Yes	Yes - But core futures can trade many times more notionally per day
Pure Price Exposure to Underlying	Yes - Designed to tightly track underlying	No - Funding levels, fees, other factors can affect price
Can Go to Delivery	Yes - But only a small percentage take delivery	No
Offers Portfolio Diversification	Yes	Yes
Tax Efficiencies**	Yes - Blended 60% long term, 40% short-term U.S. capital gains treatment	No - Could trigger relatively expensive short-term capital gains tax
Ownership	No - Only access value of commodity	Yes - You own until you sell again

\* Depends on your time horizon, direction and holding costs

\*\*Depends on holding period and time horizon. The information provided should not be considered tax advice. Consult your tax advisor before making any investment

## Compare Futures vs. Forwards

BENEFIT	FUTURES	FORWARDS
Regulated, Centralized Market	Yes	No
Standardized Contracts	Yes - Quantity, quality, date	No - Privately negotiated
Level-Playing Field	Yes - See same quotes, trades, prices	No - Not transparent
Safety & Security	Yes - Centrally cleared	No - Bilateral counterparty risk

## Compare Futures vs. Physical Commodities

BENEFIT	FUTURES	PHYSICAL COMMODITIES
Regulated, Centralized Market	Yes - CFTC regulated; centralized trades	No - Independent brokers; often unregulated
Nearly 24-Hour Trading, 6 Days a Week	Yes	No, in many cases
Transparent Market	Yes - See same prices, quotes, trades	No, in many cases
Subject to Storage Costs	No	Yes
Cost Efficiency	Yes - Control a large value on margin	No - Full price paid
Favorable U.S. Tax Treatment*	Yes - Blended 60% long term /40% short term capital gains treatment	No - Ordinary income tax if held ≥ 1 year
Ownership	No - Trading on value only	Yes

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## Compare FX Futures vs. Cash FX

BENEFIT	FUTURES	CASH FX
Liquidity & 24-Hour Access	Yes - \$85B daily	Yes - \$5.3T daily but highly fragmented globally
Regulated, Centralized Market	Yes - World's largest regulated for FX	No - Face counterparty & execution risk
Level-Playing Field	Yes - See same prices, quotes, trade firm liquidity	No - Little to no transparency, last look commonly used
Fully Disclosed Fees	Yes - Plus known, universal margin requirements	No - Spreads often built into prices, varying margin/credit charges subject to counterparty
Safety & Security	Yes - Trades regulated, centrally cleared	No
Speed & Performance	Yes - Fast trade executions, confirmations & straight-through processing	Depends - Speed bumps, last-look, re-quoting execution delays common