



# Claymore/Zacks Sector Rotation ETF

 EXCHANGE-TRADED FUNDS



AS OF 9/30/09

## FUND FACTS

Style Allocation	Large Blend
Investment Strategy	Sector Rotation
Distribution Schedule (if any)	Annual
Rebalance Schedule	Quarterly
Weighting	Modified Market Cap (Max of 5%)
Index Provider	Zacks Investment Research, Inc.
Underlying Index	Zacks Sector Rotation Index
Index Ticker	ZAXSR

## FUND PROFILE

Symbol	XRO
Exchange	NYSE Arca
NAV Symbol (IIV)	XUO
CUSIP	18383M407
Fund Inception Date	9/21/06
Expense Cap*	0.60%
Fiscal Year-End	8/31

## FUND CHARACTERISTICS

Number of Securities	100
Weighted Average Market Capitalization	\$22.6 Billion
Weighted Average Price/Earnings (P/E) <sup>1</sup>	19.7x
Weighted Average Price/Book (P/B) <sup>2</sup>	4.8x
Beta <sup>3</sup>	1.00
Alpha <sup>4</sup>	-2.6
Standard Deviation <sup>5</sup> (Fund/S&P 500)	22.04/19.68

All data is subject to change on a daily basis. <sup>1</sup>P/E Ratio is equal to a stock's market capitalization divided by its after-tax earnings over the most recent 12-month period. <sup>2</sup>P/B Ratio is equal to a stock's market capitalization divided by its book value. (This ratio compares the market's valuation of a company with the value of that company as indicated on its financial statements.)

The Claymore/Zacks Sector Rotation ETF seeks investment results that correspond generally to the performance, before the Fund's fees and expenses, of an equity index called the Zacks Sector Rotation Index. The Index uses a proprietary quantitative methodology developed by Zacks Investment Research, Inc., the Fund's index provider, to overweight (as compared to other benchmark indices) sectors with potentially superior risk-return profiles. The objective of the Index is to overweight those sectors that combined have the potential to outperform, on a risk-adjusted basis, the S&P 500 Index and other benchmark indices. The Index is comprised of approximately 100 securities selected, based on investment and other criteria, from a universe of the 1,000 largest listed equity companies based on market capitalization. The universe of potential Index constituents includes all U.S. stocks, American depositary receipts ("ADRs") and master limited partnerships ("MLPs") listed on domestic exchanges. The Fund generally will invest in all of the securities comprising the Index in proportion to their weightings in the Index.

## AVERAGE ANNUAL TOTAL RETURNS\* as of 9/30/09

	YTD	3-Month	1-Year	3-Year	Since Inception (9/21/06)
Market Price	17.73%	12.05%	-16.71%	-8.50%	-8.08%
Market Price After Tax on Shares Held	17.73%	12.05%	-16.96%	-8.66%	-8.24%
Market Price After Tax on Shares Sold	11.52%	7.83%	-10.89%	-7.20%	-6.85%
NAV	18.01%	12.04%	-16.85%	-8.38%	-8.07%
NAV After Tax on Shares Held	18.01%	12.04%	-17.10%	-8.54%	-8.22%
NAV After Tax on Shares Sold	11.70%	7.83%	-10.98%	-7.10%	-6.84%
S&P 500 Index	19.26%	15.61%	-6.91%	-5.42%	-4.96%

**Performance data quoted represents past performance, which is no guarantee of future results, and current performance may be lower or higher than the figures shown. For the most recent month-end performance figures, please visit [www.daymore.com](http://www.daymore.com). The investment return and principal value of an investment will fluctuate with changes in market conditions and other factors so that an investor's shares, when redeemed, may be worth more or less than their original cost.**

**\*Per the prospectus dated December 31, 2008, the Fund's total annual operating expense ratio, gross of any fee waivers or expense reimbursements, is 0.80%. There is a contractual fee waiver currently in place for this Fund through December 31, 2011 to the extent necessary to keep Fund operating expenses from exceeding 0.60% of average net assets per year. However, some expenses fall outside of this expense cap and therefore net operating expenses were 0.65%. Without this expense cap, actual returns would be lower.**

After tax returns are calculated using the historical highest individual federal marginal income tax rates during the periods shown and do not reflect the impact of state and local taxes. Actual after tax returns depend on an investor's tax situation and may differ from those shown. Since Inception returns assume a purchase of the ETF at the initial share price for share price returns or the initial net asset value (NAV) per share for NAV returns. Returns for periods of less than one year are not annualized. Returns include reinvestment of distributions.

This index is unmanaged and it is not possible to invest directly in this index. The S&P 500 Index is a capitalization-weighted index of 500 stocks designed to measure the performance of the broad economy, representing all major industries.

<sup>3</sup>Beta is the measure of a Fund's sensitivity to the Index, which is 1.00. By definition, the beta of the Index is 1.00. Any Fund with a higher beta is more volatile than the Index. Likewise, any portfolio with a lower beta will be less volatile than the Index in the stated period. <sup>4</sup>Alpha is a statistical measurement that depicts the performance difference between a Fund's return and an underlying performance benchmark, given the Fund's level of volatility, measured by beta. The benchmark index will always reflect an alpha of 0.00%. A positive alpha indicates a portfolio has performed better than its beta would predict in the stated period. <sup>5</sup>Standard deviation is a statistical measurement that depicts how widely returns vary over a given period of time. The measurement is generally used to understand the range of returns that are most likely for a given portfolio. Generally, a higher standard deviation indicates a more risky portfolio.

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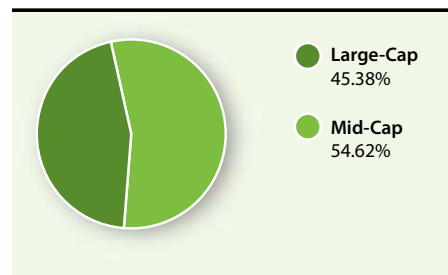
## TOP FUND SECTOR WEIGHTINGS

Retail/Wholesale	25.75%
Consumer Staples	22.06%
Medical	18.81%
Finance	17.65%
Consumer Discretionary	8.08%
Business Services	3.93%
Transportation	2.47%
Aerospace	1.24%

## TOP FUND HOLDINGS

Name	Symbol	Weighting
JPMorgan Chase & Co.	JPM	1.84%
Goldman Sachs Group, Inc.	GS	1.79%
Nike, Inc. -CL B	NKE	1.79%
Medco Health Solutions	MHS	1.73%
The Travelers Cos, Inc.	TRV	1.72%
Unilever N V -Ny Shares	UN	1.71%
Starbucks Corp.	SBUX	1.70%
China Life Ins Co., Ltd.	LFC	1.69%
Express Scripts, Inc.	ESRX	1.61%
Coca-Cola Co.	KO	1.60%

## FUND CAPITALIZATION WEIGHTINGS



All data is subject to change on a daily basis and represents a percentage of the Fund's total equity holdings. The securities mentioned are provided for informational purposes only and should not be deemed as a recommendation to buy or sell.

**RISK CONSIDERATIONS** Investors should consider the following risk factors and special considerations associated with investing in the Fund, which may cause you to lose money, including the entire principal amount that you invest. **Equity Risk:** The value of the securities held by the Funds will fall due to general market and economic conditions, perceptions regarding the industries in which the issuers of securities held by the Funds participate, or factors relating to specific companies in which the Funds invest. **Foreign Investment Risk:** Investing in non-U.S. issuers, although limited to ADRs, may involve unique risks such as currency, political, and economic risk, as well as less market liquidity, generally greater market volatility and less complete financial information than for U.S. issuers. **Medium-Sized Company Risk:** Investing in securities of these companies involves greater risk as their securities may be more volatile and less liquid than investing in more established companies. These securities may have returns that vary, sometimes significantly, from the overall stock market. **Sector Concentration Risk:** A significant percentage of the Zacks Sector Rotation Index may be comprised of issuers in a single industry or sector of the economy, which presents more risk that if it were broadly diversified among industries and sectors of the economy. Therefore, the Fund may at any time be subject to some or all of the following risks relating to the sectors which constitute the Zacks Sector Rotation Index. The prospectus contains a full description of all risks associated with a concentration in these sectors: Consumer Staples Sector, Consumer Discretionary Sector, Retail/Wholesale Sector, Medical Sector, Auto-Tires/Trucks Sector, Basic Materials Sector, Industrial Products Sector, Construction Sector, Multi-Sector Conglomerates Sector, Computer/Technology Sector, Aerospace Sector, Oils/Energy Sector, Finance Sector, Utilities Sector, Transportation Sector, and Business Services Sector. **MLP Risk:** Investments in securities of MLPs involve risks that differ from an investment in common stock. Holders of the units of MLPs have more limited control and limited rights to vote on matters affecting the partnership. There are also certain tax risks associated with an investment in units of MLPs. **Portfolio Turnover Risk:** The Fund may engage in active and frequent trading in connection with the quarterly rebalancing of the Index, and therefore the Fund's investments. A portfolio turnover rate of 200%, for example, is equivalent to the Fund buying and selling all of its securities two times during the course of the year. A high portfolio turnover rate (for example, over 100%) could result in high brokerage costs and could result in an increase in taxable capital gains distributions to the Fund's shareholders. The Fund will seek to utilize the creation and redemption in-kind mechanism to help minimize capital gains to the extent possible. **Non-Correlation Risk:** The Fund's return may not match the return of the Index for a number of reasons. For example, the Fund incurs a number of operating expenses not applicable to the Index, and incurs costs in buying and selling securities, especially when rebalancing the Fund's securities holdings to reflect changes in the composition of the Index. The Fund may not be fully invested at times, either as a result of cash flows into the Fund or reserves of cash held by the Fund to meet redemptions and expenses. If the Fund utilizes a sampling approach or futures or other derivative positions, its return may not correlate as well with the return on the Index, as would be the case if it purchased all of the securities in the Index with the same weightings as the Index. **Replication Management Risk:** The Fund is not "actively" managed. Therefore, it would not necessarily sell a stock because the stock's issuer was in financial trouble unless that stock is removed from the Index. **Issuer-Specific Changes:** The value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole. The value of securities of smaller issuers can be more volatile than that of larger issuers. **Non-Diversified Fund Risk:** The Fund can invest a greater portion of assets in securities of individual issuers than a diversified fund. Changes in the market value of a single investment could cause greater fluctuations in share price than would occur in a diversified fund. **Please read the Fund's prospectus for more detailed information on these risks and considerations.**

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Claymore Advisors, LLC, an affiliate of Claymore Securities, Inc., serves as the investment adviser.

## NOT FDIC-INSURED • NOT BANK GUARANTEED • MAY LOSE VALUE

Investors should carefully consider the investment objectives and policies, risk considerations, charges and ongoing expenses of the ETF before investing. The prospectus contains this and other relevant information. Please read the prospectus carefully before you invest. To obtain a prospectus, please contact a securities representative or Claymore Securities, Inc., or download one from [www.claymore.com](http://www.claymore.com).



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