

**Media release**

## **ETF trading volumes surge as the industry takes a hit**

*BetaShares Australian ETF Review February 2020*

**SYDNEY, 16 March 2020:** The Australian ETF industry contracted for the first time in more than a year in February, as share prices fell sharply towards the end of the month on fears related to the COVID-19 pandemic. Funds under management (FuM) fell by \$2 billion to finish the month at \$64 billion, according to the *BetaShares Australian ETF Review – February 2020*.

The decline in FuM was due entirely to falls in asset values, with inflows into the industry remaining positive at \$1.6 billion.

The most striking statistic for the month, however, was trading value, which reached a monthly record, with more than \$7 billion traded in Australian ETFs for the first time. The high volumes mirrored trading patterns in ETFs globally, with investors seeking out the liquidity of ETFs during volatile times to express both bullish and bearish views.

BetaShares CEO, Alex Vynokur, said: “While many investors’ portfolios clearly have suffered from recent falls in equity prices, it is notable that ETFs have performed as expected during a very challenging period. At various times in the past, concerns have been raised that ETFs have not been tested in rapidly falling markets. In our view, the fact that ETFs have delivered liquidity and efficiency in this ‘real life’ test of extraordinary volatility puts those doubts to rest.”

For the second month in a row, global equities products received the largest inflows (\$935m) with fixed income in second place (\$306m). Broad Australian and Asian equities products were sold off with investors seemingly viewing the U.S. market as more able to weather the current economic storm.

The top performer for the month was Palladium, followed by BetaShares’ Strong Bear Hedge Fund Products, BBUS (U.S. Equities) and BBOZ (Australian Equities), both of which produced gains of more than 20% as equity markets fell.

The three “short” equity funds offered by BetaShares (BBUS, BBOZ and BEAR) have seen massive increases in trading volumes since 24 February when the market rout began. The average daily trading volume in all three funds between 24 February and 11 March was ten times or more the average daily trading volume in 2019, as was the average daily number of trades.

Mr. Vynokur continued: “With bearish market sentiment coming to the fore, many investors are looking to protect their portfolios, or to profit from market falls. The increase in trading volumes in our

suite of 'short' equity funds indicates that investors are finding these vehicles a liquid and convenient vehicle to express their bearish views."

A copy of the *BetaShares Australian ETF Review – February 2020* can be found [here](#).

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#### About BetaShares

BetaShares Capital Ltd ("BetaShares") is a leading Australian manager of exchange traded products ("ETPs") traded on the Australian Securities Exchange. BetaShares offers a range of ETPs which cover Australian and International equities, cash, currencies, commodities and alternative strategies. BetaShares currently has over \$10 billion in assets under management.

BetaShares is owned and managed by its Australian based management team along with a strategic shareholding from Mirae Asset Global Investment Group, one of Asia's largest asset management firms. As at February 2019, Mirae manages over US\$140 billion.

BetaShares' range of ASX-traded funds includes:

Product Series	Product	Ticker
Cash & Fixed Income ETFs	Australian Bank Senior Floating Rate Bond ETF	QPON
	Australian Government Bond ETF	AGVT
	Australian High Interest Cash ETF	AAA
	Australian Investment Grade Corporate Bond ETF	CRED
	Sustainability Leaders Diversified Bond ETF – Currency Hedged	GBND
Hybrid Funds	Active Australian Hybrids Fund (managed fund)	HBRD
Commodity ETFs	Agriculture ETF – Currency Hedged (synthetic)	QAG
	Commodities Basket ETF – Currency Hedged (synthetic).	QCB
	Crude Oil Index ETF – Currency Hedged (synthetic)	OOO

	Gold Bullion ETF – Currency Hedged	QAU
Currency ETFs	British Pound ETF	POU
	Euro ETF	EEU
	U.S. Dollar ETF	USD
	BetaShares Strong U.S. Dollar Fund (hedge fund)	YANK
	BetaShares Strong Australian Dollar Fund (hedge fund)	AUDS
Diversified ETFs	Diversified Conservative Income ETF	DZZF
	Diversified Balanced ETF	DBBF
	Diversified Growth ETF	DGGF
	Diversified High Growth ETF	DHHF
Equities ETFs	FTSE RAFI Australia 200 ETF	QOZ
	Financials Sector ETF	QFN
	Resources Sector ETF	QRE
	Australian Ex-20 Portfolio Diversifier ETF	EX20
	Australian Small Companies Select Fund (managed fund)	SMLL
	Australian Sustainability Leaders ETF	FAIR
	Australia 200 ETF	A200
	S&P/ASX Australian Technology ETF	ATEC
Equity Income Funds	Australian Dividend Harvester Fund (managed fund)	HVST
	Equity Yield Maximiser Fund (managed fund)	YMAX
Geared Funds	Geared Australian Equity Fund (hedge fund)	GEAR
	Geared US Equity Fund – Currency Hedged (hedge fund)	GGUS
International Funds	Asian Technology Tigers ETF	ASIA
	FTSE RAFI U.S. 1000 ETF	QUS
	Europe ETF – Currency Hedged	HEUR
	FTSE 100 ETF	F100
	Global Agriculture ETF – Currency Hedged	FOOD

	Global Banks ETF – Currency Hedged	BNKS
	Global Cybersecurity ETF	HACK
	Global Energy Companies ETF – Currency Hedged	FUEL
	Global Gold Miners ETF – Currency Hedged	MNRS
	Global Healthcare ETF – Currency Hedged	DRUG
	Global Income Leaders ETF	INCM
	Global Quality Leaders ETF	QLTY
	Global Robotics and Artificial Intelligence ETF	RBTZ
	Global Sustainability Leaders ETF	ETHI
	India Quality ETF	IIND
	Japan ETF – Currency Hedged	HJPN
	NASDAQ 100 ETF	NDQ
	S&P 500 Yield Maximiser Fund (managed fund)	UMAX
Managed Risk Funds	Managed Risk Australian Share Fund (managed fund)	AUST
	Managed Risk Global Share Fund (managed fund)	WRLD
Short Funds	Australian Equities Bear Hedge Fund	BEAR
	Australian Equities Strong Bear Hedge Fund	BBOZ
	US Equities Strong Bear Hedge Fund – Currency Hedged	BBUS
Active	AMP Capital Dynamic Markets Fund (Hedge Fund)	DMKT
	AMP Capital Global Infrastructure Securities Fund (Unhedged) (Managed Fund)	GLIN
	AMP Capital Global Property Securities Fund (Unhedged) (Managed Fund)	RENT
	BetaShares Legg Mason Australian Bond Fund (managed fund)	BNDS
	BetaShares Legg Mason Equity Income Fund (managed fund)	EINC
	BetaShares Legg Mason Emerging Markets Fund (managed fund)	EMMG

	BetaShares Legg Mason Real Income Fund (managed fund)	RINC
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