



BetaShares
Exchange Traded Funds

BETASHARES AUSTRALIAN ETF REVIEW

MONTH ENDING OCTOBER 2020



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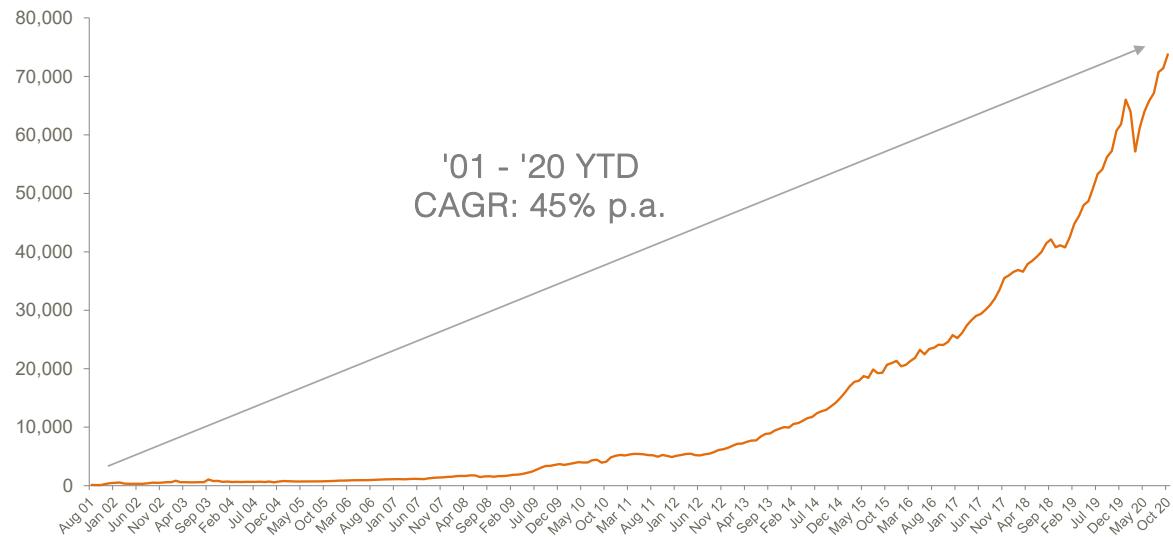
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AUSTRALIAN EXCHANGE TRADED FUND INDUSTRY: SUMMARY OCTOBER 2020

ALL-TIME NET FLOW RECORD BROKEN ONCE AGAIN AS INDUSTRY HITS NEW HIGHS

- For the second month in a row, the Australian ETF industry **broke its all-time net flows record, receiving \$2.3B of net flows**. This is now the second month ever with net flows >\$2B, with a figure of \$2.1B recorded just a month before.
- The high level of flows pushed the industry to **\$73.8B, another fresh record high**
- Industry growth over the last 12 months has been **29%**, representing absolute growth of **\$16.5B** over this period.
- With global sharemarkets receiving mixed results (Asia and Australia rallying but US markets falling), ETF industry growth was almost entirely made up of net new money which totalled **\$2.3B** out of the \$2.4B of total industry growth.
- Trading value remained strong with **~\$7.8B** traded on the ASX, although this figure represented an ~10% fall month on month.
- 10 new products were launched this month: 8 new single bond products, one Australian ESG exposure and an Australian equities Active ETF from Intelligent Investor
- With markets rising in October, we once again saw our [Asia Technology Tigers](#) fund as the best performer with ~8% for the month and >50% return YTD. Strong performance also came from [Australian Financials ETFs](#)
- Equities exposures once again dominated net flows this month, as has been the case for most of the year, with relatively even flows recorded as between **international equities** (\$836m) and **Australian equities** (\$724m). While it was a distant 3rd place, it was interesting to see **bond** products return to decent flows (\$480m) with both **global** and **Australian** aggregate/composite bond products growing well.
- Outflows were limited this month, with only very small net outflows in geared Australian equities as investors took profits, as well as US dollar exposures.

AUSTRALIAN ETP MARKET CAP: AUGUST 2001 – OCTOBER 2020



CAGR: Compound Annual Growth Rate. Source: ASX, Chi-X, BetaShares

MARKET CAP

- Australian Exchange Traded Funds Market Cap: **\$73.8B¹ - all time end of month high**
- Market cap increase for month: **3.3%, \$2.4B**
- Market cap growth for last 12 months: **29%, + \$16.5B**

NEW MONEY

- Net new money for month (units outstanding by \$ value): **+\$2.3B - largest net inflows on record, breaking previous record (\$2.1B) recorded last month**

PRODUCTS

- 256 Exchange Traded Products trading on the ASX & Chi-X with 10 new products launching this month – 8 new single bond products, one Australian ESG exposure and a new Australian equities Active ETF from Intelligent Investor

TRADING VALUE

- ASX ETF Trading value down ~10% vs. the previous month, but remains at approx. \$7B value traded for the month

PERFORMANCE

- With markets rising in October we once again saw our [Asia Technology Tigers](#) fund as the best performer with ~8% for the month and >50% return YTD. Strong performance also came from [Australian Financials ETFs](#)

¹ Includes total FuM for ETFs trading on both ASX & Chi-X

TOP 10 PRODUCTS: OCTOBER 2020

By Market Cap

Ticker	Product	Issuer	Market Cap	Rank Movement
VAS	Vanguard Australian Shares Index ETF	Vanguard	\$6,000,574,117	
STW	SPDR S&P/ASX 200	State Street	\$3,595,350,237	
IVV	iShares S&P 500 ETF	iShares	\$3,292,425,753	
IOZ	iShares Core S&P/ASX 200 ETF	iShares	\$3,237,205,444	
VGS	Vanguard MSCI Index International Shares ETF	Vanguard	\$2,337,238,910	
AAA	Betashares Australian High Interest Cash ETF	BetaShares	\$2,209,071,885	+1
GOLD	ETFS Physical Gold	ETF Securities	\$2,186,833,107	-1
VTS	Vanguard US Total Market Shares Index ETF	Vanguard	\$1,917,606,408	
IOO	iShares Global 100 ETF	iShares	\$1,814,270,209	
MGE	Magellan Global Equities Fund (Managed Fund)	Magellan	\$1,773,510,232	

Other products with > \$1B AUM: VHY, VGAD, VEU, VAP, VAF, QUAL, NDQ, MVW, IAF

Average Daily Trading Value (by \$) - Month

Ticker	Product	Issuer	ADTV	Rank Movement
BBOZ	BetaShares Australian Strong Bear (Hedge Fund)	BetaShares	\$28,204,350	+1
IOZ	iShares Core S&P/ASX 200 ETF	iShares	\$24,012,450	-1
VAS	Vanguard Australian Shares Index ETF	Vanguard	\$19,078,912	+1
AAA	Betashares Australian High Interest Cash ETF	BetaShares	\$17,401,521	-1
BBUS	BetaShares US Equities Strong Bear Currency Hedged (Hedge Fund)	BetaShares	\$12,478,476	+2
STW	SPDR S&P/ASX 200	State Street	\$10,647,237	-1
GEAR	BetaShares Geared Australian Equity Fund (Hedge Fund)	BetaShares	\$8,357,246	-1
VGS	Vanguard MSCI Index International Shares ETF	Vanguard	\$7,820,618	+6
GOLD	ETFS Physical Gold	ETF Securities	\$7,200,592	
NDQ	BetaShares NASDAQ 100 ETF	BetaShares	\$6,692,118	-2

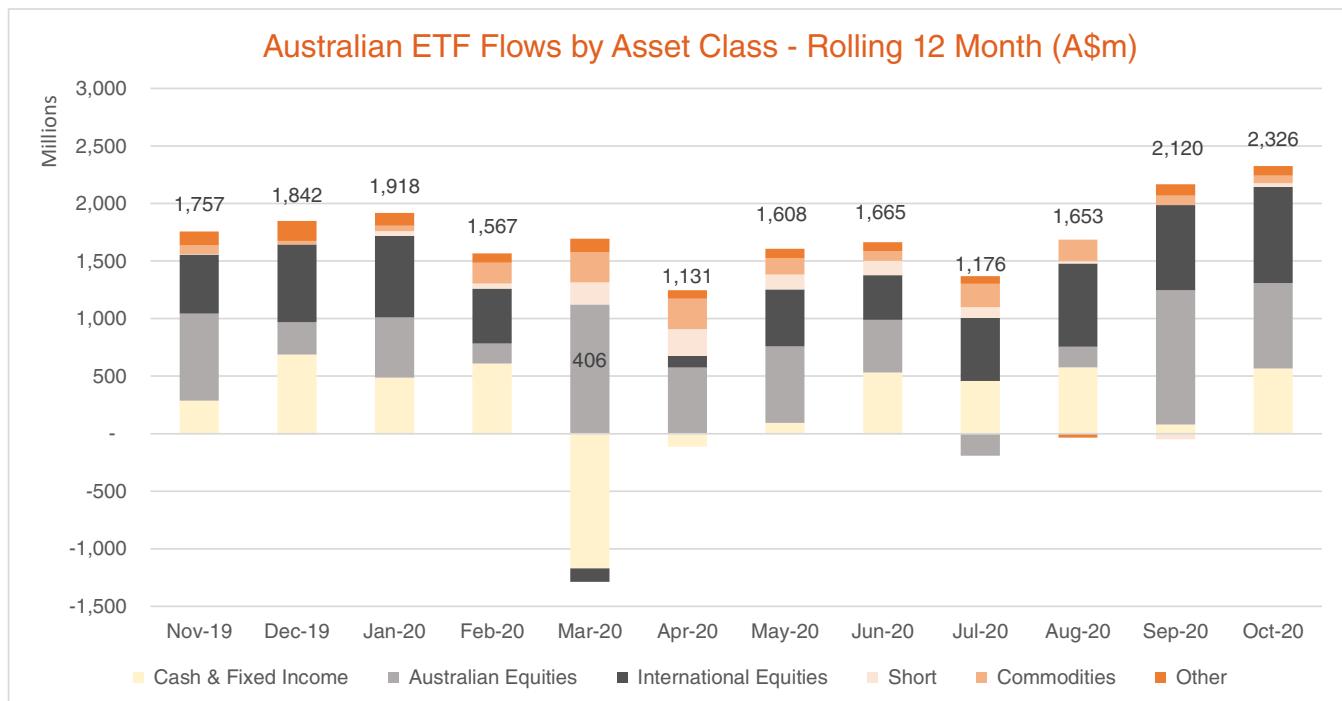
Top 10 Inflows (by \$) - Month

Ticker	Product	Inflow Value
IOZ	iShares Core S&P/ASX 200 ETF	\$326,005,257
VAS	Vanguard Australian Shares Index ETF	\$197,109,782
VBND	Vanguard Global Aggregate Bond Index (Hedged) ETF	\$101,197,105
VGS	Vanguard MSCI Index International Shares ETF	\$95,341,242
AAA	Betashares Australian High Interest Cash ETF	\$88,309,213
VAF	Vanguard Australian Fixed Interest Index ETF	\$84,279,737
IAF	iShares Core Composite Bond ETF	\$77,455,925
NDQ	BetaShares NASDAQ 100 ETF	\$54,019,726
IHV	iShares S&P 500 AUD Hedged ETF	\$51,731,425
ASIA	BetaShares Asia Technology Tigers ETF	\$50,276,923

Top 10 Outflows (by \$) - Month

Ticker	Product	Inflow Value
WDMF	iShares Edge MSCI World Multifactor ETF	-\$50,741,287
QRE	BetaShares Resources Sector ETF	-\$34,827,086
IKO	iShares MSCI South Korea ETF	-\$19,526,159
GEAR	BetaShares Geared Australian Equity Fund (Hedge Fund)	-\$7,061,618
BILL	iShares Core Cash ETF	-\$7,019,041
USD	BetaShares U.S. Dollar ETF	-\$6,411,904
BEAR	BetaShares Australian Equities Bear (Hedge Fund)	-\$5,829,858
ZYAU	ETFS S&P/ASX 300 High Yield Plus ETF	-\$3,636,150
IEU	iShares Europe ETF	-\$3,411,532
PIX	Platinum International Fund (Quoted Managed Hedge Fund)	-\$2,835,621

INDUSTRY NET FLOWS



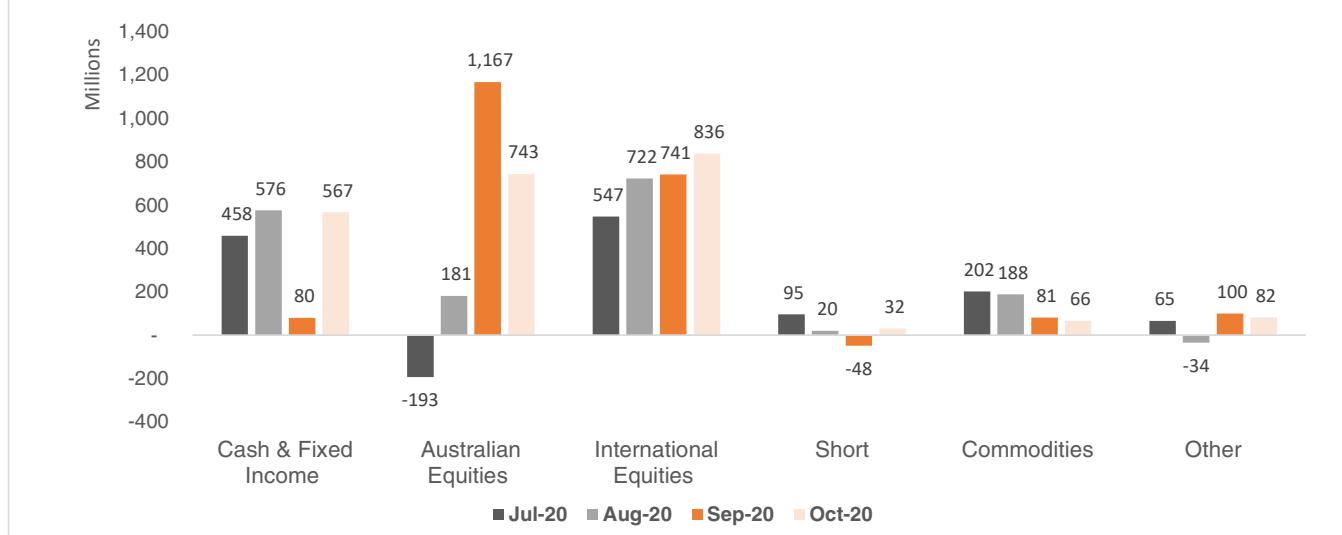
Top 5 Category Inflows (by \$) – October 2020

Broad Category	Inflow Value
International Equities	\$836,454,148
Australian Equities	\$742,587,151
Fixed Income	\$480,343,780
Cash	\$86,315,845
Multi-Asset	\$68,894,695

Top Category Outflows (by \$) – October 2020

Broad Category	Inflow Value
Currency	-\$6,411,904

ASX ETF Flows by Asset Class - Last 4 Months (A\$m)



Top 5 Sub-Category Inflows by (\$) – October 2020

Sub-Category	Inflow Value
Australian Equities - Broad	\$676,320,727
Australian Bonds	\$329,809,366
International Equities - Developed World	\$283,061,854
International Equities - Sector	\$189,674,442
International Equities - US	\$162,353,821

Top Sub-Category Outflows by (\$) – October 2020

Sub-Category	Inflow Value
Australian Equities - Geared	-\$7,061,618
Currency	-\$6,411,904
Australian Equities - Sector	-\$2,631,803

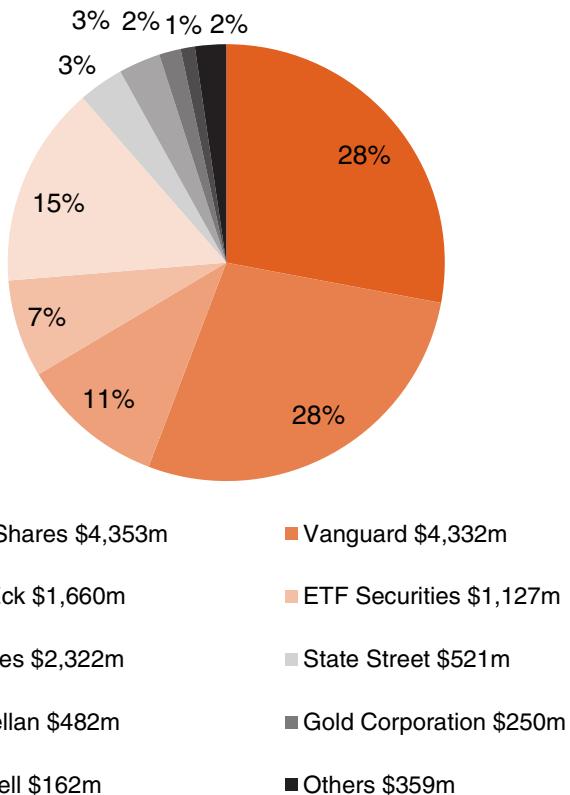
PERFORMANCE

Top Performing Products – October 2020

Ticker	Product Name	Performance (%)
ASIA	BetaShares Asia Technology Tigers ETF	8.3%
IZZ	iShares China Large-Cap ETF	7.2%
MVB	VanEck Vectors Australian Bank ETF	7.1%
CETF	VanEck Vectors FTSE China A50 ETF	6.6%
ATEC	BetaShares S&P/ASX Australian Technology ETF	6.5%

ETF ISSUER FLOWS – YTD 2020

2020 YTD Flows by Issuer



Provider	Inflow Value	% Industry
BetaShares	\$4,352,637,449	27.8%
Vanguard	\$4,331,996,959	27.6%
iShares	\$2,323,593,624	14.8%
Van Eck	\$1,660,108,626	10.6%
ETF Securities	\$1,127,123,313	7.2%
State Street	\$520,975,837	3.3%
Magellan	\$482,219,227	3.1%
Gold Corporation	\$249,947,455	1.6%
Fidante	\$168,079,734	1.1%
Russell	\$162,391,720	1.0%
Morningstar	\$70,425,696	0.4%
Switzer	\$63,564,990	0.4%
Investsmart	\$49,938,489	0.3%
Fidelity	\$47,108,410	0.3%
Montgomery	\$32,614,894	0.2%
Janus Henderson	\$15,322,405	0.1%
Perennial	\$13,467,897	0.1%
ACBC	\$4,400,990	0.0%
Kapstream	\$3,341,077	0.0%
Antipodes	-\$682,022	0.0%
Schroder	-\$1,759,629	0.0%
K2 Global	-\$5,320,531	0.0%
Platinum	-\$50,027,844	-0.3%