



BetaShares
Exchange Traded Funds

BETASHARES AUSTRALIAN ETF REVIEW

MONTH ENDING NOVEMBER 2020



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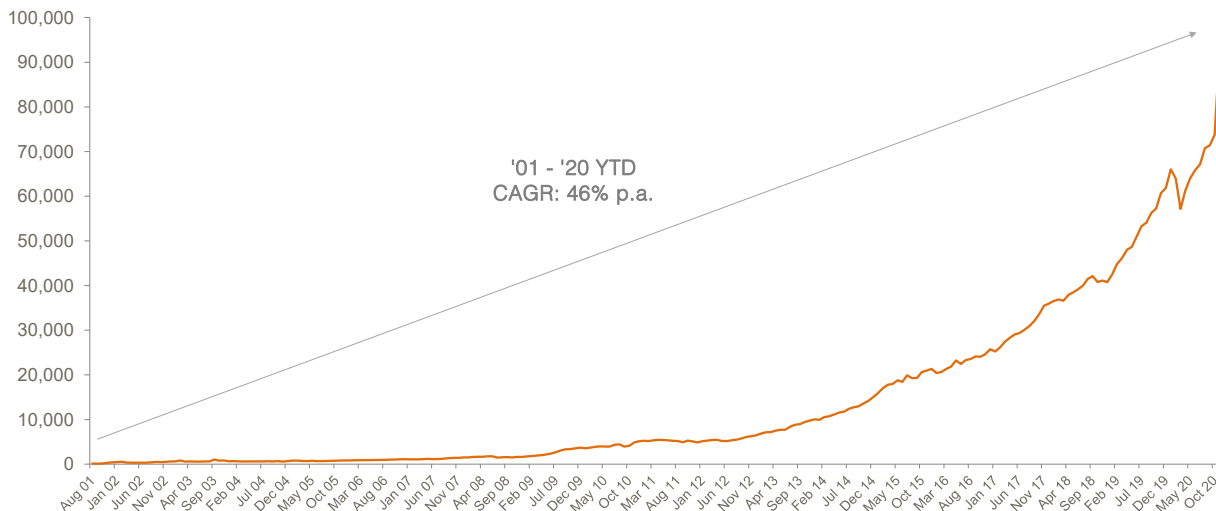
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AUSTRALIAN EXCHANGE TRADED FUND INDUSTRY: SUMMARY NOVEMBER 2020

NOVEMBER 2020: THE ASHRITA FURMAN MONTH

- After researching and analysing the ETF industry for over 10 years, we are used to reporting on records being broken, month-after-month. However, even with such a background, November 2020 has been singular, and could well be known as the “Ashrita Furman” of months. For those without knowledge of the esteemed Mr. Furman, he holds the Guinness world record for the [most Guinness world records](#), indeed, his most recent record has been awarded for ‘slicing 31 watermelons on his stomach in one minute’. Incredible and useful at the same time!
- But back to our industry, November 2020 saw records broken for **absolute industry FuM, absolute dollar monthly FuM growth, annual growth in FUM, largest net flows on record** amongst others. Truly a “Furman” like performance, it must be said.
- A notable event this month was the conversion of Magellan’s Global Fund into an “Open Class” structure (which permits applications and redemptions both on and off market). As a result of this change, the entire \$13.5B of FuM in that strategy has been ‘ported’ across to the ETF industry data. We’ve included the converted fund for FUM purposes below but, given it’s a structural change not a net flow, have excluded from the monthly flow figures below.
- Including this conversion the industry’s market cap is now **\$92.3B**, although, even without it, the industry rose to a **record high** of **\$78.7B**, representing an almost **\$5B** monthly FuM increase, smashing the previous record of \$4.1B recorded in January of this year.
- For the third month in a row, the Australian ETF industry **broke its all-time net flows record, receiving \$2.5B of net flows**, with the previous record from last month (\$2.3B) being surpassed.
- Including the Magellan conversion, industry growth over the last 12 months has been **52%**, representing absolute growth of **\$31.6B** over this period.
- With sharemarkets rallying strongly in November, we saw an almost even mix between asset value appreciation and net new money.
- Trading value remained strong with **~\$8.3B** traded on the ASX, which represented a 19% month on month growth
- 3 new products were launched this month, all of which were Active ETFs. Apart from Magellan’s conversion, new funds were launched by Munro and Loftus Peak in the global equities space
- With markets rising sharply in November and U.S. markets in particular flying, our [Geared U.S. Shares Fund \(GGUS\)](#) recorded the best performance – a hefty 28% return for the month! Oil exposures also performed very strongly, both [Crude Oil itself \(OOO\)](#) as well as [Global Energy Companies \(FUEL\)](#) which both recorded ~25% return for the month.
- As has been the case since the COVID crisis, equities exposures dominated net flows this month, and this month, particularly the case with **international equities** (\$1.2B of net flows).
- We saw outflows in **cash** and **short** exposures, both of which may be the result of markets rallying and investors positioning for a risk-on allocation.

AUSTRALIAN ETP MARKET CAP: AUGUST 2001 – NOVEMBER 2020



CAGR: Compound Annual Growth Rate. Source: ASX, Chi-X, BetaShares. Note, in November 2020, Magellan restructured a large international unlisted exposure to an open class structure and this fund (MGOC) will be included in ETF figures going forward.

MARKET CAP

- Australian Exchange Traded Funds Market Cap: **\$92.3B** (including Magellan restructure), **\$78.7B** (excluding Magellan restructure)¹ – **both represent all time end of month high**
- Market cap increase for month: **25.2%**, **\$18.4B** (including Magellan restructure), **6.7%**, **\$4,958m** (excluding Magellan restructure) – **all time high in absolute dollar FuM growth**
- Market cap growth for last 12 months: **52%**, **+\$31.6B** (including Magellan restructure)

NEW MONEY

- Net new money for month (units outstanding by \$ value): **+\$2.5B - largest net inflows on record, breaking previous record (\$2.3B) recorded last month** (excludes Magellan restructure)

PRODUCTS

- 257 Exchange Traded Products trading on the ASX & Chi-X with 3 new products launching this month, 1 single bond product maturing – all 3 products were Active ETFs, being Magellan's Global Fund conversion (which folds MGE and their unlisted flagship global fund into an open ended structure that can be entered/exited both on and off market), Loftus Peak's Global Disruption Fund and a Munro Global Growth Fund (long/short strategy)

TRADING VALUE

- ASX ETF Trading value up ~19% vs. the previous month with over \$8B traded on the ASX in November

PERFORMANCE

- With markets rising sharply in November and U.S. markets in particular flying, our [Geared U.S. Shares Fund \(GGUS\)](#) recorded the best performance – a hefty 28% return for the month! Oil exposures also performed very strongly, both [Crude Oil itself \(OOO\)](#) as well as [Global Energy Companies \(FUEL\)](#) which both recorded ~25% return for the month.

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

TOP 10 PRODUCTS: NOVEMBER 2020

By Market Cap

Ticker	Product	Issuer	Market Cap	Rank Movement
MGOC	Magellan Global Fund - Open Class Units (Managed Fund)^	Magellan	\$13,592,749,946	
VAS	Vanguard Australian Shares Index ETF	Vanguard	\$6,893,976,712	-1
STW	SPDR S&P/ASX 200	State Street	\$4,105,993,621	-1
IOZ	iShares Core S&P/ASX 200 ETF	iShares	\$3,687,300,464	
IVV	iShares S&P 500 ETF	iShares	\$3,553,840,127	-2
VGS	Vanguard MSCI Index International Shares ETF	Vanguard	\$2,565,601,983	-1
AAA	Betashares Australian High Interest Cash ETF	BetaShares	\$2,164,157,735	-1
VTS	Vanguard US Total Market Shares Index ETF	Vanguard	\$2,073,731,773	
GOLD	ETFS Physical Gold	ETF Securities	\$1,983,738,785	-2
IOO	iShares Global 100 ETF	iShares	\$1,940,991,616	-1

Other products with > \$1B AUM: VAP, VEU, IAF, VAF, VHY, QUAL, MVW, NDQ, VGAD, A200

Average Daily Trading Value (by \$) - Month

Ticker	Product	Issuer	ADTV	Rank Movement
BBOZ	BetaShares Australian Strong Bear (Hedge Fund)	BetaShares	\$27,247,858	
AAA	Betashares Australian High Interest Cash ETF	BetaShares	\$27,042,216	+2
VAS	Vanguard Australian Shares Index ETF	Vanguard	\$24,768,751	
IOZ	iShares Core S&P/ASX 200 ETF	iShares	\$23,276,006	-2
BBUS	BetaShares US Equities Strong Bear Currency Hedged (Hedge Fund)	BetaShares	\$17,799,485	
STW	SPDR S&P/ASX 200	State Street	\$16,545,929	
NDQ	BetaShares NASDAQ 100 ETF	BetaShares	\$11,477,950	+3
GOLD	ETFS Physical Gold	ETF Securities	\$10,834,250	+1
IVV	iShares S&P 500 ETF	iShares	\$8,782,801	+4
GEAR	BetaShares Geared Australian Equity Fund (Hedge Fund)	BetaShares	\$6,816,496	-3

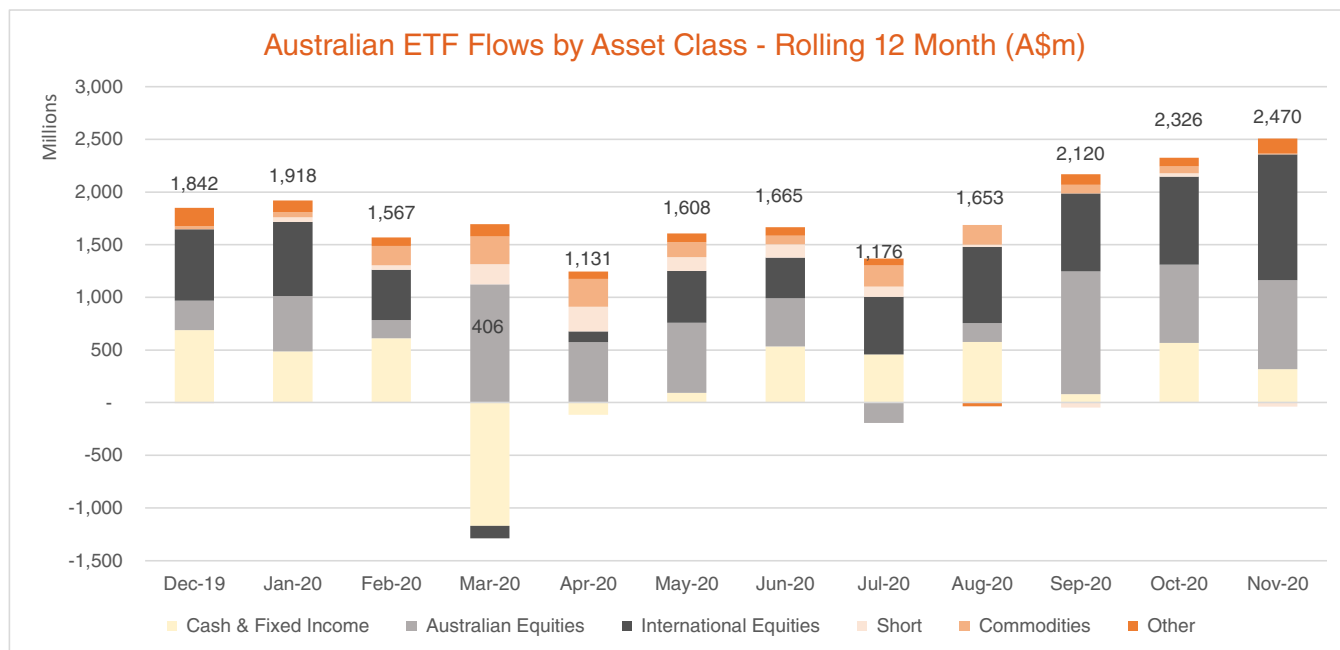
Top 10 Inflows (by \$) - Month

Ticker	Product	Inflow Value
MGOC	Magellan Global Fund - Open Class Units (Managed Fund)^	\$12,459,300,000
VAS	Vanguard Australian Shares Index ETF	\$270,906,021
STW	SPDR S&P/ASX 200	\$137,285,956
IOZ	iShares Core S&P/ASX 200 ETF	\$114,813,423
ILB	iShares Government Inflation ETF	\$95,918,035
ASIA	BetaShares Asia Technology Tigers ETF	\$85,287,279
IVV	iShares S&P 500 ETF	\$84,333,087
NDQ	BetaShares NASDAQ 100 ETF	\$80,995,347
A200	Betashares Australia 200 ETF	\$80,504,407
QUAL	VanEck Vectors MSCI World Ex-Australia Quality ETF	\$70,379,942

Top 10 Outflows (by \$) - Month

Ticker	Product	Inflow Value
AAA	Betashares Australian High Interest Cash ETF	-\$44,901,969
WVOL	iShares Edge MSCI World Minimum Volatility ETF	-\$28,395,973
IHCB	iShares Core Global Corporate Bond (AUD Hedged) ETF	-\$23,584,433
USD	BetaShares U.S Dollar ETF	-\$19,917,170
YTMAZJ	XTB EQT AZJ 5.75% OCT-20	-\$18,310,000
BBOZ	BetaShares Australian Strong Bear (Hedge Fund)	-\$13,895,402
BEAR	BetaShares Australian Equities Bear (Hedge Fund)	-\$12,572,586
WRLD	BetaShares Managed Risk Global Share Fund (Managed Fund)	-\$12,126,434
BBUS	BetaShares US Equities Strong Bear Currency Hedged (Hedge Fund)	-\$11,534,159
AUST	BetaShares Managed Risk Australian Share Fund (Managed Fund)	-\$11,496,610

INDUSTRY NET FLOWS¹

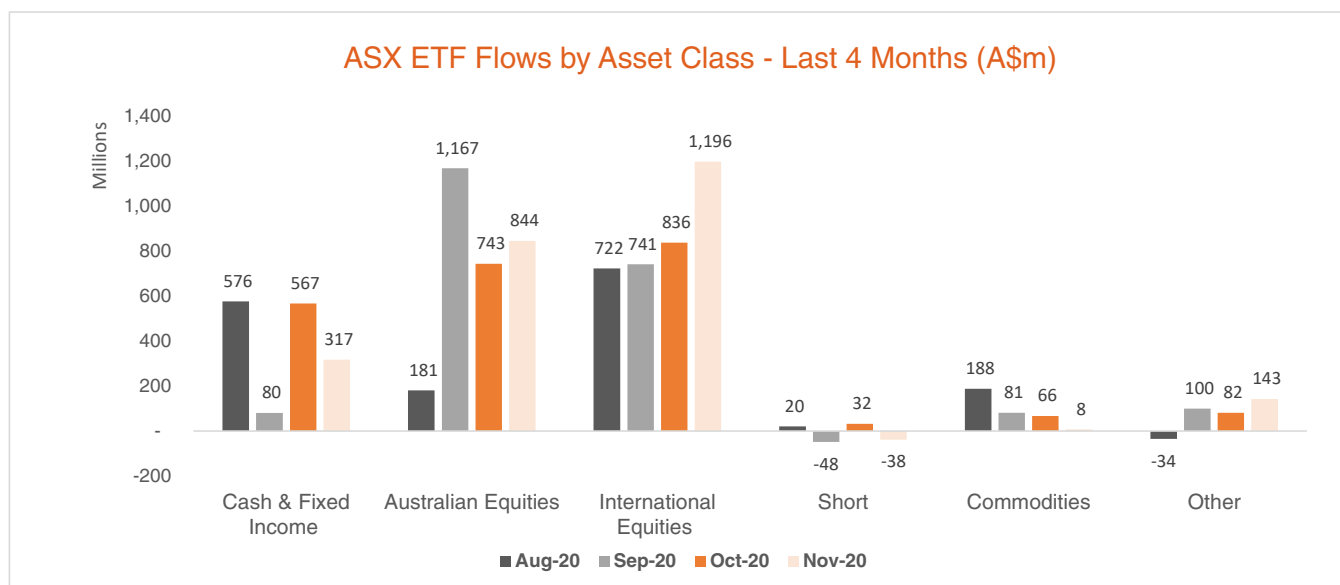


Top 5 Category Inflows (by \$) – November 2020

Broad Category	Inflow Value
International Equities	\$1,195,997,663
Australian Equities	\$843,969,519
Fixed Income	\$359,461,002
Multi-Asset	\$89,530,451
Australian Listed Property	\$73,351,249

Top Category Outflows (by \$) – November 2020

Broad Category	Inflow Value
Cash	-\$42,392,015
Short	-\$38,002,147
Currency	-\$19,917,170



¹ Flows analysis excludes Magellan conversion

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

Sub-Category	Inflow Value
Australian Equities - Broad	\$664,052,300
Australian Bonds	\$309,184,990
International Equities - Developed World	\$305,756,287
International Equities - US	\$274,641,921
International Equities - Sector	\$231,781,097

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

Broad Category	Inflow Value
Cash	-\$42,392,015
Short	-\$38,002,147
Currency	-\$19,917,170

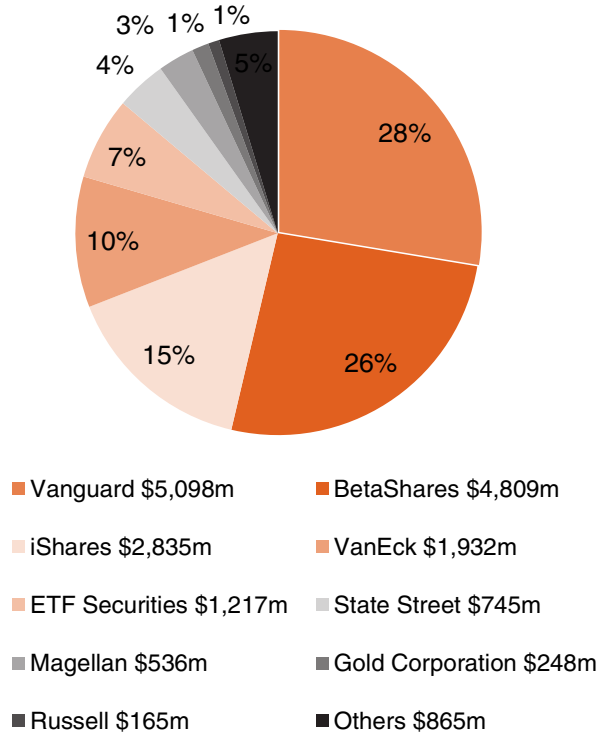
PERFORMANCE

Top Performing Products – November 2020

Ticker	Product Name	Performance (%)
GGUS	BetaShares Geared US Equity Fund Currency Hedged (Hedge Fund)	27.8%
LNAS	ETFs Ultra Long Nasdaq 100 Hedge Fund	26.1%
OOO	BetaShares Crude Oil Index ETF-Currency Hedged (Synthetic)	25.4%
FUEL	BetaShares Global Energy Companies ETF - Currency Hedged	25.3%
GEAR	BetaShares Geared Australian Equity Fund (Hedge Fund)	22.9%

ETF ISSUER FLOWS – YTD 2020¹

2020 YTD Flows by Issuer



Provider	Inflow Value	% Industry
Vanguard	\$5,098,135,357	28.2%
BetaShares	\$4,809,402,612	26.6%
iShares	\$2,836,167,492	15.7%
VanEck	\$1,932,085,132	10.7%
ETF Securities	\$1,217,201,282	6.7%
State Street	\$745,461,264	4.1%
Magellan	\$422,713,614	2.3%
Gold Corporation	\$248,194,390	1.4%
Fidante	\$225,534,078	1.2%
Russell	\$165,004,375	0.9%
Switzer	\$80,950,761	0.4%
Morningstar	\$73,269,780	0.4%
Investsmart	\$59,840,510	0.3%
Fidelity	\$48,694,977	0.3%
Montgomery	\$33,963,390	0.2%
Janus Henderson	\$20,354,633	0.1%
Perennial	\$15,055,318	0.1%
Munro Partners	\$11,179,254	0.1%
Loftus Peak	\$9,230,000	0.1%
Kapstream	\$4,341,815	0.0%
Antipodes	-\$526,682	0.0%
Schroder	-\$1,498,313	0.0%
K2 Global	-\$5,205,924	0.0%
ACBC	-\$23,491,193	-0.1%
Platinum	-\$48,321,721	-0.3%

¹ Flows analysis excludes Magellan conversion