



BetaShares

Exchange Traded Funds

BETASHARES AUSTRALIAN ETF REVIEW

MONTH ENDING JULY 2019



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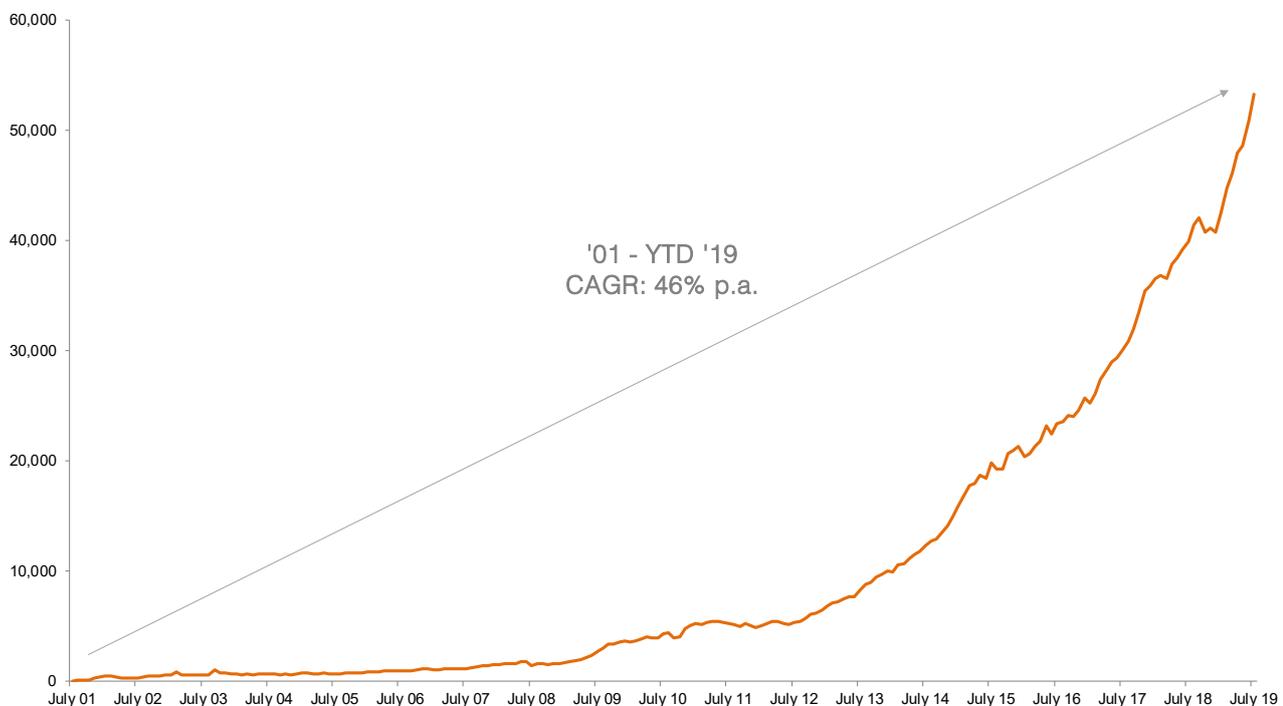
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AUSTRALIAN EXCHANGE TRADED FUND INDUSTRY: SUMMARY JULY 2019

MULTIPLE RECORDS TUMBLE AS THE SECOND HALF OF THE YEAR STARTS WITH A BANG!

- The Australian ETF industry experienced rapid, and record-breaking growth this month, benefiting from both high net flows and positive market movements
- July 2019 was truly a month where records tumbled, with all-time records broken for: total funds under management, monthly FuM growth, annual FuM growth, monthly net flows and value of monthly trading
- The industry ended July at a record **\$53.3B** with rapid monthly market cap increase of 4.7% (+\$2.4B)
- Approximately 60% of the month's growth came from net inflows, which reached an all-time record of **\$1.48B** (the previous record was set in November of 2017 and amounted to \$1.3B)
- 2 new products were launched this month, [BetaShares Australian Government Bond ETF \(ASX: AGVT\)](#) and [BetaShares FTSE 100 ETF \(ASX: F100\)](#).
- A notable feature of this month's trading was a good number of sizeable single trades, which appear to derive from institutional investors – there is no doubt that this client segment is increasingly taking up ETFs, another sign of the developing maturity in our market
- In terms of category demand, it was International Shares and Australian Bonds that led the way, both receiving over \$400m of net inflows
- At a product level, [BetaShares Australian High Interest Cash ETF \(ASX: AAA\)](#) and [BetaShares Australia 200 ETF \(ASX: A200\)](#) were the #1 and #2 products for net inflows this month - with ~\$169m and ~\$155m of new money added respectively
- With escalating of tensions in the China-USA Trade wars, precious metal exposures performed best this month, with Silver and Platinum in particular the top performers.
- Net outflows at a category and sub-category level were largely limited to selling in U.S. dollar ETFs, as the Australian dollar depreciated in value.

AUSTRALIAN ETP MARKET CAP: JULY 2001 – JULY 2019



CAGR: Compound Annual Growth Rate
Source: ASX, BetaShares

MARKET CAP

- ASX Exchange Traded Funds Market Cap: **\$53.3B – New industry record**
- Market cap increase for month: **4.7%, +\$2.40B – New industry record for monthly FuM growth**
- Market cap growth for last 12 months: **33%, + \$13.3B – New industry record 12 month FuM growth**

NEW MONEY

- New unit growth for month (units outstanding by number): **+2.9%**
- Net new money for month (units outstanding by \$ value): **+\$1.48B – New industry record monthly net flows**

PRODUCTS

- 245 Exchange Traded Products trading on the ASX – 2 new products launched, [BetaShares Australian Government Bond ETF \(ASX: AGVT\)](#) and [BetaShares FTSE 100 ETF \(ASX: F100\)](#). 1 single bond product reached maturity.

TRADING VALUE

- Trading value increased significantly (20%) to **reach an all-time high in monthly trading (\$4.7B)**

PERFORMANCE

- Unhedged physical metals products led the way this month for performance with Silver and Platinum the best performing exposures. Given the strong rise in the Australian sharemarket, strong performance was also recorded by [BetaShares Geared Australian Equity Fund \(hedge fund\) \(ASX: GEAR\)](#).

TOP 10 PRODUCTS: JULY 2019

By Market Cap

Ticker	Product	Issuer	Market Cap (this month)	Rank Movement
VAS AU Equity	Vanguard Australian Shares Index ETF	Vanguard	\$3,960,960,000	+1
STW AU Equity	SPDR S&P/ASX 200 Fund	State Street	\$3,856,840,000	-1
IVV AU Equity	iShares S&P 500	iShares	\$3,254,500,000	-
VGS AU Equity	Vanguard MSCI Index International Shares ETF	Vanguard	\$1,750,340,000	-
AAA AU Equity	Betashares Australian High Interest Cash ETF	BetaShares	\$1,669,080,000	+2
IOO AU Equity	iShares S&P Global 100	iShares	\$1,666,910,000	-1
VTS AU Equity	Vanguard US Total Market Shares Index ETF	Vanguard	\$1,601,910,000	-1
VAP AU Equity	Vanguard Australian Property Securities Index ETF	Vanguard	\$1,432,900,000	-
MGE AU Equity	Magellan Global Equities Fund (Mgd Fund)	Magellan	\$1,385,950,000	-
IOZ AU Equity	iShares Core S&P/ASX 200 ETF	iShares	\$1,353,080,000	+1

Other products with > \$1000m AUM: VEU, VHY, VAF,

By Average Daily Trading Value (20 days)

Ticker	Product	Issuer	ADTV 20 days	Rank Movement
AAA AU Equity	Betashares Australian High Interest Cash ETF	BetaShares	\$18,919,207	-
STW AU Equity	SPDR S&P/ASX 200 Fund	State Street	\$17,510,621	-
VAS AU Equity	Vanguard Australian Shares Index ETF	Vanguard	\$11,421,012	-
A200 AU Equity	BetaShares Australia 200 ETF	BetaShares	\$10,998,761	-
VAP AU Equity	Vanguard Australian Property Securities Index ETF	Vanguard	\$8,802,156	+3
IOZ AU Equity	iShares Core S&P/ASX 200 ETF	iShares	\$5,595,854	-
PLUS AU Equity	VanEck Vectors Australian Corporate Bond Plus ETF	VanEck	\$5,400,505	+45
VGS AU Equity	Vanguard MSCI Index International Shares ETF	Vanguard	\$4,952,803	+1
IVV AU Equity	iShares S&P 500	iShares	\$4,878,944	-4
VAF AU Equity	Vanguard Australian Fixed Interest ETF	Vanguard	\$4,309,590	-

Top 10 Creations (by \$) - Month

Ticker	Product	Creation Value
AAA AU Equity	Betashares Australian High Interest Cash ETF	\$169,945,306
A200 AU Equity	BetaShares Australia 200 ETF	\$155,200,813
VAS AU Equity	Vanguard Australian Shares Index ETF	\$95,402,556
HBRD AU Equity	BetaShares Active Australian Hybrids Fund	\$65,384,431
VAF AU Equity	Vanguard Australian Fixed Interest ETF	\$64,638,869
QPON AU Equity	BetaShares Australian Senior Bank Floating Rate Bond E	\$61,984,320
IAF AU Equity	iShares UBS Composite Bond Index Fund	\$58,210,361
VAP AU Equity	Vanguard Australian Property Securities Index ETF	\$54,527,545
Gold AU Equity	ETFS Physical Gold	\$50,599,445
FLOT AU Equity	VanEck Vectors Australian Floating Rate Note ETF	\$50,400,188

Top 10 Redemptions (by \$) - Month

Ticker	Product	Redemption Value
STW AU Equity	SPDR S&P/ASX 200 Fund	(\$168,176,955)
PLUS AU Equity	VanEck Vectors Australian Corporate Bond Plus ETF	(\$70,360,848)
YTMAWC AU EQUITY	XTB UNITS AWC	(\$21,161,488)
USD AU Equity	BetaShares US Dollar ETF	(\$17,846,784)
UBA AU EQUITY	UBS IQ MSCI Australia ETF	(\$7,167,962)
MVA AU Equity	Van Eck Vectors Australian Property Fund	(\$7,144,564)
BOND AU Equity	SPDR S&P/ASX Australian Bond Fund	(\$5,502,907)
FUEL AU Equity	BetaShares Global Energy Companies ETF	(\$4,582,400)
GEAR AU Equity	BetaShares Geared Australian Equity Fund	(\$4,557,773)
QFN AU Equity	BetaShares S&P/ASX 200 Financials-x-A-REIT ETF	(\$4,416,968)

Top Performing Products – July 2019

Ticker	Product Name	Performance (%)
ETPMAG	ETFS Physical Silver	10.2%
ETPMPT	ETFS Physical Platinum	8.6%
GEAR	BetaShares Geared Aust. Equity Fund (hedge fund)	6.3%
GDX	Van Eck Vectors Gold Miners ETF	6.2%
HACK	BetaShares Global Cybersecurity ETF	5.9%

Top 5 Category Inflows (by \$) – July 2019

Broad Category	Inflow Value
International Equities	\$432,472,084
Fixed Income	\$404,978,843
Australian Equities	\$248,386,872
Cash	\$210,587,393
Commodities	\$74,379,130

Top Category Outflows (by \$) – July 2019

Broad Category	Outflow Value
Currency	(\$16,827,534)

Top 5 Sub-Category Inflows by (\$) – July 2019

Sub-Category	Inflow Value
Australian Bonds	\$362,047,460
International Equities - Developed World	\$219,469,391
Cash	\$210,587,393
Australian Equities - Broad	\$171,067,977
International Equities - Sector	\$103,406,140

Top 5 Sub-Category Outflows by (\$) – July 2019

Sub-Category	Outflow Value
Currency	(\$16,827,534)
Australian Equities - Geared	(\$4,557,773)
Australian Equities - Financials Sector	(\$4,496,141)
International Equities - Geared	(\$3,696,460)
Australian Equities - Large Cap	(\$2,817,048)