



**BetaShares**

Exchange Traded Funds

# **BETASHARES AUSTRALIAN ETF REVIEW**

**MONTH ENDING JANUARY 2020**



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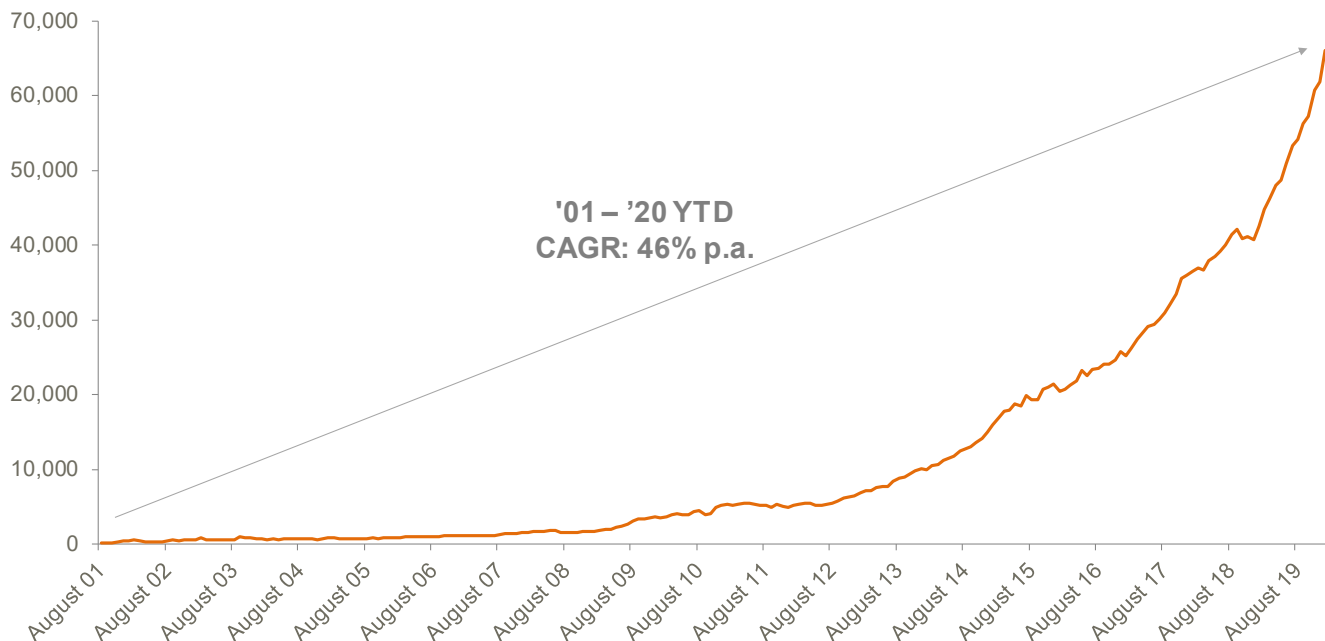
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## AUSTRALIAN EXCHANGE TRADED FUND INDUSTRY: SUMMARY JANUARY 2020

### INDUSTRY STARTS THE YEAR WITH A BANG!

- The relentless growth the Australian ETF industry has experienced shows no sign of abating, with the industry starting the new year with a bang!
- After the closing 2019 at ~\$62B, the industry finished the first month of 2020 at **\$66B**
- The industry grew by **\$4.2B** over the month (6.8% MoM growth) – the **largest absolute monthly growth on record and the fastest % monthly growth in over 4 years**
- Industry growth over the last 12 months was **55%**, with absolute growth of **\$23.5B** over this period, the highest level of growth over a 12 month period to date,
- Just under 50% of the month's growth came from net inflows (**\$1.9B**), with strong market performance contributing the remaining **\$2.3B** of the industry's growth
- Trading on the ASX was very strong with >\$5B of monthly value traded
- No new products were launched in January, not surprising given the holiday period
- After a very strong year in 2019 for Fixed Income, the table for net inflows by category reverted back to the pattern of flows we have seen for the majority of the industry's history with **international equities** (~\$718m) and **Australian equities** (~\$511m) receiving the bulk of the money. That said, **Fixed Income** remained relatively strong (~\$400m)
- There was very little in the way of outflows in January, limited only to some selling in the Australian Financial Sector
- Top performance this month was from precious metals, namely Palladium and Precious Metals, followed by the Geared U.S. Dollar Exposure available via [YANK](#)

## AUSTRALIAN ETP MARKET CAP: JULY 2001 – JANUARY 2020



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

## MARKET CAP

- Australian Exchange Traded Funds Market Cap: **\$66.0B – New industry record**
- Market cap increase for month: **6.8%, +\$4.2B – Largest absolute monthly growth on record (\$4.1B), fastest % monthly grow in >4 years**
- Market cap growth for last 12 months: **55%, + \$23.5B – Greatest absolute growth over 12 mth period**

## NEW MONEY

- New unit growth for month (units outstanding by number): **+3.1%**
- Net new money for month (units outstanding by \$ value): **+\$1.9B**

## PRODUCTS

- 256 Exchange Traded Products trading on the ASX & Chi-X – no new products launched this month
- 1 single bond products matured

## TRADING VALUE

- ASX ETF Trading value increased 14% and was once again above the \$5B mark

## PERFORMANCE

- Top performance this month was from precious metals, namely Palladium and Precious Metals, followed by the Geared U.S. Dollar Exposure available via [YANK](#)

## TOP 10 PRODUCTS: JANUARY 2020

### By Market Cap

Ticker	Product	Issuer	Market Cap (this month)	Rank Movement
VAS AU Equity	Vanguard Australian Shares Index ETF	Vanguard	\$4,793,700,000	-
STW AU Equity	SPDR S&P/ASX 200 Fund	State Street	\$3,800,920,000	-
IVV AU Equity	iShares S&P 500	iShares	\$3,683,540,000	-
VGS AU Equity	Vanguard MSCI Index International Shares ETF	Vanguard	\$2,322,550,000	-
IOZ AU Equity	iShares Core S&P/ASX 200 ETF	iShares	\$2,145,360,000	-
IOO AU Equity	iShares S&P Global 100	iShares	\$1,950,630,000	-
AAA AU Equity	Betashares Australian High Interest Cash ETF	BetaShares	\$1,838,130,000	-
VAP AU Equity	Vanguard Australian Property Securities Index ETF	Vanguard	\$1,795,470,000	+1
VTS AU Equity	Vanguard US Total Market Shares Index ETF	Vanguard	\$1,782,330,000	-1
MGE AU Equity	Magellan Global Equities Fund (Mgd Fund)	Magellan	\$1,716,150,000	-

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

### By Average Daily Trading Value (20 days)

Ticker	Product	Issuer	ADTV 20 days	Rank Movement
IOZ AU Equity	iShares Core S&P/ASX 200 ETF	iShares	\$24,566,193	+1
VAS AU Equity	Vanguard Australian Shares Index ETF	Vanguard	\$19,603,118	-1
STW AU Equity	SPDR S&P/ASX 200 Fund	State Street	\$18,085,446	-
AAA AU Equity	Betashares Australian High Interest Cash ETF	BetaShares	\$10,547,152	-
VAP AU Equity	Vanguard Australian Property Securities Index ETF	Vanguard	\$8,395,805	+2
IVV AU Equity	iShares S&P 500	iShares	\$6,590,571	+2
BBOZ AU Equity	BetaShares Australian Equities Strong Bear Hedge Fund	BetaShares	\$6,388,718	+4
VHY AU Equity	Vanguard Australian Shares High Yield ETF	Vanguard	\$5,670,579	+2
A200 AU Equity	BetaShares Australia 200 ETF	BetaShares	\$5,547,727	-4
Gold AU Equity	ETFS Physical Gold	ETF Securities	\$4,991,769	+7

### Top 10 Creations (by \$) - Month

Ticker	Product	Creation Value
IOZ AU Equity	iShares Core S&P/ASX 200 ETF	\$168,532,128
VAS AU Equity	Vanguard Australian Shares Index ETF	\$128,651,622
IHWL AU Equity	iShares Core MSCI World Hedged	\$108,803,288
A200 AU Equity	BetaShares Australia 200 ETF	\$86,633,252
VGS AU Equity	Vanguard MSCI Index International Shares ETF	\$75,347,820
IHEB AU Equity	iShares JP Morgan Emerging Markets Bond	\$74,706,645
QPON AU Equity	BetaShares Australian Senior Bank Floating Rate Bond ETF	\$47,432,440
FAIR AU Equity	BetaShares Australian Sustainable Leaders ETF	\$45,503,322
AAA AU Equity	Betashares Australian High Interest Cash ETF	\$45,287,507
VAP AU Equity	Vanguard Australian Property Securities Index ETF	\$44,044,034

### Top 10 Redemptions (by \$) - Month

Ticker	Product	Redemption Value
STW AU Equity	SPDR S&P/ASX 200 Fund	(\$28,718,460)
QRE AU Equity	BetaShares S&P/ASX 200 Resources ETF	(\$17,871,352)
QFN AU Equity	BetaShares S&P/ASX 200 Financials-x-A-REIT ETF	(\$15,251,957)
OZR AU Equity	SPDR S&P/ASX 200 Resources Fund	(\$11,708,550)
OZF AU Equity	SPDR S&P/ASX 200 Financials ex REIT Fund	(\$10,752,379)
BNKS AU Equity	BetaShares Global Banks - Currency Hedged	(\$2,669,746)
IZZ AU Equity	iShares FTSE/Xinhua China 25	(\$2,556,112)
AUDS AU Equity	BetaShares Strong AUD Fund	(\$1,134,990)
IGB AU EQUITY	iShares UBS Treasury Index Fund	(\$1,126,146)
ZUSD AU EQUITY	ANZ ETFs Physical US Dollar ETF	(\$1,111,790)

### Top Performing Products – January 2020

Ticker	Product Name	Performance (%)
ETPMPD	ETFS Physical Palladium	25.5%
ETPMPM	ETFS Physical PM Basket	12.7%
YANK	BetaShares Strong U.S. Dollar Fund	11.1%
GEAR	BetaShares Geared Australian Equity Fund	11.0%
Gold	ETFS Physical Gold	9.2%

### Top 5 Category Inflows (by \$) – January 2020

Broad Category	Inflow Value
International Equities	\$718,991,413
Australian Equities	\$511,765,107
Fixed Income	\$395,527,694
Cash	\$67,518,530
Multi-Asset	\$55,197,237

No outflows by top level category

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

Sub-Category	Inflow Value
Australian Equities - Broad	\$419,123,033
International Equities - Developed World	\$364,489,338
Australian Bonds	\$244,360,471
Global Bonds	\$151,167,224
International Equities - Sector	\$92,161,068

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

Sub-Category	Outflow Value
Australian Equities - Financials Sector	(\$26,004,336)
Australian Equities - Resources Sector	(\$3,472,073)