



BetaShares

Exchange Traded Funds

BETASHARES AUSTRALIAN ETF REVIEW

MONTH ENDING SEPTEMBER 2019



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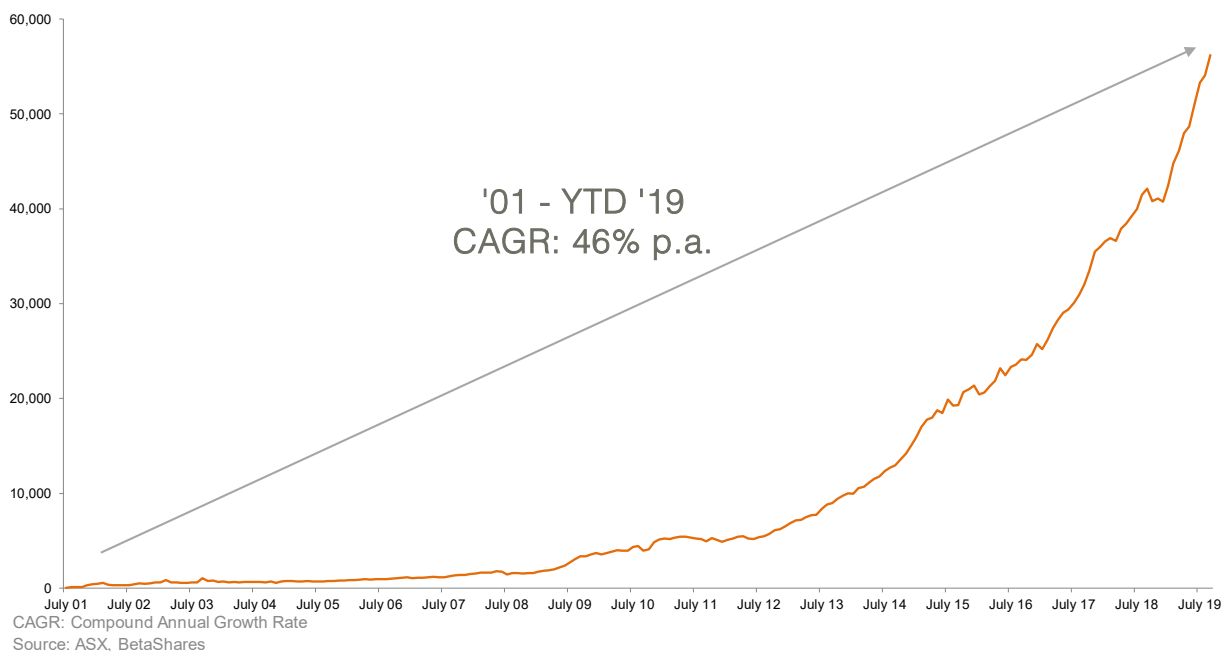
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AUSTRALIAN EXCHANGE TRADED FUND INDUSTRY: SUMMARY SEPTEMBER 2019

INDUSTRY BLASTS PAST THE \$55B MILESTONE

- Buoyed by the equity markets which came roaring back in September after a difficult August, the Australian ETF industry rapidly broke the \$55B funds under management milestone, and ended the month yet again at an **all-time high** in terms of funds under management
- The industry ended September at a record of **\$56.2B** with a robust monthly market cap increase of 3.9% which amounted to **over \$2B** in absolute growth for the month
- Over three-quarters of the growth this month came from net inflows into the industry which were a very strong **\$1.6B**, with recent months showing that investors are increasing their allocations to ETFs in both rising and falling equity markets
- September was also a very busy month for trading, which at **\$5.1B** in total, was the **2nd highest value traded on record**
- Product launches took a pause this month, with no new products launched
- Unlike other months so far this year it was broad **Australian equities** that took in the most flows with over \$500M of net new money into this category. **Australian Bond** flows continued to be robust, and were the 2nd best category for flows
- Monthly net outflows were very limited with small outflows out of **Australian Financial Sector** products most likely on profit selling, and continued outflows from European exposures which appear to remain an area of concern for investors.
- Strongest performance this month was from Palladium exposures, followed by [BetaShares Global Banks ETF – Currency Hedged \(ASX: BNKS\)](#) and [BetaShares Japan ETF – Currency Hedged \(ASX: HJPN\)](#)

AUSTRALIAN ETP MARKET CAP: JULY 2001 – SEPTEMBER 2019



MARKET CAP

- ASX Exchange Traded Funds Market Cap: **\$56.2B – New industry record**
- Market cap increase for month: **3.9%, +\$2.1B**
- Market cap growth for last 12 months: **33%, + \$14.1B – Greatest absolute growth over 12 mth period**

NEW MONEY

- New unit growth for month (units outstanding by number): **+2.5%**
- Net new money for month (units outstanding by \$ value): **+\$1.6B**

PRODUCTS

- 246 Exchange Traded Products trading on the ASX – no new products launched this month; 1 maturation of single bond product

TRADING VALUE

- Trading value decreased 5% after last month's record, but was still **2nd highest trading volume on record** (\$5.1B)

PERFORMANCE

- Strongest performance this month was from Palladium exposures, followed by [BetaShares Global Banks ETF – Currency Hedged \(ASX: BNKS\)](#) and [BetaShares Japan ETF – Currency Hedged \(ASX: HJPN\)](#)

TOP 10 PRODUCTS: SEPTEMBER 2019

By Market Cap

Ticker	Product	Issuer	Market Cap (this month)	Rank Movement
VAS AU Equity	Vanguard Australian Shares Index ETF	Vanguard	\$4,118,250,000	-
STW AU Equity	SPDR S&P/ASX 200 Fund	State Street	\$3,885,880,000	-
IVV AU Equity	iShares S&P 500	iShares	\$3,190,910,000	-
VGS AU Equity	Vanguard MSCI Index International Shares ETF	Vanguard	\$1,850,310,000	-
AAA AU Equity	Betashares Australian High Interest Cash ETF	BetaShares	\$1,818,710,000	-
IOO AU Equity	iShares S&P Global 100	iShares	\$1,687,210,000	-
VTS AU Equity	Vanguard US Total Market Shares Index ETF	Vanguard	\$1,601,980,000	-
VAP AU Equity	Vanguard Australian Property Securities Index ETF	Vanguard	\$1,498,520,000	-
IOZ AU Equity	iShares Core S&P/ASX 200 ETF	iShares	\$1,495,540,000	+1
MGE AU Equity	Magellan Global Equities Fund (Mgd Fund)	Magellan	\$1,389,570,000	-1

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

By Average Daily Trading Value (20 days)

Ticker	Product	Issuer	ADTV 20 days	Rank Movement
STW AU Equity	SPDR S&P/ASX 200 Fund	State Street	\$28,040,576	+1
VAS AU Equity	Vanguard Australian Shares Index ETF	Vanguard	\$21,690,035	+2
AAA AU Equity	Betashares Australian High Interest Cash ETF	BetaShares	\$18,049,279	-2
A200 AU Equity	BETASHARES AUSTRALIA 200 ETF	BetaShares	\$11,890,142	-1
IOZ AU Equity	iShares Core S&P/ASX 200 ETF	iShares	\$11,135,426	+2
IVV AU Equity	iShares S&P 500	iShares	\$10,778,381	-1
IHVV AU Equity	iShares S&P 500 Hedged	iShares	\$6,309,211	+22
VAP AU Equity	Vanguard Australian Property Securities Index ETF	Vanguard	\$5,627,900	+5
BBOZ AU Equity	BetaShares Australian Equities Strong Bear Hedge Fund	BetaShares	\$5,439,542	-1
Gold AU Equity	ETFS Physical Gold	ETF Securities	\$5,361,081	-4

Top 10 Creations (by \$) - Month

Ticker	Product	Creation Value
VAS AU Equity	Vanguard Australian Shares Index ETF	\$158,158,054
STW AU Equity	SPDR S&P/ASX 200 Fund	\$131,691,840
AAA AU Equity	Betashares Australian High Interest Cash ETF	\$124,345,718
Gold AU Equity	ETFS Physical Gold	\$89,778,152
A200 AU Equity	BetaShares Australia 200 ETF	\$88,344,516
IOZ AU Equity	iShares Core S&P/ASX 200 ETF	\$86,951,025
VAF AU Equity	Vanguard Australian Fixed Interest ETF	\$70,848,531
IHVV AU Equity	iShares S&P 500 Hedged	\$68,037,752
VGS AU Equity	Vanguard MSCI Index International Shares ETF	\$47,750,360
VAP AU Equity	Vanguard Australian Property Securities Index ETF	\$43,653,171

Top 10 Redemptions (by \$) - Month

Ticker	Product	Redemption Value
IVV AU Equity	iShares S&P 500	(\$74,510,697)
IGB AU EQUITY	iShares UBS Treasury Index Fund	(\$55,874,406)
QFN AU Equity	BetaShares S&P/ASX 200 Financials-x-A-REIT ETF	(\$27,367,010)
IEU AU Equity	iShares S&P Europe 350	(\$7,763,994)
HJPN AU Equity	BetaShares WisdomTree Japan ETF - Currency Hedged	(\$2,385,100)
WZOZ AU Equity	SPDR S&P World Ex Australia Fund	(\$2,372,208)
ROBO AU EQUITY	ETFS Robo Global & Automation	(\$1,748,988)
IEM AU Equity	iShares MSCI Emerging Markets	(\$1,517,055)
BNKS AU Equity	BetaShares Global Banks ETF - Currency Hedged	(\$1,263,000)
INIF AU EQUITY	InvestSmart Aust. Equity Income Fund	(\$1,193,978)

Top Performing Products – September 2019

Ticker	Product Name	Performance (%)
ETPMPD	ETFS Physical Palladium	8.4%
BNKS	BetaShares Global Banks ETF – Currency Hedged	6.9%
HJPN	BetaShares Japan ETF - Currency Hedged	6.2%
VVLU	Vanguard Global Value Equity Active	6.0%
RBTZ	BetaShares Global Robotics & A.I Fund	6.0%

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

Broad Category	Inflow Value
Australian Equities	\$575,717,057
Fixed Income	\$308,039,138
International Equities	\$282,599,935
Cash	\$152,038,741
Commodities	\$130,537,524

Top Category Outflows (by \$) – September 2019

None

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

Sub-Category	Inflow Value
Australian Equities - Broad	\$504,838,923
Australian Bonds	\$254,816,207
International Equities - Developed World	\$173,401,103
Cash	\$152,038,741
Gold	\$123,627,915

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

Sub-Category	Outflow Value
Australian Equities - Financials Sector	(\$25,264,200)
International Equities - Europe	(\$4,764,043)