



BetaShares

Exchange Traded Funds

BETASHARES AUSTRALIAN ETF REVIEW

MONTH ENDING APRIL 2018



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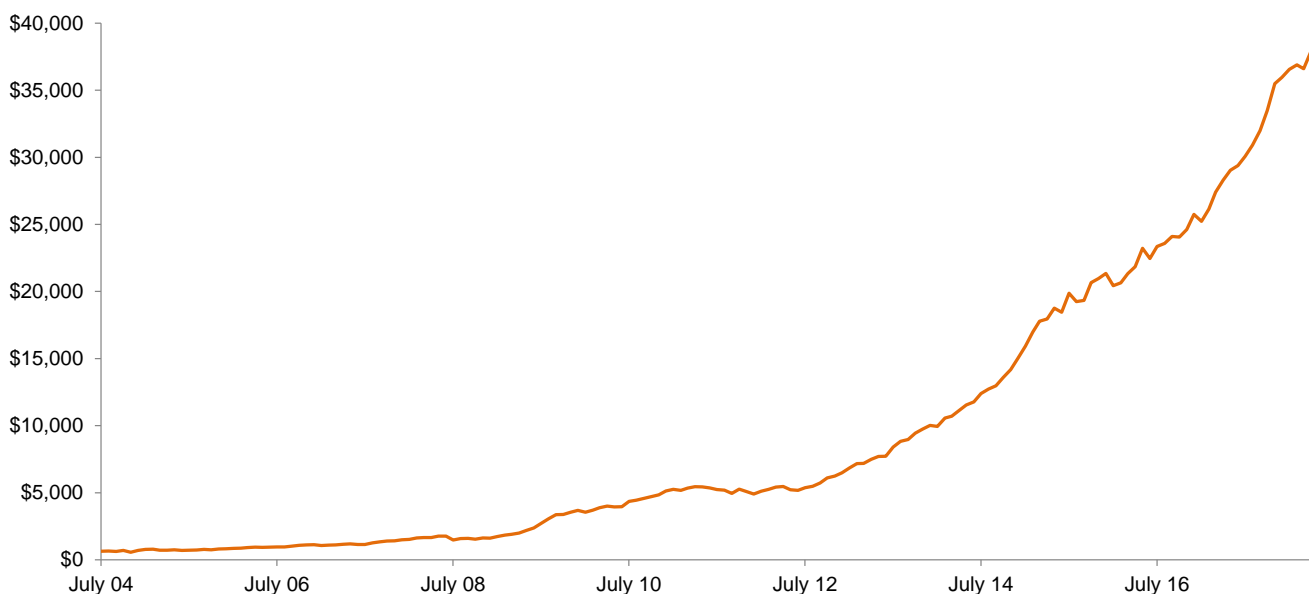
AUSTRALIAN EXCHANGE TRADED FUND INDUSTRY: SUMMARY APRIL 2018

INDUSTRY RETURNS TO GROWTH, AIDED BY STRONG MARKETS

- After last month's rare industry dip, the Australian ETF industry returned to its growing ways this month, aided by strong performance in both global and Australian sharemarkets
- Total industry FuM at the month end reached a **record high** of **\$37.9B**, with the industry growing a significant 3.6% for the month (\$1.3B)
- Net new money for the industry was actually relatively low at \$231m, with the bulk (85%) of the industry growth coming from asset appreciation rather than net inflows.
- As has been the case for each month this year so far, international equities continued to be the largest category for inflows, and, rather than the usual 2nd place being Australian equities, it was Fixed Income exposures which received the second highest level of inflows this month.
- We saw an institutional size trade out of a broad Australian equities ETF this month, as well as redemptions in Cash and Australian property exposures
- With all major sharemarkets performing strongly this month, it was Resources/Energy exposures that did the best this month – with the [BetaShares Global Energy Companies ETF \(ASX: FUEL\)](#), followed by the [BetaShares Resources ETF \(ASX: QRE\)](#) the best performing products (the latter also being the product to receive the highest level of inflows for the month).

MARKET SIZE AND GROWTH: APRIL 2018

AUSTRALIAN ETP MARKET CAP: JULY 2004 – APRIL 2018 (A\$M)



Source: ASX

MARKET CAP

- ASX Exchange Traded Funds Market Cap: **\$37.9B – New Record High**
- Market cap growth for month: +3.6%, \$1,307m
- Market cap growth for last twelve months: 34%, +\$9.6B

NEW MONEY

- New unit growth for month (units outstanding by number): 1.0%
- Net new money (units outstanding by \$ value): +\$230.9m

PRODUCTS

- 232 Exchange Traded Products trading on the ASX

- 3 new products launched this month, two multi-factor Active ETFs by Vanguard and an Emerging Markets ETF by VanEck

TRADING VALUE

- Average trading value down 8% month on month

PERFORMANCE

- Best performing ETPs were both resources related, being the [BetaShares Global Energy Companies ETF \(ASX: FUEL\)](#), followed by the [BetaShares Resources ETF \(ASX: QRE\)](#).

TOP 10 PRODUCTS: APRIL 2018

By Market Cap

Ticker	Product	Issuer	Market Cap (this month)	Rank Movement
STW AU Equity	SPDR S&P/ASX 200 Fund	State Street	\$3,685,000,000	-
VAS AU Equity	Vanguard Australian Shares Index ETF	Vanguard	\$2,608,040,000	+1
IVV AU Equity	iShares S&P 500	iShares	\$2,590,297,059	-1
IOO AU Equity	iShares S&P Global 100	iShares	\$1,370,078,366	-
VTS AU Equity	Vanguard US Total Market Shares Index ETF	Vanguard	\$1,258,900,000	+2
VEU AU Equity	Vanguard All-World ex-US Shares Index ETF	Vanguard	\$1,222,190,000	+2
AAA AU Equity	Betashares Australian High Interest Cash ETF	BetaShares	\$1,188,300,000	-1
IOZ AU Equity	iShares Core S&P/ASX 200 ETF	iShares	\$1,102,600,000	-3
VHY AU Equity	Vanguard Australian Shares High Yield ETF	Vanguard	\$1,028,370,000	+2
MGE AU Equity	Magellan Global Equities Fund (Mgd Fund)	Magellan	\$1,018,344,302	-

Other products with > \$500m AUM: VAP, VGS, IEU, VAF, IEM, Gold, SLF, IAF, SFY,

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	\$14,796,555	+11
STW AU Equity	SPDR S&P/ASX 200 Fund	State Street	\$9,854,738	-1
VAS AU Equity	Vanguard Australian Shares Index ETF	Vanguard	\$7,040,316	-
AAA AU Equity	Betashares Australian High Interest Cash ETF	BetaShares	\$5,465,367	-2
IEM AU Equity	iShares MSCI Emerging Markets	iShares	\$4,685,847	+13
IVV AU Equity	iShares S&P 500	iShares	\$3,923,917	-2
VGS AU Equity	Vanguard MSCI Index International Shares ETF	Vanguard	\$3,890,942	+1
QRE AU Equity	BetaShares S&P/ASX 200 Resources ETF	BetaShares	\$3,418,949	+3
VHY AU Equity	Vanguard Australian Shares High Yield ETF	Vanguard	\$3,224,165	-3
USD AU Equity	BetaShares US Dollar ETF	BetaShares	\$2,851,277	+7

Top 10 Creations (by \$) - Month

Ticker	Product	Creation Value
QRE AU Equity	BetaShares S&P/ASX 200 Resources ETF	\$67,357,940
VAS AU Equity	Vanguard Australian Shares Index ETF	\$46,306,560
STW AU Equity	SPDR S&P/ASX 200 Fund	\$32,781,540
VHY AU Equity	Vanguard Australian Shares High Yield ETF	\$30,745,386
IAF AU Equity	iShares UBS Composite Bond Index Fund	\$30,329,615
VGS AU Equity	Vanguard MSCI Index International Shares ETF	\$27,571,812
WDMF AU Equity	iShares Edge MSCI World Multifactor	\$22,517,208
UBA AU EQUITY	UBS IQ MSCI Australia ETF	\$16,949,510
HBRD AU Equity	BetaShares Active Australian Hybrids Fund	\$16,667,115
PIXX AU Equity	Platinum International Fund	\$15,294,746

Top 10 Redemptions (by \$) - Month

Ticker	Product	Redemption Value
IOZ AU Equity	iShares Core S&P/ASX 200 ETF	(\$186,635,443)
AAA AU Equity	Betashares Australian High Interest Cash ETF	(\$45,809,863)
VAP AU Equity	Vanguard Australian Property Securities Index ETF	(\$21,813,036)
DIV AU EQUITY	UBS IQ Research Preferred High Dividend Fund	(\$14,349,317)
MICH AU Equity	Magellan Infrastructure Fund - Currency Hedged	(\$13,192,073)
ILC AU Equity	iShares S&P/ASX 20	(\$8,344,630)
GDX AU Equity	Market Vectors Gold Miners ETF	(\$8,220,576)
WXOZ AU Equity	SPDR S&P World Ex Australia Fund	(\$4,368,164)
HVST AU Equity	BetaShares Australian Dividend Harvester	(\$2,905,935)
SLF AU Equity	SPDR S&P/ASX 200 Listed Property Fund	(\$2,461,640)

Top Performing Products - Month

Ticker	Product Name	Performance (%)
FUEL	BetaShares Global Energy Companies ETF – Currency Hedged	10.2%
QRE	BetaShares S&P/ASX 200 Resources ETF	9.7%
OZR	SPDR S&P/ASX 200 Resources Fund	9.6%
MVR	VanEck Vectors Resources	9.6%
GEAR	BetaShares Geared Australian Equity Fund (hedged fund)s	8.2%

Top 5 Category Inflows (by \$) - Month

Broad Category	Inflow Value
International Equities	\$130,703,658
Fixed Income	\$70,479,102
Australian Equities	\$48,980,811
Multi-Asset	\$18,446,845
Currency	\$12,624,116

Top Category Outflows (by \$) - Month

Broad Category	Outflow Value
Cash	(\$32,779,672)
Australian Listed Property	(\$21,590,302)
Short	(\$6,182,835)

Top Sub-Category Inflows - Month

Sub-Category	Inflow Value
International Equities - Developed World	\$108,539,769
Australian Equities - Resources Sector	\$68,389,160
Australian Bonds	\$64,873,761
Australian Equities - Ethical	\$32,279,555
Australian Equities - High Yield	\$18,800,441

Top Sub-Category Outflows - Month

Sub-Category	Outflow Value
Australian Equities - Broad	(\$95,790,426)
Cash	(\$32,779,672)
Australian Listed Property	(\$21,590,302)
International Equities - Sector	(\$5,368,979)
Australian Equities - Short	(\$4,560,465)