



BETASHARES AUSTRALIAN ETF REVIEW

MONTH ENDING JULY 2015

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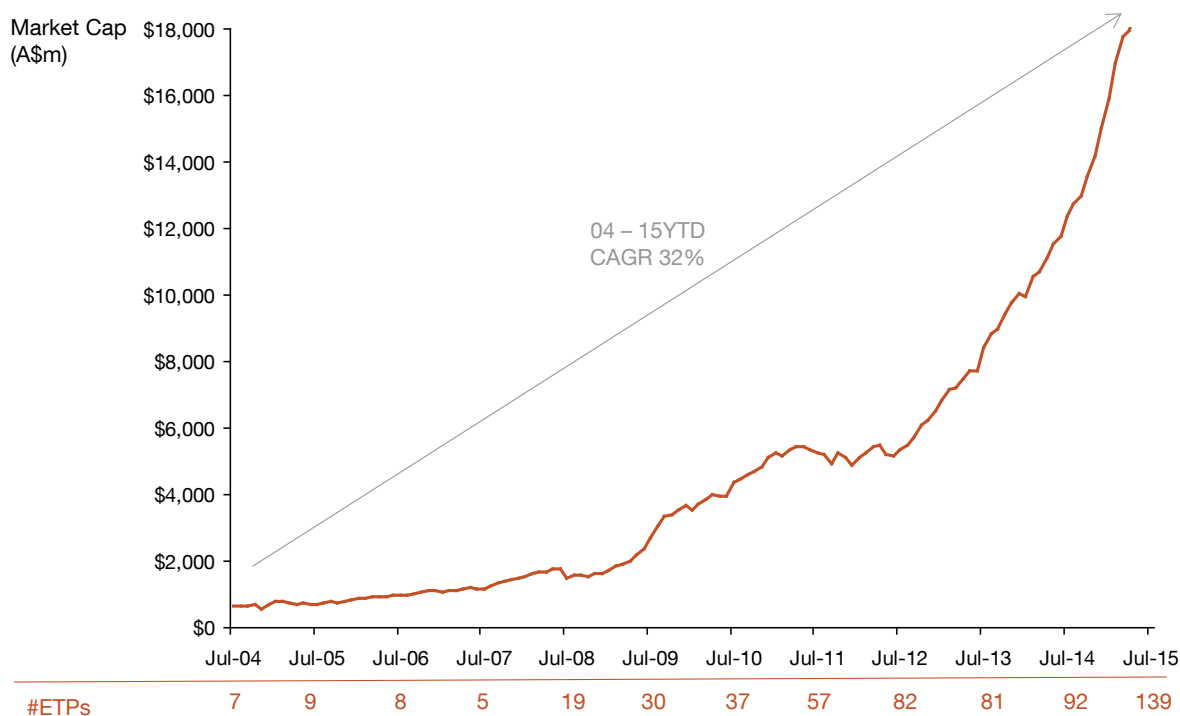
AUSTRALIAN EXCHANGE TRADED FUND INDUSTRY: SUMMARY JULY 2015

JULY 2015: NEW FINANCIAL YEAR BRING WITH IT NEW RECORDS

- The first month of the new financial year brought with it an impressive return to growth in the Australian exchange traded fund industry, which reached a **new record high of \$19.7B**
- The growth in the industry (by \$ value) was the **largest on record**, the industry growing by **~\$1.3B** or 7% for the month
- 55% of the industry's growth (~\$700m) came from net inflows with the remainder driven by strong equity market growth
- 1 new product was launched this month, being the second active exchange traded managed fund – the K2 Global Equities Fund (KII) – we continue to expect further growth in this type of structure in the future
- Over 50% of the month's inflows came from international equities exposures, with particularly strong flows into Emerging Markets equities
- Outflow activity was relatively low, with net outflows recorded in the resources sector and Australian small cap exposures
- Best performance this month came from the Global Consumer Staples sector and the Nasdaq 100 ETF

MARKET SIZE AND GROWTH: JULY 2015

Australian ETP Market Cap: July 2004 – July 2015 (A\$m)



CAGR: Compound Annual Growth Rate
Source: ASX, BetaShares

MARKET CAP

- ASX Exchange Traded Funds Market Cap: \$19.7B – **New record high**
- Market cap growth for month: +7.0%, +\$1,278.8m – **largest \$ value growth on record**
- Market cap growth for last twelve months: 60.3%, +\$7.5B

NEW MONEY

- New unit growth for month (units outstanding by number): 6.6%
- Net new money (units outstanding by \$ value): +\$700.1m

PRODUCTS

- 139 Exchange Traded Products trading on the ASX
- 1 new product launched– **K2 Global Equities Fund (KII)**

TRADING VALUE

- Average trading value increased 5% month on month

PERFORMANCE

- Global Consumer Staples and Nasdaq 100 ETF the best performing products this month

TOP 10 PRODUCTS: JULY 2015

By Market Cap

Ticker	Product	Issuer	Market Cap (this month)	Rank Movement
STW AU Equity	SPDR S&P/ASX 200 Fund	State Street	\$3,122,120,100	-
IVV AU Equity	iShares S&P 500	iShares	\$2,032,870,000	-
VAS AU Equity	Vanguard Australian Shares Index ETF	Vanguard	\$1,123,220,000	-
IOO AU Equity	iShares S&P Global 100	iShares	\$1,096,130,000	-
VTS AU Equity	Vanguard US Total Market Shares Index ETF	Vanguard	\$752,905,000	+1
AAA AU Equity	Betashares Australian High Interest Cash ETF	BetaShares	\$706,908,000	-1
SLF AU Equity	SPDR S&P/ASX 200 Listed Property Fund	State Street	\$586,745,000	-
IEU AU Equity	iShares S&P Europe 350	iShares	\$584,760,000	+2
VEU AU Equity	Vanguard All-World ex-US Shares Index ETF	Vanguard	\$540,544,000	-
VHY AU Equity	Vanguard Australian Shares High Yield ETF	Vanguard	\$534,901,000	-2

Other products with > \$300m AUM: IEM, SFY, VAP, USD, IXJ, Gold, IOZ, YMAX,

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	\$15,564,370	-
IVV AU Equity	iShares S&P 500	iShares	\$7,801,573	+1
VAS AU Equity	Vanguard Australian Shares Index ETF	Vanguard	\$4,650,256	+3
USD AU Equity	BetaShares US Dollar ETF	BetaShares	\$4,364,522	+1
AAA AU Equity	Betashares Australian High Interest Cash ETF	BetaShares	\$4,193,939	-3
IEU AU Equity	iShares S&P Europe 350	iShares	\$3,408,501	+2
VTS AU Equity	Vanguard US Total Market Shares Index ETF	Vanguard	\$2,409,650	+2
IZZ AU Equity	iShares FTSE/Xinhua China 25	iShares	\$2,250,292	+6
IXJ AU Equity	iShares S&P Global Healthcare	iShares	\$2,141,003	+10
IOO AU Equity	iShares S&P Global 100	iShares	\$2,095,780	-3

Top 10 Creations (by \$) - Month

Ticker	Product	Creation Value
STW AU Equity	SPDR S&P/ASX 200 Fund	\$125,905,758
IEM AU Equity	iShares MSCI Emerging Markets	\$87,771,297
MGE AU Equity	Magellan Global Equities Fund (Mgd Fund)	\$58,005,496
IVV AU Equity	iShares S&P 500	\$39,725,116
IEU AU Equity	iShares S&P Europe 350	\$36,547,914
IXJ AU Equity	iShares S&P Global Healthcare	\$30,030,288
VHY AU Equity	Vanguard Australian Shares High Yield ETF	\$29,655,341
IAF AU EQUITY	iShares UBS Composite Bond Index Fund	\$29,549,117
IOO AU Equity	iShares S&P Global 100	\$23,646,726
VGS AU Equity	Vanguard MSCI Interational Shares ETF	\$21,162,874

Top Redemptions (by \$) - Month

Ticker	Product	Redemption Value
IZZ AU Equity	iShares FTSE/Xinhua China 25	(\$7,804,542)
RSM AU Equity	Russell Australian Semi-Government Bond ETF	(\$7,643,645)
IRU AU Equity	iShares Russell 2000	(\$5,799,976)
QRE AU Equity	BetaShares S&P/ASX 200 Resources ETF	(\$3,848,230)
VSO AU Equity	Vanguard MSCI Aus Small Cap ETF	(\$2,490,601)
IVE AU Equity	iShares MSCI EAFE	(\$1,715,324)
IXI AU Equity	iShares S&P Global Consumer Staples	(\$1,127,435)

Top Performing Products - Month

Ticker	Product Name	Performance (%)
IXI	iShares S&P Global Consumer Staples	10.7%
NDQ	BetaShares Nasdaq 100 ETF	10.5%
IXJ	iShares S&P Global Healthcare	9.1%
DJRE	SPDR DJ Global Real Estate	8.7%
ZYUS	ANZ ETFS S&P High Yield Low Vol	8.6%

Top 5 Category Inflows (by \$) - Month

Category	Inflow Value
International Equities - Developed	\$223,468,973
Aus. Equities - Broad	\$172,186,833
International Equities - Emerging Markets	\$81,269,485
Aus. High Yield	\$80,071,283
International Equities - Global	\$77,203,535

Top Category Outflows (by \$) - Month

Category	Outflow Value
Resources Sector	(\$3,824,868)
Aus. Equities - Small Cap	(\$2,416,237)