



BETASHARES AUSTRALIAN ETF REVIEW

MONTH ENDING AUGUST 2013

info@betashares.com.au

1300 487 577 (in Australia)

+61 2 9290 6888 (outside Australia)



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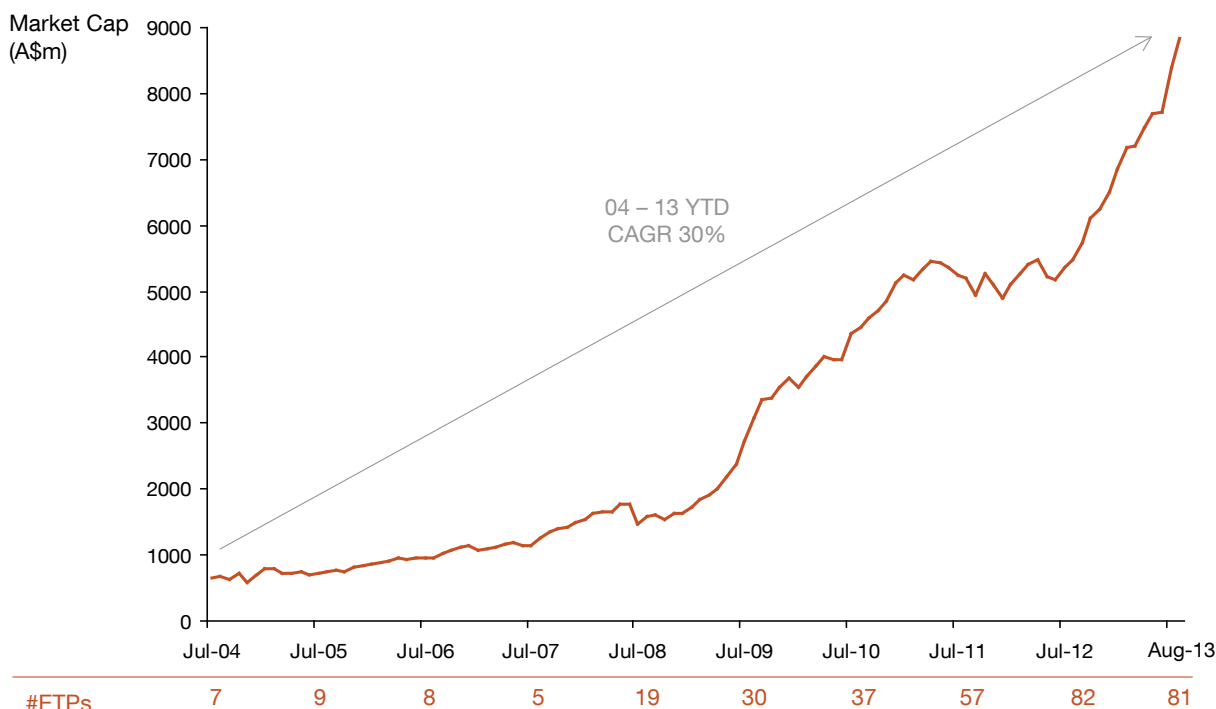
AUSTRALIAN EXCHANGE TRADED FUND INDUSTRY: SUMMARY AUGUST 2013

“A MONTH TO REMEMBER: ASSET LEVELS AND TRADING VALUE RECORDS TUMBLE”

- In another hallmark month for the Australian exchange traded fund industry, two significant records were broken
 - Firstly, the industry hit a fresh record high of \$8.7B in assets under management
 - Secondly, the value of exchange traded fund trading hit a record high of \$1.2B for the month or \$56m in average daily trading
- Monthly growth was driven both by market growth, with market capitalisation increasing 5.5% for the month (+\$456m), and structural unit growth, with units outstanding increasing 4.0% (net new money of +\$336m)
- Precious metal products and Crude Oil ETPs were the best performing products for the month
- In terms of product themes, developed market international equities were again the category with the highest level of inflows (+\$156m net new money for month, +\$655m YTD) with investors continuing to favour US and European equities over domestic exposures
- However, yield continued to be an area of focus for investors with a combined \$85m of new inflows into Australian high yield equities products (+\$391m net inflows YTD) and the Australian High Interest Cash ETF (+\$137m net inflows YTD)
- Net outflows continued in both hedged and unhedged gold products notwithstanding strong performance figures (-\$23m net outflows for month, -\$120m net outflows YTD)

MARKET SIZE AND GROWTH: AUGUST 2013

Australian ETP Market Cap: July 2004- August 2013 (A\$b)



CAGR: Compound Annual Growth Rate
Source: ASX, BetaShares

MARKET CAP

- ASX Exchange Traded Funds Market Cap: \$8.71B – **new record high**
- Market cap growth for month: 5.5%, + \$456.1m

NEW MONEY

- New unit growth for month (units outstanding by number): 4.0%

- Net new money (units outstanding by \$ value): +\$336.3m

PRODUCTS

- 81 Exchange Traded Products trading on the ASX
- No new products launched this month

TRADING VALUE

- Substantial increase in trading value – 40% month on month growth
- Trading value for month at **new record high** of \$1.2B or \$56m/day

PERFORMANCE

- Precious metals and Crude Oil the best performing products for the month

TOP 10 PRODUCTS: AUGUST 2013

By Market Cap

Ticker	Product	Issuer	Market Cap (this month)	Rank Movement
STW AU Equity	SPDR S&P/ASX 200 Fund	State Street	\$2,188,770,000	-
IVV AU Equity	iShares S&P 500	iShares	\$806,510,000	-
Gold AU Equity	ETFS Physical Gold	ETFS	\$522,480,000	-
VAS AU Equity	Vanguard Australian Shares Index ETF	Vanguard	\$442,850,000	+1
IOO AU Equity	iShares S&P Global 100	iShares	\$433,800,000	-1
SLF AU Equity	SPDR S&P/ASX 200 Listed Property Fund	State Street	\$374,790,000	-
SFY AU Equity	SPDR S&P/ASX 50 Fund	State Street	\$316,850,000	-
IEM AU Equity	iShares MSCI Emerging Markets	iShares	\$264,030,000	-
AAA AU Equity	Betashares Australian High Interest Cash ETF	BetaShares	\$262,096,000	-
VHY AU Equity	Vanguard Australian Shares High Yield ETF	Vanguard	\$259,038,000	-

Other products with > \$100m AUM: IOZ AU, RDV AU, IHD AU, VTS AU, ILC AU, USD AU, IAA AU, SYI AU, IEU AU, VEU AU, IVE AU,

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	\$8,738,343	-
IVV AU Equity	iShares S&P 500	iShares	\$8,481,725	-
AAA AU Equity	Betashares Australian High Interest Cash ETF	BetaShares	\$8,071,725	-
IVE AU Equity	iShares MSCI EAFE	iShares	\$5,550,223	+4
VAS AU Equity	Vanguard Australian Shares Index ETF	Vanguard	\$5,454,943	+5
Gold AU Equity	ETFS Physical Gold	ETFS	\$1,950,254	-
IOO AU Equity	iShares S&P Global 100	iShares	\$1,196,866	-
RDV AU Equity	Russell High Dividend Australia Shares ETF	Russell	\$1,188,388	+15
USD AU Equity	BetaShares US Dollar ETF	BetaShares	\$1,147,477	-4
IEM AU Equity	iShares MSCI Emerging Markets	iShares	\$943,284	+4

Top 10 Creations (by \$) - Month

Ticker	Product	Creation Value
IVV AU Equity	iShares S&P 500	\$75,072,950
IVE AU Equity	iShares MSCI EAFE	\$30,146,182
AAA AU Equity	Betashares Australian High Interest Cash ETF	\$30,091,320
VHY AU Equity	Vanguard Australian Shares High Yield ETF	\$23,862,716
RDV AU Equity	Russell High Dividend Australia Shares ETF	\$19,661,530
ILC AU Equity	iShares S&P/ASX 20	\$19,273,485
VAS AU Equity	Vanguard Australian Shares Index ETF	\$14,859,672
USD AU Equity	BetaShares US Dollar ETF	\$14,262,170
IEU AU Equity	iShares S&P Europe 350	\$13,826,359
VTS AU Equity	Vanguard US Total Market Shares Index ETF	\$11,132,403

Top Redemptions (by \$) - Month

Ticker	Product	Redemption Value
Gold AU Equity	ETFS Physical Gold	(\$13,573,393)
QAU AU Equity	BetaShares Gold Bullion ETF - Currency Hedged	(\$9,386,624)
RVL AU Equity	Russell Australian Value ETF	(\$6,253,180)
ETPMAG AU Equity	ETFS Physical Silver	(\$1,520,135)

Top 5 Category Inflows (by \$) - Month

Category	Inflow Value
International Equities - Developed	\$156,314,445
Aus. High Yield	\$55,566,406
Cash	\$30,091,320
Aus. Equities - Broad	\$30,056,015
Aus. Equities - Large Cap	\$27,861,289

Top Category Outflows (by \$) - Month

Category	Outflow Value
Commodities	(\$24,480,152)
Style	(\$6,253,180)

Top Performing Products - Month

Ticker	Product Name	Performance (%)
ETPMAG	ETFS Physical Silver	19.4%
ETPMPM	ETFS Physical PM Basket	8.7%
GOLD	ETFS Physical Gold	6.9%
ETPMPT	ETFS Physical Platinum	6.4%
ETPOIL	ETFS Brent Crude Oil	6.4%