

ETF Market Report

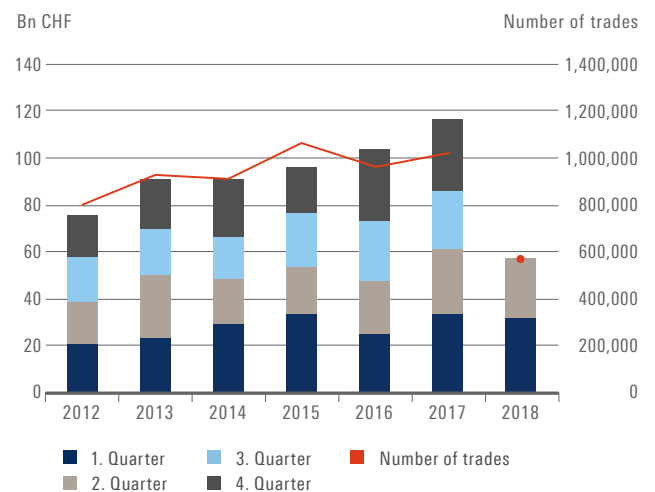
2. Quarter 2018

Waning momentum

For western stock exchanges the second quarter of the 2018 stock exchange year was like a roller coaster ride. Overall, they were able to maintain their level. The situation on the stock markets in several emerging countries was completely different. Not least due to the strength of the dollar they lost significant ground. The Swiss Market Index SMI[©] closed the first half of the year at 8,609.30 points, down 1.51% as of the end of March. Growth in ETFs continued. Following the listing of 106 ETFs on SIX Swiss Exchange in the first quarter, the number of tradable ETFs surged by 73 in the second quarter. In the first half of 2018, 179 new ETFs found their way into trading on the Swiss stock exchange, setting a new record.

In Q2 2018, demand on the Swiss ETF market eased. As a result, trading turnover fell to CHF 25.4 billion compared to the previous quarter. Following a very strong Q1, investors were more cautious, in particular with equity ETFs. This was also reflected in the significantly lower number of trades. As a result, 253,605 ETF tickets were generated in Q2 2018, representing a decrease of 67,957 on the record Q1 level. However, compared to the same period of the previous year, the number of ETFs trades has increased by more than 6%. The increase in lower value trades indicates increased interest on the part of private investors.

ETF turnover development



Source: SIX Swiss Exchange

Number of Market Makers

17

Best performance in 2. quarter 2018

15.97%

UBS (Irl) ETF plc Solactive Global Oil Equities UCITS ETF

Number of the quarter

253,605

Number of ETF transactions in the 2. quarter 2018 on SIX Swiss Exchange

Number of new listings in the 2. quarter 2018

73

Top turnover single ETF

1.6 bn

Volume in the 2. quarter most traded product UBS ETFs plc MSCI ACWI SF UCITS ETF (hedged to USD) A-acc

Table of contents

Editorial

1. ETF market SIX Swiss Exchange.....	03
1.1 ETF turnover and number of trades on SIX Swiss Exchange (during the quarter)	03
1.2 Top-10 selected changes in the overall market	04
1.3 Turnover by product provider	05
1.4 Top-5 selected changes per asset class	06
1.5 Trading details.....	07
2. ETFs in Switzerland	08
2.1 Trading details.....	08
2.2 Number of ETFs on SIX Swiss Exchange by market maker	09
2.3 New listings in the quarter 2018.....	10
3. European market	13
4. Interview	14
5. Disclaimer/Imprint	16

1. ETF market SIX Swiss Exchange

1.1 ETF turnover and number of trades

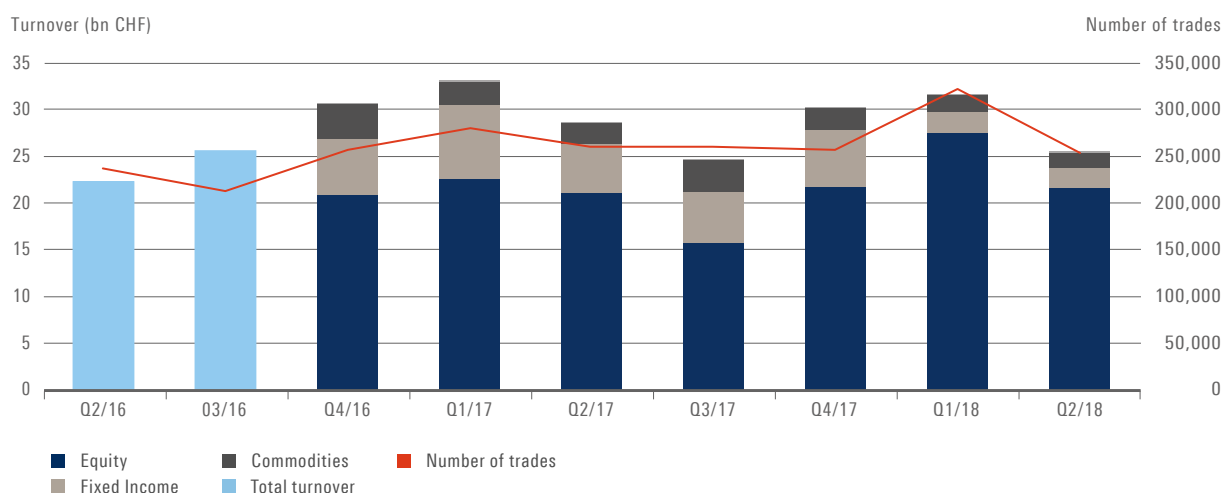
Weaker turnover in ETFs on the SIX Swiss Exchange was due primarily to equity ETFs in the second quarter. They recorded a decline of 21.28% but remained the most important asset class by far with CHF 22 billion in trading turnover. As against the same period last year, equity ETFs developed in an almost identical fashion. Turnover in bond ETFs held up comparatively well, down 4.06% on the first quarter. Among other factors, they also benefited from numerous new listings. Turnover in commodity ETFs fell by 12.44% to CHF 2 billion, the lowest quarterly level in the last seven quarters.

In Q2 2018, three UBS ETFs on the MSCI ACWI Index took pole position on the list of the top 20 most-traded ETFs, albeit with significantly lower volumes compared to Q1. In fourth place was the UBS ETF EGUSAS on the MSCI Emerging Markets, which was the only one of the seven highest ranked that achieved higher turnover. Both Lyxor's ETF MSE on the Euro Stoxx 50 took eighth place and iShares's ETF CSNDX on the Nasdaq 100 was ranked No. 10 saw a big jump in turnover. The two ETFs focus on developed stock markets.

Top-20 most traded ETFs

Product	Turnover (mn CHF)	Trend
UBSETF ACWI HDG TO USD A-ACC	1,585.69	↓
UBSETF ACWI HDG TO CHF A-ACC	1,170.23	↓
UBSETF ACWI HDG TO EUR A-ACC	1,131.95	↓
UBS ETF - MSCI EM SF USD A	1,097.79	↑
iSHARES S&P 500 UCITS	798.22	↓
POWERSHARES EQQQ	688.44	↓
iSHARES SMI ETF (CH)	591.75	↓
LYX ETF EURO STOXX 50 (DR) DIS	521.15	↑
LYX EURO STX 50 DAILY LEV ACC	487.75	↓
iSHARES NASDAQ 100 UCITS	458.54	↑
UBS ETF (CH) - SMI (CHF) A	436.34	↓
iSHARES \$ TRSRY BND 7-10 UCITS	419.92	↑
iSHARES MSCI EM IMI UCITS ETF	348.92	↓
iSHARES SMIM ETF (CH)	345.87	↑
LYX ETF DAX (DR) ACC	337.57	↓
iSHARES EURO STOXX 50 UCITS	297.31	↓
iSHARES MSCI EMG UCITS	243.35	↑
iSHARES CORE SPI ETF (CH)	221.98	↓
iSHARES EURO STOXX BANKS 30-15	214.22	↑
iSHARES JPMORGAN \$ EM BOND	213.24	↑

Source: SIX Swiss Exchange



Source: SIX Swiss Exchange

1.2 Top-10 – selected changes in the overall market

In the second quarter, ETFs related to energy dominated the winners of the performance rankings. They all benefited from increasing oil prices. The UBS ETFs Solactive Global Oil Equities Shares (symbols: GOECHY and GOEUSY) that were traded in USD and CHF topped the rankings. They increased their value by around a

third. In contrast, ETFs based on emerging countries such as Brazil, Turkey and Latin America battled losses. LYRIO, an ETF on the Brazilian index Ibovespa from Lyxor brought up the rear. In Q2, it fell by more than a quarter.

Top-10 ETFs best performance

Product	Symbol	Performance	Trend
UBS ETF SOL. GL. OIL EQUIT.	GOECHY	+33.34	↑
UBS ETF SOL. GL. OIL EQUIT.	GOEUSY	+31.62	↑
iSHARES OIL & GAS EXPL&PROD	IOGP	+20.50	↑
SPDR S&P US ENERGY SELECT	SXLE	+19.85	↑
LYXOR MSCI WLD ENG TR UC ETF	LYNRGW	+18.70	↑
iSHARES S&P 500 ENERGY	IUES	+18.52	↑
INVESCO US ENERGY S&P	XLES	+18.27	↑
X MSCI USA ENERGY	XUEN	+17.68	↑
SPDR WORLD ENERGY	WNRG	+16.70	↑
UBS ETF CMCI OIL USD	OILUSA	+16.61	↑

Source: Bloomberg

Top-10 ETFs worst performance

Product	Symbol	Performance	Trend
LYXOR BRAZIL IPOVESPA	LYRIO	-26.69	↓
X MSCI BRAZIL 1C	XMBR	-25.98	↓
iSHARES MSCI BRAZIL ACC	CSBR	-25.24	↓
AMUNDI MSCI BRAZIL	BRZ	-24.95	↓
HSBC MSCI BRAZIL UCITS ETF	HBRL	-24.70	↓
iSHARES MSCI BRAZIL	IBZL	-23.31	↓
iSHARES MSCI TURKEY	ITKY	-23.03	↓
HSBC MSCI TURKEY UCITS ETF	HTRY	-22.65	↓
LYXOR DJ TURKEY TITANS 20	LYTUR	-22.59	↓
HSBC MSCI EM LATIN AMERICA U	HMLA	-17.71	↓

Source: Bloomberg

Top-10 ETFs number of trades (tickets)

Product	Symbol	No. of trades	Trend
iSHARES S&P 500 UCITS	CSSPX	7,583	↓
POWERSHARES EQQQ	EQQQ	6,074	↑
iSHARES SMI ETF (CH)	CSSMI	5,665	↓
iSHARES NASDAQ 100 UCITS	CSNDX	5,548	↑
iSHARES CORE SPI ETF (CH)	CHSPI	4,288	↓
UBS ETF - MSCI EM SF USD A	EGUSAS	4,259	↓
iSHARES SMIM ETF (CH)	CSSMIM	3,932	↓
UBSETF MSCI SWITZERLAND ACC	SW2CHB	3,784	↑
iSHARES MSCI EM IMI UCITS ETF	EIMI	3,465	↓
UBS ETF MSCI EMU EUR A-ACC	EMUAA	3,170	↓

Source: SIX Swiss Exchange

1.3 Turnover by product provider

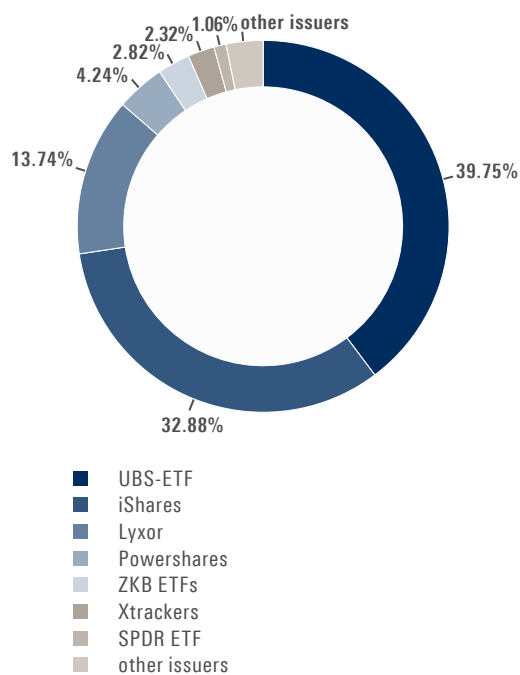
UBS defended its top position in turnover with a share of 39.75% (Q1: 42.88%), followed again by iShares, whose share increased by 0.24% to 32.88% in Q2. For the second time in a row, Lyxor was ranked in third (13.74% vs. 11.09%) and PowerShares in fourth position (4.24% vs. 3.78%) and both achieved significant gains in market share quarter-on-quarter. JP Morgan is a new entry to the

list, which launched four ETFs on the SIX Swiss Exchange on April 18, 2018. Two out of the four ETFs from J.P. Morgan are active ETFs. A portfolio manager actively checks and optimizes the composition of the fund by buying or selling selected stocks or other securities. Thus, they can respond more quickly to market trends.

ETF turnover by product provider

Issuer	Products	Turnover (mn CHF)	Market share	Trend
UBS-ETF	303	10,106.07	39.75%	↓
iShares	289	8,360.32	32.88%	↑
Lyxor	90	3,493.29	13.74%	↑
Invesco	53	1,048.62	4.12%	↑
ZKB ETFs	14	718.02	2.82%	↑
Xtrackers	89	588.56	2.32%	↓
SPDR ETF	89	268.56	1.06%	↑
Vanguard	23	165.66	0.65%	↑
Julius Bär	32	143.81	0.57%	↓
Amundi	69	131.98	0.52%	↓
HSBC	29	122.00	0.48%	↓
ComStage	162	99.63	0.39%	↓
EasyETF	25	45.80	0.18%	↑
Powershares	17	28.33	0.11%	↑
Legal & General	12	25.43	0.10%	↑
Raiffeisen	5	21.32	0.08%	↑
Wisdom Tree Europe	28	17.46	0.07%	↑
Ossiam Lux	16	15.91	0.06%	↓
Market Access	8	11.13	0.04%	↑
Van Eck Global	9	3.96	0.02%	↓
UniCredit	2	3.27	0.01%	↑
First Trust	2	2.90	0.01%	↓
Nomura	4	2.26	0.01%	↑
JPMorgan	4	1.08	0.00%	↑
Franklin Templeton	5	0.01	0.00%	→
Total	1,369	25,425.40	100.00%	

Source: SIX Swiss Exchange



1.4 Top-5 selected changes per asset class

Equity Developed Market

Product	Turnover (mn CHF)	Trend
UBSETF ACWI HDG TO USD A-ACC	1'586	↓
UBSETF ACWI HDG TO CHF A-ACC	1'170	↓
UBSETF ACWI HDG TO EUR A-ACC	1'132	↓
iSHARES S&P 500 UCITS	798	↓
POWERSHARES EQQQ	688	↓

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Fixed Income & Money Market

Product	Turnover (mn CHF)	Trend
iSHARES \$ TRSRY BND 7-10 UCITS	420	↑
iSHARES JPMORGAN \$ EM BOND	213	↑
iSHARES USD GOVT 3-7 UCITS	144	↑
iSHARES CORE CHF CB ETF (CH)	130	↓
iSHARES USD GOVT 7-10 UCITS	92	↑

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Equity Emerging Market

Product	Turnover (mn CHF)	Trend
UBS ETF - MSCI EM SF USD A	1'098	↑
iSHARES MSCI EM IMI UCITS ETF	349	↓
iSHARES MSCI EMG UCITS	243	↑
UBS ETF - MSCI EMERGING MKTS A	134	↓
LYX ETF RUSSIA ACC	106	↓

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Commodities

Product	Turnover (mn CHF)	Trend
ZKB GOLD ETF (USD)	159	↓
ZKB GOLD ETF	147	↓
ZKB GOLD ETF HEDGED (CHF)	128	↑
UBS ETF GOLD HEDGED (CHF) A	126	↓
UBS ETF GOLD (USD) A	113	↑

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Equity Style / Strategy / Themes

Product	Turnover (mn CHF)	Trend
LYX EURO STX 50 DAILY LEV ACC	488	↓
iSHARES SMIM ETF (CH)	346	↑
iSHARES EURO STOXX BANKS 30-15	214	↑
LYX STX EUR 600 OIL & GAS ACC	190	↑
LYX STOXX EUROPE 600 BANKS ACC	176	↑

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Volatility

Product	Turnover (mn CHF)	Trend
iSHARES MSCI EM MINVOL	6	↓
iSHARES MSCI EURO MINVOL	5	↓
iSHARES MSCI WORLD MINVOL	4	↓
UBS ETF FACTOR LOW VOL USD D	3	↑
iSHARES S&P 500 MINVOL	2	↓

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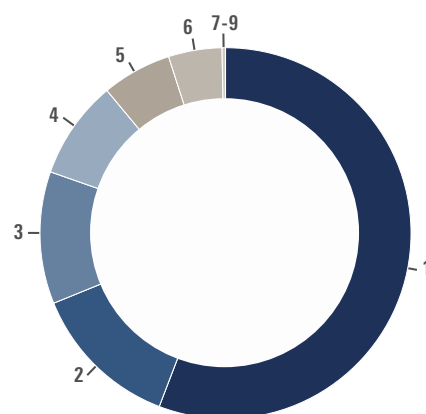
¹ Source: SIX Swiss Exchange

1.5 Trading details

Turnover by asset classes

Asset class	Absolute	Change	Turnover (mn)	Trend
1 Equity Developed Market	55.82%	-2%	14,191.54	↓
2 Equity Style / Strategy	13.03%	+83%	3,313.67	↑
3 Equity Emerging Market	11.52%	+23%	2,927.86	↑
4 Fixed Income	8.60%	-64%	2,185.72	↓
5 Commodities	6.07%	-57%	1,542.95	↓
6 Equity Themes	4.66%	-40%	1,184.57	↓
7 Funds	0.22%	-22%	55.64	↓
8 Volatility	0.09%	-79%	22.68	↓
9 Money Market	0.00%	-99%	0.74	↓
Total	100.00%		25,425.37	

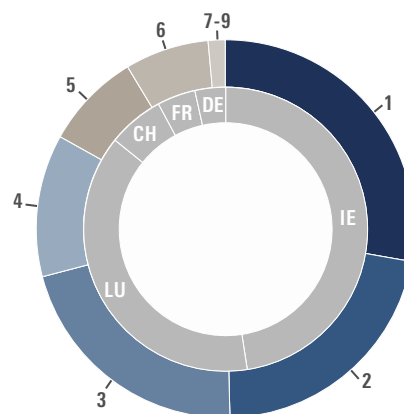
Source: SIX Swiss Exchange



Number* of ETFs on SIX Swiss Exchange by asset class

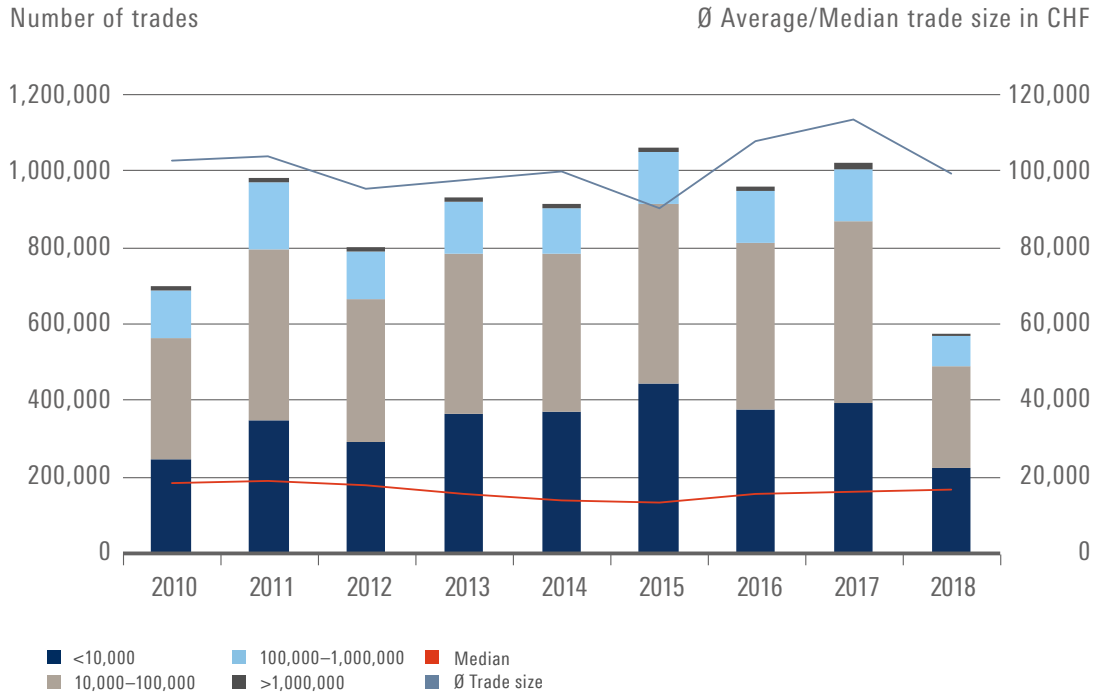
Asset class	Absolute	Change	Number	Trend
1 Equity Developed Market	27.77%	+2%	383	↑
2 Fixed Income	21.83%	+4%	301	↑
3 Equity Style / Strategy	21.32%	+3%	294	↑
4 Equity Themes	12.18%	+3%	168	↑
5 Equity Emerging Market	8.27%	+1%	114	↑
6 Commodities	7.18%	+2%	99	↑
7 Volatility	0.58%	0%	8	→
8 Money Market	0.44%	0%	6	→
9 Funds	0.36%	-17%	5	↓
Total	100.00%		1,378	

Source: SIX Swiss Exchange



* Some fungible ETFs (same ISIN) are tradable in multiple currencies. They are accordingly counted more than once.

2.1 Trading details (breakdown of respective ticket size)



Source: SIX Swiss Exchange

2.2 Number of ETFs on SIX Swiss Exchange by market maker (during the quarter)

Name	ETFs	Name	ETFs	Name	ETFs
Flow Traders B.V.	1,086	Société Générale	158	J.P. Morgan Securities PLC	2
Commerzbank AG	895	Virtu Financial Ireland Ltd	68		
Susquehanna	610	Deutsche Bank AG London Branch	42		
Optiver VOF	338	Bank Julius Bär & Co. AG	34		
IMC Trading B.V.	287	Credit Suisse AG	20		
UBS AG	232	Zürcher Kantonalbank	14		
Goldenberg Hehmeyer LLP	213	Raiffeisen Schweiz Genossenschaft	5		
BNP Paribas	200	Morgan Stanley	3		

Source: SIX Swiss Exchange

Spread-Monitor (tightest spreads)

Product	Ticker	TER	Ø Bid Ask Spread (%)
iSHARES NASDAQ 100 USD ACC	CSNDX	0.33	0.04
iSHARES SMI ETF CH	CSSMI	0.35	0.04
INVESCO NASDAQ-100 DIST	EQQQ	0.30	0.04
X EUR CASH SWAP 1C	XEON	0.10	0.05
iSHARES CORE S&P 500	CSSPX	0.07	0.05
X DAX	XDAX	0.09	0.05
iSHARES S&P 500	IUSA	0.07	0.05
HSBC S&P 500 UCITS ETF	HSPX	0.09	0.06
iSHARES USD TRSRY 1-3Y USD A	IBTA	0.20	0.06
LYXOR DAX DR	LYDAX	0.15	0.06
iSHARES CORE EURO STOXX 50	CSSX5E	0.10	0.06
LYXOR EURO CASH	LYCSH	0.10	0.06
VANGUARD S&P 500 UCITS ETF	VUSA	0.07	0.06
iSHARES EUR GOVT 1-3YR	IBGS	0.20	0.07
iSHARES EURO STOXX 50	EUNE	0.10	0.07
iSHAR EB.REXX GVT GERMANY DE	RXRGEX	0.15	0.07
iSHARES MSCI WORLD	IWRD	0.50	0.08
iSHARES CORE MSCI WORLD	SWDA	0.20	0.08
iSHARES STOXX EUROPE 600 DE	SXXPIEX	0.20	0.08
iSHARES SLI ETF CH	CSSLI	0.35	0.08

Source: Bloomberg

2.3 New listings in the quarter

First trading day	Product	Symbol	Currency	Management fee	Market Maker
29.06.2018	VanEck Vectors Emerging Markets High Yield Bond UCITS ETF	HYEM	CHF	0.40%	Goldenberg Hehmeyer LLP
29.06.2018	VanEck Vectors Global Fallen Angel High Yield Bond UCITS ETF	GFAA	CHF	0.40%	Goldenberg Hehmeyer LLP
29.06.2018	VanEck Vectors Global Mining UCITS ETF	GDIG	CHF	0.50%	Goldenberg Hehmeyer LLP
29.06.2018	VanEck Vectors Natural Resources UCITS ETF	HAAP	CHF	0.50%	Goldenberg Hehmeyer LLP
29.06.2018	VanEck Vectors Preferred US Equity UCITS ETF	PREF	CHF	0.41%	Goldenberg Hehmeyer LLP
29.06.2018	Xtrackers ESG MSCI Europe UCITS ETF 1C	XZEU	CHF	0.10%	Optiver VOF
29.06.2018	Xtrackers ESG MSCI Japan UCITS ETF 1C	XZMJ	USD	0.10%	Optiver VOF
29.06.2018	Xtrackers ESG MSCI USA UCITS ETF 1C	XZMU	USD	0.05%	Optiver VOF
29.06.2018	Xtrackers ESG MSCI World UCITS ETF 1C	XZWO	USD	0.10%	Optiver VOF
20.06.2018	UBS ETF MSCI Emerging Markets UCITS ETF (USD) A-acc	EMMUSC	USD	0.23%	Commerzbank AG, UBS AG
12.06.2018	UBS (Irl) ETF plc GI. Gender Equality (hdged to GBP) A-Acc	GENDEG	GBP	0.30%	Commerzbank AG
12.06.2018	UBS (Irl) ETF plc MSCI ACWI ESG Uni. (hedged to GBP) A-Acc	AWESGG	GBP	0.48%	Commerzbank AG
11.06.2018	Xtrackers Nikkei 225 UCITS ETF	XNJP	JPY	0.00%	Optiver VOF, Susquehanna
08.06.2018	HSBC FTSE EPRA NAREIT DEVELOPED UCITS ETF	HPRD	USD	0.40%	Goldenberg Hehmeyer LLP
08.06.2018	HSBC MULTI FACTOR WORLDWIDE EQUITY UCITS ETF	HWWD	USD	0.25%	Goldenberg Hehmeyer LLP
31.05.2018	Xtrackers II ESG EUR Corporate Bond UCITS ETF 1D	XB4F	CHF	0.002%	Optiver VOF
31.05.2018	Xtrackers II EUR Corporate Bond UCITS ETF 1C	XBEC	CHF	0.001%	Optiver VOF
31.05.2018	Xtrackers MSCI Nordic UCITS ETF 1D	XDNO	CHF	0.001%	IMC Trading B.V., Optiver VOF, Susquehanna
24.05.2018	Vanguard USD Corporate 1-3 Year Bond UCITS ETF	VUSC	CHF	0.15%	Commerzbank AG, Goldenberg Hehmeyer LLP
22.05.2018	ComStage 1 STOXX Europe 600 UCITS ETF	CB1EU6	CHF	0.19%	Commerzbank AG
22.05.2018	ComStage Vermögensstrategie Defensiv UCITS ETF	CBVSD	EUR	0.25%	Commerzbank AG
22.05.2018	ComStage Vermögensstrategie Defensiv UCITS ETF	CBVSD	CHF	0.25%	Commerzbank AG
22.05.2018	ComStage Vermögensstrategie Offensiv UCITS ETF	CBVSO	CHF	0.25%	Commerzbank AG
22.05.2018	ComStage Vermögensstrategie Offensiv UCITS ETF	CBVSO	EUR	0.25%	Commerzbank AG
15.05.2018	AMUNDI CAC 40 UCITS ETF DR - EUR (D)	C4DE	EUR	0.25%	BNP Paribas, Flow Traders B.V., IMC Trading B.V.
15.05.2018	AMUNDI EURO STOXX 50 UCITS ETF DR - EUR (D)	CD5E	EUR	0.15%	BNP Paribas, Flow Traders B.V., IMC Trading B.V.
15.05.2018	AMUNDI MSCI CHINA UCITS ETF - EUR (C)	CC1E	EUR	0.55%	BNP Paribas
15.05.2018	AMUNDI MSCI EASTERN EUROPE EX RUSSIA UCITS ETF - EUR (C)	CE9E	EUR	0.20%	BNP Paribas
15.05.2018	AMUNDI MSCI EMERGING MARKETS UCITS ETF - EUR (C)	AEEM	EUR	0.20%	BNP Paribas
15.05.2018	AMUNDI MSCI INDIA UCITS ETF - EUR (C)	CI2E	EUR	0.80%	BNP Paribas
15.05.2018	AMUNDI MSCI SWITZERLAND UCITS ETF - EUR (C)	CSWE	EUR	0.25%	BNP Paribas, IMC Trading B.V.
15.05.2018	AMUNDI MSCI USA UCITS ETF - EUR (C)	CU2E	EUR	0.28%	BNP Paribas, IMC Trading B.V.
15.05.2018	AMUNDI MSCI WORLD ENERGY UCITS ETF - EUR (C)	CWEE	EUR	0.35%	BNP Paribas
15.05.2018	AMUNDI MSCI WORLD EX EUROPE UCITS ETF - EUR (C)	CE8E	EUR	0.35%	BNP Paribas
15.05.2018	AMUNDI MSCI WORLD FINANCIALS UCITS ETF - EUR (C)	CWFE	EUR	0.35%	BNP Paribas
15.05.2018	AMUNDI MSCI WORLD UCITS ETF - EUR (C)	CW8E	EUR	0.38%	BNP Paribas

Source: SIX Swiss Exchange

2.3 New listings in the quarter

15.05.2018	AMUNDI S&P 500 UCITS ETF - EUR (C)	500E	EUR	0.15%	BNP Paribas, Flow Traders B.V., IMC Trading B.V.
14.05.2018	Xtrackers MSCI USA UCITS ETF - 3C CHF Hedged	XD9C	CHF	0.06%	Optiver VOF
09.05.2018	AMUNDI FLOAT RATE USD CORPO UCITS ETF - CHF HEDGED (C)	AFLC	CHF	0.20%	Commerzbank AG, Flow Traders B.V., Société Générale
08.05.2018	Invesco Preferred Shares UCITS ETF	PRFC	CHF	0.55%	Goldenberg Hehmeyer LLP
08.05.2018	Invesco Preferred Shares UCITS ETF	PRFE	EUR	0.55%	Goldenberg Hehmeyer LLP
04.05.2018	UBS (Irl) ETF plc MSCI USA UCITS ETF (hedged to JPY) A-acc	USJPY	JPY	0.24%	UBS AG
18.04.2018	AMUNDI JAPAN TOPIX UCITS ETF - DAILY HEDGED CHF (C)	TPHC	CHF	0.48%	BNP Paribas
18.04.2018	AMUNDI JAPAN TOPIX UCITS ETF - DAILY HEDGED EUR (C)	TPXH	EUR	0.48%	BNP Paribas, Flow Traders B.V., Optiver VOF
18.04.2018	AMUNDI JAPAN TOPIX UCITS ETF - DAILY HEDGED GBP (C)	TPHG	GBP	0.48%	BNP Paribas, Flow Traders B.V., Optiver VOF
18.04.2018	AMUNDI JAPAN TOPIX UCITS ETF - DAILY HEDGED USD (C)	TPHU	USD	0.48%	BNP Paribas, Flow Traders B.V.
18.04.2018	AMUNDI JAPAN TOPIX UCITS ETF - EUR (C)	TPXE	EUR	0.20%	BNP Paribas, Flow Traders B.V., Optiver VOF
18.04.2018	AMUNDI JAPAN TOPIX UCITS ETF - JPY (C)	TPXY	JPY	0.20%	BNP Paribas, Flow Traders B.V., Optiver VOF
18.04.2018	AMUNDI MSCI CHINA UCITS ETF - USD (C)	CC1USD	USD	0.55%	BNP Paribas, Flow Traders B.V., Susquehanna
18.04.2018	AMUNDI MSCI EASTERN EUROPE EX RUSSIA UCITS ETF - USD (C)	CE9USD	USD	0.20%	BNP Paribas, Flow Traders B.V., Susquehanna
18.04.2018	AMUNDI MSCI EMERGING MARKETS UCITS ETF - USD (C)	AUEM	USD	0.20%	BNP Paribas, Commerzbank AG, Flow Traders B.V., Susquehanna
18.04.2018	AMUNDI MSCI INDIA UCITS ETF - USD (C)	CI2USD	USD	0.80%	BNP Paribas, Flow Traders B.V., Susquehanna
18.04.2018	AMUNDI MSCI USA UCITS ETF - USD (C)	CU2USD	USD	0.28%	BNP Paribas, Flow Traders B.V., Optiver VOF, Susquehanna
18.04.2018	AMUNDI MSCI WORLD EX EUROPE UCITS ETF - USD (C)	CE8USD	USD	0.35%	BNP Paribas
18.04.2018	AMUNDI MSCI WORLD UCITS ETF - USD (C)	CW8USD	USD	0.38%	BNP Paribas, Commerzbank AG, Flow Traders B.V., Optiver VOF
18.04.2018	AMUNDI STOXX EUROPE 600 UCITS ETF - EUR (C)	C6E	EUR	0.18%	BNP Paribas, Flow Traders B.V., IMC Trading B.V.
18.04.2018	JPM BetaBuilders EUR Govt Bond 1-3 yr UCITS ETF-EUR (dist)	JE13	EUR	0.10%	Commerzbank AG, Goldenberg Hehmeyer LLP
18.04.2018	JPM Managed Futures UCITS ETF - USD (acc)	JPMF	USD	0.57%	Goldenberg Hehmeyer LLP
18.04.2018	JPM USD Emerging Markets Sovereign Bond UCITS ETF USD(dist)	JPMB	USD	0.39%	Commerzbank AG, Flow Traders B.V., Goldenberg Hehmeyer LLP
18.04.2018	JPM USD Ultra-Short Income UCITS ETF - USD (dist)	JPST	USD	0.22%	Commerzbank AG, Goldenberg Hehmeyer LLP
09.04.2018	SPDR B B Global Aggregate Bond EUR Hdg UCITS ETF (Dist)	GLAE	EUR	0.10%	Commerzbank AG
09.04.2018	SPDR B B Global Aggregate Bond CHF Hdg UCITS ETF (Acc)	GLAC	CHF	0.10%	Commerzbank AG
09.04.2018	SPDR B B Global Aggregate Bond GBP Hdg UCITS ETF (Dist)	GLAB	GBP	0.10%	Commerzbank AG
09.04.2018	SPDR B B Global Aggregate Bond UCITS ETF (Dist)	GLAG	USD	0.10%	Commerzbank AG
09.04.2018	SPDR B B Global Aggregate Bond USD Hdg UCITS ETF (Dist)	GLAU	USD	0.10%	Commerzbank AG
05.04.2018	AMUNDI FLOAT RATE USD CORPORATE UCITS ETF - HEDGED EUR (C)	AFLE	EUR	0.20%	Commerzbank AG, Flow Traders B.V., Société Générale

Source: SIX Swiss Exchange

2.3 New listings in the quarter

05.04.2018	AMUNDI FLOATING RATE USD CORPORATE UCITS ETF - USD (C)	AFLT	USD	0.18%	Commerzbank AG, Flow Traders B.V., Société Générale
05.04.2018	AMUNDI GOVT BOND EUROMTS BROAD IG UCITS ETF - EUR (C)	CB3	EUR	0.14%	Commerzbank AG, Flow Traders B.V., Société Générale, Susquehanna
05.04.2018	AMUNDI GOVT BOND LOWEST RATED EUROMTS IG UCITS ETF - EUR C	X1G	EUR	0.14%	Commerzbank AG, Flow Traders B.V., Société Générale
05.04.2018	AMUNDI GOVT BOND LOWEST RATED EUROMTS IG UCITS ETF - EUR D	X1GD	EUR	0.14%	Commerzbank AG, Flow Traders B.V., Société Générale
05.04.2018	AMUNDI GVT BD LOWST RATD EUROMTS IG 1-3 UCITS ETF - EUR (C)	X13G	EUR	0.14%	Commerzbank AG, Flow Traders B.V., Société Générale
05.04.2018	Xtrackers iBoxx USD Corporate Bond Yield Plus UCITS ETF 1D	XYLD	USD	0.15%	Commerzbank AG, Goldenberg Hehmeyer LLP, Optiver VOF
05.04.2018	Xtrackers MSCI World High Dividend Yield UCITS ETF 1D	XDWY	USD	0.19%	Optiver VOF, Susquehanna

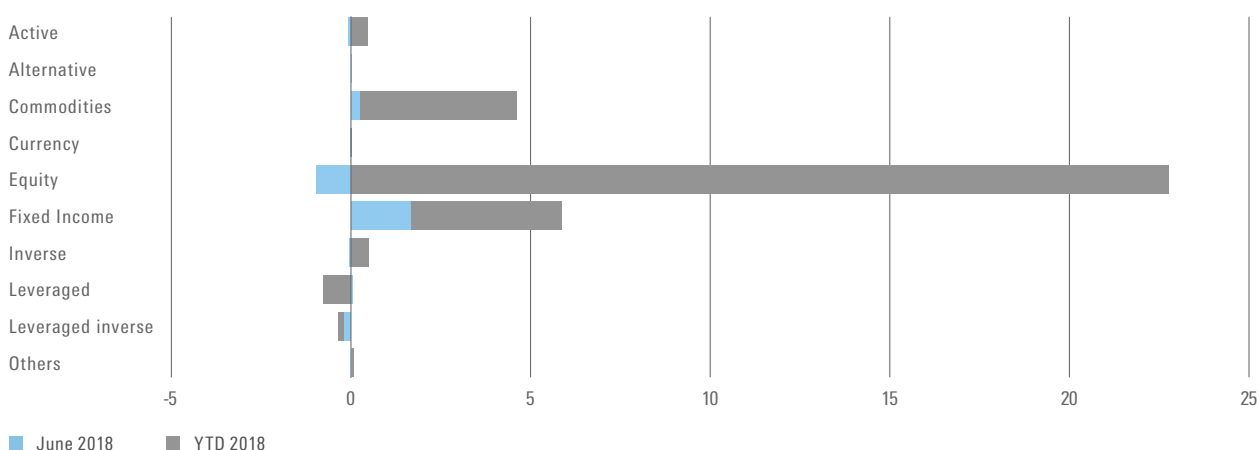
Source: SIX Swiss Exchange

3. European market

Again there have been net new assets in ETFs at the European level over the last few months, especially in the bond asset class. Net new assets of USD 5.8 billion in total were invested there in the first half of 2018 alone. In June, the greatest net outflows were seen

in the biggest asset class, equity ETFs. Overall, only the alternative, bond, leveraged and commodities asset classes attracted new assets in the last trading month. However, investors took assets out of the other asset classes.

Net New Assets per asset class (in bn USD)



Source: ETFGI

Asset classes	ETFs/ETPs	AuM June 18 (in mn USD)	Market share	Net New Assets (in mn USD)			
				June 2018	YTD 2018	YTD 2017	2017
Active	32	9,687	1.2%	-60	470	888	1,993
Alternative	2	106	0.0%	2	3	-145	-125
Commodities	369	62,944	7.8%	247	4,604	6,819	8,414
Currency	70	312	0.0%	-10	22	-44	-3
Equity	1,086	546,515	67.4%	-963	22,720	37,335	71,166
Fixed Income	398	179,820	22.2%	1,647	5,843	17,050	25,004
Inverse	68	4,354	0.5%	-46	473	778	845
Leveraged	192	3,464	0.4%	30	-756	-63	-80
Leveraged inverse	74	3,205	0.4%	-183	-357	1,127	1,000
Other	16	828	0.1%	-2	77	108	204
Total	2,307	811,235	100.00%	661	33,100	63,853	108,417

Source: ETFGI

«A common misconception is that ETFs are passive/index tracking tools. ETFs are much more.»

Ivan Durdevic, Executive Director, is Head of ETF Distribution Switzerland at J.P. Morgan Asset Management, based in Zurich. In this role, Ivan is responsible for launching and leading J.P. Morgan Asset Management's ETF business in Switzerland. Previously, Ivan was with Amundi for over 7 years; first as Senior Client Relationship Manager ETF & Indexing in Germany and more recently as Deputy Head of ETF, Indexing and Smart Beta Sales Switzerland in Switzerland. Before that he was with BlackRock Germany as Senior Business Development Associate for the iShares product and with NOMURA Bank Germany as Equity & Equity Linked Products Sales. He started his career at INVESCO Germany.



Ivan Durdevic, J.P. Morgan

What is your specialty?

J.P. Morgan Asset Management has an reputation for delivering state of the art active, smart beta and passive capabilities. Launching ETF business making use of technology to deliver better solutions for clients.

Leveraging on the deep investment engines and expertise of JPM AM, we think ETFs can bring innovative solutions to clients. We have already shown that we can leverage passive, strategic and active capabilities across fixed income and alternatives and will continue to build out an innovative ETF range across all asset classes for our clients across the board, fitting private banks or institutional needs.

We have a number of investment capabilities which span the spectrum from passive, strategic beta and active. We see the ETF wrapper as a technology to wrap these strategies in. Increasingly clients are looking to leverage this wrapper to build portfolios therefore we are working to develop our capabilities to better serve our clients.

What issues are currently shaping developments in the ETF sector?

Education around the potential the vehicle has to offer. A common misconception is that ETFs are passive/index tracking tools. ETFs are much more as they are solutions for market configurations wrapped into a cost-efficient, liquid and easy-to-use wrapper. They can combine talent and technology across all asset classes, in a passive, strategic or active way of portfolio management.

Market fragmentation and liquidity apprehension in Europe has been challenging over the past few years, therefore it is important for clients to understand that ETFs have a role to play in the price discovery of the underlyings, especially in the FI space.

What are your clients focusing on in the current environment?

We are in a market with a barbell approach where risk is highly regarded. The solutions that our clients are currently looking at are:

- Cash is becoming an asset class again, and for that we have an actively managed suite of liquid ultra short investment solutions: JPST and JEST
- Market de-correlation is also a big theme. We have deployed a suite of liquid alternative ETFs to seek for a different and uncorrelated approach to market trends: JELS and JPMF

What changes do you have planned?

We have an ambitious roll-out plan. The goal is to roll-out about 50 ETFs within 3 years across our three ETF investment pillars:

- Plain vanilla ETFs with a strong focus on cost efficiency
- Strategic Beta where clients can benefit from tilted exposures
- Carefully selected active capabilities wrapped in ETFs

All these ETFs will be transparent, liquid and operationally accessible to various client types, whether private banks, independent asset managers, asset managers or institutional investors.

Where do you see the ETF market in Switzerland in the near future?

The Swiss market is at an inflection point where most of the assets used to be held within plain vanilla passive equity ETFs. With the market configuration and the current uncertain trends, investors tend to diversify their portfolio and adding more asset classes in various formats. The adoption of ETF usage should increase on 2 levels in the near future: diversification in asset classes and increasing usage of the ETF benefits.

Thank you for the interview!

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