



THE SWISS STOCK EXCHANGE

# ETF Market Report

3. Quarter 2020

Number of  
the Quarter

# 361 630

Number of ETF transactions  
on the Swiss Stock Exchange in Q3 2020

# 66

Number of New Listings  
in the 3. Quarter 2020

Best Performance in the  
3. Quarter 2020

# 44,36 %

ISHARES GLOBAL CLEAN ENERGY

Highest issuer  
market share

# 36,55 %

UBS

ETF Quote  
on Demand

New order book  
launching this December

# 676,53 Mio.

Top Turnover Single ETF

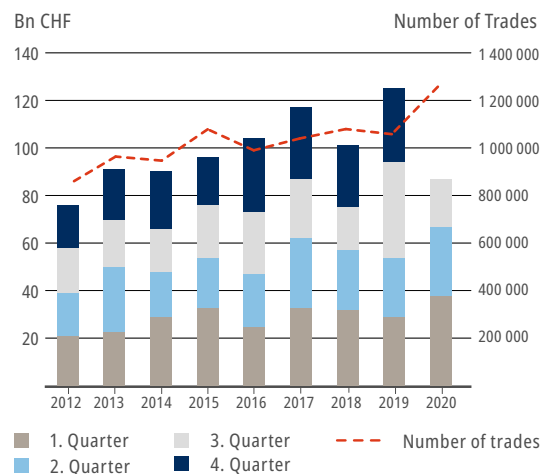
Volume of most-traded product in Q3 2020  
UBS ETF MSCI EMU EUR ACC (EMUAA)

# Consolidation

Following a brilliant second quarter, stock market development in the third quarter was steady on the whole. The exception was the Nasdaq technology stock exchange in the US, which raced from one all-time high to the next up until early September, although this was also followed by a period of consolidation. COVID-19 remained a concern and hampered further growth. The generous liquidity resulting from the ongoing expansive monetary policy and additional government programs helped the markets to successfully stand firm in the face of the downturns affecting the economy. The strategy shift announced by the US Federal Reserve in late August has cemented the low interest rate environment until at least 2023. With this move, the Fed is giving itself additional scope in terms of achieving its inflation target. It will now allow the rate of inflation to remain above two percent for some time if it has previously been below that level for a significant period. This gives the Fed greater flexibility when it comes to deciding on its key interest rate. It will be able to keep the interest rate lower for longer even in times of economic upturn, including if inflation exceeds the old target. This is likely to offer favorable conditions for future stock market development.

The calmer situation on the stock markets also carried over onto the Swiss ETF market. Compared with the record level in the same period of the previous year,

## ETF Turnover Development



Source: Swiss Stock Exchange

turnover in the third quarter of 2020 was 49.47% lower, although the number of transactions was 32.80% higher. The number of trades in the first nine months has already exceeded the figure for the whole of the previous year by 22.10%. The number of new listings slightly accelerated in the third quarter, increasing to 66 products. The focus was on equity ETFs, particularly specialty products and products focusing on sustainability.

# The Swiss Stock Exchange

# From Y2K to ETFs.

In the year 2000, the Swiss Stock Exchange became one of the first exchanges in Europe to launch an ETF segment. Today, 20 years, 28 issuers and over 1,600 products later, we offer investors more choice than ever to diversify their portfolio efficiently and securely.

**So, here's to the next 20 years on the Swiss Stock Exchange.**

**Where Innovation Matters.**



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### 1.1 ETF Turnover and Number of Trades

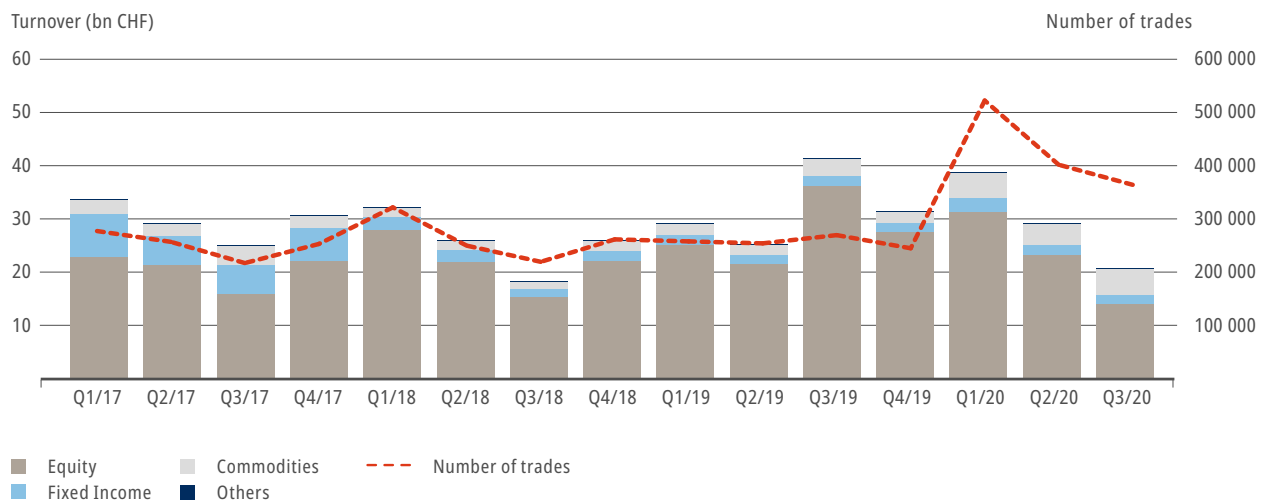
The trading volumes in the individual asset classes were lower in the period from July to September than in the second quarter with the exception of commodity ETFs and «other ETFs». In the case of commodities, there was a tangible upturn due to the reawakening of investor interest in the precious metals of gold and silver in particular. With turnover increasing by 25.59% quarter-on-quarter, commodity ETFs reinforced their second place behind equity ETFs, which remained well ahead. Bond ETFs continued to suffer from the sustained low interest rate environment, ranking third in terms of turnover. In the third quarter, equity ETFs accounted for 67.98% of total turnover (second quarter: 79.57%), followed by commodity ETFs with 23.63% (second quarter: 13.44%) and bond ETFs with 8.05% (second quarter: 6.99%), while the minor category of «other ETFs» accounted for 0.33%.

The list of the 20 most-traded ETFs was dominated by ETFs based on the precious metals of gold and silver, as well as equity ETFs based on market indicators in the industrialized nations. In the third quarter, the list of the most-traded ETFs was headed by ETFs based on European market indicators. The highest turnover was recorded by the UBS ETF MSCI EMU (EMUAA), followed by EMUUSD, also from UBS, based on the MSCI EMU ETF hedged in USD. Third place was taken by the ZGLDUS ETF from ZKB, which is based on gold.

#### Top-20 Most Traded ETFs

Product	Turnover (mn CHF)	Trend
UBSETF MSCI EMU EUR ACC	676,53	↑
UBS ETF EMU hdg USD acc	625,36	↑
ZKB GOLD ETF (USD)	586,00	↑
UBS ETF EMU hdg CHF acc	525,25	↑
ZKB GOLD ETF	501,42	↑
UBSETF MSCI EM SF USD ACC	480,89	↑
LYXOR S&P 500 UCITS ETF	465,87	↑
ZKB Silver ETF - A (CHF)	405,68	↑
ZKB Gold ETF hedged (CHF)	382,10	↑
iSh Core S&P500 USD Acc	292,68	↓
iSh Nasdaq 100 USD Acc	286,85	↑
ZKB GOLD ETF (EUR)	284,24	↑
UBSETF GOLD USD DIS	282,10	↓
Invesco EQQQ	273,49	↓
UBSETF MSCI CANADA H-USD DIS	257,66	↑
UBSETF GOLD H-CHF DIS	257,40	↑
ZKB Silver ETF - A (USD)	238,69	↑
UBSETF MSCI CANADA H-CHF ACC	229,83	↑
UBSETF SPI CHF DIS	228,58	↓
Lyxor T&R/CoreCommo CRB - Acc	219,71	↑

Source: Swiss Stock Exchange



Source: Swiss Stock Exchange

## 1.2 Top-10 – Selected Changes in the Overall Market

In terms of performance, the topic of sustainability led the way in the third quarter of 2020 in the shape of the INRG ETF. This passive fund aims to track the performance of an index comprising 30 of the world's largest companies in the clean energy sector. It recorded growth of 44.36% between the end of June and the end of September. Next in line were ETFs of various forms based on the precious metal silver, which has seen substantial growth recently. In addition to shortages of supply, this is likely to be due in particular to the US Fed's strategy shift with a view to rising inflation.

ETFs based on the energy sector and Turkey saw weaker performance in the third quarter. Although crude oil prices remained steady on the whole, energy stocks lost further ground. The largest downturn in the reporting period

was recorded by XLES, an ETF from Invesco based on the S&P Select Sector Capped 20% Energy Index, which fell by 20.14%. A difficult economic situation and continuous currency depreciation had a negative impact on the HTRY and ITKY ETFs, both of which are based on the MSCI Turkey.

A large number of trades were recorded again in the third quarter. Trading activity focused in particular on the ETFs ZSIL, ZGLD, AUHAH and AUUSI based on the precious metals of gold and silver. The highest number of trades was attributable to ZSIL, an ETF from ZKB based on silver, which overtook the second-quarter leader ZGLD. Among ETFs based on equity indices, CS-NDX from BlackRock/iShares, based on the Nasdaq technology stock exchange in the US, saw particularly lively trading.

### Top-10 ETFs Best Performance

Product	Symbol	Performance	Trend
ISHARES GLOBAL CLEAN ENERGY	INRG	44,36	↑
ZKB SILVER ETF AAH EUR	ZSILHE	34,08	↑
SWISSCANTO PHYS SLV - EUR A	JBSIEA	32,28	↑
ZKB SILVER ETF AAH CHF	ZSILHC	30,54	↑
SWISSCANTO PHYS SLV - CHF A	JBSICA	30,42	↑
SWISSCANTO PHYS SLV - GBP A	JBSIGA	29,90	↑
SWISSCANTO PHYS SLV - CHF AX	JBSICX	29,55	↑
UBS ETF SILVER	SVUSA	29,47	↑
SWISSCANTO PHYS SLV - USD A	JBSIUA	29,38	↑
SWISSCANTO PHYS SLV - USD AX	JBSIUX	28,45	↑

Source: Bloomberg

### Top-10 ETFs Worst Performance

Product	Symbol	Performance	Trend
INVESCO ENERGY S&P US SELECT SECTOR	XLES	-20,14	↓
XTRACKERS MSCI USA ENERGY	XUEN	-19,25	↓
ISHARES S&P 500 ENERGY SECTOR	IUES	-18,61	↓
SPDR S&P US ENERGY SELECT	SXLE	-18,52	↓
HSBC MSCI TURKEY UCITS ETF	HTRY	-18,33	↓
ISHARES MSCI TURKEY	ITKY	-18,24	↓
AMUNDI INDEX SOLUTIONS - MSCI WORLD ENERGY	CWEE	-16,98	↓
AMUNDI INDEX SOLUTIONS - MSCI WORLD ENERGY	CWEUSD	-16,91	↓
SPDR WORLD ENERGY	WNRG	-16,83	↓
ISHARES MSCI WD ENERGY-USD D	WENS	-16,37	↓

Source: Bloomberg

### Top-10 ETFs Number of Trades (Tickets)

Product	Symbol	No. of Trades	Trend
ZKB Silver ETF - A (CHF)	ZSIL	13 744	↑
ZKB GOLD ETF	ZGLD	9 427	↓
UBSETF GOLD H-CHF DIS	AUCHAH	7 184	↑
UBSETF GOLD USD DIS	AUUSI	7 011	↑
iSh Nasdaq 100 USD Acc	CSNDX	6 581	↑
iSh Gold (CH) USD	CSGOLD	5 670	↑
ZKB GOLD ETF (USD)	ZGLDUS	5 114	↑
ZKB Gold ETF hedged (CHF)	ZGLDHC	4 842	↑
UBSETF SXI RE FUNDS CHF DIS	SRECHA	4 640	↑
iSh Core S&P500 USD Acc	CSSPX	4 569	↓

Source: Swiss Stock Exchange

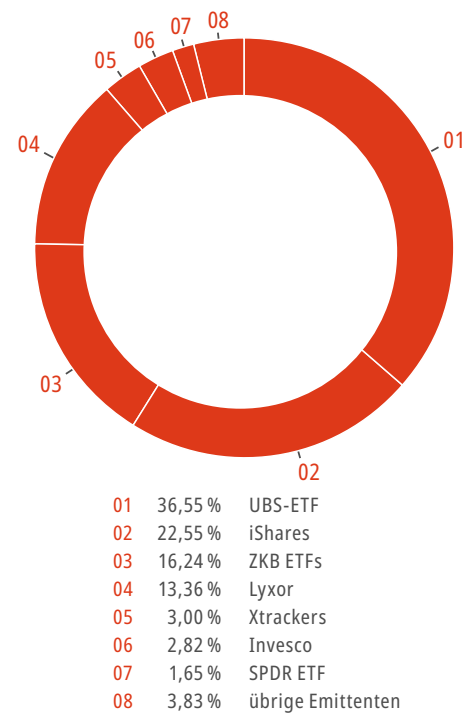
### 1.3 Turnover by Product Provider

UBS continued to lead the turnover ranking ahead of BlackRock/iShares and ZKB, which climbed to third thanks to increased demand for its precious metal ETFs in particular, pushing Lyxor down into fourth place in the process. There was a big gap below this quartet, which recorded quarterly turnover in the billions.

The other 24 providers had to be satisfied with turnover of well below the billion mark in some cases and market shares of 3% or lower. Van Eck Global enjoyed the strongest growth in turnover among the lower-ranked providers thanks to its two flagship precious metal ETFs, GDJ and GDJ.

#### ETF Turnover by Product Provider

Issuer	Products	Turnover (mn CHF)	Market Share	Trend
UBS-ETF	341	7 477,73	36,55	↑
iShares	350	4 612,49	22,55	↑
ZKB ETFs	34	3 322,00	16,24	↑
Lyxor	211	2 733,96	13,36	↑
Xtrackers	94	613,57	3,00	↑
Invesco	80	576,56	2,82	↓
SPDR ETF	96	336,45	1,65	↑
Amundi	69	180,78	0,88	↓
Vanguard	29	126,38	0,62	↓
HSBC	36	100,28	0,49	↑
Van Eck Global	20	77,56	0,38	↑
Raiffeisen	5	58,60	0,29	↑
Credit Suisse Index Fund	8	50,86	0,25	↓
JPMorgan	29	47,76	0,23	↑
Legal & General	11	30,42	0,15	↑
BNP Paribas	29	19,32	0,09	↑
WisdomTree	45	18,59	0,09	↑
Ossiam Lux	11	17,38	0,09	↑
Fidelity	11	10,29	0,05	↑
HANetf	5	7,71	0,04	↑
Pimco	16	7,48	0,04	↓
China Post Global	3	7,14	0,04	↑
Franklin Templeton	17	5,36	0,03	↑
Nomura	4	0,82	0,00	↓
OSSIAM IRL ICAV	5	0,53	0,00	↑
Goldman Sachs	3	0,20	0,00	↑
Rize UCITS ICAV	4	0,07	0,00	↑
First Trust	1	0,04	0,00	↓
	<b>1 567</b>	<b>20 458,22</b>	<b>100,00</b>	



Source: Swiss Stock Exchange

# 1

## ETF Market on the Swiss Stock Exchange

### 1.4 Top-5 Selected Changes per Asset Class

#### Equity Developed Market

Product	Turnover (mn CHF)	Trend
UBSETF MSCI EMU EUR ACC	677	↑
UBS ETF EMU hdg USD acc	625	↑
UBS ETF EMU hdg CHF acc	525	↑
LYXOR S&P 500 UCITS ETF	466	↑
iSh Core S&P500 USD Acc	293	↓

Source: Swiss Stock Exchange

#### Fixed Income & Money Market

Product	Turnover (mn CHF)	Trend
iSh Core CorpBnd (CH) CHF Dis	125	↓
iSh CNY Bond USD Dis	120	↑
iSh \$ TIPS USD Acc	57	↑
Lyxor BofAML High Yield Ex-F	42	↑
iSh \$ TreasBnd 7-10 USD Dis	40	↓

Source: Swiss Stock Exchange

#### Equity Emerging Market

Product	Turnover (mn CHF)	Trend
UBSETF MSCI EM SF USD ACC	481	↑
iSh Core MSCI EM IMI USD Acc	111	↑
LY MSCI RUSSIA - ACC	109	↑
LY MSCI BRAZIL - ACC	91	↑
Lyxor MSCI AC APEJ - Acc	90	↓

Source: Swiss Stock Exchange

#### Commodities

Product	Turnover (mn CHF)	Trend
ZKB GOLD ETF (USD)	586	↑
ZKB GOLD ETF	501	↑
ZKB SILVER ETF - A (CHF)	406	↑
ZKB GOLD ETF HEDGED (CHF)	382	↑
ZKB GOLD ETF (EUR)	284	↑

Source: Swiss Stock Exchange

#### Equity Style / Strategy / Themes

Product	Turnover (mn CHF)	Trend
iSh SMIM (CH) CHF Dis	124	↓
iSh Swiss Div (CH) CHF Dis	98	↓
UBSETF MSCI World SRI USD DIS	94	↓
UBSETF MSCI USA SRI USD DIS	81	↑
LYX ETF NEW ENERGY DIS	80	↑

Source: Swiss Stock Exchange

#### Volatility

Product	Turnover (mn CHF)	Trend
iSh Edg MSCI Wrld MinVol Acc	7	↓
iSh Edg MSCI EM MinVol Acc	1	↓
UBSETF FAC US LO VOL USD DIS	1	↑
UBSETF FAC EMU LO VOL H-EUR DI	1	↓
iSh Edg S&P500 MinVol Acc	0	↓

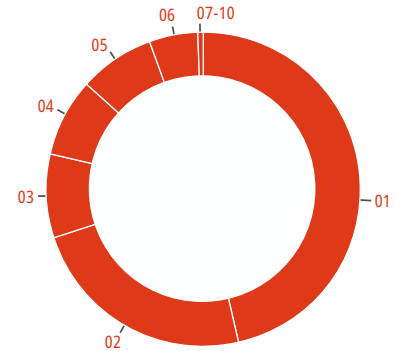
Source: Swiss Stock Exchange



### 1.5 Trading Details

#### Turnover by Asset Classes

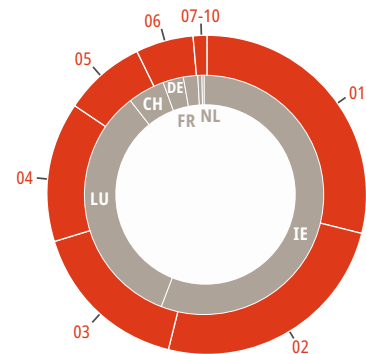
Asset Class	Absolute	Change	Turnover (mn)	Trend
1 Equity Developed Markets	46,44 %	-35 %	9 499,97	↓
2 Commodities	23,63 %	33 %	4 834,95	↑
3 Equity Emerging Markets	8,65 %	-26 %	1 769,70	↓
4 Fixed Income	8,05 %	-73 %	1 646,61	↓
5 Equity Themes	7,73 %	-20 %	1 581,81	↓
6 Equity Style / Strategy	5,11 %	-40 %	1 045,13	↓
7 Funds	0,33 %	-6 %	67,81	↓
8 Volatility	0,05 %	-90 %	11,15	↓
9 Money Market	0,00 %	-99 %	0,85	↓
10 Other	0,00 %	-80 %	0,24	↓
<b>Total</b>	<b>100,00 %</b>		<b>20 458,22</b>	



Source: Swiss Stock Exchange

#### Number of ETs on the Swiss Stock Exchange by Asset Class

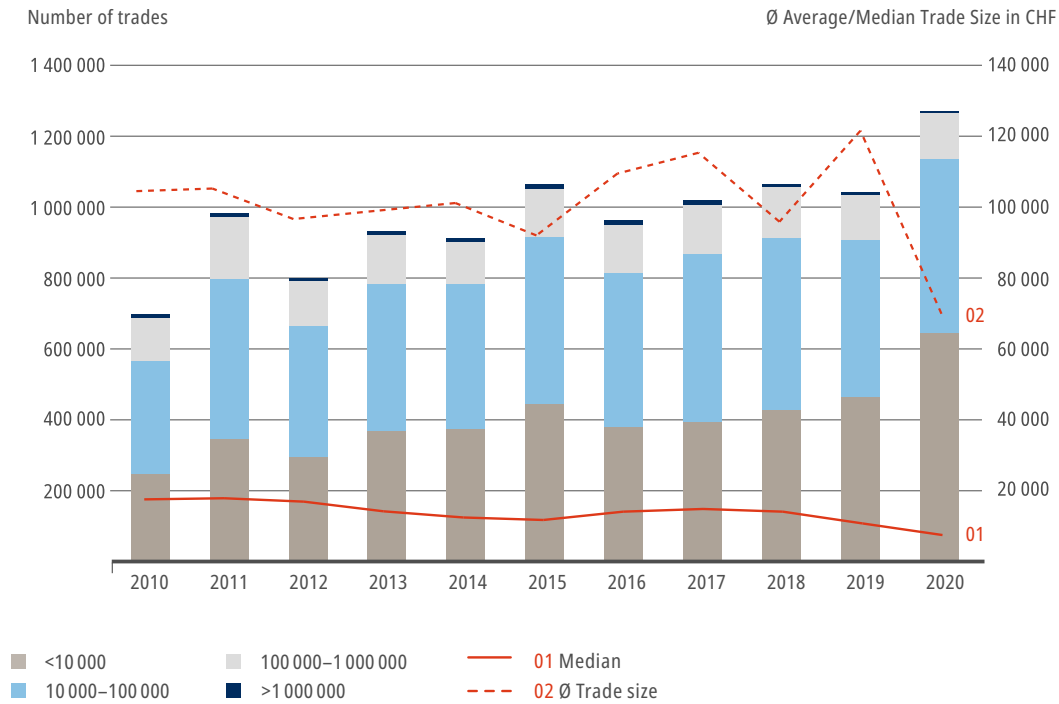
Asset Class	Absolute	Change	Turnover (mn)	Trend
1 Equity Developed Markets	29,10 %	2 %	456	↑
2 Fixed Income	25,02 %	1 %	392	↑
3 Equity Style / Strategy	16,27 %	-2 %	255	↓
4 Equity Themes	14,23 %	-12 %	223	↓
5 Equity Emerging Markets	8,42 %	-4 %	132	↓
6 Commodities	5,81 %	-10 %	91	↓
7 Volatility	0,51 %	0 %	8	→
8 Funds	0,32 %	0 %	5	→
9 Other	0,19 %	0 %	3	→
10 Money Market	0,13 %	-50 %	3	↓
<b>Total</b>	<b>100,00 %</b>		<b>1 567</b>	



Source: Swiss Stock 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)



## 2.2 Number of ETFs on the Swiss Stock Exchange by Market Maker (During the Quarter)

Name	ETFs	Name	ETFs	Name	ETFs
Flow Traders B.V.	1 205	Virtu Financial Ireland Ltd	59	Morgan Stanley	3
Société Générale	937	Deutsche Bank AG London Branch	46		
Optiver VOF	660	Zürcher Kantonalbank	34		
Goldenberg Hehmeyer LLP	297	Credit Suisse Europe	8		
UBS AG	239	Credit Suisse International	8		
BNP Paribas	227	Credit Suisse AG	6		
Finovesta GmbH	153	Raiffeisen Schweiz Genossenschaft	5		
Susquehanna	122	RBC Europe Limited	4		

Source: Swiss Stock Exchange

### Spread-Monitor (Tightest Spreads)

Product	Ticker	TER	Ø Bid Ask Spread (%)
ISHARES EUR GOVT 1-3YR	IBGS	0,20	0,04
ISHARES USD TRSRY 1-3Y USD A	IBTA	0,07	0,05
ISHARES EURO GOVT 5-7YR	IEGY	0,20	0,05
ISHARES CORE S&P 500	CSSPX	0,07	0,05
ISHARES US TREAS 0-1YR USD A	IB01	0,07	0,06
ZKB GOLD ETF AA USD	ZGLDUS	0,40	0,06
ISHARES USD TRSRY 1-3Y USD D	IBTS	0,07	0,06
SPDR BBG 1-3 US TREASURY	TRS3	0,15	0,06
ZKB GOLD ETF AA EUR	ZGLDEU	0,40	0,06
SPDR BBG 3-7 US TREASURY	TRS5	0,15	0,06
X EURO STOXX 50 1D	XESX	0,09	0,06
X S&P500 SWAP	XSPX	0,15	0,06
SPDR BBG 1-3 EURO GOVERNMENT	SYB3	0,15	0,06
INVESCO S&P 500 ACC	SPXS	0,05	0,06
ISHARES SMI ETF CH	CSSMI	0,35	0,06
ISHARES USD TRSRY 1-3Y CHFHA	IBTC	0,10	0,06
VANG S&P500 USDD	VUSA	0,07	0,06
INVESCO NASDAQ-100 DIST	EQQQ	0,30	0,06
INVESCO S&P 500 DIST	SPXD	0,05	0,06
ISHARES USD TRES 7-10Y CHFHA	IDTC	0,10	0,06

Source: Bloomberg

## 2.3 New Listings in the Quarter

First Trading Day	Product	Symbol	Currency	Management Fee	Market Maker
29.09.2020	UBS ETF MSCI USA SRI UCITS ETF (USD) A-dis	USSRID	USD	0,22 %	UBS AG
29.09.2020	UBS ETF MSCI World SRI UCITS ETF (USD) A-dis	WSRID	USD	0,22 %	UBS AG
25.09.2020	Lyxor STOXX Europe 600 Banks UCITS ETF	BNKD	CHF	0,30 %	Flow Traders B.V., Société Générale
25.09.2020	Lyxor STOXX Europe 600 Construction & Materials UCITS ETF	CSTD	CHF	0,30 %	Flow Traders B.V., Société Générale
25.09.2020	Lyxor STOXX Europe 600 Financial Services UCITS ETF	FIND	CHF	0,30 %	Flow Traders B.V., Société Générale
25.09.2020	Lyxor STOXX Europe 600 Retail UCITS ETF	RTAD	CHF	0,30 %	Flow Traders B.V., Société Générale
25.09.2020	Lyxor STOXX Europe 600 Telecommunications UCITS ETF	TELD	CHF	0,30 %	Flow Traders B.V., Société Générale
25.09.2020	Lyxor STOXX Europe 600 Travel & Leisure UCITS ETF	TRVD	CHF	0,30 %	Flow Traders B.V., Société Générale
23.09.2020	Lyxor FTSE 100 UCITS ETF - Dist	100D	CHF	0,14 %	Flow Traders B.V., Optiver VOF, Société Générale
23.09.2020	Lyxor Green Bond (DR) UCITS ETF - Acc	CLIM	CHF	0,25 %	Société Générale
23.09.2020	Lyxor STOXX Europe Select Dividend 30 UCITS ETF - Dist	LYSEL	CHF	0,30 %	Société Générale
22.09.2020	VanEck Vectors Morningstar Global Wide Moat UCITS ETF	GOAT	CHF	0,52 %	Société Générale
18.09.2020	Lyxor Core MSCI Japan (DR) UCITS ETF	LJPN	CHF	0,12 %	Optiver VOF, Société Générale
18.09.2020	Lyxor Smart Overnight Return	SMOR	CHF	0,05 %	Société Générale
17.09.2020	BNP Paribas Easy Energy & Metals Enh. Roll UCITS ETF Cap	GSCU	USD	0,49 %	Optiver VOF
17.09.2020	BNP Paribas Easy Energy & Metals Enh. Roll UCITS ETF EUR	GSCE	EUR	0,49 %	Optiver VOF
17.09.2020	BNP Paribas Easy Energy & Metals Enh. Roll UCITSETFRHEUR	EMEH	EUR	0,49 %	Optiver VOF
15.09.2020	Rize Education Tech and Digital Learn UCITS ETF -USD Acc ETF	LERN	CHF	0,45 %	Société Générale
15.09.2020	Rize Sustainable Future of Food UCITS ETF -USD Acc ETF	ESSN	CHF	0,45 %	Société Générale
11.09.2020	Lyxor Nasdaq-100 UCITS ETF - Dist USD	NADQ	CHF	0,30 %	Flow Traders B.V., Optiver VOF, Société Générale
09.09.2020	HSBC EMERGING MARKET SUSTAINABLE EQUITY UCITS ETF	HSEM	USD	0,18 %	Goldenberg Hehmeyer LLP, Société Générale
04.09.2020	Lyxor Core EURO STOXX 50 (DR) - UCITS ETF - Dist	MCED	CHF	0,30 %	Flow Traders B.V., Optiver VOF, Société Générale
04.09.2020	Lyxor STOXX Europe 600 Automobiles & Parts UCITS ETF - Dist	AUTD	CHF	0,30 %	Flow Traders B.V., Société Générale
04.09.2020	Lyxor STOXX Europe 600 FOOD & BEVERAGE UCITS ETF - Dist	FOOD	CHF	0,30 %	Flow Traders B.V., Société Générale
04.09.2020	Lyxor STOXX Europe 600 Industrial Goods & Services UCITS ETF	INGS	CHF	0,30 %	Flow Traders B.V., Société Générale
04.09.2020	Lyxor STOXX Europe 600 Insurance UCITS ETF - Dist	INSU	CHF	0,30 %	Flow Traders B.V., Société Générale
04.09.2020	Lyxor STOXX Europe 600 Personal & Household Goods UCITS ETF	PHGD	CHF	0,30 %	Flow Traders B.V., Société Générale
04.09.2020	Lyxor STOXX Europe 600 Technology UCITS ETF - Dist	TNOD	CHF	0,30 %	Flow Traders B.V., Société Générale
02.09.2020	HSBC ASIA PACIFIC EX JAPAN SUSTAINABLE EQUITY UCITS ETF	HSXD	USD	0,25 %	Goldenberg Hehmeyer LLP, Société Générale
02.09.2020	HSBC DEVELOPED WORLD SUSTAINABLE EQUITY UCITS ETF	HSWD	USD	0,18 %	Goldenberg Hehmeyer LLP, Société Générale
02.09.2020	HSBC EUROPE SUSTAINABLE EQUITY UCITS ETF	HSEU	EUR	0,15 %	Goldenberg Hehmeyer LLP, Société Générale
02.09.2020	HSBC JAPAN SUSTAINABLE EQUITY UCITS ETF	HSJD	USD	0,18 %	Goldenberg Hehmeyer LLP, Société Générale
02.09.2020	HSBC USA SUSTAINABLE EQUITY UCITS ETF	HSUD	USD	0,12 %	Goldenberg Hehmeyer LLP, Société Générale

## 2.3 New Listings in the Quarter

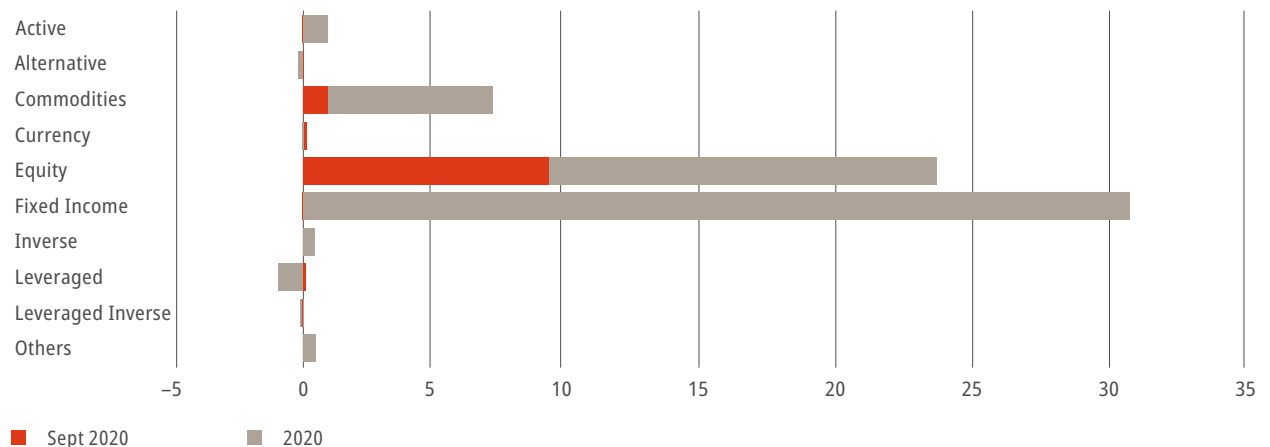
First Trading Day	Product	Symbol	Currency	Management Fee	Market Maker
27.08.2020	Xtrackers II ESG EUR Corp Bond Short Duration UCITS ETF 1C	XZE5	CHF	0,06 %	Flow Traders B.V., Goldenberg Hehmeyer LLP
12.08.2020	UBS ETF Euro Area Liquid Corp Sustainable UCITS hdg USD dis	CBSEUD	USD	0,25 %	Flow Traders B.V.
03.08.2020	UBS (Irl) Fund Solutions Euro Equity Defensive Covered Call	E50CC	EUR	0,26 %	UBS AG
03.08.2020	UBS (Irl) Fund Solutions Euro Equity Defensive Put Write EUR	E50PW	EUR	0,26 %	UBS AG
03.08.2020	UBS (Irl) Fund Solutions US Equity Defensive Covered Call	SPXCC	USD	0,29 %	UBS AG
03.08.2020	UBS (Irl) Fund Solutions US Equity Defensive Put Write USD	SPXPW	USD	0,29 %	UBS AG
31.07.2020	UBS (Irl) ETF plc MSCI ACWI SRI UCITS (USD) A-dis	AWSRI	USD	0,38 %	Flow Traders B.V.
27.07.2020	CSIF (IE) MSCI World ESG Lead Min Vol Blue UCITS ETF B USD	WDMVO	USD	0,25 %	Credit Suisse Europe, Credit Suisse International, Flow Traders B.V.
27.07.2020	WisdomTree Battery Solutions UCITS ETF USD Acc	VOLT	USD	0,40 %	Société Générale
27.07.2020	WisdomTree Cloud Computing UCITS ETF - USD Acc	WCLD	USD	0,40 %	Société Générale
23.07.2020	Lyxor Euro High Yield Sustainable Exposure UCITS ETF - Acc	EHYS	CHF	0,25 %	Société Générale
23.07.2020	Lyxor Global High Yield Sustainable Exposure UCITS ETF - Acc	GHYU	CHF	0,25 %	Société Générale
23.07.2020	Lyxor USD High Yield Sustainable Exposure UCITS ETF - Acc	UHYS	CHF	0,25 %	Société Générale
16.07.2020	Lyxor 1 DAX 50 ESG UCITS ETF	E909	CHF	0,23 %	Société Générale
14.07.2020	UBS (Irl) Fund Solutions MSCI ACWI SF UCITS ETF	ACWISD	SGD	0,21 %	UBS AG
10.07.2020	iShares Edge MSCI Europe Min Vol ESG UCITS ETF EUR (Acc)	MVEE	CHF	0,25 %	BNP Paribas, Société Générale
10.07.2020	iShares Edge MSCI USA Min Vol ESG UCITS ETF USD (Acc)	MVEA	CHF	0,20 %	Optiver VOF, Société Générale
10.07.2020	iShares Edge MSCI World Min Vol ESG UCITS ETF USD (Acc)	MVEW	CHF	0,30 %	Optiver VOF, Société Générale
09.07.2020	Rize Cybersecurity and Data Privacy UCITS ETF USD Acc ETF	CYBR	CHF	0,45 %	Société Générale
09.07.2020	Rize Medical Cannabis & Life Sciences UCITS ETF USD Acc ETF	FLWR	CHF	0,65 %	Société Générale
07.07.2020	Ossiam US Minimum Variance ESG NR UCITS ETF 1A (EUR)	SPMV	EUR	0,65 %	BNP Paribas
07.07.2020	Ossiam US Minimum Variance ESG NR UCITS ETF 1A (USD)	MVUS	USD	0,65 %	BNP Paribas
07.07.2020	Ossiam US Minimum Variance ESG NR UCITS ETF 1D (USD)	USMVD	USD	0,65 %	BNP Paribas
07.07.2020	Ossiam World ESG Machine Learning UCITS ETF 1A (EUR)	OWLE	EUR	0,65 %	BNP Paribas
07.07.2020	Ossiam World ESG Machine Learning UCITS ETF 1A (USD)	OWLU	USD	0,65 %	BNP Paribas
03.07.2020	Lyxor DAX (DR) UCITS ETF	DAXD	CHF	0,15 %	Flow Traders B.V., Optiver VOF, Société Générale
03.07.2020	Lyxor MSCI Eastern Europe ex Russia UCITS ETF	EAST	CHF	0,60 %	Société Générale
03.07.2020	Lyxor MSCI Taiwan UCITS ETF	TWAN	CHF	0,60 %	Société Générale
03.07.2020	Lyxor STOXX Europe 600 Basic Resources UCITS ETF	LBRES	CHF	0,25 %	Flow Traders B.V., Société Générale
03.07.2020	Lyxor STOXX Europe 600 Chemicals UCITS ETF	CHEM	CHF	0,25 %	Flow Traders B.V., Société Générale
03.07.2020	Lyxor STOXX Europe 600 Healthcare UCITS ETF	LHLT	CHF	0,25 %	Flow Traders B.V., Société Générale
03.07.2020	Lyxor STOXX Europe 600 Oil & Gas UCITS ETF	OILG	CHF	0,25 %	Flow Traders B.V., Société Générale
03.07.2020	Lyxor STOXX Europe 600 Utilities UCITS ETF	UTIT	CHF	0,25 %	Flow Traders B.V., Société Générale

Source: Swiss Stock Exchange

The largest asset class, equities, reported assets under management of USD 604 billion at the end of the second quarter, representing a share of 59,94 % (end of March: 59,60 %). The bonds asset class came in second place once again, slightly decreasing its share from 28,04 % to 27,50 %. The commodities asset class gained some ground and ranked third still at 10,29 % (end of December: 9,93 %).

The number of ETFs increased by 59 to 2 264 in the second quarter, while total assets under management rose by USD 132 billion to USD 1,007 trillion. In June, net inflows were posted by all asset classes except the smaller classes of inverse, leveraged, and other. The strongest growth was posted by bonds, followed by equities.

#### Net New Assets per Asset Class (in bn USD)



Source: ETFGI

Asset Classes	ETFs/ETPs	AuM Jun 2020 (in mn USD)	Market Share	Net New Assets (in mn USD)		
				Sept 2020	YTD 2020	YTD 2019
Active	47	13 396	1,2 %	- 57	995	2 676
Alternative	6	123	0,0 %	22	- 223	124
Commodities	279	114 978	10,4 %	875	17 796	7 304
Currency	44	1 343	0,1 %	111	141	75
Equity	1 185	673 606	60,7 %	9 608	23 603	16 579
Fixed income	433	296 095	26,7 %	- 40	30 876	48 855
Inverse	50	2 662	0,2 %	- 13	364	994
Leveraged	161	3 131	0,3 %	92	- 949	- 620
Leveraged Inverse	72	2 339	0,2 %	- 34	- 124	443
Other	11	2 073	0,2 %	7	431	241
<b>Total</b>	<b>2 288</b>	<b>1 109 745</b>	<b>100,0 %</b>	<b>10 570</b>	<b>72 909</b>	<b>76 671</b>

Source: ETFGI



## The ETF Quote on Demand service is an important milestone in the ETF trading ecosystem.




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Pravin joined UBS Asset Management in January 2020 to run the ETF Capital Markets team. His team is the central conduit for the primary and secondary market trading of UBS ETFs. They are available to advise on bespoke ETF trading strategies to maximize liquidity and access tight pricing through NAV and risk methodologies. Before joining UBS, Pravin was a Delta One Trader (ETFs, Swaps, Futures, etc.) for the past 15 years at various investment banks including JPMorgan, Credit Suisse, UniCredit and HSBC. Pravin studied Economics at the University of Cambridge and graduated in 2004.

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Pravin Bagree, Leitung ETF Capital Markets Team, UBS

### How has the ETF trading landscape evolved over the past 10 years?

With the introduction of MIFID 2 and the importance of technology, we have observed that the broker-dealer community has substantially increased in breadth over the past 10 years. Alongside the bulge bracket investment banks, dedicated technology companies have entered the space of providing ETF liquidity directly to clients either on or off exchange. In addition, we have seen an explosion in executed volumes via RFQ (Request For Quote) platforms (over 80% of UCITS ETF flow according to our calculations) as clients see competition in quoting as a key requirement in fulfilling their best execution obligations.

### What issues are currently shaping developments in the ETF sector?

The ETF wrapper continues to grow in popularity as clients prefer the transparency (full holdings published on a daily basis), intraday liquidity (on or off exchange), execution certainty (no swing price concept for NAV trading of ETFs) and tax efficiency of the instrument over other beta alternatives. The robustness of Fixed Income ETFs (FI ETFs) was thoroughly tested during this turbulent year and investors viewed ETFs as the price discovery vehicle of choice. We continue to believe that this segment will drive future ETF AUM as the notional invested in FI ETFs is only a fraction of the total bond market globally across rates, credit and emerging markets. Finally, we observe the resilience of Socially Res-

possible Investing (SRI) as SRI strategies outperformed their market cap competitors both in absolute terms and from a Sharpe ratio perspective. Many of our clients are switching as the cost of implementing SRI strategies is similar to standard beta and the cost of switch can be very low for certain exposures.

**What is important to investors and execution desks when it comes to trading ETFs?**

The Request For Quote channel has firmly embedded the advantages of competition in investors' minds – when trading, but also assessing the consistency of their brokers. When conducting broker reviews, clients are increasingly focused on average ranking in the RFQ process, timely settlement, quoting tight bid offers and not just showing axes and, pertinently, the brokers' ability to provide liquidity during volatile markets where hedging may be difficult due to suspended cash or derivative markets.

**With the release of ETF Quote on Demand this December, the Swiss Stock Exchange launches its STP-supported RFQ-platform for trading ETFs and ETPs on exchange. Where do you see the main advantages of such a service?**

The ETF Quote on Demand service is an important milestone in the ETF trading ecosystem as it attempts to bridge the gap between the RFQ and traditional exchange trading. The introduction of the Central Clea-

ring Counterparty and buy-in rules will impose a strict settlement discipline on counterparties using this service. Prompt settlement is a very important topic for many investors as they can be subject to negative interest rates on excess cash which ultimately impacts performance.

We believe that the market sweep functionality will allow on-exchange investors to benefit from the very tight pricing delivered by the RFQ service. In addition, the netting benefits market makers receive and the STP solution for clients reinforces our view that the ETF Quote on Demand will improve the trading ecosystem and make the liquidity inherent in the wrapper more visible for all clients.

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

We are very positive on the ETF market in Switzerland as we believe that the structural advantages of ETFs will further drive AUM. As self-executed investment grows, ETFs are the obvious wrappers to access different asset classes (developed and emerging market equities, fixed income and commodities).

We forecast continued growth in SRI adoption by Swiss investors due to their overall resilience and regulatory demands on investment mandates. Finally we believe investors will increasingly bifurcate investment returns into asset and FX so currency hedged share classes will continue to be popular.

**INFOBOX**

**Quote on Demand** – or **QOD** for short – is a new order book for trading in ETFs and ETPs that will be launched in December 2020 by the Swiss Stock Exchange. QOD offers institutional investors the opportunity to directly trade with the major liquidity providers in Europe via bidding process. QOD is much more than just a normal «request for quote» service: By integrating the platform into the existing trading system, QOD provides seamless trade settlements via central counterparties (CCP) and offers trading, clearing and settlement in a fully automated, straight-through processing environment. Through the ability to interact with the existing order book, QOD enables all investors to achieve superior execution results in ETF and ETP products.



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