



THE SWISS STOCK EXCHANGE

ETF Market Report

4th Quarter 2020

Number of
the Quarter

398 361

Number of ETF transactions
on the Swiss Stock Exchange in Q4 2020

Highest issuer
market share

37,39 %

UBS

45

Number of New Listings
in the 4th Quarter 2020

Best Performance in the
4th Quarter 2020

47,01 %

ISHARES GLOBAL CLEAN ENERGY (INRG)

1 270,61 Mio.

Top Turnover Single ETF

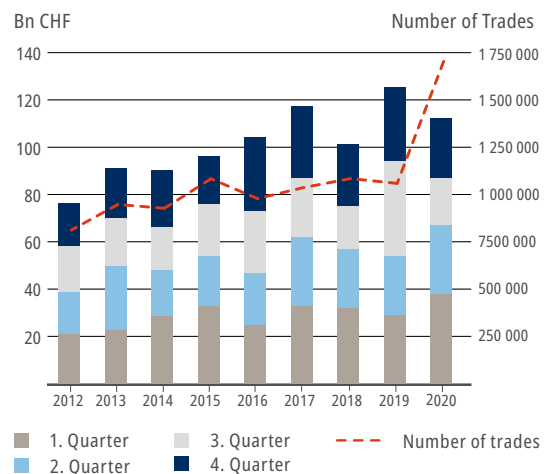
Volume of most-traded product in Q4 2020
UBS FUND MSCI ACWI SF H-USD (ACWIU)

Rising turnover

After a slight correction in October, the global stock markets developed positively until the end of the year. The prospect of imminent vaccination raised hopes that the pandemic would soon be overcome, bringing about a strong recovery of the global economy. On the stock market, this news prompted investors to focus increasingly on cyclical sectors and the long-neglected commodities, as well as on the still booming technology sector. To cushion the negative impact of COVID-19, many governments launched additional stimulus programs and central banks stuck to their expansionary policy. Democrat challenger Joe Biden's victory over the incumbent president Donald Trump in the US presidential elections held in early November gave the markets another boost in terms of traded volumes. Some relief was provided by the agreement reached just before the end of the year between the EU and the UK regarding the terms of Britain's withdrawal from the European Union. This dispelled the risk of customs tariffs and established a sound basis for future cooperation.

The revived optimism on the stock markets caused trade on the Swiss ETF market to pick up. Turnover increased on a broad basis, rising by 23,28 % compared to the previous quarter, while the number of transactions marked an increase of 10,16 %. In 2020, the number of trades

ETF Turnover Development



Source: Swiss Stock Exchange

exceeded the previous year's level by a whole 60,40 %. In the case of ticket sizes below CHF 10 000, the increase came to as much as 86,13 %. The ongoing expansion of the ETF supply continued in the fourth quarter. Including the 45 ETFs newly listed on the Swiss Stock Exchange, the total number rose to 1 598 as of the end of the year.

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1.1 ETF Turnover and Number of Trades

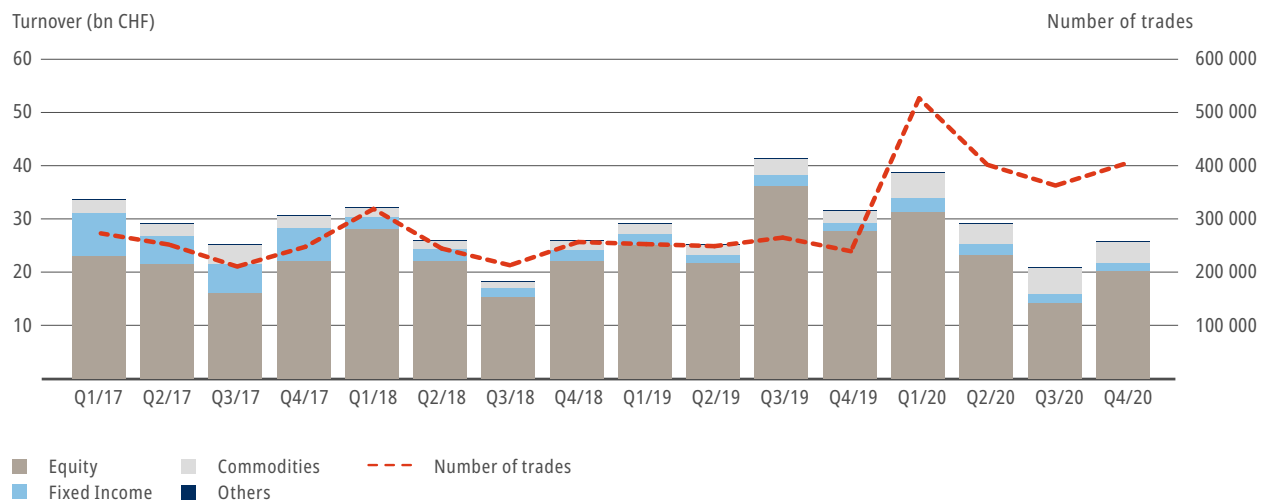
Compared to the third quarter, the trading volume in the fourth quarter was considerably higher in the asset class of equities, which reported by far the most turnover, whereas in the asset classes of bonds and commodities it was somewhat lower. Commodity ETFs once again recorded the second-highest turnover. Since overtaking fixed income ETFs already in the second quarter of 2019, they have gradually widened their lead. The slight decrease in turnover for commodity ETFs was mainly attributable to precious metal ETFs as a result of the continued correction for the underlyings gold and silver. Bond ETFs, which ranked third in terms of turnover, benefited in the final quarter from the introduction of new offers with a focus on sustainability. However, they also continued to suffer from the low interest rate environment. In the fourth quarter, equity ETFs accounted for 78,67 % of total turnover (third quarter: 67,98 %), followed by commodity ETFs with 14,74 % (third quarter: 23,63 %) and bond ETFs with 6,05 % (third quarter: 8,05 %), while the minor category of “other ETFs” accounted for 0,35 %.

The 20 most-traded ETFs were dominated by ETFs based on the Swiss indices SPI and SMI and the US equity indices S&P 500 and Nasdaq, as well as on the precious metals gold and silver. However, the list of the most-traded ETFs was headed by the INRG ETF in the fourth quarter. The second- and third-highest turnover was generated by the two gold ETFs ZGLD from ZKB and AUCHAH from UBS.

Top-20 Most Traded ETFs

Product	Turnover (mn CHF)	Trend
UBS FUND MSCI ACWI SF H-USD	1 270,61	↑
UBS FUND MSCI ACWI SF H-CHF	1 042,57	↑
UBS FUND MSCI ACWI SF H-EUR	995,73	↑
LYXOR S&P 500 UCITS ETF	945,18	↑
LYX ETF EURO STOXX 50 (DR) DIS	738,86	↑
ZKB GOLD ETF (USD)	524,79	↓
iSh Core S&P500 USD Acc	421,10	↑
ZKB GOLD ETF	399,05	↓
iSh Core SPI (CH) CHF Dis	335,95	↑
iSh SMI (CH) CHF Dis	331,40	↑
UBSETF MSCI USA VALUE USD DIS	329,22	↑
UBSETF MSCI EMU SRI EUR ACC	312,75	↑
ZKB GOLD ETF (EUR)	312,28	↑
Invesco EQQQ	310,88	↑
Lyxor S&P Eurozone (EU PAB)	286,31	↑
UBSETF SMI CHF DIS	256,83	↑
UBSETF GOLD H-CHF DIS	225,33	↓
ZKB Gold ETF hedged (CHF)	215,48	↓
UBSETF GOLD USD DIS	210,58	↓
iSh Core S&P500 USD Dis	196,88	↑

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 again in the fourth 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 47,01 % between the end of September and the end of December. Next in line were ETFs focusing on electric mobility and batteries. ETFs based on bank equities were also sought-after, as were the long-neglected blue chips of our eastern neighbor Austria, grouped together in the ATX.

ETFs that leverage falling share prices performed weakly in the fourth quarter. For example, the LYDSD ETF, which is doubly leveraged on the ShortDAX, suffered the biggest loss at 16,49 %. The losers also included ETFs on gold mining shares such as the GGMCHY ETF on the Solactive

Global Pure Gold Miners Index. In the case of gold mining shares, the downward trend that had lasted since August intensified after the announcement of successful vaccines in November, which galvanized investors. Since then, cyclical securities have gained the upper hand on the stock markets at the expense of defensive sectors.

A large number of trades were recorded again in the fourth quarter. Trading activity focused in particular on ETFs based on the precious metals of gold and silver. The highest number of trades (7 811) was attributable to ZGLD, an ETF on gold from ZKB. Among ETFs based on equity indices, CHSPI from BlackRock/iShares, based on the Swiss overall market index SPI, was the most frequently traded. By contrast, the highest-turnover ACWIU ETF on the MSCI ACWI with Developed Markets 100 % hdg to USD recorded only 531 trades.

Top-10 ETFs Best Performance

Product	Symbol	Performance	Trend
ISHARES GLOBAL CLEAN ENERGY	INRG	47,01	↑
LYXOR MSCI FUTURE MOBILITY	ELCR	44,99	↑
WT BATTERY SOLUTIONS-USD ACC	VOLT	43,82	↑
L&G BATTERY VALUE-CHAIN	BATT	40,22	↑
RIZE MED CANNABIS UCITS ETF	FLWR	39,51	↑
ISHARES EURO STOXX BANKS 30-	SX7EEX	37,71	↑
INVESCO ESTOXX OPT BANKS	S7XE	36,39	↑
LYXOR ATX DR UCITS ETF	CBATXEU	34,97	↑
LYXOR ATX DR UCITS ETF	CBATX	34,03	↑
INVESCO STX 600 OPT BANKS	X7PS	33,02	↑

Source: Bloomberg

Top-10 ETFs Worst Performance

Product	Symbol	Performance	Trend
LYXOR DAILY SHORTEX X2	LYDSD	-16,49	↓
UBS ETF SOL. GL. PURE GOLD	GGMCHY	-14,24	↓
UBS ETF SOL. GL. PURE GOLD	GGMUSY	-14,10	↓
LYXOR SMI DAILY -2X INVERSE	LYSSL	-11,89	↓
L&G GOLD MINING UCITS ETF	AUCO	-11,86	↓
LYXOR EURO STOXX 50 -1X INV	CBSX5SEU	-11,62	↓
LYXOR NYSE ARCA GOLD BUGS DR	CBGOLDUS	-11,58	↓
LYXOR EURO STOXX 50 -1X INV	CBSX5S	-11,37	↓
LYXOR NYSE ARCA GOLD BUGS DR	CBGOLD	-11,28	↓
VANECK GOLD MINERS ETF	GDX	-11,25	↓

Source: Bloomberg

Top-10 ETFs Number of Trades (Tickets)

Product	Symbol	No. of Trades	Trend
iSh Glob Clean Enrgy USD Dis	INRG	10 550	↑
ZKB GOLD ETF	ZGLD	7 811	↓
UBSETF GOLD H-CHF DIS	AUCHAH	7 081	↓
iSh Core SPI (CH) CHF Dis	CHSPI	5 778	↑
ZKB Silver ETF - A (CHF)	ZSIL	5 766	↓
UBSETF GOLD USD DIS	AUUSI	5 261	↓
iSh Nasdaq 100 USD Acc	CSNDX	5 200	↓
iSh Core S&P500 USD Acc	CSSPX	5 184	↑
UBSETF SMI CHF DIS	SMICHA	5 080	↑
iSh SMI (CH) CHF Dis	CSSMI	5 015	↑

Source: Swiss Stock Exchange

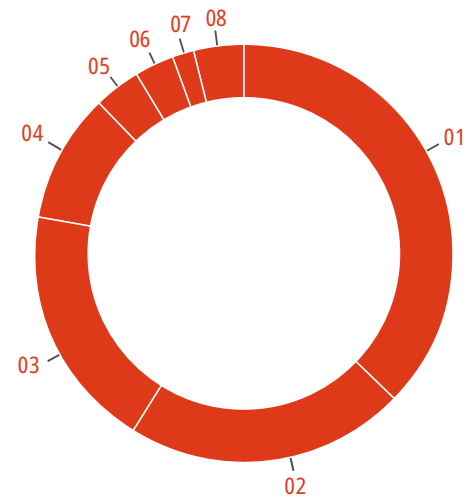
1.3 Turnover by Product Provider

UBS continued to lead the turnover ranking ahead of BlackRock/iShares, Lyxor, which climbed back to third place, and ZKB. The share of total turnover attributable to these four issuers came to 87,92 % in the fourth quarter. The other 24 providers had to be satisfied with turnover

below the billion mark and market shares of 3,66 % or lower. With its thematic offer, the Rize ETF posted the biggest advance in percentage terms among the ETFs with lower turnover.

ETF Turnover by Product Provider

Issuer	Products	Turnover (mn CHF)	Market Share	Trend
UBS-ETF	335	9 429,22	37,39	↑
iShares	359	5 423,86	21,51	↓
Lyxor	221	4 824,07	19,13	↑
ZKB ETFs	34	2 497,19	9,90	↓
Invesco	82	922,32	3,66	↑
Xtrackers	104	779,86	3,09	↑
SPDR ETF	96	387,67	1,54	↓
HSBC	37	197,16	0,78	↑
Vanguard	29	187,56	0,74	↑
Amundi	69	150,64	0,60	↓
Van Eck Global	21	94,08	0,37	↓
BNP Paribas	29	92,94	0,37	↑
Credit Suisse Index Fund	8	62,10	0,25	↓
Raiffeisen	5	37,77	0,15	↓
WisdomTree	45	27,79	0,11	↑
Legal & General	12	25,80	0,10	↓
Franklin Templeton	19	16,52	0,07	↑
JPMorgan	27	15,16	0,06	↓
Ossiam Lux	12	14,03	0,06	↓
HANetf	5	10,64	0,04	↑
Fidelity	11	6,23	0,03	↓
Rize UCITS ICAV	4	6,04	0,02	↑
Pimco	16	5,71	0,02	↓
Goldman Sachs	3	2,44	0,01	↑
China Post Global	3	2,38	0,01	↓
OSSIAM IRL ICAV	7	0,42	0,00	↓
Nomura	4	0,24	0,00	↑
First Trust	1	0,21	0,00	↓
	1 598	25 220,04	100,00	



01	37,39 %	UBS-ETF
02	21,51 %	iShares
03	19,13 %	Lyxor
04	9,90 %	ZKB ETFs
05	3,66 %	Invesco
06	3,09 %	Xtrackers
07	1,54 %	SPDR ETF
08	3,79 %	übrige Emittenten

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
UBS FUND MSCI ACWI SF H-USD	1 271	↑
UBS FUND MSCI ACWI SF H-CHF	1 043	↑
UBS FUND MSCI ACWI SF H-EUR	996	↑
LYXOR S&P 500 UCITS ETF	945	↑
LYX ETF EURO STOXX 50 (DR) DIS	739	↑

Source: Swiss Stock Exchange

Fixed Income & Money Market

Product	Turnover (mn CHF)	Trend
iSh Core CorpBnd (CH) CHF Dis	121	↓
iSh \$ TreasBnd 7-10 USD Dis	65	↑
UBSETF EU LiqCorSust EUR ACC	43	↑
iSh Core EUR GovtBnd EUR Dis	38	↑
iSh \$ TIPS USD Acc	37	↓

Source: Swiss Stock Exchange

Equity Emerging Market

Product	Turnover (mn CHF)	Trend
LYXOR MSCI INDIA ACC - EUR	108	↑
iSh Core MSCI EM IMI USD Acc	105	↓
HSBC MSCI CHINA UCITS ETF	100	↑
Lyxor MSCI AC APEJ - Acc	90	↑
LY MSCI BRAZIL - ACC	79	↓

Source: Swiss Stock Exchange

Commodities

Product	Turnover (mn CHF)	Trend
ZKB GOLD ETF (USD)	525	↓
ZKB GOLD ETF	399	↓
ZKB GOLD ETF (EUR)	312	↑
UBSETF GOLD H-CHF DIS	225	↓
ZKB GOLD ETF HEDGED (CHF)	215	↓

Source: Swiss Stock Exchange

Equity Style / Strategy / Themes

Product	Turnover (mn CHF)	Trend
UBSETF MSCI USA VALUE USD DIS	329	↑
iSh Glob Clean Enrgy USD Dis	195	↔
Lyxor STOXX EU 600 Banks	192	↔
UBSETF SMIM CHF DIS	164	↑
LYXOR STOXX EU 600 BASIC RES	153	↑

Source: Swiss Stock Exchange

Volatility

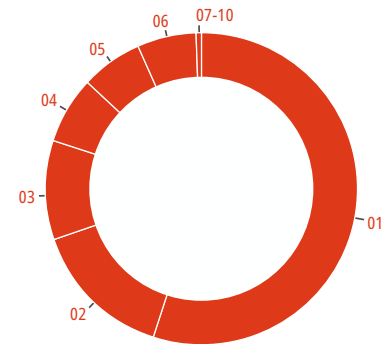
Product	Turnover (mn CHF)	Trend
iSh Edg MSCI Wrld MinVol Acc	5	↓
iSh Edg MSCI EM MinVol Acc	3	↔
UBSETF FAC US LO VOL USD DIS	1	↓
UBSETF FAC EMU LO VOL H-EUR DI	1	↑
iSh Edg S&P500 MinVol Acc	1	↔

Source: Swiss Stock Exchange

1.5 Trading Details

Turnover by Asset Classes

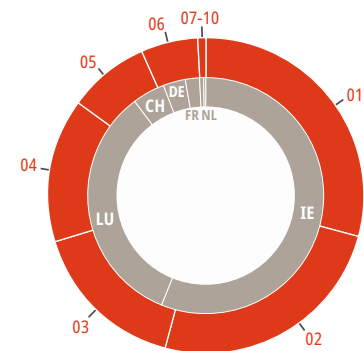
Asset Class	Absolute	Change	Turnover (mn)	Trend
1 Equity Developed Markets	55,14 %	-5 %	13 905,54	↓
2 Commodities	14,74 %	2 %	3 716,29	↑
3 Equity Themes	10,25 %	31 %	2 584,06	↑
4 Equity Style / Strategy	6,91 %	0 %	1 742,04	↑
5 Equity Emerging Markets	6,54 %	-31 %	1 648,21	↓
6 Fixed Income	6,03 %	-75 %	1 520,60	↓
7 Funds	0,35 %	23 %	88,24	↑
8 Volatility	0,04 %	-90 %	10,57	↓
9 Money Market	0,02 %	-93 %	4,35	↓
10 Other	0,00 %	-87 %	0,15	↓
Total	100,00 %		25 220,04	



Source: Swiss Stock Exchange

Number of ETs on the Swiss Stock Exchange by Asset Class

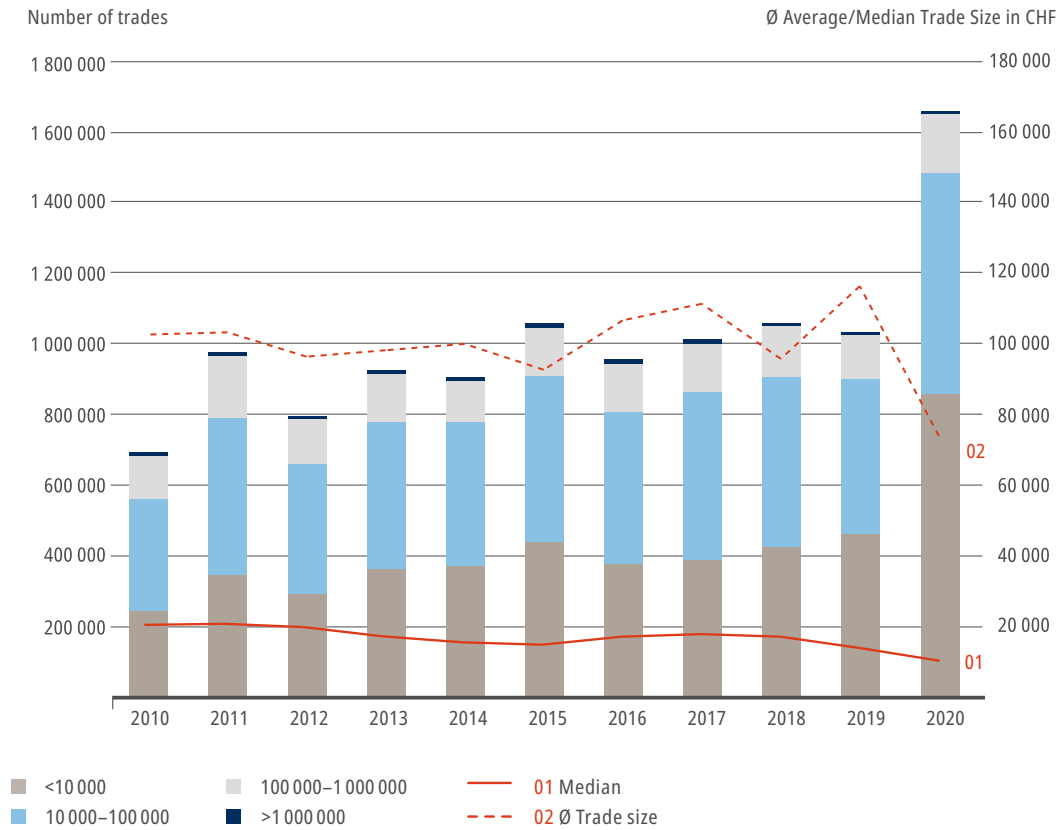
Asset Class	Absolute	Change	Turnover (mn)	Trend
1 Equity Developed Markets	29,29 %	3 %	468	↑
2 Fixed Income	24,97 %	2 %	399	↑
3 Equity Style / Strategy	16,02 %	0 %	256	↑
4 Equity Themes	14,83 %	6 %	237	↑
5 Equity Emerging Markets	8,39 %	2 %	134	↑
6 Commodities	5,69 %	0 %	91	→
7 Volatility	0,56 %	13 %	9	↑
8 Money Market	0,06 %	-67 %	1	↓
9 Funds	0,13 %	0 %	2	→
10 Other	0,06 %	-80 %	1	↓
Total	100,00 %		1 598	



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)



Source: Swiss Stock Exchange

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

Name	ETFs	Name	ETFs
Flow Traders B.V.	1 234	Virtu Financial Ireland Ltd	59
Société Générale	993	Deutsche Bank AG London Branch	47
Optiver VOF	704	Zürcher Kantonalbank	34
Goldenberg Hehmeyer LLP	308	Credit Suisse International	8
UBS AG	232	Credit Suisse AG	6
BNP Paribas	230	Raiffeisen Schweiz Genossenschaft	5
Finovesta GmbH	167	Morgan Stanley	4
Susquehanna	116	RBC Europe Limited	3

Source: Swiss Stock Exchange

Spread-Monitor (Tightest Spreads)

Product	Ticker	TER	Ø Bid Ask Spread (%)
X DAX	XDAX	0,09	0,04
X SHORTDAX DAILY SWAP	XSDX	0,40	0,04
LYXOR SMART OVERNIGHT RETURN	SMOR	0,05	0,04
X EURO STOXX 50 1D	XESX	0,09	0,04
SPDR BBG 1-3 US TREASURY	TRS3	0,15	0,05
ISHARES EUR GOVT 1-3YR	IBGS	0,20	0,05
ISHARES EURO GOVT 0-1YR	IEGE	0,20	0,05
ISHARES USD TRSRY 1-3Y USD A	IBTA	0,07	0,05
ISHARES USD TRSRY 1-3Y USD D	IBTS	0,07	0,05
ISHARES US TREAS 0-1YR USD A	IB01	0,07	0,06
SPDR BBG 1-3 EURO GOVERNMENT	SYB3	0,15	0,06
X USD TREASURIES	XUTD	0,07	0,06
ISHAR EB.REXX GVT GERMANY DE	RXRGEX	0,16	0,06
ISHARES CORE FTSE 100	ISF	0,07	0,06
SPDR BBG 3-7 US TREASURY	TRS5	0,15	0,06
ISHARES EURO GOVT BOND 1-3Y	CSBGE3	0,20	0,06
ISHARES TRSY 1-3YR USD ACC B	CSBGU3	0,07	0,06
ISHARES USD TRSRY 1-3Y CHFHA	IBTC	0,10	0,06
ISHARES EURO GOVT 5-7YR	IEGY	0,20	0,06
ISHARES CORE S&P 500	IUSA	0,07	0,07

Source: Bloomberg

2.3 New Listings in the Quarter

First Trading Day	Product	Symbol	Currency	Management Fee	Market Maker
22.12.2020	Invesco S&P 500 ESG UCITS ETF Acc	5PXE	USD	0,09 %	Société Générale
17.12.2020	HSBC HANG SENG TECH UCITS ETF	HSTE	USD	0,50 %	Goldenberg Hehmeyer LLP, Société Générale
15.12.2020	VanEck Vectors Semiconductor UCITS ETF	SMHV	CHF	0,35 %	Société Générale
03.12.2020	JPM CARBON TRANSITION GLOBAL EQUITY UCITS ETF USD ACC	JPCT	USD	0,19 %	Goldenberg Hehmeyer LLP, Société Générale
16.11.2020	Franklin S&P 500 Paris Aligned Climate UCITS ETF	USPA	USD	0,15 %	Société Générale
16.11.2020	Franklin STOXX Europe 600 Paris Aligned Climate UCITS ETF	PARI	EUR	0,15 %	Société Générale
12.11.2020	iShares EUR Corp Bond ESG UCITS ETF CHF Hedged (Acc)	SUOC	CHF	0,17 %	Goldenberg Hehmeyer LLP, Société Générale
12.11.2020	iShares Global Govt Bond UCITS ETF CHF Hedged (Acc)	IGLC	CHF	0,25 %	Flow Traders B.V., Société Générale
11.11.2020	L&G Clean Energy UCITS ETF USD Accumulating ETF	RENW	CHF	0,49 %	Flow Traders B.V.
09.11.2020	Ossiam ESG LC Shiller Barc. CAPE US Sector UCITS ETF 1A EUR	SHEE	EUR	0,75 %	BNP Paribas
09.11.2020	Ossiam ESG LC Shiller Barc. CAPE US Sector UCITS ETF 1A USD	SHED	USD	0,75 %	BNP Paribas
06.11.2020	iShares Govt Bond Climate UCITS ETF EUR (Acc)	SECA	EUR	0,09 %	Flow Traders B.V., Société Générale
06.11.2020	iShares S&P 500 Swap UCITS ETF USD (Acc)	I500	USD	0,07 %	Optiver VOF, Société Générale
06.11.2020	iShares US Medical Devices UCITS ETF USD (Acc)	UMDV	USD	0,25 %	Optiver VOF, Société Générale
05.11.2020	Invesco Euro Corporate Hybrid Bond UCITS ETF Dist	EHYB	EUR	0,39 %	Flow Traders B.V.
05.11.2020	Lyxor \$ Floating Rate Note UCITS ETF - Dist	BUOY	CHF	0,10 %	Société Générale
28.10.2020	Lyxor World Water UCITS ETF - Dist	LYWAT	CHF	0,60 %	Flow Traders B.V., Société Générale
28.10.2020	Multi Units France - Lyxor New Energy UCITS ETF	LYNRJ	CHF	0,60 %	Flow Traders B.V., Société Générale
21.10.2020	UBS ETF JPMA GL GOV ESG LIQ BOND UCITS ETF (hUSD) A-acc	ESGGBD	USD	0,20 %	Deutsche Bank AG London Branch
14.10.2020	iShares MSCI World SRI UCITS ETF CHF Hedged (Dist)	SCWS	CHF	0,23 %	Optiver VOF, Société Générale
14.10.2020	iShares MSCI World SRI UCITS ETF EUR Hedged (Dist)	SESW	EUR	0,23 %	Optiver VOF, Société Générale
14.10.2020	iShares MSCI World SRI UCITS ETF GBP Hedged (Dist)	SGWS	GBP	0,23 %	Optiver VOF, Société Générale
14.10.2020	iShares MSCI World SRI UCITS ETF USD Hedged (Dist)	SUWU	USD	0,23 %	Optiver VOF, Société Générale
08.10.2020	Lyxor Core Global Government Bond (DR) UCITS ETF Dist USD	GOVD	CHF	0,09 %	Flow Traders B.V., Société Générale
08.10.2020	Lyxor MSCI EM Climate Change UCITS ETF	CLEM	CHF	0,30 %	Flow Traders B.V., Société Générale
08.10.2020	Lyxor MSCI Europe Climate Change (DR) UCITS ETF	CLEU	CHF	0,25 %	Flow Traders B.V., Société Générale
08.10.2020	Lyxor MSCI USA Climate Change UCITS ETF	CLUS	CHF	0,25 %	Flow Traders B.V., Société Générale
08.10.2020	Lyxor MSCI World Climate Change (DR) UCITS ETF	CLWD	CHF	0,30 %	Flow Traders B.V., Société Générale
08.10.2020	Lyxor S&P 500 Paris-Aligned Climate (EU PAB) (DR) UCITS ETF	PABU	CHF	0,20 %	Flow Traders B.V., Société Générale
08.10.2020	Lyxor S&P Europe Paris-Aligned Climate (EU PAB) (DR) ETF	RPAB	CHF	0,20 %	Flow Traders B.V., Société Générale
08.10.2020	Lyxor S&P Eurozone Paris-Aligned Climate (EU PAB) (DR) ETF	EPAB	CHF	0,20 %	Flow Traders B.V., Société Générale
08.10.2020	Lyxor S&P Global Developed Paris-Aligned Climate	GPAB	CHF	0,20 %	Flow Traders B.V., Société Générale
08.10.2020	Xtrackers CSI300 Swap UCITS ETF 1C	XCHA	CHF	0,30 %	Goldenberg Hehmeyer LLP, Société Générale
08.10.2020	Xtrackers ESG USD Corporate Bond UCITS ETF 1C	XZBU	USD	0,06 %	Flow Traders B.V., Goldenberg Hehmeyer LLP
08.10.2020	Xtrackers MSCI World Communication Services UCITS ETF 1C	XWTS	CHF	0,15 %	Goldenberg Hehmeyer LLP, Société Générale
08.10.2020	Xtrackers MSCI World Industrials UCITS ETF 1C	XDWI	CHF	0,15 %	Goldenberg Hehmeyer LLP, Société Générale

2.3 New Listings in the Quarter

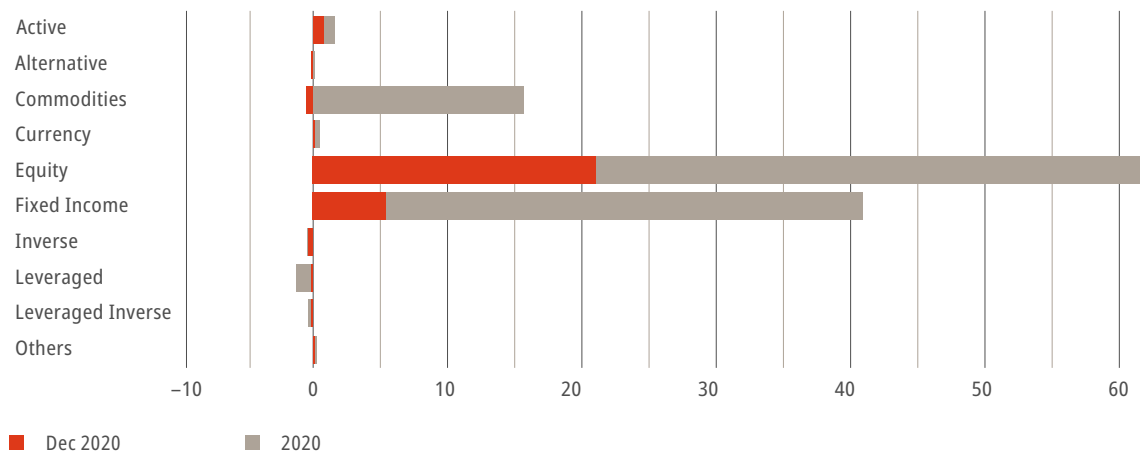
First Trading Day	Product	Symbol	Currency	Management Fee	Market Maker
08.10.2020	Xtrackers MSCI World Materials UCITS ETF 1C	XDWM	CHF	0,15 %	Goldenberg Hehmeyer LLP, Société Générale
08.10.2020	Xtrackers MSCI World Minimum Volatility UCITS ETF 1C	XDEB	USD	0,15 %	Goldenberg Hehmeyer LLP, Société Générale
08.10.2020	Xtrackers MSCI World Momentum UCITS ETF 1C	XDEM	USD	0,15 %	Goldenberg Hehmeyer LLP, Société Générale
08.10.2020	Xtrackers MSCI World Quality UCITS ETF 1C	XDEQ	USD	0,15 %	Goldenberg Hehmeyer LLP, Société Générale
08.10.2020	Xtrackers MSCI World Utilities UCITS ETF 1C	XDWU	CHF	0,15 %	Goldenberg Hehmeyer LLP, Société Générale
08.10.2020	Xtrackers US Treasuries Ultrashort Bond UCITS ETF 1C	XT01	USD	0,01 %	Flow Traders B.V., Goldenberg Hehmeyer LLP
06.10.2020	Lyxor Nasdaq-100 UCITS ETF - Dist USD	NADQ	USD	0,22 %	Finovesta GmbH, Société Générale
06.10.2020	OSSIAM EURO GOV BONDS 3-5Y CARBON REDUCTION ETF 1C (EUR)	OG35	EUR	0,17 %	BNP Paribas
01.10.2020	JPM USD Corp Bond Research Enhanced Index UCITS ETF USD dist	JIGB	USD	0,19 %	Goldenberg Hehmeyer LLP

Source: Swiss Stock Exchange

The largest asset class, equities, reported assets under management of USD 820 billion at the end of the fourth quarter, representing a share of 63,88 % (end of September: 60,70 %). The bonds asset class came in second place once again as its share decreased further from 26,68 % to 24,96 %. The commodities asset class still ranked third at 8,95 % (end of September: 10,36 %).

The number of ETFs increased by 20 to 2 308 in the third quarter, while total assets under management rose by USD 174 billion to USD 1 284 trillion. In December, all classes with the exception of inverse ETFs, leveraged inverse ETFs, and commodity ETFs recorded small single-digit increases in turnover compared with the year to date. The greatest increase was attributable to active ETFs at 5,26 %.

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)		
				Dec 2020	YTD 2020	YTD 2019
Active	52	15 335	1,2 %	806	1 734	3 386
Alternative	6	101	0,0 %	3	-55	174
Commodities	280	114 905	9,0 %	-604	15 684	8 686
Currency	47	3 376	0,3 %	127	403	85
Equity	1 187	819 909	63,9 %	21 609	62 478	51 723
Fixed income	441	320 341	25,0 %	5 575	40 969	61 018
Inverse	50	2 011	0,2 %	-224	278	360
Leveraged	162	3 421	0,3 %	-69	-1 178	-1 015
Leveraged Inverse	72	1 963	0,2 %	-116	-227	443
Other	11	2 207	0,2 %	63	395	323
Total	2 308	1 283 569	100,0 %	27 170	119 925	125 183

Source: ETFGI



The conversion of Mutual Funds into ETFs could be a trend to be aware of.



Jason is a co-founder and operations lead at Rize ETF. He is a veteran of the industry with experience across the complete setup and management of ETFs. Jason was previously Head of ETF Operations and Portfolio Management at Legal & General Investment Management, and prior to that, Co-Head of the Canvas ETF platform at ETF Securities.



Jason Kennard, Co-Founder, Rize ETF

What is your speciality?

Rize ETF is a thematic ETF issuer, which means that we think about tomorrow's most exciting, innovative and meaningful growth stories and enable today's investors to access those growth stories via our ETFs.

The business started in Ernst in February 2020 with the launch of our first two products - Rize Cybersecurity and Data Privacy UCITS ETF and Rize Medical Cannabis and Life Sciences UCITS ETF. This was followed in September with first to market themes in Europe - Rize Sustainable Future of Food UCITS ETF and Rize Education Tech and Digital Learning UCITS ETF.

We are pleased to announce that in the first ten months in the life of Rize ETF, we have managed to raise USD 90 million in AUM. This was quite a challenge because not long after the listing of the first products we went into a national lockdown and work from home order due to COVID-19. The global pandemic has meant that there was no face to face meetings allowed with our investors and clients, and everything moved to telephone or zoom meetings.

Rize ETF works with experts in the relevant theme or sector to create unique exposures with our mantra of Future First ETFs. The Rize Sustainable Future of Food

UCITS ETF is a clear example of this, and we believe that food and in particular sustainable food will be one of the essential topics we will face. The global food system is a complex web of activities involving the production, processing, transport, and consumption. Issues concerning the food system include the governance and economics of food production, its sustainability, how food production affects the natural environment and the impact of food on our health.

What issues are currently shaping developments in the ETF sector?

Active ETFs is one area for further understanding and development within the ETF sector. While Europe has started to see this type of exposure, it is well behind the number of similar products already built and being developed in the U.S. market. There is, of course, the issue of the transparent and non-transparent portfolios, so perhaps this will drive the next set of development in this space.

The conversion of Mutual Funds into ETFs could be a trend to be aware of, and again this is more U.S. centric for the time being. We have seen two U.S. asset managers convert some of their mutual funds into exchange-traded funds - Texas-based Dimensional Fund Advisors and Guinness Atkinson. The former also launched some stand-alone ETFs and Guinness Atkinson, a smaller California boutique, was converting their Mutual Funds into ETF format.

Sustainable and ESG investing are perhaps one of the most significant changes not just in ETFs but the whole of the fund management industry. Whether individuals or companies, most are waking up for the need to change how they invest and nowadays people want safe, secure and steady sustainable returns. In September, the "Big Four" accountancy firms agreed on a common framework to cover ESG reporting standards. What was once rare is now becoming the new normal.

What are your clients focusing on in the current environment?

Sustainable investing is hard to ignore, and more and more companies care about ESG and rightly so. ESG is a topic that will continue to develop for the foreseeable

future and hopefully become more transparent and more aligned to a broad set of principles rather than different interpretations.

Of course, a return on investment is always on our client's mind, although there are no guarantees in life, what has become even more evident with COVID-19. But I am pleased to report overall thematic exposures have performed well, with some outperforming the more traditional benchmarks. The working from home culture has undoubtedly created some opportunities for cybercriminals. They are looking to take advantage of systems or firewalls that are not up to company strength or indeed where there are no security measures or something as simple as a weak password which can be breached using a brute force attack. Because of these attacks cybersecurity companies, whether in hardware, software, consulting or active identification, are working relentlessly to protect companies and infrastructures from these types of attacks. It is not hard to understand these firms have performed well during the recent pandemic and will continue to do so especially in light of almost weekly attacks with the Gmail attack being the most recent which suffered a massive data breach.

What changes do you have planned?

Rize ETF is busy with the next batch of exciting products which should be ready for listing in Switzerland in Q1 2021. It is a bit too early to mention the exposures, but they will be in a similar vein to our existing range with global equities. Also, we are making several hires in business development and some other vital areas of the company in the first half of the year.

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

We see continued growth and opportunities in the Swiss market place and expect the number of ETF listings to grow. I believe there is more than CHF 6 trillion worth of assets under management for both domestic and international clients so it is an essential market for Rize ETF to be involved with. Our new ETFs will be listed and registered for sale in Switzerland in due course. It is also interesting to see what is happening in the crypto valley - Zug and all the new companies, as well as existing companies supporting the whole Bitcoin /

Cryptocurrency infrastructure. I read recently that in Zug you can now pay your taxes using Bitcoin (BTC) or Ethereum (ETH) which is a real endorsement of this space.

In Switzerland, the second-biggest bank in Spain, BBVA, has announced it is preparing to launch a trading and

custody service for digital assets, initially targeted at Bitcoin. The Swiss Stock Exchange, SIX and the custody firm, Custodigit, are launching a service to help banks and their clients to obtain access to cryptos. So perhaps we will see more Bitcoin and other Cryptocurrency ETPs soon.

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