

ETF Market Report

2. Quarter 2019

Number of
the Quarter

257,707

Number of ETF transactions
on SIX in Q2 2019

16.83 %

**Best Performance in
2. Quarter 2019**

Comstage ETF DJ Russia GDR
(Ticker: CBRUS)

83

**Number of New Listings
in the 2. Quarter 2019**

1,558.47 Mio.

Top Turnover Single ETF

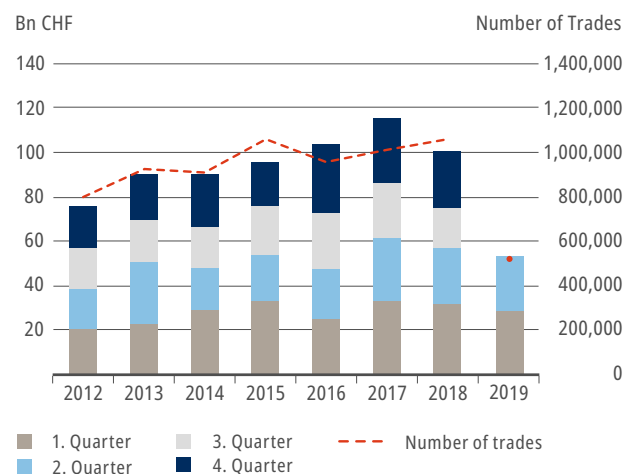
Volume of most-traded product in Q2 2019
UBS ETF on MSCI ACWI with Developed Markets
100 % hdg to USD TR (ticker: ACWIU)

“La hausse amène la hausse”

The old stock market saying is still as valid as ever. Although equities have been rising for some time now, recently it seems that they are rising primarily because they are rising. Optimists point to the abundant liquidity at central banks, the low interest rates, which make alternatives to equities unattractive, and the US Federal Reserve’s recent announcement that it will lower its prime rates again for the first time in a long time at the end of July. Pessimists cite the high fundamental valuations, the numerous geopolitical risks, and the unresolved indebtedness of many countries. At present, the optimists very clearly have the upper hand. Things are going particularly smoothly on the domestic stock market. The Swiss Market Index SMI® broke past the threshold of 10,000 points for the first time in June and closed the first half of the year at 9,898.24 points – more than 400 points higher than at the end of March 2019. Although the G20 summit at the end of June did not bring any major triumphs, the US and China agreed to resume trade talks, which was positively acknowledged by the stock markets. As such, there are currently several indications that the favorable stock market conditions are likely to continue, especially since the central banks are still willing to provide the markets with the necessary liquidity.

The Swiss ETF market is still in a robust condition. After the positive first quarter, the second quarter was characterized by consolidation. Trading turnover was almost on a par with the previous year, while the number of trades increased somewhat. The sustained momentum is reflected in the number of new listings, which increased to 83 in the second quarter as against 43 in the first quarter. On May 2, the number of ETFs traded on SIX reached 1,500 for the first time. The Swiss Exchange operated by SIX thus consolidated its position as a leading global ETF destination. It is among the top 3 ETF exchanges in Europe. This strong position is thanks not least to the fact that it decided to enter the market back in 2000. It was thus much earlier than some of its 26 European competitors.

ETF Turnover Development



Source: SIX

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1.1 ETF Turnover and Number of Trades

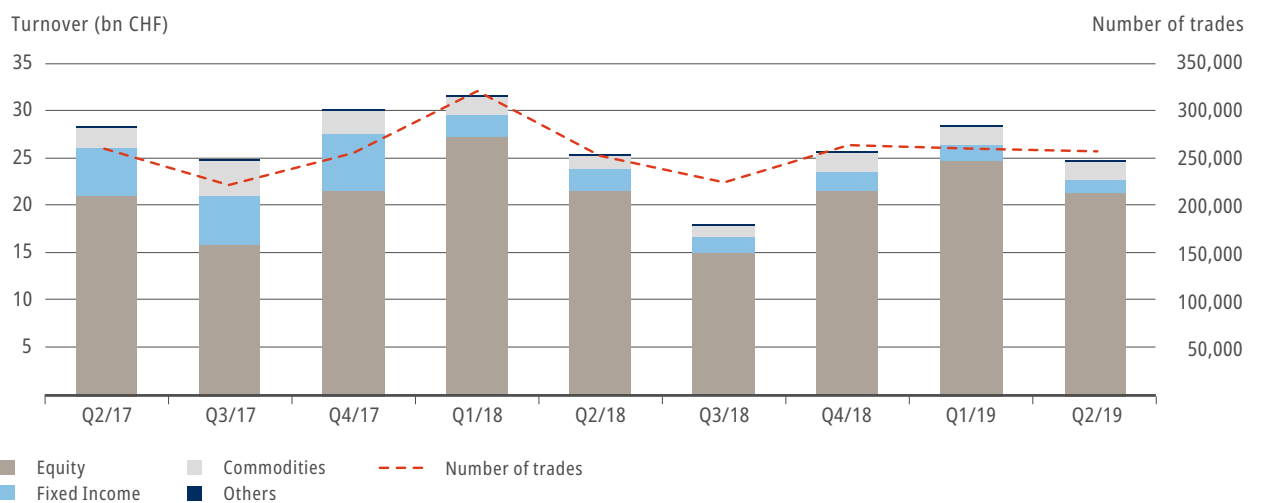
Despite the favorable stock market conditions, turnover in equity ETFs saw a mixed development. Some emerging markets (including China) suffered from reticence on the part of investors due to latent trade conflicts with the US. Among the industrialized nations, Japan is lagging behind somewhat. By contrast, the domestic stock market developed very positively. The partly divergent developments here resulted in a slight decline in turnover in equities overall in the second quarter. The same applies to the asset class of bonds. These are increasingly suffering from the low-interest environment that is taking hold more and more in the US, too. The smallest decline in turnover was recorded by the asset class of commodities, which are benefiting from renewed interest in gold. This is reflected in the CHF 1.44 billion that was traded in 26 gold ETFs last quarter. With an 85.70% share of the total quarterly ETF turnover (Q1: 86.44%), equity ETFs were still the undisputed market leader, now followed by commodities ETFs at 7.39% and bond ETFs at 6.62%.

In the second quarter, the list of the top 20 most-traded ETFs was still dominated by ETFs based on broadly diversified market indicators. The highest turnover in the period from April to June 2019 was once again posted by ACWIU, an ETF from UBS based on the MSCI ACWI and hedged in USD, followed by ACWIS, an ETF from UBS based on the MSCI ACWI and hedged in CHF, and ACWIE, an ETF from UBS based on the MSCI ACWI and hedged in EUR. Eleven of the 20 most-traded ETFs boosted their turnover against the previous quarter. This held particularly true for a number of ETFs from the provider Lyxor.

Top-20 Most Traded ETFs

| Product | Turnover (mn CHF) | Trend |
|--------------------------------|-------------------|-------|
| UBS ETF MSCI ACWI SF H-USD ACC | 1,558.47 | ↓ |
| UBS ETF MSCI ACWI SF H-CHF ACC | 1,385.55 | ↓ |
| UBS ETF MSCI ACWI SF H-EUR ACC | 1,174.49 | ↓ |
| LYXOR ETF S&P 500 | 891.04 | ↑ |
| UBS ETF MSCI JAPAN JPY ACC | 797.68 | ↑ |
| iSh Core S&P500 USD Acc | 586.98 | ↑ |
| LYX ETF MSCI EUROPE DIS | 539.17 | ↑ |
| LYX ETF EURO STOXX 50 (DR) DIS | 446.58 | ↑ |
| UBS ETF MSCI EM SF USD ACC | 428.43 | ↓ |
| UBS ETF MSCI JAPAN JPY DIS | 409.03 | ↑ |
| LYX ETF MSCI USA DIS | 367.32 | ↑ |
| ZKB GOLD ETF | 313.66 | ↑ |
| iSh SMI (CH) CHF Dis | 306.17 | ↓ |
| UBS ETF SMI CHF DIS | 287.95 | ↓ |
| Invesco EQQQ | 243.69 | ↓ |
| ZKB GOLD ETF (USD) | 238.06 | ↑ |
| iSh Core SPI (CH) CHF Dis | 236.32 | ↑ |
| iSh Core MSCI EMU EUR Acc | 228.29 | ↓ |
| iSh Core S&P500 USD Dis | 223.19 | ↓ |
| Lyxor MSCI USA UCITS ETF | 217.26 | ↑ |

Source: SIX



Source: SIX

1.2 Top-10 – Selected Changes in the Overall Market

In the second quarter, ETFs focusing on Russia or gold dominated the top of the performance rankings. The Comstage ETF DJ Russia GDR (symbol: CBRUS) topped the rankings with a total return of just under 17% (converted into CHF).

ETFs that leverage falling equity indices once again particularly faced losses, as did ETFs based on platinum, Japan, or UK real estate. LYDSD, an ETF from Lyxor on the ShortDAX Daily 2x Inverse, brought up the rear in the last quarter. It lost almost 14% over this three-month period (converted into CHF).

Based on the number of tickets traded, the ETF CSSPX on the S&P 500 was in the lead in the second quarter, followed by the ETF CHSPI on the Swiss Performance Index. In third place again was the ETF IUSA, also on the S&P 500. After jumping from ninth to seventh place in the first quarter, the ZKB ETF ZGLD on gold kept climbing up the rankings to fifth place in the second quarter. With the ETF AUUSI from UBS based on gold, now in tenth place, a second non-equity-based ETF managed to enter the phalanx of the ten most-traded products.

Top-10 ETFs Best Performance

| Product | Symbol | Performance | Trend |
|------------------------------|--------|-------------|-------|
| COMSTAGE ETF DJ RUSSIA GDR | CBRUS | 16.83 | ↑ |
| UBS ETF SOL, GL, PURE GOLD | GGMUSY | 15.67 | ↑ |
| HSBC MSCI RUSSIA CAPPED UCIT | HRUB | 15.26 | ↑ |
| LYXOR MSCI RUSSIA | LYRUD | 14.21 | ↑ |
| iSHARES MSCI RUSSIA ADR/GDR | CSRU | 13.70 | ↑ |
| LYXOR MSCI ACWI GOLD-ACC | GLDU | 12.75 | ↑ |
| X LEVDAX DAILY SWAP | XLDX | 12.72 | ↑ |
| iSHARES GOLD PRODUCERS | IAUP | 12.46 | ↑ |
| LYXOR DAILY LEV DAX | LYLVD | 12.39 | ↑ |
| L&G GOLD MINING UCITS ETF | AUCO | 12.13 | ↑ |

Source: Bloomberg

Top-10 ETFs Worst Performance

| Product | Symbol | Performance | Trend |
|------------------------------|--------|-------------|-------|
| LYXOR DAILY SHORTEX X2 | LYDSD | -13.87 | ↓ |
| LYXOR SMI DAILY -2X INVERSE | LYSSL | -13.29 | ↓ |
| CMSTG US TRY BD FTR 2XSH TR | CB25DS | -9.34 | ↓ |
| UBS ETF CMCI EX AGRU GBP | CCXAG | -8.60 | ↓ |
| GAM PHYS PLATINUM – GBP AX | JBPLGX | -8.53 | ↓ |
| WISDOMTREE JAPAN EQY-GBP HDG | DXJP | -7.84 | ↓ |
| iSHARES UK PROPERTY | IUKP | -7.79 | ↓ |
| AMUNDI JAP TOPIX UC-GBP | TPHG | -7.52 | ↓ |
| COMSTAGE ETF SHORTEX TR | CBDAXS | -7.38 | ↓ |
| AMUNDI JPX-NIKKEI 400 UCITS | JPHG | -7.34 | ↓ |

Source: Bloomberg

Top-10 ETFs Number of Trades (Tickets)

| Product | Symbol | No. of Trades | Trend |
|------------------------------|--------|---------------|-------|
| iSh Core S&P500 USD Acc | CSSPX | 5,642 | ↓ |
| iSh Core SPI (CH) CHF Dis | CHSPI | 4,480 | ↑ |
| iSh Core S&P500 USD Dis | IUSA | 4,459 | ↓ |
| iSh Nasdaq 100 USD Acc | CSNDX | 4,314 | ↓ |
| ZKB GOLD ETF | ZGLD | 4,301 | ↑ |
| iSh SMI (CH) CHF Dis | CSSMI | 4,100 | ↓ |
| iSh Core MSCI EM IMI USD Acc | EIMI | 3,756 | ↑ |
| UBS ETF SXI RE FUNDS CHF DIS | SRECHA | 3,465 | ↑ |
| iSh SMIM (CH) CHF Dis | CSSMIM | 3,352 | ↓ |
| UBS ETF GOLD USD DIS | AUUSI | 3,336 | ↑ |

Source: SIX

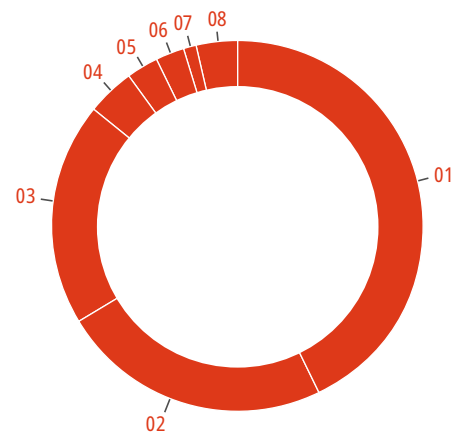
1.3 Turnover by Product Provider

UBS maintained its lead in the turnover ranking. However, its share fell from 52.17% to 43.18%. BlackRock/iShares remained in second place with a slightly lower market share of 23.66% compared to the previous quarter. Lyxor, which was in third place again, marked a big leap forward

in terms of its market share, rising by 8.46% to 19.46% in the second quarter. The remaining providers, once again headed by ZKB, have significantly lower market shares compared to the three leading issuers. However, they managed to increase their shares slightly overall.

ETF Turnover by Product Provider

| Issuer | Products | Turnover (mn CHF) | Market Share | Trend |
|--------------------|--------------|-------------------|---------------|-------|
| UBS-ETF | 320 | 10,676.94 | 43.18 | ↓ |
| iShares | 325 | 5,850.64 | 23.66 | ↓ |
| Lyxor | 115 | 4,812.74 | 19.46 | ↑ |
| ZKB ETFs | 14 | 916.66 | 3.71 | ↑ |
| Xtrackers | 91 | 667.44 | 2.70 | ↑ |
| Invesco | 91 | 610.50 | 2.47 | ↑ |
| Amundi | 68 | 300.43 | 1.22 | ↑ |
| SPDR ETF | 89 | 209.78 | 0.85 | ↓ |
| Julius Bär | 32 | 180.21 | 0.73 | ↓ |
| Vanguard | 30 | 129.60 | 0.52 | ↑ |
| ComStage | 160 | 127.48 | 0.52 | ↑ |
| HSBC | 31 | 84.60 | 0.34 | ↑ |
| Raiffeisen | 5 | 44.38 | 0.18 | ↑ |
| Nomura | 4 | 27.26 | 0.11 | ↑ |
| BNP Paribas | 28 | 17.87 | 0.07 | ↓ |
| JPMorgan | 25 | 17.66 | 0.07 | ↑ |
| Ossiam Lux | 16 | 11.72 | 0.05 | ↓ |
| China Post Global | 6 | 10.92 | 0.04 | ↑ |
| Van Eck Global | 9 | 9.78 | 0.04 | ↑ |
| Legal & General | 5 | 9.24 | 0.04 | ↓ |
| WisdomTree | 45 | 7.93 | 0.03 | ↑ |
| Fidelity | 5 | 3.76 | 0.02 | ↑ |
| UniCredit | 2 | 0.91 | 0.00 | ↓ |
| First Trust | 2 | 0.53 | 0.00 | ↓ |
| Franklin Templeton | 17 | 0.14 | 0.00 | ↓ |
| | 1,535 | 24,729.13 | 100.00 | |



| | | |
|----|---------|---------------|
| 01 | 43.18 % | UBS-ETF |
| 02 | 23.66 % | iShares |
| 03 | 19.46 % | Lyxor |
| 04 | 3.71 % | ZKB ETFs |
| 05 | 2.70 % | Xtrackers |
| 06 | 2.47 % | Invesco |
| 07 | 1.22 % | Amundi |
| 08 | 3.61 % | other issuers |

Source: SIX

1.4 Top-5 Selected Changes per Asset Class

Equity Developed Market

| Product | Turnover (mn CHF) | Trend |
|--------------------------------|----------------------|-------|
| UBS ETF MSCI ACWI SF H-USD ACC | 1,558 | ↓ |
| UBS ETF MSCI ACWI SF H-CHF ACC | 1,386 | ↓ |
| UBS ETF MSCI ACWI SF H-EUR ACC | 1,174 | ↓ |
| LYXOR ETF S&P 500 | 891 | ↑ |
| UBS ETF MSCI JAPAN JPY ACC | 798 | ↑ |

Source: SIX

Fixed Income & Money Market

| Product | Turnover (mn CHF) | Trend |
|-------------------------------|----------------------|-------|
| iSh \$ TreasBnd 3-7y USD Acc | 123 | ↑ |
| iSh Core CorpBnd (CH) CHF Dis | 113 | ↓ |
| iSh \$ TreasBnd 7-10 USD Dis | 89 | ↓ |
| iSh JPM \$ EM Bnd USD Dis | 77 | ↓ |
| iSh \$ HY CorpBnd USD Acc | 65 | ↑ |

Source: SIX

Equity Emerging Market

| Product | Turnover (mn CHF) | Trend |
|------------------------------|----------------------|-------|
| UBS ETF MSCI EM SF USD ACC | 428 | ↓ |
| AMUNDI MSCI EMERG MKTS ETF | 162 | ↑ |
| Lyxor MSCI Emerging Markets | 143 | ↑ |
| iSh Core MSCI EM IMI USD Acc | 136 | ↑ |
| UBS ETF MSCI EM USD ACC | 104 | ↑ |

Source: SIX

Commodities

| Product | Turnover (mn CHF) | Trend |
|---------------------------|----------------------|-------|
| ZKB GOLD ETF | 314 | ↑ |
| ZKB GOLD ETF (USD) | 238 | ↑ |
| UBS ETF GOLD USD DIS | 161 | ↑ |
| ZKB GOLD ETF HEDGED (CHF) | 122 | ↑ |
| UBS ETF GOLD H-CHF DIS | 110 | ↓ |

Source: SIX

Equity Style / Strategy / Themes

| Product | Turnover (mn CHF) | Trend |
|------------------------------|----------------------|-------|
| iSh SMIM (CH) CHF Dis | 212 | ↓ |
| Lyxor Robotics & AI | 189 | ↑ |
| Lyxor STOXX EU 600 Oil & Gas | 140 | ↓ |
| UBS ETF SMIM CHF DIS | 136 | ↓ |
| UBS ETF SPI MID CHF DIS | 107 | ↑ |

Source: SIX

Volatility

| Product | Turnover (mn CHF) | Trend |
|---------------------------------|----------------------|-------|
| iSh Edg MSCI EM MinVol Acc | 13 | ↑ |
| iSh Edg MSCI Wrld MinVol Acc | 5 | ↓ |
| UBS ETF FAC US LO VOL USD DIS | 5 | ↓ |
| iSh Edg MSCI Europ MinVol Acc | 2 | ↑ |
| UBS ETF FAC EMU LO VOL H-EUR DI | 2 | ↓ |

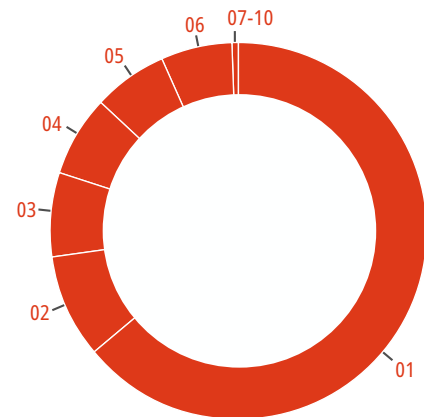
Source: SIX

1.5 Trading Details

Turnover by Asset Classes

| Asset Class | Absolute | Change | Turnover (mn) | Trend |
|----------------------------|----------------|--------|------------------|-------|
| 1 Equity Developed Markets | 63.79% | 8% | 15,775.18 | ↑ |
| 2 Equity Emerging Markets | 8.72% | -9% | 2,155.58 | ↓ |
| 3 Commodities | 7.39% | -50% | 1,827.43 | ↓ |
| 4 Equity Themes | 7.05% | -11% | 1,744.09 | ↓ |
| 5 Fixed Income | 6.62% | -73% | 1,636.00 | ↓ |
| 6 Equity Style / Strategy | 6.02% | -14% | 1,489.06 | ↓ |
| 7 Funds | 0.29% | 1% | 72.61 | ↑ |
| 8 Volatility | 0.12% | -73% | 28.60 | ↓ |
| 9 Money Market | 0.00% | -99% | 0.42 | ↓ |
| 10 Other | 0.00% | -86% | 0.16 | ↓ |
| Total | 100.00% | | 24,729.13 | |

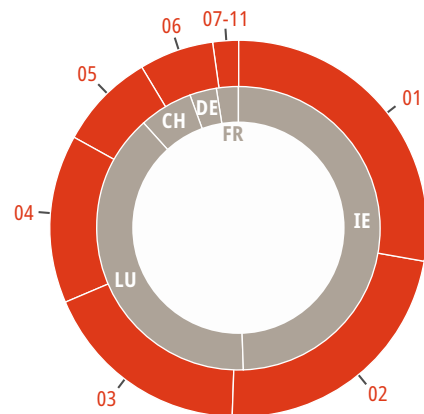
Source: SIX



Number of ETFs on SIX by Asset Class

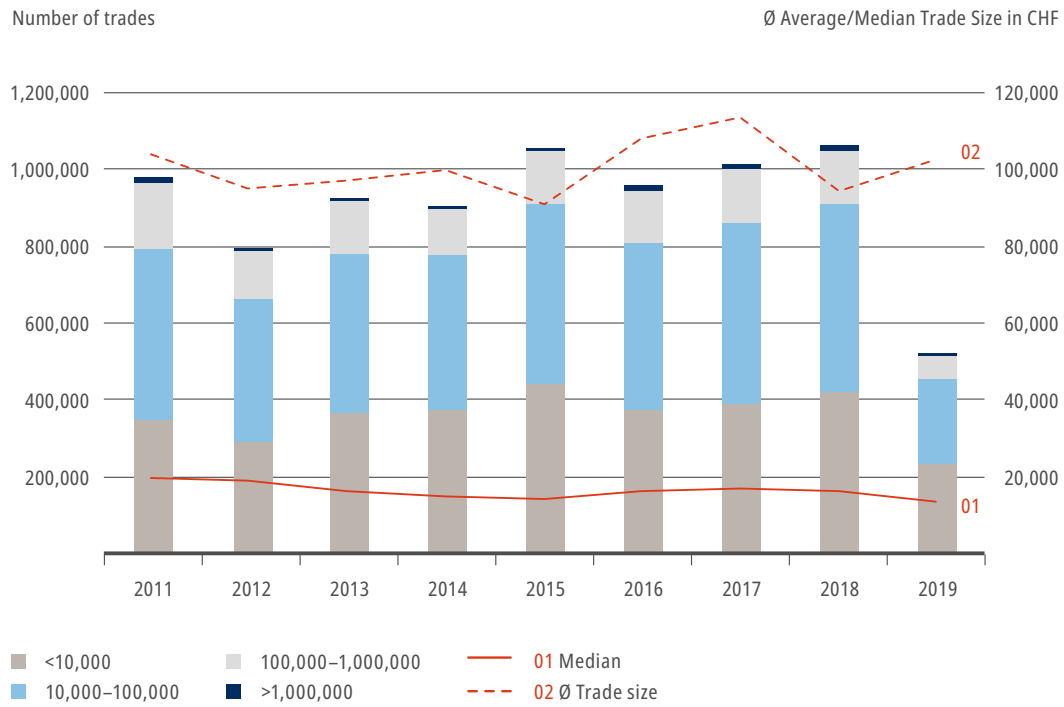
| Asset Class | Absolute | Change | Number* | Trend |
|----------------------------|----------------|--------|--------------|-------|
| 1 Equity Developed Markets | 27.88% | 5% | 428 | ↑ |
| 2 Fixed Income | 23.00% | 8% | 353 | ↑ |
| 3 Equity Style / Strategy | 17.79% | 2% | 273 | ↑ |
| 4 Equity Themes | 14.59% | 0% | 224 | → |
| 5 Equity Emerging Markets | 8.60% | 6% | 132 | ↑ |
| 6 Commodities | 6.64% | 3% | 102 | → |
| 7 Volatility | 0.52% | 0% | 8 | → |
| 8 Money Market | 0.39% | 0% | 6 | → |
| 9 Funds | 0.33% | 0% | 5 | → |
| 8 Other | 0.20% | 0% | 3 | → |
| 10 Currencies | 0.07% | 0% | 1 | → |
| Total | 100.00% | | 1,535 | |

Source: SIX



*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

2.2 Number of ETFs on SIX by Market Maker (During the Quarter)

| Name | ETFs | Name | ETFs | Name | ETFs |
|-------------------------|-------|-----------------------------------|------|----------------------------|------|
| Flow Traders B.V. | 1,203 | Société Générale | 187 | Morgan Stanley | 3 |
| Commerzbank AG | 1,025 | Virtu Financial Ireland Ltd | 59 | J.P. Morgan Securities PLC | 2 |
| Susquehanna | 416 | Deutsche Bank AG London Branch | 50 | | |
| IMC Trading B.V. | 411 | Bank Julius Bär & Co. AG | 34 | | |
| Optiver VOF | 352 | Zürcher Kantonalbank | 14 | | |
| Goldenberg Hehmeyer LLP | 278 | Credit Suisse AG | 6 | | |
| UBS AG | 235 | Raiffeisen Schweiz Genossenschaft | 5 | | |
| BNP Paribas | 189 | Finovesta GmbH | 3 | | |

Source: SIX

Spread-Monitor (Tightest Spreads)

| Product | Ticker | TER | Ø Bid Ask Spread (%) |
|------------------------------|--------|------|----------------------|
| X SHORTDAX DAILY SWAP | XSDX | 0.40 | 0.03 |
| X EURO STOXX 50 1D | XESX | 0.09 | 0.03 |
| X DAX | XDAX | 0.09 | 0.03 |
| X MSCI EMU | XD5E | 0.12 | 0.03 |
| X S&P500 SWAP | XSPX | 0.15 | 0.03 |
| X SWITZERLAND 1D | XSMI | 0.30 | 0.03 |
| X EURO STOXX 50 1C | XESC | 0.09 | 0.03 |
| iSHARES TRSY 1-3YR USD ACC B | CSBGU3 | 0.07 | 0.03 |
| X MSCI EMERGING MARKETS | XMME | 0.20 | 0.03 |
| iSHARES CORE FTSE 100 | ISF | 0.07 | 0.03 |
| iSHARES EUR GOVT 1-3YR | IBGS | 0.20 | 0.03 |
| iSHARES CORE EURO CORP BOND | IEAC | 0.20 | 0.03 |
| iSHARES USD TRSRY 1-3Y USD D | IBTS | 0.07 | 0.04 |
| iSHARES EURO ULTRASHORT BOND | ERNE | 0.09 | 0.04 |
| X LEVDAX DAILY SWAP | XLDX | 0.35 | 0.04 |
| iSHARES CORE MSCI EUROPE | IMEU | 0.12 | 0.04 |
| iSHARES EURO CORP 1-5YR | SE15 | 0.20 | 0.04 |
| iSHARES EURO GOVT 3-5Y | IBGX | 0.20 | 0.04 |
| iSHARES CORE EURO STOXX 50 | EUNE | 0.10 | 0.04 |
| iSHARES CORE DAX UCITS ETF D | DAXEX | 0.16 | 0.04 |

Source: Bloomberg

2.3 New Listings in the Quarter

| First Trading Day | Product | Symbol | Currency | Management Fee | Market Maker |
|-------------------|--|--------|----------|----------------|--|
| 28.06.2019 | Franklin FTSE India UCITS ETF | FLXI | USD | 0.19% | Susquehanna |
| 28.06.2019 | iShares \$ Corp Bond UCITS ETF CHF Hedged (Acc) | LQCE | CHF | 0.25% | Goldenberg Hehmeyer LLP, Société Générale |
| 28.06.2019 | iShares \$ Treasury Bond 1-3yr UCITS ETF CHF Hedged (Acc) | IBTC | CHF | 0.10% | Commerzbank AG, Flow Traders B.V. |
| 28.06.2019 | iShares \$ Treasury Bond 7-10yr UCITS ETF CHF Hedged (Acc) | IDTC | CHF | 0.10% | Commerzbank AG, Flow Traders B.V. |
| 28.06.2019 | iShares MSCI Saudi Arabia Capped UCITS ETF USD (Acc) | IKSA | USD | 0.60% | Flow Traders B.V., Goldenberg Hehmeyer LLP |
| 28.06.2019 | UBS (Irl) ETF plc Global Gender Equality (USD) A-dis | GENDED | CHF | 0.20% | UBS AG |
| 28.06.2019 | UBS (Irl) ETF plc MSCI ACWI ESG Universal (USD) A-dis | AWESG | CHF | 0.38% | Commerzbank AG |
| 28.06.2019 | UBS (Irl) ETF plc MSCI ACWI SRI UCITS (USD) A-dis | AWSRI | CHF | 0.38% | UBS AG |
| 26.06.2019 | Lyxor Core MSCI Jap (DR) UCITS ETF- Daily Hedged to GBP -Acc | LYJPG | GBP | 0.20% | IMC Trading B.V., Société Générale |
| 26.06.2019 | Lyxor Core US TIPS (DR) UCITS ETF- Monthly Hedged GBP- Dis | LYUSG | GBP | 0.20% | Flow Traders B.V., Société Générale |
| 21.06.2019 | JPM BetaBuilders US Treasury Bond UCITS ETF - GBP Hed acc | BBTP | GBP | 0.10% | Commerzbank AG, Goldenberg Hehmeyer LLP |
| 19.06.2019 | Franklin FTSE Brazil UCITS ETF | FLXB | USD | 0.19% | Susquehanna |
| 19.06.2019 | Franklin FTSE China UCITS ETF | FLXC | USD | 0.19% | Susquehanna |
| 19.06.2019 | Franklin FTSE Korea UCITS ETF | FLXK | USD | 0.09% | Susquehanna |
| 19.06.2019 | Franklin Liberty Euro Green Bond UCITS ETF | FLRG | EUR | 0.30% | Susquehanna |
| 19.06.2019 | Franklin LibertyQ Emerging Markets UCITS ETF | FLXE | CHF | 0.55% | Susquehanna |
| 19.06.2019 | Franklin LibertyQ Global Equity SRI UCITS ETF | FLXG | CHF | 0.40% | Susquehanna |
| 19.06.2019 | Franklin LibertyQ U.S. Equity UCITS ETF | FLXU | CHF | 0.25% | Susquehanna |
| 19.06.2019 | SPDR MSCI World UCITS ETF | SWRD | USD | 0.12% | Commerzbank AG |
| 17.06.2019 | HSBC MSCI SAUDI ARABIA 20/35 CAPPED UCITS ETF | HMSA | USD | 0.50% | Goldenberg Hehmeyer LLP |
| 13.06.2019 | Ly Core Global Inflation-Link 1-10Y Bond (DR) UCITS ETF-H to CHF | GISC | CHF | 0.20% | Flow Traders B.V., Société Générale |
| 13.06.2019 | Ly Core Global Inflation-Link 1-10Y Bond (DR) UCITS ETF-H to EUR | GISE | EUR | 0.20% | Flow Traders B.V., Société Générale |
| 13.06.2019 | Ly Core Global Inflation-Link 1-10Y Bond (DR) UCITS ETF-H to USD | GISU | USD | 0.20% | Flow Traders B.V., Société Générale |
| 13.06.2019 | Ly Core Global Inflation-Linked 1-10Y Bond (DR) UCITS ETF - Dist | GIST | CHF | 0.12% | Flow Traders B.V., Société Générale |
| 13.06.2019 | UBS (Irl) ETF plc MSCI World UCITS ETF (USD) A-acc | WRDUSW | USD | 0.30% | Commerzbank AG |
| 13.06.2019 | UBS ETF JPM EM Multi-Fac Enhanced Loc Curr ETF (USD) A-acc | EMLOCA | USD | 0.47% | Deutsche Bank AG London Branch |
| 13.06.2019 | UBS ETF MSCI Emerging Markets Soc Resp UCITS USD A-Acc | MSRUSB | USD | 0.35% | Commerzbank AG |
| 07.06.2019 | iShares Global Corp Bond UCITS ETF CHF Hedged (Acc) | CORC | CHF | 0.25% | Goldenberg Hehmeyer LLP, Société Générale |
| 07.06.2019 | iShares Global HY Corp Bond UCITS ETF CHF Hedged (Acc) | HYLC | CHF | 0.55% | Flow Traders B.V., Goldenberg Hehmeyer LLP, Société Générale |
| 27.05.2019 | UBS (Irl) ETF plc Global Gender Equality (hd USD) A-acc | GENDEW | CHF | 0.30% | Commerzbank AG |
| 27.05.2019 | UBS (Irl) ETF plc MSCI ACWI ESG Universal (hd USD) A-acc | AWESGW | CHF | 0.48% | Commerzbank AG |
| 27.05.2019 | UBS (Irl) ETF plc MSCI ACWI SRI UCITS ETF (hd USD) A-acc | AWSRIW | CHF | 0.48% | Commerzbank AG |
| 24.05.2019 | LYXOR MSCI INDIA UCITS ETF Acc - EUR | LYINC | CHF | 0.85% | Flow Traders B.V., Société Générale |
| 24.05.2019 | Lyxor Smart Cash - UCITS ETF C-GBP | LYSMG | GBP | 0.05% | Flow Traders B.V., Société Générale |
| 16.05.2019 | iShares J.P. Morgan \$ EM Bond UCITS ETF CHF Hedged (Acc) | EMCH | CHF | 0.50% | Goldenberg Hehmeyer LLP, Société Générale |

Quelle: SIX

2.3 New Listings in the Quarter

| First Trading Day | Product | Symbol | Currency | Management Fee | Market Maker |
|-------------------|---|--------|----------|----------------|---|
| 03.05.2019 | iShares \$ Treasury Bond 0-1yr UCITS ETF USD (Acc) | IB01 | USD | 0.07% | Commerzbank AG. Flow Traders B.V. |
| 03.05.2019 | iShares MSCI EMU ESG Enhanced UCITS ETF EUR (Acc) | EDM4 | EUR | 0.15% | Commerzbank AG. IMC Trading B.V. |
| 03.05.2019 | iShares MSCI Europe ESG Enhanced UCITS ETF EUR (Acc) | EDM6 | EUR | 0.15% | Commerzbank AG. IMC Trading B.V. |
| 03.05.2019 | iShares MSCI Japan ESG Enhanced UCITS ETF USD (Acc) | EDMJ | USD | 0.20% | Commerzbank AG. Optiver VOF |
| 03.05.2019 | iShares MSCI USA ESG Enhanced UCITS ETF USD (Acc) | EDMU | USD | 0.10% | Commerzbank AG. Optiver VOF |
| 03.05.2019 | iShares MSCI World ESG Enhanced UCITS ETF USD (Acc) | EDMW | USD | 0.20% | Commerzbank AG. Optiver VOF |
| 03.05.2019 | JPM BetaBuilders EUR Govt Bond UCITS ETF - EUR (acc) | BBEG | EUR | 0.10% | Commerzbank AG. Goldenberg Hehmeyer LLP |
| 03.05.2019 | JPM BetaBuilders US Treasury Bond UCITS ETF - USD (acc) | BBTR | USD | 0.10% | Commerzbank AG. Goldenberg Hehmeyer LLP |
| 02.05.2019 | UBS (Irl) ETF plc S&P 500 ESG UCITS ETF (USD) A-acc | S5ESG | CHF | 0.12% | Flow Traders B.V. |
| 02.05.2019 | UBS (Irl) ETF plc S&P 500 ESG UCITS ETF (USD) A-dis | SPESG | CHF | 0.12% | Flow Traders B.V. |
| 30.04.2019 | JPM BetaBuilders US Equity UCITS ETF - USD (acc) | BBUS | USD | 0.40% | Commerzbank AG. Flow Traders B.V. |
| 30.04.2019 | JPM BetaBuilders US Equity UCITS ETF - USD (dist) | BBUD | USD | 0.40% | Commerzbank AG. Flow Traders B.V. |
| 30.04.2019 | JPM USD Ultra-Short Income UCITS ETF - USD (acc) | JPSA | USD | 0.18% | Commerzbank AG. Goldenberg Hehmeyer LLP |
| 30.04.2019 | UBS (Irl) ETF plc Global Gender Equality (USD) A-dis | GENDED | USD | 0.20% | UBS AG |
| 30.04.2019 | UBS ETF Sustainable Development Bank Bonds (hdg to CHF) Acc | MDBC | CHF | 0.23% | Deutsche Bank AG London Branch |
| 30.04.2019 | UBS ETF Sustainable Development Bank Bonds (hdg to EUR) Acc | MDBE | EUR | 0.23% | Deutsche Bank AG London Branch |
| 23.04.2019 | UBS (Irl) ETF plc S&P 500 ESG UCITS (hedged to CHF) A-acc | 5ESGS | CHF | 0.22% | Flow Traders B.V. |
| 23.04.2019 | UBS (Irl) ETF plc S&P 500 ESG UCITS (hedged to EUR) A-acc | 5ESGE | EUR | 0.22% | Flow Traders B.V. |
| 23.04.2019 | UBS (Irl) ETF plc S&P 500 ESG UCITS (hedged to GBP) A-dis | 5ESGG | GBP | 0.22% | Flow Traders B.V. |
| 23.04.2019 | UBS (Irl) ETF plc S&P 500 ESG UCITS ETF (USD) A-acc | S5ESG | USD | 0.12% | Flow Traders B.V. |
| 23.04.2019 | UBS (Irl) ETF plc S&P 500 ESG UCITS ETF (USD) A-dis | SPESG | USD | 0.12% | Flow Traders B.V. |
| 18.04.2019 | UBS ETFs plc MSCI ACWI SF UCITS ETF (USD) A-UKdis | ACWUKD | USD | 0.21% | UBS AG |
| 10.04.2019 | Invesco Elwood Global Blockchain UCITS ETF - Acc | BCHE | USD | 0.65% | Flow Traders B.V. |
| 04.04.2019 | Invesco US Treasury Bond 3-7 Year UCITS ETF GBP Hdg Dist | TR7S | GBP | 0.10% | Flow Traders B.V. |
| 04.04.2019 | Invesco US Treasury Bond 7-10 Year UCITS ETF EUR Hdg Dist | TRXE | EUR | 0.10% | Flow Traders B.V. |
| 03.04.2019 | Vanguard EUR Corporate Bond UCITS ETF - (EUR) Accumulating | VECA | CHF | 0.12% | Goldenberg Hehmeyer LLP |
| 03.04.2019 | Vanguard EUR Eurozone Gov Bd UCITS ETF - (EUR) Accumulating | VETA | CHF | 0.12% | Goldenberg Hehmeyer LLP |
| 03.04.2019 | Vanguard USD Corp 1-3yr UCITS ETF - (USD) Accumulating | VSCA | CHF | 0.15% | Goldenberg Hehmeyer LLP |
| 03.04.2019 | Vanguard USD Corporate Bond UCITS ETF - (USD) Accumulating | VCPA | CHF | 0.12% | Goldenberg Hehmeyer LLP |
| 03.04.2019 | Vanguard USD EM Gov Bond UCITS ETF - (USD) Accumulating | VEMA | CHF | 0.25% | Goldenberg Hehmeyer LLP |
| 03.04.2019 | Vanguard USD Treasury Bond UCITS ETF - (USD) Accumulating | VUTA | CHF | 0.12% | Goldenberg Hehmeyer LLP |
| 02.04.2019 | WisdomTree Artificial Intelligence UCITS ETF - USD Acc | WTAI | USD | 0.40% | Goldenberg Hehmeyer LLP |
| 02.04.2019 | WisdomTree AT1 CoCo Bond UCITS ETF - EUR Hedged | COBO | EUR | 0.50% | Goldenberg Hehmeyer LLP |
| 02.04.2019 | WisdomTree AT1 CoCo Bond UCITS ETF - GBP Hedged | COGO | GBP | 0.50% | Goldenberg Hehmeyer LLP |
| 02.04.2019 | WisdomTree AT1 CoCo Bond UCITS ETF - USD | CCBO | USD | 0.50% | Goldenberg Hehmeyer LLP |
| 02.04.2019 | WisdomTree AT1 CoCo Bond UCITS ETF - USD Acc | COCB | USD | 0.50% | Goldenberg Hehmeyer LLP |

Quelle: SIX

2.3 Neue Listings im Quartal

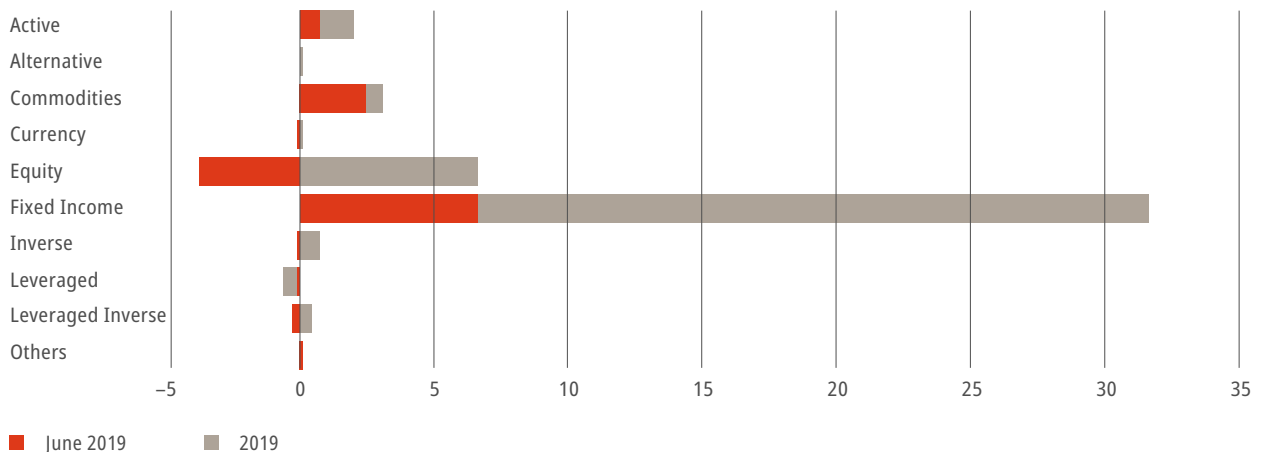
| First Trading Day | Product | Symbol | Currency | Management Fee | Market Maker |
|-------------------|---|--------|----------|----------------|---|
| 02.04.2019 | WisdomTree AT1 CoCo Bond UCITS ETF - USD Hedged | CODO | USD | 0.50% | Goldenberg Hehmeyer LLP |
| 02.04.2019 | WisdomTree CBOE S&P 500 PutWrite UCITS ETF - USD Acc | PUTW | USD | 0.38% | Flow Traders B.V. |
| 02.04.2019 | WisdomTree Enhanced Commodity UCITS ETF - EUR Hedged Acc | WCOE | EUR | 0.35% | Optiver VOF |
| 02.04.2019 | WisdomTree Enhanced Commodity UCITS ETF - GBP Hedged Acc | WCOM | GBP | 0.35% | Optiver VOF |
| 02.04.2019 | WisdomTree Enhanced Commodity UCITS ETF - USD | WCOG | USD | 0.35% | Optiver VOF |
| 02.04.2019 | WisdomTree Enhanced Commodity UCITS ETF - USD Acc | WCOA | USD | 0.35% | Optiver VOF |
| 02.04.19 | WisdomTree Eurozone Quality Div Growth UCITS ETF - EUR Acc | EGRA | EUR | 0.29% | Goldenberg Hehmeyer LLP. IMC Trading B.V. |
| 02.04.19 | WisdomTree Eurozone Quality Dividend Growth UCITS ETF - EUR | EGRW | EUR | 0.29% | Goldenberg Hehmeyer LLP. IMC Trading B.V. |
| 02.04.19 | WisdomTree Global Quality Div Growth UCITS ETF - USD Acc | GGRA | USD | 0.38% | Goldenberg Hehmeyer LLP |
| 02.04.19 | WisdomTree Global Quality Dividend Growth UCITS ETF - USD | GGRW | USD | 0.38% | Goldenberg Hehmeyer LLP |
| 02.04.19 | WisdomTree US Quality Dividend Growth UCITS ETF - USD | DGRW | USD | 0.33% | Goldenberg Hehmeyer LLP |
| 02.04.19 | WisdomTree US Quality Dividend Growth UCITS ETF - USD Acc | DGRA | USD | 0.33% | Goldenberg Hehmeyer LLP |

Quelle: SIX

The largest asset class, equities, reported assets under management of USD 581 billion at the end of the second quarter, representing a share of 64.54% (end of March: 65.90%). The bonds asset class again came in second place with a share of 25.30% (end of March: 24.51%). Once again, the commodities asset class ranked third, with its share climbing 0.39% to 7.63%.

The number of ETFs increased by 15 to 2,342 in the second quarter, with total assets under management rising by around USD 41 million to USD 900 billion. In the first half of the year, the assets classes of bonds, commodities, active, inverse, leveraged inverse, and alternative recorded substantial net inflows in some cases compared to the previous year, whereas the increases in the equities asset class have so far fallen considerably short of the previous year's figures despite favorable stock market conditions.

Net New Assets per Asset Class (in bn USD)



Source: ETFGI

| Asset Classes | ETFs/ETPs | AuM June 2019 (in mn USD) | Market Share | Net New Assets (in mn USD) | | | |
|-------------------|--------------|------------------------------|---------------|----------------------------|---------------|---------------|---------------|
| | | | | June 2019 | YTD 2019 | YTD 2018 | 2018 |
| Active | 43 | 11,158 | 1.2% | 742 | 1,995 | 45 | -156 |
| Alternative | 3 | 165 | 0.0% | 1 | 65 | -15 | -15 |
| Commodities | 328 | 68,734 | 7.6% | 2,420 | 3,126 | 3,402 | 3,402 |
| Currency | 78 | 1,232 | 0.1% | -3 | 58 | 37 | 37 |
| Equity | 1,151 | 581,266 | 64.5% | -3,734 | 6,615 | 35,556 | 35,546 |
| Fixed Income | 407 | 227,900 | 25.3% | 6,644 | 31,756 | 19,467 | 19,668 |
| Inverse | 68 | 3,773 | 0.4% | -132 | 710 | -489 | -489 |
| Leveraged | 184 | 2,732 | 0.3% | -52 | -639 | -406 | -406 |
| Leveraged inverse | 69 | 2,368 | 0.3% | -267 | 448 | -1,249 | -1,249 |
| Others | 11 | 1,332 | 0.1% | 51 | 52 | 492 | 492 |
| Total | 2,342 | 900,661 | 100.0% | 5,670 | 44,188 | 56,841 | 56,831 |

Source: ETFGI

Fixed income ETFs have gained significant traction recently, and this momentum looks set to continue in a negative yield environment.

In his current position **Bernhard Wenger** is country manager for State Street Global Advisors and Head of SPDR ETFs in Switzerland.

In previous roles Bernhard was Head of European Distribution at ETF Securities and held senior positions at Morgan Stanley, HSBC and BNP Paribas. Bernhard holds a „European Master in Management“ of ESCP Europe (Paris, Oxford, Berlin).



Bernhard Wenger, country manager for State Street Global Advisors and Head of SPDR ETFs in Switzerland.

What Is Your Specialty?

In Europe and globally, we see a particular opportunity around growing our fixed income franchise and leveraging our deep experience (30+ years) managing fixed income index strategies. Fixed income flows in ETFs have outpaced equity for the first time this year, marking a tipping point for adoption in the category.

As a global leader in Fixed Income investing we provide unique insights to our investor base and market leading publications such as our Bond Compass leverage analysis from State Street Global Markets, a division within our parent company which happens to be the world's largest custody bank, showing institutional bond flows and investor holdings taken from a data set that represents approximately \$10 trillion of assets.

We're excited to build on our franchise as a powerhouse in sector ETF investing: the launch of our Communication Services ETF (XLC) was the single most successful launch in the US last year. We also launched a UCITS product offering the same exposure to the newly created communications sector, SXLC.

Having launched the first US domiciled equity ETF more than 25 years ago, being able to provide investors efficient core exposures is in front of our mind and we are proud having recently cross listed our MSCI World UCITS ETF on SIX Exchange with a competitive TER of 12bps - physically replicated as all our ETFs are.

Alongside 'traditional' core equity and fixed income investments, we are seeing increasing interest in smart

beta ETFs to implement exposures that were traditionally the domain of active managers, like dividend, value or low volatility strategies.

What Issues Are Currently Shaping Developments in the ETF Sector?

We believe that much of the thinking driving European investors and regulators alike is around transparency and value for money; this will continue to provide a useful tailwind for ETFs. ETFs benefit from the regulatory and investor focus on:

- **Cost effectiveness:** the ETF market is hugely competitive, and the resulting compression on fees means investors can access a wide range of strategies very cost-effectively.
- **Transparency:** in contrast to many investment instruments, ETFs are relatively transparent.
- **Liquidity:** the tradable nature of ETFs mean investors can access liquidity in real time.
- **Diversification:** ETFs allow investors to take a nuanced approach to portfolio construction and access institutional-grade portfolio building blocks.
- **Flexibility:** ETFs are used by investors for a wide variety of uses including long term exposures, tactical bets, hedging and cash management

What Are Your Clients Focusing on in the Current Environment?

Historically investors have used ETFs primarily for tactical strategies or cash equitisation. Recently though there has been a shift towards using ETFs for longer term core allocations, or to gain exposure to more difficult-to-access markets, like convertible or emerging market local bonds.

ETFs have also emerged as an attractive alternative to futures, as they can be implemented without the daily margin requirements or the infrastructure, administrative and legal and compliance overheads that come with derivatives.

Equally, while ETFs are traditionally seen as passive instruments, they are often used alongside active strategies to complement an existing active exposure (by adding a short duration ETF to reduce the overall duration of a portfolio for example), to place a tactical position in a sector or asset class or simply to manage cash.

In terms of a specific strategy gaining traction now, replacing the relatively recent 'hunt for yield' mindset we now find ourselves starting to revisit the cyclical return of the 'search for protection'. Convertibles, being able to offer convexity through their equity optionality and short shelf lives, continue to be well placed to thrive within this current environment.

What Changes Do You Have Planned?

We have a strong UCITS product range spanning equity, fixed income, multi-asset as well as smart beta solutions. Our approach to product launches is purposeful, meaning we do not only look to launch new funds to grow the platform, but rather look to a well-tailored and structured line up designed to help meet our client needs.

Themes such as ESG Investing are expected to stay and play a central role in our efforts to produce value add investment solutions. But it does not stop there and is not only about issuing new solutions in this context. We believe the increased focus on ESG factors is equally shaping and influencing traditional investment products as well.

Another area for growth we are currently targeting is in model portfolio solutions. In this context we can combine the efficiencies of our SPDR ETFs- such as intra-day trading capability, diversification and precision – with State Street's asset allocation experience offering investors access to our renowned Investment Strategy teams.

We see scope to innovate around flight path style solutions particularly for retirement investing - automatically allocating more to fixed income and away from equities as you get older – all done within a single wrapper or index.

Where Do You See the ETF Market in Switzerland in the near Future?

The ETF market in Switzerland has historically been skewed towards the intermediary and wealth channels in terms of client segments and towards equity in terms of exposures. We expect a more diversified landscape going forward. For example, fixed income ETFs have gained significant traction recently, and this momentum looks set to continue in a negative yield environment. ETFs allow investors to efficiently navigate the fixed income markets. Through ETFs, investors have the ability to manage duration in the portfolio via duration building blocks or

access higher-yielding segments thanks to the diversification benefits of ETFs. The above-mentioned Bond Compass has been well received by European and Swiss investors alike, who consider the document a valuable tool for assessing and interpreting fixed income markets.

ETFs are becoming financial instruments of choice, which should also lead to an increased adoption by

institutional asset owners, be it for tactical allocations, as a substitute for futures, or to gain efficient exposure to difficult-to-access markets. The ability to provide high quality solutions that are physically replicated makes the SPDR ETF offering a compelling investment proposition.

Thank You for the Interview!

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