



THE SWISS STOCK EXCHANGE

ETF Market Report

1. Quarter 2020

Number of
the Quarter

511 162

Number of ETF transactions
on SIX in Q1 2020

Highest issuer
market share

42,87 %

UBS

38

Number of New Listings
in the 1. Quarter 2020

Best Performance in the
1. Quarter 2020

49,00 %

LYXOR DAILY SHORTDAX X2 (LYDSD)

1 631,39 mn

Top Turnover Single ETF

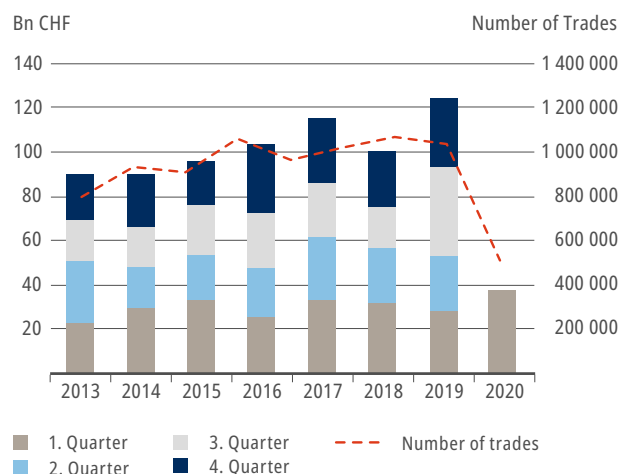
Volume of most-traded product in Q1 2020
UBS ETF on MSCI ACWI with Developed
Markets 100% hdg to USD TR (Ticker: ACWIU)

An unexpected turnaround

After a positive start to the new year, stock exchanges came under great pressure from the eighth week onward due to the global spread of coronavirus. Despite the subsequent recovery by the end of the month, all major equity markets closed the first quarter of 2020 with significant price losses. The lockdowns imposed by many countries put a considerable damper on the economy. In this context, various monetary policy measures by central banks and public aid from governments initially had little impact. The focus on protecting public health currently takes priority. Thanks to its defensive sector structure, the Swiss Market Index SMI® held up better than average when compared internationally. It increased slightly over the first few weeks of the year, reaching an all-time intra-day high of 11 270 points on February 20. The subsequent correction, which lasted until March 16, saw the index fall to an intra-day low of 7 650,23 points before a recovery then began. Switzerland's blue-chip stock market barometer ended March at 9 311,92 points. Fueled by some sharp swings in both directions, the trading volume reached a new record in the first quarter.

The Swiss ETF market generated its highest first-quarter turnover since 2011. Compared to the already strong fourth quarter of 2019, trading turnover rose by another 23,01 % in the first three months while the number of trades surged by as much as 105,3 %. At 511,162, it

ETF Turnover Development



Source: SIX

reached more than half of the previous year's figure already. The market turbulence therefore did not have any negative impact on the trading volume of listed exchange-traded funds (ETFs) – quite the opposite. The sustained momentum of the generally passively managed ETFs is unabated, and new products are still constantly entering the market. The number of listings thus increased by two to 38 in the first quarter.

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1.1 ETF Turnover and Number of Trades

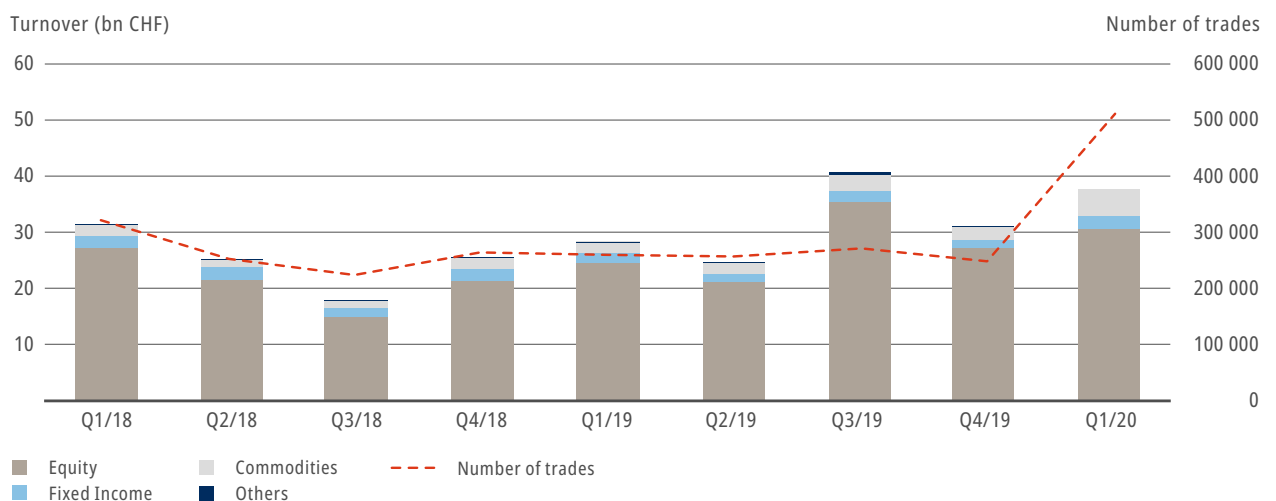
All asset classes posted double-digit growth in turnover compared to the fourth quarter of 2019. With an increase of 122,89 %, commodity ETFs in general and those based on precious metals in particular saw especially strong demand. ETFs on bonds were also popular, posting an increase of 54,68 %. ETFs on equities felt the impact of the stock market turbulence. They recorded only a below-average increase in turnover of 12,93 %. The small «Other» category saw lively trading, more than doubling its quarterly turnover.

In the first quarter, the list of the most-traded ETFs was still led by ETFs based on broadly diversified market indicators. The highest turnover in the period from January to March 2020 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. 14 of the 20 most-traded ETFs boosted their turnover against the previous quarter. This was particularly marked in the case of the UBS ETF (LU) MSCI EMU hedged USD A-acc, the UBS ETF MSCI Emerging Markets (USD) A-acc, and the UBS ETF (LU) MSCI EMU hedged CHF.

Top-20 Most Traded ETFs

| Product | Turnover (mn CHF) | Trend |
|--------------------------------|-------------------|-------|
| UBSETF MSCI ACWI SF H-USD ACC | 1 631,39 | ↓ |
| UBSETF MSCI ACWI SF H-CHF ACC | 1 311,94 | ↓ |
| UBSETF MSCI ACWI SF H-EUR ACC | 1 125,14 | ↓ |
| UBSETF MSCI EM USD ACC | 1 061,03 | ↓ |
| iSh SMI (CH) CHF Dis | 839,04 | ↑ |
| UBSETF MSCI EMU EUR ACC | 740,80 | ↑ |
| iSh Core SPI (CH) CHF Dis | 721,05 | ↑ |
| LYXOR ETF S&P 500 | 697,29 | ↑ |
| UBSETF SMI CHF DIS | 692,73 | ↑ |
| UBSETF MSCI EMU H-USD ACC | 676,15 | ↑ |
| ZKB GOLD ETF (USD) | 649,12 | ↑ |
| ZKB GOLD ETF | 629,39 | ↑ |
| iSh Core S&P500 USD Acc | 583,46 | ↑ |
| UBSETF MSCI EM SF USD ACC | 573,59 | ↑ |
| LYX ETF EURO STOXX 50 (DR) DIS | 548,56 | ↓ |
| UBSETF MSCI EMU H-CHF ACC | 537,19 | ↑ |
| LYX ETF MSCI WORLD DIS | 466,90 | ↑ |
| UBSETF MSCI UK GBP ACC | 453,90 | ↓ |
| Invesco Nasdaq 100 UCITS | 438,25 | ↑ |
| Lyxor T&R/CoreCommo CRB - Acc | 368,58 | ↑ |

Source: SIX



Source: SIX

1.2 Top-10 – Selected Changes in the Overall Market

The list of the top performers in the first quarter of 2020 was dominated by short ETFs on the ShortDAX, the EURO STOXX 50 and the SMI, palladium, and ETFs on long-term US government bonds. The highest total income in CHF was generated by the doubly leveraged LYDSD from Lyxor based on the ShortDAX, which posted a 49,00 % increase. With an advance of 25,39 %, the second-placed JBPACA from Swisscanto achieved the best performance.

The biggest losses were recorded by ETFs on the energy sector, which suffered from the sharp drop in the crude oil price, and by ETFs on the Brazilian equities market. At the top of this list was MLPD, an ETF from Invesco based

on the Morningstar MLP Composite TR Index. It fell by 63,68 % in the first quarter.

An exceptionally large number of trades were recorded in the first quarter. Gold ETFs and ETFs on the Swiss equity indices SMI and SPI were particularly popular with investors. The highest number of trades was attributable to CSSMI, an ETF from iShares/BlackRock based on the Swiss blue-chip index SMI, followed by the still highly sought-after gold ETF ZGLD from Zürcher Kantonalbank. The sharp decrease in the oil price also fueled demand for the ETF OILUSA from UBS based on the CMCI WTI USD Total Return Index.

Top-10 ETFs Best Performance

| Product | Symbol | Performance | Trend |
|------------------------------|----------|-------------|-------|
| LYXOR DAILY SHORTDAX X2 | LYDSD | 49,00 | ↑ |
| SWISSCANTO PHYS PLD - CHF A | JBPACA | 25,39 | ↑ |
| ZKB PALLADIUM ETF AA CHF | ZPAL | 23,96 | ↑ |
| COMSTAGE ETF SHORTDAX TR | CBDAXS | 23,37 | ↑ |
| COMSTAGE DJ EU STOXX 50 SH-I | CBSX5SEU | 23,04 | ↑ |
| SPDR BBG 10+ US TREASURY | LUTR | 22,49 | ↑ |
| UBS ETF PALLADIUM | PLUSA | 22,29 | ↑ |
| ISHARES USD TRES 20PLUS YR | IDTL | 21,38 | ↑ |
| UBS ETF BARC US TR.10+ H.EUR | UST10F | 19,16 | ↑ |
| LYXOR SMI DAILY -2X INVERSE | LYSSL | 12,63 | ↑ |

Source: Bloomberg

Top-10 ETFs Worst Performance

| Product | Symbol | Performance | Trend |
|------------------------------|--------|-------------|-------|
| INVESCO MORNINGSTAR MLP DIST | MLPD | -63,68 | ↓ |
| L&G US ENERGY INFRASTR MLP | MLPI | -62,46 | ↓ |
| ISHARES OIL & GAS EXPL&PROD | IOGP | -56,26 | ↓ |
| X MSCI USA ENERGY | XUEN | -50,42 | ↓ |
| SPDR S&P US ENERGY SELECT | SXLE | -50,28 | ↓ |
| ISHARES S&P 500 ENERGY | IUES | -50,27 | ↓ |
| ISHARES MSCI BRAZIL UCITS DE | 4BRZ | -49,88 | ↓ |
| X MSCI BRAZIL 1C | XMBR | -49,73 | ↓ |
| FRK FTSE BRAZIL UCITS ETF | FLXB | -49,52 | ↓ |
| LYXOR MSCI BRAZIL UCITS ETF | LYRIO | -49,46 | ↓ |

Source: Bloomberg

Top-10 ETFs Number of Trades (Tickets)

| Product | Symbol | No. of Trades | Trend |
|----------------------------|--------|---------------|-------|
| iSh SMI (CH) CHF Dis | CSSMI | 11 782 | ↑ |
| ZKB GOLD ETF | ZGLD | 11 574 | ↑ |
| UBSETF SMI CHF DIS | SMICHA | 10 607 | ↑ |
| iSh Core SPI (CH) CHF Dis | CHSPI | 9 714 | ↑ |
| iSh Swiss Div (CH) CHF Dis | CHDVD | 8 947 | ↑ |
| UBSETF CMCI OIL USD DIS | OILUSA | 8 671 | ↑ |
| iSh Core S&P500 USD Acc | CSSPX | 8 667 | ↑ |
| UBSETF GOLD USD DIS | AUUSI | 7 826 | ↑ |
| Invesco Nasdaq 100 UCITS | EQQQ | 7 238 | ↑ |
| ZKB Silver ETF - A (CHF) | ZSIL | 6 517 | ↑ |

Source: SIX

1.3 Turnover by Product Provider

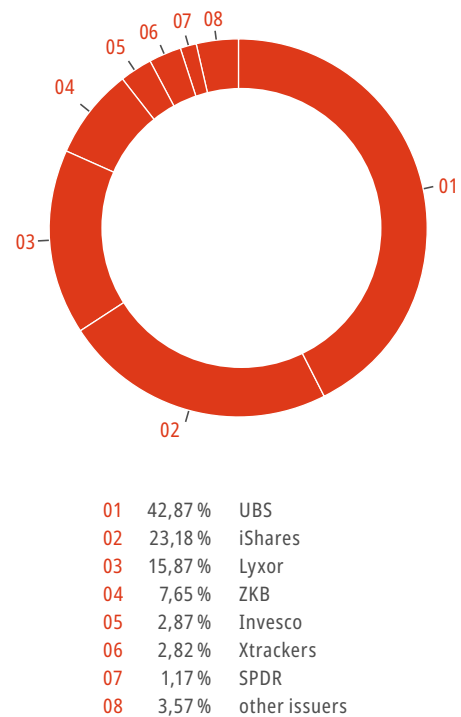
UBS remained at the top of the turnover ranking, although its relative share fell further from 56,28 % to 42,87 %. Lyxor and BlackRock/iShares swapped places again in 2nd and 3rd. Second-placed Shares/BlackRock increased its market share from 14,91 % to 23,18 %,

while third-placed Lyxor saw a slight decrease in its market share from 17,53 % to 15,87 %. The remaining providers, once again clearly headed by ZKB, all had single-digit market shares.

ETF Turnover by Product Provider

| Issuer | Products | Turnover (mn CHF) | Market Share | Trend |
|--------------------------|--------------|-------------------|---------------|-------|
| UBS | 332 | 16 304,24 | 42,87 % | ↓ |
| iShares | 346 | 8 815,00 | 23,18 % | ↑ |
| Lyxor | 92 | 6 034,97 | 15,87 % | ↓ |
| ZKB | 46 | 2 910,92 | 7,65 % | ↑ |
| Invesco | 97 | 1 090,58 | 2,87 % | ↑ |
| Xtrackers | 92 | 1 070,94 | 2,82 % | ↑ |
| SPDR | 98 | 443,25 | 1,17 % | ↑ |
| ComStage | 143 | 295,47 | 0,78 % | ↑ |
| Amundi | 70 | 287,46 | 0,76 % | ↑ |
| Vanguard | 30 | 287,25 | 0,76 % | ↑ |
| HSBC | 31 | 180,18 | 0,47 % | ↑ |
| Raiffeisen | 5 | 63,88 | 0,17 % | ↑ |
| JPMorgan | 31 | 59,28 | 0,16 % | ↑ |
| Van Eck Global | 19 | 42,01 | 0,11 % | ↑ |
| WisdomTree | 50 | 28,72 | 0,08 % | ↑ |
| Credit Suisse Index Fund | 5 | 26,31 | 0,07 % | ↑ |
| BNP Paribas | 26 | 25,80 | 0,07 % | ↑ |
| Ossiam Lux | 16 | 23,57 | 0,06 % | ↑ |
| Legal & General | 5 | 18,94 | 0,05 % | ↑ |
| China Post Global | 3 | 8,52 | 0,02 % | ↑ |
| Fidelity | 7 | 5,50 | 0,01 % | ↑ |
| Franklin Templeton | 17 | 3,79 | 0,01 % | ↓ |
| Nomura | 4 | 0,72 | 0,00 % | ↓ |
| First Trust | 1 | 0,70 | 0,00 % | ↓ |
| UniCredit | 0 | 0,05 | 0,00 % | ↓ |
| Goldman Sachs | 3 | 0,02 | 0,00 % | → |
| | 1 569 | 38 028,06 | 100,00 | |

Source: SIX



1.4 Top-5 Selected Changes per Asset Class

Equity Developed Market

| Product | Turnover (mn CHF) | Trend |
|-------------------------------|----------------------|-------|
| UBSETF MSCI ACWI SF H-USD ACC | 1 631 | ↓ |
| UBSETF MSCI ACWI SF H-CHF ACC | 1 312 | ↓ |
| UBSETF MSCI ACWI SF H-EUR ACC | 1 125 | ↓ |
| iSh SMI (CH) CHF Dis | 839 | ↑ |
| UBSETF MSCI EMU EUR ACC | 741 | ↑ |

Source: SIX

Fixed Income & Money Market

| Product | Turnover (mn CHF) | Trend |
|--------------------------------|----------------------|-------|
| iSh \$ TreasBnd 7-10 USD Dis | 275 | ↑ |
| iSh Core CorpBnd (CH) CHF Dis | 154 | ↑ |
| iSh \$ TreasBnd 1-3y USD Dis | 74 | ↓ |
| iSh \$ TreasBnd 3-7y USD Acc | 63 | ↑ |
| iSh CH GovBd 7-15 (CH) CHF Dis | 56 | ↑ |

Source: SIX

Equity Emerging Market

| Product | Turnover (mn CHF) | Trend |
|------------------------------|----------------------|-------|
| UBSETF MSCI EM USD ACC | 1 061 | ↓ |
| UBSETF MSCI EM SF USD ACC | 574 | ↑ |
| Lyxor MSCI Emerging Markets | 345 | ↑ |
| Lyxor China Enterprise - Acc | 227 | ↑ |
| iSh Core MSCI EM IMI USD Acc | 146 | ↑ |

Source: SIX

Commodities

| Product | Turnover (mn CHF) | Trend |
|-------------------------------|----------------------|-------|
| ZKB GOLD ETF (USD) | 649 | ↑ |
| ZKB GOLD ETF | 629 | ↑ |
| LYXOR T&R/CORECOMMO CRB - ACC | 369 | ↑ |
| ZKB GOLD ETF (EUR) | 344 | ↑ |
| UBSETF GOLD USD DIS | 333 | ↑ |

Source: SIX

Equity Style / Strategy / Themes

| Product | Turnover (mn CHF) | Trend |
|------------------------------|----------------------|-------|
| iSh SMIM (CH) CHF Dis | 365 | ↑ |
| LYX ETF WORLD WATER DIS | 255 | ↑ |
| iSh Swiss Div (CH) CHF Dis | 236 | ↑ |
| Lyxor STOXX EU 600 Oil & Gas | 233 | ↑ |
| LYXOR STOXX EU 600 BASIC RES | 221 | ↑ |

Source: SIX

Volatility

| Product | Turnover (mn CHF) | Trend |
|-------------------------------|----------------------|-------|
| iSh Edg MSCI Wrld MinVol Acc | 37 | ↑ |
| iSh Edg MSCI EM MinVol Acc | 19 | ↑ |
| iSh Edg S&P500 MinVol Acc | 19 | ↑ |
| UBSETF FAC US LO VOL USD DIS | 7 | ↓ |
| iSh Edg MSCI Europ MinVol Acc | 4 | ↑ |

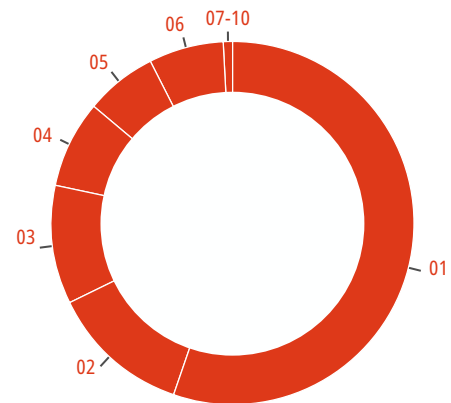
Source: SIX

1.5 Trading Details

Turnover by Asset Classes

| Asset Class | Absolute | Change | Turnover (mn) | Trend |
|----------------------------|-----------------|--------|------------------|-------|
| 1 Equity Developed Markets | 55,39 % | 44 % | 20 998,52 | ↑ |
| 2 Equity Emerging Markets | 12,40 % | 30 % | 4 700,17 | ↑ |
| 3 Commodities | 10,96 % | 75 % | 4 153,18 | ↑ |
| 4 Equity Themes | 7,71 % | 48 % | 2 923,09 | ↑ |
| 5 Fixed Income | 6,57 % | -59 % | 2 492,20 | ↓ |
| 6 Equity Style / Strategy | 6,45 % | 40 % | 2 444,91 | ↑ |
| 7 Funds | 0,28 % | 46 % | 104,74 | ↑ |
| 8 Volatility | 0,24 % | -16 % | 89,18 | ↓ |
| 9 Money Market | 0,01 % | -97 % | 2,07 | ↓ |
| 10 Other | 0,00 % | -87 % | 0,15 | ↓ |
| Total | 100,00 % | | 37 908,21 | |

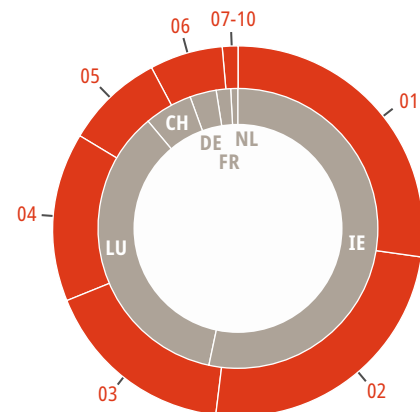
Source: SIX



Number of ETFs on SIX by Asset Class

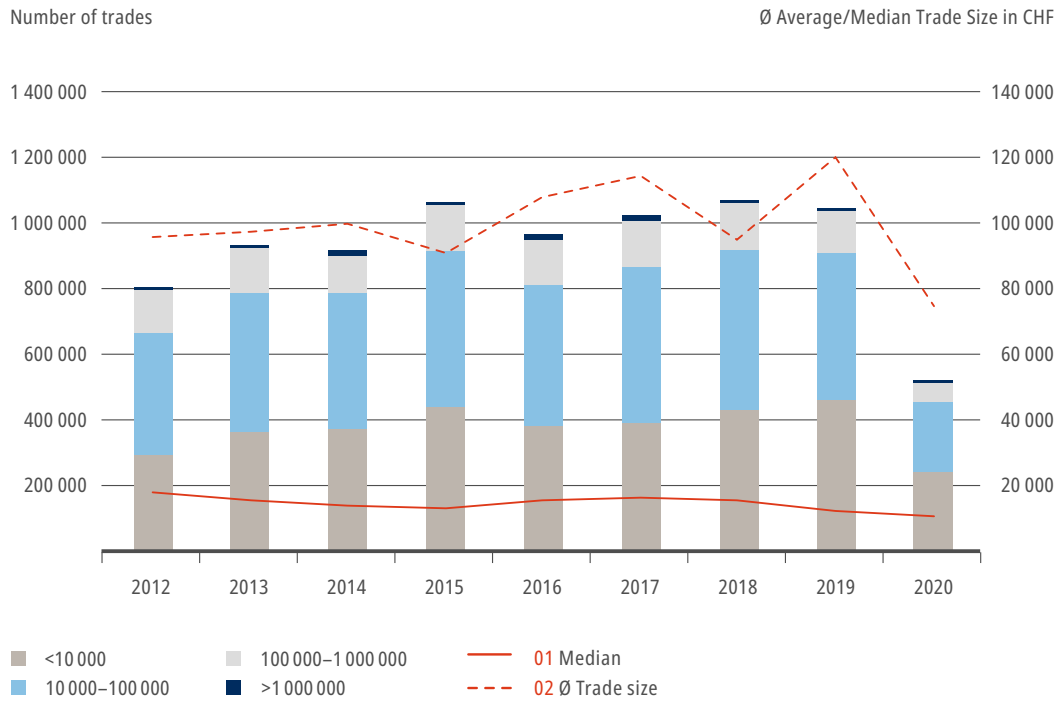
| Asset Class | Absolute | Change | Number* | Trend |
|----------------------------|-----------------|--------|--------------|-------|
| 1 Equity Developed Markets | 27,47 % | 3 % | 431 | ↑ |
| 2 Fixed Income | 24,60 % | 3 % | 386 | ↑ |
| 3 Equity Style / Strategy | 16,83 % | -1 % | 264 | ↓ |
| 4 Equity Themes | 14,85 % | 2 % | 233 | ↑ |
| 5 Equity Emerging Markets | 8,60 % | 2 % | 135 | ↑ |
| 6 Commodities | 6,37 % | 1 % | 100 | ↑ |
| 7 Volatility | 0,51 % | 0 % | 8 | → |
| 8 Money Market | 0,32 % | 0 % | 5 | → |
| 9 Funds | 0,25 % | -20 % | 4 | ↓ |
| 10 Other | 0,19 % | 0 % | 3 | → |
| Total | 100,00 % | | 1 569 | |

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 |
|-------------------------|------|-----------------------------------|------|
| Flow Traders B.V. | 1217 | Virtu Financial Ireland Ltd | 59 |
| Commerzbank AG | 1103 | Zürcher Kantonalbank | 46 |
| Société Générale | 918 | Deutsche Bank AG London Branch | 44 |
| Optiver VOF | 552 | Credit Suisse AG | 6 |
| Goldenberg Hehmeyer LLP | 281 | Credit Suisse Europe | 5 |
| UBS AG | 248 | Raiffeisen Schweiz Genossenschaft | 5 |
| BNP Paribas | 221 | Finovesta GmbH | 4 |
| Susquehanna | 140 | Morgan Stanley | 3 |

Source: SIX

Spread-Monitor (Tightest Spreads)

| Product | Ticker | TER | Ø Bid Ask Spread (%) |
|------------------------------|--------|------|----------------------|
| VANG S&P500 USDD | VUSA | 0,07 | 0,13 |
| ISHARES CORE S&P 500 | IUSA | 0,07 | 0,14 |
| ISHARES SMI ETF CH | CSSMI | 0,35 | 0,14 |
| X SHORTDAX DAILY SWAP | XSDX | 0,40 | 0,14 |
| UBS ETF MSCI SWITZERLAND | SW2CHB | 0,20 | 0,16 |
| UBS ETF SLI | SLICHA | 0,20 | 0,18 |
| UBS ETF SMI | SMICHA | 0,20 | 0,18 |
| INVESCO NASDAQ-100 DIST | EQQQ | 0,30 | 0,18 |
| ISHARES CORE EM IMI ACC | EIMI | 0,18 | 0,18 |
| ISHARES MSCI EM | IEEM | 0,18 | 0,19 |
| ISHARES USD TRSRY 1-3Y USD D | IBTS | 0,07 | 0,20 |
| ISHARES CORE MSCI EMU EUR A | CSEMU | 0,12 | 0,20 |
| UBS ETF MSCI EMU UCITS ETF | EMUEUA | 0,18 | 0,20 |
| X DAX | XDAX | 0,09 | 0,21 |
| ISHARES CORE MSCI WORLD | SWDA | 0,20 | 0,22 |
| UBS ETF SMIM | SMMCHA | 0,25 | 0,22 |
| ISHARES SMIM ETF CH | CSSMIM | 0,45 | 0,22 |
| UBS ETF MSCI EMU UCITS ETF | EMUCHA | 0,18 | 0,22 |
| ISHARES MSCI WORLD | IWRD | 0,50 | 0,23 |
| UBS ETF SPI | SPICHA | 0,15 | 0,23 |

Source: Bloomberg

2.3 New Listings in the Quarter

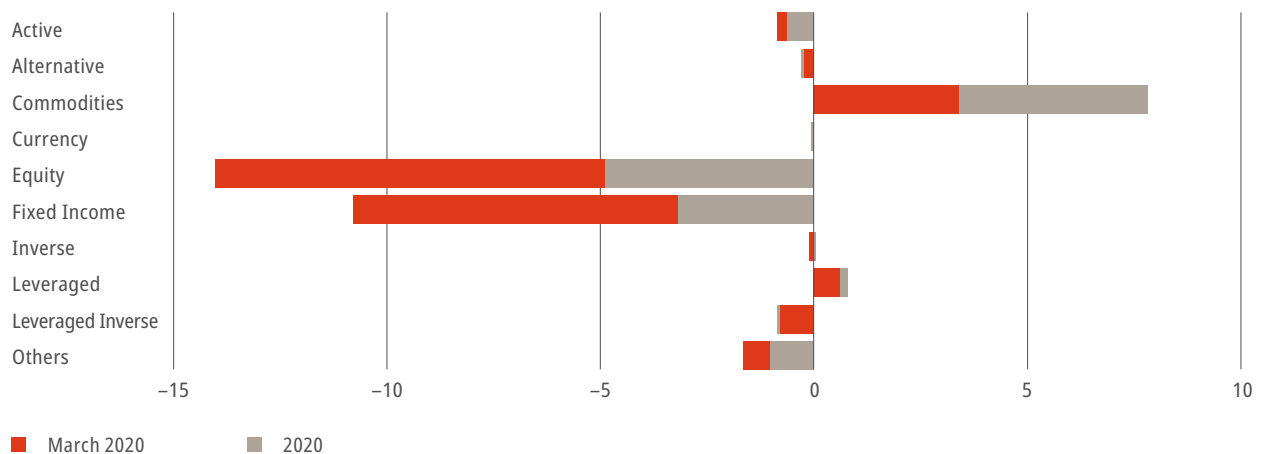
| First Trading Day | Product | Symbol | Currency | Management Fee | Market Maker |
|-------------------|--|--------|----------|----------------|---|
| 30.03.2020 | Fidelity Global Quality Income UCITS ETF - Inc | FGQD | USD | 0,40 % | Société Générale |
| 30.03.2020 | Fidelity Global Quality Income UCITS ETF - Inc | FGQD | CHF | 0,40 % | Société Générale |
| 17.03.2020 | JPM USD Emerging Markets Sovereign Bond UCITS ETF USD (acc) | JMBA | USD | 0,39 % | Goldenberg Hehmeyer LLP, Société Générale |
| 16.03.2020 | CSIF (IE) MSCI USA Blue UCITS ETF B USD | CMXUS | USD | 0,09 % | Credit Suisse Europe, Flow Traders B.V. |
| 16.03.2020 | CSIF (IE) MSCI USA ESG Leaders Blue UCITS ETF B USD | USESG | USD | 0,10 % | Credit Suisse Europe, Flow Traders B.V. |
| 16.03.2020 | CSIF (IE) MSCI World ESG Leaders Blue UCITS ETF B USD | WDESG | USD | 0,15 % | Credit Suisse Europe, Flow Traders B.V. |
| 16.03.2020 | CSIF (IE) MSCI World ESG Leaders Blue UCITS ETF BH CHF | WDESGC | CHF | 0,18 % | Credit Suisse Europe, Flow Traders B.V. |
| 16.03.2020 | CSIF (IE) MSCI World ESG Leaders Blue UCITS ETF BH EUR | WDESGE | EUR | 0,18 % | Credit Suisse Europe, Flow Traders B.V. |
| 16.03.2020 | iShares \$ Corp Bond ESG UCITS ETF USD (Acc) | SUOA | USD | 0,15 % | Goldenberg Hehmeyer LLP, SocGén |
| 13.03.2020 | Invesco AT1 Capital Bond UCITS ETF CHF Hdg Acc | AT1C | CHF | 0,39 % | Flow Traders B.V. |
| 13.03.2020 | Invesco US Treasury Bond 0-1 Year UCITS ETF Dist | TREI | USD | 0,60 % | Flow Traders B.V. |
| 11.03.2020 | iShares \$ Development Bank Bonds UCITS ETF CHF Hedged (Acc) | IDBB | CHF | 0,18 % | Flow Traders B.V., Société Générale |
| 06.03.2020 | iShares \$ Corp Bond ESG UCITS ETF USD (Dist) | SUOU | USD | 0,20 % | Goldenberg Hehmeyer LLP, SocGén |
| 06.03.2020 | iShares Smart City Infrastructure UCITS ETF USD (Acc) | CISB | USD | 0,40 % | Optiver VOF, Société Générale |
| 06.03.2020 | Lyxor Fed Funds US Dollar Cash UCITS ETF (Dist) | CBFEDF | CHF | 0,10 % | Flow Traders B.V., Société Générale |
| 06.03.2020 | Lyxor STOXX Europe 600 Media UCITS ETF | CBTV | CHF | 0,30 % | Flow Traders B.V., Société Générale |
| 06.03.2020 | UBS ETF JPM USD EM IG ESG Diver Bond ETF (hdg to CHF) A-acc | ESGEMC | CHF | 0,50 % | Deutsche Bank AG London Branch |
| 04.03.2020 | JPM Global High Yield Corp Bd Mult.-Fact. UCITS ETF USD acc | JGHY | USD | 0,35 % | Goldenberg Hehmeyer LLP, SocGén |
| 03.03.2020 | iShares \$ Corp Bond 0-3yr ESG UCITS ETF EUR Hedged (Acc) | IU0E | EUR | 0,17 % | Goldenberg Hehmeyer LLP, SocGén |
| 03.03.2020 | iShares \$ Corp Bond 0-3yr ESG UCITS ETF GBP Hedged (Dist) | SGSU | GBP | 0,17 % | Goldenberg Hehmeyer LLP, SocGén |
| 03.03.2020 | iShares \$ Corp Bond 0-3yr ESG UCITS ETF USD (Dist) | SUSU | USD | 0,15 % | Goldenberg Hehmeyer LLP, SocGén |
| 27.02.2020 | UBS ETFs plc MSCI China A SF UCITS ETF (USD) A-acc | CNAUA | USD | 0,30 % | UBS AG |
| 11.02.2020 | AMUNDI SMART CITY UCITS ETF - EUR (C) | SCITY | USD | 0,35 % | BNP Paribas |
| 11.02.2020 | AMUNDI SMART FACTORY UCITS ETF - EUR (C) | SFTRY | USD | 0,35 % | BNP Paribas |
| 11.02.2020 | iShares MSCI World Con Staples Sector UCITS ETF USD (Dist) | WCSS | USD | 0,25 % | Optiver VOF, Société Générale |
| 11.02.2020 | iShares MSCI World Consum Discre Sector UCITS ETF USD (Dist) | WCDS | USD | 0,25 % | Optiver VOF, Société Générale |
| 11.02.2020 | iShares MSCI World Energy Sector UCITS ETF USD (Dist) | WENS | USD | 0,25 % | Optiver VOF, Société Générale |
| 11.02.2020 | iShares MSCI World Health Care Sector UCITS ETF USD (Dist) | WHCS | USD | 0,25 % | Optiver VOF, Société Générale |
| 11.02.2020 | iShares MSCI World Info Tech Sector UCITS ETF USD (Dist) | WITS | USD | 0,25 % | Optiver VOF, Société Générale |
| 10.02.2020 | UBS ETFs plc CMCI Commodity Carry SF UCITS ETF (USD) A-acc | CCMCUA | USD | 0,34 % | UBS AG |
| 06.02.2020 | SPDR S&P 500 ESG Screened UCITS ETF (Acc) | 500X | USD | 0,10 % | Société Générale |
| 06.02.2020 | UBS ETF JPM Global Gov ESG ETF (hedged to CHF) A-acc | ESGGBS | CHF | 0,20 % | Deutsche Bank AG London Branch |
| 28.01.2020 | JPM USD Emerging Market Sovereign Bd UCITS ETF - CHF HSC acc | JMBC | CHF | 0,39 % | Flow Traders B.V., Société Générale |
| 22.01.2020 | iShares \$ Development Bank Bonds UCITS ETF USD (Acc) | DDBB | USD | 0,15 % | Flow Traders B.V. |
| 13.01.2020 | Market Access STOXX China A Min Var Index UCITS ETF EUR C | M9SV | CHF | 0,45 % | Goldenberg Hehmeyer LLP |
| 09.01.2020 | UBS (Irl) ETF plc MSCI ACWI SRI UCITS ETF (USD) A-acc | AWSRIA | USD | 0,38 % | UBS AG |
| 07.01.2020 | UBS ETF JPM USD EM Diversified Bond 1-5 (hd to EUR) A-dis | SHEMD | EUR | 0,47 % | Deutsche Bank AG London Branch |
| 07.01.2020 | UBS ETF MSCI Pacific (ex Japan) UCITS ETF (USD) A-acc | PACUA | USD | 0,30 % | UBS AG |

Source: SIX

At the end of the first quarter, the largest asset class, equities, reported assets under management of USD 521 billion, representing a share of 59,60 % (end December: 64,98 %). Once again, the bonds asset class came in second place, increasing its share from 25,04 % to 28,04 %. The commodities asset class ranked third again at 9,93 % (end of December: 7,72 %).

The number of ETFs increased by 7 to 2 205 in the first quarter, while total assets under management fell by around USD 156 million to USD 874 million. In March, net outflows were posted by all asset classes except leveraged and commodities. The strongest growth was clearly attributable to commodities.

Net New Assets per Asset Class (in bn USD)



Source: ETFGI

| Asset Classes | ETFs/ETPs | AuM March 2020 (in mn USD) | Market Share | Net New Assets (in mn USD) | | |
|-------------------|--------------|-------------------------------|-----------------|----------------------------|-------------|---------------|
| | | | | March 2020 | 2020 | 2019 |
| Active | 41 | 11 262 | 1,29 % | -841 | -612 | 543 |
| Alternative | 3 | 83 | 0,01 % | -213 | -271 | 15 |
| Commodities | 275 | 86 867 | 9,93 % | 3 455 | 7 896 | 617 |
| Currency | 43 | 721 | 0,08 % | -12 | -35 | 42 |
| Equity | 1 154 | 521 405 | 59,60 % | -14 125 | -4 936 | 10 288 |
| Fixed income | 433 | 245 274 | 28,04 % | -10 833 | -3 186 | 19 952 |
| Inverse | 37 | 3 074 | 0,35 % | -130 | 51 | 334 |
| Leveraged | 143 | 2 089 | 0,24 % | 627 | 811 | -427 |
| Leveraged Inverse | 65 | 2 487 | 0,28 % | -810 | -882 | 505 |
| Other | 11 | 1 608 | 0,18 % | -1 629 | -1 027 | -20 |
| Total | 2 205 | 874 869 | 100,00 % | -22 829 | -968 | 31 850 |

Source: ETFGI



A milestone for us was the launch of CSIF ETFs on 16th of March 2020



Dr. Valerio Schmitz-Esser is Managing Director and head of Index Solutions at Credit Suisse Asset Management in Zurich. From August 2002 to March 2010 he held several team head positions within quantitative portfolio management at Credit Suisse. He joined Credit Suisse as a quantitative portfolio manager in October 2000.



Dr. Valerio Schmitz-Esser – Managing Director, CFA and head of Index Solutions at Credit Suisse Asset Management in Zurich

What is your speciality?

In this particularly broad context, I would prefer to resist the temptation of going into detail regarding the individual products offered by our company, but, we believe, what distinguishes us as a provider is the holistic nature of our index product range. We combine both index funds and exchange traded funds (ETF) in one portal: the Credit Suisse Index Funds (CSIF) Platform. Depending on the desired index and the investor, either an index fund or an ETF can offer a first-rate solution

to most objectives. Our aim is to provide every investor with the optimal structured format. In doing so, we are guided by the concept of the total cost of investment or the total cost of ownership, i.e. the costs incurred in order to buy, hold and sell a product. Tax considerations, such as stamp duty and foreign withholding taxes, also play a role in the decision of whether to offer an index as a classic index fund or as an ETF.

What issues are currently shaping developments in the ETF sector?

Investors in index funds and ETFs have learned a great deal in recent years and now have a better understanding of the subtle differences between the various products. In addition to running costs, these include tax aspects and the implied costs of buying or selling the products. Moreover, the competition between providers also plays a role in terms of innovation. The large number of fund launches with ESG benchmarks are an expression of this development.

What are your clients focusing on in the current environment?

In the prevailing environment of negative interest rates, investing has become very challenging. In particular, clients are looking for opportunities to achieve a positive return with manageable risk. In this context, emerging market bonds and equity portfolios with the lowest possible volatility, such as index funds or ETFs on minimum-volatility indices, are currently in particular demand. Index funds on physical gold are also currently very popular as investors seek to preserve the purchasing power of their savings over the longer term. The trend towards ESG index investments retains its unrelenting momentum. In this area, we offer a range of index funds and ETFs based on MSCI ESG Leaders indices, which has grown rapidly over the last two years.

What changes do you have planned?

A milestone for us was the launch of CSIF ETFs on 16th of March 2020, with the five products being traded on the Swiss Stock Exchange, Xetra and Borsa Italiana. Incidentally, four of the five ETFs have ESG benchmarks and do not lend their securities holdings. We plan to launch further ETFs in the course of this year. We are also following with particular interest the efforts of SIX to publish sustainable versions of the standard indices Swiss Performance Index (SPI) and Swiss Bond Index (SBI).

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

The results of a study by the Bank for International Settlements appear to confirm that index funds and ETFs tend to emerge stronger from phases of increased volatility.¹ Even during the Corona crisis, both types of indexed investments have so far recorded substantial inflows of funds. Investments in ETFs and index funds are also expected to continue to grow in Switzerland. Nevertheless, I expect some outflows in the case of small funds that have not been able to hold their own in the market. In future, providers will be more willing to liquidate such funds-of-small funds that have proved less resilient in challenging conditions. This is a trend we expect to prove persistent.

¹ Sushko, V. und Turner, G.: The implications of passive investing for securities markets, BIS Quarterly Review, March 2018.

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