



THE SWISS STOCK EXCHANGE

# ETF Market Report

2nd Quarter of 2021

Number of  
the Quarter

**416 465**

Number of ETF transactions  
on the Swiss Stock Exchange in Q2 2021

Highest issuer  
market share

**39,85 %**

UBS

**45**

Number of New Listings  
in the 2nd Quarter of 2021

Best Performance in the  
2nd Quarter of 2021

**23,31 %**

LYXOR MSCI BRAZIL UCITS ETF (LYRIO)

**640,60 Mio.**

Top Turnover Single ETF

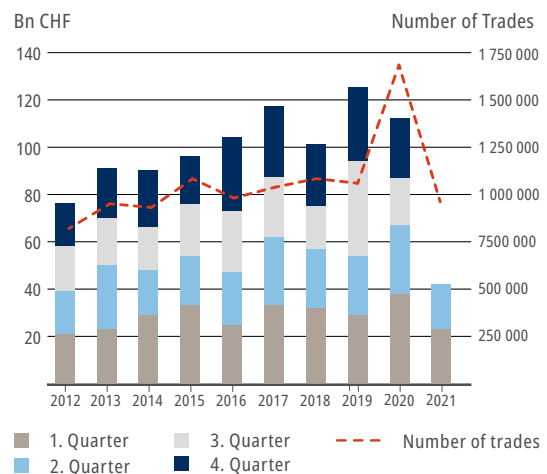
Volume of most-traded product in Q2 2021  
UBSETF MSCI JAPAN JPY ACC (JPNA)

# Market conditions still favorable

The global stock markets continued their upward trend in June, rising by 1,20 % (and by 7,20 % in Q2) based on the S&P Global Broad Market Index (BMI). 41 of the 50 countries represented in the index posted gains in the second quarter. The S&P 500 Index closed the quarter at an all-time high with an increase of 8,60 % and was up 2,30 % on a monthly basis, despite uncertainty over the further development of the Fed's stimulus and fears of inflation. All factors posted increases, with momentum in the lead following the disappointing performance in the first quarter. In another reversal, growth exceeded the value factor. Volatility decreased, with the VIX closing at 15,83 % at the end of June. Outside the US, the S&P Developed ex-U.S. fell by 0,80 % in June (up 5,70 % in Q2). All countries in the region (apart from Japan) posted increases in the second quarter, headed by Denmark (up 12,60 %) and Switzerland (up 11,70 %). The SMI reached a new all-time high of 12 072,11 points during the course of June 18. Emerging countries increased at a rather moderate pace in the past month. The S&P Emerging Broad Market Index climbed by 0,50 % in June and by 6,10 % in the second quarter, headed by Brazil (up 23,10 %) and Poland (up 19,00 %).

The continuing positive sentiment on the stock markets also spread to trade on the Swiss ETF market. Compared to the previous year, the number of trades was up 4,80 % at 416 465. The highest growth was recorded by ticket sizes of less than CHF 10 000, which already reached 65,17 % of the

## ETF Turnover Development



Source: Swiss Stock Exchange

level for the entire previous year. In the second quarter, 45 new ETFs were listed. The focus here was still on the topic of sustainability in the asset classes of equities and bonds. In addition, there were a few promising additions to the equity topics. As of the end of June, 1 535 ETFs were traded on the SIX Swiss Exchange.

The Swiss Stock Exchange

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### 1.1 ETF Turnover and Number of Trades

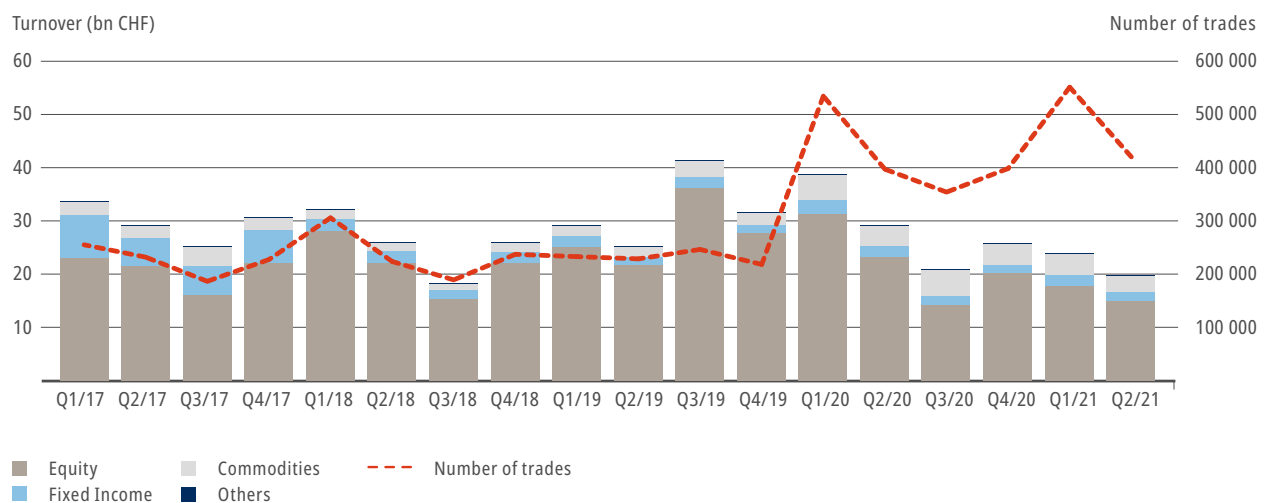
Despite the favorable market environment, total turnover declined by 17,15 % compared to the previous quarter to CHF 19 440 million. With the exception of the small "Other" category, all other asset classes saw decreases. With a 76,25 % share of turnover in the second quarter, ETFs were still dominated by the asset class of equities, followed by commodities with a share of 15,72 % and bonds with a share of 7,58 %. A comparison with the figures four years ago shows an increase of 2,69 % for equities, a decrease of 11,04 % for bonds, and an increase of 8,12 % for commodities. The diminishing interest in bond ETFs was largely due to the falling interest rate trend worldwide, which had a negative impact on the appeal of this asset class. Commodity ETFs are likely to increase their share in the medium term. They are benefiting from the lack of alternatives and from rising inflation.

In the second quarter, the list of the top 20 most-traded ETFs was once again headed by the ETF JPNA from UBS based on the MSCI Japan, followed by the ETF EMMUSC from UBS based on the MSCI Emerging Markets Net Return Index and the ETF EMUAA from UBS based on the MSCI EMU Net Return Index. In fourth place was the popular ETF ZGLD from ZKB based on physical gold, representing the first ETF in the commodities asset class. These were represented directly and indirectly with four other passive ETFs in the top 20 in the second quarter. ETFs based on Swiss equities and on European and global financials were also sought-after.

#### Top-20 Most Traded ETFs

| Product                        | Turnover (mn CHF) | Trend |
|--------------------------------|-------------------|-------|
| UBSETF MSCI JAPAN JPY ACC      | 640,60            | ↑     |
| UBSETF MSCI EM USD ACC         | 582,47            | ↑     |
| UBSETF MSCI EMU EUR ACC        | 546,51            | ↑     |
| ZKB GOLD ETF                   | 343,01            | ↓     |
| UBSETF SMI CHF DIS             | 320,51            | ↑     |
| Lyxor T&R/CoreCommo CRB - Acc  | 292,57            | ↑     |
| iSh Core SPI (CH) CHF Dis      | 289,39            | ↑     |
| iSh Core S&P500 USD Acc        | 279,66            | ↓     |
| Invesco EQQQ                   | 274,96            | ↓     |
| Lyxor STOXX EU 600 Basic Res   | 266,97            | ↑     |
| ZKB GOLD ETF (USD)             | 228,13            | ↓     |
| AMUNDI MSCI EM ASIA ETF        | 202,11            | ↑     |
| iSh Core FTSE 100 GBP Dis      | 199,57            | ↑     |
| Lyxor STOXX EU 600 Banks       | 193,15            | ↓     |
| LYXOR ETF WORLD FINANCIALS     | 186,23            | ↑     |
| UBSETF SMIM CHF DIS            | 186,18            | ↓     |
| UBSETF GOLD H-CHF DIS          | 184,12            | ↓     |
| iSh Core MSCI Wrld USD Acc     | 182,40            | ↑     |
| UBSETF MSCI JAPAN SRI H-USD AC | 181,67            | ↑     |
| iSh Nasdaq 100 USD Acc         | 172,36            | ↓     |

Source: Swiss Stock Exchange



Source: Swiss Stock Exchange

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

The second quarter was dominated by the Brazilian stock market and energy stocks. The strongest performance, at 23,31 %, was achieved by Lyxor's LYRIO ETF based on the MSCI Brazil. Among the top 10, a total of seven ETFs were based on equities in South America's largest country. Energy ETFs – such as MLPI, MLPD based on US energy infrastructure companies, and OILCHA from UBS based on the CMCI WTI Crude Oil hedged CHF Total Return Index – also performed well. Just behind the top 10 were ETFs based on Eastern Europe and the topics of the cloud and cyber security.

The weakest performance in the second quarter of the year came from the ETF LERN based on education tech from the issuer Rize, which posted a 19,76 % decrease. LYSSL based on the SMI Daily 2x Inverse, which develops doubly negatively in relation to the SMI, also performed weakly.

In addition, ETFs on platinum, global blockchain, cannabis, and the ShortDAX saw price decreases. Various ETFs based on Japan and China also saw less demand. In particular, index funds on the land of the rising sun have been struggling for a long time and are lagging behind the general trend.

The second quarter was once again characterized by a higher than average number of trades. Among the top 10, the ETF SRECHA from UBS based on the SXI Real Estate Funds Broad Total Return Index stood out with 12 333 trades, representing an increase of 4 030 in comparison to the first quarter of 2021. The ETF AUCHAH from UBS based on physical gold and the ETF INRG from iShares based on the S&P Global Clean Energy Index also saw lively trading. After a record 24 125 trades in the previous quarter, the latter posted a still considerable total of 8 084 trades in the second quarter.

### Top-10 ETFs Best Performance

| Product                      | Symbol | Performance | Trend |
|------------------------------|--------|-------------|-------|
| LYXOR MSCI BRAZIL UCITS ETF  | LYRIO  | 23,31       | ↑     |
| HSBC MSCI BRAZIL UCITS ETF   | HBRL   | 23,13       | ↑     |
| X MSCI BRAZIL 1C             | XMBR   | 22,99       | ↑     |
| FRK FTSE BRAZIL UCITS ETF    | FLXB   | 22,72       | ↑     |
| AMUNDI MSCI BRAZIL           | BRZ    | 21,27       | ↑     |
| L&G US ENERGY INFRASTR MLP   | MLPI   | 21,13       | ↑     |
| ISHARES MSCI BRAZIL UCITS DE | 4BRZ   | 20,59       | ↑     |
| ISHARES MSCI BRAZIL          | IBZL   | 18,52       | ↑     |
| INVESCO MORNINGSTAR MLP DIST | MLPD   | 18,37       | ↑     |
| UBS ETF CMCI OIL H. CHF      | OILCHA | 18,33       | ↑     |

Source: Bloomberg

### Top-10 ETFs Worst Performance

| Product                      | Symbol | Performance | Trend |
|------------------------------|--------|-------------|-------|
| RIZE EDUCATION TECH ETF      | LERN   | -19,76      | ↓     |
| LYXOR SMI DAILY -2X INVERSE  | LYSSL  | -17,96      | ↓     |
| ZKB PLATINUM ETF AA CHF      | ZPLA   | -12,37      | ↓     |
| IVZ ELWOOD GLOBAL BLOCKCHAIN | BCHE   | -11,31      | ↓     |
| SWISSCANTO PHYS PLT - USD A  | JBPLUA | -11,22      | ↓     |
| UBS ETF PLATINUM             | PTUSA  | -11,10      | ↓     |
| SWISSCANTO PHYS PLT - CHF A  | JBPLCA | -10,82      | ↓     |
| SWISSCANTO PHYS PLT - EUR A  | JBPLEA | -10,03      | ↓     |
| LYXOR DAILY SHORTDAX X2      | LYDSD  | -9,50       | ↓     |
| HAN MED CANNABIS UCITS ETF   | CBDX   | -8,94       | ↓     |

Source: Bloomberg

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

| Product                        | Symbol | No. of Trades | Trend |
|--------------------------------|--------|---------------|-------|
| UBSETF SXI RE FUNDS CHF DIS    | SRECHA | 12 333        | ↑     |
| UBSETF GOLD H-CHF DIS          | AUCHAH | 8 579         | ↓     |
| iSh Glob Clean Enrgy USD Dis   | INRG   | 8 084         | ↓     |
| iSh \$ EM Bnd CHF-H Dis        | EMBC   | 7 084         | ↑     |
| iSh Core SPI (CH) CHF Dis      | CHSPI  | 7 017         | ↑     |
| iSh Nasdaq 100 USD Acc         | CSNDX  | 6 809         | ↓     |
| ZKB GOLD ETF                   | ZGLD   | 6 357         | ↓     |
| iSh Core Glob AggBnd CHF-H Acc | AGGS   | 6 088         | ↑     |
| iSh Core S&P500 USD Acc        | CSSPX  | 5 397         | ↓     |
| UBSETF MSCI USA USD ACC        | USAUSW | 5 368         | ↑     |

Source: Swiss Stock Exchange

### 1.3 Turnover by Product Provider

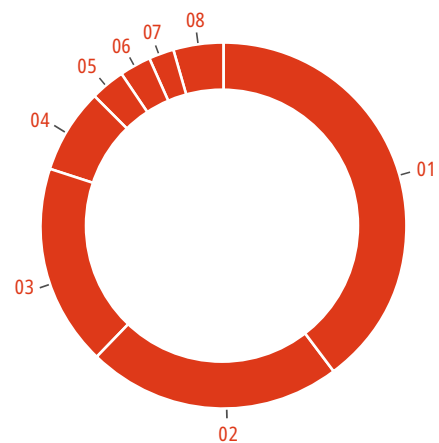
In the second quarter, the turnover ranking by issuer was still headed by UBS, which increased its relative share by 7,47 % to 39,85 %. It was followed in the same order as in the previous quarter by BlackRock/iShares, Lyxor, and ZKB. The share of total turnover attributable to these four issuers came to 87,58 % in the second quarter

(Q1 2021: 86,21 %). The turnover of the other 23 providers was below the one-billion mark in each case. Among the ETFs with lower turnover, Amundi posted the highest absolute increase, while Invesco, Xtrackers, and State Street faced the biggest outflows.

#### ETF Turnover by Product Provider

| Issuer                   | Products     | Turnover (mn CHF) | Market Share  | Trend    |
|--------------------------|--------------|-------------------|---------------|----------|
| UBS-ETF                  | 351          | 7 746,23          | 39,85         | ↑        |
| iShares                  | 292          | 4 380,90          | 22,54         | ↓        |
| Lyxor                    | 189          | 3 450,51          | 17,75         | ↓        |
| ZKB ETFs                 | 34           | 1 447,38          | 7,45          | ↓        |
| Invesco                  | 86           | 632,39            | 3,25          | ↓        |
| Xtrackers                | 94           | 523,08            | 2,69          | ↓        |
| Amundi                   | 68           | 399,04            | 2,05          | ↑        |
| SPDR ETF                 | 98           | 236,85            | 1,22          | ↓        |
| Vanguard                 | 29           | 172,85            | 0,89          | ↑        |
| Credit Suisse Index Fund | 9            | 93,74             | 0,48          | ↑        |
| Van Eck Global           | 20           | 70,08             | 0,36          | ↓        |
| HSBC                     | 37           | 61,35             | 0,32          | ↓        |
| Legal & General          | 20           | 38,30             | 0,20          | ↓        |
| Ossiam                   | 22           | 34,46             | 0,18          | ↑        |
| JPMorgan                 | 27           | 34,10             | 0,18          | ↑        |
| Raiffeisen               | 5            | 26,83             | 0,14          | ↓        |
| WisdomTree               | 46           | 21,02             | 0,11          | ↓        |
| Rize UCITS ICAV          | 4            | 12,40             | 0,06          | ↓        |
| BNP Paribas              | 29           | 11,67             | 0,06          | ↓        |
| HANetf                   | 8            | 11,23             | 0,06          | ↓        |
| Franklin Templeton       | 19           | 10,73             | 0,06          | ↓        |
| Pimco                    | 16           | 8,10              | 0,04          | ↑        |
| Fidelity                 | 23           | 6,99              | 0,04          | ↑        |
| Goldman Sachs            | 4            | 6,62              | 0,03          | ↑        |
| China Post Global        | 3            | 3,16              | 0,02          | ↑        |
| First Trust              | 1            | 0,38              | 0,00          | ↑        |
| Tabula                   | 1            | 0,07              | 0,00          | ↑        |
| First Trust              | 1            | 0,10              | 0,00          | ↓        |
| <b>Total</b>             | <b>1 535</b> | <b>19 440</b>     | <b>100,00</b> | <b>↓</b> |

Source: Swiss Stock Exchange



|    |         |               |
|----|---------|---------------|
| 01 | 39,85 % | UBS-ETF       |
| 02 | 22,54 % | iShares       |
| 03 | 17,75 % | Lyxor         |
| 04 | 7,45 %  | ZKB ETF       |
| 05 | 3,25 %  | Invesco       |
| 06 | 2,69 %  | Xtrackers     |
| 07 | 2,05 %  | Amundi        |
| 08 | 4,43 %  | other issuers |

# 1

## ETF Market on the Swiss Stock Exchange

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

#### Equity Developed Market

| Product                   | Turnover (mn CHF) | Trend |
|---------------------------|-------------------|-------|
| UBSETF MSCI JAPAN JPY ACC | 641               | ↑     |
| UBSETF MSCI EMU EUR ACC   | 547               | ↑     |
| UBSETF SMI CHF DIS        | 321               | ↑     |
| iSh Core SPI (CH) CHF Dis | 289               | ↑     |
| iSh Core S&P500 USD Acc   | 280               | ↓     |

Source: Swiss Stock Exchange

#### Fixed Income & Money Market

| Product                        | Turnover (mn CHF) | Trend |
|--------------------------------|-------------------|-------|
| iSh Core CorpBnd (CH) CHF Dis  | 109               | ↓     |
| AMUNDI GOV BD ETF              | 45                | ↑     |
| iSh \$ TreasBnd 7-10 USD Dis   | 43                | ↓     |
| UBSETF EU LiqCorSust EUR ACC   | 39                | ↓     |
| iSh CH GovBd 7-15 (CH) CHF Dis | 35                | ↓     |

Source: Swiss Stock Exchange

#### Equity Emerging Market

| Product                       | Turnover (mn CHF) | Trend |
|-------------------------------|-------------------|-------|
| UBSETF MSCI EM USD ACC        | 582               | ↑     |
| AMUNDI MSCI EM ASIA ETF       | 202               | ↑     |
| Lyxor MSCI AC APEJ - Acc      | 164               | ↑     |
| iSh Core MSCI EM IMI USD Acc  | 122               | ↓     |
| LYX FORTUNESG MSCICHINA A ACC | 99                | ↔     |

Source: Swiss Stock Exchange

#### Commodities

| Product                       | Turnover (mn CHF) | Trend |
|-------------------------------|-------------------|-------|
| ZKB GOLD ETF                  | 343               | ↓     |
| LYXOR T&R/CORECOMMO CRB - ACC | 293               | ↑     |
| ZKB GOLD ETF (USD)            | 228               | ↓     |
| UBSETF GOLD H-CHF DIS         | 184               | ↓     |
| UBSETF GOLD USD DIS           | 164               | ↓     |

Source: Swiss Stock Exchange

#### Equity Style / Strategy / Themes

| Product                        | Turnover (mn CHF) | Trend |
|--------------------------------|-------------------|-------|
| Lyxor STOXX EU 600 Basic Res   | 267               | ↑     |
| Lyxor STOXX EU 600 Banks       | 193               | ↓     |
| LYXOR ETF WORLD FINANCIALS     | 186               | ↑     |
| UBSETF SMIM CHF DIS            | 186               | ↓     |
| UBSETF MSCI JAPAN SRI H-USD AC | 182               | ↑     |

Source: Swiss Stock Exchange

#### Volatility

| Product                        | Turnover (mn CHF) | Trend |
|--------------------------------|-------------------|-------|
| iSh Edg MSCI Wrld MinVol Acc   | 8                 | ↓     |
| iSh Edg MSCI EM MinVol Acc     | 2                 | ↑     |
| UBSETF FAC EMU LO VOL H-EUR DI | 1                 | ↓     |
| iSh Edg S&P500 MinVol Acc      | 0                 | ↓     |
| UBSETF FAC US LO VOL USD DIS   | 0                 | ↓     |

Source: Swiss Stock Exchange

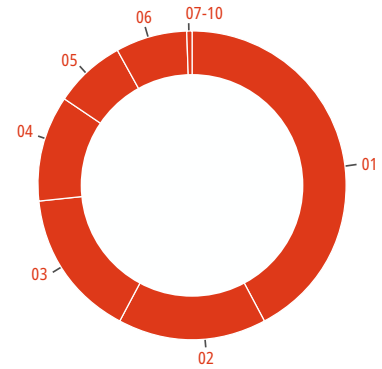


## 1.5 Trading Details

## Turnover by Asset Classes

| Asset Class                | Absolute        | Change | Turnover (mn)    | Trend |
|----------------------------|-----------------|--------|------------------|-------|
| 1 Equity Developed Markets | 42,23 %         | -44 %  | 8 210,33         | ↓     |
| 2 Commodities              | 15,72 %         | -16 %  | 3 055,18         | ↓     |
| 3 Equity Themes            | 15,58 %         | 54 %   | 3 027,92         | ↑     |
| 4 Equity Emerging Markets  | 11,01 %         | -10 %  | 2 140,19         | ↓     |
| 5 Fixed Income             | 7,55 %          | -76 %  | 1 468,34         | ↓     |
| 6 Equity Style / Strategy  | 7,37 %          | -18 %  | 1 433,07         | ↓     |
| 7 Funds                    | 0,45 %          | 23 %   | 88,01            | ↑     |
| 8 Volatility               | 0,06 %          | -89 %  | 11,23            | ↓     |
| 9 Money Market             | 0,02 %          | -93 %  | 4,39             | ↓     |
| 10 Other                   | 0,01 %          | 54 %   | 1,82             | ↑     |
| <b>Total</b>               | <b>100,00 %</b> |        | <b>19 440,48</b> |       |

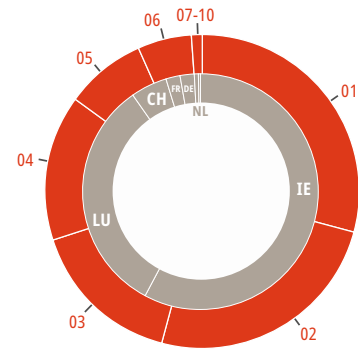
Source: Swiss Stock Exchange



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

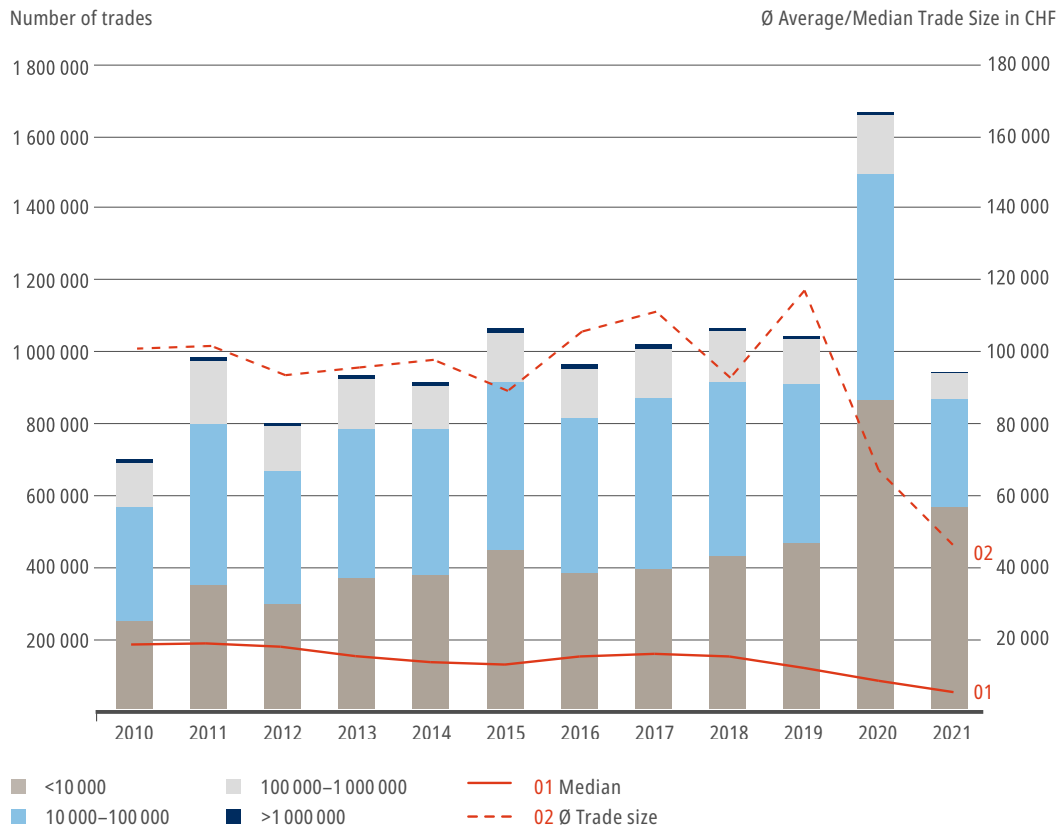
| Asset Class                | Absolute        | Change | Turnover (mn) | Trend |
|----------------------------|-----------------|--------|---------------|-------|
| 1 Equity Developed Markets | 29,32 %         | -1 %   | 450           | ↓     |
| 2 Fixed Income             | 24,89 %         | -1 %   | 382           | ↓     |
| 3 Equity Style / Strategy  | 15,90 %         | -1 %   | 244           | ↓     |
| 4 Equity Themes            | 14,98 %         | 5 %    | 230           | ↑     |
| 5 Equity Emerging Markets  | 8,34 %          | -3 %   | 128           | ↓     |
| 6 Commodities              | 5,73 %          | -1 %   | 88            | ↓     |
| 7 Volatility               | 0,59 %          | 0 %    | 9             | →     |
| 8 Money Market             | 0,13 %          | 0 %    | 2             | →     |
| 9 Funds                    | 0,07 %          | 0 %    | 1             | →     |
| 10 Other                   | 0,07 %          | 0 %    | 1             | →     |
| <b>Total</b>               | <b>100,00 %</b> |        | <b>1 535</b>  |       |

Source: Swiss Stock Exchange



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

### 2.1 Trading Details (Breakdown of Respective Ticket Size)



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.       | 1166 | Virtu Financial Ireland Ltd       | 73   |
| Société Générale        | 990  | Deutsche Bank AG London Branch    | 46   |
| Optiver VOF             | 840  | Zürcher Kantonalbank              | 34   |
| Goldenberg Hehmeyer LLP | 318  | Credit Suisse International       | 9    |
| BNP Paribas             | 255  | RBC Europe Limited                | 7    |
| UBS AG                  | 204  | Credit Suisse AG                  | 6    |
| Finovesta GmbH          | 166  | Raiffeisen Schweiz Genossenschaft | 5    |
| Susquehanna             | 119  | Morgan Stanley                    | 3    |

Source: Swiss Stock Exchange

### Spread-Monitor (Tightest Spreads)

| Product                      | Ticker | TER  | Ø Bid Ask Spread (%) |
|------------------------------|--------|------|----------------------|
| X DAX                        | XDAX   | 0,09 | 0,03                 |
| X EURO STOXX 50 1D           | XESX   | 0,09 | 0,03                 |
| ISHARES USD TRSRY 1-3Y USD A | IBTA   | 0,07 | 0,04                 |
| X EUR RATE SWAP 1D           | XEON   | 0,10 | 0,04                 |
| X SHORTDAX DAILY SWAP        | XSDX   | 0,40 | 0,04                 |
| SPDR BBG 1-3 US TREASURY     | TRS3   | 0,15 | 0,05                 |
| ISHARES USD TRSRY 1-3Y USD D | IBTS   | 0,07 | 0,05                 |
| ISHARES TRSY 1-3YR USD ACC B | CSBGU3 | 0,07 | 0,05                 |
| INVECO NASDAQ-100 DIST       | EQQQ   | 0,30 | 0,05                 |
| ISHARES EUR GOVT 3-7Y ACC    | CSBGE7 | 0,20 | 0,05                 |
| INVECO S&P 500 DIST          | SPXD   | 0,05 | 0,05                 |
| ISHARES CORE S&P 500         | IUSA   | 0,07 | 0,05                 |
| X USD TREASURIES             | XUTD   | 0,07 | 0,05                 |
| JPM USD ULTSHT INC UCITS ETF | JPSA   | 0,18 | 0,06                 |
| LYXOR SMART OVERNIGHT RETURN | SMOR   | 0,05 | 0,06                 |
| ISHARES NASDAQ 100 USD ACC   | CSNDX  | 0,33 | 0,06                 |
| JPM BETA US TRES 0-1 USD UCT | BBIL   | 0,07 | 0,06                 |
| ISHARES EURO GOVT 5-7YR      | IEGY   | 0,20 | 0,06                 |
| JPM USD ULTSHT INC UCITS ETF | JPST   | 0,18 | 0,06                 |
| ISHARES USD TREASURY 3-7YR   | CSBGU7 | 0,07 | 0,06                 |

Source: Bloomberg

## 2.3 New Listings in the Quarter

| First Trading Day | Product  | Symbol | Currency | Management Fee | Market Maker   |
|-------------------|--|--------|----------|----------------|--|
| 10.06.2021        | iShares Green Bond UCITS ETF EUR (Dist)                      | GRON   | EUR      | 0,20 %         | Goldenberg Hehmeyer LLP, Société Générale              |
| 10.06.2021        | iShares Global Govt Bond Climate UCITS ETF USD (Dist)        | CGGD   | USD      | 0,20 %         | Flow Traders B.V., Société Générale                    |
| 10.06.2021        | iShares J.P. Morgan EM Bond UCITS ETF EUR (Dist)             | EB3M   | EUR      | 0,35 %         | Goldenberg Hehmeyer LLP, Société Générale              |
| 10.06.2021        | iShares J.P. Morgan \$ EM Inv Grade Bond UCITS ETF USD (Acc) | IGAE   | USD      | 0,30 %         | Goldenberg Hehmeyer LLP, Société Générale              |
| 10.06.2021        | iShares MSCI EM ex-China UCITS ETF USD (Acc)                 | EXCH   | USD      | 0,25 %         | Flow Traders B.V., Goldenberg Hehmeyer LLP             |
| 10.06.2021        | Lyxor MSCI World Catholic Principles ESG (DR) UCITS ETF Acc  | CATH   | CHF      | 0,30 %         | Société Générale                                       |
| 25.05.2021        | Goldman Sachs Access China Govt Bd UCITS ETF - USD Acc       | CBNX   | USD      | 0,24 %         | Flow Traders B.V.                                      |
| 25.05.2021        | iShares High Yield Corp Bond ESG UCITS ETF CHF Hedged Acc    | EHYC   | CHF      | 0,50 %         | Goldenberg Hehmeyer LLP, Société Générale              |
| 25.05.2021        | iShares \$ High Yield Corp Bond ESG UCITS ETF CHF Hedged Acc | DHYC   | CHF      | 0,50 %         | Goldenberg Hehmeyer LLP, Société Générale              |
| 25.05.2021        | Vanguard ESG Global Corporate Bond UCITS ETF CHF Hedged Acc  | V3GX   | CHF      | 0,15 %         | Goldenberg Hehmeyer LLP, Société Générale              |
| 25.05.2021        | Vanguard ESG Global Corporate Bond UCITS ETF CHF Hedged Dist | V3GH   | CHF      | 0,15 %         | Goldenberg Hehmeyer LLP, Société Générale              |
| 20.05.2021        | UBS ETF MSCI ACWI Socially Responsible UCITS ETF hdg JPY acc | AWSRIJ | JPY      | 0,33 %         | UBS AG   |
| 20.05.2021        | Xtrackers MSCI World Value UCITS ETF 1C                      | XDEV   | USD      | 0,15 %         | BNP Paribas, Goldenberg Hehmeyer LLP, Société Générale |
| 19.05.2021        | VanEck Vectors Hydrogen Economy UCITS ETF                    | HDRO   | CHF      | 0,55 %         | Société Générale                                       |
| 18.05.2021        | Lyxor World Water (DR) UCITS ETF - Acc                       | WATC   | CHF      | 0,60 %         | Flow Traders B.V., Société Générale                    |
| 17.05.2021        | CSIF (IE) DAX 50 ESG Blue UCITS ETF B EUR                    | DXESG  | EUR      | 0,12 %         | Credit Suisse International, Flow Traders B.V.         |
| 14.05.2021        | SPDR Bloomberg SASB Euro Corporate ESG UCITS ETF (Acc)       | EUCR   | EUR      | 0,15 %         | Flow Traders B.V.                                      |
| 14.05.2021        | SPDR Bloomberg SASB U.S. Corporate ESG UCITS ETF (Acc)       | USCR   | USD      | 0,15 %         | Flow Traders B.V.                                      |
| 11.05.2021        | Ossiam US Steepener UCITS ETF 1C (USD)                       | USTP   | USD      | 0,30 %         | BNP Paribas  |
| 07.05.2021        | Ossiam Food for Biodiversity UCITS ETF 1A (EUR)              | F4DE   | EUR      | 0,75 %         | BNP Paribas  |
| 07.05.2021        | Ossiam Food for Biodiversity UCITS ETF 1A (USD)              | F4DU   | USD      | 0,75 %         | BNP Paribas  |
| 04.05.2021        | L&G ESG China CNY Bond UCITS ETF                             | DRGN   | CHF      | 0,30 %         | Flow Traders B.V.                                      |
| 04.05.2021        | L&G ESG EM Government Bond (USD) 0-5 Year UCITS ETF          | EMD5   | CHF      | 0,25 %         | Flow Traders B.V.                                      |
| 04.05.2021        | L&G ESG Emerging Markets Corporate Bond (USD) UCITS ETF      | EMUS   | CHF      | 0,35 %         | Flow Traders B.V.                                      |
| 04.05.2021        | L&G ESG GBP Corporate Bond 0-5 Year UCITS ETF                | GBP5   | GBP      | 0,09 %         | Flow Traders B.V.                                      |
| 04.05.2021        | L&G ESG GBP Corporate Bond UCITS ETF                         | GBPC   | GBP      | 0,09 %         | Flow Traders B.V.                                      |
| 04.05.2021        | L&G ESG Green Bond UCITS ETF                                 | GBNB   | CHF      | 0,25 %         | Flow Traders B.V.                                      |
| 04.05.2021        | L&G ESG USD Corporate Bond UCITS ETF                         | USDC   | CHF      | 0,09 %         | Flow Traders B.V.                                      |
| 23.04.2021        | Invesco MSCI China All Shares Connect UCITS ETF Acc          | MXCN   | USD      | 0,35 %         | Flow Traders B.V.                                      |
| 13.04.2021        | iShares EUR Corp Bond 0-3yr ESG UCITS ETF CHF Hedged (Acc)   | IE0C   | CHF      | 0,17 %         | Goldenberg Hehmeyer LLP, Société Générale              |
| 13.04.2021        | Vanguard ESG Global All Cap UCITS ETF (USD) Accumulating     | V3AA   | CHF      | 0,24 %         | Société Générale                                       |

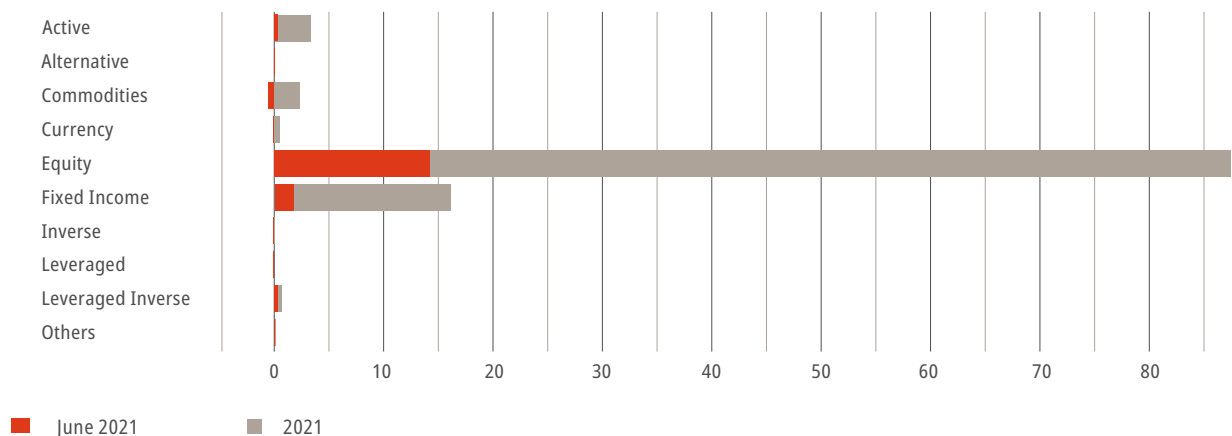
## 2.3 New Listings in the Quarter

| First Trading Day | Product   | Symbol | Currency | Management Fee | Market Maker                   |
|-------------------|---|--------|----------|----------------|--------------------------------|
| 13.04.2021        | Vanguard ESG Global All Cap UCITS ETF (USD) Distributing    | V3AL   | CHF      | 0,24 %         | Société Générale               |
| 12.04.2021        | Invesco Global Clean Energy UCITS ETF Acc                   | GCLE   | USD      | 0,60 %         | Société Générale               |
| 12.04.2021        | Invesco MSCI EMU ESG Universal Screened UCITS ETF Acc       | EEMU   | EUR      | 0,16 %         | Société Générale               |
| 12.04.2021        | Invesco MSCI Japan ESG Universal Screened UCITS ETF Acc     | ESGJ   | USD      | 0,19 %         | Société Générale               |
| 12.04.2021        | Invesco MSCI Pacific ex Japan ESG Univ Screen UCITS ETF Acc | ESPJ   | USD      | 0,19 %         | Société Générale               |
| 12.04.2021        | Invesco NASDAQ Next Generation 100 UCITS ETF Acc            | EQQJ   | USD      | 0,25 %         | Société Générale               |
| 12.04.2021        | Invesco NASDAQ-100 Swap UCITS ETF Acc                       | EQQS   | USD      | 0,20 %         | Flow Traders B.V.              |
| 08.04.2021        | Global Online Retail UCITS ETF - Acc                        | IBUY   | CHF      | 0,69 %         | RBC Europe Limited             |
| 07.04.2021        | UBS ETF BB MSCI Global Liq Corp Sust UCITS ETF (USDh) A-acc | CORPS  | USD      | 0,25 %         | Deutsche Bank AG London Branch |
| 01.04.2021        | UBS MSCI EMU Climate Paris Aligned UCITS ETF (EUR) A-acc    | EMUPA  | EUR      | 0,18 %         | Flow Traders B.V., UBS AG      |
| 01.04.2021        | UBS MSCI Europe Climate Paris Aligned UCITS ETF (EUR) A-acc | EURPA  | EUR      | 0,18 %         | UBS AG                         |
| 01.04.2021        | UBS MSCI Japan Climate Paris Aligned UCITS ETF (JPY) A-acc  | JAPA   | JPY      | 0,20 %         | UBS AG                         |
| 01.04.2021        | UBS MSCI USA Climate Paris Aligned UCITS ETF (USD) A-acc    | USAPA  | USD      | 0,12 %         | UBS AG                         |
| 01.04.2021        | UBS MSCI World Climate Paris Aligned UCITS ETF (USD) A-acc  | WOPA   | USD      | 0,20 %         | UBS AG                         |

The largest asset class, equities, reported assets under management of USD 1,005 trillion at the end of the second quarter, representing a share of 67,75 % (end of March: 67,16 %). The bonds asset class again came in second place with a share of 22,07 % (end of March: 22,51 %). The commodities asset class still ranked third at 7,73 % (end of March: 7,84 %).

The number of ETFs increased by 32 to 2 425 in the second quarter, while total assets under management rose by USD 125 billion to USD 1,483 trillion. In June, equity ETFs and bond ETFs saw strong growth, whereas commodity ETFs recorded a decrease. Apart from leveraged ETFs, all other asset classes have generated asset inflows since the start of the year.

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



Source: ETFGI

| Asset Classes     | ETFs/ETPs    | AuM June 2020<br>(in mn USD) | Market Share   | Net New Assets (in mn USD) |                |               |
|-------------------|--------------|------------------------------|----------------|----------------------------|----------------|---------------|
|                   |              |                              |                | June 2021                  | YTD 2021       | YTD 2020      |
| Active            | 62           | 19 046                       | 1,3 %          | 486                        | 3 366          | -276          |
| Alternative       | 5            | 135                          | 0,0 %          | 16                         | 84             | -282          |
| Commodities       | 293          | 114 746                      | 7,7 %          | -803                       | 2 595          | 15 505        |
| Currency          | 64           | 5 934                        | 0,4 %          | -1                         | 884            | 15            |
| Equity            | 1 220        | 1 005 017                    | 67,7 %         | 14 313                     | 87 048         | -1 047        |
| Fixed income      | 438          | 327 465                      | 22,1 %         | 2 370                      | 16 729         | 19 738        |
| Inverse           | 66           | 1 971                        | 0,1 %          | 73                         | 246            | -207          |
| Leveraged         | 189          | 3 971                        | 0,3 %          | -25                        | -353           | -767          |
| Leveraged Inverse | 72           | 2 476                        | 0,2 %          | 318                        | 1 047          | -287          |
| Other             | 16           | 2 765                        | 0,2 %          | 31                         | 447            | 271           |
| <b>Total</b>      | <b>2 425</b> | <b>1 483 526</b>             | <b>100,0 %</b> | <b>16 777</b>              | <b>112 092</b> | <b>32 664</b> |

Source: ETFGI



**ETF QOD is unique because it provides dedicated access to a pool of ETF market maker specialists.**




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Bernardus Roelofs currently leads DRW's ETF institutional sales and trading activities globally. A leader in the ETF industry in Europe and Asia, he has worked for almost two decades with ETF market makers, issuers, exchanges and institutional investors. Nardus started his ETF career at HVB/Unicredit as an ETF Sales & Advisory specialist, where he was responsible for developing and positioning HVB's/Unicredit's ETF business in Europe. He then joined Flow Traders as the Global Head of ETF Sales Trading, where he established and managed the first non-bank market maker ETF sales trading desks in Europe & APAC covering institutional investors. Earlier in his career, Nardus had senior roles at HVB/Unicredit and Commerzbank as Equity Capital Market specialist responsible for acquisition and distribution of equity and equity-linked offerings.

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Bernardus Roelofs, DRW.

**How has the ETF trading landscape evolved over the past years?**

One very clear change over the last couple of years is the electronification of the ETF trading space. Whilst 5 years ago it was still common to trade via phone, chat or manually price RFQs, it is now a space dominated by automatization. Trades are quoted and executed in milliseconds and that change is impressive to see. But it is also a necessary change, as trading volumes have surged. The number of ETF trades that were executed OTC 10 years ago pales in comparison to the volumes we see today.

Additionally, ETFs follow the same logic of other assets:

liquidity creates liquidity. Independent ETF market makers have consistently shown a willingness and ability to price ETFs, which has heightened institutional investors' confidence in the ETF wrapper. You see this play out in the increased adoption in Fixed Income ETFs, as it is now possible to trade even larger sizes with relative ease. We have also seen new use cases become attractive to sophisticated audiences, such as using ETFs as a hedging vehicle.

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

The ETF issuer landscape continues to evolve. On the one hand, larger issuers, such as Lyxor and Amundi,

are merging. While that could mean consolidation, we are also seeing a continued inflow of new participants on the European market, such as Rize, Global X and HA-Netf. Additionally, more traditional asset managers like Northern Trust continue to warm up to the ETF wrapper in Europe.

Secondly, the rise of ESG and thematic ETFs are driving tremendous interest. We believe the evolving public sentiment for ESG topics and the increasing number of new products with an ESG focus, both within the equity and fixed income space, will lead to more assets being allocated in these products. With thematic ETFs, investors now have the ability to efficiently invest in specific industries like blockchain, clean energy or even airlines, hotels or cruise lines.

One of the newest developments shaping the sector is the arrival of crypto assets in the ETP wrapper. Investors now can get portfolio exposure to Bitcoin, Ethereum or Binance through ETPs, which can be bought and sold just like ETFs. Both existing issuers (e.g., VanEck and WisdomTree) and new issuers (e.g., 21Shares, CoinShares, ETC Group and Iconic) have become active in this new asset class.

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

For investors and execution desks, a driving factor is access to ETF liquidity, irrespective of market conditions, in order to get the best possible price. This means they need to have access to specialist ETF market makers who are responsible for providing liquidity for smaller and bigger trade sizes. To achieve best execution and minimize risk, it is imperative that execution desks diversify the group of market makers from which they source their pricing. RFQ platforms, where ETF market makers are put into competition, are a good way to get the best price. However, it is important to appreciate that the landscape is changing with new ETF market makers and RFQ platforms coming online to serve this demand. Investors are smart to include enough market makers in their requests, as no single ETF market maker is able to provide the best prices across all products and asset classes at all times.

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

DRW has been active as a specialist ETF market maker on ETF QOD from day one. This platform is unique because it provides dedicated access to a pool of ETF market maker specialists. The service combines the widely used RFQ trading methodology with the benefits of on-exchange trading – such as CCP clearing and straight-through post-trade processing, ensuring smooth settlement.

Due to the nature of the RFQ platform, market impact can be minimized. This enables the requester side to profit from attractive pricing and tighter spreads provided by the market maker specialists.

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

One of the key developments spearheaded by Switzerland is the adoption of crypto ETNs. Most of the institutional investor base comes from Swiss private banks, and wealth managers there are willing to test the waters with crypto investments. With crypto gaining more and more traction as an asset class, this trend is expected to continue and underscores the position of the Swiss market.

Another trend we have seen is the ESG adoption. Many wealthy individuals are becoming more concerned about the environment and are making investment decisions driven by a desire to help address the problem. One way to respond to this emerging consideration is to shift the portfolio to an ESG-aligned methodology. Hence, we have seen an increased demand from private banks and wealth managers who are expressing this trend via their trades.



### **Publisher**

**Swiss Stock Exchange**

**SIX Swiss Exchange**

Pfingstweidstrasse 110

Postfach

CH-8021 Zürich

T +41 58 399 5454

[www.six-group.com/swiss-stock-exchange](http://www.six-group.com/swiss-stock-exchange)