

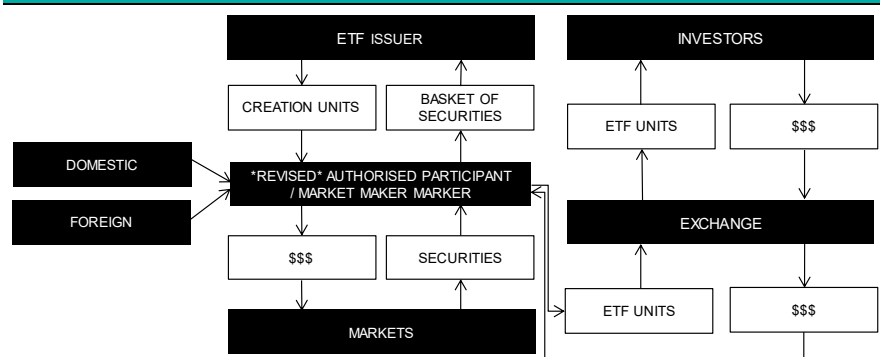
# EXCHANGE TRADED FUNDS.

## BELL POTTER

## Welcome Abroad

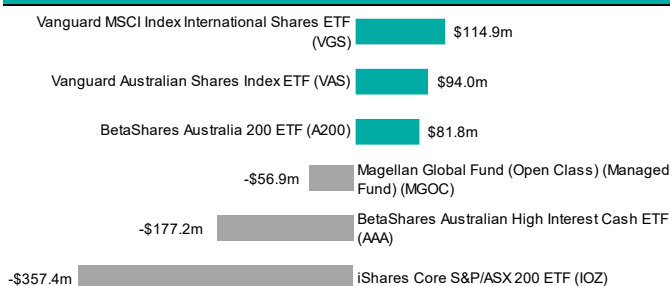
ASIC Class Order [CO 13/721] (the Class Order) provides regulatory relief for Responsible Entities of an Exchange Traded Fund who limit withdrawals from a fund to Authorised Participants, resulting in non-compliance with the *Corporations Act 2001* (the Act) through unequal treatment of members belonging to the same class. ASIC has now made *ASIC Corporations (Amendment) Instrument 2021/299* to modify the Class Order which would see the removal of a regulatory barrier to entry for off-shore market-making entities seeking to participate in the Australian ETF market. The amendment means that Authorised Participants (APs) are no longer required to identify as an Australian resident for tax purposes. ASIC formed the view that restricting entities to this category was unnecessary for consumer protection or market integrity reasons, instead finding that this delineation may lead to suboptimal outcomes for retail investors trading on the secondary market, particularly due to wider bid/ask spreads as a result of insufficient competition. We view this as a positive advancement for the industry, with lower market share dominance of APs foreseeably driving a reduction in investor transaction costs.

Figure 1 - ETF market structure



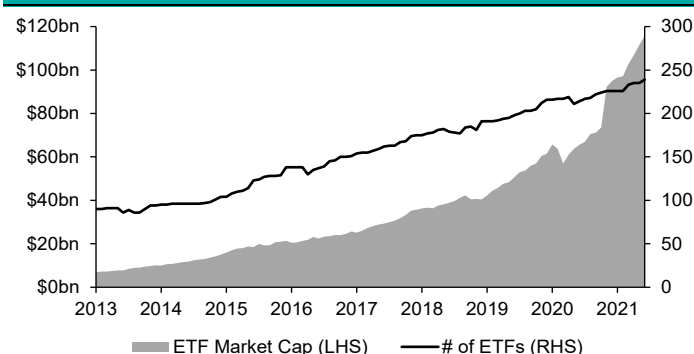
SOURCE: BELL POTTER. <https://www.legislation.gov.au/details/f2021l00795>.

Figure 2 - Top ETF flows for June 2021



SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

Figure 4 - ETF market size



SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

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## ETF Data

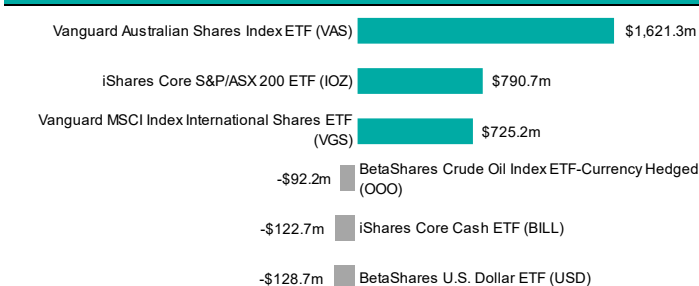
Number of ETFs	239
Market capitalisation	\$115.7bn
Number of transactions per day	18,467
Average daily volume	19.7m
Average daily value	\$341.0m

SOURCE: ASX, CHI-X, AS AT 30 JUNE 2021.

## RECENTLY LISTED ETFs

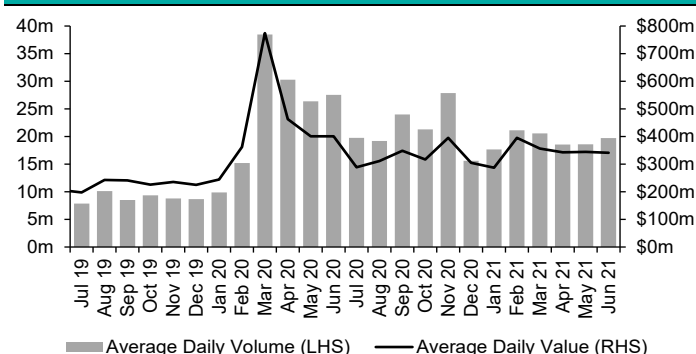
• Coolabah Active Composite Bond Fund (FIXD)	21-Jun-21
• Monash Absolute Active Trust (Hedge Fund) (MAAT)	10-Jun-21
• iShares Core MSCI Australia ESG Leaders ETF (IESG)	04-Jun-21
• Magellan FuturePay (FPAY)	02-Jun-21
• BetaShares Australian Major Bank Hybrids Index ETF (BHYB)	23-Apr-21

Figure 3 - Top ETF flows for 12 months ending June 2021



SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

Figure 5 - Average daily volume and value



SOURCE: ASX, BELL POTTER RESEARCH

# iShares Core MSCI Australia ESG Leaders ETF (IESG).

## ETF Profile

ASX Listed	4 June 2021
Inception Date	2 June 2021
ASX Code	IESG
Closing Price*	\$25.59
Net Assets*	\$10.8m
Units Outstanding*	420,001
Management Costs**	0.09% p.a.
Distribution Frequency	Quarterly
Responsible Entity	BlackRock Investment Management (Australia) Limited
Investment Manager	BlackRock Investment Management (Australia) Limited
Benchmark	MSCI Australia IMI Custom ESG Leaders Index
Registry	Computershare Investors Services Pty Limited
Custodian	J.P. Morgan Chase Bank, N.A. Sydney Branch

\*AS AT 12 JULY 2021.

\*\*CERTAIN ADDITIONAL COSTS APPLY. PLEASE REFER TO THE PDS.

## Portfolio Characteristics

P/E*	23.3
P/B*	2.8

\*AS AT 9 JULY 2021.

IESG seeks to track the performance of the MSCI Australia IMI Custom ESG Leaders Index (The Index") (before fees and expenses). The objective of the Fund is to provide investors with Australian broad-based exposure to large, mid and small capitalisation enterprises that exhibit more favourable sustainability credentials relative to their sector peers.

## Investment strategy

Where feasible, BlackRock will adopt a full replication approach by mirroring the benchmark in composition and weight to ensure similar performance and narrow tracking error. Both Positive and Negative business involvement screens will be applied in determining eligibility. Based on revenues or business classification, companies engaged in alcohol, armaments, fossil fuels, gambling, nuclear power, pornography and tobacco related activities will be removed at a high level of significance. Non-compliance with the United Nations' Global Compact principles will also result in exclusion. Five GICS Fossil Fuel sub-industries are completely excluded from the opportunity set. Best-in-class ESG names are also given preference for inclusion. MSCI ESG Research provides comprehensive in-house data for index constitution and rebalancing.

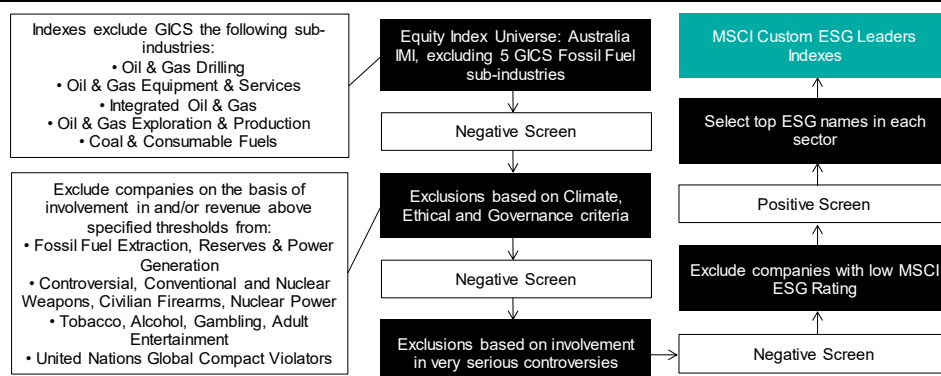
## About the Index

The Index is weighted according to the free float-adjusted market capitalisation (FMC) of constituent securities, targeting half of the FMC of each Global Industry Classification Standard (GICS) Industry Group within the parent MSCI Australia IMI Index. To limit concentration risk and so as to maintain similar sector weights, the maximum exposure of any issuer in The Index is capped at 10% or 2.5% in excess of the issuer's weight in MSCI Australia IMI, whichever is higher.

## Risks

Please refer to Section 12 on pg. 17 of the iShares Australian Equity ETFs Product Disclosure Statement (20 May 2021).

Figure 6 - Index Methodology



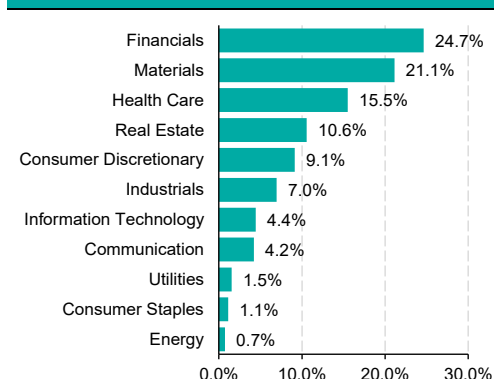
SOURCE: BLACKROCK, MSCI.

Figure 7 - Top 10 Positions

Name	Weight (%)
Commonwealth Bank	11.2
CSL Ltd	9.6
Wesfarmers Ltd	6.9
Macquarie Group Ltd	5.6
Fortescue Metals Group Ltd	4.2
Transurban Group	4.1
Goodman Group	3.7
Newcrest Mining Ltd	2.2
James Hardie Industries	2.1
Xero Ltd	1.9

SOURCE: BLACKROCK. DATA AS AT 9 JUNE 2021.

Figure 8 - Sector Allocation



SOURCE: BLACKROCK. DATA AS AT 9 JUNE 2021.

# Coolabah Active Composite Bond Fund (FIXD).

## ETF Profile

CXA Listed	21 June 2021
Inception Date	7 March 2017
CXA Code	FIXD
APIR Code	ETL2716AU
iNAV	FIXDAUDINAV
Closing Price*	\$30.06
Net Assets*	\$76.0m
Units Outstanding*	2,531,151
Management Costs**	0.30% p.a.

Performance Fees**	20.50% p.a. of the amount by which the Fund's performance exceeds the Benchmark s.t. High WM
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Distribution Frequency	Quarterly
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Responsible Entity	Equity Trustees Limited
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Investment Manager	Coolabah Capital Investments (Retail) Pty Ltd
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Benchmark	Bloomberg AusBond Composite 0+Yr Index plus mgmt costs (0.30% p.a.)
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Registry	Mainstream Fund Services Pty Ltd
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Custodian	Mainstream Fund Services Pty Ltd
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Recommended Investment Timeframe	3 Years
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\*AS AT 30 JUNE 2021.

\*\*CERTAIN ADDITIONAL COSTS APPLY. PLEASE REFER TO THE PDS.

## Portfolio Characteristics

Gross Portfolio Weight to Cash*	4.8%
Gross Portfolio Weight to Bonds*	95.6%
Weighted Portfolio Credit Rating*	AA-
Modified Duration*	6.1 Years

\*AS AT 31 MAY 2021.

FIXD aims to provide investors with access to a diversified portfolio of predominantly 50-100 high grade long duration bonds. The portfolio is managed by Coolabah Capital Investments, with more than \$6bn in FUM and a team of 27 executives; including 5 Portfolio Managers and 14 Analysts. Coolabah is a leading active credit alpha manager founded in 2011, specialising in fixed income solutions.

## Investment Objective

FIXD seeks to deliver superior risk-adjusted returns to the Benchmark Bloomberg AusBond Composite 0+ Yr Index through exploiting security mispricings to generate capital gains in addition to yield. The Fund targets returns in excess of the Bloomberg AusBond Composite 0+ Yr Index, after management costs, by 1.0% to 2.0% p.a. over each rolling 12 month period.

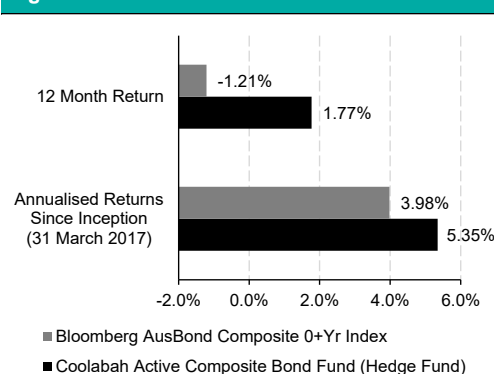
## Investment Strategy

The Fund is permitted to invest in bonds, such as government and semi-government bonds, bank and corporate bonds, and asset-backed securities, including residential-mortgage backed securities, issued in AUD or in G10 currencies hedged to AUD, as well as cash and cash equivalents. As a core long duration strategy, FIXD focusses on average AA rated fixed income securities more susceptible to economic conditions. Market participants may misjudge the direction of monetary policy, inflation and/or credit quality; which can create inefficiencies that may be exploited by active managers such as Coolabah undertaking fundamental and quantitative analysis. The mandate permits both long and short credit to profit from declining and increasing credit spreads. The Fund may also invest in OTC or exchange traded derivatives to manage risk and/or gain limited exposure to investments. The Investment Strategy may also involve borrowing, using repurchase agreements or taking long or short positions to achieve leverage. Both derivatives and gearing are expected to magnify capital gains and losses. The Fund will typically have leverage of 1.0x-1.5x, with a ceiling of up to 2.5x subject to an opportunity set contingent on the magnitude of mispricings.

## Risks

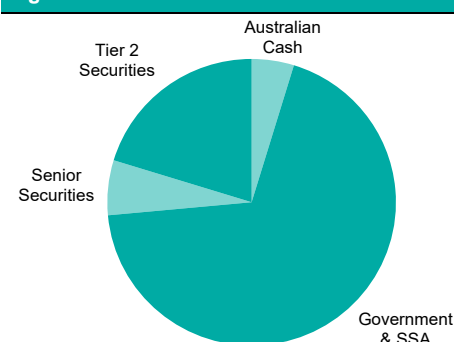
Please refer to Section 7 on pg. 21 of the Product Disclosure Statement (8 June 2021).

Figure 9 - Net Relative Returns



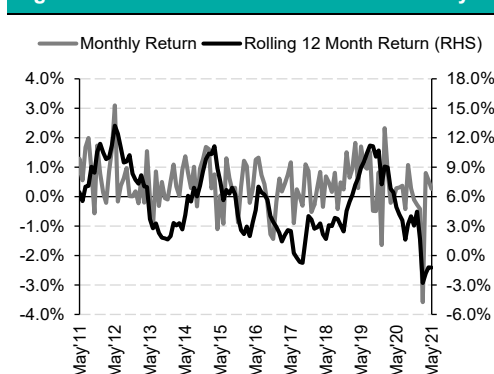
SOURCE: COOLABAH. DATA AS AT 31 MAY 2021.

Figure 11 - Portfolio Asset Allocation



SOURCE: COOLABAH. DATA AS AT 31 MAY 2021.

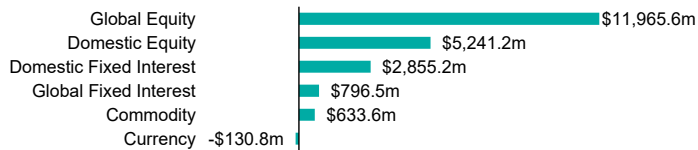
Figure 10 - Benchmark Returns and Volatility



SOURCE: BLOOMBERG.

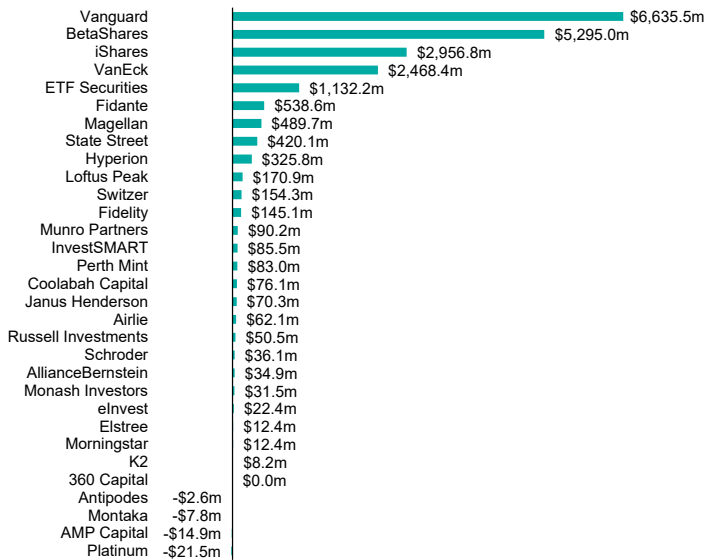
# Australian ETF Flows.

Figure 12 - 1 year fund flows by category as at June 2021



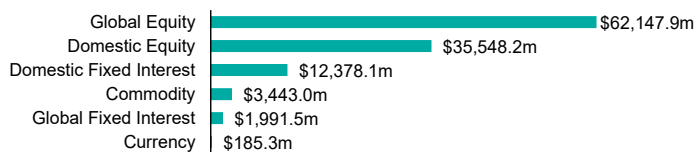
SOURCE: ASX, CHI-X, BELL POTTER RESEARCH.

Figure 14 - 1 year fund flows by issuer as at June 2021



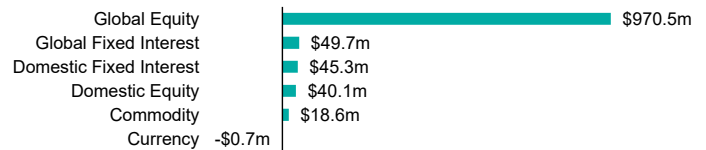
SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

Figure 16 - FUM by category as at June 2021



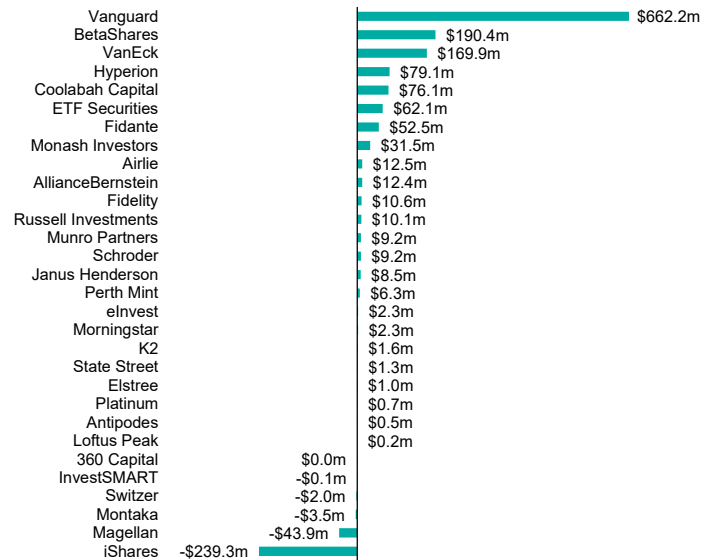
SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

Figure 13 - June 2021 net fund flows by category



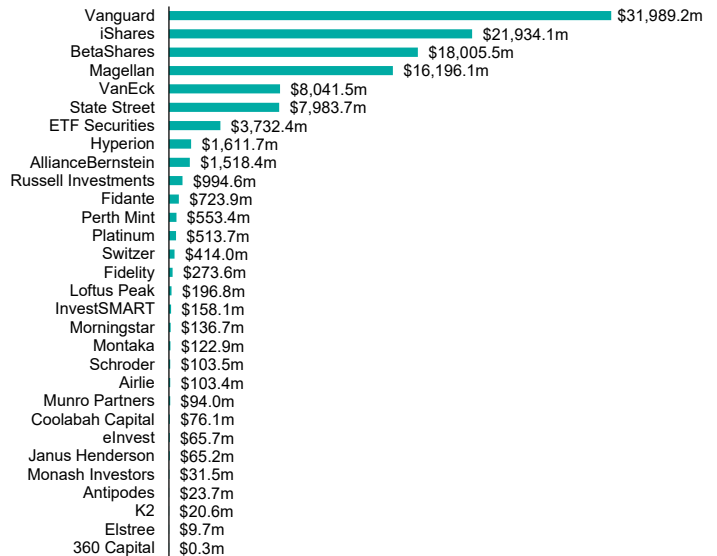
SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

Figure 15 - June 2021 net fund flows by issuer



SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

Figure 17 - FUM by issuer as at June 2021

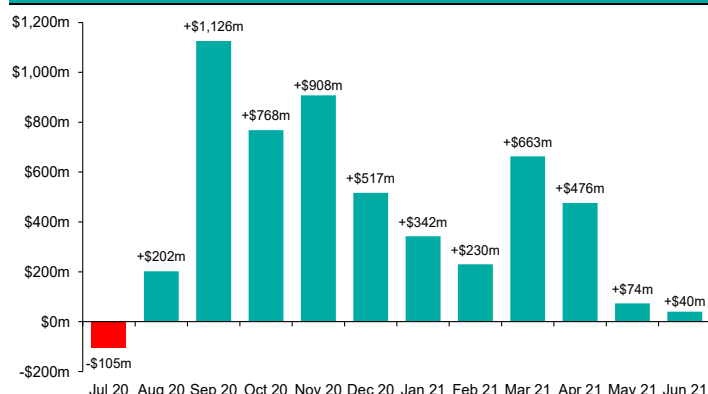


SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

# Domestic Equity ETFs.

**Monash Absolute Active Trust (Hedge Fund) (ASX:MAAT)** listed during the month, which seeks to provide investors with double digit returns over a full Market Cycle while limiting the risk of capital loss. The benchmark agnostic Manager implements a fundamental, bottom-up approach to company research and portfolio construction; which is solidified by the judgement and combined 61 years of experience by co-founders Simon Shields and Shane Fitzgerald. The Exchange Traded Managed Fund has a concentrated focus on the inefficient price discovery of mid to small cap Australian securities, also employing the use of short-selling to deliver enhanced relative and risk-adjusted returns by increasing the gross market exposure of the Fund to quoted securities short. Although not reflected in our asset class peer tables, this was previously a close-end Listed Investment Company prior to the implementation of a restructure, with the inception date of the fund being 2 July 2012. Over this timeframe, the fund has returned 12.67% p.a. after fees, exhibited an average portfolio Beta of 0.63, an average net exposure of 79%, a Sharpe Ratio of 0.67 and a maximum drawdown of -29%. While investors on the whole sought to profit from an alleviation in the displacement between the fund's unit price and net asset value, the fund also had a flow of new units issued. Keeping up with recent innovations, MAAT employs a dual unit registry which facilitates the possibility of either applying for units directly with the Responsible Entity using an Application Form or by buying units on the ASX. This removes the need for two distinct funds, with investors being able to select between the listed or unlisted access varieties as per their preference. The differentiating factor here will be the entry and exit price. For on-market transactions, the deemed entry or exit price will be the price that was purchased/sold on the ASX, whereas applying and withdrawing directly with the Responsible Entity will provide the investor with a price that reflects the NAV per unit (after a 30bp bid-ask spread to cover transaction costs) based on the value of the Fund's assets in relation to the previous Business Day.

Figure 18 - Domestic equity net fund flows



SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

Figure 20 - Domestic equity June net fund inflows

Code	ETF Description	Flows
VAS	Vanguard Australian Shares Index ETF	\$94.0m
A200	BetaShares Australia 200 ETF	\$81.8m
VAP	Vanguard Australian Property Securities Index ETF	\$41.6m
MAAT	Monash Absolute Active Trust (Hedge Fund)	\$31.5m
VHY	Vanguard Australian Shares High Yield ETF	\$18.8m

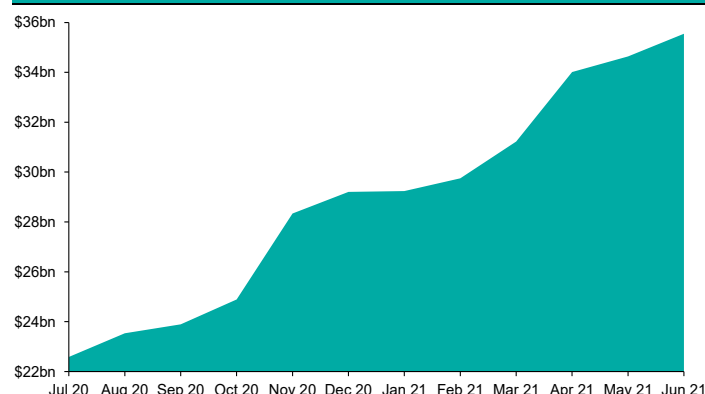
SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

Figure 22 - Domestic equity 1 year net fund inflows

Code	ETF Description	Flows
VAS	Vanguard Australian Shares Index ETF	\$1,621.3m
IOZ	iShares Core S&P/ASX 200 ETF	\$790.7m
A200	BetaShares Australia 200 ETF	\$453.6m
FAIR	BetaShares Australian Sustainability Leaders ETF	\$398.4m
MVW	VanEck Vectors Australian Equal Weight ETF	\$276.9m

SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

Figure 19 - Domestic equity FUM



SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

Figure 21 - Domestic equity June net fund outflows

Code	ETF Description	Flows
IOZ	iShares Core S&P/ASX 200 ETF	-\$357.4m
BBOZ	BetaShares Australian Equities Strong Bear	-\$12.6m
SFY	SPDR S&P/ASX 50 Fund	-\$6.5m
ILC	iShares S&P/ASX 20 ETF	-\$4.4m
QRE	BetaShares S&P/ASX 200 Resources Sector ETF	-\$3.1m

SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

Figure 23 - Domestic equity 1 year net fund outflows

Code	ETF Description	Flows
MVOL	iShares Edge MSCI Australia Minimum Volatility ETF	-\$38.3m
BEAR	BetaShares Australian Equities Bear Hedge Fund	-\$37.2m
RDV	Russell Investments High Dividend Aus Shares ETF	-\$29.5m
AUST	BetaShares Managed Risk Australian Share Fund	-\$28.1m
IHD	iShares S&P/ASX Dividend Opportunities ETF	-\$28.0m

SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

# Domestic Equity ETFs.

Description	ETF Code	Price (\$)	Manager	Benchmark	Holdings	Strategy	Replication	MER (%)	Spread (%)	Market Cap (\$m)
<b>Broad Market</b>										
ASX 200	A200	122.98	BetaShares	Solactive Australia 200	~201	Passive	Full	0.07	0.04	1,529.4
ASX 200	IOZ	29.86	iShares	S&P/ASX 200	~202	Passive	Full	0.09	0.04	3,853.4
ASX 200	STW	67.55	State Street	S&P/ASX 200	~209	Passive	Full	0.13	0.04	4,633.3
ASX 300	VAS	93.17	Vanguard	S&P/ASX 300	~312	Passive	Full	0.10	0.04	8,699.6
<b>Large Cap</b>										
ASX 20	ILC	28.89	iShares	S&P/ASX 20	~22	Passive	Full	0.24	0.14	428.4
ASX 30	VLC	75.98	Vanguard	MSCI Large Cap	~23	Passive	Full	0.20	0.13	137.1
ASX 50	SFY	65.15	State Street	S&P/ASX 50	~54	Passive	Full	0.29	0.08	762.8
<b>Small/Mid Cap</b>										
ASX MidCap 50	MVE	35.53	VanEck	S&P/ASX MidCap 50	~51	Passive	Full	0.45	0.24	179.1
ASX 200 Ex-20	EX20	20.00	BetaShares	NASDAQ Australia Completion Cap	~180	Smart Beta	Full	0.25	0.38	227.1
ASX Small Ords	ISO	5.42	iShares	S&P/ASX Small Ordinaries	~205	Passive	Full	0.55	0.68	128.7
ASX Small Ords	SSO	17.16	State Street	S&P/ASX Small Ordinaries	~205	Passive	Full	0.50	0.55	29.6
ASX Small Companies	VSO	67.99	Vanguard	MSCI Small Cap	~200	Passive	Full	0.30	0.23	576.0
ASX Small Div Payers	MVS	21.64	VanEck	MMS Australia Small-Cap Dividend Payers	~77	Smart Beta	Full	0.49	0.57	75.6
<b>Sector</b>										
ASX 200 Financials ex A-REIT	QFN	11.58	BetaShares	Solactive Australia Financials Ex-REITS Sector	~31	Passive	Optimised	0.34	0.16	55.6
ASX 200 Financials ex A-REIT	OZF	20.69	State Street	S&P/ASX 200 X-A-REITs	~30	Passive	Full	0.40	0.27	126.0
ASX 200 Property	MVA	22.87	VanEck	MMS Australian A-REIT	~15	Smart Beta	Full	0.35	0.19	533.5
ASX 200 Property	SLF	12.60	State Street	S&P/ASX 200 A-REITs	~22	Passive	Full	0.40	0.17	618.0
ASX 300 Property	VAP	86.28	Vanguard	S&P/ASX 300 A-REITs	~32	Passive	Full	0.23	0.14	2,055.1
ASX 200 Resources	OZR	13.86	State Street	S&P/ASX 200 Resources	~38	Passive	Full	0.40	0.16	117.7
ASX 200 Resources	QRE	7.78	BetaShares	Solactive Australia Resources Sector	~37	Passive	Optimised	0.34	0.19	102.4
Australian Banks	MBV	29.14	VanEck	MMS Australian Banks	~8	Passive	Full	0.28	0.08	165.8
Australian Resources	MVR	30.94	VanEck	MMS Australian Energy & Mining	~27	Passive	Full	0.35	0.15	139.5
Australian Technology	ATEC	22.20	BetaShares	S&P/ASX All Technology	~80	Passive	Full	0.48	0.25	197.1
<b>Strategy</b>										
High Dividend	ZYAU	10.16	ETF Securities	S&P/ASX Shareholder Yield	~39	Smart Beta	Full	0.35	0.32	98.2
High Dividend	IHD	14.43	iShares	S&P/ASX Dividend Opportunities	~53	Smart Beta	Full	0.30	0.21	295.6
High Dividend	RDV	29.60	Russell	Russell High Dividend	~52	Smart Beta	Full	0.34	0.15	268.1
High Dividend	SYI	30.39	State Street	MSCI Australian Select High Dividend Yield	~43	Smart Beta	Full	0.35	0.15	243.7
High Dividend	VHY	66.64	Vanguard	FTSE ASFA Australian High Dividend Yield	~73	Smart Beta	Full	0.25	0.09	1,860.6
High Dividend	DVDY	23.09	VanEck	Morningstar Australia Dividend Yield Focus	~26	Smart Beta	Full	0.35	0.28	53.1
<b>Style</b>										
Equal Weight	MVW	32.69	VanEck	MMS Australia Equal Weight	~106	Smart Beta	Full	0.35	0.16	1,599.9
Multifactor	AUMF	32.36	iShares	MSCI Australia IMI Diversified Multiple-Factor	~102	Smart Beta	Optimised	0.30	0.44	37.8
Minimum Volatility	MVOL	30.29	iShares	MSCI Australia IMI Select Minimum Volatility	~105	Smart Beta	Optimised	0.30	0.17	29.3
RAFI ASX 200	QOZ	14.58	BetaShares	FTSE RAFI Australia 200	~201	Smart Beta	Full	0.40	0.19	358.9
<b>Environmental, Social &amp; Governance (ESG)</b>										
ASX 200 ESG	E200	24.42	State Street	S&P/ASX 200 ESG	~107	Smart Beta	Full	0.13	0.45	26.3
Sustainable Equity	GRNV	28.05	VanEck	MSCI Australia IMI Select SRI Screened	~93	Smart Beta	Full	0.35	0.23	63.1
Sustainability Leaders	FAIR	19.35	BetaShares	Nasdaq Future Australian Sustainability Leaders	~81	Smart Beta	Full	0.49	0.14	1,054.6
ESG Leaders	IESG	25.69	iShares	MSCI Australia IMI Custom ESG Leaders	~114	Smart Beta	Full	0.09	0.39	10.8
Ethically Conscious	VETH	58.66	Vanguard	FTSE Australia 300 Choice Index	~244	Smart Beta	Full	0.16	0.19	144.4
ESG High Dividend	RARI	25.44	Russell	Russell Australia ESG High Dividend	~66	Smart Beta	Full	0.45	0.19	283.3
<b>Exchange Traded Managed Fund (Equity)</b>										
Australian Shares	AASF	3.36	Airlie	S&P/ASX 200 Accumulation	n/a	Active	n/a	0.78	0.58	102.2
Australian Equity Growth	IIGF	3.01	InvestSMART	S&P/ASX 200 Accumulation	n/a	Active	n/a	0.97	0.85	67.4
Value	TAVF	2.30	360 Capital	S&P/ASX 200 Accumulation	n/a	Active	n/a	0.23*	n/a	0.3
Absolute Return	MAAT	1.02	Monash Investors	RBA Cash + 5.0% p.a.	n/a	Active	n/a	1.38*	1.05	45.9
Ethical Shares	INES	3.51	InvestSMART	S&P/ASX 200 Accumulation	n/a	Active	n/a	0.97	0.55	25.6
SelfWealth SMSF Leaders	SELF	48.73	ETF Securities	Solactive SelfWealth SMSF Leaders	~38	Smart Beta	Unknown	0.88	0.51	108.7
Small Cap	KSM	2.88	K2	S&P/ASX Small Ordinaries Accumulation	n/a	Active	n/a	2.05*	0.99	13.1
Small Cap	IMPQ	5.70	eInvest	S&P/ASX Small Ordinaries Accumulation	n/a	Active	n/a	0.99*	0.40	2.9
Small Cap	SMLL	4.03	BetaShares	S&P/ASX Small Ordinaries Accumulation	~63	Smart Beta	Full	0.39*	0.67	62.9
<b>Exchange Traded Managed Fund (Strategy)</b>										
Equities Bear	BEAR	9.31	BetaShares	S&P/ASX 200 Accumulation	~2	Active	n/a	1.38	0.16	61.4
Strong Bear	BBOZ	4.63	BetaShares	S&P/ASX 200	~1	Active	Derivative	1.38	0.25	255.8
Geared Equity	GEAR	26.97	BetaShares	S&P/ASX 200	~200	Active	n/a	0.80	0.07	320.1
Managed Risk	AUST	17.39	BetaShares	S&P/ASX 200	~202	Smart Beta	Full	0.49	0.32	21.5
Managed Volatility	AMVE	1.75	AllianceBernstein	S&P/ASX 300 Accumulation	n/a	Active	Unknown	0.55	1.26	1,449.4
Dividend Harvester	HVST	13.93	BetaShares	S&P/ASX 200 Accumulation	~3	Active	Full	0.90	0.15	159.4
Dividend Growth	SWTZ	2.66	Switzer	S&P/ASX 200 Accumulation	n/a	Active	Unknown	0.89	1.08	93.2
Equity Income	EINC	8.49	Legg Mason	S&P/ASX 200	n/a	Active	Full	0.85	0.38	29.7
Equity Income	INIF	2.88	InvestSMART	S&P/ASX 200 Accumulation	n/a	Active	n/a	0.97	0.80	46.9
Real Income	RINC	8.62	Legg Mason	S&P/ASX 200	n/a	Active	Full	0.85	0.48	53.5
Income Generator	EIGA	3.89	eInvest	S&P/ASX 300 Franking Credit Adjusted Daily TR	n/a	Active	n/a	0.80	0.70	25.1
ASX 20 Yield Maximiser	YMAX	8.09	BetaShares	S&P/ASX 20	~21	Smart Beta	n/a	0.76	0.34	316.4
<b>Exchange Traded Managed Fund (Mixed Asset)</b>										
Real Return	GROW	3.80	Schroder	RBA CPI - trimmed mean + 5.0% p.a.	n/a	Active	n/a	0.90	0.55	51.1

SOURCE: BLOOMBERG, BELL POTTER RESEARCH. DATA AS AT 19 JULY 2021. \*A PERFORMANCE FEE IS ALSO PAYABLE, MORE INFORMATION ON FEES IS AVAILABLE ON PAGE 24.



# Domestic Equity ETFs.

Description	ETF Code	Price (\$)	Manager	Net Yield <sup>1</sup>	Gross Yield <sup>1</sup>	Distribution Frequency	1 Month	3 Month	6 Month	YTD	1 Year	3 Year	5 Year	Listed
<b>Broad Market</b>														
ASX 200	A200	122.98	BetaShares	2.2%	3.0%	Quarterly	2.2%	8.4%	13.4%	13.4%	28.3%	9.7%	n/a	May-18
ASX 200	IOZ	29.86	iShares	2.4%	2.8%	Quarterly	2.2%	8.3%	12.8%	12.8%	27.7%	9.5%	11.0%	Dec-10
ASX 200	STW	67.55	State Street	2.8%	3.6%	Quarterly	2.2%	8.2%	12.9%	12.9%	27.8%	9.5%	11.0%	Aug-01
ASX 300	VAS	93.17	Vanguard	2.5%	3.3%	Quarterly	2.2%	8.4%	13.0%	13.0%	28.4%	9.7%	11.2%	May-09
<b>Large Cap</b>														
ASX 20	ILC	28.89	iShares	2.5%	3.4%	Quarterly	1.6%	9.2%	16.0%	16.0%	30.8%	10.5%	11.2%	Dec-10
ASX 30	VLC	75.98	Vanguard	2.7%	3.8%	Quarterly	1.5%	8.6%	14.9%	14.9%	30.4%	10.6%	11.0%	May-11
ASX 50	SFY	65.15	State Street	2.7%	3.6%	Quarterly	1.8%	8.1%	13.7%	13.7%	26.1%	9.1%	10.5%	Aug-01
<b>Small/Mid Cap</b>														
ASX MidCap 50	MVE	35.53	VanEck	1.7%	1.7%	Half Yearly	3.6%	10.0%	10.1%	10.1%	34.9%	11.7%	13.8%	Oct-13
ASX 200 Ex-20	EX20	20.00	BetaShares	1.9%	2.5%	Half Yearly	3.7%	7.3%	8.4%	8.4%	24.4%	7.8%	n/a	Oct-16
ASX Small Ords	ISO	5.42	iShares	7.3%	7.8%	Half Yearly	3.0%	8.3%	10.6%	10.6%	32.4%	8.0%	10.7%	Dec-10
ASX Small Ords	SSO	17.16	State Street	7.3%	7.9%	Half Yearly	3.1%	8.3%	10.7%	10.7%	32.8%	8.3%	11.0%	Apr-11
ASX Small Companies	VSO	67.99	Vanguard	3.9%	4.5%	Half Yearly	3.5%	8.5%	11.2%	11.2%	33.5%	11.2%	12.7%	May-11
ASX Small Div Payers	MVS	21.64	VanEck	3.3%	3.7%	Half Yearly	2.9%	9.2%	10.9%	10.9%	29.3%	5.7%	9.0%	May-15
<b>Sector</b>														
ASX 200 Financials ex A-REIT	QFN	11.58	BetaShares	1.7%	2.5%	Half Yearly	-0.2%	8.6%	21.8%	21.8%	40.1%	5.8%	7.4%	Dec-10
ASX 200 Financials ex A-REIT	OZF	20.69	State Street	2.2%	3.1%	Half Yearly	-0.2%	8.7%	21.8%	21.8%	40.0%	5.8%	7.4%	Apr-11
ASX 200 Property	MVA	22.87	VanEck	4.3%	4.3%	Half Yearly	4.7%	9.2%	8.3%	8.3%	30.8%	9.1%	7.1%	Oct-13
ASX 200 Property	SLF	12.60	State Street	5.2%	5.2%	Quarterly	5.5%	10.3%	9.6%	9.6%	32.6%	7.4%	5.5%	Feb-02
ASX 300 Property	VAP	86.28	Vanguard	4.8%	4.9%	Quarterly	5.5%	10.7%	10.0%	10.0%	33.6%	8.1%	6.2%	Oct-10
ASX 200 Resources	OZR	13.86	State Street	3.1%	4.3%	Half Yearly	0.3%	7.0%	9.5%	9.5%	28.6%	11.1%	18.6%	Apr-11
ASX 200 Resources	QRE	7.78	BetaShares	3.3%	4.8%	Half Yearly	0.2%	7.9%	11.2%	11.2%	31.6%	11.8%	19.1%	Dec-10
Australian Banks	MBV	29.14	VanEck	2.4%	2.6%	Irregular	-0.8%	6.9%	24.5%	24.5%	49.7%	7.3%	9.7%	Oct-13
Australian Resources	MVR	30.94	VanEck	3.5%	4.0%	Half Yearly	0.0%	5.1%	3.7%	3.7%	17.0%	8.3%	15.9%	Oct-13
Australian Technology	ATEC	22.20	BetaShares	3.0%	3.2%	Annually	10.3%	12.1%	3.0%	3.0%	39.6%	n/a	n/a	Mar-20
<b>Strategy</b>														
High Dividend	ZYAU	10.16	ETF Securities	4.0%	5.4%	Quarterly	4.3%	10.3%	10.7%	10.7%	17.4%	1.0%	6.9%	Jun-15
High Dividend	IHD	14.43	iShares	4.1%	5.4%	Quarterly	4.1%	8.7%	8.6%	8.6%	21.7%	5.8%	7.5%	Dec-10
High Dividend	RDV	29.60	Russell	2.9%	3.7%	Quarterly	2.0%	7.4%	14.4%	14.4%	31.2%	6.4%	7.8%	May-10
High Dividend	SYI	30.39	State Street	4.2%	5.6%	Quarterly	3.7%	7.1%	8.6%	8.6%	26.7%	6.6%	8.6%	Sep-10
High Dividend	VHY	66.64	Vanguard	3.2%	4.6%	Quarterly	1.9%	8.1%	16.3%	16.3%	34.2%	10.3%	10.0%	May-11
High Dividend	DVDY	23.09	VanEck	3.0%	3.4%	Irregular	5.6%	11.2%	13.0%	13.0%	n/a	n/a	n/a	Sep-20
<b>Style</b>														
Equal Weight	MWV	32.69	VanEck	2.3%	2.7%	Half Yearly	3.3%	7.1%	9.3%	9.3%	24.8%	8.6%	10.7%	Mar-14
Multifactor	AUMF	32.36	iShares	2.5%	3.0%	Half Yearly	3.2%	10.3%	11.0%	11.0%	26.1%	8.5%	n/a	Oct-16
Minimum Volatility	MVOL	30.29	iShares	2.9%	3.3%	Half Yearly	2.7%	8.5%	10.9%	10.9%	18.1%	7.5%	n/a	Oct-16
RAFI ASX 200	QOZ	14.58	BetaShares	4.1%	5.1%	Half Yearly	1.2%	6.6%	14.7%	14.7%	31.7%	8.2%	11.2%	Jul-13
<b>Environmental, Social &amp; Governance (ESG)</b>														
ASX 200 ESG	E200	24.42	State Street	6.1%	6.9%	Quarterly	1.7%	7.2%	12.5%	12.5%	n/a	n/a	n/a	Jul-20
Sustainable Equity	GRNV	28.05	VanEck	3.2%	3.5%	Quarterly	3.4%	9.6%	11.0%	11.0%	25.0%	10.1%	7.6%	May-16
Sustainability Leaders	FAIR	19.35	BetaShares	3.1%	3.4%	Half Yearly	5.7%	10.2%	10.3%	10.3%	17.8%	10.8%	n/a	Nov-17
ESG Leaders	IESG	25.69	iShares	0.2%	0.2%	Irregular	1.1%	n/a	n/a	n/a	n/a	n/a	n/a	Jun-21
Ethically Conscious	VETH	58.66	Vanguard	1.5%	1.8%	Quarterly	1.9%	8.9%	12.5%	12.5%	n/a	n/a	n/a	Oct-20
ESG High Dividend	RARI	25.44	Russell	2.8%	3.6%	Half Yearly	2.4%	9.5%	13.6%	13.6%	30.6%	7.3%	8.8%	Apr-15
<b>Exchange Traded Managed Fund (Equity)</b>														
Australian Shares	AASF	3.36	Airlie	3.2%	3.2%	Half Yearly	2.9%	11.3%	16.3%	16.3%	33.7%	n/a	n/a	Jun-18
Australian Equity Growth	IIGF	3.01	InvestSMART	2.0%	2.1%	Irregular	4.0%	4.8%	7.7%	7.7%	n/a	n/a	n/a	Oct-20
Value	TAVF	2.30	360 Capital	n/a	n/a	Quarterly	5.5%	12.7%	n/a	n/a	n/a	n/a	n/a	Mar-21
Absolute Return	MAAT	1.02	Monash Investors	1.6%	1.6%	Irregular	4.4%	n/a	n/a	n/a	n/a	n/a	n/a	Jun-19
Ethical Shares	INES	3.51	InvestSMART	2.0%	2.4%	Irregular	4.7%	5.3%	6.0%	6.0%	32.2%	n/a	n/a	Jun-19
SelfWealth SMSF Leaders	SELF	48.73	ETF Securities	1.5%	1.9%	Quarterly	1.9%	5.9%	8.3%	8.3%	18.6%	n/a	n/a	Nov-19
Small Cap	KSM	2.88	K2 Asset	n/a	n/a	Annually	3.6%	11.1%	13.7%	13.7%	58.5%	7.9%	7.7%	Dec-15
Small Cap	IMPQ	5.70	eInvest	3.0%	3.0%	Irregular	4.3%	11.7%	9.0%	9.0%	39.8%	n/a	n/a	May-19
Small Cap	SMLL	4.03	BetaShares	6.3%	6.6%	Half Yearly	2.7%	8.7%	10.2%	10.2%	38.7%	10.5%	n/a	Apr-17
<b>Exchange Traded Managed Fund (Strategy)</b>														
Equities Bear	BEAR	9.31	BetaShares	n/a	n/a	Irregular	-2.4%	-8.3%	-12.0%	-12.0%	-23.1%	-11.7%	-11.5%	Jul-12
Strong Bear	BBOZ	4.63	BetaShares	n/a	n/a	Irregular	-5.8%	-18.5%	-26.5%	-26.5%	-47.3%	-30.6%	-28.6%	Apr-15
Geared Equity	GEAR	26.97	BetaShares	4.0%	5.6%	Half Yearly	5.0%	17.7%	28.0%	28.0%	65.0%	10.3%	16.1%	Apr-14
Managed Risk	AUST	17.39	BetaShares	2.4%	3.5%	Half Yearly	1.8%	6.4%	9.3%	9.3%	16.8%	5.3%	6.6%	Oct-15
Managed Volatility	AMVE	1.75	AllianceBernstein	n/a	n/a	n/a	2.6%	7.2%	n/a	n/a	n/a	n/a	n/a	Apr-21
Dividend Harvester	HVST	13.93	BetaShares	6.3%	7.6%	Monthly	1.7%	6.3%	7.8%	7.8%	13.3%	4.1%	1.0%	Nov-14
Dividend Growth	SWTZ	2.66	Switzer	2.2%	3.1%	Quarterly	-0.5%	6.4%	11.2%	11.2%	23.7%	5.6%	n/a	Feb-17
Equity Income	EINC	8.49	Legg Mason	3.1%	3.7%	Quarterly	1.7%	5.1%	11.8%	11.8%	23.7%	5.7%	n/a	Feb-18
Equity Income	INIF	2.88	InvestSMART	0.7%	1.3%	Half Yearly	2.2%	4.9%	12.1%	12.1%	38.5%	6.5%	n/a	Jun-18
Real Income	RINC	8.62	Legg Mason	3.7%	3.9%	Quarterly	3.0%	5.8%	6.3%	6.3%	17.1%	4.6%	n/a	Feb-18
Income Generator	EIGA	3.89	eInvest	4.3%	4.3%	Monthly	2.4%	8.2%	13.5%	13.5%	28.0%	6.1%	n/a	May-18
ASX 20 Yield Maximiser	YMAX	8.09	BetaShares	7.3%	8.3%	Quarterly	0.3%	7.1%	13.9%	13.9%	24.6%	6.1%	7.4%	Nov-12
<b>Exchange Traded Managed Fund (Mixed Asset)</b>														
Real Return	GROW	3.80	Schroder	3.5%	3.5%	Half Yearly	0.9%	2.5%	4.2%	4.2%	9.4%	5.1%	n/a	Aug-16

SOURCE: BLOOMBERG, BELL POTTER RESEARCH. DATA AS AT 19 JULY 2021. <sup>1</sup>DISTRIBUTION YIELD IS BASED ON THE SUM OF AMOUNTS THAT HAVE GONE EX-DIVIDEND OVER THE PAST 12 MONTHS.

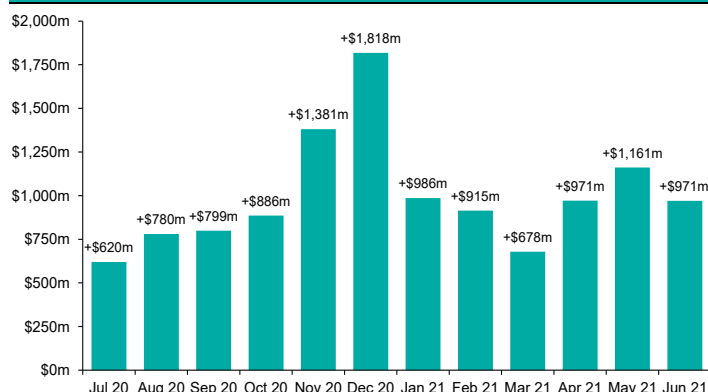
# Global Equity ETFs.

As we draw to a close on the financial year, investors may have noticed a substantial dip in the unit prices of several international Australian Dollar hedged ETFs now trading on an entitlement basis. The declaration of materially higher distributions in respect to the period are a combined result of realised capital gains incurred on underlying securities and derivatives, resulting in a pass through of cash and tax liabilities to unitholders. Readers may notice the historically inflated net and gross yields reported in our asset class peer tables.

More granularly, rebalancing on small cap benchmarks was more likely to result in sizeable capital gains distributions due to attractive valuations, insulation to cross-border transactions and prospects of an economic recovery. Those funds that did not elect to align gains and losses on currency hedging instruments to the underlying assets under the Taxation of Financial Arrangements (TOFA) regime also saw large profits distributed as income. Herein we note that the structure of a particular fund may be a triggering event where high turnover is a key feature of the investment strategy, or if the in-kind delivery of constituent securities in a basket for creation and redemption is unfeasible. While traditional or physical ETFs attempt to replicate the performance of a specified benchmark by holding all, or a large representative sample of the underlying benchmark components; synthetic ETFs conversely function via a swap agreement between one or more counterparties who agree to exchange cash flows between two financial instruments. This generates a return equivalent to the fund's benchmark. An acknowledgement of these potentially undesired tax consequences is particularly pertinent for synthetic replication strategies and leveraged exposures.

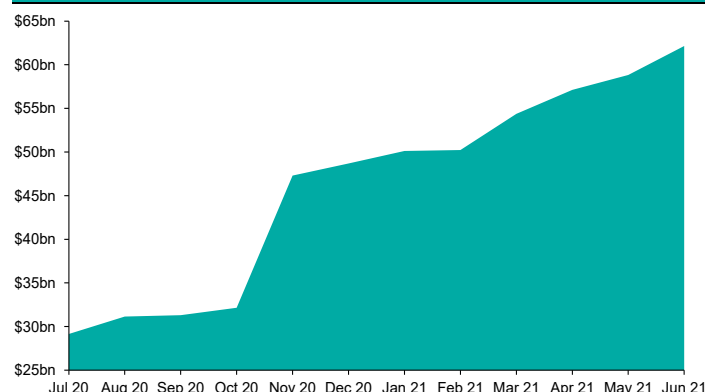
As per the ASX announcements in back in April, benchmark and investment objective changes were implemented for **iShares Core MSCI World All Cap ETF (ASX:IWLD)** and **iShares Core MSCI World All Cap (A\$ Hedged) ETF (ASX:IHWL)** effective 8 June. The products will now feature a sustainable integrated index, a more targeted exposure excluding the Australia region and direct security holdings with no change or increase to management fees.

**Figure 24 - Global equity net fund flows**



SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

**Figure 25 - Global equity FUM**



SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

**Figure 26 - Global equity June net fund inflows**

Code	ETF Description	Flows
VGS	Vanguard MSCI Index International Shares ETF	\$114.9m
HYGG	Hyperion Global Growth Companies Fund (MF)	\$79.1m
VDHG	Vanguard Diversified High Growth Index ETF	\$71.5m
QUAL	VanEck Vectors MSCI World Ex Aus Quality ETF	\$49.5m
VE	Vanguard FTSE Emerging Markets Shares ETF	\$48.4m

SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

**Figure 27 - Global equity June net fund outflows**

Code	ETF Description	Flows
MGOC	Magellan Global Fund (Open Class) (MF)	-\$56.9m
IHWL	iShares Core MSCI World All Cap (A\$ Hedged) ETF	-\$22.5m
FANG	ETFs Fang+ ETF	-\$8.5m
WDMF	iShares Edge MSCI World Multifactor ETF	-\$6.4m
BBUS	BetaShares US Equities Strong Bear Hedged Fund	-\$4.0m

SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

**Figure 28 - Global equity 1 year net fund inflows**

Code	ETF Description	Flows
VGS	Vanguard MSCI Index International Shares ETF	\$725.2m
NDQ	BetaShares Nasdaq 100 ETF	\$652.4m
QUAL	VanEck Vectors MSCI World Ex Aus Quality ETF	\$641.1m
ETHI	BetaShares Global Sustainability Leaders ETF	\$608.1m
VDHG	Vanguard Diversified High Growth Index ETF	\$588.1m

SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

**Figure 29 - Global equity 1 year net fund outflows**

Code	ETF Description	Flows
WDMF	iShares Edge MSCI World Multifactor ETF	-\$75.7m
IHV	iShares S&P 500 AUD Hedged ETF	-\$35.6m
WRLD	BetaShares Managed Risk Global Share Fund	-\$28.9m
PIXX	Platinum International Fund	-\$18.3m
MOGL	Montgomery Global Equities Fund	-\$12.3m

SOURCE: ASX, CHI-X, BELL POTTER RESEARCH



# Global Equity ETFs.

Description	ETF Code	Price (\$)	Manager	Benchmark	Holdings	Strategy	Replication	MER (%)	Spread (%)	Market Cap (\$m)
<b>Global (Unhedged)</b>										
World Ex-Australia	WXOZ	41.25	State Street	S&P Developed ex Australia LargeMidCap A\$	~1,573	Passive	Optimised	0.30	0.23	262.0
World Ex-Australia	VGS	97.53	Vanguard	MSCI World ex-Australia	~1,549	Passive	Full	0.18	0.04	3,477.4
All World Ex-US	VEU	84.40	Vanguard	FTSE All World Ex-US	~3,546	Passive	Full	0.08	0.37	1,544.6
Global 100	IOO	96.91	iShares	S&P Global 100	~100	Passive	Full	0.40	0.14	2,371.4
Small Companies	VISM	61.63	Vanguard	MSCI World ex-Australia Small Cap	~4,156	Passive	Full	0.32	0.20	121.5
<b>Global (Currency Hedged)</b>										
World Ex-Australia (A\$)	WXHG	28.28	State Street	S&P Developed ex Aus LargeMidCap (A\$ Hedged)	~16	Passive	Optimised	0.35	0.43	134.6
World Ex-Australia (A\$)	VGAD	84.98	Vanguard	MSCI World ex-Australia (A\$ Hedged)	~8	Passive	Full	0.21	0.10	1,640.6
Global 100 (A\$)	IHOV	132.89	iShares	S&P Global 100 (A\$ Hedged)	~145	Passive	Optimised	0.43	0.30	121.4
S&P 500 (A\$)	IHWV	422.39	iShares	S&P 500 (A\$ Hedged)	~11	Passive	Optimised	0.10	0.08	553.0
Europe (A\$)	HEUR	13.13	BetaShares	WisdomTree Europe Equity (A\$ Hedged)	~157	Smart Beta	Full	0.56	0.43	47.6
Japan (A\$)	HJPN	15.13	BetaShares	WisdomTree Japan Equity (A\$ Hedged)	~133	Smart Beta	Optimised	0.56	0.44	68.3
Nasdaq 100 (A\$)	HNDQ	32.59	BetaShares	NASDAQ 100 (A\$ Hedged)	~1	Passive	Full	0.51	0.12	88.2
<b>United States</b>										
US Broad Market Index	VTI	300.02	Vanguard	CRSP US Broad Market	~3,933	Passive	Optimised	0.03	0.05	2,151.3
S&P 500	IVV	584.12	iShares	S&P 500	~4	Passive	Full	0.04	0.03	4,649.3
S&P 500	SPY	582.50	State Street	S&P 500	~507	Passive	Full	0.09	0.31	75.4
S&P 500 Equal Weight	QUS	40.04	BetaShares	S&P 500 Equal Weight NTR	~508	Smart Beta	Full	0.29	0.25	158.3
Nasdaq 100	NDQ	31.67	BetaShares	NASDAQ 100	~105	Passive	Full	0.48	0.04	1,992.4
MidCap 400	IJH	351.10	iShares	S&P Midcap 400	~2	Passive	Full	0.07	0.51	202.0
SmallCap 600	IJR	143.17	iShares	S&P SmallCap 600	~4	Passive	Full	0.07	0.32	357.8
<b>Country</b>										
China Large Cap	IZZ	59.35	iShares	FTSE China 50	~2	Passive	Full	0.74	0.42	129.4
China A-Shares 50	CETF	68.51	VanEck	FTSE China A50	~50	Passive	Full	0.60	0.51	26.1
China New Economy	CNEW	9.34	VanEck	CSI MarketGrader China New Economy (A\$)	~121	Smart Beta	Full	0.95	0.66	172.9
India	NDIA	56.44	ETF Securities	NSE Nifty 50	~51	Passive	Full	0.69	0.49	19.5
India Quality	IIND	9.65	BetaShares	Solactive India Quality Select Index Net Total Return	~33	Smart Beta	Full	0.80	0.71	48.8
Japan	IJP	90.59	iShares	MSCI Japan	~2	Passive	Full	0.47	0.30	412.8
South Korea	IKO	122.76	iShares	MSCI South Korea Capped Fund	~2	Passive	Full	0.59	0.27	101.8
United Kingdom	F100	9.83	BetaShares	FTSE 100	~128	Passive	Full	0.45	0.21	376.8
<b>Region</b>										
Asia 50	IAA	118.94	iShares	S&P Asia 50	~3	Passive	Full	0.50	0.33	879.4
Asia Ex-Japan	VAE	81.80	Vanguard	FTSE Asia Ex-Jpn, Aus & NZ (Net Div Reinvested)	~1,469	Passive	Full	0.40	0.35	378.8
Asia Tech (Ex-Japan)	ASIA	10.99	BetaShares	Solactive Asia Ex-Jpn Tech & Internet Tigers	~56	Smart Beta	Full	0.67	0.27	691.5
Europe, Australasia & Far East	IVE	105.50	iShares	MSCI EAFE	~2	Passive	Optimised	0.31	0.53	424.5
Euro Stoxx 50	ESTX	74.45	ETF Securities	Euro Stoxx 50	~50	Passive	Full	0.35	0.40	60.1
Europe 350	IEU	71.41	iShares	S&P Europe 350	~3	Passive	Optimised	0.60	0.11	781.5
Europe Developed	VEQ	64.23	Vanguard	FTSE Developed Europe	~1,312	Passive	Full	0.35	0.32	219.0
Emerging Markets	IEM	71.82	iShares	MSCI Emerging Markets	~5	Passive	Optimised	0.67	0.53	987.7
Emerging Markets	WEMG	25.09	State Street	SPDR S&P EM Large Mid Cap	~810	Passive	Optimised	0.65	0.54	20.6
Emerging Markets	VGE	78.90	Vanguard	FTSE Emerging (A\$)	~4,259	Passive	Full	0.48	0.42	635.0
<b>Sector (Unhedged)</b>										
Battery Tech & Lithium	ACDC	88.94	ETF Securities	Solactive Battery Value-Chain	~34	Smart Beta	Full	0.69	0.15	270.5
Biotech	CURE	58.37	ETF Securities	S&P Biotechnology Select Industry	~198	Smart Beta	Full	0.45	0.43	52.2
Consumer Staples	IXI	83.18	iShares	S&P Global Consumer Staples	~2	Passive	Full	0.47	0.30	134.1
Cybersecurity	HACK	9.45	BetaShares	NASDAQ CTA Cybersecurity	~46	Passive	Full	0.67	0.14	559.5
FANG+	FANG	16.69	ETF Securities	NYSE FANG+	~10	Passive	Full	0.35	0.20	219.9
Healthcare	IXJ	113.61	iShares	S&P Global Healthcare	~5	Passive	Full	0.47	0.22	955.5
Healthcare	HLTH	11.64	VanEck	MarketGrader Developed Markets ex-AU Health Care	~51	Smart Beta	Full	0.45	0.32	51.2
Infrastructure	VBLD	59.29	Vanguard	FTSE Developed Core Infrastructure	~144	Passive	Full	0.47	0.54	153.1
Robotics and Automation	ROBO	81.18	ETF Securities	ROBO Global Robotics and Automation	~84	Smart Beta	Full	0.69	0.23	227.3
Robotics and AI	RBTZ	13.59	BetaShares	Indxx Global Robotics & AI Thematic	~44	Smart Beta	Full	0.57	0.21	160.0
Select Real Estate	DJRE	23.25	State Street	SPDR Dow Jones Global Select Real Estate	~277	Passive	Full	0.50	0.13	471.8
Property	REIT	20.55	VanEck	FTSE EPRA Nareit Developed ex-AU Rental (A\$)	~319	Smart Beta	Full	0.43	0.49	97.5
Technology	TECH	93.65	ETF Securities	Morningstar Dev. Markets Tech Moat Focus	~38	Smart Beta	Full	0.45	0.15	301.2
Cloud Computing	CLDD	15.06	BetaShares	Indxx Global Cloud Computing	~39	Smart Beta	Full	0.67	0.16	42.2
Gold Miners	GDX	45.80	VanEck	NYSE Arca Gold Miners	~1	Passive	Full	0.53	0.30	436.2
Video Gaming and eSports	ESPO	11.14	VanEck	MMS Global Video Gaming and eSports	~26	Smart Beta	Full	0.55	0.28	102.5
<b>Sector (Currency Hedged)</b>										
Agriculture Ex-Aus (A\$)	FOOD	6.76	BetaShares	NASDAQ Global ex-AU Agriculture (A\$ Hedged)	~73	Passive	Full	0.57	0.40	44.8
Banks Ex-Aus (A\$)	BNKS	6.33	BetaShares	NASDAQ Global ex-AU Banks (A\$ Hedged)	~74	Passive	Full	0.57	0.46	78.7
Energy Ex-Aus (A\$)	FUEL	4.12	BetaShares	NASDAQ Global ex-AU Energy (A\$ Hedged)	~52	Passive	Full	0.57	0.37	303.5
Gold Miners Ex-Aus (A\$)	MNRS	6.17	BetaShares	NASDAQ Global ex-AU Gold Miners (A\$ Hedged)	~58	Passive	Full	0.57	0.49	65.5
Healthcare Ex-Aus (A\$)	DRUG	7.53	BetaShares	NASDAQ Global ex-AU Healthcare (A\$ Hedged)	~70	Passive	Full	0.57	0.37	113.6
Infrastructure (50% A\$)	IFRA	21.09	VanEck	FTSE Developed Core Infrastructure (50/50 A\$ Hedged)	~138	Smart Beta	Full	0.52	0.74	454.1

SOURCE: BLOOMBERG, BELL POTTER RESEARCH. DATA AS AT 19 JULY 2021. \*A PERFORMANCE FEE IS ALSO PAYABLE, MORE INFORMATION ON FEES IS AVAILABLE ON PAGE 24.

# Global Equity ETFs.

Description	ETF Code	Price (\$)	Manager	Benchmark	Holdings	Strategy	Replication	MER (%)	Spread (%)	Market Cap (\$m)
<b>Fundamentals</b>										
Emerging Markets Multifactor	EMKT	22.22	VanEck	MSCI EM Diversified Multiple-Factor (A\$)	~220	Smart Beta	Full	0.69	0.41	62.3
Morningstar Wide Moat	MOAT	100.00	VanEck	Morningstar Wide Moat Focus	~1	Smart Beta	Full	0.49	0.21	317.9
Morningstar Wide Moat (ex-Au)	GOAT	24.21	VanEck	Morningstar Wide Moat (ex-Au) Focus	~72	Smart Beta	Unknown	0.55	0.65	17.0
World Minimum Volatility	WVOL	35.19	iShares	MSCI World Minimum Volatility (A\$)	~385	Smart Beta	Optimised	0.30	0.50	148.2
World Multifactor	WDMF	38.31	iShares	MSCI World Diversified Multiple-Factor (A\$)	~352	Smart Beta	Optimised	0.35	0.44	170.6
World Quality	QMIK	24.57	State Street	MSCI World Quality Mix	~840	Smart Beta	Optimised	0.40	0.37	25.0
World Quality	QLTY	23.33	BetaShares	iSTOXX MUTB Global ex-Aus Quality Leaders	~163	Smart Beta	Full	0.35	0.21	165.5
World Quality (A\$)	HQLT	25.56	BetaShares	iSTOXX MUTB Global ex-Aus Quality Leaders (A\$)	~1	Smart Beta	Full	0.38	0.62	25.0
World Quality (ex-Australia)	QUAL	39.82	VanEck	MSCI World ex-AU Quality	~301	Smart Beta	Full	0.40	0.11	2,192.3
World Quality (ex-Australia) (A\$)	QHAI	39.45	VanEck	MSCI World ex-AU Quality (A\$)	~2	Smart Beta	Full	0.43	0.39	347.3
World Quality Small Cap	QSMC	22.09	VanEck	MSCI World ex-AU Small Cap Quality 150	~151	Smart Beta	Full	0.59	0.48	15.5
International Value	VLUE	21.35	VanEck	MSCI World ex-AU Enhanced Value Top 250 Select	~251	Smart Beta	Full	0.40	0.26	38.4
<b>Strategy</b>										
Dividend Fund	WDIV	18.10	State Street	SPDR S&P Global Dividend Aristocrats Fund	~121	Smart Beta	Full	0.50	0.22	340.9
Income Leaders	INCM	14.49	BetaShares	NASDAQ Global Income Leaders NTR	~114	Smart Beta	Full	0.45	0.68	18.5
S&P 500 High Yield Low Volatility	ZYUS	12.52	ETF Securities	S&P 500 Low Volatility High Dividend	~50	Smart Beta	Full	0.35	0.33	72.2
<b>Environmental, Social and Governance (ESG)</b>										
Ethically Conscious	VESG	71.60	Vanguard	FTSE Dev. Ex-AU/N-R Energy/Vice Prod./Weapons (A\$)	~1,578	Smart Beta	Full	0.18	0.13	339.9
Sustainability Leaders	ETHI	12.16	BetaShares	NASDAQ Future Global Sustainability Leaders	~213	Smart Beta	Full	0.59	0.11	1,572.9
Sustainability Leaders (A\$)	ETHI	12.67	BetaShares	NASDAQ Future Global Sustainability Leaders (A\$)	~1	Smart Beta	Full	0.62	0.24	125.1
ESG Leaders	IWLD	40.77	iShares	MSCI World Ex Australia Custom ESG Leaders	~714	Smart Beta	Optimised	0.09	0.18	169.5
ESG Leaders (A\$)	IHWL	41.70	iShares	MSCI World Ex Australia Custom ESG Leaders (A\$)	~703	Smart Beta	Optimised	0.12	0.28	256.2
International Sustainable Equity	ESGI	28.56	VanEck	MSCI World ex-AU (with ESG filters)	~142	Smart Beta	Full	0.55	0.24	85.8
Clean Energy Production	CLNE	9.86	VanEck	S&P Global Clean Energy	~32	Smart Beta	Full	0.65	0.62	59.2
Climate Change Innovation	ERTH	13.49	BetaShares	Solactive Climate Change & Environmental Opportunities	~111	Smart Beta	Full	0.65	0.33	95.8
<b>Exchange Traded Managed Fund (Equity)</b>										
Asia	PAXX	4.97	Platinum	Platinum Asia Fund	n/a	Active	n/a	1.10*	0.67	182.4
Emerging Markets	EMMG	7.15	Legg Mason	MSCI Emerging Markets	n/a	Active	Full	1.00	0.53	27.5
Emerging Markets	FEMX	6.92	Fidelity	MSCI Emerging Markets NR	~42	Active	n/a	0.99	0.48	274.6
International	PIXX	5.10	Platinum	Platinum International Fund	~0	Active	n/a	1.10*	0.54	359.3
Core Equities	MCSG	3.99	Magellan	MSCI World Net Total Return (A\$)	n/a	Active	Unknown	0.50	0.65	13.8
Equities	AGX1	5.66	Antipodes	MSCI All Country World Net	n/a	Active	Unknown	1.10*	0.80	26.0
Equities	MGOC	2.78	Magellan	MSCI World Net Total Return (A\$)	n/a	Active	Unknown	1.35*	0.43	14,789.0
Equities	MOGL	3.74	Montaka	MSCI World Net Total Return (A\$)	n/a	Active	Full	1.32*	0.82	81.7
Equities	MSTR	9.16	Morningstar	MSCI ACWI (ex-Aus) Net Div Reinvested (A\$)	n/a	Active	Unknown	0.39	0.43	99.9
Equities	ADEF	4.63	K2	MSCI ACWI (ex-Aus)	n/a	Active	Unknown	0.94	n/a	7.8
Equities (A\$)	MHG	3.95	Magellan	MSCI World Net Total Return (A\$)	~27	Active	n/a	1.35*	0.32	337.2
Equities (Extension)	MKAX	3.70	Montaka	7.0% p.a.	n/a	Active	Full	1.25*	0.95	40.5
Global Growth	MAET	5.15	Munro Partners	MSCI All Country World Net (A\$)	n/a	Active	n/a	1.35*	0.48	53.2
Global Growth	HYGG	4.38	Hyperion	MSCI World Net Total Return (A\$)	n/a	Active	Unknown	0.70	0.37	109.6
Global Disruption	LPGD	3.13	Loftus Peak	MSCI All Country World Net (A\$)	n/a	Active	Unknown	1.20*	0.90	194.8
Core Infrastructure (A\$)	MCSI	1.62	Magellan	S&P Global Infrastructure NTR (A\$)	n/a	Active	Unknown	0.50	0.69	351.1
Infrastructure (A\$)	MICH	2.97	Magellan	S&P Global Infrastructure NTR (A\$)	n/a	Active	n/a	1.05*	0.38	752.3
Core ESG	MCSE	4.07	Magellan	MSCI World Net Total Return (A\$)	n/a	Active	Unknown	0.50	0.64	13.7
Sustainability	MSUF	2.81	Magellan	MSCI World Net Total Return (A\$)	n/a	Active	Unknown	1.57*	0.93	7.9
<b>Exchange Traded Managed Fund (Strategy)</b>										
US Equities Bear (A\$)	BBUS	1.08	BetaShares	S&P 500 (A\$)	~1	Active	Derivative	1.38	0.54	185.0
Geared US Equity (A\$)	GGUS	32.97	BetaShares	S&P 500 (A\$)	~1	Smart Beta	Full	0.80	0.07	75.8
S&P 500 Yield Maximiser	UMAX	20.41	BetaShares	S&P 500	~1	Smart Beta	n/a	0.79	0.53	111.9
FuturePay	FPAY	5.97	Magellan	Magellan FuturePay Fund	n/a	Active	Unknown	1.52	1.43	17.5
Managed Risk	WRLD	15.22	BetaShares	MSCI World (A\$)	~7	Smart Beta	Full	0.54	0.53	37.0
Global Minimum Volatility	VMIN	53.97	Vanguard	FTSE Global All Cap (A\$)	~198	Active	n/a	0.28	0.47	11.4
Global Multi-Factor	VGMF	59.14	Vanguard	FTSE Developed All-Cap in A\$	~1,105	Active	n/a	0.33	0.70	23.8
Global Value Equity	VLU	55.55	Vanguard	FTSE Developed All-Cap in A\$	~1,525	Active	n/a	0.28	0.48	78.7
Global Quality Growth	WCMQ	8.21	WCM	MSCI ACWI (ex-Aus) Gross Div Reinvested (A\$)	n/a	Active	n/a	1.35*	0.34	147.8
Ultra Short Nasdaq (A\$)	SNAS	4.16	ETF Securities	NASDAQ 100	n/a	Smart Beta	Derivative	1.00	0.31	16.2
Ultra Long Nasdaq (A\$)	LNAS	11.45	ETF Securities	NASDAQ 100	n/a	Smart Beta	Derivative	1.00	0.21	8.8
<b>Exchange Traded Managed Fund (Mixed Asset)</b>										
Diversified Conservative	VDCO	25.86	Vanguard	Conservative Composite	~5	Smart Beta	Full	0.39	0.63	6.5
Diversified Balanced	VDBA	55.33	Vanguard	Balanced Composite	~7	Smart Beta	Full	0.27	0.14	447.4
Ethical Diversified Balanced	DBBF	26.67	BetaShares	Balanced Composite (with ESG screens)	~4	Smart Beta	Full	0.39	0.31	9.5
Diversified Growth	VDGR	53.75	Vanguard	Growth Composite	~8	Smart Beta	Full	0.27	0.21	180.3
Ethical Diversified Growth	DGGF	26.34	BetaShares	Growth Composite (with ESG screens)	~5	Smart Beta	Full	0.39	0.41	6.9
Diversified High Growth	VDHG	57.46	Vanguard	High Growth Composite	~7	Smart Beta	Full	0.27	0.11	466.2
Ethical Diversified High Growth	DZZF	28.97	BetaShares	High Growth Composite (with ESG screens)	~6	Smart Beta	Full	0.19	0.27	62.7
Diversified All Growth	DHHF	59.60	BetaShares	All Growth Composite	~7	Smart Beta	Full	0.27	0.09	1,084.8

SOURCE: BLOOMBERG, BELL POTTER RESEARCH. DATA AS AT 19 JULY 2021. \*A PERFORMANCE FEE IS ALSO PAYABLE, MORE INFORMATION ON FEES IS AVAILABLE ON PAGE 24.

# Global Equity ETFs.

Description	ETF Code	Price (\$)	Manager	Net Yield¹	Gross Yield¹	Distribution Frequency	1 Month	3 Month	Return (as at 30 June 2021)					Listed
Global (Unhedged)														
World Ex-Australia	WXOZ	41.25	State Street	1.4%	1.4%	Annually	4.6%	9.1%	16.0%	16.0%	27.5%	14.3%	14.6%	Mar-13
World Ex-Australia	VGS	97.53	Vanguard	1.9%	1.9%	Quarterly	3.8%	8.4%	15.3%	15.3%	26.5%	14.3%	14.6%	Nov-14
All World Ex-US	VEU	84.40	Vanguard	2.3%	2.3%	Quarterly	2.8%	7.6%	12.2%	12.2%	25.5%	9.5%	11.4%	May-09
Global 100	IOO	96.91	iShares	1.4%	1.4%	Half Yearly	5.4%	9.9%	16.9%	16.9%	25.0%	16.9%	16.7%	Oct-07
Small Companies	VISM	61.63	Vanguard	5.3%	5.3%	Quarterly	0.9%	4.0%	15.6%	15.6%	37.1%	n/a	n/a	Nov-18
Global (Currency Hedged)														
World Ex-Australia (A\$)	WXHG	28.28	State Street	3.0%	3.0%	Annually	2.3%	7.3%	14.0%	14.0%	35.7%	13.1%	14.2%	Jul-13
World Ex-Australia (A\$)	VGAD	84.98	Vanguard	11.2%	11.2%	Half Yearly	-4.9%	-0.1%	6.1%	6.1%	26.1%	10.8%	12.8%	Nov-14
Global 100 (A\$)	IHOV	132.89	iShares	18.1%	18.1%	Annually	3.2%	8.2%	14.4%	14.4%	32.8%	15.7%	16.1%	Dec-14
S&P 500 (A\$)	IHWV	422.39	iShares	21.8%	21.8%	Annually	2.3%	8.3%	15.0%	15.0%	38.5%	15.6%	15.8%	Dec-14
Europe (A\$)	HEUR	13.13	BetaShares	4.9%	4.9%	Half Yearly	1.7%	6.5%	16.5%	16.5%	31.3%	8.8%	11.2%	May-16
Japan (A\$)	HJPN	15.13	BetaShares	6.2%	6.2%	Half Yearly	2.0%	2.6%	9.5%	9.5%	35.7%	8.7%	13.6%	May-16
Nasdaq 100 (A\$)	HNDQ	32.59	BetaShares	8.0%	8.0%	Half Yearly	6.5%	11.2%	12.8%	12.8%	34.8%	n/a	n/a	Jul-20
United States														
US Broad Market Index	VTI	300.02	Vanguard	1.3%	1.3%	Quarterly	5.3%	10.1%	18.4%	18.4%	34.1%	18.0%	17.9%	May-09
S&P 500	IVV	584.12	iShares	1.1%	1.1%	Quarterly	5.4%	9.9%	18.3%	18.3%	28.9%	17.6%	17.2%	Oct-07
S&P 500	SPY	582.50	State Street	1.3%	1.3%	Quarterly	5.3%	10.3%	18.2%	18.2%	29.3%	18.6%	18.7%	Oct-14
S&P 500 Equal Weight	QUS	40.04	BetaShares	9.2%	9.2%	Half Yearly	3.2%	8.3%	22.1%	22.1%	35.4%	13.0%	13.1%	Dec-14
Nasdaq 100	NDQ	31.67	BetaShares	3.8%	3.8%	Half Yearly	9.6%	12.8%	16.2%	16.2%	31.6%	27.1%	27.2%	May-15
MidCap 400	IJH	351.10	iShares	0.9%	0.9%	Quarterly	1.9%	5.0%	20.7%	20.7%	40.0%	12.2%	13.9%	Oct-07
SmallCap 600	IJR	143.17	iShares	0.8%	0.8%	Quarterly	3.4%	5.8%	26.9%	26.9%	53.2%	11.4%	15.5%	Oct-07
Country														
China Large Cap	IZZ	59.35	iShares	1.6%	1.6%	Half Yearly	3.6%	1.0%	2.9%	2.9%	8.7%	3.7%	8.6%	Oct-07
China A-Shares 50	CETF	68.51	VanEck	1.8%	1.8%	Annually	-2.4%	4.7%	2.7%	2.7%	26.6%	12.6%	10.4%	Jun-15
China New Economy	CNEW	9.34	VanEck	1.1%	1.1%	Annually	2.0%	13.6%	11.6%	11.6%	10.7%	n/a	n/a	Nov-18
India	NDIA	56.44	ETF Securities	0.1%	0.1%	Irregular	1.5%	6.2%	12.4%	12.4%	38.2%	n/a	n/a	Jun-19
India Quality	IIND	9.65	BetaShares	5.9%	5.9%	Half Yearly	3.0%	5.8%	8.8%	8.8%	31.1%	n/a	n/a	Aug-19
Japan	IJP	90.59	iShares	1.0%	1.0%	Half Yearly	2.2%	0.6%	3.4%	3.4%	13.9%	6.0%	9.4%	Oct-07
South Korea	IKO	122.76	iShares	0.5%	0.5%	Annually	4.4%	5.4%	11.3%	11.3%	50.5%	11.9%	13.9%	Nov-07
United Kingdom	F100	9.83	BetaShares	2.3%	2.3%	Half Yearly	0.6%	7.3%	14.9%	14.9%	20.3%	n/a	n/a	Jul-19
Region														
Asia 50	IAA	118.94	iShares	1.2%	1.2%	Half Yearly	3.9%	1.3%	8.5%	8.5%	31.0%	14.6%	17.5%	Jul-08
Asia Ex-Japan	VAE	81.80	Vanguard	1.6%	1.6%	Quarterly	2.8%	5.1%	9.6%	9.6%	28.1%	11.4%	13.5%	Dec-15
Asia Tech (Ex-Japan)	ASIA	10.99	BetaShares	3.5%	3.5%	Half Yearly	5.4%	2.3%	5.6%	5.6%	40.6%	n/a	n/a	Sep-18
Europe, Australasia & Far East	IVE	105.50	iShares	2.6%	2.6%	Half Yearly	1.8%	6.7%	12.4%	12.4%	21.2%	7.3%	9.8%	Oct-07
Euro Stoxx 50	ESTX	74.45	ETF Securities	2.0%	2.0%	Half Yearly	0.7%	7.3%	15.4%	15.4%	23.7%	8.4%	10.8%	Jul-16
Europe 350	IEU	71.41	iShares	1.9%	1.9%	Half Yearly	1.4%	9.1%	15.9%	15.9%	23.4%	7.6%	9.7%	Oct-07
Europe Developed	VEQ	64.23	Vanguard	1.9%	1.9%	Quarterly	0.7%	8.4%	15.1%	15.1%	24.1%	7.7%	9.7%	Dec-15
Emerging Markets	IEM	71.82	iShares	1.5%	1.5%	Half Yearly	4.0%	5.3%	10.1%	10.1%	28.1%	9.6%	11.9%	Oct-07
Emerging Markets	WEMG	25.09	State Street	2.1%	2.1%	Annually	3.1%	6.4%	9.8%	9.8%	26.0%	10.3%	12.0%	Nov-13
Emerging Markets	VGE	78.90	Vanguard	1.6%	1.6%	Quarterly	3.9%	5.7%	11.3%	11.3%	27.1%	10.1%	10.8%	Nov-13
Sector (Unhedged)														
Battery Tech & Lithium	ACDC	88.94	ETF Securities	7.1%	7.1%	Annually	3.6%	7.4%	17.3%	17.3%	82.3%	n/a	n/a	Aug-18
Biotech	CURE	58.37	ETF Securities	10.7%	10.7%	Annually	9.2%	1.3%	-1.2%	-1.2%	10.6%	n/a	n/a	Nov-18
Consumer Staples	IXI	83.18	iShares	2.1%	2.1%	Half Yearly	2.8%	7.8%	8.9%	8.9%	10.7%	9.3%	6.2%	Sep-18
Cybersecurity	HACK	9.45	BetaShares	3.1%	3.1%	Annually	8.4%	13.7%	8.4%	8.4%	29.7%	21.1%	n/a	Aug-16
FANG+	FANG	16.69	ETF Securities	13.0%	13.0%	Irregular	13.1%	13.8%	18.2%	18.2%	61.6%	n/a	n/a	Feb-20
Healthcare	IXJ	113.61	iShares	1.1%	1.1%	Half Yearly	5.6%	10.0%	12.4%	12.4%	12.0%	14.7%	11.9%	Sep-18
Healthcare	HLTH	11.64	VanEck	0.3%	0.3%	Irregular	6.4%	10.6%	9.2%	9.2%	n/a	n/a	n/a	Sep-20
Infrastructure	VBLD	59.29	Vanguard	2.4%	2.4%	Quarterly	1.5%	3.6%	10.7%	10.7%	9.1%	n/a	n/a	Oct-18
Robotics and Automation	ROBO	81.18	ETF Securities	9.6%	9.6%	Annually	5.2%	4.3%	10.4%	10.4%	37.8%	17.3%	n/a	Sep-17
Robotics and AI	RBTZ	13.59	BetaShares	3.3%	3.3%	Annually	5.6%	7.6%	8.8%	8.8%	34.6%	n/a	n/a	Sep-18
Select Real Estate	DJRE	23.25	State Street	2.3%	2.3%	Half Yearly	4.3%	11.5%	20.5%	20.5%	24.3%	4.8%	3.3%	Nov-13
Property	REIT	20.55	VanEck	3.4%	3.4%	Quarterly	1.9%	9.9%	17.9%	17.9%	31.0%	n/a	n/a	Mar-19
Technology	TECH	93.65	ETF Securities	15.4%	15.4%	Half Yearly	6.5%	5.4%	9.9%	9.9%	32.6%	25.1%	n/a	Apr-17
Cloud Computing	CLDD	15.06	BetaShares	0.5%	0.5%	Half Yearly	12.4%	12.5%	n/a	n/a	n/a	n/a	n/a	Feb-21
Gold Miners	GDV	45.80	VanEck	0.5%	0.5%	Annually	-10.8%	6.3%	-3.1%	-3.1%	-14.6%	15.6%	4.5%	Jun-15
Video Gaming and eSports	ESPO	11.14	VanEck	0.3%	0.3%	Irregular	5.7%	8.5%	6.8%	6.8%	n/a	n/a	n/a	Sep-20
Sector (Currency Hedged)														
Agriculture Ex-Aus (A\$)	FOOD	6.76	BetaShares	4.3%	4.3%	Half Yearly	-3.2%	1.9%	17.5%	17.5%	47.5%	9.3%	n/a	Aug-16
Banks Ex-Aus (A\$)	BNKS	6.33	BetaShares	3.9%	3.9%	Half Yearly	-3.7%	4.6%	22.6%	22.6%	44.8%	1.4%	8.4%	Jul-16
Energy Ex-Aus (A\$)	FUEL	4.12	BetaShares	4.6%	4.6%	Half Yearly	4.8%	8.4%	26.3%	26.3%	32.3%	-9.0%	-0.7%	Jun-16
Gold Miners Ex-Aus (A\$)	MNRS	6.17	BetaShares	5.7%	5.7%	Half Yearly	-10.8%	2.2%	-5.2%	-5.2%	-5.2%	20.5%	4.4%	Jul-16
Healthcare Ex-Aus (A\$)	DRUG	7.53	BetaShares	4.9%	4.9%	Half Yearly	3.7%	8.9%	11.2%	11.2%	19.4%	13.2%	n/a	Aug-16
Infrastructure (50% A\$)	IFRA	21.09	VanEck	3.1%	3.1%	Quarterly	-0.3%	2.4%	7.0%	7.0%	14.4%	5.8%	6.4%	May-16

SOURCE: BLOOMBERG, BELL POTTER RESEARCH. DATA AS AT 19 JULY 2021. <sup>1</sup>DISTRIBUTION YIELD IS BASED ON THE SUM OF AMOUNTS THAT HAVE GONE EX-DIVIDEND OVER THE PAST 12 MONTHS.

# Global Equity ETFs.

Description	ETF Code	Price (\$)	Manager	Net Yield <sup>1</sup>	Gross Yield <sup>1</sup>	Distribution Frequency	1 Month	3 Month	6 Month	YTD	1 Year	3 Year	5 Year	Listed
<b>Fundamentals</b>														
Emerging Markets Multifactor	EMKT	22.22	VanEck	1.7%	1.7%	Annually	2.3%	6.6%	13.8%	13.8%	27.9%	7.3%	n/a	Apr-18
Morningstar Wide Moat	MOAT	100.00	VanEck	1.0%	1.0%	Annually	4.2%	8.6%	22.8%	22.8%	31.5%	20.0%	19.2%	Jun-15
Morningstar Wide Moat (ex-Au)	GOAT	24.21	VanEck	0.9%	0.9%	Irregular	3.5%	8.7%	16.3%	16.3%	n/a	n/a	n/a	Sep-20
World Minimum Volatility	WVOL	35.19	iShares	1.9%	1.9%	Half Yearly	3.5%	7.0%	10.9%	10.9%	11.2%	9.1%	n/a	Oct-16
World Multifactor	WDMF	38.31	iShares	5.7%	5.7%	Half Yearly	3.2%	7.3%	17.4%	17.4%	28.0%	10.1%	n/a	Oct-16
World Quality	QMIK	24.57	State Street	3.1%	3.1%	Half Yearly	4.0%	8.5%	15.8%	15.8%	22.5%	13.4%	13.1%	Sep-15
World Quality	QLTY	23.33	BetaShares	4.8%	4.8%	Half Yearly	6.8%	11.9%	14.9%	14.9%	23.8%	18.1%	n/a	Nov-18
World Quality (A\$)	HQLT	25.56	BetaShares	10.3%	10.3%	Half Yearly	4.5%	10.1%	13.5%	13.5%	33.3%	n/a	n/a	Jun-20
World Quality (ex-Australia)	QUAL	39.82	VanEck	1.0%	1.0%	Annually	7.1%	12.4%	17.2%	17.2%	26.1%	19.7%	18.2%	Oct-14
World Quality (ex-Australia) (A\$)	QHAI	39.45	VanEck	0.9%	0.9%	Annually	4.7%	10.7%	14.9%	14.9%	34.3%	n/a	n/a	Mar-19
World Quality Small Cap	QSML	22.09	VanEck	0.2%	0.2%	Irregular	2.2%	4.7%	n/a	n/a	n/a	n/a	n/a	Mar-21
International Value	VLUE	21.35	VanEck	0.5%	0.5%	Irregular	1.5%	3.8%	n/a	n/a	n/a	n/a	n/a	Mar-21
<b>Strategy</b>														
Dividend Fund	WDIV	18.10	State Street	3.8%	3.9%	Half Yearly	1.2%	6.0%	17.3%	17.3%	24.8%	4.4%	6.3%	Nov-13
Income Leaders	INCM	14.49	BetaShares	3.3%	3.3%	Quarterly	1.0%	3.8%	16.8%	16.8%	20.7%	1.6%	n/a	Oct-18
S&P 500 High Yield Low Volatility	ZYUS	12.52	ETF Securities	2.9%	2.9%	Quarterly	1.1%	4.2%	22.2%	22.2%	27.1%	5.8%	6.3%	Jun-15
<b>Environmental, Social and Governance (ESG)</b>														
Ethically Conscious	VESG	71.60	Vanguard	1.1%	1.1%	Quarterly	4.9%	9.4%	15.4%	15.4%	27.4%	n/a	n/a	Sep-18
Sustainability Leaders	ETHI	12.16	BetaShares	5.6%	5.6%	Half Yearly	6.5%	11.0%	16.7%	16.7%	30.8%	24.5%	n/a	Dec-16
Sustainability Leaders (A\$)	HETH	12.67	BetaShares	11.7%	11.7%	Half Yearly	4.1%	9.3%	14.5%	14.5%	34.8%	n/a	n/a	Jul-20
ESG Leaders	IWLD	40.77	iShares	15.7%	15.7%	Half Yearly	5.8%	10.4%	19.4%	19.4%	31.0%	14.1%	14.6%	Apr-16
ESG Leaders (A\$)	IHWL	41.70	iShares	12.5%	12.5%	Irregular	3.4%	8.6%	17.2%	17.2%	39.1%	12.8%	14.1%	Apr-16
International Sustainable Equity	ESGI	28.56	VanEck	1.5%	1.5%	Annually	3.1%	7.8%	13.8%	13.8%	20.2%	12.5%	n/a	Mar-18
Clean Energy Production	CLNE	9.86	VanEck	0.1%	0.1%	Irregular	9.4%	0.4%	n/a	n/a	n/a	n/a	n/a	Mar-21
Climate Change Innovation	ERTH	13.49	BetaShares	0.1%	0.1%	Irregular	11.0%	9.0%	n/a	n/a	n/a	n/a	n/a	Mar-21
<b>Exchange Traded Managed Fund (Equity)</b>														
Asia	PAXX	4.97	Platinum	17.8%	17.8%	Annually	0.8%	1.4%	5.1%	5.1%	26.0%	13.1%	n/a	Sep-17
Emerging Markets	EMMG	7.15	Legg Mason	1.5%	1.5%	Annually	3.7%	5.7%	8.2%	8.2%	31.7%	n/a	n/a	Jun-19
Emerging Markets	FEMX	6.92	Fidelity	0.5%	0.5%	Annually	2.1%	6.4%	10.8%	10.8%	36.8%	n/a	n/a	Oct-18
International Fund	PIXX	5.10	Platinum	1.6%	1.6%	Annually	-0.9%	1.7%	10.8%	10.8%	26.5%	6.9%	n/a	Sep-17
Core Equities	MCSG	3.99	Magellan	1.8%	1.8%	Irregular	5.0%	12.1%	15.4%	15.4%	n/a	n/a	n/a	Dec-20
Equities	AGX1	5.66	Antipodes	12.4%	12.4%	Annually	1.0%	3.2%	11.9%	11.9%	28.7%	n/a	n/a	Nov-18
Equities	MGOC	2.78	Magellan	1.8%	1.8%	Irregular	2.5%	6.0%	9.5%	9.5%	n/a	n/a	n/a	Dec-20
Equities	MOGL	3.74	Montaka	4.3%	4.3%	Half Yearly	8.1%	12.4%	14.9%	14.9%	20.7%	7.5%	n/a	Dec-17
Equities	MSTR	9.16	Morningstar	23.7%	23.7%	Irregular	1.4%	5.5%	14.3%	14.3%	34.4%	n/a	n/a	Nov-19
Equities	ADEF	4.63	K2 Asset	0.2%	0.2%	Irregular	5.6%	10.8%	n/a	n/a	n/a	n/a	n/a	Feb-21
Equities (A\$)	MHG	3.95	Magellan	3.4%	3.4%	Half Yearly	0.0%	4.3%	7.4%	7.4%	17.5%	12.0%	13.8%	Aug-15
Equities (Extension)	MKAX	3.70	Montaka	4.8%	4.8%	Irregular	7.8%	11.9%	11.9%	11.9%	14.5%	n/a	n/a	Jun-20
Global Growth	MAET	5.15	Munro Partners	9.5%	9.5%	Irregular	5.3%	5.7%	5.9%	5.9%	n/a	n/a	n/a	Nov-20
Global Growth	HYGG	4.38	Hyperion	n/a	n/a	n/a	10.4%	15.3%	n/a	n/a	n/a	n/a	n/a	Mar-21
Global Disruption	LPGD	3.13	Loftus Peak	n/a	n/a	n/a	10.1%	11.8%	14.9%	14.9%	n/a	n/a	n/a	Nov-20
Core Infrastructure (A\$)	MCSI	1.62	Magellan	1.8%	1.8%	Irregular	0.9%	3.9%	7.8%	7.8%	n/a	n/a	n/a	Dec-20
Infrastructure (A\$)	MICH	2.97	Magellan	4.0%	4.0%	Half Yearly	-2.4%	0.7%	3.3%	3.3%	5.6%	4.1%	5.6%	Jul-16
Core ESG	MCSE	4.07	Magellan	1.7%	1.7%	Irregular	5.8%	12.3%	15.1%	15.1%	n/a	n/a	n/a	Dec-20
Sustainability	MSUF	2.81	Magellan	1.8%	1.8%	Irregular	4.9%	8.2%	12.2%	12.2%	n/a	n/a	n/a	Dec-20
<b>Exchange Traded Managed Fund (Strategy)</b>														
US Equities Bear (A\$)	BBUS	1.08	BetaShares	n/a	n/a	n/a	-5.9%	-18.5%	-30.1%	-30.1%	-59.1%	-40.2%	-36.7%	Aug-15
Geared US Equity (A\$)	GGUS	32.97	BetaShares	3.1%	3.1%	Annually	4.6%	17.9%	33.7%	33.7%	101.2%	28.8%	29.5%	Aug-15
S&P 500 Yield Maximiser	UMAX	20.41	BetaShares	5.8%	5.8%	Quarterly	5.0%	6.1%	15.4%	15.4%	24.4%	8.8%	9.7%	Sep-14
FuturePay	FPAY	5.97	Magellan	0.3%	0.3%	Irregular	1.2%	n/a	n/a	n/a	n/a	n/a	n/a	#VALUE!
Managed Risk	WRLD	15.22	BetaShares	0.7%	0.7%	Half Yearly	4.1%	7.6%	12.8%	12.8%	17.4%	9.1%	10.1%	Dec-15
Global Minimum Volatility	VMIN	53.97	Vanguard	14.9%	14.9%	Quarterly	-2.2%	-0.8%	3.4%	3.4%	12.3%	5.4%	n/a	Apr-18
Global Multi-Factor	VGMF	59.14	Vanguard	1.3%	1.3%	Quarterly	1.3%	6.3%	20.9%	20.9%	33.8%	n/a	n/a	Apr-19
Global Value Equity	VVLU	55.55	Vanguard	1.2%	1.3%	Quarterly	0.7%	6.5%	28.3%	28.3%	49.0%	6.5%	n/a	Apr-18
Global Quality Growth	WCMQ	8.21	WCM	2.8%	2.8%	Irregular	3.7%	9.2%	8.0%	8.0%	24.4%	n/a	n/a	Aug-18
Ultra Short Nasdaq (A\$)	SNAS	4.16	ETF Securities	n/a	n/a	n/a	-14.0%	-23.7%	-29.5%	-29.5%	-57.6%	n/a	n/a	Jul-20
Ultra Long Nasdaq (A\$)	LNAS	11.45	ETF Securities	59.7%	59.7%	Irregular	15.3%	26.2%	29.1%	29.1%	81.0%	n/a	n/a	Jul-20
<b>Exchange Traded Managed Fund (Mixed Asset)</b>														
Diversified Conservative	VDCO	25.86	Vanguard	6.3%	6.4%	Quarterly	3.3%	5.6%	5.7%	5.7%	13.3%	n/a	n/a	Dec-19
Diversified Balanced	VDBA	55.33	Vanguard	10.7%	10.9%	Quarterly	-0.9%	1.9%	3.2%	3.2%	11.0%	7.2%	n/a	Nov-17
Ethical Diversified Balanced	DBBF	26.67	BetaShares	8.6%	8.8%	Quarterly	5.6%	9.7%	12.5%	12.5%	18.1%	n/a	n/a	Dec-19
Diversified Growth	VDGR	53.75	Vanguard	9.6%	9.7%	Quarterly	-0.9%	1.0%	0.8%	0.8%	5.8%	5.5%	n/a	Nov-17
Ethical Diversified Growth	DGGF	26.34	BetaShares	8.0%	8.2%	Quarterly	4.5%	7.6%	9.1%	9.1%	19.6%	n/a	n/a	Dec-19
Diversified High Growth	VDHG	57.46	Vanguard	9.4%	9.7%	Quarterly	-0.2%	3.6%	6.7%	6.7%	17.5%	8.9%	n/a	Nov-17
Ethical Diversified High Growth	DZZF	28.97	BetaShares	1.4%	1.6%	Quarterly	3.4%	8.3%	14.9%	14.9%	27.8%	n/a	n/a	Dec-19
Diversified AI Growth	DHHF	59.60	BetaShares	9.3%	9.6%	Quarterly	-0.1%	4.7%	9.6%	9.6%	23.5%	10.3%	n/a	Nov-17

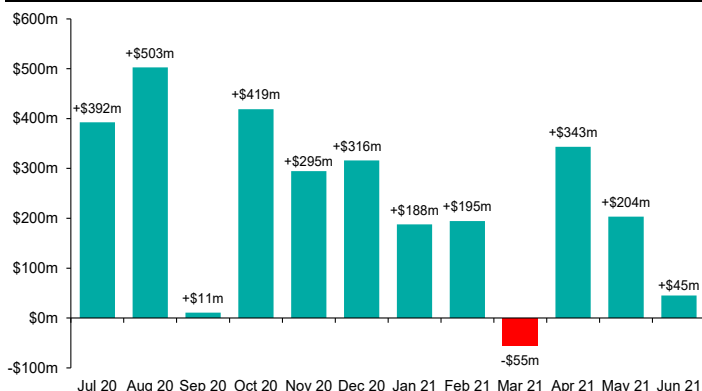
SOURCE: BLOOMBERG, BELL POTTER RESEARCH. DATA AS AT 19 JULY 2021. <sup>1</sup>DISTRIBUTION YIELD IS BASED ON THE SUM OF AMOUNTS THAT HAVE GONE EX-DIVIDEND OVER THE PAST 12 MONTHS.

# Fixed Interest ETFs.

On a normalised basis excluding the downward effect of cash out of **BetaShares Australian High Interest Cash ETF (ASX:AAA)**, both domestic and global fixed income ETFs saw positive upwards net inflows.

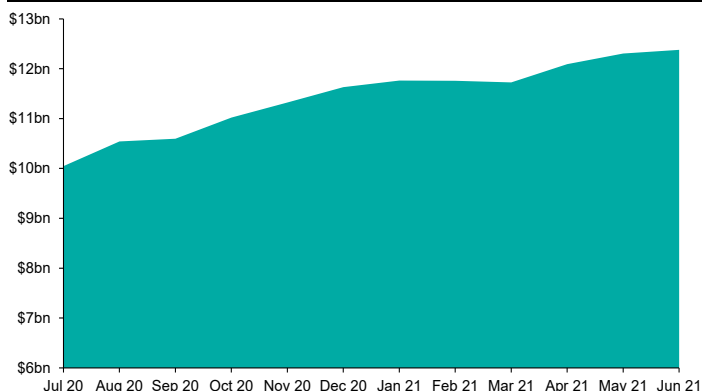
Money into **Vanguard Global Aggregate Bond Index (A\$ Hedged) ETF (ASX:VBND)** led global fixed income ETFs for the month. VBND seeks to replicate the performance of the Bloomberg Barclays Global Aggregate Float Adjusted Bond Index, hedged back to Australian Dollars, which includes 27,319 government, government-related, corporate and securitised fixed rate bond holdings from developed and emerging market issuers. The geographical disposition of assets is tilted towards the U.S. (41.8%), with a weighted average credit quality of AA-.

**Figure 30 - Domestic fixed interest net fund flows**



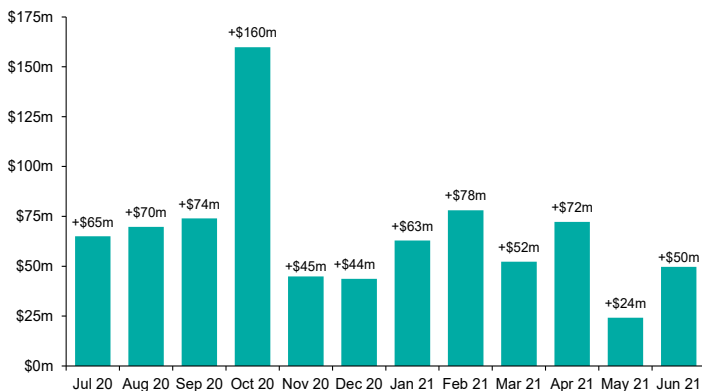
SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

**Figure 31 - Domestic fixed interest FUM**



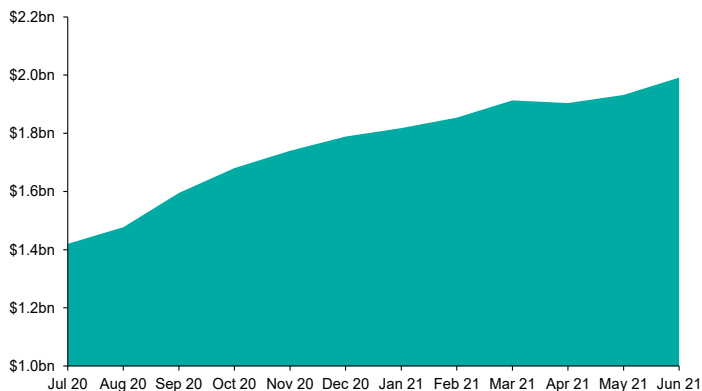
SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

**Figure 32 - Global fixed interest net fund flows**



SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

**Figure 33 - Global fixed interest FUM**



SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

**Figure 34 - Domestic fixed interest June net fund inflows**

Code	ETF Description	Flows
FIXD	Coolabah Active Composite Bond Fund (Hedge Fund)	\$76.1m
XARO	ActiveX Ardea Real Outcome Bond Fund (MF)	\$52.5m
HBRD	BetaShares Active Australian Hybrids Fund	\$47.6m
VACF	Vanguard Aus Corporate Fixed Interest Index ETF	\$23.4m
IAF	iShares Core Composite Bond ETF	\$22.7m

SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

**Figure 35 - Domestic fixed interest June net fund outflows**

Code	ETF Description	Flows
AAA	BetaShares Australian High Interest Cash ETF	-\$177.2m
VAF	Vanguard Australian Fixed Interest Index ETF	-\$9.9m
SHYF	Switzer Higher Yield Fund	-\$7.7m
BILL	iShares Core Cash ETF	-\$5.5m
FLOT	VanEck Vectors Australian Floating Rate ETF	-\$3.0m

SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

**Figure 36 - Global fixed interest June net fund inflows**

Code	ETF Description	Flows
VBND	Vanguard Global Agg. Bond Index (A\$ Hedged) ETF	\$12.9m
GBND	BetaShares Sust. Lead Diversified Bond (A\$ Hedged)	\$12.1m
TACT	Janus Henderson Tactical Income Active ETF	\$8.5m
VIF	Vanguard Int. Fixed Interest Index (A\$ Hedged) ETF	\$8.4m
PAYS	The Schroder Absolute Return Income (MF)	\$7.1m

SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

**Figure 37 - Global fixed interest June net fund outflows**

Code	ETF Description	Flows
IHCB	iShares Global Corporate Bond ETF	-\$3.4m
IHHY	iShares Global High Yield Bond ETF	-\$2.1m

SOURCE: ASX, CHI-X, BELL POTTER RESEARCH



# Fixed Interest ETFs.

Description	ETF Code	Price (\$)	Manager	Benchmark	Holdings	Strategy	Replication	MER (%)	Spread (%)	Market Cap (\$m)
<b>Domestic Fixed Interest</b>										
Composite Bonds	IAF	114.35	iShares	Bloomberg AusBond Composite	~539	Passive	Optimised	0.15	0.04	1,834.9
Fixed Interest	BOND	27.84	State Street	S&P/ASX Australian Fixed Income	~152	Passive	Optimised	0.24	0.12	45.3
Fixed Interest	VAF	50.93	Vanguard	Bloomberg AusBond Composite	~604	Passive	Optimised	0.20	0.08	1,460.8
Floating Rate Bonds	FLOT	25.09	VanEck	Bloomberg AusBond Credit FRN 0+ Yr	~183	Passive	Full	0.22	0.07	259.5
Senior Floating Rate Bonds	QPON	26.00	BetaShares	Solactive Aus Bank Senior Floating Rate Bond	~13	Passive	Full	0.22	0.09	678.9
Core Corporate Bond	ICOR	102.32	iShares	Bloomberg AusBond Credit 0+ Yr	~82	Passive	Optimised	0.15	0.70	14.8
Corporate Fixed Interest	VACF	53.39	Vanguard	Bloomberg AusBond Credit 0+ Yr	~380	Passive	Optimised	0.26	0.09	584.2
Corporate Bond Plus	PLUS	18.84	VanEck	Markit iBoxx AUD Corporates Yield Plus	~136	Smart Beta	Full	0.32	0.25	281.9
Investment Grade Corp. Bond	CRED	27.33	BetaShares	Solactive Aus Invest. Grade Corp. Bond Select TR	~45	Smart Beta	Full	0.25	0.18	506.0
Select Corporate Bonds	RCB	20.53	Russell	Australian Corporate Bonds	~12	Passive	Full	0.28	0.21	271.9
Subordinated Debt	SUBD	25.39	VanEck	iBoxx AUD Investment Grade Subordinated Debt	~17	Passive	Optimised	0.29	0.10	176.7
Yield Plus	IYLD	101.35	iShares	Bloomberg AusBond Credit & FRN ex-Big 4 Banks	~31	Passive	Optimised	0.12	0.77	8.6
Core Cash	BILL	100.26	iShares	Australian Cash	~31	Passive	Optimised	0.07	0.02	377.1
Enhanced Cash	ISEC	100.53	iShares	Australian Cash	~67	Smart Beta	Optimised	0.12	0.02	234.1
High Interest Cash	AAA	50.08	BetaShares	Australian Cash	~0	Passive	Full	0.18	0.02	2,131.9
Government Bonds	AGVT	51.75	BetaShares	Solactive Australian Government 7-12 Year AUD TR	~58	Passive	Full	0.22	0.14	176.2
Government Bonds	RGB	22.40	Russell	Australian Government Bonds	~11	Passive	Full	0.24	0.17	89.7
Government Bonds	GOVT	27.76	State Street	S&P/ASX Bond	~97	Passive	Optimised	0.22	0.13	28.1
Government Bonds	VGB	52.17	Vanguard	Bloomberg AusBond Government	~139	Passive	Optimised	0.20	0.08	548.8
Government Inflation	ILB	135.40	iShares	Bloomberg AusBond Inflation Government	~14	Passive	Optimised	0.18	0.25	275.4
Semi-Government Bonds	RSM	20.76	Russell	Australian Semi-Government Bonds	~11	Passive	Full	0.26	0.23	68.9
Treasury	IGB	111.38	iShares	Bloomberg AusBond Treasury	~29	Passive	Optimised	0.18	0.05	115.9
Hybrids	BHYB	10.03	BetaShares	Solactive Australian Banking Preferred Shares	~16	Passive	Full	0.35	0.21	13.0
<b>Global Fixed Interest (Currency Hedged)</b>										
Global High Yield Bond (A\$)	IHHY	103.94	iShares	Markit iBoxx Global Dev. Market Liquid HY Cap (A\$)	~26	Passive	Optimised	0.56	0.46	120.9
Global Corporate Bond (A\$)	IHCY	111.50	iShares	Barclays Global Aggregate Corporate Bond (A\$)	~2	Passive	Optimised	0.26	0.32	275.8
USD Em Markets Bond (A\$)	IHEB	101.03	iShares	J.P. Morgan EMBI Global Core (A\$)	~8	Passive	Optimised	0.51	0.58	45.6
Global Aggregate Bond (A\$)	VBND	48.82	Vanguard	Bloomberg Barclays Global Agg. Float Adj. Scaled (A\$)	~9,549	Passive	Optimised	0.20	0.12	384.7
Global Government 20+ Year (A\$)	GGOV	22.98	BetaShares	S&P G7 Sovereign Dur-Capped 20+ Year Bond (A\$)	~112	Passive	Full	0.22	0.76	3.7
Credit Securities (A\$)	VCF	45.60	Vanguard	Barclays Global Agg. Gov. Related and Corp. Scaled (A\$)	~6,301	Passive	Optimised	0.30	0.29	203.9
Ethically Conscious Bond (A\$)	VEFI	49.73	Vanguard	Bloomberg Barclays MSCI Global Agg SRI EFA (A\$)	~4,565	Smart Beta	Optimised	0.26	0.21	59.3
Fixed Interest (A\$)	VIF	44.75	Vanguard	Bloomberg Barclays Global Treasury Scaled (A\$)	~1,132	Passive	Optimised	0.20	0.10	612.2
Sustainability Leaders Bond (A\$)	GBND	25.20	BetaShares	Solactive Aus & Global Select Sust. Leaders Bond TR (A\$)	~374	Smart Beta	Full	0.49	0.34	151.4
<b>Exchange Traded Managed Fund</b>										
Australian Bond	BNDS	27.10	Western Asset	Bloomberg AusBond Composite	n/a	Active	Full	0.42	0.21	184.4
Composite Bonds	FIXD	30.46	Coolabah Capital	Bloomberg AusBond Composite	n/a	Active	Unknown	0.30*	0.10	77.1
Australian Hybrids	HBRD	10.28	Coolabah Capital	Solactive Australian Hybrid Securities	n/a	Active	Full	0.55*	0.14	1,255.3
Australian Hybrids	EHF1	5.10	Elstree	Solactive Australian Hybrid Securities	n/a	Active	Unknown	0.62*	n/a	9.7
Emerging Market Opportunities	EBND	11.54	VanEck	50/50 J.P. Morgan EM Bond AUD & Government Bond-EM	~112	Active	n/a	0.95	0.41	93.3
Real Outcome	XARO	26.03	Ardea	CPI	n/a	Active	n/a	0.50	0.09	749.3
Absolute Return	XKAP	99.45	Kapstream	RBA Cash Rate	n/a	Active	Unknown	0.55	n/a	9.7
Cash Booster	ECAS	49.35	eInvest	RBA Cash Rate + 0.5% p.a. (net of fees)	n/a	Active	n/a	0.15	n/a	8.8
Core Income	ECOR	50.76	eInvest	RBA Cash Rate + 2.0% p.a. (net of fees)	n/a	Active	n/a	0.45	n/a	2.2
Income Maximiser	EMAX	47.74	eInvest	RBA Cash Rate + 4.0% p.a. (net of fees)	n/a	Active	n/a	0.65	n/a	2.2
Absolute Return	PAYS	9.92	Schroders	RBA Cash Rate + 2.5% p.a. (before fees)	n/a	Active	n/a	0.54	0.19	54.0
Tactical Income	TACT	48.94	Janus Henderson	Bloomberg AusBond Composite	n/a	Active	Full	0.45	0.08	68.1
High Yield	SHYF	31.90	Coolabah Capital	RBA Cash Rate + 1.5% p.a. (net of fees)	n/a	Active	n/a	0.70*	0.27	26.0

SOURCE: BLOOMBERG, BELL POTTER RESEARCH. DATA AS AT 19 JULY 2021. \*A PERFORMANCE FEE IS ALSO PAYABLE, MORE INFORMATION ON FEES IS AVAILABLE ON PAGE 24.

# Fixed Interest ETFs.

Description	ETF Code	Price (\$)	Manager	Net Yield¹	Gross Yield¹	Distribution Frequency	Yield to Maturity²	Av. Credit Quality²	Duration²	Return (as at 30 June 2021)				Listed
										YTD	1 Year	3 Year	5 Year	
Domestic Fixed Interest														
Composite Bonds	IAF	114.35	iShares	1.6%	1.6%	Quarterly	1.07%	n/a	6.1 yrs^	-1.8%	-1.0%	4.0%	3.0%	Mar-12
Fixed Interest	BOND	27.84	State Street	2.1%	2.1%	Quarterly	1.13%	n/a	6.5 yrs^	-2.0%	-1.3%	4.2%	3.0%	Jul-12
Fixed Interest	VAF	50.93	Vanguard	2.7%	2.7%	Quarterly	1.06%	AA+	6.0 yrs^	-2.6%	-1.8%	3.8%	2.9%	Oct-12
Floating Rate Bonds	FLOT	25.09	VanEck	1.0%	1.0%	Monthly	0.29%	n/a	0.1 yrs^	0.2%	1.1%	1.9%	n/a	Jul-17
Senior Floating Rate Bonds	QPON	26.00	BetaShares	0.9%	0.9%	Monthly	0.32%	AA-	0.1 yrs^	0.0%	1.5%	2.4%	n/a	Jun-17
Core Corporate Bond	ICOR	102.32	iShares	1.5%	1.5%	Quarterly	1.40%	n/a	4.0 yrs^	-0.7%	2.3%	n/a	n/a	May-20
Corporate Fixed Interest	VACF	53.39	Vanguard	1.8%	1.8%	Quarterly	1.35%	A+	4.0 yrs^	-0.9%	1.8%	4.3%	3.8%	May-16
Corporate Bond Plus	PLUS	18.84	VanEck	2.1%	2.1%	Quarterly	1.92%	n/a	5.0 yrs^	-0.4%	3.6%	5.4%	n/a	May-17
Investment Grade Corp. Bond	CRED	27.33	BetaShares	4.6%	4.6%	Monthly	2.57%	BBB+	6.9 yrs^	-1.2%	4.7%	6.9%	n/a	May-18
Select Corporate Bonds	RCB	20.53	Russell	1.5%	1.5%	Quarterly	0.59%	n/a	2.7 yrs^	-0.7%	0.9%	4.2%	3.7%	Mar-12
Subordinated Debt	SUBD	25.39	VanEck	1.9%	1.9%	Monthly	1.68%	n/a	0.2 yrs^	1.8%	4.9%	n/a	n/a	Oct-19
Yield Plus	IYLD	101.35	iShares	1.2%	1.2%	Monthly	0.80%	n/a	1.2 yrs^	0.2%	1.9%	n/a	n/a	May-20
Core Cash	BILL	100.26	iShares	0.1%	0.1%	Monthly	0.10%	n/a	0.1 yrs^	0.0%	0.1%	1.0%	n/a	Jun-17
Enhanced Cash	ISEC	100.53	iShares	0.2%	0.2%	Monthly	0.20%	n/a	0.2 yrs^	0.1%	0.3%	1.2%	n/a	Jun-17
High Interest Cash	AAA	50.08	BetaShares	0.5%	0.5%	Monthly	0.31%	n/a	n/a	0.2%	0.5%	1.2%	1.5%	Mar-12
Government Bonds	AGVT	51.75	BetaShares	0.9%	0.9%	Monthly	1.50%	AAA	8.0 yrs^	-2.9%	-1.9%	n/a	n/a	Jul-19
Government Bonds	RGB	22.40	Russell	3.1%	3.1%	Quarterly	1.24%	AAA	7.2 yrs^	-2.2%	-1.8%	4.9%	3.1%	Mar-12
Government Bonds	GOVT	27.76	State Street	2.7%	2.7%	Quarterly	1.12%	AAA	7.0 yrs^	-2.3%	-1.7%	4.3%	2.9%	Jul-12
Government Bonds	VGB	52.17	Vanguard	2.4%	2.4%	Quarterly	1.05%	AAA	6.5 yrs^	-2.7%	-2.1%	3.9%	2.8%	Apr-12
Government Inflation	ILB	135.40	iShares	0.6%	0.6%	Quarterly	1.20%	AAA	8.7 yrs^	-0.8%	4.5%	5.1%	3.8%	Mar-12
Semi-Government Bonds	RSM	20.76	Russell	6.7%	6.7%	Quarterly	0.62%	n/a	4.0 yrs^	-0.9%	0.3%	3.7%	2.8%	Mar-12
Treasury	IGB	111.38	iShares	1.3%	1.3%	Quarterly	1.01%	AAA	6.7 yrs^	-2.2%	-2.1%	4.1%	2.7%	Mar-12
Hybrids	BHYB	10.03	BetaShares	2.4%	3.4%	Monthly	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Apr-21
Global Fixed Interest (Currency Hedged)														
Global High Yield Bond (A\$)	IHHY	103.94	iShares	4.1%	4.1%	3x a yr	3.23%	n/a	3.7 yrs^	1.7%	11.3%	4.9%	5.6%	Dec-15
Global Corporate Bond (A\$)	IHCY	111.50	iShares	3.4%	3.4%	3x a yr	1.64%	n/a	7.3 yrs^	-1.1%	2.2%	5.6%	3.9%	Dec-15
USD Em Markets Bond (A\$)	IHEB	101.03	iShares	3.8%	3.8%	3x a yr	4.18%	n/a	8.5 yrs^	-1.7%	6.2%	5.6%	3.9%	Dec-15
Global Aggregate Bond (A\$)	VBND	48.82	Vanguard	11.4%	11.4%	Quarterly	1.00%	AA-	7.6 yrs^	-2.5%	-0.8%	3.9%	n/a	Oct-17
Global Government 20+ Year (A\$)	GGOV	22.98	BetaShares	2.6%	2.6%	Quarterly	1.30%	AA	21.8 yrs^	-7.2%	-6.5%	n/a	n/a	Apr-20
Credit Securities (A\$)	VCF	45.60	Vanguard	13.8%	13.8%	Quarterly	1.34%	A	7.2 yrs^	-2.6%	0.6%	4.5%	3.4%	Dec-15
Ethically Conscious Bond (A\$)	VEFI	49.73	Vanguard	10.1%	10.1%	Quarterly	0.93%	AA-	7.5 yrs^	-2.0%	-0.6%	n/a	n/a	Sep-18
Fixed Interest (A\$)	VIF	44.75	Vanguard	12.4%	12.4%	Quarterly	0.62%	AA-	8.5 yrs^	-2.8%	-2.1%	3.2%	2.1%	Dec-15
Sustainability Leaders Bond (A\$)	GBND	25.20	BetaShares	2.2%	2.2%	Quarterly	0.94%	AA	7.6 yrs^	-2.6%	-0.5%	n/a	n/a	Nov-19
Exchange Traded Managed Fund														
Australian Bond	BNDS	27.10	Western Asset	1.3%	1.3%	Monthly	1.34%	AA	5.9 yrs^	-1.8%	-0.2%	n/a	n/a	Nov-18
Composite Bonds	FIXD	30.46	Coolabah Capital	n/a	n/a	n/a	n/a	AA-	6.0 yrs^	n/a	n/a	n/a	n/a	Jun-21
Australian Hybrids	HBRD	10.28	Coolabah Capital	2.6%	3.1%	Monthly	n/a	n/a	n/a	2.3%	5.5%	4.4%	n/a	Nov-17
Australian Hybrids	EHF1	5.10	Elstree	0.5%	0.5%	Irregular	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Mar-21
Emerging Market Opportunities	EBND	11.54	VanEck	4.9%	4.9%	Monthly	5.15%	n/a	5.4 yrs^	1.5%	8.4%	n/a	n/a	Feb-20
Real Outcome	XARO	26.03	Ardea	4.2%	4.2%	Quarterly	n/a	n/a	n/a	0.4%	3.0%	n/a	n/a	Dec-18
Absolute Return	XKAP	99.45	Kapstream	3.5%	3.5%	Quarterly	1.24%	A	0.9 yrs^	-0.1%	1.7%	n/a	n/a	Oct-19
Cash Booster	ECAS	49.35	eInvest	0.7%	0.7%	Monthly	n/a	A+	0.1 yrs^	0.1%	0.5%	n/a	n/a	Nov-19
Core Income	ECOR	50.76	eInvest	1.2%	1.2%	Monthly	n/a	A	0.6 yrs^	1.1%	3.8%	n/a	n/a	Nov-19
Income Maximiser	EMAX	47.74	eInvest	5.6%	5.6%	Monthly	n/a	BBB	0.7 yrs^	2.5%	7.1%	n/a	n/a	Nov-19
Absolute Return	PAYS	9.92	Schroders	3.0%	3.0%	Monthly	1.45%	A-	0.5 yrs^	0.6%	3.2%	n/a	n/a	Nov-19
Tactical Income	TACT	48.94	Janus Henderson	5.1%	5.1%	Quarterly	1.25%	AA	0.7 yrs^	-1.2%	0.1%	n/a	n/a	Jul-20
High Yield	SHYF	31.90	Coolabah Capital	4.4%	4.4%	Irregular	n/a	A	n/a	1.0%	n/a	n/a	n/a	Dec-20

SOURCE: BLOOMBERG, BELL POTTER RESEARCH. DATA AS AT 19 JULY 2021. <sup>1</sup>DISTRIBUTION YIELD IS BASED ON THE SUM OF AMOUNTS THAT HAVE GONE EX-DIVIDEND OVER THE PAST 12 MONTHS.

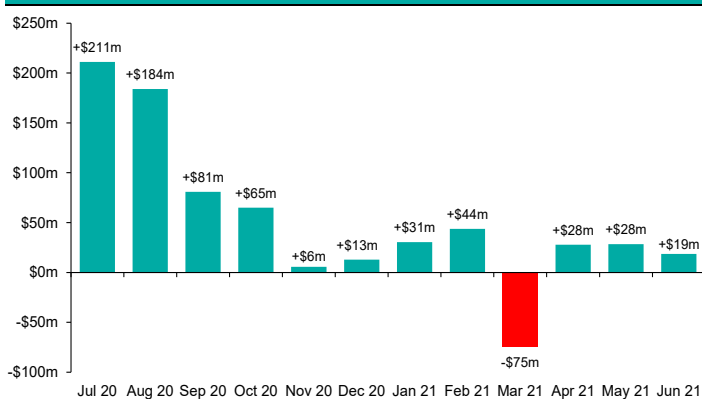
<sup>2</sup>EFFECTIVE DURATION - AN OPTION ADJUSTED MEASURE OF THE SENSITIVITY OF THE VALUE OF THE PORTFOLIO TO CHANGES IN INTEREST RATES. IT IS USED TO CALCULATE AN APPROXIMATION OF THE MODIFIED DURATION OF A BOND WITH AN EMBEDDED OPTION.

<sup>3</sup>MODIFIED DURATION - MEASURES THE SENSITIVITY OF THE VALUE OF THE PORTFOLIO TO CHANGES IN INTEREST RATES. IT FOLLOWS THE CONCEPT THAT INTEREST RATES AND BOND PRICES MOVE IN OPPOSITE DIRECTIONS. A MODIFIED DURATION OF 6 YEARS IMPLIES THAT A 1% INCREASE IN THE INTEREST RATE WILL REDUCE THE VALUE OF THE PORTFOLIO BY 6%; AND VICE-VERSA FOR A DECREASE IN THE INTEREST RATE.

# Commodity & Currency ETFs.

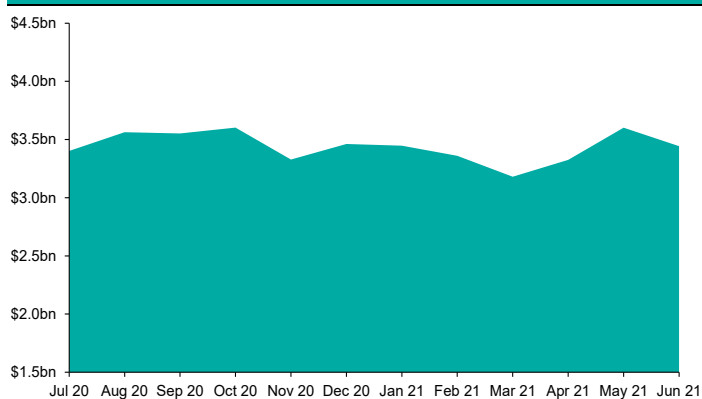
Following the collapse of Bear Stearns and the Lehman Brothers, the Basel Committee on Banking Supervision introduced a series of reforms that establish an international accord of required regulatory capital and quality measures to reduce the chance of resurgent systemic risk. In particular, adherence to Basel III, which came into effect for European banks on June 28, will measure the liquidity of long-term assets and avoid excessive maturity transformation. This imposes a Net Stable Funding Ratio or collateralisation of 85% for gold, being equal to the amount of available stable funding divided by the amount of required stable funding. Institutions may resolve this punitive treatment through allocation of the tier-1 capital, effectively removing gold from the balance sheet. Basel III therefore increases the costs of holding unallocated or paper gold. A reduction in gold lending may be accretive for the bullion. Physical gold ETFs may also benefit from sustained market-making activities.

**Figure 38 - Commodity net fund flows**



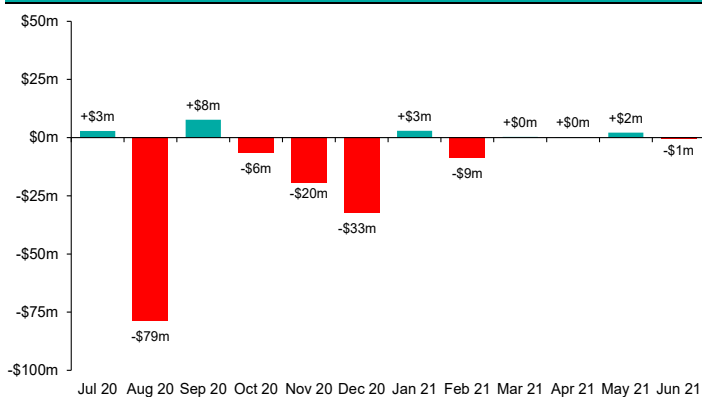
SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

**Figure 39 - Commodity FUM**



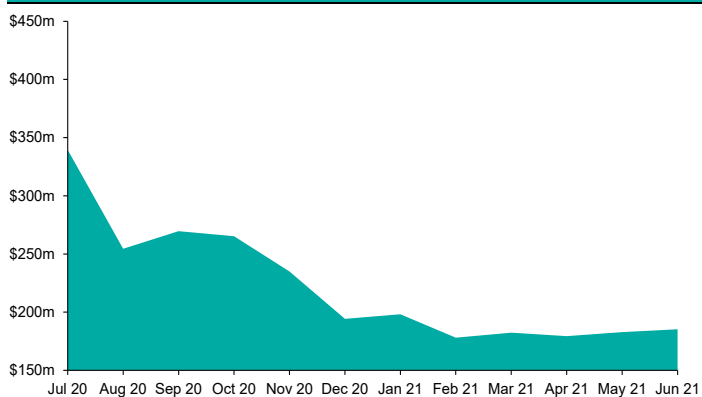
SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

**Figure 40 - Currency net fund flows**



SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

**Figure 41 - Currency FUM**



SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

**Figure 42 - Commodity June net fund inflows**

Code	ETF Description	Flows
GOLD	ETFS Physical Gold	\$24.1m
PMGOLD	Perth Mint Gold	\$6.3m
ETPMPD	ETFS Physical Palladium	\$1.9m
ETPMPM	ETFS Physical Precious Metal Basket	\$0.8m
ETPMPT	ETFS Physical Platinum	\$0.8m

SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

**Figure 44 - Currency June net fund inflows**

Code	ETF Description	Flows
USD	BetaShares U.S. Dollar ETF	\$0.3m

SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

**Figure 43 - Commodity June net fund outflows**

Code	ETF Description	Flows
OOO	BetaShares Crude Oil Index (A\$ Hedged) ETF	-\$8.7m
QAU	BetaShares Gold Bullion (A\$ Hedged) ETF	-\$6.6m

SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

**Figure 45 - Currency June net fund outflows**

Code	ETF Description	Flows
AUDS	BetaShares Strong Australian Dollar Fund	-\$1.1m

SOURCE: ASX, CHI-X, BELL POTTER RESEARCH

# Commodity & Currency ETFs.

Description	ETF Code	Price (\$)	Manager	Benchmark	Holdings	Strategy	Replication	MER (%)	Spread (%)	Market Cap (\$m)
<b>Commodities</b>										
Physical Gold	GOLD	228.97	ETF Securities	Gold	n/a	Passive	Full	0.40	0.05	2,155.3
Spot Gold	PMGOLD	24.54	Perth Mint	Gold	n/a	Passive	n/a	0.15	0.11	7,889.6
Physical Silver	ETPMAG	32.39	ETF Securities	Silver	n/a	Passive	Full	0.49	0.11	238.6
Physical Platinum	ETPMPT	140.52	ETF Securities	Platinum	n/a	Passive	Full	0.49	0.43	15.4
Physical Palladium	ETPMPD	336.00	ETF Securities	Palladium	n/a	Passive	Full	0.49	0.42	9.6
Physical Precious Metal Basket	ETPMPM	214.44	ETF Securities	Basket of precious metals	n/a	Passive	Full	0.44	0.32	26.9
<b>Commodities (AUD Hedged)</b>										
Spot Gold	QAU	16.20	BetaShares	Gold	~1	Passive	Full	0.59	0.11	294.8
Crude Oil (Synthetic)	OOO	5.72	BetaShares	S&P/GSCI Crude Oil	~2	Passive	Derivative	0.69	0.31	238.3
<b>Currency</b>										
EUR	EEU	15.14	BetaShares	Euro	~1	Passive	Full	0.45	0.19	10.1
GBP	POU	18.04	BetaShares	British Pound	~1	Passive	Full	0.45	0.09	13.5
USD	USD	13.01	BetaShares	US Dollar	~1	Passive	Full	0.45	0.16	142.4
<b>Exchange Traded Managed Fund</b>										
Strong Australian Dollar	AUDS	9.74	BetaShares	AUD	~1	Active	Derivative	1.38	0.35	12.7
Strong US Dollar	YANK	10.53	BetaShares	USD	~1	Active	Derivative	1.38	0.44	10.0

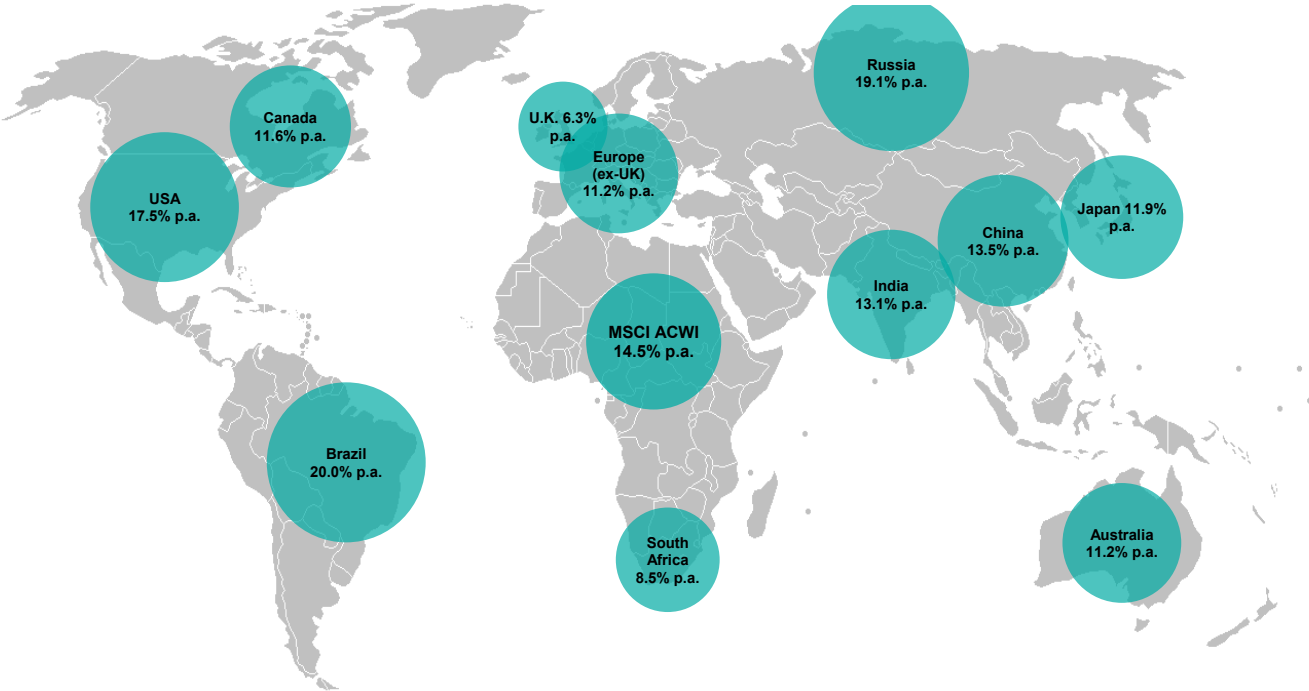
SOURCE: BLOOMBERG, BELL POTTER RESEARCH. DATA AS AT 19 JULY 2021. \*A PERFORMANCE FEE IS ALSO PAYABLE, MORE INFORMATION ON FEES IS AVAILABLE ON PAGE 24.

Description	ETF Code	Price (\$)	Manager	Net Yield¹	Gross Yield¹	Distribution Frequency	1 Month	3 Month	Return (as at 30 June 2021)					Listed
									6 Month	YTD	1 Year	3 Year	5 Year	
Commodities														
Physical Gold	GOLD	228.97	ETF Securities	n/a	n/a	n/a	-4.4%	5.7%	-4.4%	-4.4%	-8.9%	11.1%	5.4%	Mar-03
Spot Gold	PMGOLD	24.54	Perth Mint	n/a	n/a	n/a	-5.4%	5.8%	-4.8%	-4.8%	-9.2%	11.3%	5.7%	Mar-03
Physical Silver	ETPMAG	32.39	ETF Securities	n/a	n/a	n/a	-3.9%	8.8%	-0.3%	-0.3%	31.8%	15.9%	6.3%	Jan-09
Physical Platinum	ETPMPT	140.52	ETF Securities	n/a	n/a	n/a	-6.7%	-9.2%	1.0%	1.0%	18.7%	6.5%	0.5%	Jan-09
Physical Palladium	ETPMPD	336.00	ETF Securities	n/a	n/a	n/a	-1.0%	4.5%	17.1%	17.1%	29.7%	40.2%	34.8%	Dec-08
Physical Precious Metal Basket	ETPMPM	214.44	ETF Securities	n/a	n/a	n/a	-3.3%	4.8%	2.9%	2.9%	9.5%	18.5%	10.7%	Jan-09
Commodities (AUD Hedged)														
Spot Gold	QAU	16.20	BetaShares	5.4%	5.4%	Annually	-8.0%	3.8%	-7.7%	-7.7%	-2.5%	9.7%	4.2%	May-11
Crude Oil (Synthetic)	OOO	5.72	BetaShares	26.8%	26.8%	Quarterly	10.8%	23.7%	50.4%	50.4%	78.7%	-27.8%	-13.5%	Nov-11
Currency														
EUR	EEU	15.14	BetaShares	n/a	n/a	Annually	-0.1%	2.1%	-1.0%	-1.0%	-4.3%	-0.8%	0.5%	Jul-11
GBP	POU	18.04	BetaShares	n/a	n/a	Annually	0.2%	1.5%	3.6%	3.6%	2.1%	0.9%	0.3%	Jul-11
USD	USD	13.01	BetaShares	n/a	n/a	Annually	3.1%	1.4%	2.6%	2.6%	-8.5%	0.3%	0.4%	Feb-11
Exchange Traded Managed Fund														
Strong Australian Dollar	AUDS	9.74	BetaShares	5.0%	5.0%	Annually	-6.9%	-3.8%	-7.1%	-7.1%	17.4%	-5.1%	n/a	Nov-16
Strong US Dollar	YANK	10.53	BetaShares	n/a	n/a	Annually	6.6%	2.8%	5.5%	5.5%	-20.4%	-5.1%	n/a	Nov-16

SOURCE: BLOOMBERG, BELL POTTER RESEARCH. DATA AS AT 19 JULY 2021. <sup>1</sup>DISTRIBUTION YIELD IS BASED ON THE SUM OF AMOUNTS THAT HAVE GONE EX-DIVIDEND OVER THE PAST 12 MONTHS.

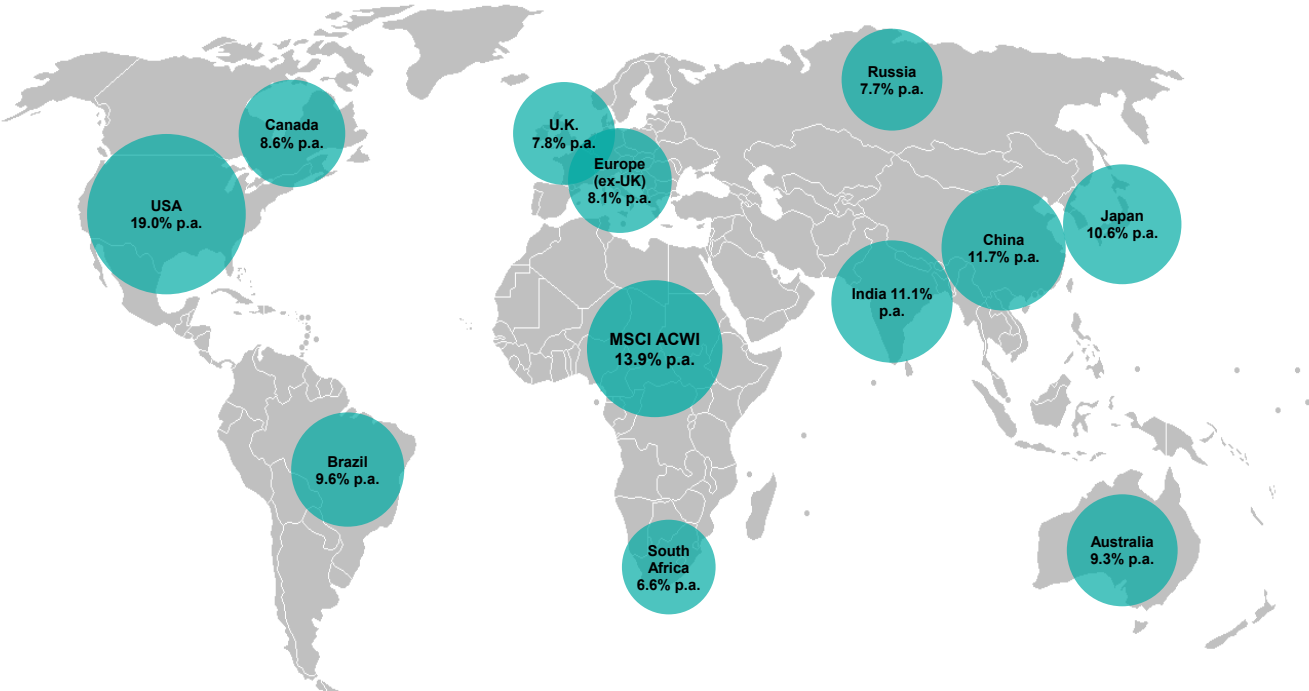
# Global Returns.

Figure 46 - 5 year net total returns in AUD



SOURCE: BLOOMBERG, BELL POTTER RESEARCH. AS AT 30 JUNE 2021.

Figure 47 - 10 year net total returns in AUD



SOURCE: BLOOMBERG, BELL POTTER RESEARCH. AS AT 30 JUNE 2021.

Indices used for each region with Bloomberg code in brackets. Converted to AUD:

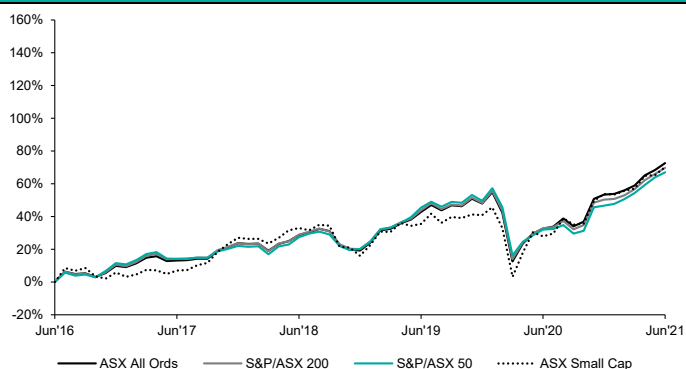
Australia	S&P/ASX 200 Accumulation Index (ASA51 Index)
Brazil	MSCI Brazil Net Total Return Local Index in AUD (NDLEBRA Index)
Canada	S&P/TSX Composite Total Return Index in AUD (0000AR Index)
China	CSI 300 Total Return Index in AUD (CSIR0300 Index)
Europe (ex-UK)	EURO STOXX 50 Net Return Index in AUD (SX5T Index)
India	NSE Fifty 500 Total Return Index in AUD (NSE500TR Index)

Japan	MSCI Japan Net Total Return in AUD (NDDLJN Index)
MSCI ACWI	MSCI ACWI Net Total Return USD Index in AUD (NDUEACWF Index)
Russia	MOEX Russia Total Return Index in AUD (MCFTR Index)
South Africa	FTSE JSE All Share Index Total Return Value in AUD (JALSHTR Index)
U.K.	FTSE 100 Total Return Index in AUD (TUKXG Index)
USA	S&P 500 Total Return Index in AUD (SPXT Index)



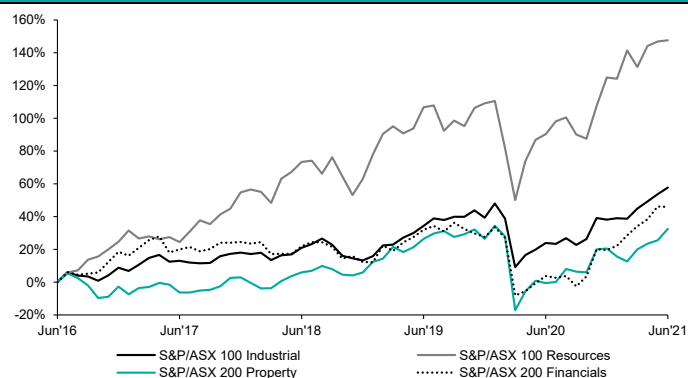
# 5-Year Index Returns.

Figure 48 - Domestic broad equity indices



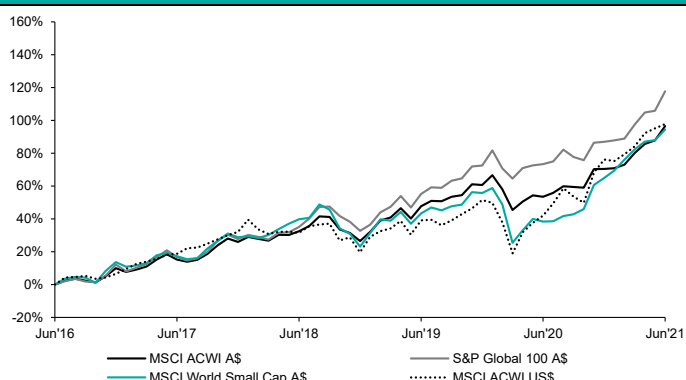
SOURCE: BLOOMBERG, BELL POTTER RESEARCH

Figure 49 - Domestic sector indices



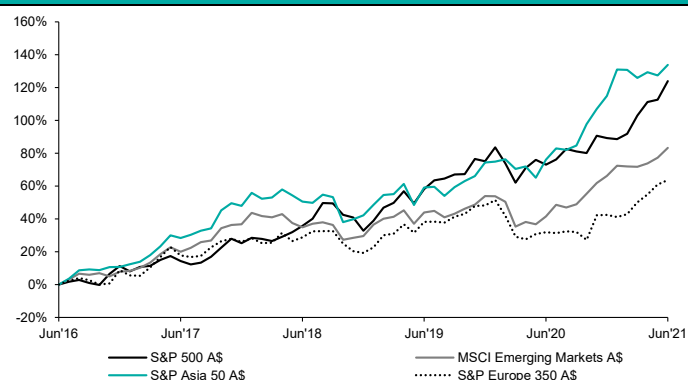
SOURCE: BLOOMBERG, BELL POTTER RESEARCH

Figure 50 - Global broad equity indices



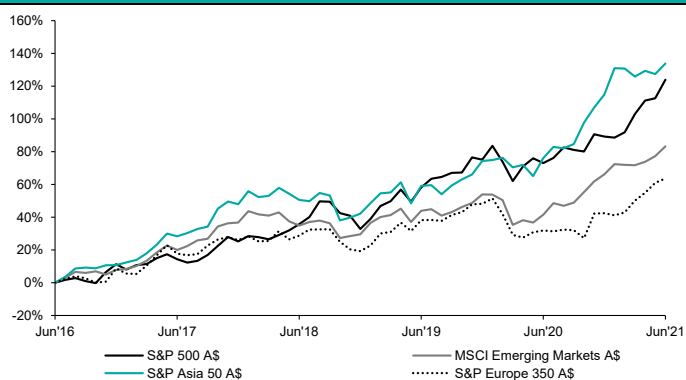
SOURCE: BLOOMBERG, BELL POTTER RESEARCH

Figure 51 - Global regional indices



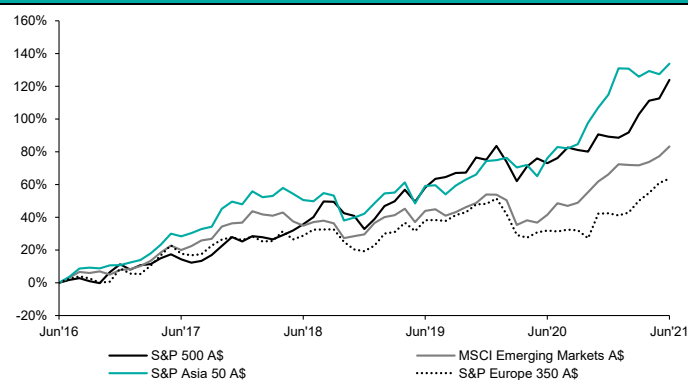
SOURCE: BLOOMBERG, BELL POTTER RESEARCH

Figure 52 - Global sector indices



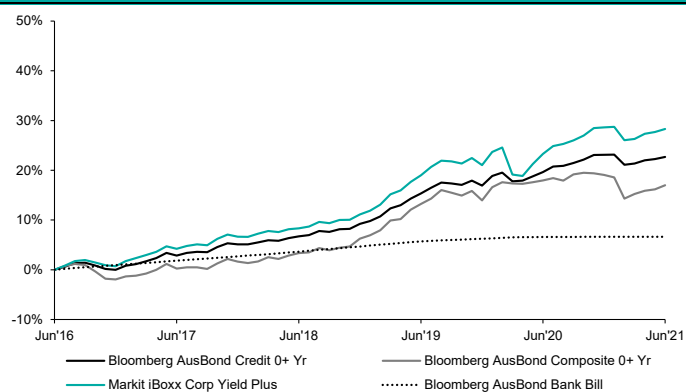
SOURCE: BLOOMBERG, BELL POTTER RESEARCH

Figure 53 - Global sector indices



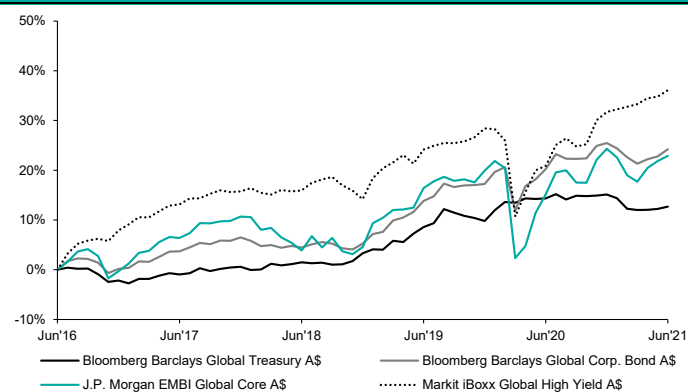
SOURCE: BLOOMBERG, BELL POTTER RESEARCH

Figure 54 - Domestic fixed interest indices



SOURCE: BLOOMBERG, BELL POTTER RESEARCH

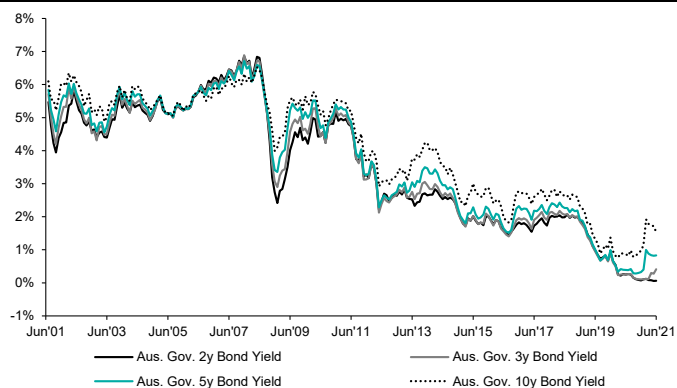
Figure 55 - Global fixed interest indices



SOURCE: BLOOMBERG, BELL POTTER RESEARCH

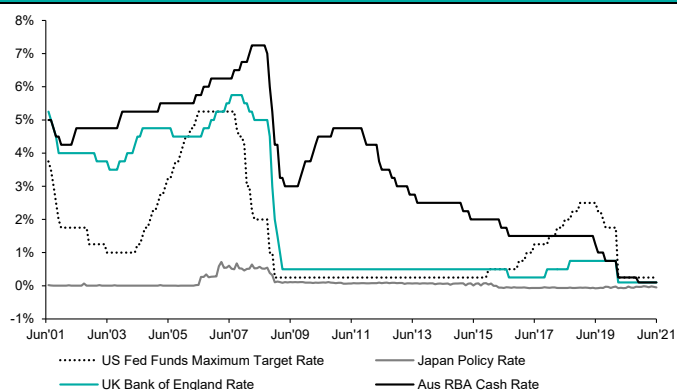
# Macro Trends.

Figure 56 - Australian Commonwealth government bond yields



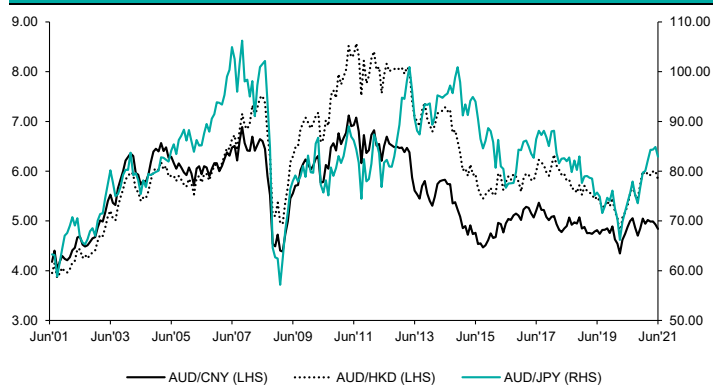
SOURCE: BLOOMBERG, BELL POTTER RESEARCH

Figure 58 - Foreign exchange rates



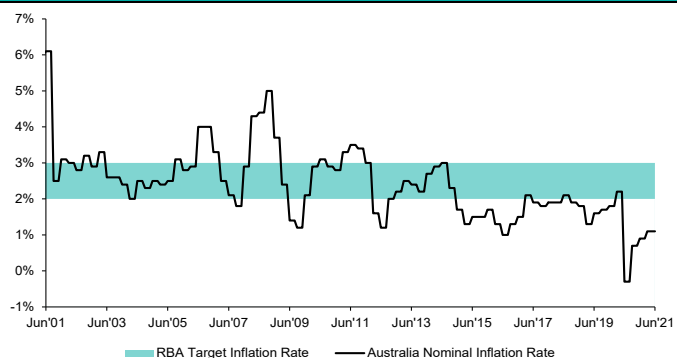
SOURCE: BLOOMBERG, BELL POTTER RESEARCH

Figure 60 - Foreign exchange rates



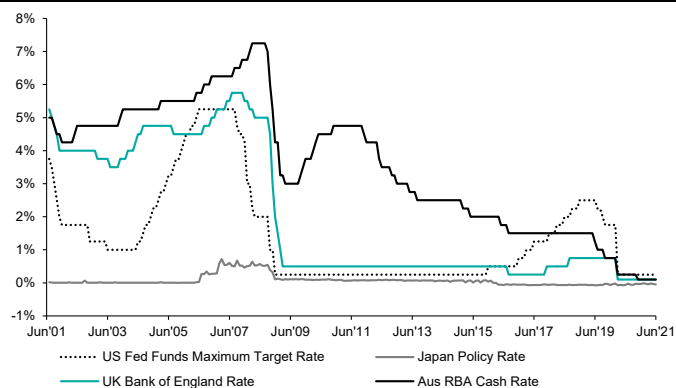
SOURCE: BLOOMBERG, BELL POTTER RESEARCH

Figure 62 - Domestic inflation



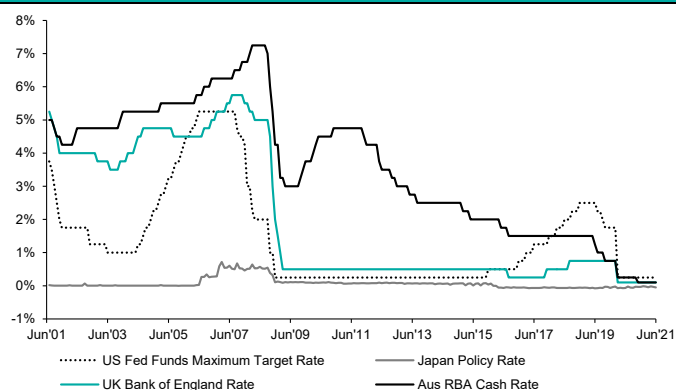
SOURCE: BLOOMBERG, BELL POTTER RESEARCH

Figure 57 - International interest rates



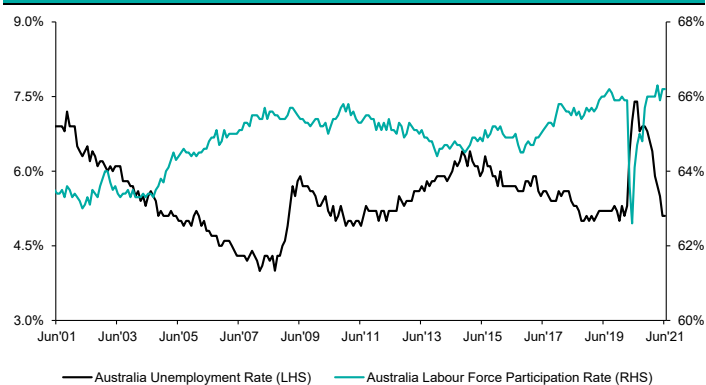
SOURCE: BLOOMBERG, BELL POTTER RESEARCH

Figure 59 - Foreign exchange rates



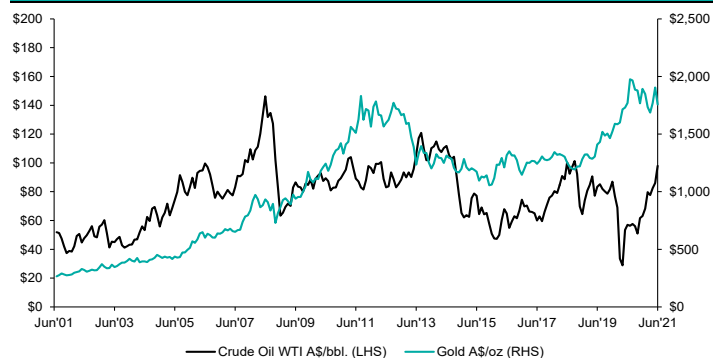
SOURCE: BLOOMBERG, BELL POTTER RESEARCH

Figure 61 - Domestic unemployment



SOURCE: BLOOMBERG, BELL POTTER RESEARCH

Figure 63 - Oil & gold prices



SOURCE: BLOOMBERG, BELL POTTER RESEARCH

## Appendix A: Glossary of terms

**Active Management:** Investing with the goal of outperforming a benchmark index.

**Alpha:** A manager's return relative to the return of a benchmark. For example, consider an active manager with the S&P/ASX 200. If the manager returned 5% when the S&P/ASX 200 Index returned 4%, then the alpha would be 1%. Note that alpha can be both positive and negative, shown as outperformance and underperformance, respectively.

**Authorised Participant:** Large investors, institutions, exchange specialists and arbitrageurs that place orders for creation units with the fund's distributor.

**Beta:** In the context of this report, beta refers to the sensitivity of in response to swings in the market. A beta of 1 indicates that a fund's unit price return will move in line with a benchmark. Whereas, a beta of greater than 1 indicates that a fund's unit price return will be more volatile than the market, and vice versa.

**Credit Rating:** Forward-looking opinions about credit risk based on the ability and willingness of an issuer, such as a corporation or government, to meet their financial obligation in full and on time.

**Derivative Replication:** The process in which a portfolio manager seeks to replicate performance.

**Effective Duration:** An option adjusted measure of the sensitivity of the value of the portfolio to changes in interest rates. It is used to calculate an approximation of the modified duration of a bond with an embedded option.

**Exchange Traded Fund (ETF):** Investment vehicles that are constructed in the same nature as a mutual fund, but which trade on a stock exchange. ETFs combine the diversification benefits of mutual funds, with exposure to a wide array of assets in a single trade, and typically track the performance of a broad market index, sector, commodity or theme.

**Franking:** A tax credit used in Australia that allows domestic companies to pass through taxes that have already been paid on corporate profits. Given the trust structure, ETFs are required to distribute all capital gains, earnings and franking credits to underlying unit holders.

**Free-Float:** The amount of a company's shares outstanding that are available for purchase on the open market at any point in time.

**Full Replication:** The process in which a portfolio manager seeks to replicate performance by exactly matching the benchmark in composition and weight to ensure a similar outcome. The ETF will hold 90% or more of the members of the index in this instance.

**Grossed-Up Dividend Yield:** Dividends paid plus any associated franking credits, if available.

**Liquidity:** The ability to convert a security or asset quickly into cash.

**Management Expense Ratio (MER):** Management Fees help to recoup expenses incurred in connection to the operation of the fund (such as administration and accounting costs, registry fees, audit and tax fees and investor reporting expenses), expressed as a proportionate value of the fund. This is calculated daily and deducted from the fund's Net Asset Value. No costs are directly borne by the investor.

**Market-Capitalisation:** The value of a publicly listed company, calculated as the product of price and units/shares outstanding.

**Modified Duration:** Measures the sensitivity of the value of the portfolio to changes in interest rates. It follows the concept that interest rates and bond prices move in opposite directions. A modified duration of 6 years implies that a 1% increase in the interest rate will reduce the value of the portfolio by 6%; and vice-versa for a decrease in the interest rate.

**Net Asset Value (NAV):** The value of the underlying assets of the Fund minus its liabilities, divided by the number of units outstanding. This is typically calculated at the end of each business day.

**Optimised Replication:** The process in which a portfolio manager seeks to replicate an index by using a representative basket of securities. Optimisation is generally used in markets where liquidity may be limited or costs are prohibitive for full replication. The ETF will hold less than 90% of the members of the index in this instance.

**Passive Management:** Investing in an attempt to track the return of an underlying benchmark index or asset.

**Performance Fee:** Fees linked to the value added by a fund manager, calculated on the relative outperformance of the benchmark index or absolute return performance hurdle, often subject to a high watermark mechanism.

**Sharpe Ratio:** This ratio provides a measure of the return of an ETF's portfolio, relative to the risk taken by the investment manager in achieving those returns. A higher return is only desirable if it does not come with too much additional risk (volatility of returns).

**Smart Beta:** Strategy with blended components of both Passive and Active Management. It seeks to capitalise on predetermined thematic or rules-based methodologies for investing, attempting to outperform, or have less risk than, traditional broad market cap weighted indices.

**Spread:** The gap between the highest price that a buyer is willing to pay (bid), and the lowest price for which a seller is willing to sell (ask), on a particular security.

## Appendix B: Performance Fees

**KSM** - 15.38% p.a. (incl. GST & RITC) of the amount by which the NAV exceeds the high-watermark. The Fund must also exceed a net 6% p.a. hurdle before a performance fees applies on total performance.

**IMPQ** - 20% of the Trust's net return in excess of the S&P/ASX Small Ordinaries Accumulation Index.

**SMLL** - A performance fee of 15.5% (inclusive of GST less reduced input tax credits) of the outperformance of the Fund may be paid to the Responsible Entity, based on the Fund's total return over the performance benchmark (the S&P/ASX Small Ordinaries Accumulation Index) in a calendar quarter.

**PAXX** - 15% of outperformance over benchmark (MSCI AC Asia ex-Japan Net Index (A\$)).

**AGX1** - 15% of net return in excess of MSCI All Country World Net Index in AUD, net of the management fee.

**MGOC** - 10% of excess return over the higher of the MSCI World Net Total Return Index (AUD) and the yield of 10 year Australian Government Bonds, subject to a high-watermark.

**MHG** - 10% of excess return over the higher of the MSCI World Net Total Return Index (hedged to AUD) and the yield of 10 year Australian Government Bonds, subject to a high-watermark.

**MOGL** - 15.38% of the total return of the Fund after management fees and expenses have been deducted, that is in excess of the MSCI World Net Total Return Index (AUD), subject to a high-watermark.

**PIXX** - 15% of outperformance over MSCI AC World Net Index (A\$), subject to a high-watermark.

**WCMQ** - 10% excess return above the MSCI All Country World Index ex-Australia after Management Fee.

**MICH** - 10% of excess return over the higher of the S&P Global Infrastructure Index A\$ Hedged Net Total Return and the yield of 10 year Australian Government Bonds, subject to a high-watermark.

**HBRD** - 15.5% of outperformance above the Solactive Australian Hybrid Securities Index.

**MKAX** - 20% of the outperformance of 7% p.a. in any Performance Fee Calculation Period. The Hurdle is the greater of the high-watermark and the NAV per unit at the beginning of any Performance Fee Calculation Period.

**MAET** - 10% of the increase in the NAV during each Performance Fee Period, subject to exceeding a high-watermark and Hurdle Rate. The Hurdle Rate is the 10 year Australian Government Bond Yield + 3.5% p.a.

**LPGD** - 15% of excess return above the MSCI All Countries World Net Total Return Index (AUD) in any calculation period, subject to a high-watermark.

**MSUF** - 10% of excess return over the higher of the MSCI World Net Total Return Index (AUD) and the yield of 10 year Australian Government Bonds, subject to a high-watermark.

**SHYF** - 20% of excess return above the RBA Overnight Cash Rate + 1.50% in any calculation period, subject to a high-watermark.

**HYGG** - 20% excess return above the MSCI World Accumulation Index (AUD) (net of Management Fees), subject to a high-watermark.

**TAVF** - To the extent that 6% < total return < 8%, the amount (excluding GST) which if deducted from the total return on the calculation date would reduce the total return to 6%; or alternatively where total return > 8%, the amount (excluding GST) which if deducted from the total return on the calculation date represents the difference between a 6% total return and a 8% total return, plus 20% (excluding GST) of the excess return above the 8% threshold.

**MAAT** - 20.5% p.a. of the amount by which the NAV per unit exceeds the high-watermark when the Fund achieves the RBA Cash Rate + 5% Hurdle.

**FIXD** - 20.5% excess return above the Bloomberg AusBond Composite 0+Yr Index (net of Management Fees), subject to a high-watermark.

Please refer to the relevant Product Disclosure Statement (PDS) for full disclosure of the fees and additional costs that may be incurred in the management of the ETF.

Appendix C: How an ETF operates

ETFs are open ended securities that trade on an exchange. Open ended denotes that new products can be created and redeemed on the Primary Market, without the requirement to release a new prospectus, ad infinitum. The open ended nature of ETFs is unique to this product class, and what keeps the underlying Net Asset Value (NAV) in line with the assets' market price. This process is managed by the Authorised Participants and Market Makers who are engaged by the ETF operator to continually create and redeem shares to ensure the discount to NAV is managed within a defined range.

This results in a two tiered market structure: The Primary Market and the Secondary Market. The Primary Market is the market in which Market Makers, via the Authorised Participants, are able to create and redeem units. The Secondary Market is the market in which investors are able to buy and sell these units on an exchange.

Mechanics of the Primary Market

The Authorised Participant applies to the issuer to create new ETF units via creation units. In return for each creation unit, the Authorised Participant will deliver a basket of securities that has been specified by the Issuer. This basket will be transferred and held by a Custodian. Following settlement, the Authorised Participant has an inventory of ETF securities (shares) that can be accessed by the Market Makers and sold on the ASX in the Secondary Market.

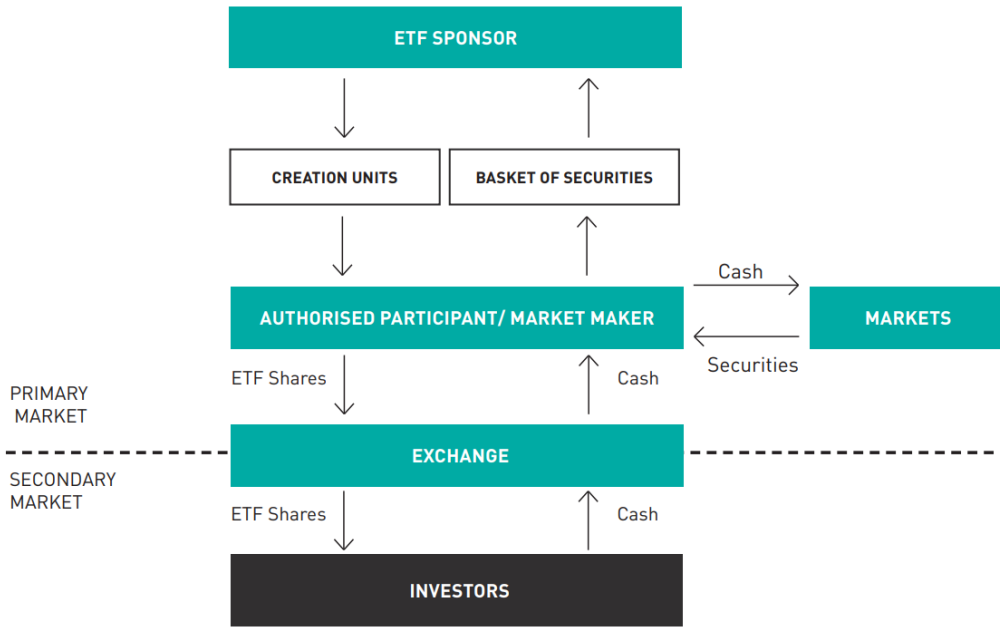
The redemption process operates in a similar manner. The Authorised Participant applies to redeem the securities in creation units. In return for each creation unit, the Authorised Participant will receive a basket of securities in kind. Each ETF security effectively represents a sliver of a creation unit.

Mechanics of the Secondary Market

The Secondary Market is the market in which investors are able to buy and sell ETF units with the assistance of the Market Maker. The Market Maker will access the Authorised Participants (Primary Market) if additional inventory is required (create) or alternatively sold (redeem), to in effect make the market. Hence, the liquidity of the ETF is as liquid as the underlying market.

The Market Maker effectively ensures liquidity in the market place by quoting Buy and Sell prices during the trading day. These prices are continuously updated to reflect the underlying changes in the securities. The ETF Issuer generally has a formal arrangement with at least one Market Maker with a mandate to make the market within a specified range of spread. However, in dislocated markets, Market Makers can suspend operations until the market stabilises.

Appendix Figure 1 - ETF Market Structure: Primary and Secondary Market



SOURCE: BELL POTTER RESEARCH



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