

Betashares Australian ETF Review – March 2026

Australian ETFs attract third highest monthly inflows on record, despite Iran war volatility

- 1** In a month dominated by the outbreak of conflict in Iran, the Australian ETF industry recorded very strong net inflows of **\$5.6 billion**. Despite this, market movements pushed funds under management down by **\$13.8 billion** to **\$329.4 billion**.
- 2** Strong flows to Australian equities was not enough to dislodge international equities as the leading asset class for the month. Fixed income took third highest, while cash exposures recorded their strongest inflows of the year, as some investors sought to take a more defensive stance.
- 3** The **Betashares Crude Oil Index Currency Hedged Complex ETF (ASX: OOO)** was the strongest performer, returning **55%** for the month, as oil prices surged following the blockage of the Strait of Hormuz.



Industry Growth – March 2026

Australian ETF AUM (\$B)

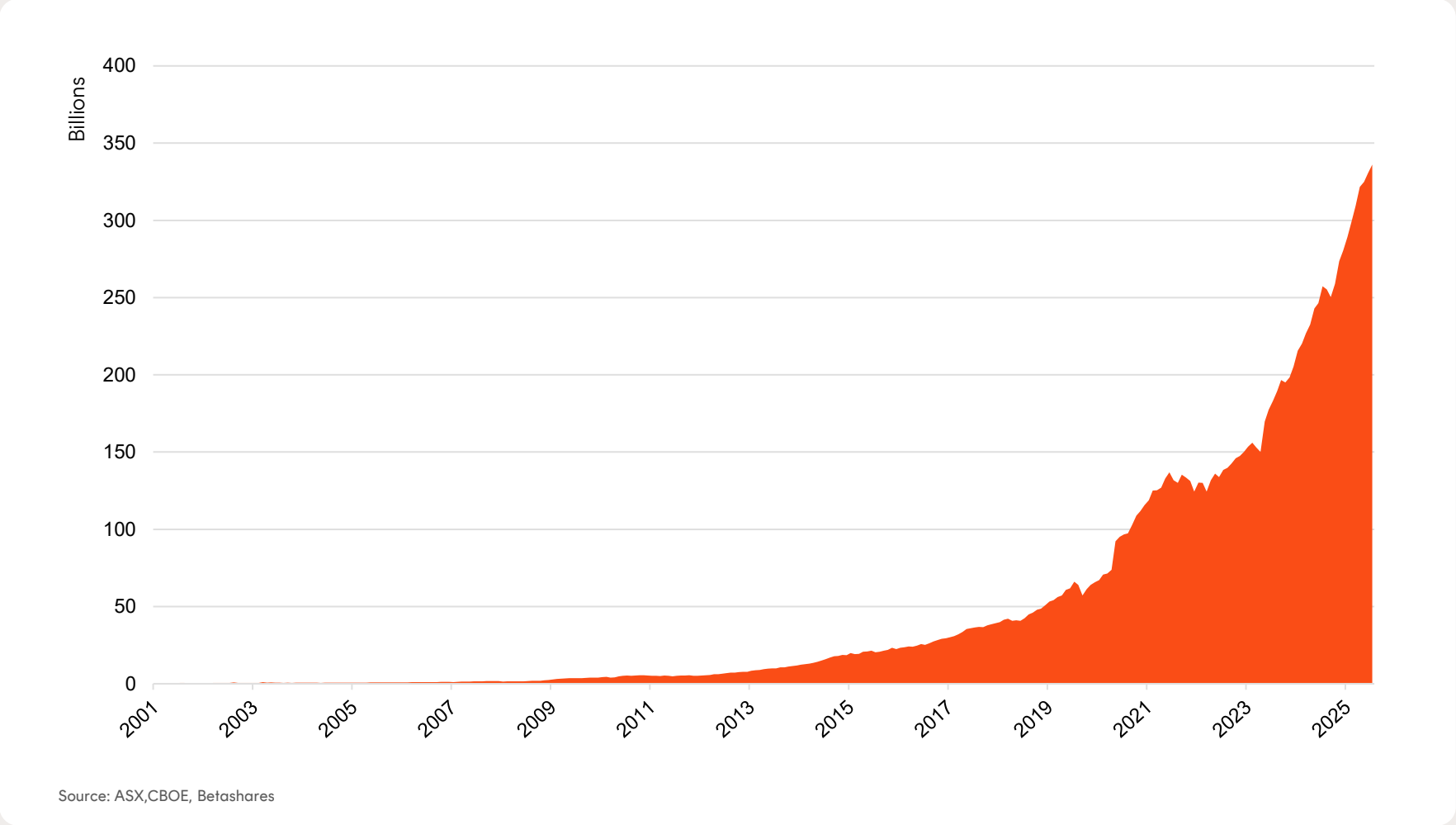
As of March 2026

Australian ETF
Market Cap
(ASX + CBOE)

\$329B

CAGR

41.88%



Australian ETF Industry Summary – March 2026

Industry Snapshot - March

**Australian ETF
Market Cap**
(ASX + CBOE)

\$329B

MoM Change

-4.01%

YoY Change

31.59%

-\$13.8B

\$79.1B

**Market
Movement**

-\$19.4B

Net Flows
(ASX + CBOE)

\$5.6B

ASX Value Traded

~\$26B

Total ETFs
(ASX + CBOE)

466

New ETFs
(ASX + CBOE)

9

In a month dominated by the conflict in Iran, the Australian ETF industry recorded very strong net inflows of **\$5.6 billion**. Despite this, market movements pushed funds under management down by **\$13.8 billion** to **\$329.4 billion**.



Source: ASX, CBOE, Betashares

Market Insights

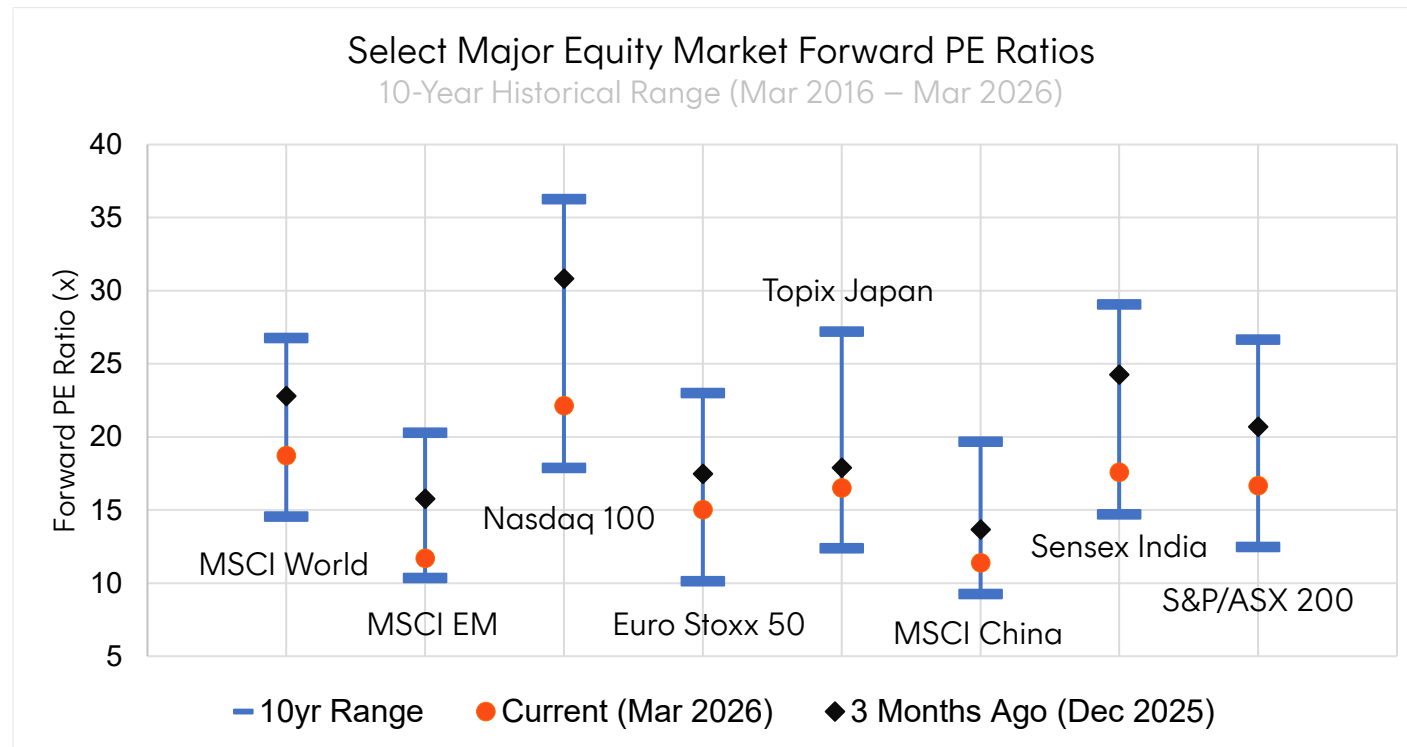
- The short-term threat from the Iran war is the oil price spike's impact on growth and inflation. But the longer-term implications may matter most for investors, long after any resolution. Russia's invasion of Ukraine accelerated defence spending and European energy diversification. The Iran conflict is now doing the same for global energy self-sufficiency, while fracturing the US security umbrella and embedding geopolitics as a structural driver of asset prices rather than an episodic risk to be faded. As a response investor flows have picked up in select hedges: energy producers, uranium, defence, critical minerals, and agricultural commodities.
- March saw a second-rate hike from the RBA in 2026, the only major central banks to be actively hiking. For Australian equities this reinforces three key trends: the rotation toward income and value factors, pressure on rate sensitive sectors, and the same commodity shock that has complicated the RBA's path is generating meaningful earnings improvements for Australian energy and material companies.



Tom Wickenden

Betashares, Investment Strategist

Chart in focus

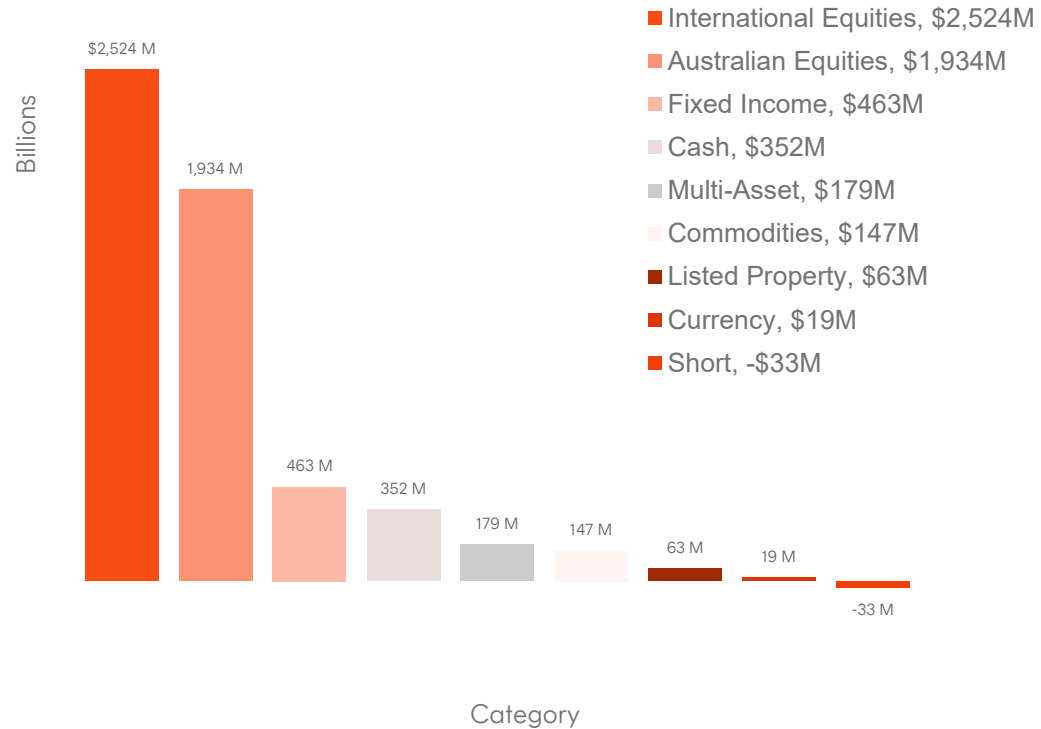


Source: Bloomberg. March 2016 to March 2026. Actual results may differ materially from forecasts.

Why it's important: How different does the world look through the market's lens as the Iran war de-escalates? There will be an inflation impulse and growth drag from elevated oil prices, but markets will likely resume focus on lingering concerns: AI disruption, US unemployment, and Australian inflation. The Q2 US corporate earnings season and mid-term elections will also come into view. Whatever that transition looks like, several major markets are now trading at valuations materially lower than three months ago, with some approaching their most attractive levels in a decade — the MSCI EM, Nasdaq 100, and India stand out.

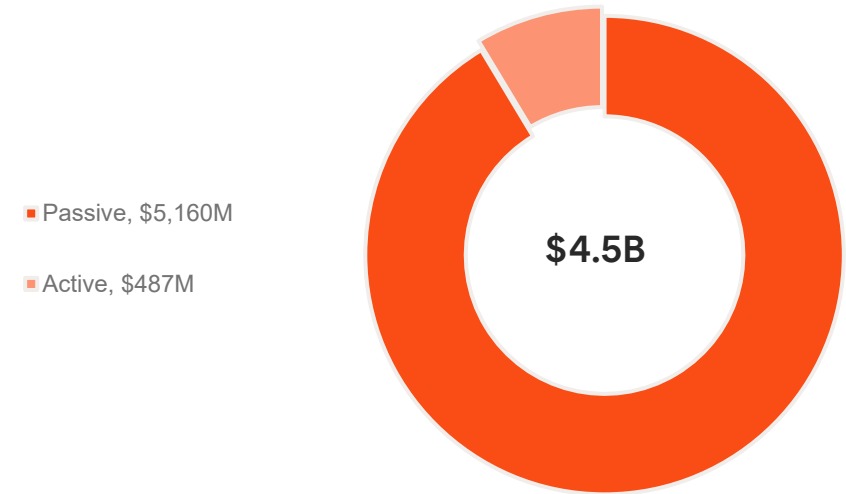
Category Flows

Category Flows – March



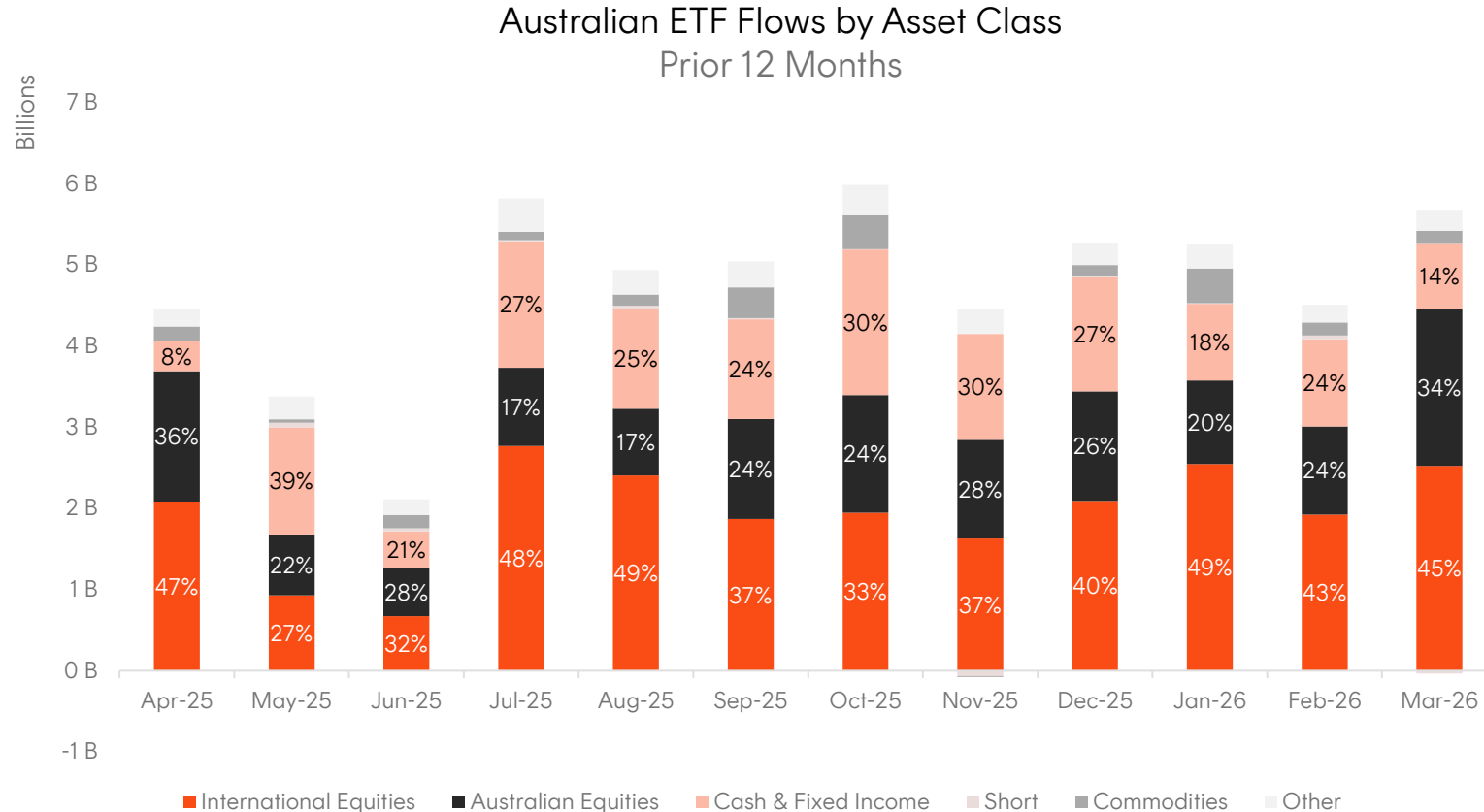
Source: ASX,CBOE, Betashares

Passive / Active Flows – March



Source: ASX,CBOE, Betashares

Flows by asset class – prior 12 months

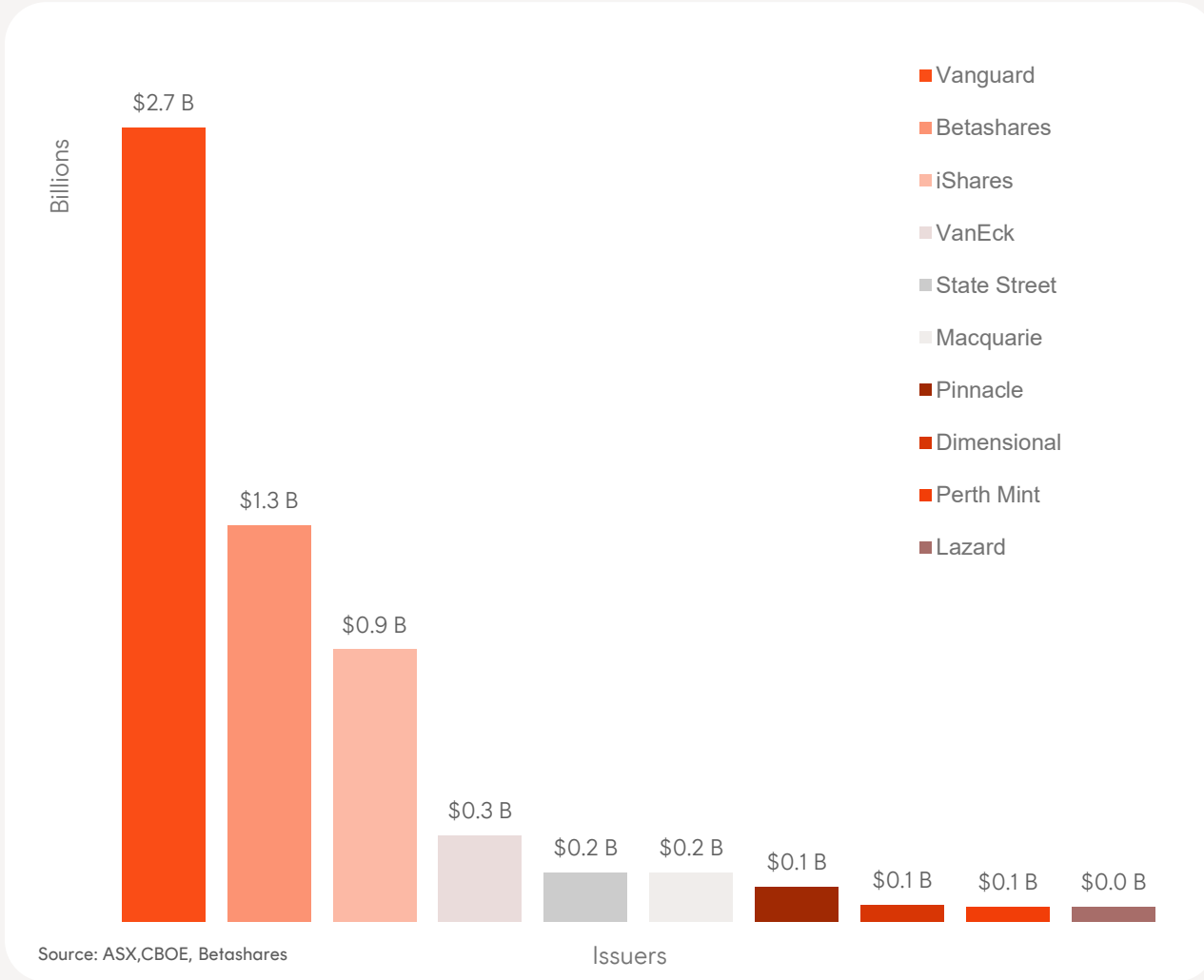


Source: ASX, CBOE, Betashares

ETF inflows remained strong at \$5.6 billion, led by international equities. Australian equities also saw a sharp increase, as some investors sought the relative safety of the home market. Meanwhile, cash exposures had elevated flows as some investors chose to remain on the sidelines.



Top 10 Issuer Flow – March 2026



Rank	Provider	Inflow Value	% of Monthly Flow
01	Vanguard	\$2,667,785,164.92	47.24%
02	Betashares	\$1,330,790,973.72	23.56%
03	iShares	\$913,836,320.37	16.18%
04	VanEck	\$290,591,782.68	5.15%
05	State Street	\$165,841,507.85	2.94%
06	Macquarie	\$165,718,982.69	2.93%
07	Pinnacle	\$117,524,360.53	2.08%
08	Dimensional	\$56,588,541.34	1.00%
09	Perth Mint	\$50,684,832.61	0.90%
10	Lazard	\$49,414,798.56	0.88%

Top 10 ETF Flows – March 2026

Inflows

Ticker	Product	Category	Inflow Value
VAS	Vanguard Australian Shares Index ETF	Australian Equities	\$895,737,926
VGS	Vanguard MSCI Index International Shares ETF	International Equities	\$544,375,179
VEU	Vanguard All-World ex US Shares Index ETF	International Equities	\$411,499,905
IOZ	iShares Core S&P/ASX 200 ETF	Australian Equities	\$324,006,912
IACT	iShares U.S. Factor Rotation Active ETF	International Equities	\$272,290,741
BGBL	Betashares Global Shares ETF	International Equities	\$254,954,620
IEU	iShares S&P Europe ETF	International Equities	\$250,738,482
HGBL	Betashares Global Shares Currency Hedged ETF	International Equities	\$235,960,993
IHVV	iShares S&P 500 AUD Hedged ETF	International Equities	\$232,411,736
VHY	Vanguard Australian Shares High Yield ETF	Australian Equities	\$174,883,785

Source: ASX,CBOE, Betashares

Outflows

Ticker	Product	Category	Outflow Value
IVV	iShares S&P 500 ETF	International Equities	-\$461,301,546
MGOC	Magellan Global Fund (Open Class) (Managed Fund)	International Equities	-\$189,775,555
IHHY	iShares Global High Yield Bond (AUD Hedged) ETF	Fixed Income	-\$133,228,387
EMXC	iShares MSCI Emerging Markets ex China ETF	International Equities	-\$70,942,670
IVE	iShares MSCI EAFE ETF	International Equities	-\$70,120,623
GLIN	iShares Core FTSE Global Infrastructure (AUD Hedged) ETF	International Equities	-\$67,261,421
ETHI	Betashares Global Sustainability Leaders ETF	International Equities	-\$53,986,599
HBRD	Betashares Australian Credit Income Active ETF	Fixed Income	-\$52,576,579
AASF	Airlie Australian Share Fund	Australian Equities	-\$46,503,867
QAU	Betashares Gold Bullion ETF - Currency Hedged	Commodities	-\$44,214,386

Largest Funds by Market Cap

Ticker	Product	Issuer	Market Cap	Rank Movement
VAS	Vanguard Australian Shares Index ETF	Vanguard	\$23,310,824,821	0
VGS	Vanguard MSCI Index International Shares ETF	Vanguard	\$14,337,270,881	0
IVV	iShares S&P 500 ETF	iShares	\$11,673,481,668	0
<u>A200</u>	Betashares Australia 200 ETF	Betashares	\$9,193,679,055	0
IOZ	iShares Core S&P/ASX 200 ETF	iShares	\$8,268,508,789	0
QUAL	VanEck MSCI World Ex-Australia Quality ETF	VanEck	\$7,621,546,405	0
VHY	Vanguard Australian Shares High Yield ETF	Vanguard	\$6,999,022,096	+1
<u>NDQ</u>	Betashares NASDAQ 100 ETF	Betashares	\$6,924,582,759	-1
DACE	Dimensional Australian Core Equity Trust (Managed Fund)	Dimensional	\$6,310,420,226	+1
GOLD	Global X Physical Gold	Global X	\$6,249,078,449	-1

Source: ASX,CBOE, Betashares

Performance

March's top performers were dominated by defensive and counter-cyclical exposures, as a sharp rally in crude oil lifted commodity-focused funds while equity bear funds surged on the back of significant market volatility and risk-off sentiment. Crypto-linked ETFs also featured prominently, with Ethereum gaining ground, reflecting continued speculative interest in digital assets despite the broader uncertain macro backdrop.

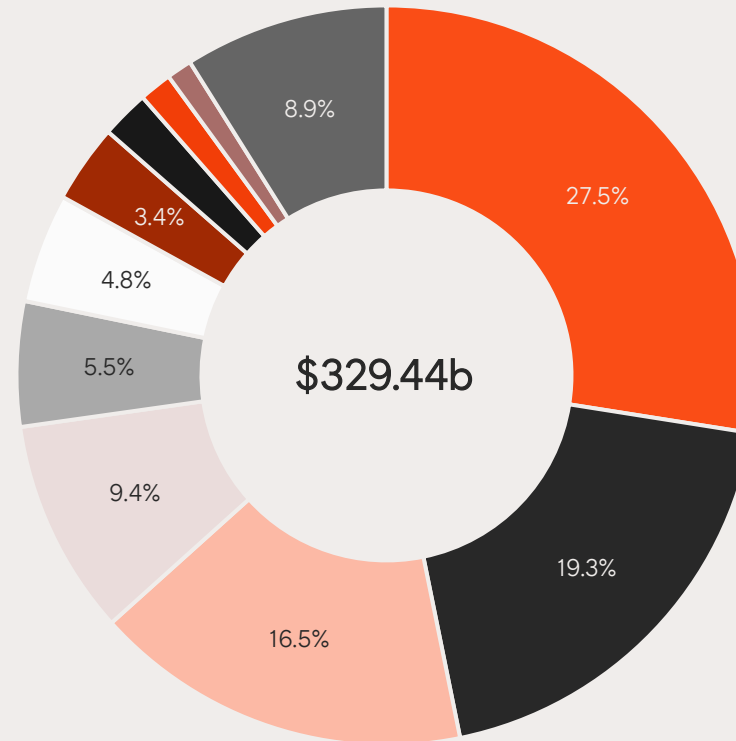


Rank	Ticker	Product Name	Performance (%)
01	OOO	Betashares Crude Oil Index Currency Hedged Complex ETF	55.91%
02	BBOZ	Betashares Australian Equity Strong Bear Fund (managed fund)	19.33%
03	QETH	Betashares Ethereum ETF	13.33%
04	BBUS	Betashares U.S. Equity Strong Bear Fund - Currency Hedged (managed fund)	12.30%
05	SNAS	Global X Ultra Short Nasdaq 100 Hedge Fund	11.94%

Source: Bloomberg, Betashares

Funds Under Management – Industry

- Vanguard, \$90.58b
- Betashares, \$63.62b
- iShares, \$54.46b
- VanEck, \$31.08b
- Dimensional, \$17.98b
- Global X, \$15.78b
- State Street, \$11.28b
- Magellan, \$6.91b
- Franklin Templeton, \$4.72b
- Pinnacle, \$3.65b
- Other, \$29.38b



Source: ASX,CBOE, Betashares

Fund in focus



ASX: BEMG

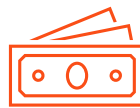
MSCI Emerging Markets Complex ETF

Access the growth potential of emerging markets



Strong growth potential

Emerging markets are driven by powerful demographic trends – including a rising middle class, urbanisation, and accelerating digital transformation – making them a key engine of future global growth.



Efficient, cost-effective exposure

BEMG is one of Australia's most cost-effective emerging markets ETFs, providing exposure to 1,000+ stocks across more than 20 emerging countries in fast-growing regions including Asia, Latin America, Eastern Europe and Africa – markets that are typically difficult and costly to access directly.



Diversify beyond developed markets

Emerging markets tend to have distinct economic drivers, and historically have shown a low correlation with developed markets such as the US and Europe. An allocation to BEMG can increase overall portfolio diversification and may reduce portfolio volatility.



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