



BetaShares

Exchange Traded Funds

Media note

**BetaShares Australian ETF Review August 2012
Local ETF market hits record high of \$5.5bn**

SYDNEY, 10 September 2012: The Australian ETF industry reached a record high of \$5.5bn in assets under management as of the end of the month of August 2012, according to BetaShares' Australian ETF Review for August. BetaShares noted, however the growth in market capitalisation of the ETF industry, which was 1.9% for the month, was attributable to a rise in underlying asset prices rather than increases in units outstanding or new inflows into ETFs.

While yield strategies continued to be popular among investors through high dividend and cash products, the other notable trading trend among investors was significant inflows into international equities and the USD ETF, a likely reflection of increasing positive investor sentiment on overseas equities markets and the US dollar currency.

"The fund flows to international ETFs indicate investors believe it may be an opportune time to purchase overseas equities due to local currency strength, with buying across the S&P 500 and Global 100 ETFs. Alternatively, they are taking a view of the high Australian dollar declining from current highs through the USD ETF," said Drew Corbett, Head of Investment Strategy at BetaShares.

While funds flowed to yield and international products, commodities were again the best performing ETFs for the month with oil and non-gold precious metals the top five in terms of returns.

"We continue to see the commodities story providing opportunities for investors who look outside of traditional equities strategies. Agriculture is up 30% in the last three months while August saw rallies in non-gold precious metals and oil" he said.

Investors took a back seat this month in terms of ETF trading values, which dropped by 21% for the month, suggesting risk appetite is subdued due to market volatility.

"While we saw a glimpse of risk-on activity during July, investors have again retreated to the sidelines this month as the traditionally robust resources sector shows signs of weakness with the slide in iron ore prices," Mr Corbett concluded.

A copy of the BetaShares Australian ETF Review for August 2012 is attached.

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About BetaShares

BetaShares is a specialist provider of exchange traded funds designed for Australian investors. BetaShares' objective is to expand the universe of investment possibilities open to investors by providing exchange traded products that empower investors to implement their investment strategies with ease.

BetaShares provides the following Funds to Australian investors:

Product Series	Product	Ticker
Sector ETFs	Financials Sector ETF	QFN
	Resources Sector ETF	QRE
Currency ETFs	British Pound ETF	POU
	Euro ETF	EEU
	U.S Dollar ETF	USD
Commodity ETFs	Agriculture ETF	QAG
	Commodities Basket ETF	QCB
	Crude Oil Index ETF	OOO
	Gold Bullion ETF	QAU
Cash & Fixed Income ETFs	Australian High Interest Cash ETF	AAA
Short Funds	Australian Equities Bear Hedge Fund	BEAR

About BetaShares Funds

BetaShares products are Australian domiciled ETFs and other funds which trade on the Australian Securities Exchange, and are bought and sold by investors like shares. BetaShares offers products that allow investors to track the performance of a range of market indices and asset classes, and gain exposure to a broader range of investment alternatives.

BetaShares is part of the Mirae Asset Global Investment Group, one of the largest asset management firms in Asia. Mirae currently manages in excess of US\$55B, including US\$5B in ETFs.

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