

About ETFs in Australia

(and finding them in BullCharts charting software)

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There are currently about 370 ETFs (Exchange Traded Funds) available for you to buy/sell on the ASX share market, offered by a number of ETF providers. However, when you study some of these ETFs you will find that many are not very liquid. This might not be an issue for many investors, but it is an issue for many investors and traders.

So, how do we find out which ones are tradeable / investable? Which ones are safe to play with? What sort of thematics do they follow? Who are the major ETF providers in Australia? Where can we go for more information?

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Note: Any corrections, alterations or additions to the content of this paper will be very welcome.

Major ETF providers

Most of the major ETF providers in Australia are listed here, sorted by the number of ETFs on offer (in February 2024):

- Beta Shares (92 ETFs) – [See a list of funds here](#).
- iShares (49 ETFs) – by BlackRock ([in Australia](#)). See a [list of all Blackrock iShares ETFs](#).
- Vaneck (39 ETFs) – [more info](#).
- Global X ETFs (35 ETFs) – [more info](#).
- Vanguard (23 ETFs) – [more info](#).
- SPDR (17 ETFs) – (issued by [State Street Global Advisers](#)). See list of [Australian ETFs at SSGA](#), including: STW, SPY).

ETF providers with only few ETFs (in February 2024) include the following:

- Macquarie (3 ETFs) – [more info](#).
- Magellan (3 ETFs) – [explains ETFs info](#).
- Platinum International (3 ETFs) – [more info](#).
- Perennial Partners (2 ETFs) – [more info](#).
- Perpetual (2 ETFs) – [more info](#).
- Equity Trustees – [more info](#).
- Invesco offer managed funds in Australia, and overseas ETFs. (The price charts for the US ETFs and some managed funds can be viewed in BullCharts via the optional BullCharts US database, or the MFUND database respectively.)

Comparing ETFs

There are several websites that can be used to compare ETFs, but the comparison process might not be that simplistic:

- **Market Index** and “How to compare and select ETFs...”: <https://www.marketindex.com.au/news/how-to-compare-and-select-etfs-for-your-portfolio-from-a-universe-of-370>
- **InvestSmart**: <https://www.investsmart.com.au/etf/compare-top-performing-exchange-traded-funds>
- **StockSpot**: <https://www.stockspot.com.au/what-are-etfs/etfs-compared/>
- **MorningStar**: <https://www.morningstar.com.au/investments/ideas/australian-etfs>
- **CanStar** :<https://www.morningstar.com.au/investments/ideas/australian-etfs>

ETF Thematics

There are many different themes that the various ETFs follow. The ETF providers create specific ETFs to follow specific themes so that the investor can invest into the “thematic” rather than invest in several different companies. Thus investors can have exposure to a number of companies, with increased diversification.

For example, it’s possible to invest in:

- one gold-related ETF, or uranium, or lithium, or
- a selection of NASDAQ stocks, or
- specifically the US Magnificent Seven, or
- income-focused ETFs, or
- an index-tracking ETF, etc, etc.

How to find an ETF with a specific theme?

This is not an easy task. After playing around for a while, perhaps the quickest way to find one is to do a simple internet search with your favourite search tool (eg. Bing or Google, etc.).

You could search for something like, for example:

Google: [nasdaq ETF on ASX](#). or

Bing: [nasdaq ETF on ASX](#).

Once you have found some favourite ETFs that you would like to track, then of course in BullCharts you can create a new watchlist and enter the codes for your chosen ETFs.

And you can put useful text into the “Comment” column of the watchlist to indicate the type of ETF, or some keywords about the ETF.

Before you trade an ETF

There are many references on the internet about taking care with investing in thematic-specific ETFs. Many of the reviewed articles assume that the investor is buying such ETFs for a long-term buy-and-hold strategy, and the articles caution that today’s favourite themed ETF tends to drop off after a short time. That is, they seem to be “flavour of the month”, but only for a limited time.

Of course, the astute technical analyst will always check the price chart, and only invest or trade when the price chart is favourable, and will set a Stop Loss level so as to lock-in profits and protect capital if the ETF price should look weak or start falling.

Also, it is strongly recommended to seek out the relevant product prospectus or data sheet for an ETF before purchasing so that you know exactly what you are purchasing.

Why focus only on ASX-listed ETFs?

For many investors and traders in Australia, it is easy to trade securities that are listed on the ASX. After all, there are more than about 2,200 securities (including stocks and Exchange Traded Products such as ETFs). At last count (February 2024) there were about 370 ETFs listed.

Many investors and traders are reluctant to venture into the realm of trading securities on overseas markets such as the US, because of the need to seek out a suitable broker, or because of currency risk, or the simple issue of not feeling comfortable with trading something on an exchange where the trading hours are during the Australian night-time, making it difficult to watch the live price action.

Having said that, there are Australian brokers who will allow you to trade on overseas markets, and some of the CFD providers can assist, and it is possible to open a trading account with some of the US brokers (but no recommendations are given here). But some people might suggest that there is no need to do this as there is a good chance that the ETF you are searching for is listed on the ASX, including ETFs that factor in a hedging component, or are true hedges.

ETFs and BullCharts charting software

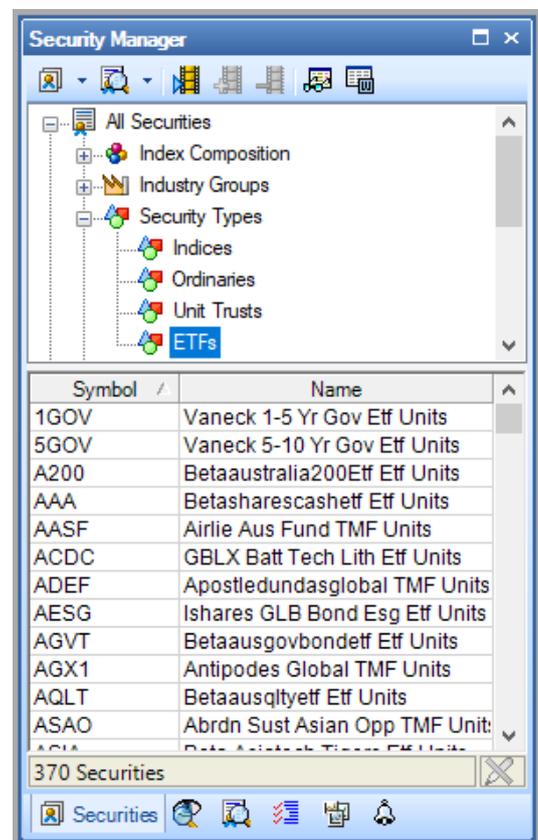
The BullCharts Security Manager currently includes 370 ETFs (see screen shot at right, as at February 2024).

However, when you study some of these, you will find that many are not very liquid (depending on your definition of *liquidity* and whether or not this is important to you).

To start exploring these ETFs, I created and ran a BullCharts scan across all of them, to list out the following metrics looking at daily data:

1. Change in price (over 80 bars)
2. Show: Volume, Value, Trades
3. Show: 14 day SMA of:
 - (a) Daily Volume
 - (b) Daily Value traded
 - (c) Daily Trades

A selection of the scan results table is shown in the Appendix at the end of this document, with the results data sorted by "MA_Val". Of the 370 odd ETFs in the full table of results, the Appendix shows the top few in the table (about 28) and the bottom 13 or so.



Case Study examples

Following are some case study examples of some of the available ETFs, with observations included.

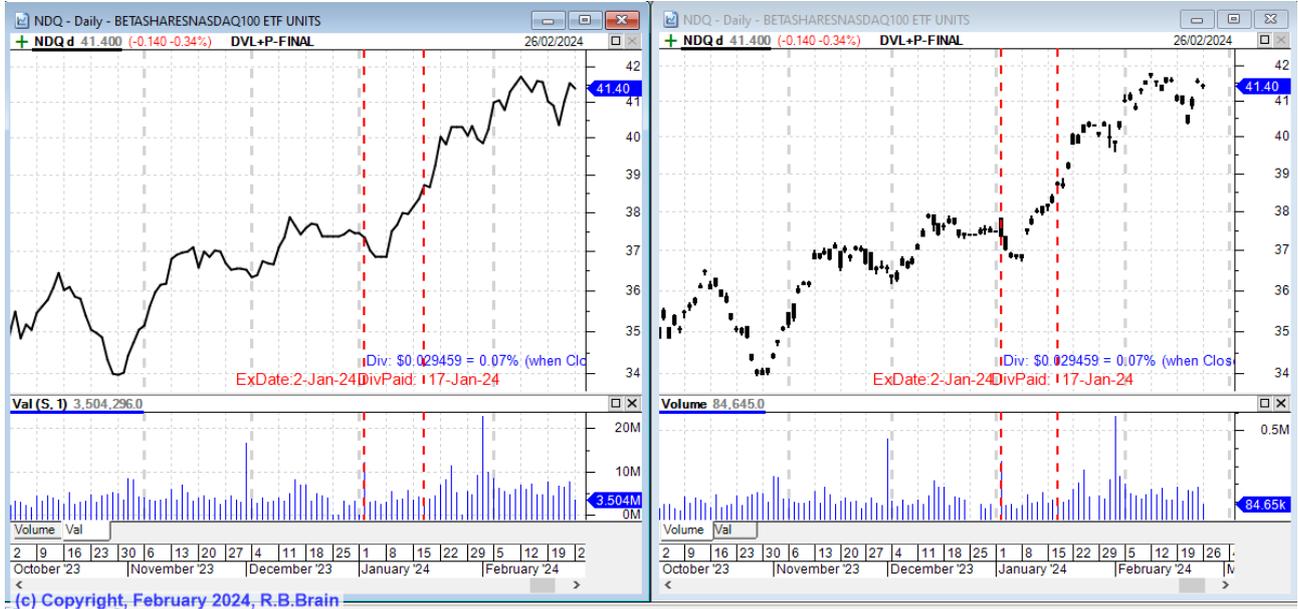
Betashares Nasdaq 100 (ASX:NDQ)

One of the many ETFs that are offered by Betashares is one that tracks the Nasdaq 100 index.

The two price charts below show the performance of this ETF from October 2023 to late February 2024. The left hand chart is a daily line chart which looks lovely over this period with a rising price trend; but take a look at the right-hand price chart – a candlestick chart of the same security over the same period. The candlestick chart shows price gaps from day to day, which is one of the things that might be of concern to potential investors.

Note that the bottom pane of the two price charts is different: the left hand one shows the daily Value traded – around \$2.5 million to about \$9 million – while the right hand one shows the daily Volume – around 80,000 to over 200,000.

Conclusions? – Many investors and traders would consider this to be liquid enough to trade; but the daily price gaps might frighten some investors. Don't forget that the market makers can provide liquidity and reduce the impact of low liquidity.



Betashares AAA for monthly income (ASX:AAA)

One of the many ETFs that are offered by Betashares, the AAA ETF: “...aims to provide exposure to Australian cash deposits, with attractive monthly income distributions that exceed the 30-day Bank Bill Swap Rate (BBSW) (after fees and expenses)”.



Betashares AAA ETF and Market Depth (at 10.10am, Monday 25 March 2024)

SPDR S&P/500 ETF (ASX:SPY)

Not to be confused with the SPI futures contract.



SPDR S&P/500 ETF and Market Depth (at 10.10am, Monday 25 March 2024)

Appendix – Scan Results for BullCharts ETF scan

"Close" at 8 March 2024

ETFs - all by liquidity 2024-03-08

Symbol	Name	Close \$	Price_80ago \$	Change_80 \$	Change_80 per cent	Volume	Value Traded \$	Trades	MA_Vol	MA_Val \$	MA_Trades
VAS	VNGD Aus Shares Etf Units	98.05	86.08	11.97	13.9	170,716	16,705,581	1811	161,038	15,368,286	1,697
GLN	Ish Fise GBL Ifra Etf Units	24.23	22.64	1.59	7.0	6,661	161,424	49	524,091	12,543,589	62
AAA	Betasharescashetf Etf Units	50.12	50.14	-0.02	0.0	408,273	20,465,097	183	247,085	12,394,521	181
IVV	Ishares S&P 500 Etf Etf Units	51.93	46.03	5.9	12.8	123,400	6,410,410	1060	213,009	11,039,881	1,173
IOZ	Ishares S&PIASX 200. Etf Units	31.86	27.98	3.88	13.9	139,521	4,437,782	371	330,128	10,257,538	607
A200	Betaustralia200Etf Etf Units	131.72	115.82	15.9	13.7	85,360	11,231,970	838	74,357	9,554,598	880
VGS	VNGD Intl Shares Etf Units	121.77	108.04	13.73	12.7	61,049	7,436,123	1090	76,552	9,265,265	1,309
QUAL	Vaneck WLD Xau Qual Etf Units	54.13	46.55	7.58	16.3	89,568	4,852,358	458	149,286	7,970,863	508
BBOZ	Beta Aust STR Bear TMF Units	2.79	3.78	-0.99	-26.2	3,494,585	9,841,405	346	2,356,246	6,981,932	194
NDQ	Betasharesnasdaq100 Etf Units	41.79	36.8	4.99	13.6	184,115	7,696,797	5746	164,096	6,829,897	1,647
QPON	Betausbanksnfrbretf Etf Units	25.99	25.88	0.11	0.4	133,615	3,473,627	347	255,218	6,635,746	202
F100	Betashares Fise 100 Etf Units	11.29	10.86	0.43	4.0	159,221	1,797,198	62	582,235	6,530,586	106
IHWL	Ishares Core WLD Aud Etf Units	48.4	41.15	7.25	17.6	16,427	793,849	60	121,857	5,789,364	89
GOLD	GBLX Metals. GBLX Gold	30.04	28.15	1.89	6.7	150,288	4,522,229	422	194,463	5,660,081	408
SUBD	Vaneck Au Subd Bond Etf Units	25.02	24.86	0.16	0.6	406,864	10,180,114	229	223,498	5,599,915	242
VHY	VNGD Aus High Yield Etf Units	73.99	65.38	8.61	13.2	52,917	3,896,695	315	70,797	5,103,835	433
HBRD	Beta Active Hybrids TMF Units	10.09	10	0.09	0.9	118,881	1,200,022	59	494,177	4,986,585	211
VEU	VNGD All-World Ex-US Cdi 1:1	88.61	81.31	7.3	9.0	67,795	6,001,183	398	55,671	4,884,748	361
VGAD	VNGD Intl Shares H Etf Units	99.56	85.57	13.99	16.3	65,357	6,509,354	468	49,558	4,862,508	387
STW	SPDR 200 Fund Etf Units	71.29	62.66	8.63	13.8	39,048	2,775,654	112	69,900	4,849,993	276
IZZ	Ishs China Etf Etf Units	35.55	40.03	-4.48	-11.2	28,608	1,014,554	193	121,951	4,423,457	294
IJP	Ishs Msc Japan Etf Etf Units	108	93.85	14.15	15.1	8,909	962,849	412	42,007	4,417,052	200
VTS	VNGD Us Total Market Cdi 1:1	386.33	340.27	46.06	13.5	10,859	4,197,766	725	11,395	4,396,753	557
MSTR	MSTR Int SHR Act Etf TMF Units	9.54	8.38	1.16	13.8	86,814	828,828	45	455,410	4,300,080	36
IOO	Ishs Global 100 Etf Etf Units	131.04	118.41	12.63	10.7	24,673	3,236,342	485	32,386	4,227,565	578
GEAR	Betshares Gear Fund Etf Units	29.08	22.37	6.71	30.0	179,866	5,212,761	179	152,856	4,212,303	153
1GOV	Vaneck 1-5 Yr Gov Etf Units	51	49.79	1.21	2.4	0	0	0	18	924	1
FUTR	Jhi GLB Sust Alv Etf TMF Units	33.76	28.1	5.66	20.1	0	0	0	27	909	1
IBUY	Beta Online Retail E Etf Units	11.61	9.91	1.7	17.2	0	0	0	48	552	1
ISLM	Hejaz Equities Fund TMF Units	0.985	0.93	0.055	5.9	10	10	2	318	310	2
SKUK	Hejaz Sukuk TMF Units	1.02	1.005	0.015	1.5	0	0	0	113	116	
HJZP	Hejaz Property Fund TMF Units	0.79	0.745	0.045	6.0	0	0	0	54	43	
T3MP	JPM CLM CHG Sol Etf TMF Units	56.78	52.13	4.65	8.9	0	0	0	0	20	
JPHQ	JPM Us100Q Epi H Etf TMF Units	56.35	52.15	4.2	8.1	0	0	0	0	12	
BBAB	Beta Gear SH Au Bond TMF Units	18.13				0	0	0	0	3	
JPSI	JPM Sus Infra Etf TMF Units	50.56	49.41	1.15	2.327	0	0	0	0	0	0
GMVW	Vaneck Geared MVW TMF Units	38.42				1,901	72,870	5			
JNDQ	Betandqnxigen100Etf Etf Units	15.49				1,830	28,334	17			
QNDQ	Beta NDQ Eq Weight Etf Units	15.29				1,445	22,055	6			

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