

JANUARY 2019

Tradeweb Exchange-Traded Funds Update

The following data is derived from trading activity on the Tradeweb Markets institutional European- and U.S.-listed ETF platforms.

EUROPEAN-LISTED ETFs

Total traded volume

The Tradeweb European ETF marketplace enjoyed a record-breaking start to the year, as January's total traded volume reached EUR 28.2 billion, up 9% from the platform's previous best performance in October 2018. The proportion of European ETF transactions processed via Tradeweb's Automated Intelligent Execution functionality (AiEX) rose to 44.9%.

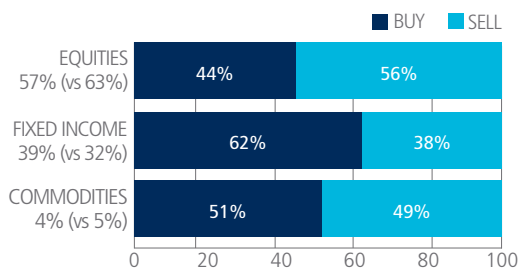
Adriano Pace, head of equities (Europe) at Tradeweb, said: "A year on from the implementation of MiFID II in Europe, we have witnessed market participants become increasingly comfortable not just with trading ETFs on electronic marketplaces such as Tradeweb, but also with adopting automated workflows to conduct their business. This is not surprising given the introduction of transparency requirements for ETFs last year, and the heightened focus on proving Best Execution."

Volume breakdown

Equity ETFs saw net selling for the second consecutive month. Conversely, their fixed income counterparts were strongly bought in January, with 'buys' surpassing 'sells' by 24 percentage points. Activity in the asset class increased to 39% of the entire platform flow.

North America and Europe Equities were the most heavily-traded categories during the month, accounting for 37% of the overall activity in European-listed ETFs on Tradeweb.

Volume by asset class



All figures in brackets refer to the previous 12-month rolling average. Buy/sell percentages are now calculated at an individual asset class level.

Top ten by traded notional volume

There were seven fixed income products among January's top ten list by traded volume. In first place, the PIMCO Euro Short Maturity Source UCITS ETF invests in USD-denominated, investment grade fixed income securities, including government bonds, corporate debt and mortgage or other asset-backed securities. The fund last featured in the top spot in December 2017.

Rank	Ticker	ETF	Issuer	Asset Class
1	PJS1	PIMCO Euro Short Maturity Src UCITS ETF	Invesco	Fixed Income
2	MINT	PIMCO US Dollar Short Maturity Source UCITS ETF	Invesco	Fixed Income
3	IEML	iShares JP Morgan EM Local Gov Bond UCITS ETF	iShares	Fixed Income
4	IEMB	iShares J.P. Morgan \$ EM Bond UCITS ETF	iShares	Fixed Income
5	CSPX	iShares Core S&P 500 UCITS ETF	iShares	Equity
6	XD9U	Xtrackers MSCI USA UCITS ETF	Xtrackers	Equity
7	IHYG	iShares High Yield Corp Bond UCITS ETF	iShares	Fixed Income
8	IEAC	iShares Core Corp Bond UCITS ETF	iShares	Fixed Income
9	USCHWH	UBS (Irl) ETF plc-MSCI USA Hgd to CHF	UBS	Equity
10	IHYU	iShares \$ HighYield Corp Bond UCITS ETF	iShares	Fixed Income

FOR MORE INFORMATION, PLEASE CONTACT:

EUROPE

Susan Bennett

susan.bennett@tradeweb.com
+44 (0)20 3749.3316

Angeliki Kallipoliti

angeliki.kallipoliti@tradeweb.com
+44 (0)20 7776.0958

U.S.

Jonathan Mairs

jonathan.mairs@tradeweb.com
+1 646.430.6176

Hannah Randall Akeel

hannah.randallakeel@tradeweb.com
+1 646.430.6173

www.tradeweb.com

ABOUT DATA POINTS

Data Points is a monthly report that aggregates information from the Tradeweb rates, credit, money markets and equities marketplaces, and the world's largest liquidity providers.

ABOUT TRADEWEB

Tradeweb is a leading global provider of institutional markets, driving the evolution of electronic trading across rates, credit, money markets and equities. Tradeweb applies technology with flexible trading protocols to enhance workflow efficiency and increase market transparency.

U.S.-LISTED ETFs

Total traded volume

Total consolidated U.S. ETF notional value traded in January 2019 was USD 11 billion.

Volume breakdown

As a percentage of total notional value, equities accounted for 48.2% and fixed income for 45.4%, with the remainder comprised of commodity and specialty ETFs.

ASSET CLASS AS A PERCENTAGE OF NOTIONAL VALUE TRADED

OTHER 6.4%	FIXED INCOME 45.4%	EQUITY 48.2%
---------------	-----------------------	-----------------

Other includes commodity and specialty ETFs

Adam Gould, Head of U.S. Equities at Tradeweb, said: “The balance of fixed income ETF trading on Tradeweb increased substantially in January – up to 45.4% of volume, vs. 29.3% the month prior. That was likely driven in part by a change in the overall market expectations for the Federal Reserve’s plan to raise rates at a much slower pace, if at all in 2019. With the consensus for rate hikes changing, many fixed income money managers reallocated their bond ETF positions accordingly.”

Top ten by traded notional volume

During the month, 582 unique tickers traded on Tradeweb’s U.S. ETF platform. Market interest in bond ETFs was reflected in the top tickers – for the first time, fixed income ETFs crowded our top ten ranking.

Rank	Ticker	ETF	Issuer	Asset Class
1	HYG	iBoxx \$ High Yield Corporate Bond ETF	iShares	Fixed Income
2	BSV	Short-Term Bond ETF	Vanguard	Fixed Income
3	EMB	J.P. Morgan USD Emerging Markets Bond ETF	iShares	Fixed Income
4	BNDX	Total International Bond ETF	Vanguard	Fixed Income
5	BND	Total Bond Market ETF	Vanguard	Fixed Income
6	SHY	1-3 Year Treasury Bond ETF	iShares	Fixed Income
7	GOVT	U.S. Treasury Bond ETF	iShares	Fixed Income
8	IVV	Core S&P 500 ETF	iShares	Equity
9	QUAL	Edge MSCI USA Quality Factor ETF	iShares	Equity
10	IJR	Core S&P Small-Cap ETF	iShares	Equity