iShares
by BlackRock

AUGUST 2026

ETF Insights Report

From curious to confident:
unlocking Australia's ETF growth story

ETF investing in Australia today

Our inaugural iShares ETF Insights Report, conducted in partnership with YouGov, aims to amplify the voice of Australian investors and better understand what is helping – or holding back – more people from investing in Exchange Traded Funds (ETFs). ETFs offer a simple, transparent and cost-effective way to access a broad range of markets. Based on a survey of 3,133 Australian adults conducted in March 2026, the research provides a snapshot of how Australians think about ETFs today and what may help them feel more confident taking the next step.

Today, 16% of Australian adults say they own ETFs, while 32% intend to invest in ETFs in the next 12 months. The gap between current ownership and future intent suggests many Australians are interested in ETFs but may not yet feel ready to invest.

Knowledge remains an important part of that picture. More than half of Australians report low ETF knowledge, including 26% who have never heard of ETFs and 29% who are aware of them but do not yet feel they understand them. For people considering ETFs, clearer explanations, easier comparisons and greater confidence around how ETFs work could make the investment journey feel more accessible.

Interest is particularly strong among younger Australians, who show higher intent to invest than older cohorts. As younger investors look for accessible ways to build long-term financial security, clear information and practical guidance may help them decide whether ETFs have a role to play in their investment plans.

ETF INTEREST OUTPACES CURRENT OWNERSHIP IN AUSTRALIA

16%

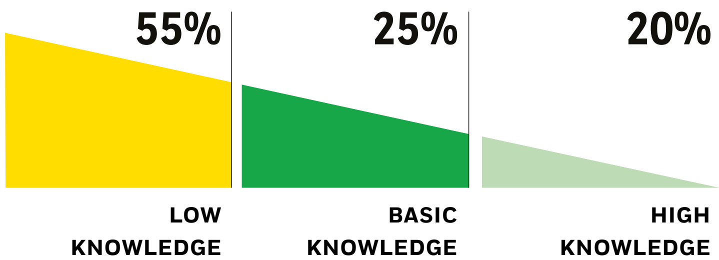
of Australian adults currently own ETFs

32%

of Australian adults intend to invest in next 12 months

Base: All adults (n=3,133)

LEVEL OF ETF KNOWLEDGE



Base: All adults (n=3,133)

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Barriers to investing

Navigating product choice and understanding risk

The barriers to ETF adoption in Australia are not simply about awareness. They point to a broader confidence gap, where investors are interested in ETFs but still face uncertainty around how to choose, use and evaluate them.

For the next wave of ETF investors, concern about market losses is the leading barrier (39%), followed by difficulty choosing ETFs (36%). Around three in ten also point to hidden fees (31%) or say they do not understand ETFs (30%), suggesting that the path from interest to action still feels unclear for many.

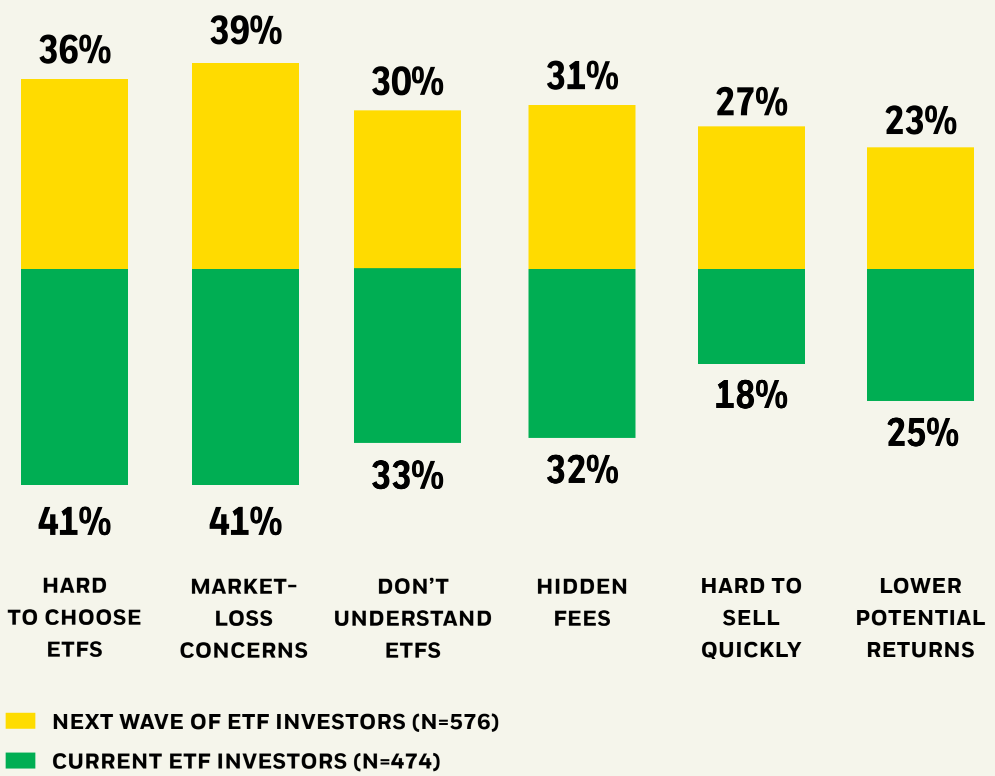
These concerns do not disappear once people start investing. Among current ETF investors, difficulty choosing ETFs (41%) and concern about market losses (41%) are virtually tied as the top barriers. Around one-third also say they do not understand ETFs (33%) or are concerned about hidden fees (32%), reinforcing that even existing investors need more clarity and confidence.

Taken together, the findings show that the same two barriers — market-loss concerns and difficulty choosing ETFs — sit at the top for both prospective and current ETF investors. With the ASX recording 72 new ETFs added in FY26 (the highest on record), the challenge is therefore not only to raise awareness of ETFs, but to make ETF investing feel easier to understand, compare and act on.

Investors face more than a knowledge gap – affordability, confidence and choice can also make ETF investing feel difficult.

Clearer explanations, simpler ways to compare products, greater transparency around costs and outcomes, and practical tools may help investors navigate those decisions with greater confidence.

TOP BARRIERS TO ETF INVESTING AMONGST CURRENT AND NEXT WAVE ETF INVESTORS (PLANNING TO INVEST IN NEXT 12 MONTHS)



These findings reinforce that knowledge alone is not sufficient.

Even among those already investing, there are practical frictions that prevent action – particularly around navigating product choice and understanding risk.

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Australia’s next investment dollar

Cash remains king but ETFs are gaining ground

Australians favour the safety and familiarity of cash with savings accounts remaining the foundation of most financial portfolios. Savings accounts are by far the most widely held financial product, with 62% of Australians reporting ownership – more than double the proportion who own stocks (27%) and almost four times the proportion who own ETFs (16%).

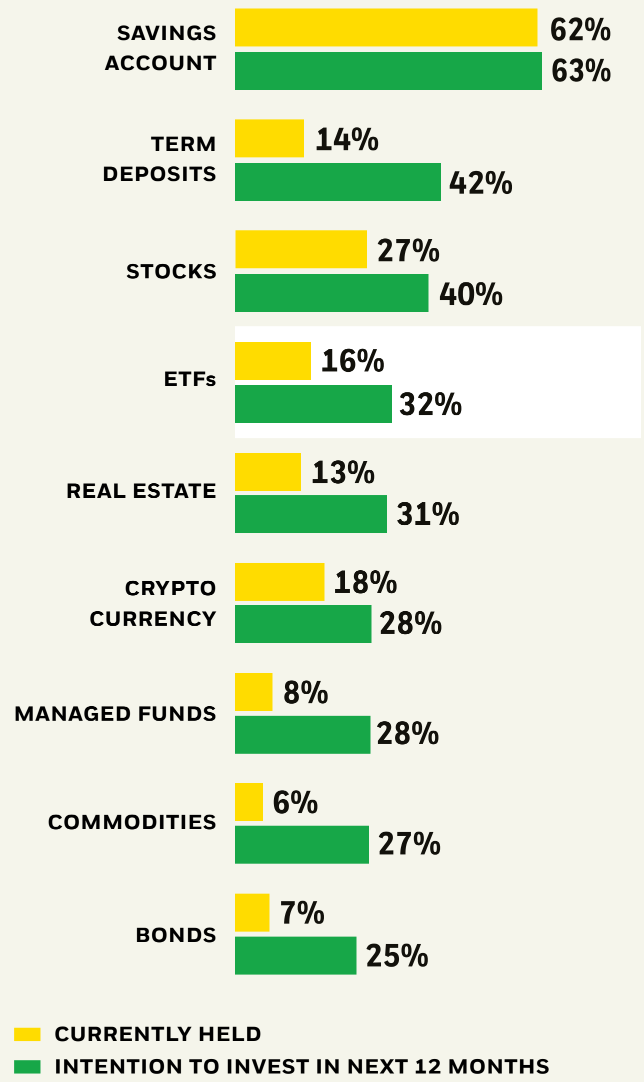
Beyond cash in savings accounts, investment ownership is much more fragmented. Direct stocks are the most widely held investment product (27%), while cryptocurrency ownership (18%) sits ahead of ETF ownership (16%). Other financial products, such as term deposits (14%) and real estate investments beyond primary residence (13%), also show relatively strong uptake, while more complex or niche investments remain marginal.

For many people, moving from cash into markets can feel complex, risky or overwhelming. ETFs offer the accessibility and simplicity investors seek with the diversification and transparency needed to help build confidence.

While ETF ownership has established a meaningful foothold, sitting alongside more established financial products such as term deposits and investment property, adoption remains relatively low compared to the scale of Australia’s savings culture.

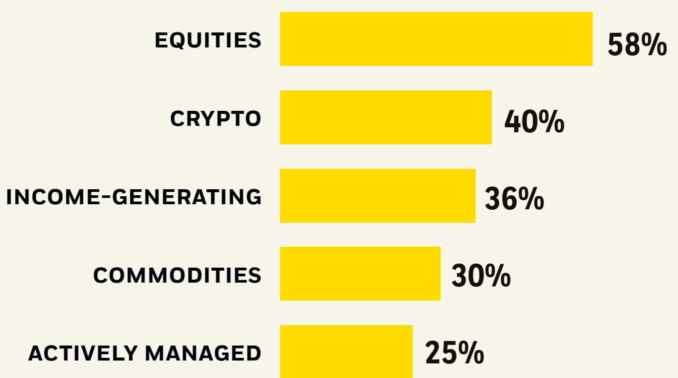
For Australians considering their first move beyond cash, understanding how ETFs may fit alongside other investment options can be an important first step.

TYPES OF FINANCIAL PRODUCTS CURRENTLY OWNED VS. NEXT-12-MONTH INVESTMENT INTENT



Base: All adults (n=3,133).
Multiple responses allowed; percentages may exceed 100%.

INSIDE THE AUSTRALIAN ETF PORTFOLIO: TOP 5 ETF TYPES HELD



Base: ETF Investors (n=474)

Top reasons people invest in ETFs

THE PORTFOLIO BUILDERS

45%

invest in ETFs for diversification

39%

cite potential for better returns

Diversification is the leading reason for ETF use - suggesting investors increasingly see ETFs as tools to build portfolios across asset classes.

THE REGULAR INVESTORS

31%

value investing in small amounts regularly

35%

value ease of buying and selling

The ability to invest small amounts regularly is particularly relevant for people moving gradually from savings into investing.

THE INVESTMENT STARTERS

35%

see ETFs as a good way to get started investing

31%

value convenience

Base: Current ETF Investors (n=474)

Over a third of investors view ETFs as a good entry point for beginners - showing they have evolved beyond products for experienced traders.

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ETF spotlight

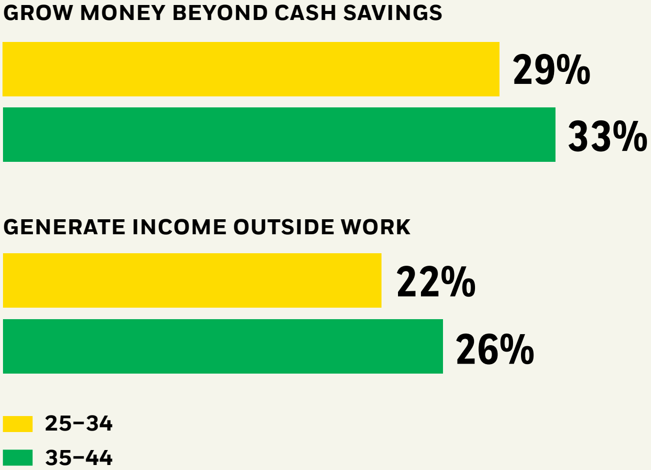
Not just for retirees anymore

Why Aussies in their 30s and 40s are turning to ETFs for extra income

Our Report shows income planning is shifting earlier, with Australians in their 30s and 40s increasingly focused on generating income while still working. With inflation having outstripped wage growth by around 0.5% per year on average since 2020[1], it's perhaps not surprising that working age Australians are now having to consider strategies to supplement their income through investing.

More than a third of ETF investors already use income ETFs (37%), showing income is a core part of how Australians are using ETFs today. At the same time, Australians aged 25–44 are the most likely to say they are actively looking to generate income outside work, often linked to goals like reducing work hours or building financial flexibility earlier in life.

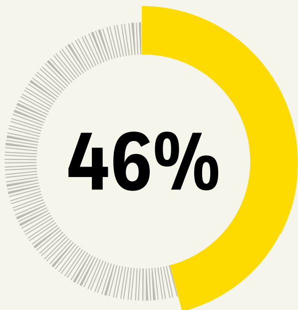
MAIN REASONS THAT INITIALLY MOTIVATE INVESTORS AGED 25-44



Base: All investors (n=2415).
Multiple responses allowed; percentages may exceed 100%.

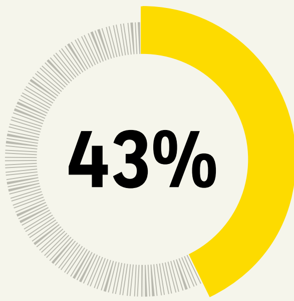
Together, this points to a clear shift: Income is no longer just a retirement outcome, it is becoming an ongoing cash-flow strategy during working life.

TOP MOTIVATIONS OF ETF INVESTORS



“I wanted more control over my financial future

“I realised investing could grow my money more than cash savings



Base: Currently own ETFs (n=474).
Multiple responses allowed; percentages may exceed 100%.

1 Source: Australian Bureau of Statistics, based on annual inflation and wage growth data 2020-2025

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ETF spotlight

Why do so many Australians lack the confidence to invest?

More than half of Australians have low knowledge of ETFs (55%), despite 32% saying they are likely to invest in the next 12 months. This suggests the key barrier is no longer awareness alone – but confidence, clarity and access.

Only 16% of Australians currently own ETFs, reinforcing that many are still sitting on the sidelines. That gap is most visible across gender and age groups. Women are nearly twice as likely as men not to invest at all (40% vs 24%).

When it comes to product preference, men are still much more confident moving up the risk curve than women, with 49% of men either fairly likely or very likely to invest in stocks over the next year compared to 30% of women.

Interestingly, despite being likely to consider investing in a wide range of products over the next 12 months – from stocks to cryptocurrency to real estate – younger investors 18-24 nominate market losses as their biggest concern when it comes to investing in ETFs.

This highlights a potential knowledge gap around aspects like diversification and investing through market cycles, which could be addressed through more education to encourage younger people to start building wealth early and realise the benefits of compounding over time.

Overall, the data points to a clear shift. Australians are increasingly open to investing – but confidence, capability, understanding and access remain unevenly distributed. Beyond simply knowing what ETFs are, prospective investors are hungry for more information around how they can be practically used as a wealth-building tool.

Given the significant wealth gaps that exist in Australia between both men and women, and younger and older generations, reaching these newer and less confident investor cohorts with more engagement and education could be key to helping more Australians access long-term wealth creation.

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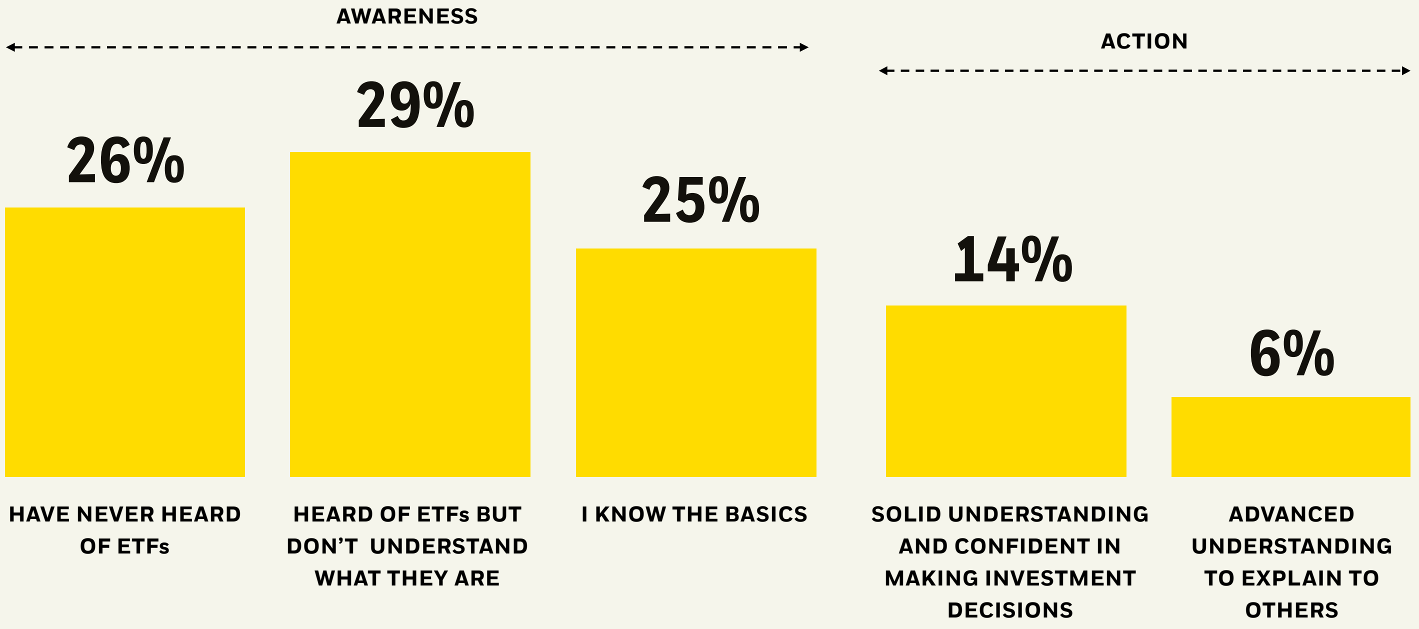
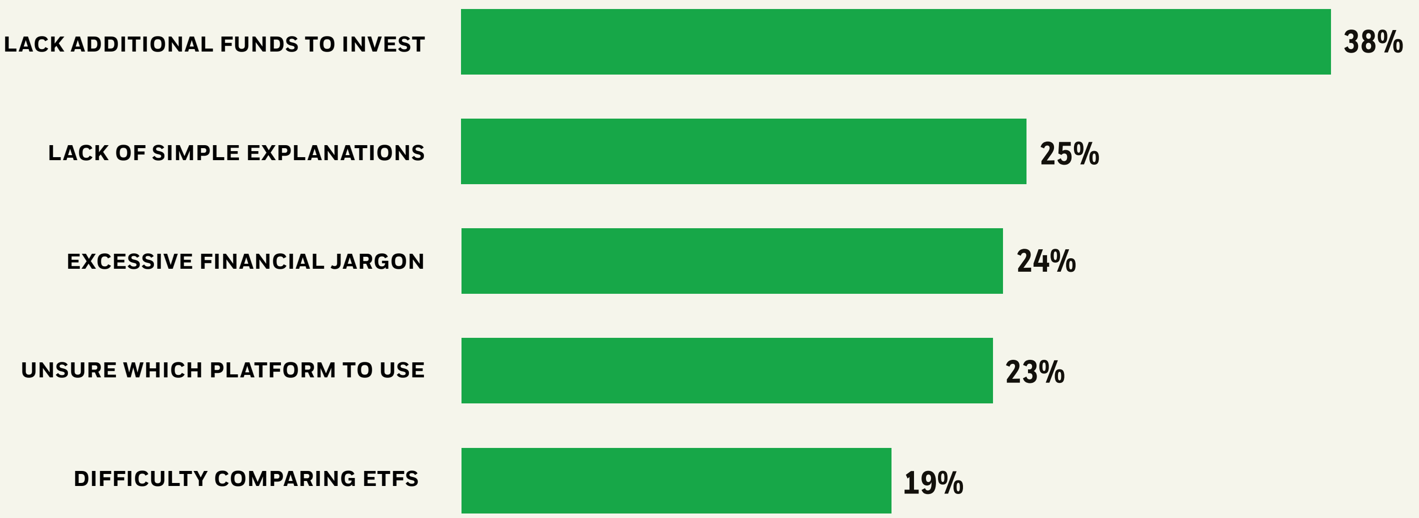
ETF investing needs to feel simpler before more Australians will act

LEVEL OF ETF KNOWLEDGE



Base= All adults (n=3,133). Multiple responses allowed; percentages may exceed 100%.

TOP 5 FACTORS MAKING ETF INVESTING HARDER



Base: All adults (n=3,133)

Confidence starts with investing basics: understanding risk, diversification, and behavioural fundamentals

TOP BEHAVIOURS OF A CONFIDENT INVESTOR

ALREADY INVEST IN FINANCIAL PRODUCTS

1	Understands risks involved in investing	**45%**
2	Diversifies investments	**39%**
3	Knows the basics of how investing works	**38%**
4	Not panicking when markets go up or down	**36%**
5	Sets aside money regularly	**33%**

Base: Investors (1,588). Base: Non-investors (1,544). Multiple responses allowed; percentages may exceed 100%.

Why Aussies back crypto over ETFs

Nearly 1 in 5 own cryptocurrency despite market risks

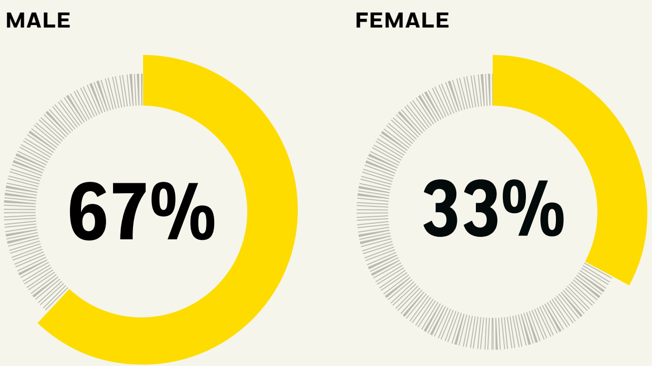
Cryptocurrency ownership is relatively well established compared to other emerging investment products, reflecting strong visibility and appeal among young, digitally literate segments of the population.

Overall, 18% of Australians surveyed reported owning cryptocurrency, placing it ahead of ETFs (16%) and significantly above more traditional investment vehicles such as managed funds (7.5%) and bonds (7%).

This suggests that, despite higher perceived risk and volatility, crypto has achieved a level of mainstream penetration that outpaces several conventional asset classes.

Its adoption is likely driven by a combination of media attention, perceived growth potential, and accessibility via digital trading platforms. A deeper cut of the data reveals pronounced divides in cryptocurrency and digital investing participation across gender, age, and geography. Men are nearly twice as likely as women to invest in crypto (25% vs. 12%) and are also significantly more active across ETFs and shares more broadly. Generational differences are even more striking: around one-third of Australians under 35 report owning cryptocurrency, compared to just ~11% of those aged 55 and over, with a similar gap in digital investing overall (~30% vs. ~10%).

Gender profile of crypto investors



Base: Current crypto investors (n=553)

In summary

The inaugural iShares ETF Insights Report shows growing interest in ETF investing among Australians. While 16% currently own ETFs, nearly one-third say they intend to invest in them over the next 12 months.

At the same time, many Australians continue to face barriers. Affordability, concerns about losing money, difficulty comparing products and limited understanding of how ETFs work can all make it harder to move from interest to action.

The findings also show that Australians are considering a broad range of ways to invest, from traditional savings products and shares to ETFs and cryptocurrency. For individuals navigating those choices, having clear information, simple ways to compare options and a better understanding of risk can help them make decisions that suit their own goals and circumstances..

Australians are interested in ETFs – but confidence and clarity remain key to taking the next step.

Methodology

All figures, unless otherwise stated are from YouGov Plc. Total sample size was 3,133 Australian adults. Fieldwork was undertaken between 10th – 23rd March 2026.
The survey was carried out online. The figures have been weighted and are representative of all Australian adults (aged 18+).

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iShares unlocks opportunity across markets to meet the evolving needs of investors. With more than twenty years of experience, a global line-up of more than 1,700 exchange traded funds (ETFs) and approximately $6.2 trillion in assets under management as of June 30, 2026, iShares continues to drive progress for the financial industry. iShares funds are powered by the expert portfolio and risk management of BlackRock.

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