

A Record Month for Fixed Income

August 2025

This month in ETP flows...

Spotlight	Fixed income ETPs saw their greatest inflow month in August , bringing in USD 66.9bn . YTD, they have drawn in USD 390.1bn in inflows, marking the second-strongest year on record and approaching last year's peak of USD 437bn.
Equity	Global equity ETF flows indicate that capital repatriation away from US equities has slowed . US equity ETPs recorded inflows of USD 55.2bn in August as large-cap growth names in the region push indices to all-time highs.
Fixed Income	Emerging market fixed income ETPs are enjoying back-to-back record quarters . They added USD 24.8bn last quarter and then topped that with USD 26.6bn QTD flows , largely driven by China exposures. Inflation-protected fixed income ETPs (TIPS) have attracted USD 9.8bn in YTD flows , the first positive inflow year in four, signaling a shift in investor sentiment. The pace of inflows is also accelerating. August marked the third consecutive month of increasing inflows.
Diversifiers	Since April, Ethereum's share of total crypto ETP flows has expanded dramatically , rising from just 5% to accounting for almost all the inflows in August.

Spotlight | Fixed Income ETPs

Fixed Income powers ahead

Global ETP flows slowed to USD 172.6bn in August from USD 188.7bn the previous month, reflecting moderation in aggregate ETP demand.

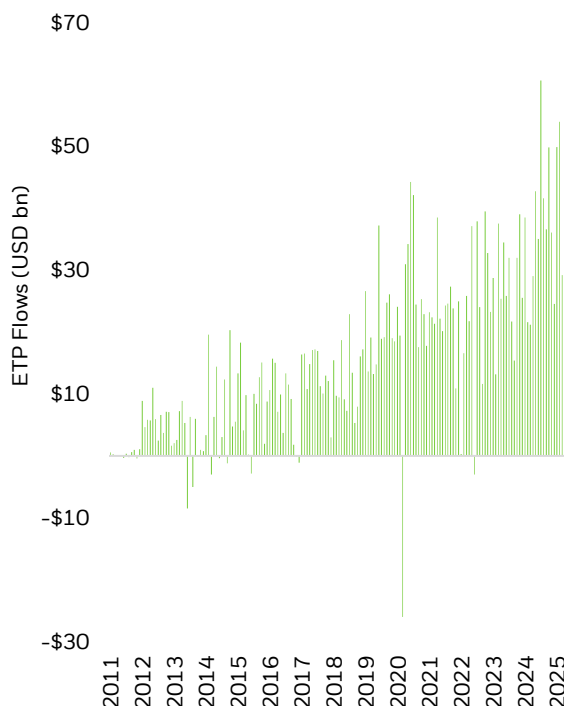
Yet within this environment, fixed income ETPs strengthened its position, recording the largest month of inflows on record with a staggering USD 66.9bn. YTD, they have drawn in USD 391.8bn in inflows, marking the second-strongest year on record and approaching last year's peak of USD 437.3bn.

This came as inflows into equities and commodities both declined in August, emphasizing the resilience of fixed income allocations. Commodity ETPs saw their flows decelerate by 31%, adding only USD 12.9bn. Equity ETPs also saw their flows decelerate, declining 18% to USD 90.4bn.

On a year-on-year basis, equity ETPs, which captured 73% of total flows last year, now account for just 60% of YTD flows, the lowest share since 2020. Meanwhile, fixed income has increased its share to 32% from 25%, while commodities have tripled their share to 8% from 3%. The pattern underscores investors' growing demand for stability, yield, and diversification amid heightened policy uncertainty, trade tensions, and macro volatility, observed in 2025.

A record month for Fixed Income ETPs

Monthly flows into fixed income ETPs, 2011 onwards



Source: BlackRock and Markit, as of 31 August 2025.

All figures in US Dollars unless stated otherwise. Unless stated otherwise all data is sourced from BlackRock Global Business Intelligence and EPFR covering flows as of 31 August 2025. Past flows into global ETPs are not a guide to current or future flows and should not be the sole factor of consideration when selecting a product.

Equities

Repatriation, or hedging USD?

Global equity ETF flows indicate that capital repatriation away from US equities has slowed. US equity ETPs stood out this month, recording inflows of USD 55.2bn as large-cap growth names in the region push indices to all-time highs. Although inflows have decelerated relative to last month, the scale still points to sustained investor demand for US growth, particularly when compared with the weaker patterns across Europe and APAC.

APAC equity ETPs recorded USD 39.5bn in April-25, and since then has added only a total of USD 2.0bn inflows from May to August. This brings YTD flows to USD 60.2bn, down from the USD154.5bn recorded this time last year. Within the region, China and Japan each experienced a fourth month of outflows, while India joined the outflow trend in August. The outflows for China equity ETPs were largely driven by offshore ETPs, while onshore ETPs saw its second month of inflows, adding USD 1.4bn this month. Meanwhile, European equity ETPs saw their smallest YTD inflow this month, adding only USD 1.3bn, a steep drop compared with the previous month's inflows of USD 6.0bn.

Fixed Income

Emerging debt in focus

Emerging market fixed income ETPs are enjoying back-to-back record quarters. They added USD 24.8bn last quarter and then topped that with USD 26.6bn QTD flows. This marks a striking surge from the previous record of USD 10.6bn set in Q1-19.

The momentum has been heavily concentrated in China exposures, which accounted for 95% of the August flows. Since July, there has been a wave of AAA Sci-tech innovation corporate bond issuance in China, attributing to the pick-up in flows.

Investors diversify with TIPS

Inflation-protected fixed income ETPs (TIPS) have attracted USD 9.8bn in YTD flows, a sharp reversal from the USD 4.0bn in outflows recorded last year. This is the first positive inflow year in four, signaling a shift in investor sentiment.

The pace of inflows is also accelerating. August marked the third consecutive month of increasing inflows, bringing in USD 1.1bn. Weekly data further underscores this momentum, with 11 straight weeks of inflows. As investors seek protection against persistent inflation concerns and volatility, TIPS have re-emerged as a favored fixed income allocation in 2025.

Cryptocurrency

From BTC to ETH

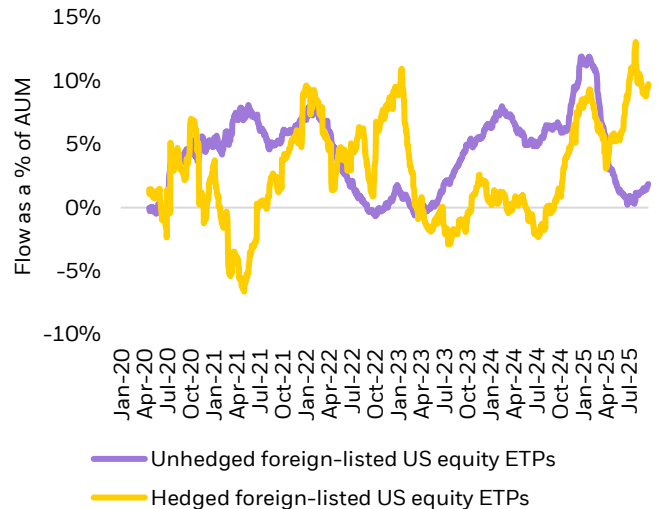
Cryptocurrency ETPs experienced a slowdown in flows this month, adding USD 4.6bn. Within crypto ETPs, a notable shift in investor preference has emerged.

Since April, Ethereum's share of total crypto ETP flows has expanded dramatically, rising from just 5% to accounting for almost all the inflows in August. They attracted USD 4.0bn in inflows this month, while Bitcoin ETPs saw modest outflows of USD 0.1bn. This trend underscores not only growing investor conviction in Ethereum's market positioning but also a broader rebalancing within the digital asset segment.

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Relative preference for hedged US equity exposure

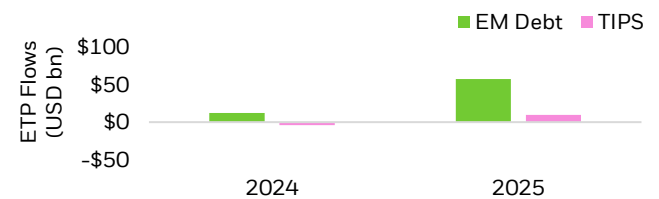
Rolling 90-day flows as a % of AUM



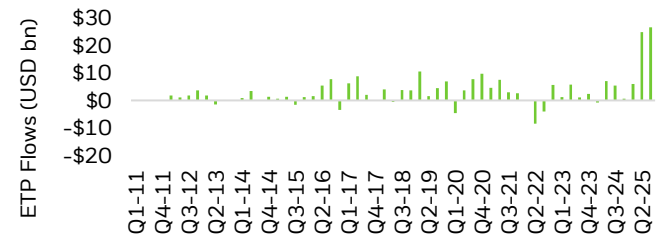
Source: BlackRock and Markit, as of 31 August 2025.

A strong year for EM Debt and TIPS ETPs

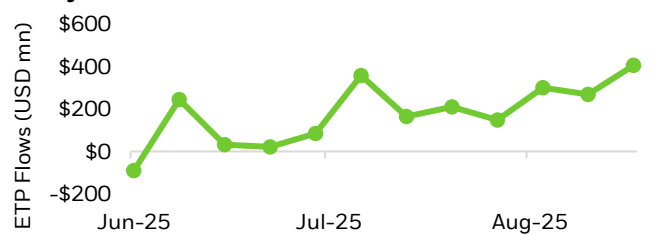
2024 vs YTD inflows into EM Debt and TIPS ETPs



Quarterly flows into EM Debt ETPs



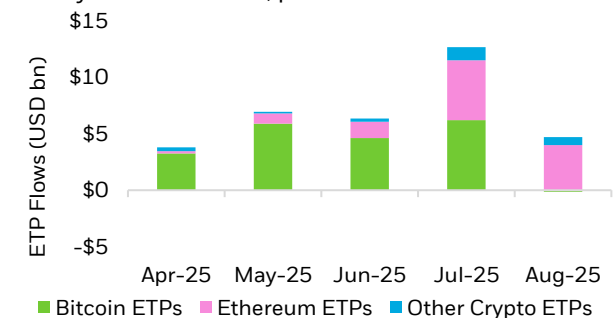
Weekly flows into TIPS ETPs



Source: BlackRock and Markit, as of 31 August 2025.

Ethereum shines on

Monthly flows into ETPs, past 5 months.



Source: BlackRock and Markit, as of 31 August 2025.

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