



BlackRock Global ETP Landscape

Monthly Snapshot | July 2018



Summary

Global ETP flows in July were bolstered by U.S. Equities

- Global ETP flows climbed to \$46.9bn in July, the best month since January, bringing year-to-date flows to \$269.2bn driven by U.S. Equities with \$22.8bn, Fixed Income with \$11.5bn, Japan Equities with \$4.2bn and Commodities with (\$2.8bn) while Emerging Market Equities shed (\$0.4bn)
- U.S. Equity saw its fourth consecutive month of inflows with \$22.8bn fueled by Large Cap with \$8.1bn, Sectors with \$7.3bn and Small Cap with \$2.0bn
- Fixed Income collected \$11.5bn continuing it’s streak of back to back inflows for the year bringing year-to-date flows to \$65.8bn
- Commodities saw outflows of (\$2.8bn), but Gold had its second consecutive month of outflows with (\$1.4bn)

BlackRock ETP Research

A cross-regional team analyzing global markets to deliver insights on the intersection of investment trends and ETP flows

For inquiries, please email ETPResearch@BlackRock.com

Global ETP Highlights	3
Year-to-date Overview	4
Reference schedules	
ETP Assets and Flows by Listing Region	5
ETP Assets and Flows by Exposure	6

Global ETP Highlights

Global ETP flows climbed to \$46.9bn in July, the best month since January, bringing year-to-date flows to \$269.1bn. Flows this month were driven by **U.S. Equities** with \$22.8bn, **Fixed Income** funds with \$11.5bn, **Japan Equities** with \$4.2bn and **Commodities** with \$3.0bn while **Emerging Market Equities** shed (\$0.4bn).

U.S. Equity continued to see it's fourth consecutive month of inflows with \$22.8bn fueled by **Large Cap** with \$8.1bn, **Sectors** with \$7.3bn and **Small Cap** with \$2.0bn. **Health Care** and **Technology** brought in \$1.9bn each while **Real Estate** added \$1.5bn. These inflows continued amid strong earnings and corporate tax cuts with Financials and Technology sectors being favored.

Fixed Income collected \$11.5bn in July continuing it's streak of back to back inflows for the year bringing year-to-date flows to \$65.8bn. Investment Grade Corporate added \$2.8bn in July and High Yield Corporate took in \$2.3bn.

Japan Equities brought in \$4.2bn focused in Japan-domiciled funds. Solid corporate earnings along with purchases by the Bank of Japan have contributed to demand for Japanese equities.

Commodities saw outflows of (\$2.8bn). Gold had it's second consecutive month of outflows with (\$1.4bn).

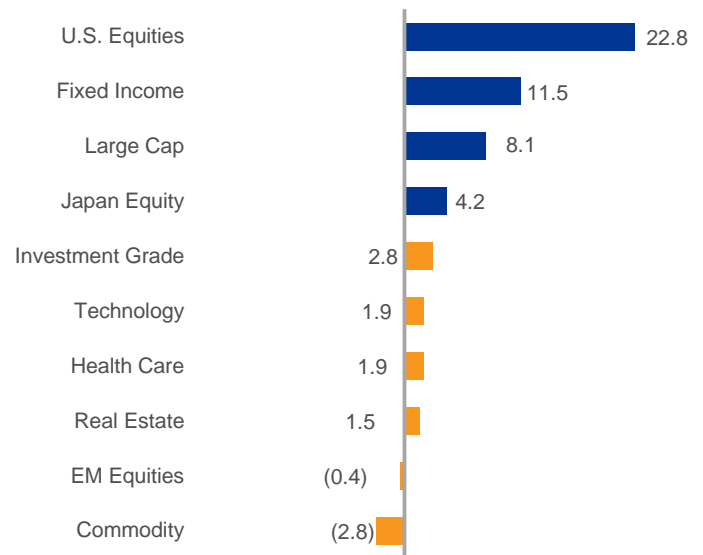
Emerging Markets Equities (EM) shed (\$0.4bn) amid rise in the U.S. dollar and trade tensions although economic reforms, improving corporate fundamentals and reasonable valuations support EM stocks.

Key investment themes / ETP flow trends



Global ETP Flows by Asset Class & Exposure

July 2018 flows: \$46.9bn



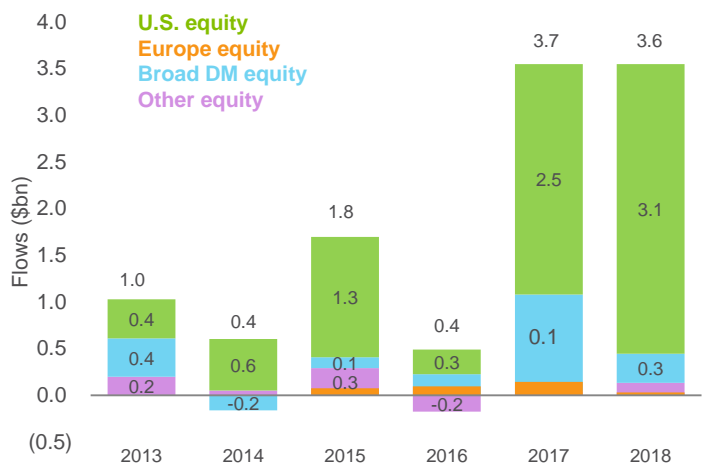
Spotlight on Momentum Factor Funds¹

Boosted by global reflationary trends, momentum factor funds – which hold stocks following price momentum rules - have seen exceptional growth in 2018. Three notable trends around these funds are:

1. Assets in momentum funds grew to \$14.7bn in July
2. Flows to momentum funds are on record year-to-date pace with \$3.6bn
3. Flows to U.S. Equity funds make up 86% of year-to-date momentum fund flows in 2018 and broad DM funds make up 8% of momentum fund flows

Momentum Factor Fund Flows¹

2013 through year-to-date 2018



Year-to-date Overview

RESULTS AT A GLANCE¹

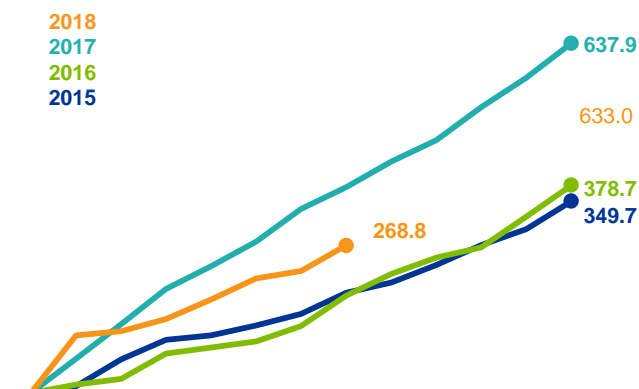
(US\$bn)	Jul 2018	Jul 2017	Dec 2017
Monthly flows	46.9	39.6	63.0
Year-to-date flows	269.1	371.5	637.9
Assets	5,100	4,234	4,756
# of ETPs	7,731	6,206	5,993

SMART BETA FLOWS BY TYPE¹

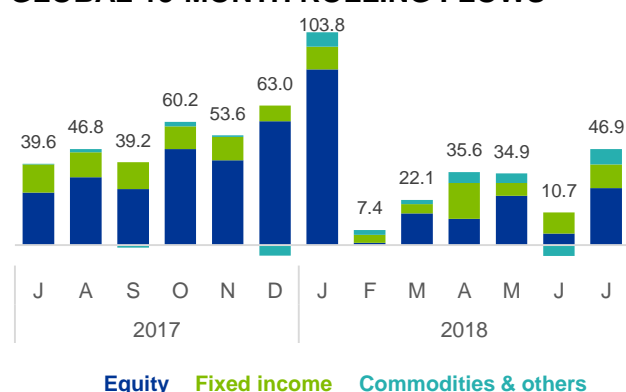
(US\$bn)	Jul 2018 Flows	2018 YTD Flows	Current Assets
Dividend	1.6	3.0	199
Multi-Factor	0.9	10.0	86
Low Volatility	0.6	1.0	59
Equal Weight	1.1	2.9	58
Single Factor	0.0	5.7	50
Fixed Income	(0.1)	(0.0)	10
Grand Total	4.0	22.6	462

CUMULATIVE ETP FLOWS¹

Year-to-date flows: \$268.8bn

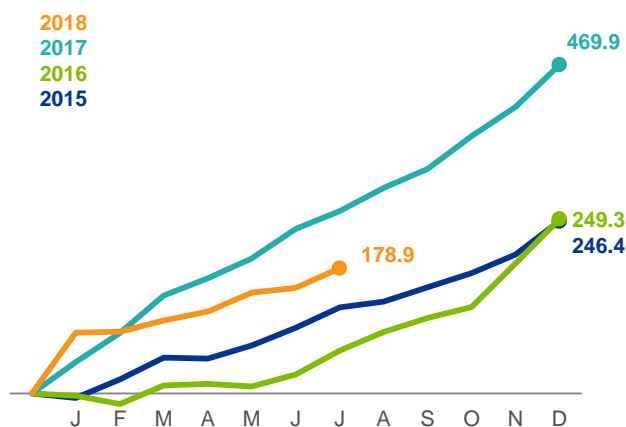


GLOBAL 13-MONTH ROLLING FLOWS¹



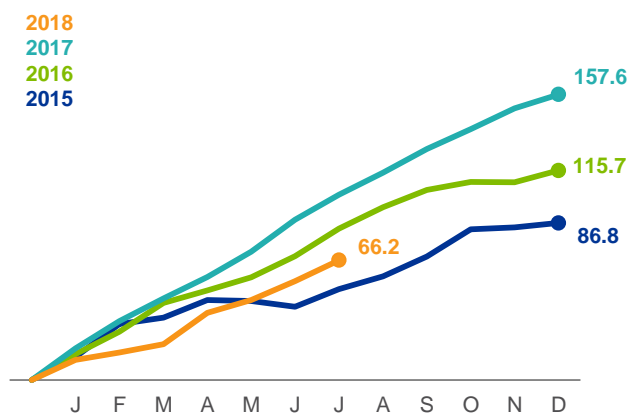
CUMULATIVE EQUITY ETP FLOWS¹

Year-to-date flows: \$178.9bn



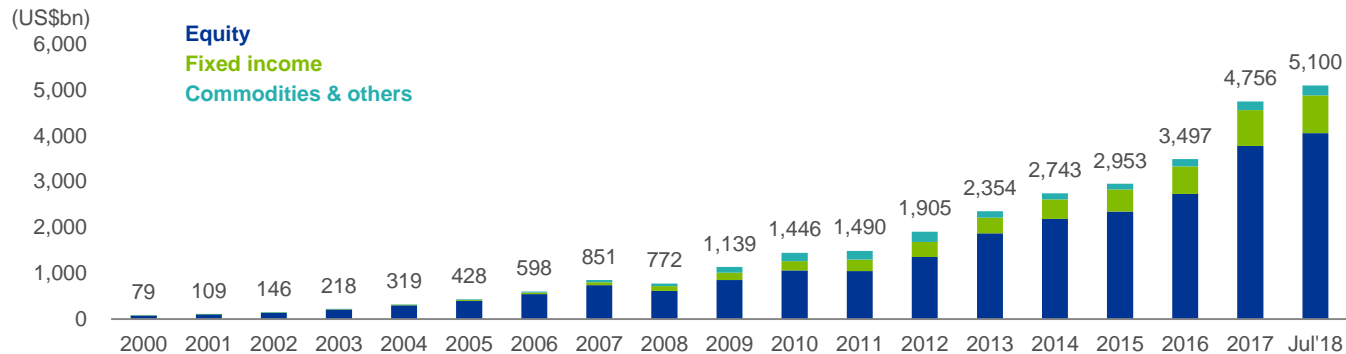
CUMULATIVE FIXED INCOME ETP FLOWS¹

Year-to-date flows: \$66.2bn



Year-to-date Overview (cont'd)

GLOBAL ETP ASSETS¹



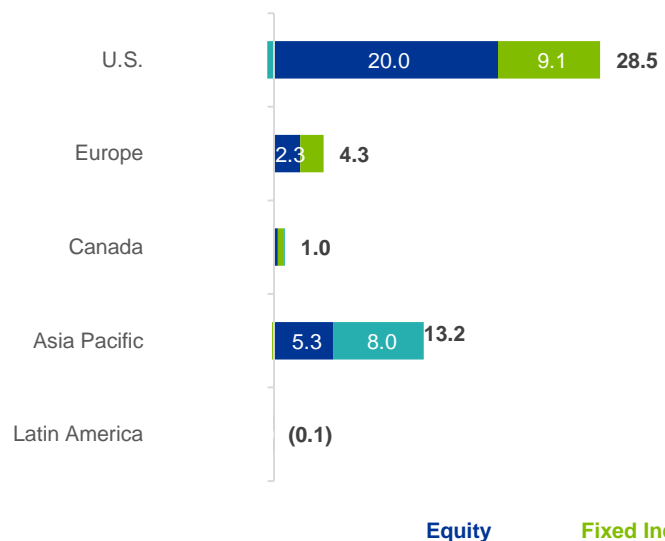
ETP Assets and Flows By Listing Region

ASSETS BY LISTING REGION¹

(US\$bn)	Equity	Fixed Income	Commodity & others	Total
U.S.	2,939	595	89	3,624
Europe	585	188	77	851
Canada	86	33	4	123
Asia Pacific	435	13	41	490
Latin America	8	0	0	9
Middle East & Africa	3	0	1	4
Total	4,057	830	213	5,100

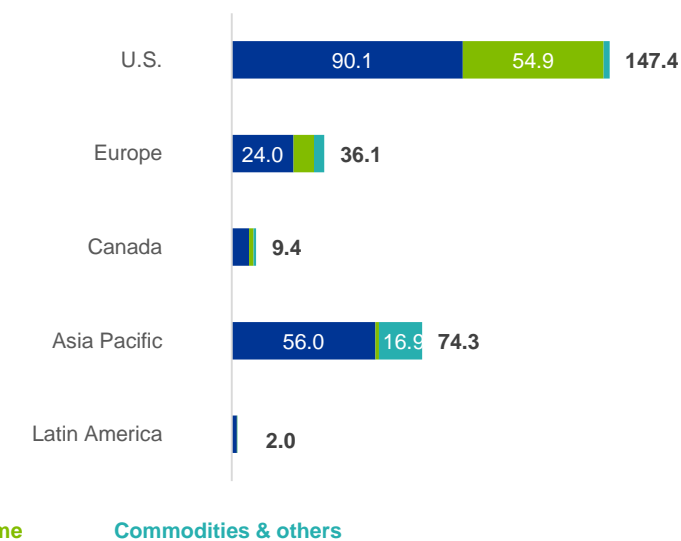
MONTH-TO-DATE FLOWS BY LISTING REGION¹

Month-to-date flows: \$46.9bn



YEAR-TO-DATE FLOWS BY LISTING REGION¹

Year-to-date flows: \$269.2bn



ETP Assets and Flows by Exposure¹

(US\$bn)		July Flows	2018 YTD Flows	Current Assets	
Equity	U.S.	22.8	73.2	2,317	
	Broad Developed Markets	1.7	53.6	587	
	Asia-Pacific	3.7	40.4	429	
	Europe	(0.2)	(12.6)	310	
	Canada	0.3	0.9	44	
	Developed Equity	28.2	155.5	3,686	
	Single Country	0.1	13.9	149	
	Broad	(0.3)	9.1	213	
	Regional	(0.2)	0.4	9	
	Emerging Markets Equity	(0.4)	23.3	371	
	Equity Total	27.9	178.9	4,057	
	Fixed Income	Investment Grade Corp	2.8	9.0	218
		High Yield Corp	2.3	(6.1)	62
Broad		1.6	14.1	143	
U.S. Treasury		1.4	23.1	95	
Sovereign		0.2	3.3	51	
Municipal		0.3	2.9	35	
Emerging Markets Debt		1.4	3.5	53	
Other Fixed Income		1.6	16.3	173	
Fixed Income Total		11.5	66.2	830	
Commodities	Gold	(1.5)	2.1	92	
	Crude oil	(0.5)	(3.2)	8	
	Silver	0.2	0.3	9	
	Agriculture	(0.0)	0.5	4	
	Other Precious Metals	0.0	(0.4)	3	
	Other Commodities	(1.1)	3.1	27	
	Commodities Total	(2.9)	2.5	143	
Other	Other Total	10.3	21.3	70	
Grand Total		46.9	268.8	5,100	

Endnotes

The ETP (or exchange traded product) category encompasses any portfolio exposure security that trades intra-day on an exchange. The data for this report are captured from a number of sources by BlackRock, including provider websites, fund prospectuses, provider press releases, provider surveys, Bloomberg, the National Stock Exchange, Strategic Insight Simfund, and Wind. All amounts are reported in US dollars. Flows are derived using daily net asset values and shares outstanding using the most recent data we can capture at month-end. For products with cross-listings, we attribute net flows and assets to the primary listings. Product level information is aggregated by provider, asset class, exposure, and listing region to produce the various analyses in the report.

1. Data is as of July 31, 2018 for all regions. Global ETP flows and assets are sourced using Markit, as well as BlackRock internal sources. Flows for the years between 2010 and 2015 are sourced from Bloomberg as well as BlackRock internal sources. Flows for years prior to 2010 are sourced from Strategic Insights Simfund. Month to date and Year to date flows by Listing Region exclude Middle East and Africa. Asset classifications are assigned by BlackRock based on product definitions from provider websites and product prospectuses. Other static product information is obtained from provider websites, product prospectuses, provider press releases, and provider surveys. Market returns are sourced from Bloomberg.

Index performance is for illustrative purposes only and does not represent actual Fund performance. Index performance does not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index. Past performance does not guarantee future results.

About BlackRock

BlackRock helps investors build better financial futures. As a fiduciary to our clients, we provide the investment and technology solutions they need when planning for their most important goals. As of March 31, 2018, the firm managed approximately \$6.317 trillion in assets on behalf of investors worldwide. For additional information on BlackRock, please visit www.blackrock.com | Twitter: [@blackrock](https://twitter.com/blackrock) | Blog: www.blackrockblog.com | LinkedIn: www.linkedin.com/company/blackrock.

Disclaimer

NOTICE TO RESIDENTS IN THE UK:

BlackRock Advisors (UK) Limited is authorised and regulated by the Financial Conduct Authority ('FCA'), having its registered office at 12 Throgmorton Avenue, London, EC2N 2DL, England, Tel +44 (0)20 7743 3000.

This document has been provided by BlackRock in a private and confidential manner to professional and or institutional investors (as such term is defined according to applicable regulations in the relevant jurisdiction) only upon express request.

This document is solely for informational and educational purposes only and represents an assessment of the market environment at a specific time and is not intended to be relied upon by the reader as research, a forecast of future events or a guarantee of future results.

This publication does not provide financial, investment or tax advice or information relating to the securities of any particular fund or other issuer. The information and opinions included in this publication are based on publicly available information, are subject to change and should not be relied upon for any purpose other than general information and education. This publication has been prepared without regard to the individual financial circumstances and objectives of those who receive it and the types of securities discussed in this publication may not be suitable for all investors.

The information included in this document has been taken from trade and other sources considered to be reliable. This document is published in good faith but no representation or warranty, express or implied, is made by BlackRock or by any person as to its accuracy or completeness and it should not be relied on as such. BlackRock or any of its directors, officers, employees or agents shall have no liability for any loss or damage arising out of the use or reliance on the material provided including without limitation, any loss of profit or any other damage, direct or consequential. Any opinions expressed in this document reflect our analysis at this date and are subject to change.

This is not a recommendation, offer or solicitation to buy or sell any securities or to adopt any strategy in any jurisdiction.

This document has not been prepared, reviewed or distributed by any broker-dealer affiliate of BlackRock and should not be deemed a product of any such affiliate.

BlackRock has not performed any due diligence on products which are not managed by BlackRock and accordingly does not make any remark on their suitability for investment purposes. Past performance is not a guide to future performance. Income is not fixed and may fluctuate. Exposure to foreign currencies can be affected by exchange rate movements.

This document or any portion hereof may not be reprinted, sold or redistributed without authorisation from BlackRock Advisors (UK) or its affiliates (together, 'BlackRock').

FOR RESIDENTS IN THE UNITED STATES:

This publication has not been prepared, reviewed or distributed by any broker-dealer affiliate of BlackRock and should not be deemed a product of any such affiliate. This publication does not provide financial, investment or tax advice or information relating to the securities of any particular fund or other issuer. The information and opinions included in this publication are based on publicly available information, are subject to change and should not be relied upon for any purpose other than general information and education. This publication has been prepared without regard to the individual financial circumstances and objectives of those who receive it and the types of securities discussed in this publication may not be suitable for all investors. The information included in this document has been taken from trade and other sources considered to be reliable. This document is published in good faith but no representation or warranty, express or implied is made by BlackRock or by any person as to its accuracy or completeness and it should not be relied on as such. BlackRock or any of its directors, officers, employees or agents shall have no liability for any loss or damage arising out of the use or reliance on the material provided including without limitation, any loss of profit or any other damage, direct or consequential. Any opinions expressed in this document reflect our analysis at this date and are subject to change. This is not a recommendation, offer or solicitation to buy or sell any securities or to adopt any strategy in any jurisdiction.

Disclaimer (continued)

NOTICE TO RESIDENTS IN AUSTRALIA:

Issued by BlackRock Investment Management (Australia) Limited ABN 13 006 165 975, AFSL 230 523 (BIMAL) for the exclusive use of the recipient, who warrants by receipt of this material that they are a wholesale client as defined under the Australian Corporations Act 2001 (Cth) and the New Zealand Financial Advisers Act 2008 respectively. This material provides general information only and does not take into account your individual objectives, financial situation, needs or circumstances. Before making any investment decision, you should therefore assess whether the material is appropriate for you and obtain financial advice tailored to you having regard to your individual objectives, financial situation, needs and circumstances. This material is not a securities recommendation or an offer or solicitation with respect to the purchase or sale of any securities in any jurisdiction. This material is not intended for distribution to, or use by any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation. BIMAL is a part of the global BlackRock Group which comprises of financial product issuers and investment managers around the world. BIMAL is the issuer of financial products and acts as an investment manager in Australia. BIMAL does not offer financial products to persons in New Zealand who are retail investors (as that term is defined in the Financial Markets Conduct Act 2013 (FMCA)). This material does not constitute or relate to such an offer. To the extent that this material does constitute or relate to such an offer of financial products, the offer is only made to, and capable of acceptance by, persons in New Zealand who are wholesale investors (as that term is defined in the FMCA). BIMAL, its officers, employees and agents believe that the information in this material and the sources on which it is based (which may be sourced from third parties) are correct as at the date of publication. While every care has been taken in the preparation of this material, no warranty of accuracy or reliability is given and no responsibility for the information is accepted by BIMAL, its officers, employees or agents. Any investment is subject to investment risk, including delays on the payment of withdrawal proceeds and the loss of income or the principal invested. While any forecasts, estimates and opinions in this material are made on a reasonable basis, actual future results and operations may differ materially from the forecasts, estimates and opinions set out in this material. No guarantee as to the repayment of capital or the performance of any product or rate of return referred to in this material is made by BIMAL or any entity in the BlackRock group of companies. No part of this material may be reproduced or distributed in any manner without the prior written permission of BIMAL.

FOR INVESTORS IN CANADA:

The information and opinions herein are provided for informational purposes only, are subject to change and should not be relied upon as the basis for investment decisions. Past performance is not necessarily indicative of future performance. This document is not and should not be construed as a solicitation or offering of units of any funds or other security in any jurisdiction. No part of this publication may be reproduced in any manner without prior written permission of BlackRock Asset Management Canada Limited and/or its affiliates.

FOR INVESTORS IN HONG KONG:

Some of the funds mentioned herein have not been registered with the Securities and Futures Commission for offering or distribution in Hong Kong. Accordingly, this material may not be circulated or distributed, nor may the funds be offered or sold whether directly or indirectly, to any person in Hong Kong other than to a Professional Investor as defined in the Securities and Futures Ordinance ("SFO") (Cap. 571 of the laws of Hong Kong) and any regulations there under.

NOTICE TO RESIDENTS IN INDIA:

This document is intended for information purposes only and does not constitute investment advice or an offer to sell or solicitation of an offer to buy the funds described herein. This document has been provided by BlackRock in a private and confidential manner to financial intermediaries only upon their request. The funds mentioned herein have not been registered with any authorities in India.

NOTICE TO RESIDENTS IN JAPAN:

This document is solely for educational purposes and does not constitute advertisement of financial services targeted at investors in Japan. This document is intended for information purposes only and does not constitute investment advice or an offer to sell or solicitation of an offer to buy the funds described herein. This document has been provided by BlackRock in a private and confidential manner to Qualified Institutional Investors (as defined in the Financial Instruments and Exchange Law of Japan) only upon their request.

Disclaimer (continued)

FOR INSTITUTIONAL AND PROFESSIONAL INVESTORS ONLY IN LATIN AMERICA:

In Latin America, for Institutional and Professional Investors only. This material is solely for educational purposes only and does not constitute an offer or a solicitation to sell or a solicitation of an offer to buy any shares of any securities (nor shall any such securities be offered or sold to any person) in any jurisdiction within Latin America in which an offer, solicitation, purchase or sale would be unlawful under the securities law of that jurisdiction. It is possible that all or some of the funds mentioned or referred to in this material have not been registered with the securities regulator of Brazil, Chile, Colombia, Mexico and Peru or any other securities regulator in any Latin American country, and thus, might not be publicly offered, purchased or sold within any such country. The securities regulators of such countries have not confirmed the accuracy of any information contained herein. No information discussed herein can be provided to the general public in Latin America.

NOTICE TO RESIDENTS IN SINGAPORE:

This document is provided by BlackRock (Singapore) Limited (company registration number: 200010143N) for use with institutional investors only. This document has not been registered as a prospectus with the Monetary Authority of Singapore (MAS). Some of the funds mentioned herein have not been registered with the MAS for distribution in Singapore. Accordingly, this and any other document or material in connection with the offer or sale of the Shares may not be circulated or distributed, nor may the Shares be offered or sold, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor pursuant to Section 304 of the Securities and Futures Act (SFA) or (ii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. First sales of the Shares acquired pursuant to Section 304 of the SFA are subject to the requirements under Section 304A of the SFA.

NOTICE TO RESIDENTS IN SOUTH AFRICA:

BlackRock Investment Management (UK) Limited is registered with the South African Financial Services Board, FSP No. 43288.

NOTICE TO RESIDENTS IN THAILAND:

This document is intended for information purposes only and does not constitute investment advice or an offer to sell or solicitation of an offer to buy the funds described herein. This document has been provided by BlackRock in a private and confidential manner to institutional investors only upon their request. The funds mentioned herein have not been registered with any authorities in Thailand, and accordingly, this document may not be circulated or distributed, nor may the shares of these funds be offered or sold whether directly or indirectly, to any person in Thailand.

NOTICE TO RESIDENTS IN VIETNAM:

This document is intended for information purposes only and does not constitute investment advice or an offer to sell or solicitation of an offer to buy the funds described herein. This document has been provided by BlackRock in a private and confidential manner to institutional investors only upon their request. The funds mentioned herein have not been registered with any authorities in Vietnam, and accordingly, this document may not be circulated or distributed, nor may the shares of these funds be offered or sold whether directly or indirectly, to any person in Vietnam.

FOR INVESTORS IN TAIWAN:

Independently operated by BlackRock Investment Management (Taiwan) Limited. Address: 28/F, No. 95, Tun Hwa South Road, Section 2, Taipei 106, Taiwan. Tel: (02)23261600.

Disclaimer (continued)

FOR DISTRIBUTION IN KOREA FOR PROFESSIONAL INVESTORS ONLY (OR “PROFESSIONAL CLIENTS”, AS SUCH TERM MAY APPLY IN LOCAL JURISDICTIONS).

Neither Fund nor BlackRock is making any representation with respect to the eligibility of any recipients of these materials to acquire interests in the Fund under the laws of Korea, including but without limitation the Foreign Exchange Transaction Act and Regulations thereunder. The Fund has not been registered under the Financial Investment Services and Capital Markets Act of Korea, and interests in the Fund may not be offered, sold or delivered, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to applicable laws and regulations of Korea. Certain sub-funds of US iShares Trust are partially registered in Korea and may be offered through locally licensed distributors. Other than the aforementioned US iShares Trust, the iShares funds are not registered in Korea and may not be offered, sold and delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the Financial Investment Services and Capital Markets Act and the Foreign Exchange Transaction Law of Korea and their subordinate decrees and regulations.