



ETF Market Scoop

JULY 2025

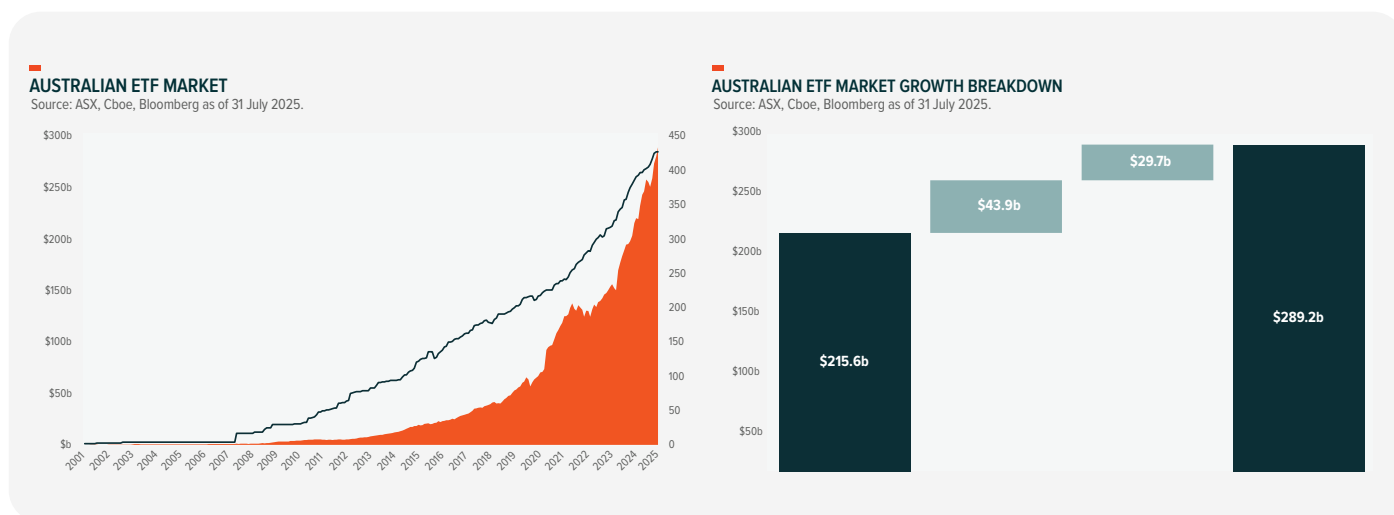
Beyond Ordinary ETFs™

GLOBAL X
by Mirae Asset

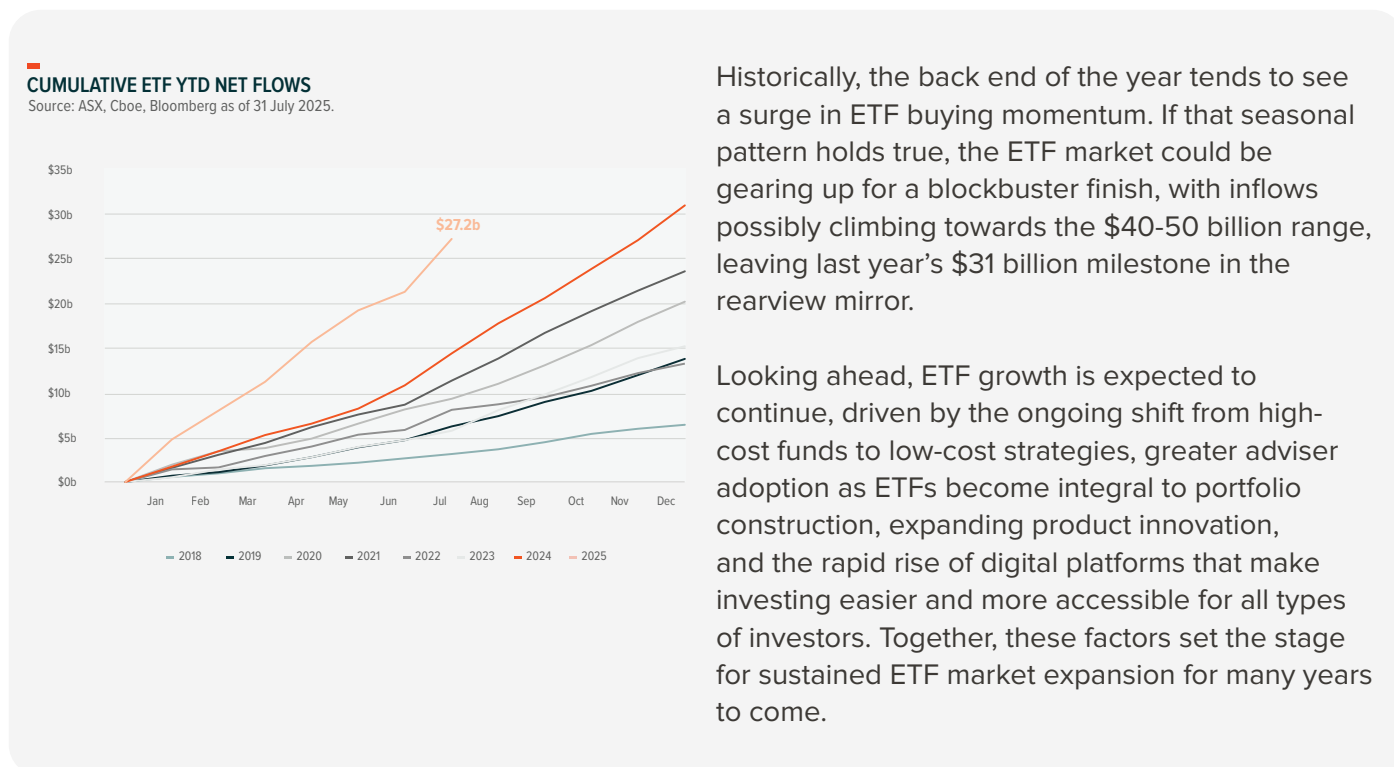
ETF Market Growth

The Australian Exchange Traded Fund (ETF) market grew \$8.6 billion (+3.1%) over the month to \$289.2 billion across 427 products. No new ETFs were launched in July.

The Australian ETF market has grown 34.1% over the past year, and is running at a five-year compound annual growth rate (CAGR) of 34.0% p.a. This growth was driven by \$43.9 billion in net inflows over the past year and positive market movements across multiple asset classes.



The Australian ETF market is off to a record-breaking start in 2025, with YTD net flows reaching \$27.2 billion, an 89% increase compared to the same period last year.



Best Performing ETFs

Ethereum was the best-performing ETF category in July 2025, rising over 57% for the month. The rally was supported by renewed investor confidence following the passage of the GENIUS Act in the US, which provided long-awaited regulatory clarity around stablecoins and digital asset infrastructure. Interest in Ethereum continues to grow as it plays a foundational role in tokenisation, decentralised finance, and the broader Web3 financial ecosystem. Defence ETFs have continued their strong momentum in 2025, fuelled by escalating global tensions and substantial increases in defence budgets, with ETFs focused specifically on defence technology up over 58% so far this year.

MONTHLY RETURNS

Source: Bloomberg as of 31 July 2025.

Ticker	Fund Name	Return
IETH	Monochrome Ethereum ETF	+57.9%
EETH	Global X 21Shares Ethereum ETF	+57.2%
QETH	Betashares Ethereum ETF	+50.9%
MCCL	Munro Climate Change Leaders Fund Active ETF	+26.7%
MCGG	Munro Concentrated Global Growth Active ETF	+23.2%

YTD RETURNS

Source: Bloomberg as of 31 July 2025.

Ticker	Fund Name	Return
DTEC	Global X Defence Tech ETF	+58.2%
DFND	VanEck Global Defence ETF	+54.0%
MNRS	Betashares Global Gold Miners Currency Hedged ETF	+50.1%
GDX	VanEck Gold Miners ETF	+46.4%
ARMR	Betashares Global Defence ETF	+44.8%

1-YEAR RETURNS

Source: Bloomberg as of 31 July 2025.

Ticker	Fund Name	Return
GAME	Betashares Video Games and Esports ETF	+80.7%
VBTC	VanEck Bitcoin ETF	+80.1%
BTXX	DigitalX Bitcoin ETF	+79.9%
IBTC	Monochrome Bitcoin ETF	+79.4%
EBTC	Global X 21Shares Bitcoin ETF	+79.1%

Worst Performing ETFs

The Australian dollar depreciated against the US dollar in July, with most of the weakness occurring in the second half of the month. Softer-than-expected local employment data and rising expectations of rate cuts by the Reserve Bank of Australia weighed on the currency, especially as the US Federal Reserve maintained a more hawkish stance last month. This growing divergence in interest rate outlooks made the AUD less attractive to global investors, driving it lower. Indian equity ETFs also dipped in July amid challenges, including escalating trade tensions with the US over a possible 50% tariff, a weakening rupee, and geopolitical uncertainties stemming from the ongoing conflict with Pakistan.

MONTHLY RETURNS

Source: Bloomberg as of 31 July 2025.

Ticker	Fund Name	Return
AUDS	Betashares Strong Australian Dollar Complex ETF	-4.9%
SNAS	Global X Ultra Short Nasdaq 100 Complex ETF	-4.8%
BUGG	Global X Cybersecurity ETF	-4.8%
GRIN	VanEck India Growth Leaders ETF	-4.7%
IAEF	India Avenue Equity Fund Active ETF	-4.7%

YTD RETURNS

Source: Bloomberg as of 31 July 2025.

Ticker	Fund Name	Return
BBUS	Betashares US Equities Strong Bear Currency Hedged Complex ETF	-25.6%
SNAS	Global X Ultra Short Nasdaq 100 Complex ETF	-20.3%
BBOZ	Betashares Australian Equities Strong Bear Complex ETF	-16.9%
CLDD	Betashares Cloud Computing ETF	-9.1%
CURE	Global X S&P Biotech ETF	-8.7%

1-YEAR RETURNS

Source: Bloomberg as of 31 July 2025.

Ticker	Fund Name	Return
SNAS	Global X Ultra Short Nasdaq 100 Complex ETF	-35.1%
BBUS	Betashares US Equities Strong Bear Currency Hedged Complex ETF	-34.0%
BBOZ	Betashares Australian Equities Strong Bear Complex ETF	-16.9%
DRUG	Betashares Global Healthcare Currency Hedged ETF	-14.3%
CURE	Global X S&P Biotech ETF	-12.6%

Most Popular ETF Categories by Net Flows

In July, broad-based global share ETFs were the clear standout by a wide margin, attracting around \$885 million in net flows, marking the third largest month of inflows ever recorded for the category. Driven by risk-on sentiment, investors allocated money into low-cost, vanilla global share ETFs focused on developed markets. US equity ETFs also saw strong demand, with \$333 million in net flows during the month, as US shares recovered from early-year underperformance to now be aligned with other developed markets such as Europe. Meanwhile, global fixed income ETFs experienced their strongest month on record, drawing in over \$432 million in net flows, of which \$291 million went into a single diversified global fixed income ETF.

MONTHLY FLOWS

Source: ASX, Cboe, Bloomberg as of 31 July 2025.

Category	Flows
Global Shares – Global	\$885m
Australian Shares – Broad	\$399m
Global Shares – US	\$333m
Global Fixed Income – Diversified	\$291m
Cash and Money Market	\$255m

YTD FLOWS

Source: ASX, Cboe, Bloomberg as of 31 July 2025.

Category	Flows
Australian Shares – Broad	\$4.3b
Global Shares – Global	\$4.0b
Global Shares – US	\$1.5b
Global Fixed Income - Diversified	\$1.2b
Australian Fixed Income - Diversified	\$1.1b

1-YEAR FLOWS

Source: ASX, Cboe, Bloomberg as of 31 July 2025.

Category	Flows
Australian Shares – Broad	\$6.5b
Global Shares – Global	\$6.3b
Global Shares – US	\$3.7b
Global Factor – Quality	\$1.9b
Australian Fixed Income - Diversified	\$1.9b

Least Popular ETF Categories by Net Flows

In July, Australian sector ETFs experienced notable outflows, with resources leading the declines, recording \$52 million in net outflows, marking the fourth-worst month historically for the category, and its weakest since July 2018. Financials also faced pressure, seeing \$22 million in net outflows. These trends may reflect investor caution ahead of the upcoming Australian reporting season, coupled with ongoing uncertainty around the materials sector's recovery prospects. Additionally, Australian banks trading at a premium valuation may have contributed to the cautious sentiment, prompting some investors to reduce exposure in the sector amid a broader backdrop of market volatility and macroeconomic concerns.

MONTHLY FLOWS

Source: ASX, Cboe, Bloomberg as of 31 July 2025.

Category	Flows
Australian Sector – Resources	-\$52m
Australian Sector – Financials	-\$22m
Thematic – Electric Car and Battery Tech	-\$16m
Global Shares – US Leverage	-\$10m
Global Fixed Income – ESG	-\$9m

YTD FLOWS

Source: ASX, Cboe, Bloomberg as of 31 July 2025.

Category	Flows
Australian Sector – Resources	-\$110m
Global Fixed Income – US Treasuries	-\$80m
Thematic – Electric Car and Battery Tech	-\$74m
Global Fixed Income – ESG	-\$40m
Global Sector – Healthcare	-\$33m

1-YEAR FLOWS

Source: ASX, Cboe, Bloomberg as of 31 July 2025.

Category	Flows
Global Shares – Active	-\$959m
Global Fixed Income – US Treasuries	-\$123m
Thematic – Electric Car and Battery Tech	-\$114m
Australian Shares – Inverse	-\$72m
Global Shares - China	-\$66m

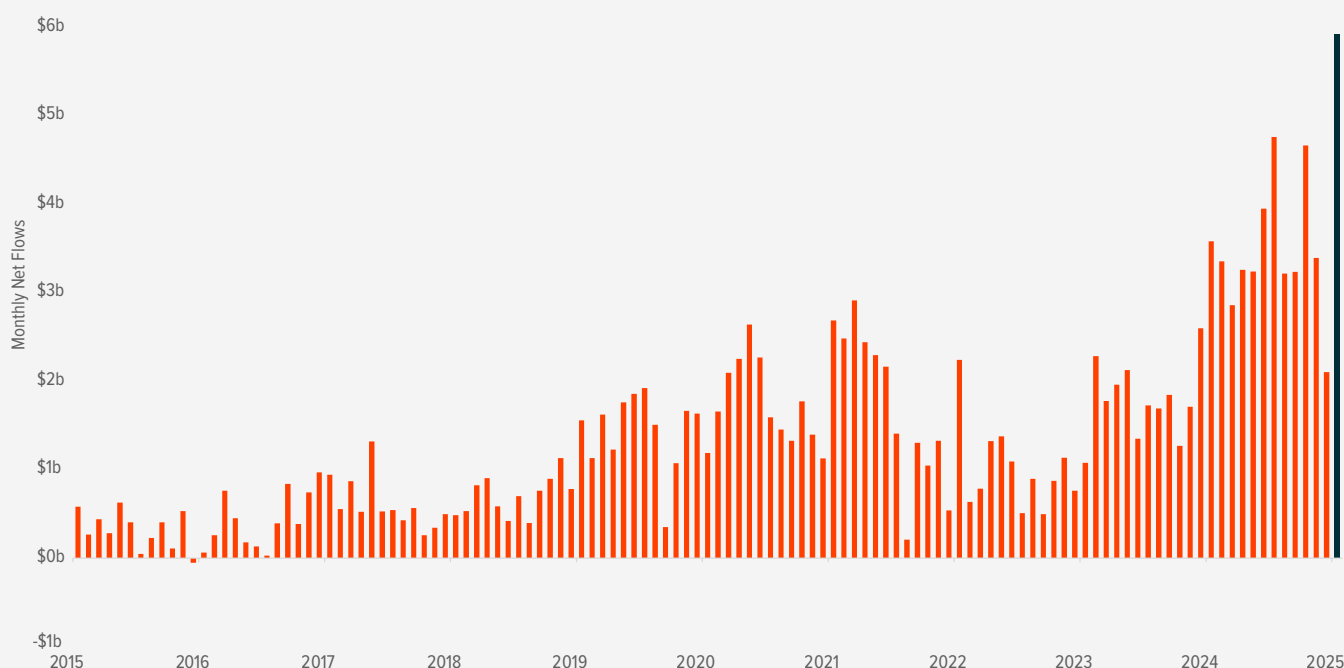
Key Trends and Observations

Record-Breaking Month for ETF Flows

July 2025 marked a historic milestone for the ETF industry, setting a new record for monthly inflows with over \$5.9 billion in net flows, surpassing the previous high of \$4.8 billion set in January this year. This remarkable surge highlights the growing momentum and investor confidence in ETFs as a preferred investment vehicle. The consistent inflows reflect the ongoing appeal of ETFs, which continue to resonate strongly with a broad range of investors.

JULY 2025 SAW ETF NET FLOWS REACH AN ALL-TIME HIGH

Source: ASX, Cboe, Bloomberg as of 31 July 2025.



Global shares saw their strongest month on record, attracting \$2.9 billion in net flows, driven largely by broad-based global exposures and a rebound in US-focused ETFs, which pulled in \$395 million in net flows after two softer months. The figures highlight how Australians are increasingly turning to ETFs for offshore diversification and international market access.

The record-breaking numbers also underscore how ETFs are solidifying their role in diversified portfolios, driven by their flexibility, transparency, and ability to provide targeted market exposure. Investors are increasingly drawn to ETFs for their low-cost structure, especially when compared to traditional mutual funds. As the ETF market matures, it's clear that these funds are not just a passing trend but a foundational pillar in modern investing. This momentum sets a strong tone for continued growth and innovation in the ETF landscape, in what will be a record-breaking year for ETFs in Australia in 2025.

Precious Metals Momentum Growing

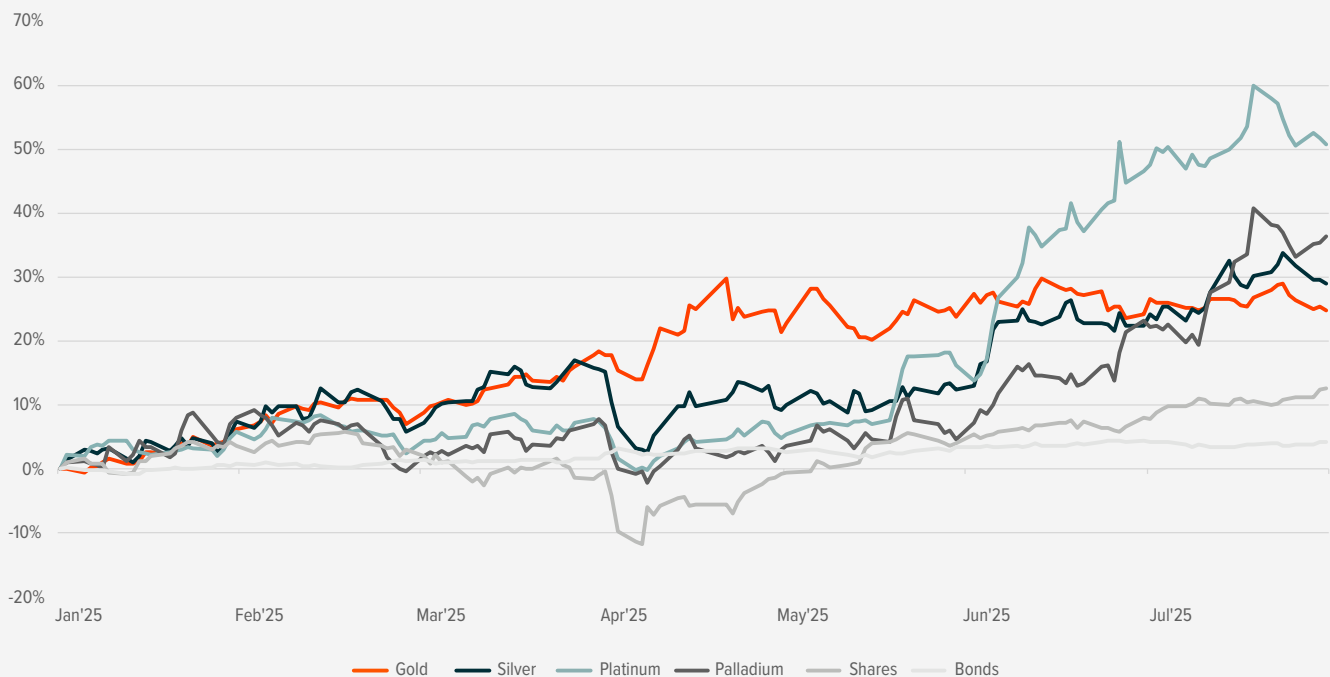
Precious metal ETFs have experienced strong growth, with eight consecutive months of inflows, marking their longest streak of positive net flows since the COVID-19 pandemic. The category attracted over \$108 million in net flows in July, and has now crossed the billion-dollar mark in year to date net flows.

This surge reflects investors' increasing interest in hedging their portfolios with liquid alternative assets amid ongoing market uncertainty. Some fund managers are bullish on gold, forecasting prices to surpass \$4,000 by year-end¹, further driving demand. While gold continues to dominate net flows, silver has been a surprising performer in 2025, gathering \$169 million in inflows so far, including \$40 million in July alone - its third-best month on record.

Platinum has been the standout precious metal this year, supported by strong industrial demand and supply constraints. Palladium has also seen notable gains, benefiting from its critical role in automotive catalytic converters. Meanwhile, traditional favourites gold and silver have maintained robust performance, fuelled by safe-haven demand and inflation hedging.

PRECIOUS METALS OUTSHINE TRADITIONAL ASSETS SO FAR IN 2025

Source: Bloomberg as of 31 July 2025. Indices used: LBMA Gold Price, LBMA Silver Price, LME Platinum Price, LME Palladium Price, MSCI World Index, Bloomberg AusBond Composite 0+Yr Index. Past performance is not a reliable indicator of future performance. You cannot invest directly in an index.



Although precious metals are often viewed as alternative investments, their liquidity and accessibility through ETF wrappers make them a practical option for clients seeking to diversify beyond the traditional stock and bond allocation. While the traditional 60/40 portfolio may not be dead, investors may be rethinking the defensive portion by incorporating broader commodities into their allocation.

Beyond the Benchmark: The Smart Beta Surge

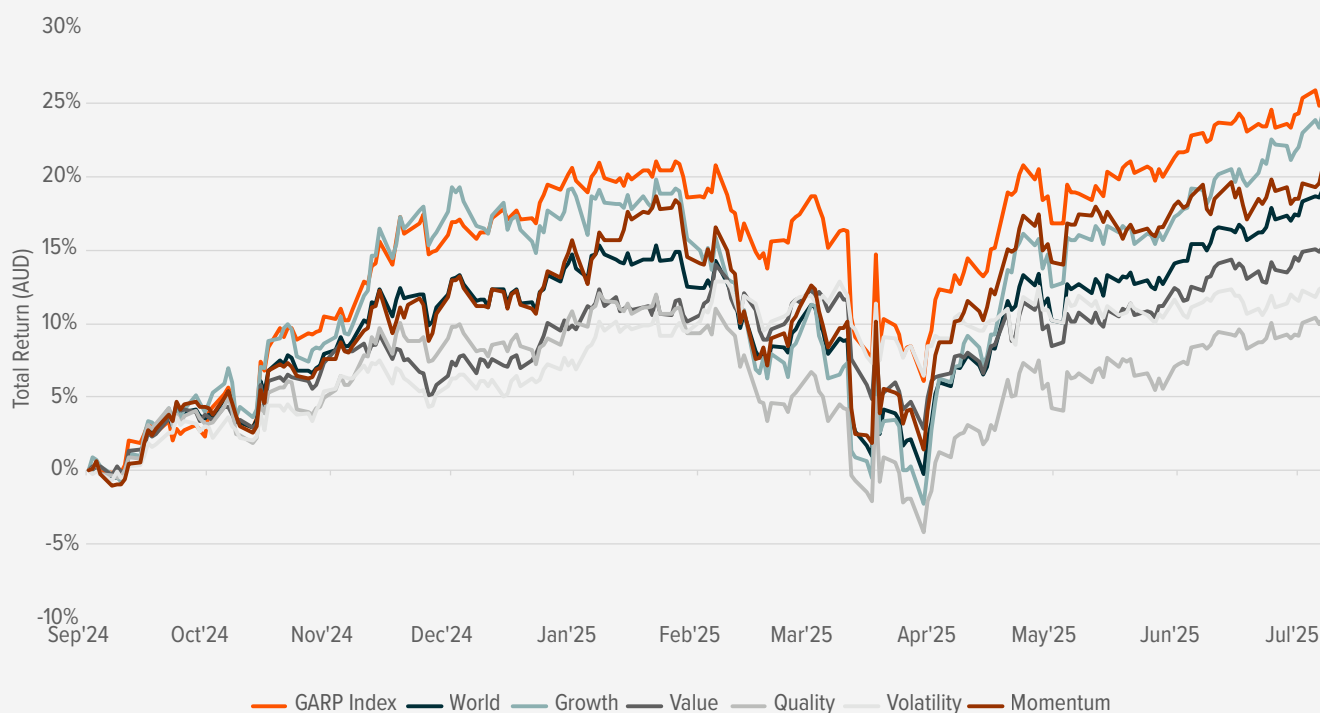
Smart beta ETFs are gaining traction in Australia as investors look beyond traditional market-cap (i.e. size) weighted strategies. By following transparent, rules-based indices that target specific factors such as growth, quality and value, these ETFs aim to complement broad-based holdings with the potential for enhanced diversification or outperformance.

Because they track an index, smart beta ETFs can be delivered at a lower cost than actively managed funds employing similar strategies², making them an efficient middle ground between passive and active investing. Smart beta ETFs now capture roughly a quarter of all equity ETF net flows, a decent rise from just 16% five years ago, underscoring their rapid growth and rising investor appeal.

Factor strategies can also be blended to capture the benefits of multiple approaches. One example is Growth at a Reasonable Price (GARP), which balances the earnings and revenue growth with an emphasis on valuation discipline. Since launching in September 2024, the GARP ETF strategy has delivered a standout return of over 25%, outperforming every major single-factor strategy, such as quality, value, and momentum, as well as the majority of active global equity ETFs listed in Australia. This illustrates how combining factors within a disciplined, rules-based framework can deliver strong results while keeping costs low.

WORLD FACTOR INDEX RETURNS SINCE GARP'S ETF LAUNCH

Source: Bloomberg as of 31 July 2025 using MSCI Factor Indices and S&P World ex Australia GARP Index since



Looking ahead, the shift from high-cost active management to low-cost, rules-based investing is likely to keep driving demand for smart beta ETFs. As investors seek targeted strategies without paying active fees, smart beta's growth in Australia shows no signs of slowing.

Global X Most Popular ETF Flows

In July, investor demand for technology and AI remained strong across the Global X range, with the Global X FANG+ ETF (FANG) seeing robust inflows as mega-cap tech stocks delivered upbeat earnings results, with over 80% of US companies exceeding expectations.³ Microsoft and Meta both reported strong numbers, helping lift sentiment towards the sector and reinforcing confidence in the ongoing AI-driven growth story. The Global X Artificial Intelligence ETF (GXAI) also benefited as investors sought to capture the structural earnings growth gap between AI-related companies and the broader market, with recent data showing AI leaders are meaningfully outperforming non-AI peers.⁴

Defence ETFs remain the most popular thematic, with the Global X Defence Tech ETF (DTEC) continuing to attract inflows amid elevated global security spending. Gold and silver were another key area of interest during the month, where Global X's position as the largest provider of precious metals ETFs in Australia helped capture strong allocations. Gold demand was supported by stagflation concerns, falling real yields, and ongoing central bank buying, while silver continued to attract attention from investors positioning for both its inflation-hedge qualities and industrial demand outlook.

MONTHLY FLOWS

Source: ASX, Cboe, Bloomberg as of 31 July 2025.

Fund Name	Flows
Global X FANG+ ETF (FANG)	\$108m
Global X Physical Silver Structured (ETPMAG)	\$40m
Global X Physical Gold Structured (GOLD)	\$27m
Global X S&P World ex Australia GARP ETF (GARP)	\$24m
Global X Artificial Intelligence ETF (GXAI)	\$20m

YTD FLOWS

Source: ASX, Cboe, Bloomberg as of 31 July 2025.

Fund Name	Flows
Global X Physical Gold Structured (GOLD)	\$226m
Global X FANG+ ETF (FANG)	\$214m
Global X Physical Silver Structured (ETPMAG)	\$169m
Global X EURO STOXX 50 ETF (ESTX)	\$98m
Global X Defence Tech ETF (DTEC)	\$66m

1-YEAR FLOWS

Source: ASX, Cboe, Bloomberg as of 31 July 2025.

Category Name	Flows
Global X FANG+ ETF (FANG)	\$379m
Global X Physical Silver Structured (ETPMAG)	\$213m
Global X Gold Bullion ETF (GXLD)	\$190m
Global X Physical Gold Structured (GOLD)	\$182m
Global X EURO STOXX 50 ETF (ESTX)	\$121m

Global X Top Trending ETFs

AI Infrastructure has experienced increased investor interest as more market participants recognise the broader AI value chain and the vital pillars supporting AI's growth, including data centre buildouts and the energy and cooling systems that power these facilities. Meanwhile, our recently launched currency-hedged versions of the popular FANG and GOLD ETFs continue to gain traction, reflecting investors' strategic positioning around currency views while maintaining exposure to these key areas.

Source: ASX, Cboe, Bloomberg as of 31 July 2025.

Ticker	Fund Name	3 Month Flows	Current FUM	3-Month Flow (% of Starting AUM)
AINF	Global X AI Infrastructure ETF	\$9m	\$10m	+1808%
GHLD	Global X Gold Bullion (Currency Hedged) ETF	\$41m	\$43m	+1534%
DTEC	Global X Defence Tech ETF	\$50m	\$80m	+219%
GARP	Global X S&P World ex Australia GARP ETF	\$37m	\$80m	+96%
FHNG	Global X FANG+ (Currency Hedged) ETF	\$15m	\$35m	+93%

[1] Bloomberg (29 July 2025): Fidelity Says \$4,000 Gold Possible as Fed Cuts, Dollar Drops!

[2] Source: Morningstar Direct based on Global Equity Open Ended Funds Category

[3] FactSet (8 August 2025): Earnings Insight

[4] Bloomberg (11 August 2025): AI Is Already Creating Plenty of Stock Market Losers

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