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# ETP Marketplace Highlights

May 2017

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# Highlights from the Month — May 2017

## Product Evolution

Launches: 18

New Filings: 24

Announced Modifications\*: 1

Announced Closures: 11

### U.S. Equity ETP Outflows

U.S. Equity ETPs experienced monthly outflows for the first time since February 2016

### GraniteShares Commodity ETP Launch

GraniteShares launched the lowest cost broad commodity ETP in the industry

### Deutsche X-trackers Closures

Deutsche Bank announced the liquidation of five currency-hedged ETPs

### ForceShares 4X Leverage Filings

The SEC announced that it's reconsidering an earlier approval for 4X leveraged ETPs

### Bitcoin ETP Gets Second Chance

The SEC announced that it's reviewing the Winklevoss Bitcoin Trust again, after denying the filing in March

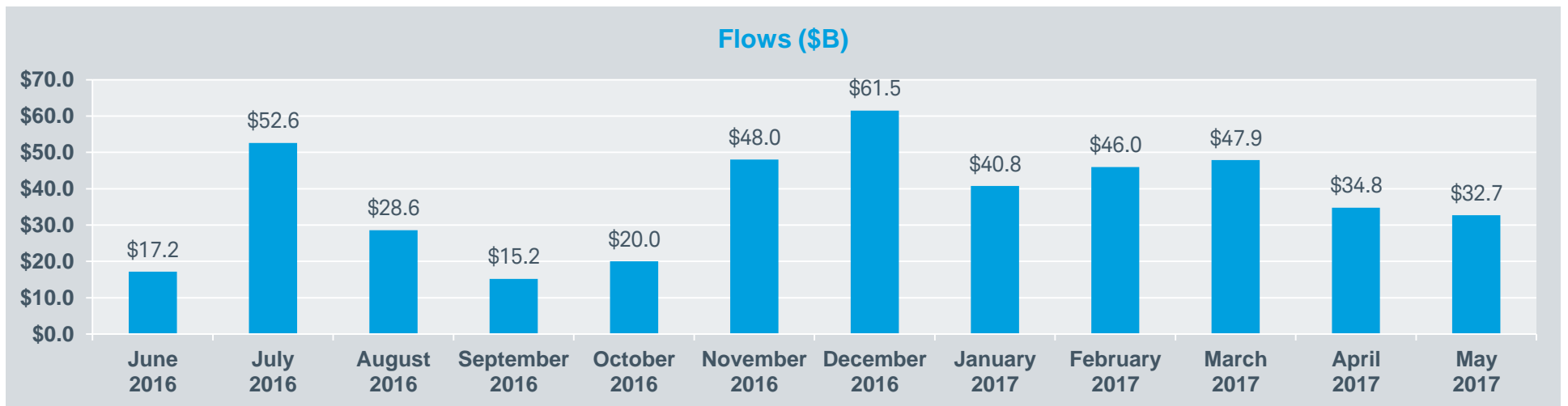
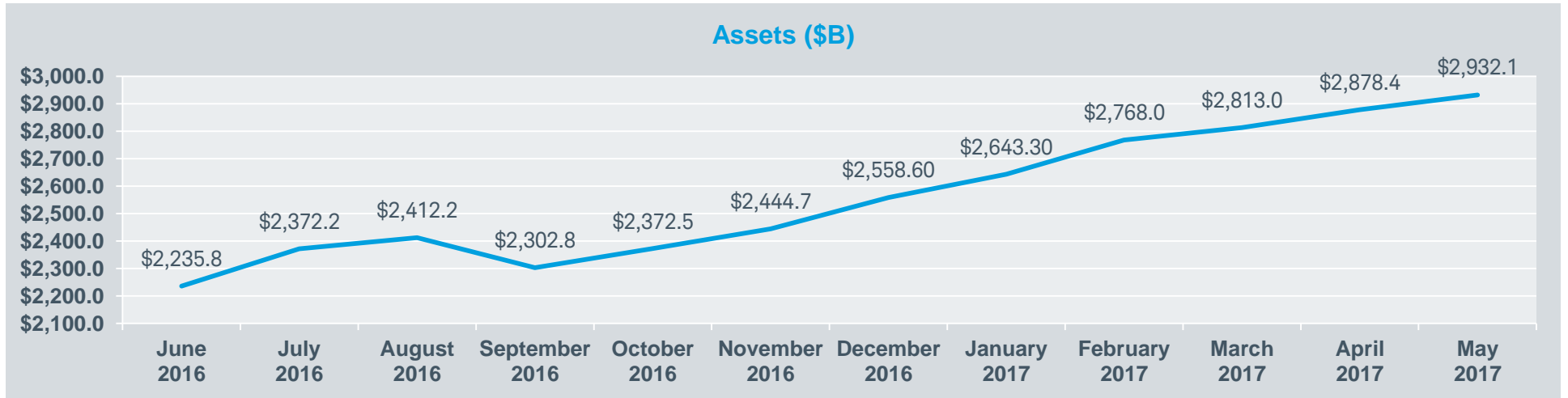
\* Modifications refer to index changes, name changes, OER reductions, advisor/sub-advisor changes, etc. Only ETPs and affiliated ETPs within the same product suite with AUMs > \$250M are covered in Modifications

See Appendix for a list of launches, filings, modifications, closures and exemptive relief applications and grants and the sources for such information

Please see the final slide for definitions

# Assets and Flows

May 31, 2017 Total ETP AUM	May 2017 ETP AUM Change	May 2017 ETP Flows	YTD 2017 ETP Flows*
AUM: \$2.93 Trillion	Assets: \$53.7 Billion	Assets: \$32.7 Billion	Assets: \$203.8 Billion



\*YTD flows according to ETF.com's May 2017 Monthly ETF Flows Report, published on June 1, 2017. YTD flows may differ from aggregated flows from prior months, which may result from adjustments made to monthly flows after each Monthly ETF Flows Report was issued by the data provider. Any such adjustments are not reflected in the monthly flows chart.  
Source: ETF.com and FactSet

# Top 20 League Table

- BlackRock and Vanguard dominated flows in May, capturing over 98% of net flows, combined
- State Street Global Advisors suffered significant outflows, nearly \$8 billion, with flagship ETPs like SPY, DIA and MDY experiencing large outflows
- Van Eck's outflows continued in May, largely from its gold miners ETPs, GDX and GDXJ

Rank	Δ in Rank	Sponsor	5/31/17		4/30/17		M-O-M Change		
			AUM (\$, MM)	% of Total	AUM (\$, MM)	% of Total	Δ in AUM (\$, MM)	Net Flows (\$, MM)	Net Flows (% of Total)
1	-	BlackRock	1,150,661.8	39.2%	1,123,326.4	39.0%	27,335.4	17,565.7	53.7%
2	-	Vanguard	721,298.0	24.6%	700,338.3	24.3%	20,959.7	14,558.0	44.5%
3	-	State Street Global Advisors	532,539.4	18.2%	537,583.6	18.7%	-5,044.3	-7,818.4	-23.9%
4	-	PowerShares	127,161.4	4.3%	123,364.0	4.3%	3,797.4	1,548.2	4.7%
5	-	Schwab ETFs	75,899.9	2.6%	72,984.6	2.5%	2,915.3	2,351.9	7.2%
6	-	First Trust	47,920.9	1.6%	46,483.0	1.6%	1,437.9	1,080.1	3.3%
7	-	WisdomTree	43,378.3	1.5%	42,686.1	1.5%	692.2	579.6	1.8%
8	-	Guggenheim	35,317.5	1.2%	35,238.9	1.2%	78.6	-91.8	-0.3%
9	-	Van Eck	32,095.6	1.1%	33,529.3	1.2%	-1,433.8	-1,623.7	-5.0%
10	-	ProShares	27,745.0	0.9%	27,495.8	1.0%	249.2	419.5	1.3%
11	+1	Deutsche Bank	14,754.6	0.5%	14,311.9	0.5%	442.7	146.9	0.4%
12	-1	ALPS	14,240.6	0.5%	14,622.6	0.5%	-382.1	139.7	0.4%
13	-	FlexShares	14,080.9	0.5%	13,799.1	0.5%	281.8	234.6	0.7%
14	-	PIMCO	13,731.1	0.5%	13,271.1	0.5%	460.0	428.6	1.3%
15	-	Direxion	11,236.1	0.4%	11,169.8	0.4%	66.3	45.1	0.1%
17	-	UBS	7,223.6	0.2%	7,202.6	0.3%	21.0	73.8	0.2%
16	+1	Fidelity	6,667.9	0.2%	6,397.4	0.2%	270.5	218.0	0.7%
18	-1	Barclays Capital	6,479.3	0.2%	6,537.3	0.2%	-58.0	-31.4	-0.1%
19	-	JPMorgan	5,284.3	0.2%	5,334.6	0.2%	-50.3	126.2	0.4%
20	-	Global X	5,207.3	0.2%	4,853.5	0.2%	353.8	339.7	1.0%

# Flows and Assets by Asset Class

- International Equity dominated May inflows, pulling in \$23.0 billion in inflows and boosting its overall percentage of industry total AUM from 21.3% to 22.3%
- U.S. Equities saw outflows of \$1.5 billion, the first negative flows since February 2016, as investors rotated assets into International Equity
- Outflows continued in Commodity ETPs in May

Asset Category	5/31/17		4/30/17		M-O-M Change	
	AUM (\$, MM)	% of Total	AUM (\$, MM)	% of Total	Change in AUM (\$, MM)	Net Flows (\$, MM)
U.S. Equity	1,642,324.1	56.0%	1,640,230.7	57.0%	2,093.4	-1,552.6
International Equity	653,247.0	22.3%	613,904.9	21.3%	39,342.1	23,019.4
U.S. Fixed Income	466,138.7	15.9%	455,087.1	15.8%	11,051.6	8,892.4
International Fixed Income	49,726.3	1.7%	47,165.3	1.6%	2,561.0	2,229.9
Commodities	63,894.2	2.2%	64,605.9	2.2%	-711.7	-658.2
Currency	1,276.3	0.0%	2,851.4	0.1%	-1,575.1	-138.1
Leveraged	27,652.6	0.9%	26,620.9	0.9%	1,031.7	711.2
Inverse	17,020.9	0.6%	17,270.3	0.6%	-249.4	-29.3
Asset Allocation	7,056.4	0.2%	6,900.4	0.2%	156.0	117.9
Alternatives	3,727.8	0.1%	3,736.6	0.1%	-8.8	132.2
<b>Total:</b>	<b>2,932,064.3</b>	<b>100.0%</b>	<b>2,878,373.4</b>	<b>100.0%</b>	<b>53,690.9</b>	<b>32,724.7</b>

Source: ETF.com and FactSet.

# Top ETP Net Flows

- International markets were the biggest winners in May on an inflows basis, with EAFE, Europe and Emerging Markets focused ETPs dominating the top 10 inflows list
- For the second straight month, US small caps suffered outflows, with investors pulling over \$4.8 billion from iShares' IWM
- The industry's largest gold miners, financials and technology ETPs also saw large outflows in May

Top 10 Net Inflows				
Ticker	Name	Sponsor	May 2017 AUM (\$, MM)	May 2017 Flows (\$, MM)
EFA	iShares MSCI EAFE ETF	BlackRock	75,799.3	4,047.2
LQD	iShares iBoxx \$ Investment Grade Corporate Bond ETF	BlackRock	33,924.2	2,189.8
IEMG	iShares Core MSCI Emerging Markets ETF	BlackRock	31,407.4	1,962.9
IEFA	iShares Core MSCI EAFE ETF	BlackRock	26,659.8	1,918.9
VOO	Vanguard S&P 500 ETF	Vanguard	68,749.1	1,851.6
VGK	Vanguard FTSE Europe ETF	Vanguard	14,565.7	1,825.3
EZU	iShares MSCI Eurozone ETF	BlackRock	12,654.7	1,789.8
IVV	iShares Core S&P 500 ETF	BlackRock	112,567.4	1,783.7
VEA	Vanguard FTSE Developed Markets ETF	Vanguard	53,678.4	1,763.3
VWO	Vanguard FTSE Emerging Markets ETF	Vanguard	55,071.7	1,444.0

Top 10 Net Outflows				
Ticker	Name	Sponsor	May 2017 AUM (\$, MM)	May 2017 Flows (\$, MM)
IWM	iShares Russell 2000 ETF	BlackRock	34,921.9	-4,879.6
SPY	SPDR S&P 500 ETF Trust	State Street Global Advisors	235,864.1	-4,666.6
GDV	VanEck Vectors Gold Miners ETF	VanEck	9,061.2	-1,411.1
HYG	iShares iBoxx \$ High Yield Corporate Bond ETF	BlackRock	18,092.5	-1,379.8
DIA	SPDR Dow Jones Industrial Average ETF Trust	State Street Global Advisors	15,290.0	-1,036.1
XLF	Financial Select Sector SPDR Fund	State Street Global Advisors	22,095.2	-761.2
MDY	SPDR S&P Midcap 400 ETF Trust	State Street Global Advisors	18,474.8	-706.0
XLK	Technology Select Sector SPDR Fund	State Street Global Advisors	17,412.5	-526.5
IYR	iShares U.S. Real Estate ETF	BlackRock	4,302.4	-497.5
GDXJ	VanEck Vectors Junior Gold Miners ETF	VanEck	3,700.1	-411.7

Source: Strategic Insight Simfund, as of March 31, 2017

# Disclosures

**Investors should consider carefully information contained in the prospectus or, if available, the summary prospectus, including investment objectives, risks, charges and expenses. You can obtain a prospectus by visiting <https://www.csimfunds.com> or calling 1-877-824-5615. Please read the prospectus carefully before investing.**

Investment returns will fluctuate and are subject to market volatility, so that an investor's shares, when redeemed or sold, may be worth more or less than their original cost. Some specialized exchanged-traded funds can be subject to additional market risks. Unlike mutual funds, shares of ETFs are not individually redeemable directly with the ETF. Shares of ETFs are bought and sold at market price, which may be higher or lower than the net asset value (NAV).

ETPs mentioned are for informational purposes and not an offer to buy or sell a particular security.

Data here is obtained from what are considered reliable sources; however, its accuracy, completeness or reliability cannot be guaranteed.

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# Appendix

May 2017

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# ETP Launches

Ticker	Name	Sponsor	Exchange	OER	Launch Date
VMOT	Alpha Architect Value Momentum Trend ETF	Alpha Architect	BATS	0.79%	5/3/17
MEXX	Direxion Daily MSCI Mexico Bull 3X Shares	Direxion	NYSE Arca	1.09%	5/3/17
UTSL	Direxion Daily Utilities Bull 3X Shares	Direxion	NYSE Arca	1.01%	5/3/17
DUSL	Direxion Daily Industrials Bull 3X Shares	Direxion	NYSE Arca	1.08%	5/3/17
TPOR	Direxion Daily Transportation Bull 3X Shares	Direxion	NYSE Arca	1.08%	5/3/17
DFEN	Direxion Daily Aerospace & Defense Bull 3X Shares	Direxion	NYSE Arca	1.08%	5/3/17
CACG	ClearBridge All Cap Growth ETF	Legg Mason	Nasdaq	0.53%	5/4/17
GDVD	Principal Active Global Dividend Income ETF	Principal	BATS	0.58%	5/10/17
LVIN	Hartford Multifactor Low Volatility International Equity ETF	Hartford	BATS	0.39%	5/11/17
LVUS	Hartford Multifactor Low Volatility US Equity ETF	Hartford	BATS	0.29%	5/11/17
CSML	IQ Chaikin US Small Cap ETF	IndexIQ	Nasdaq	0.35%	5/16/17
SHAG	WisdomTree Barclays Yield Enhanced US Short-Term Aggregate Bond Fund	WisdomTree	BATS	0.12%	5/18/17
JPST	JPMorgan Ultra-Short Income ETF	JPMorgan	BATS	0.18%	5/19/17
YLDE	ClearBridge Dividend Strategy ESG ETF	Legg Mason	Nasdaq	0.59%	5/22/17
LRGE	ClearBridge Large Cap Growth ESG ETF	Legg Mason	Nasdaq	0.59%	5/22/17
COMB	GraniteShares Bloomberg Commodity Strategy No K-1 ETF	GraniteShares	NYSE Arca	0.25%	5/22/17
COMG	GraniteShares S&P GSCI Commodity Broad Strategy No K-1 ETF	GraniteShares	NYSE Arca	0.35%	5/22/17
CCOR	Cambria Core Equity ETF	Cambria	NYSE Arca	1.05%	5/24/17

Sources: NYSE Arca, BATS, NASDAQ, Strategic Insight, FUSE, ETF.com, Morgan Stanley Smith Barney, Ignites, ETFTrends and Company websites

# ETP Filings

Name	Sponsor
Cambria Domestic Tax Optimized ETF (DTAX)	Cambria
Cambria Foreign Tax Optimized ETF (FTAX)	Cambria
Cambria Robotics and AI Industry ETF (RBOT)	Cambria
Cambria Global REIT ETF (BLDG)	Cambria
Cambria Marijuana Industry ETF (TOKE)	Cambria
Cambria ReSolve Global Adaptive Asset Allocation ETF	Cambria
First Trust Institutional Preferred Securities & Income ETF	First Trust
First Trust Dow 30 Equal Weight ETF	First Trust
Innovator Enhance and Buffer S&P 500 ETF	Innovator Management
Innovator Enhance S&P 500 ETF	Innovator Management
Innovator Shielded S&P 500 ETF	Innovator Management
iShares 5-10 Year Investment Grade Corporate Bond ETF	BlackRock
iShares 10+ Year Investment Grade Corporate Bond ETF	BlackRock
iShares Consumer Asset-Backed Securities ETF	BlackRock
iShares iBonds Dec 2027 Term Corporate Bond ETF	BlackRock
iShares Russell 1000 Pure US Revenue ETF	BlackRock
iShares Investment Grade Preferred and Income Securities ETF	BlackRock
KraneShares Bloomberg Barclays China Aggregate Bond Index ETF	KraneShares

Sources: NYSE Arca, BATS, NASDAQ, Strategic Insight, FUSE, ETF.com, Morgan Stanley Smith Barney, Ignites, ETFTrends and Company websites

# ETP Filings (Cont'd)

Name	Sponsor
Legg Mason Capital Preservation Solution ETF	Legg Mason
Legg Mason Income Solution ETF	Legg Mason
Legg Mason Conservative Growth Solution ETF	Legg Mason
Legg Mason Moderate Growth Solution ETF	Legg Mason
Legg Mason Aggressive Growth Solution ETF	Legg Mason
Virtus WMC Global Factor Opportunities ETF	Virtus

Sources: NYSE Arca, BATS, NASDAQ, Strategic Insight, FUSE, ETF.com, Morgan Stanley Smith Barney, Ignites, ETFTrends and Company websites

# Announced ETP Modifications

## Vanguard

- Announced on May 26, 2017, an OER change in the following ETP, effective immediately

Ticker	Name	Previous OER	New OER
VIG	Vanguard Dividend Appreciation ETF	0.09%	0.08%

# ETP Closures

## AdvisorShares

- Announced on May 1, 2017, the liquidation of the following ETPs. The last day of trading was May 12, 2017.

Ticker	Name
GIVE	AdvisorShares Global Echo ETF
GTAA	AdvisorShares Morgan Creek Global Tactical ETF

## Deutsche Bank\*

- The last day of trading for the following ETPs was May 15, 2017

Ticker	Name
JPNH	Deutsche X-trackers Japan JPX-Nikkei 400 Hedged Equity ETF
DBIF	Deutsche X-trackers S&P Hedged Global Infrastructure ETF
DBRE	Deutsche X-trackers Dow Jones Hedged International Real Estate ETF
DBSP	Deutsche X-trackers MSCI Spain Hedged Equity ETF
DBAU	Deutsche X-trackers MSCI Australia Hedged Equity ETF

Sources: NYSE Arca, BATS, NASDAQ, Strategic Insight, FUSE, ETF.com, Morgan Stanley Smith Barney, Ignites, ETFTrends and Company websites

\*This announcement was made on April 28, 2017, but was missed in our April ETP Highlights

# ETP Closures (Cont'd)

## Credit Suisse

- Announced on May 15, 2017, the liquidation of the following ETPs. The last day of trading for CSLS was May 25, 2017. The last day of trading for FIBG and CSCR was June 2, 2017.

Ticker	Name
CSLS	Credit Suisse X-Links Long/Short Equity ETN
FIBG	Credit Suisse FI Enhanced Big Cap Growth ETN
CSCR	Credit Suisse X-Links Commodity Rotation ETN

## Exchange Traded Concepts

- Announced on May 17, 2017 the liquidation of the following ETP. The last day of trading was June 1, 2017.

Ticker	Fund Name
GHE	REX Gold Hedged FTSE Emerging Markets ETF

# New Exemptive Relief Grants

## TriLine Index Solutions

- Granted exemptive relief to offer index-based ETFs

## Precidian

- Granted exemptive relief to offer transparent, actively-managed ETFs

## Formula Folio Investments

- Granted exemptive relief to offer transparent, actively-managed ETFs

## ClearShares

- Granted exemptive relief to offer transparent, actively-managed ETFs

# Definitions

## ETP (exchange-traded product)

In addition to ETFs (exchange-traded funds), several other investment products are also exchange-traded and are therefore similarly categorized, including exchange-traded notes (ETNs), commodities, unit investment trusts (UITs), grantor trusts and limited partnerships. As ETFs represent the vast majority of these exchange-traded investment products, the term is often used as a catchall. Here, the label “exchange-traded product” (ETP) is used as the umbrella under which ETFs and other related investment products fall.

## ETMF (exchange-traded managed fund)

ETMFs are a new type of open-end fund that combine aspects of both ETFs and mutual funds (MFs). ETMF shares are expected to trade throughout the day on an exchange, but unlike ETFs, trading prices are expected to be linked to the fund’s end-of-day net asset value utilizing an approach called “NAV-based trading” and the current requirement of most ETFs to disclose their holdings daily is eliminated. ETMF providers require agreements with NextShares Solutions LLC, (NextShares), the Eaton Vance subsidiary formed to develop and commercialize NextShares.