

Global X Predicts A 'New Normal' For Thematic Investing Post-Pandemic

SYDNEY, AUSTRALIA, April 16, 2023 – Global X ETFs Australia (Global X) today outlined the major investable trends shaping the development of Australia's growing exchange traded fund (ETF) sector, highlighting budding opportunities in thematic investments following the end of the Covid-19 pandemic.

As the World Health Organisation recently declared an end to Covid-19 as a global health emergency, a new normal for thematic investing is on the horizon for the local ETF market, according to Blair Hannon, Head of Investment Strategy.

"Thematic ETFs have enabled investors to be nimble and respond to market moves locally and abroad. We saw this during the pandemic when inflows into thematic funds peaked in early 2021 with more than US\$20 billion entering the sector, according to Morningstar Direct. Although flows have tapered off, levels are still sitting higher than before the Corona crash in March 2020, indicating an appetite from investors to capture thematic opportunities," Hannon said.

"As providers, we need to be at the forefront of megatrends which will offer value to investors. While Australia's \$142 billionⁱ ETF industry has been dominated historically by funds flowing to vanilla ETFs, the next five years will be characterised by the continuing rise of thematic ETFs and product innovation."

"Thematic ETFs are very important to investors' portfolios because they identify long-term structural trends and leverage those trends to enable investors to build wealth over time. We are identifying powerful macro-level trends and the companies that stand to benefit from those trends over the years to come. Global X's approach to thematic investing is of an active mindset underpinned by our rigorous and research-driven approach while delivering the investment opportunity through a passive vehicle."

"Investors who seek innovation and opportunity can now access key investment trends like metals needed for decarbonisation such as copper and lithium, blockchain technologies, clean energy, as well as the growth of artificial intelligence and robotics, which will gain in importance over the years to come".

"Millennial and younger investors particularly love that they can invest in specific sectors according to their special interests and personal values. The ever-expanding selection of thematic ETFs alongside core ETFs that track benchmark share and bond market indexes as well as important commodities such as gold is allowing investors to build entire portfolios using ETFs. This is happening as the active funds management industry comes under greater pressure," Hannon said.

While Global X is a relatively new name to Australian investors, their US counterparts have been operating since 2008, with a key focus on thematic investing. As of May 2023, they are managing more than US\$14.4 billion in their 37 thematic growth funds.

ⁱ According to ASX data, as of 28 April 2023.

Investors can access thematic ETFs through Global X ETFs which offer 32 funds in the Australian market with xx in the thematic space, providing the opportunity to invest in disruptive technology, decarbonisation commodities, including hydrogen, and much more.

Ends

About Global X ETFs Australia

Global X ETFs Australia – formally known as ETF Securities Australia – is a leading ETF provider with a growing range of cost-effective and innovation-led products which are built to help Australian investors and their advisers achieve better investment outcomes by providing access to a successful pool of thematic, commodity and digital asset ETFs. Global X Australia’s nuanced understanding of the local market is backed by international resources and expertise to deliver a beyond ordinary experience for all stakeholders.

About Global X ETFs

Global X ETFs was founded in 2008. For more than a decade, our mission has been empowering investors with unexplored and intelligent solutions. Our product lineup features over 90 ETF strategies worldwide and over US\$42 billion in assets under management.ⁱⁱ While we are distinguished for our Thematic Growth, Income, and International Access ETFs, we also offer Core, Commodity, and Alpha funds to suit a wide range of investment objectives. Explore our ETFs, research, and insights, and more at www.globalxetfs.com.

Global X is a member of Mirae Asset Financial Group, a global leader in financial services, with more than \$640 billion in assets under management worldwide. Mirae Asset has an extensive global ETF platform ranging across the US, Australia, Brazil, Canada, Colombia, Europe, Hong Kong, India, Japan, Korea, and Vietnam with over \$80 billion in assets under management.ⁱⁱⁱ

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ⁱⁱ Assets under management as at August 2022, Global X

ⁱⁱⁱ Assets under management as at June 2022, Mirae Asset Global Investments

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Carefully consider the Funds' investment objectives, risks, and charges and expenses before investing. This and other information can be found in the Fund's summary or full PDS/prospectuses, which are available at globalxetfs.com. Please read the PDS/ prospectus carefully before investing.

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