

Global X ETFs Reduces SEMI ETF Fee As Semiconductors Poised To Benefit From Long-Term AI Growth Outlook

SYDNEY, September 11, 2023 – Global X ETFs has announced a reduction of the annual management fee for the Global X Semiconductor ETF (ASX: SEMI) from 0.57% to 0.45%, enabling Australian investors to access a long-term growth sector at a 12 basis point-reduced rate.

Global markets share a predominantly bullish outlook on the long-term performance of the semiconductor industry, largely driven by recent breakthroughs in artificial intelligence (AI) and a surge in both AI companies and technology companies more broadly.

The semiconductor industry has been the primary beneficiary of this boom and has experienced surging growth. Some of the bigger winners are placed within hardware, notably NVIDIA, now the fifth-largest company in the US, and one of the best-performing stocks in the S&P 500 this year.¹

Global X ETFs chief executive, Evan Metcalf, said the fee reduction will provide more clients with the opportunity to access important thematic areas that could bolster returns and diversify their portfolio.

“We are determined to offer our clients cost-efficient access to tactical and strategic solutions. SEMI is the only pure-play semiconductor ETF currently available on the Australian market, so we see this fee reduction as a positive opportunity for more local investors to realise the powerful potential of this thematic,” Metcalf said.

Given the continual uptick in demand for graphic processing units (GPUs), it is unlikely that this ‘trend’ will come to a halt anytime soon; the prospects for revenue growth and opportunities for monetisation in the market are seemingly yet to be fully explored.

Further, by the end of this decade, annual spending on AI chips is projected to grow at a compound annual growth rate (CAGR) of more than 30% to nearly US\$165 billion.²

According to Scott Helfstein, Head of Thematic Solutions at Global X ETFs, “The semiconductor value chain is strategically aligned to seize the current opportunities present and offer a potential investment alternative as the AI thematic advances into new markets.”

“The semiconductor industry is expected to unlock a market worth over a hundred billion dollars, due to the surging demand for AI processing and increased investments in specialised chips, giving rise to a new investment cycle opportunity.”

The SEMI ETF corresponds generally to the price and yield performance of the Solactive Global Semiconductor 30 Index, aims to invest in companies poised to potentially gain from the increased and widespread adoption of technology-enabled devices reliant on semiconductor components, including their developers and manufacturers. Companies such as NVIDIA and Broadcom INC comprise a significantly large holding within the SEMI ETF.

¹ Data provided by Global X ETFs US Research Team as at 8 September 2023.

² Data provided by Global X ETFs US Research Team as at 8 September 2023.



The revised annual management fee of SEMI, at 0.45%, offers a competitive rate to Australian investors wishing to take advantage of the potential growth opportunities presented by this sector.

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.³ 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.⁴

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³ Assets under management as at August 2022, Global X

⁴ Assets under management as at June 2022, Mirae Asset Global Investments

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Investing involves risk, including the possible loss of principal. Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Brokerage commissions will reduce returns.

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