

# MUFG Corporate Markets

## **ETF Insights 2025**

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## Summary

# Introduction

As the leading service provider of Exchange Traded Funds (ETFs) in the Australian market, MUFG Corporate Markets, a division of MUFG Pension & Market Services is uniquely positioned to offer a comprehensive view of the evolving ETF landscape. Drawing on proprietary data and insights from our extensive portfolio of clients, this report presents a detailed analysis of investor behaviour, asset class exposure, fund flows, and emerging trends across the ETF sector.

As at the end of March, there were 409 ETFs in Australia, representing a combined market capitalisation exceeding \$250 billion. We support over 48% of these funds, with an accumulative total of \$100 billion under administration. In the 12 months leading up to March, 61 new funds were admitted - many of which are aligned with global growth strategies, reflecting a shift in investor appetite and market positioning.

This continued expansion underscores the popularity and robust growth outlook for the ETF sector, as investors increasingly seek diversified and innovative investment options to capture opportunities across dynamic markets.



To provide clarity and consistency in our analysis, we have consolidated the diverse range of ETF investment exposures into seven key categories over 5 years ending 2025 Q1:

- Commodities
- Crypto Assets
- Equities – Asia (including country-specific funds)
- Equities – Australia Strategy
- Equities – Emerging Markets (regional exposures)
- Equities – Global Strategy (including sectoral, property, and infrastructure themes)
- Fixed Income, Cash & Hybrids

This report aims to equip stakeholders with actionable insights into the structure and direction of the ETF market, informed by MUFG Corporate Markets' unique vantage point as a leading service provider.

If there is anything within this publication that you would like to discuss, please do not hesitate to contact me via the details below.

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# 48%+

of ETFs on issue in Australia are supported by our experts

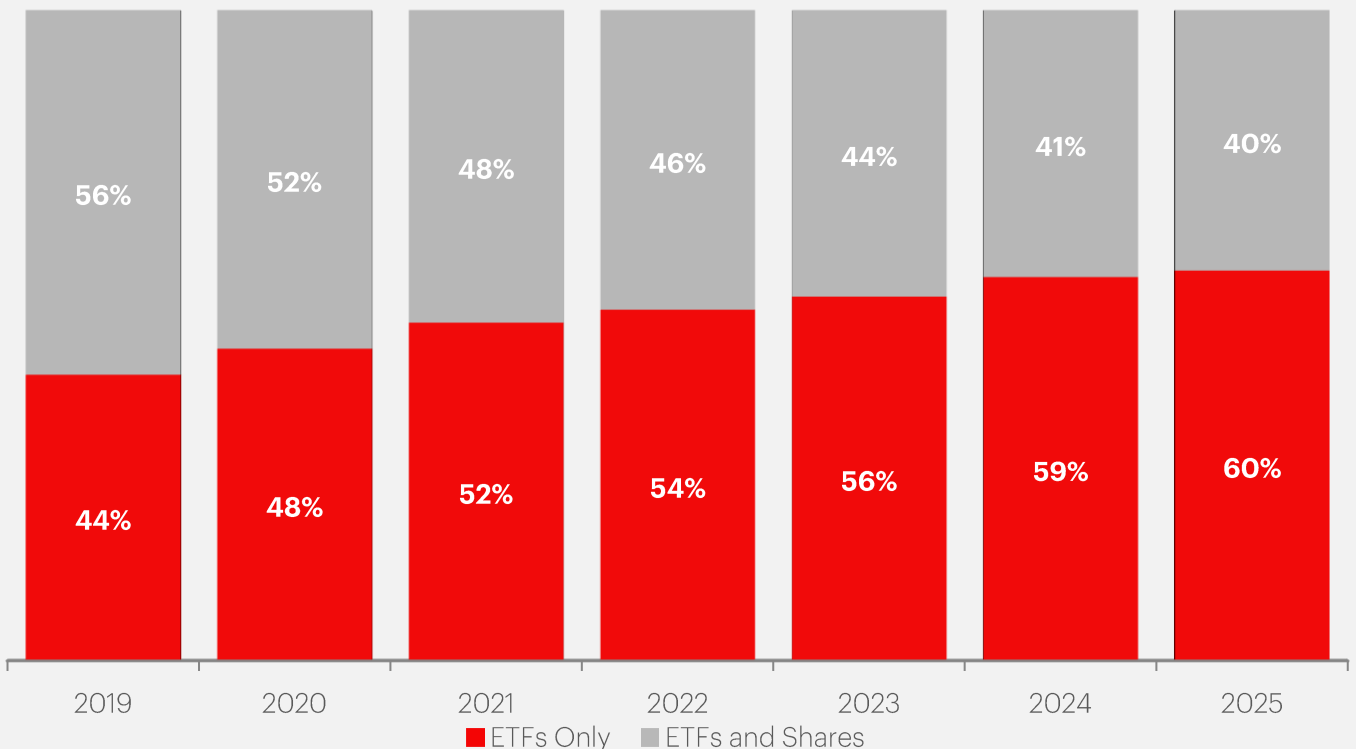
# 1.5m

active holdings

## ETF Investor Insights

Over the past 5 years across our portfolio that encompasses 1.5m ETF investors and an additional 7.2m, securityholders of listed entities, the data shows a preference for ETF investors holding ETF only portfolios, forgoing direct investment in individual listed securities.

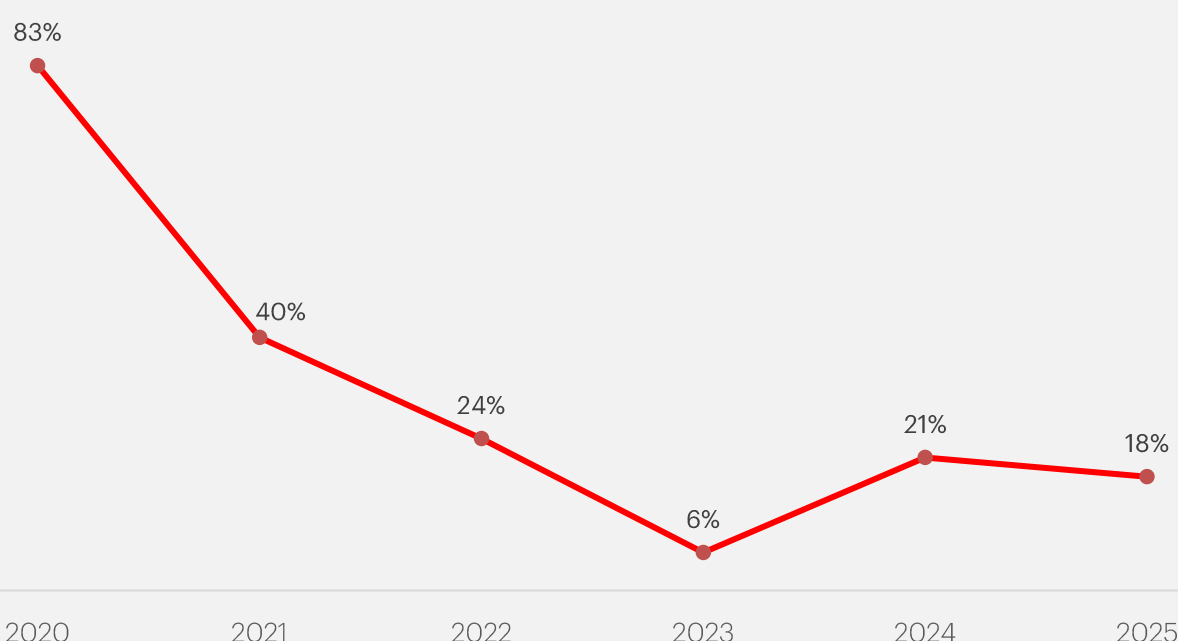
Investment Preferences



# New Investors

The investor numbers experienced significant growth over the period. The graph below illustrates that in 2020 we recorded an impressive 83% increase compared to the previous year and the momentum continued through 2021 with a 40% rise. However, in 2023, the environment shifted as interest rates and inflation climbed, leading to a more modest growth of just 6%. Growth rebounded in 2024 and has remained positive so far in 2025.

Investor Growth Year-on-Year



# ETF Portfolio Size

Over the period, there is a trend towards diversification among investors. The majority of investors held only 1 ETF, but this percentage decreased from 63% in 2019 to 54% in 2025. Conversely, the percentage of investors holding 2 to 5 ETFs increased from 34% to 41%. Additionally, the number of investors holding more than one issuer rose from 23% to 26%. This indicates that more investors are choosing to diversify their portfolios by holding multiple ETFs and often more than one issuer.

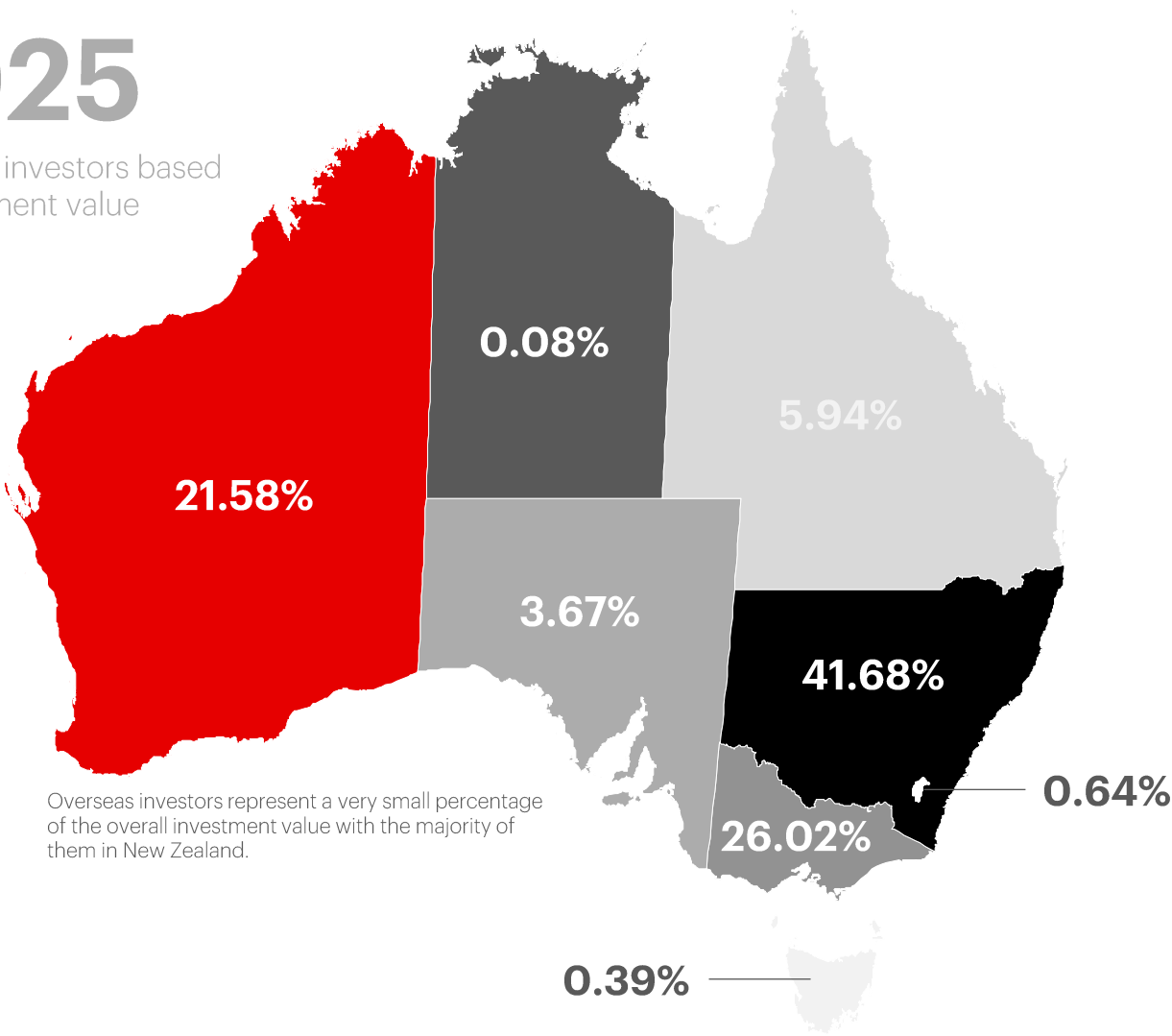
No. of Funds	2019	2020	2021	2022	2023	2024	2025
1	63.06%	60.54%	55.52%	55.06%	55.03%	54.46%	54.69%
2 to 5	34.39%	36.89%	41.37%	41.82%	41.56%	41.56%	41.61%
6 to 10	2.39%	2.39%	2.87%	2.87%	3.15%	3.15%	3.24%
11+	0.16%	0.17%	0.24%	0.25%	0.26%	0.26%	0.46%



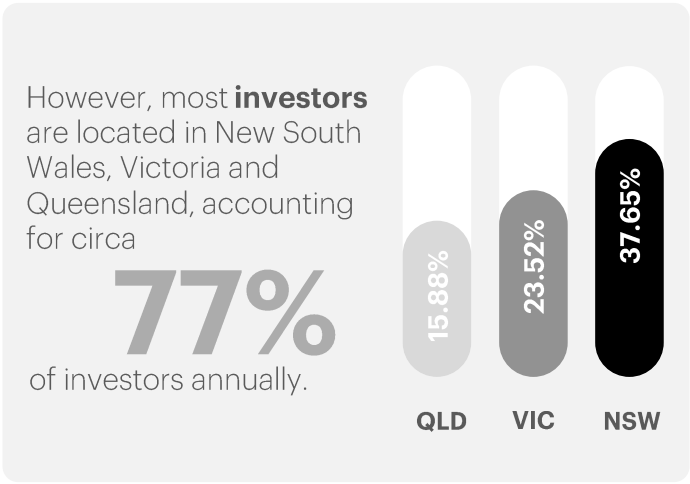
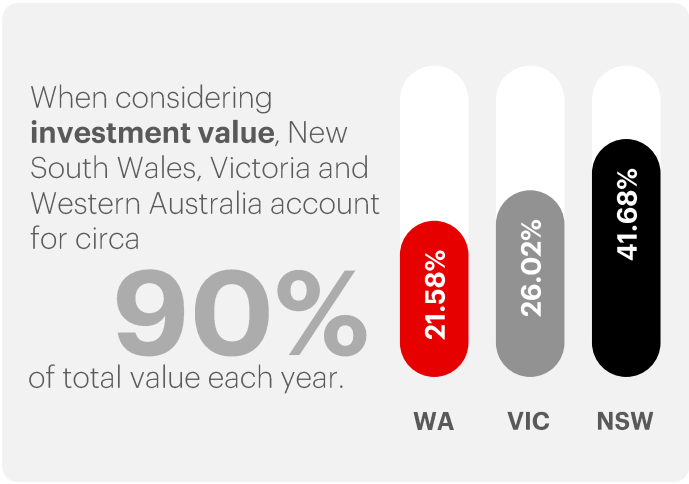
# Geographical Distribution

2025

Australian investors based on investment value

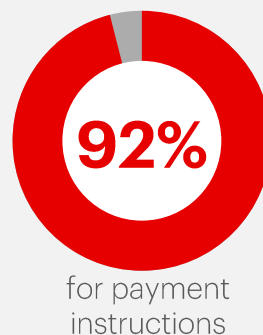
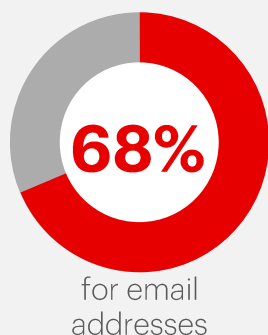


Overseas investors represent a very small percentage of the overall investment value with the majority of them in New Zealand.



# Static Investor Information

**Most investors provide personal information, such as emails, bank account details, and payment instructions, within 30 days.**



**When personal information is not provided within 30 days.**



Emails – 18% of the remaining 32% are provided after 1 year



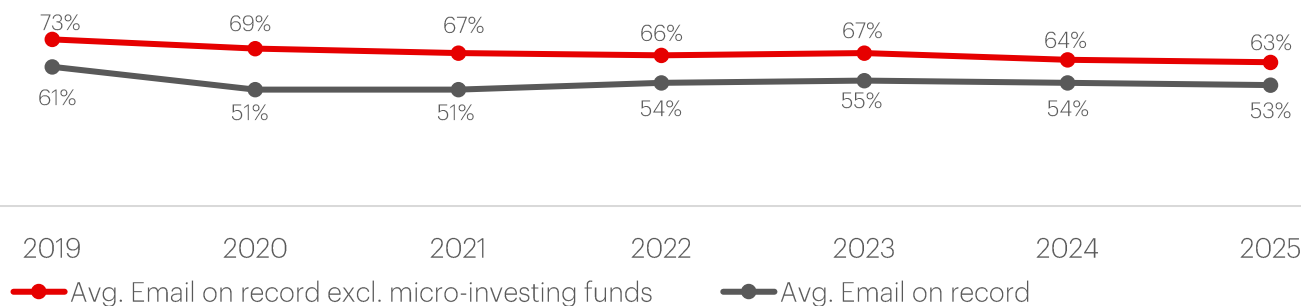
Payment instructions – 3% of the remaining 8% are provided after 1 year



Tax File Numbers – 7% of the remaining 18% are provided after 1 year

We observed a general decline in the average number of investors with an email address on record during the peak years of investor growth. New investors often did not provide email addresses during onboarding, opting to provide them later in their investment term. However, it is important to note that when excluding funds on micro-investing apps, a higher percentage of investors do have an email address on record.

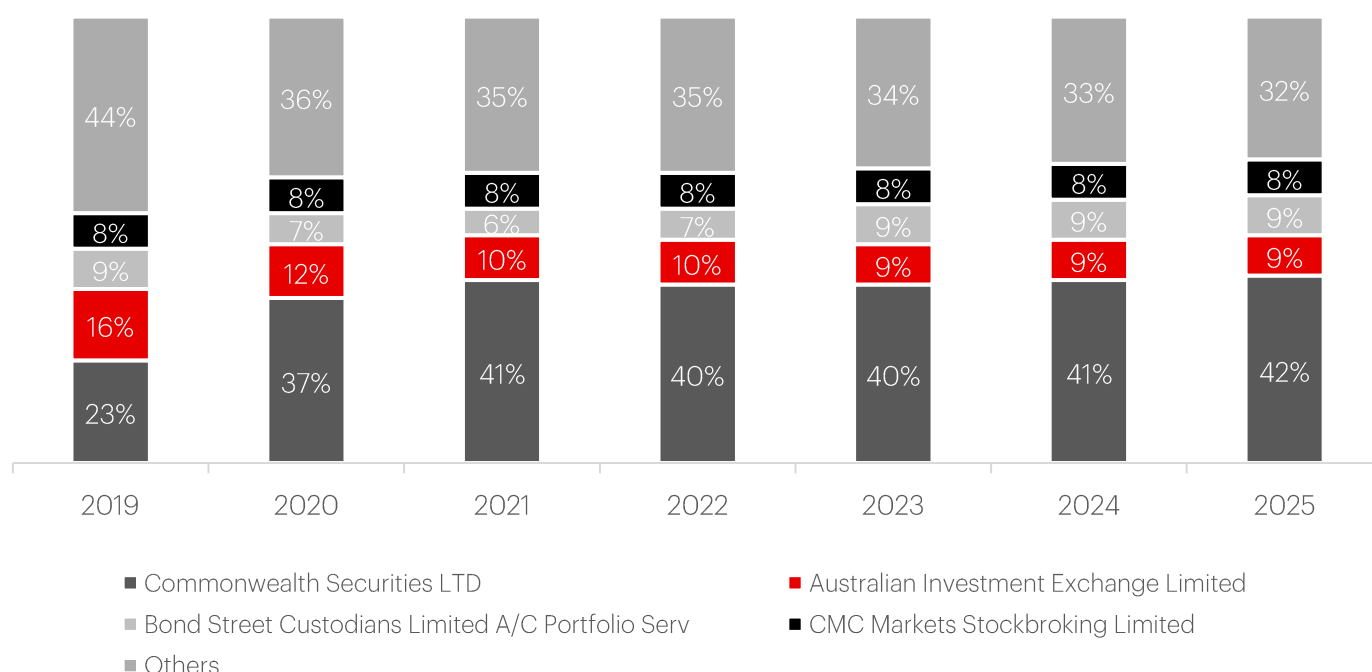
## Emails – Driving Electronic Communication



# Broker Distribution

The percentage of investors associated with brokers has remained steady over the past 5 years with an increase for Commonwealth Securities, partly driven by micro-investing options. The 'Others' category represents over 60 participants with small percentages of the overall investor base.

**Broker Distribution**



## Fast Facts

### Multi-Distributed active ETF (MDETF)

allows investors multiple channels to enter & exit a single unit class in a single fund. Investors can enter the fund via either a primary application for units under a product disclosure statement (PDS) or through buying units in the secondary market on a securities exchange. Investors can exit the fund via either a redemption form or by selling units in the secondary market on a securities exchange.

**The mFund settlement service** will be phased out by 31 May 2026, resulting in the gradual removal of existing mFunds from the platform. Investors will need to transition their holdings to alternative options, such as ETFs. Although funds will exit the mFund platform, most funds will not be closing; instead, mFund investors will move to issuer sponsored holdings and remain within the same unlisted fund. The primary change for most investors is the transaction mechanism, with the underlying funds remaining accessible. MUFG Corporate Markets is continuing to enhance our Investor Centre to enable digital transaction capabilities in the unlisted space.

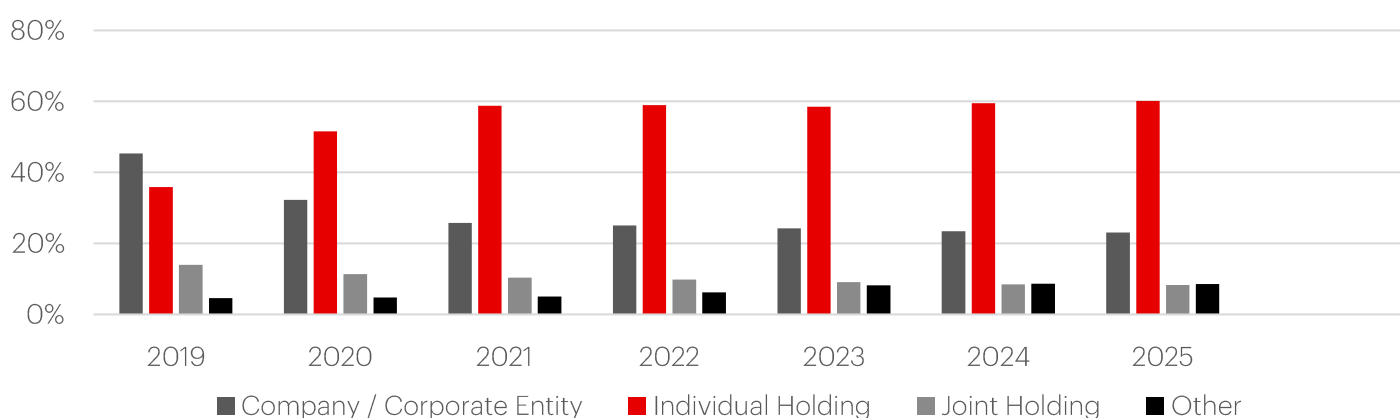


# ETF Portfolio Composition

The graph below illustrates that, across all asset classes, the distribution of holding types has gradually shifted, with individual investors accounting for 60% of investors in 2025.

This shift is especially evident in global strategy exposures, where the share of individual investors rose from 14% in 2019 to 38% by 2025.

**Holding Distribution**



## Holding Demographics

Based on available data, the demographic analysis of male and female investors indicates a consistent rise in the number of female investors across all ETFs.

Female		2019	2020	2021	2022	2023	2024	2025
<b>Total</b>		30.91%	32.66%	37.02%	38.77%	39.24%	39.65%	39.89%
<b>Commodities</b>		0.76%	1.45%	0.82%	0.77%	0.72%	0.68%	0.71%
<b>Crypto Assets</b>		0.00%	0.00%	0.00%	0.00%	0.00%	0.12%	0.17%
<b>Equities – Asia</b>		1.22%	1.72%	2.01%	1.76%	1.55%	1.31%	1.26%
<b>Equities – Australian Strategy</b>		12.37%	10.46%	9.47%	10.32%	10.96%	10.43%	10.32%
<b>Equities – Emerging Markets</b>		0.19%	0.15%	0.16%	0.14%	0.15%	0.13%	0.13%
<b>Equities – Global Strategy</b>		13.57%	17.41%	23.36%	24.56%	24.21%	24.95%	25.26%
<b>Fixed Income, Cash &amp; Hybrids</b>		2.79%	1.47%	1.20%	1.22%	1.66%	2.01%	2.04%

Male		2019	2020	2021	2022	2023	2024	2025
<b>Total</b>		69.09%	67.34%	62.98%	61.23%	60.76%	60.35%	60.11%
<b>Commodities</b>		2.52%	4.31%	2.14%	1.84%	1.63%	1.46%	1.54%
<b>Crypto Assets</b>		0.00%	0.00%	0.00%	0.00%	0.00%	0.34%	0.43%
<b>Equities – Asia</b>		3.39%	4.51%	4.24%	3.51%	2.99%	2.55%	2.45%
<b>Equities – Australian Strategy</b>		24.47%	20.10%	15.20%	15.77%	16.28%	15.08%	14.74%
<b>Equities – Emerging Markets</b>		0.54%	0.37%	0.35%	0.30%	0.32%	0.28%	0.28%
<b>Equities – Global Strategy</b>		32.27%	35.20%	38.99%	37.74%	36.75%	37.50%	37.57%
<b>Fixed Income, Cash &amp; Hybrids</b>		5.90%	2.85%	2.05%	2.06%	2.78%	3.13%	3.11%

Based Male & Female salutations.

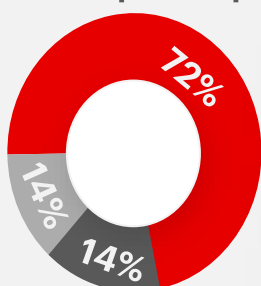
# Portfolio Weighting Trends

By analysing asset exposure by investor count, certain strategies emerge as dominant, reflecting broader market preferences and trends. 90% of investors are represented by three main asset strategies: Australian Strategy, Global Strategy and Fixed Income, Cash and Hybrids. The allocation strategy with the exception of Fixed income, cash and hybrid ETFs highlighted investor preferences for growth-focused options within each asset category.

	2019	2020	2021	2022	2023	2024	2025
<b>Commodities</b>	1.46%	3.54%	3.10%	2.63%	2.44%	2.17%	2.33%
Growth	0.00%	0.00%	0.00%	0.08%	1.22%	3.32%	5.17%
Mixed	100.00%	100.00%	100.00%	99.92%	98.78%	96.68%	94.83%
<b>Crypto Assets</b>	0.00%	0.00%	0.00%	0.00%	0.00%	0.17%	0.53%
Growth	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%
<b>Equities – Asia</b>	3.42%	4.15%	6.17%	4.89%	4.29%	3.73%	3.41%
Growth	53.46%	82.92%	91.82%	92.26%	92.52%	90.68%	90.87%
Mixed	46.54%	17.08%	8.18%	7.74%	7.48%	9.32%	9.13%
<b>Equities – Australian Strategy</b>	42.70%	35.99%	28.33%	26.73%	27.29%	25.85%	24.83%
Defensive	15.17%	18.94%	23.12%	25.79%	28.14%	28.29%	28.03%
Growth	84.27%	80.68%	76.57%	73.94%	71.54%	71.23%	71.46%
Mixed	0.56%	0.38%	0.30%	0.27%	0.32%	0.49%	0.51%
<b>Equities – Emerging Markets</b>	0.62%	0.77%	0.93%	0.73%	0.70%	0.68%	0.66%
Defensive	0.00%	4.51%	12.74%	16.72%	19.74%	19.57%	18.34%
Growth	100.00%	95.49%	87.26%	83.28%	80.26%	80.43%	81.66%
<b>Equities – Global Strategy</b>	38.94%	45.67%	53.75%	57.73%	56.45%	57.57%	58.42%
Defensive	8.88%	6.28%	6.62%	5.55%	5.46%	5.02%	4.90%
Growth	61.80%	69.26%	76.42%	79.47%	79.80%	81.45%	82.28%
Mixed	29.32%	24.46%	16.96%	14.98%	14.74%	13.53%	12.82%
<b>Fixed Income, Cash &amp; Hybrids</b>	12.87%	9.87%	7.72%	7.29%	8.83%	9.83%	9.83%
Defensive	64.41%	62.36%	61.41%	59.51%	62.68%	59.55%	57.80%
Growth	35.59%	37.64%	38.59%	40.49%	37.32%	40.44%	42.20%

Growth vs Defensive Portfolio composition by investment value reveals a higher proportion of assets under management allocated to growth-oriented options, particularly across Crypto Assets, Equities - Asia, Equities – Australian Strategy, Equities - Emerging Markets and Equities - Global Strategies. Commodities tend to align with balanced strategies, while Fixed Income, Cash, and Hybrid exposures are more commonly associated with defensive ETF allocations.

## Asset exposure portfolio composition



### Growth

Crypto Assets, Equities – Asia, Equities – Australian Strategy, Equities – Emerging Markets and Equities – Global Strategy.



### Mixed

Commodities.

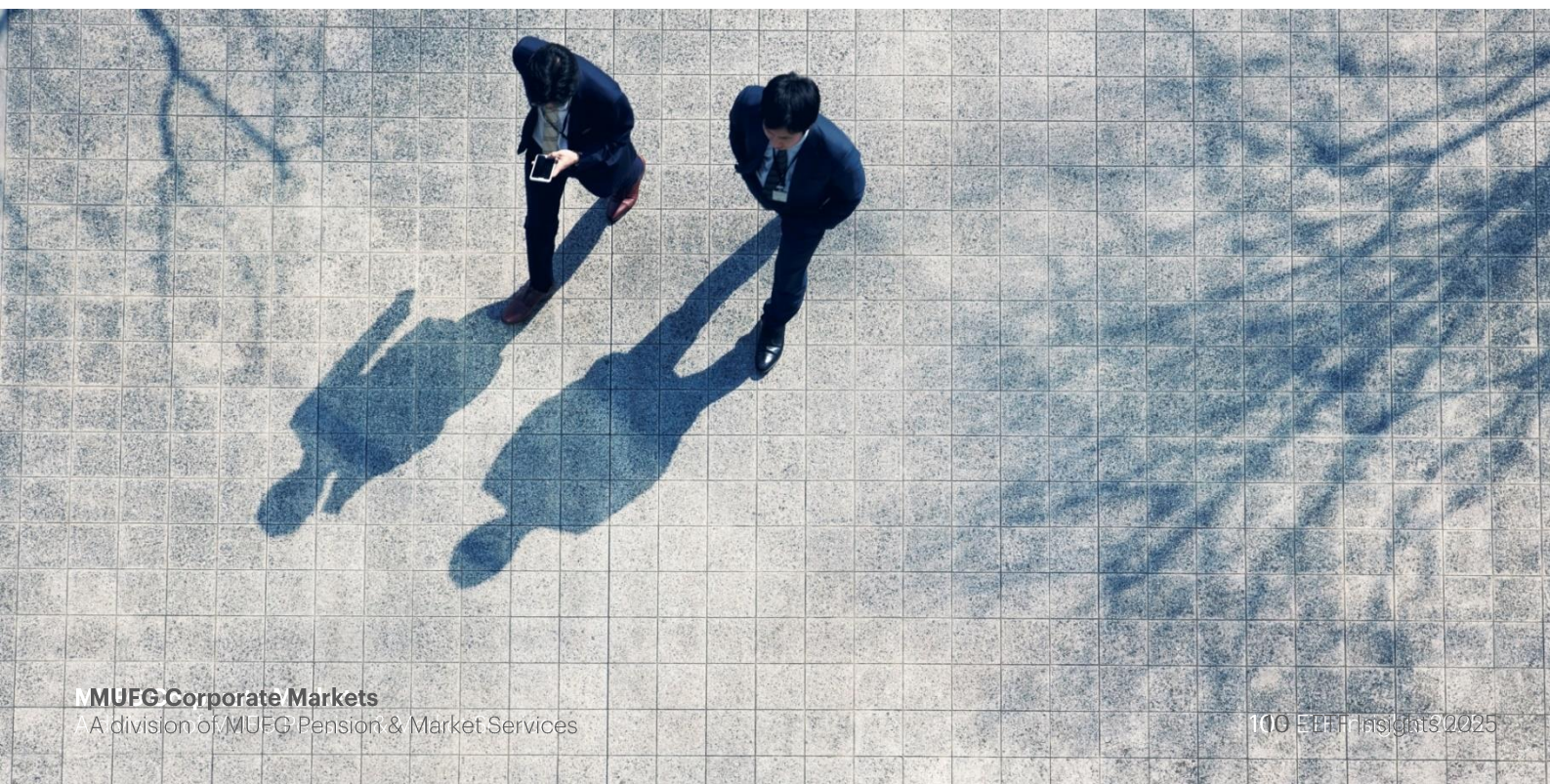


### Defensive

Fixed Income, Cash & Hybrids.

Alongside these growth portfolio trends, the data also reveals a marked preference for non-thematic asset exposures within popular investment strategies, such as Australian and Global strategies. Investors are predominantly investing in ETFs that are not focused on a single trend or industry, rather tracking broad market indices or specific asset classes.

	2019	2020	2021	2022	2023	2024	2025
<b>Commodities</b>	1.46%	3.54%	3.10%	2.63%	2.44%	2.17%	2.33%
Thematic	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
<b>Crypto Assets</b>	0.00%	0.00%	0.00%	0.00%	0.00%	0.17%	0.53%
Thematic	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%
<b>Equities – Asia</b>	3.42%	4.15%	6.17%	4.89%	4.29%	3.73%	3.41%
Non –Thematic	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
<b>Equities – Australian Strategy</b>	42.70%	35.99%	28.33%	26.73%	27.29%	25.85%	24.83%
Thematic	27.73%	24.09%	26.79%	26.38%	26.29%	26.59%	26.02%
Non –Thematic	75.27%	75.91%	73.21%	73.62%	73.71%	73.41%	73.98%
<b>Equities – Emerging Markets</b>	0.62%	0.77%	0.93%	0.73%	0.70%	0.68%	0.66%
Non –Thematic	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
<b>Equities – Global Strategy</b>	38.94%	45.67%	53.75%	57.73%	56.45%	57.57%	58.42%
Thematic	30.79%	34.05%	42.19%	44.33%	42.59%	37.60%	34.76%
Non –Thematic	69.21%	65.95%	57.81%	55.67%	57.41%	62.40%	65.24%
<b>Fixed Income, Cash &amp; Hybrids</b>	12.87%	9.87%	7.72%	7.29%	8.83%	9.83%	9.83%
Thematic	100.00%	100.00%	99.62%	99.04%	99.32%	99.59%	99.62%
Non –Thematic	0.00%	0.00%	0.38%	0.96%	0.68%	0.41%	0.38%



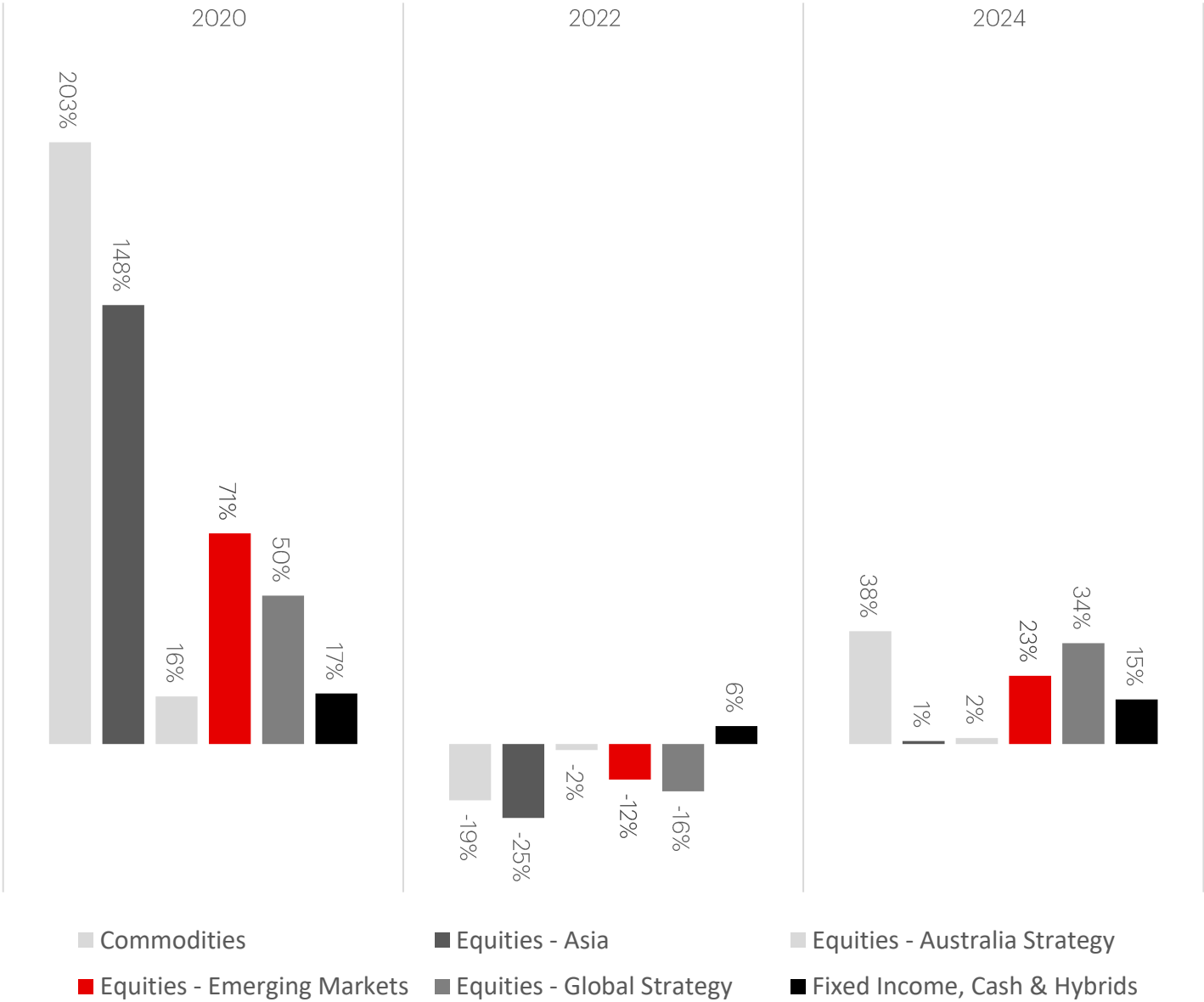


# Asset Exposure

2020 witnessed substantial growth across all asset classes, with increases ranging from 16% to an impressive 203%. This remarkable performance was followed by a challenging year in 2022, where the majority of asset classes experienced negative growth, with declines ranging from 2% to 25%. However, the market rebounded in the subsequent years, with 2024 showing positive growth in most asset classes, ranging from 1% to 38%.

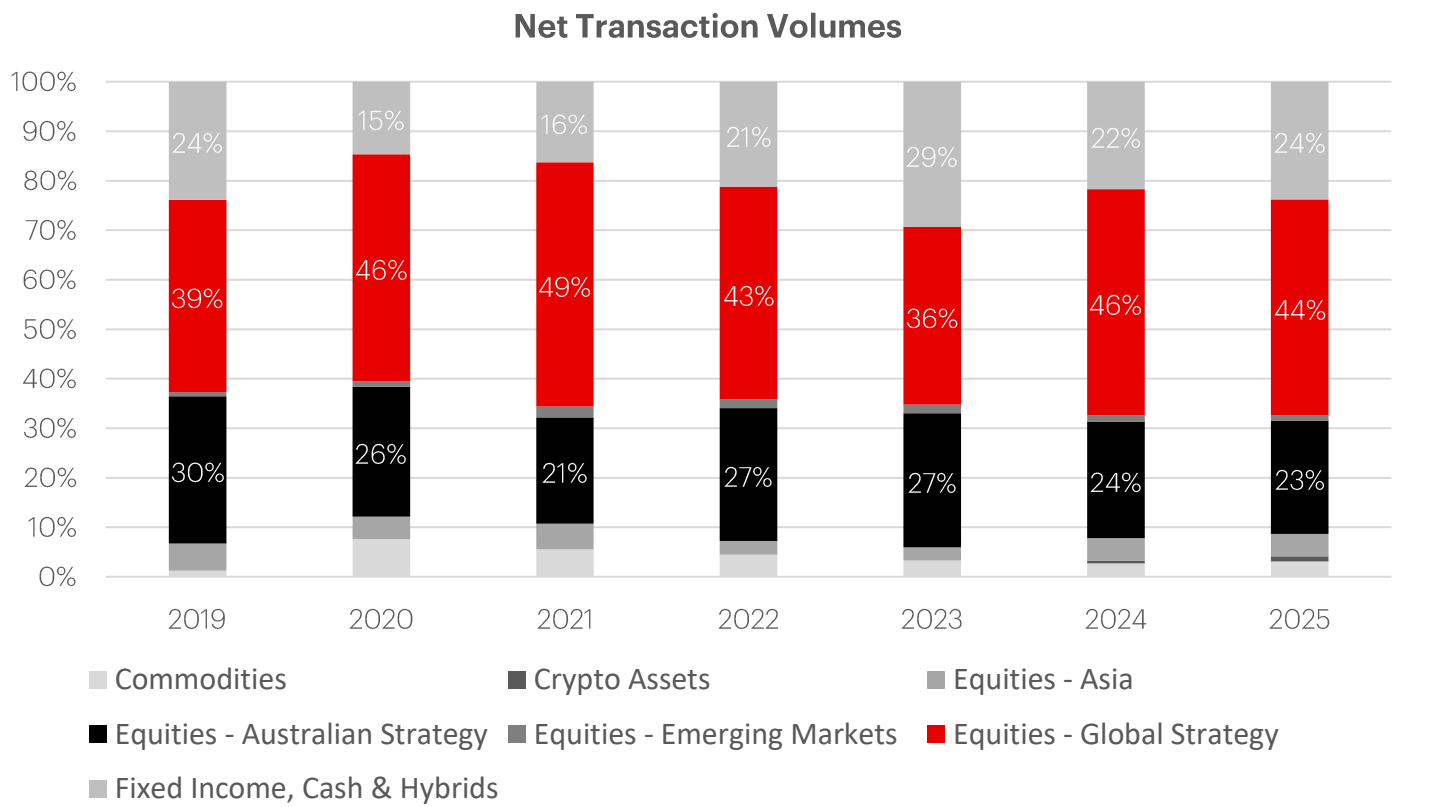
Over the past 5 years, Commodity and Emerging markets were the standouts, achieving average growth rates of 50% and 28% respectively. Australian Strategy and Fixed Income, Cash & Hybrids had the lowest average growth rates of 8% over the period.

Asset Exposure based on Investment Value

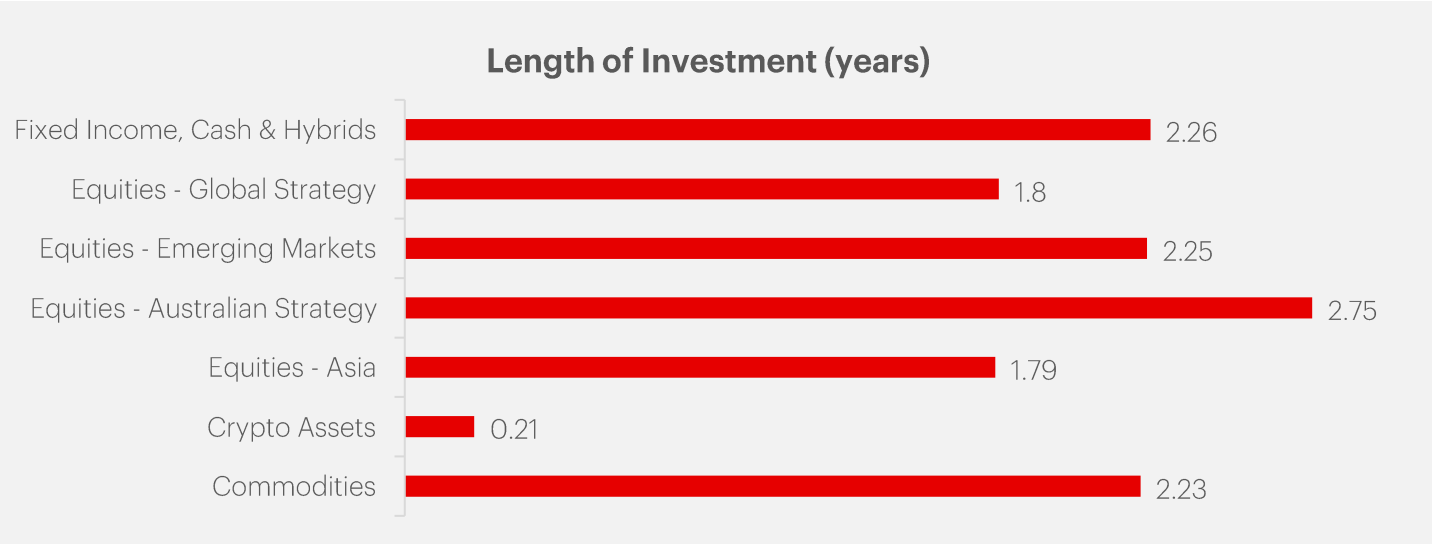


# Trading Assets

Net transaction volumes indicate that certain asset classes are traded more frequently than others, with Global Equities Strategies, Australian Equities Strategies, and Fixed Income, Cash & Hybrids emerging as the top three most actively traded among our portfolio of issuers.



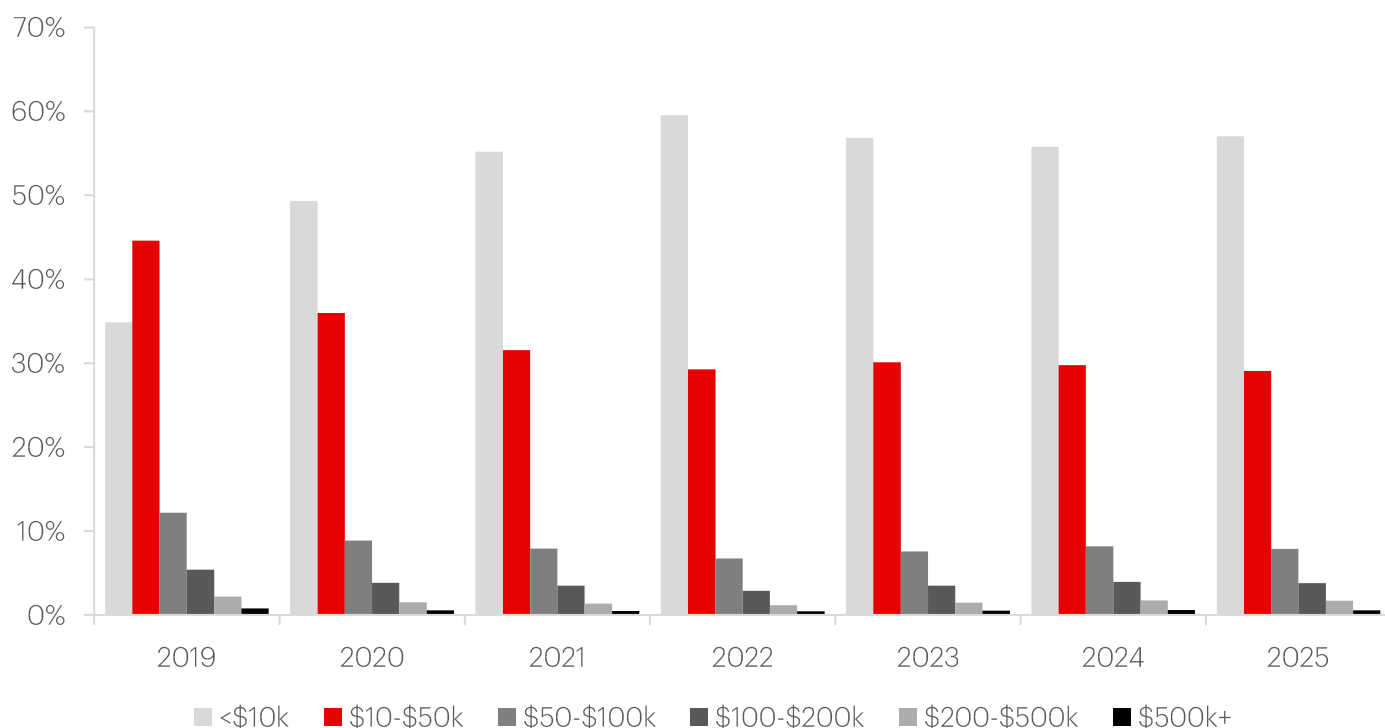
Over a 5-year period, investors typically retain their ETFs for an average of approximately 2.18 years, though this may vary across different strategies. Average excludes Crypto Assets as these are represented since 2024.



# Investor ETF Portfolio Value Trends

Most investors maintain an average investment size of under \$10,000 across different asset classes, with the proportion of investors steadily decreasing as the investment value ranges increase.

**Average Investment Value**



Micro-investing, a method of investing small, regular amounts of money, often through online platforms is opening the door to a new generation of investors and ETFs are leading the way. With low costs, built-in diversification, and digital accessibility, ETFs are perfectly positioned to power long-term growth from even the smallest contributions evidenced by;

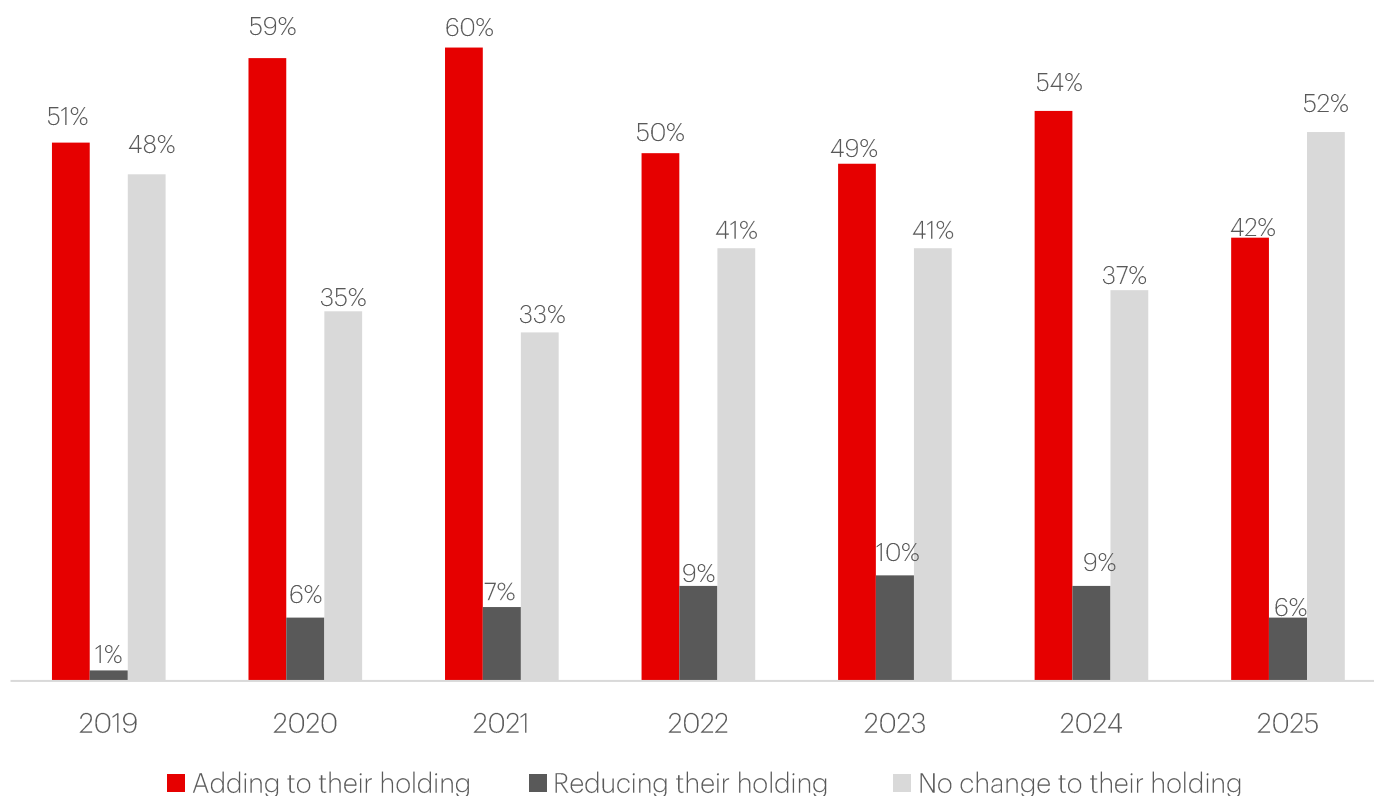
- Issuers with ETFs on micro-investing options show **28% of investors** have parcels **less than \$500**
- Issuers with ETFs not on micro-investing options show **3% of investors** have parcels **less than \$500**



# Changes in ETF Portfolios

The data illustrates that ETF investment behaviour is closely tied to broader market conditions and investor sentiment. Periods of significant growth in ETF holdings highlight investor optimism and a preference for diversified, transparent investment vehicles. Conversely, reductions often align with uncertainty or market stress. Consistent holding patterns reflect a maturing investor base, increasingly focused on long-term wealth accumulation rather than short-term market movements.

## Investor Holding Behaviour



Over the five-year period, approximately 25,000 investors, representing less than 1% **switched between** ETF investments. Nearly half of these transactions took place in 2024 and 2025, highlighting a recent uptick in intra-issuer mobility. This trend may also be attributed to the broader variety of ETFs available.

# Findings

## Analysis of Results

### Investor Growth & Market Trends



- COVID-era (2020-2021) ETF adoption surged (83% and 40%), showing macroeconomic shifts can rapidly boost retail interest.
- 2023's slowdown to 6% reflects sensitivity to interest rates, urging issuers to adapt messaging during tightening cycles.

### Investor Behaviour & Preferences



- Investors holding one ETF declined from 63% in 2019 to 54% in 2025, while those with 2-5 ETFs increased from 34% to 41% indicating emerging diversification trends.
- Growth strategies dominate, especially in Global and Australian equities, while broad-market ETFs remain core.

### Geographic & Demographic Trends



- NSW, VIC, and QLD lead in investor count; with WA making it in the top 3 states by investment value.
- Rising female participation and individual accounts highlight a diversifying investor base, calling for inclusive strategies.

### Operational Insights



- Most investors submit key details within 30 days, however 32% delay submission or do not provide email addresses which affects engagement.
- Fewer investors with email addresses during the growth suggests that onboarding processes may need refinement to capture contact details earlier.

### Portfolio & Trading Patterns



- Average holding period is ~2.18 years—medium-term conviction with room to boost retention.
- Global Equities, Australian Equities, and Fixed Income are top traded and held, anchoring portfolios.
- Most holdings are under \$10k, indicating a retail-heavy base with growth potential.

### Investor Mobility & Engagement



- Less than 1% switched between ETF investments within the same issuer. With half of these transactions occurring in 2024-2025, this shows a rise in the variety of ETFs and investor engagement.

# Strategic Implications for Issuers

## Product & Education



- Single-ETF decline and increase in multiple ETFs highlights desire for diversification calling for targeted education and marketing to existing investors.
- Growth ETFs should remain central, with room for balanced and thematic options.

## Data & Engagement



- Delays in important investor information such as email address, payment instruction and Tax File Numbers highlight the need for smoother onboarding and automated follow-ups.
- MUFG Corporate Markets remains actively engaged in the industry, advocating for the provision of email addresses to issuers to enhance investor engagement, improve the ESG footprint, and lower postage expenses.
- We continue to work with issuers to implement campaigns and other strategies to continue to increase email collection and electronic engagement.

## Geographic Strategy



- Tailor marketing: volume-based in NSW/VIC/QLD, value-focused in WA.

## Demographics & Behaviour



- Issuers could focus on strategies to attract and retain investors during periods of economic uncertainty, such as inflation or rising interest rates. This includes offering diversified and resilient ETF options that appeal to cautious investors.
- With the increase in female and individual investors, consider tailoring communications, education and accessibility.

## Switching & Cross-Selling



- ETF switching within issuers presents a chance to guide transitions via tools like recommendations and lifecycle nudges.

## Micro-Investing



- 28% of micro-investing parcels are <\$500 (vs. 3% in traditional), showing it's a key entry point for investors to build their portfolios.

## Liquidity & Trading



- Focus liquidity and market-making on Global Equities, Australian Equities, and Fixed Income due to high trading volumes.

# Summary

The evolving landscape of ETF investing in Australia reveals a dynamic shift toward broader retail participation, growth-focused strategies, and increasingly digital engagement. While investor numbers surged during the pandemic, the recent moderation in growth underscores the importance of adapting to macroeconomic conditions. The data highlights clear opportunities to deepen investor relationships through education, cross-sell strategies, and improved onboarding experiences, while also pointing to the need for operational agility as investor demographics and behaviours continue to diversify.

At MUFG Corporate Markets, we are here to assist our clients and their investors on this journey. Whether we are advocating for our clients within the industry, ensuring efficient onboarding, providing tailored insights and best practices, or delivering seamless service, our commitment remains unwavering. We strive to partner with our clients to achieve service excellence, keep them informed, and empower them at every stage of the investor lifecycle.

We are proud to be the No. 1 ETF registrar in Australia, maintaining ETF registers since State Street listed the first fund in Australia in 2001, followed by Magellan's first active fund in 2015. We have successfully launched and currently manage over 195 ETFs across ASX and Cboe.

Our expertise extends to servicing multi-distributed ETFs (MDETFs), where we have played a significant role in their formation. We have established strong relationships and connections with key stakeholders and external parties, supported by existing processes and templates that offer flexibility and agility for seamless integration.

Our unlisted registry services are trusted by 7 of the top 10 largest asset managers, who value our specialised support for their funds.



We are proud to be the No. 1 provider of ETF Registry Services in Australia and would welcome the opportunity to connect with you and discuss any of the findings in this report or if you have any feedback on what you would like to see from future publications.

Visit our [website](#) to find out more or get in contact with us today.



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