

EXPAT'S ETF FAMILY

expatcapital

EXPAT INTERNATIONAL ETF CONFERENCE

Capital Fort Congress Center

New York City Hall

22 March 2018 (Thursday), 6:00 p.m.





DEUTSCHE BÖRSE
CASH MARKET

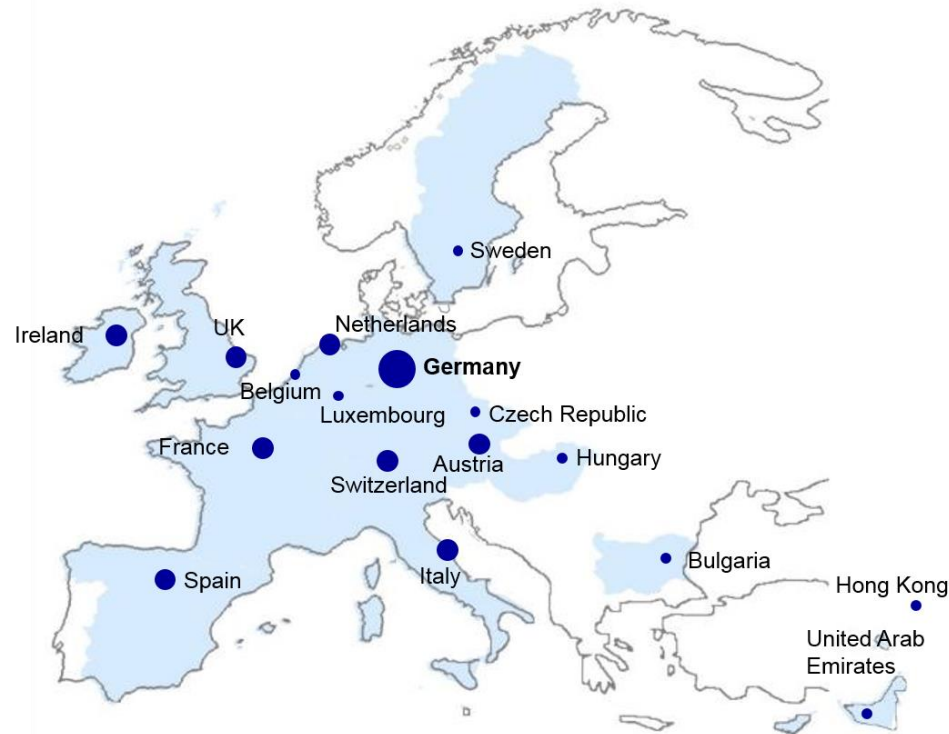
The ETF Segment of Deutsche Börse



Pan-European ETF trading hub with strong international client and member base

Deutsche Börse's Xetra network

- 171 members
- 3,620 traders
- 16 countries
- International order flow in ETFs ~ 70%



Source: Deutsche Börse, Deutsche Börse Feb 2018

ETF and ETP Issuers

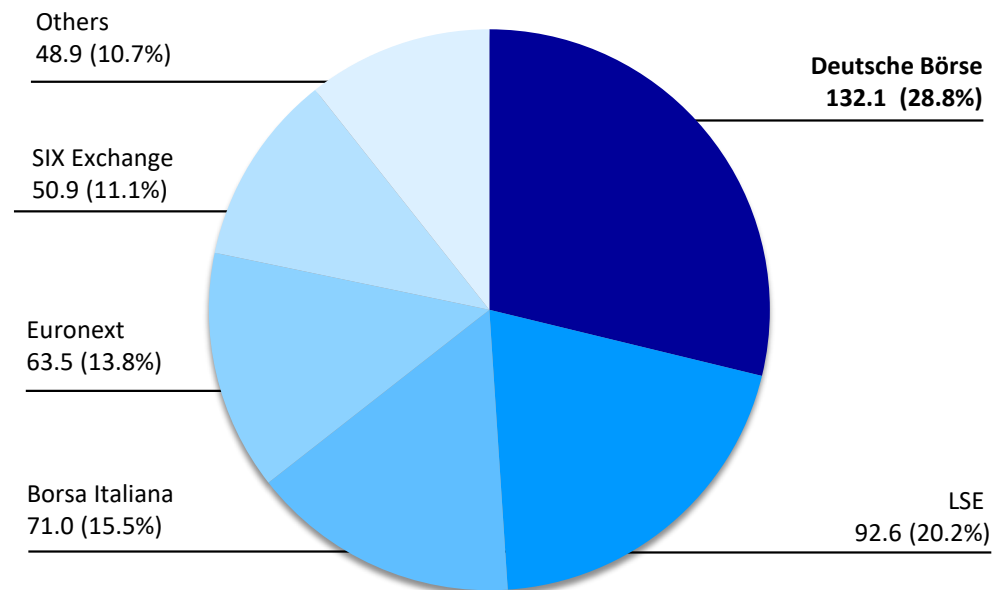
- | | |
|---------------------------------|----------------------------|
| • Amundi ETF | • ICBC Credit Suisse |
| • Boost ETP | • Invesco PowerShares |
| • China Post Global | • iShares (BlackRock AM) |
| • Commerzbank | • J.P. Morgan |
| • ComStage | • Lyxor (Société Générale) |
| • db ETC (Deutsche Bank) | • Ossiam (Natixis) |
| • Xtrackers (Deutsche Bank) | • Pimco Source |
| • Deutsche Börse Commodities | • Source Markets |
| • BNP Paribas Easy | • SPDR ETFs (State Street) |
| • DekaETF | • UBS ETFs |
| • ETF Securities | • Unicredit |
| • Expat Asset Management | • Van Eck Global (Europe) |
| • Fidelity | • Vanguard |
| • First Trust | • WisdomTree |
| • HSBC ETFs | |

Designated Sponsors

- | | |
|-----------------------|--------------------|
| • BNP Paribas | • Morgan Stanley |
| • Commerzbank | • Optiver |
| • Deutsche Bank | • Société Générale |
| • Flow Traders | • Susquehanna |
| • Goldenberg Hehmeyer | • Timber Hill |
| • HSBC | • UBS |
| • IMC | • Unicredit |
| • JP Morgan | • Virtu |
| • Lang & Schwarz | |

Order book turnover of ETFs on Xetra significantly exceeds that of other European trading venues

European market shares based on ETF order book turnover in 2017 (€ billion)



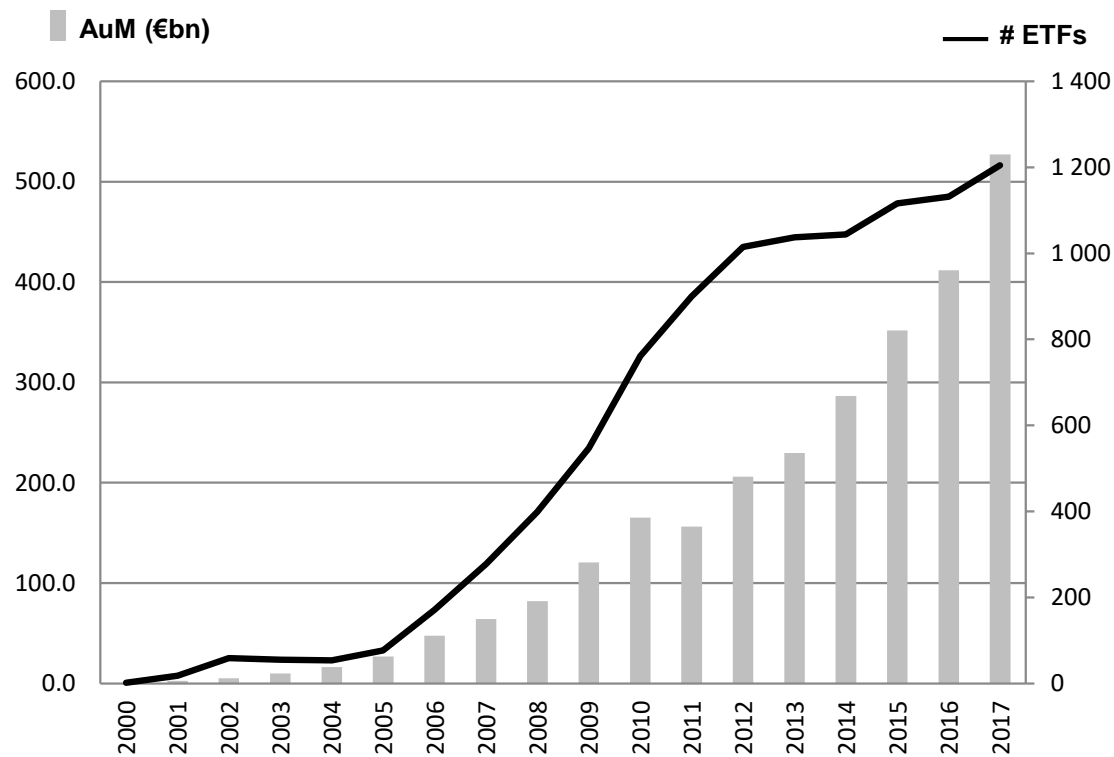
- Deutsche Börse's ETF Segment currently accounts for 29% of total European order book turnover in ETFs (€ 132.1 of € 459.0 billion)
- Most actively traded ETFs track DAX, EURO STOXX 50, STOXX Europe 600, S&P 500, MSCI Emerging Markets and MSCI World indices
- Trading activity continues to be mainly driven by institutional investors and professional market participants, which account for approx. 95% of turnover and 65% of executed orders*

Source: Federation of European Securities Exchanges (FESE), Borsa Italiana, LSE, CBOE Europe, Jan – Dec 2017

* Institutional and professional orders are defined as orders with an order size greater than € 25,000.

Deutsche Börse's ETF Segment features Europe's largest product offering – more than 1,200 ETFs to choose from

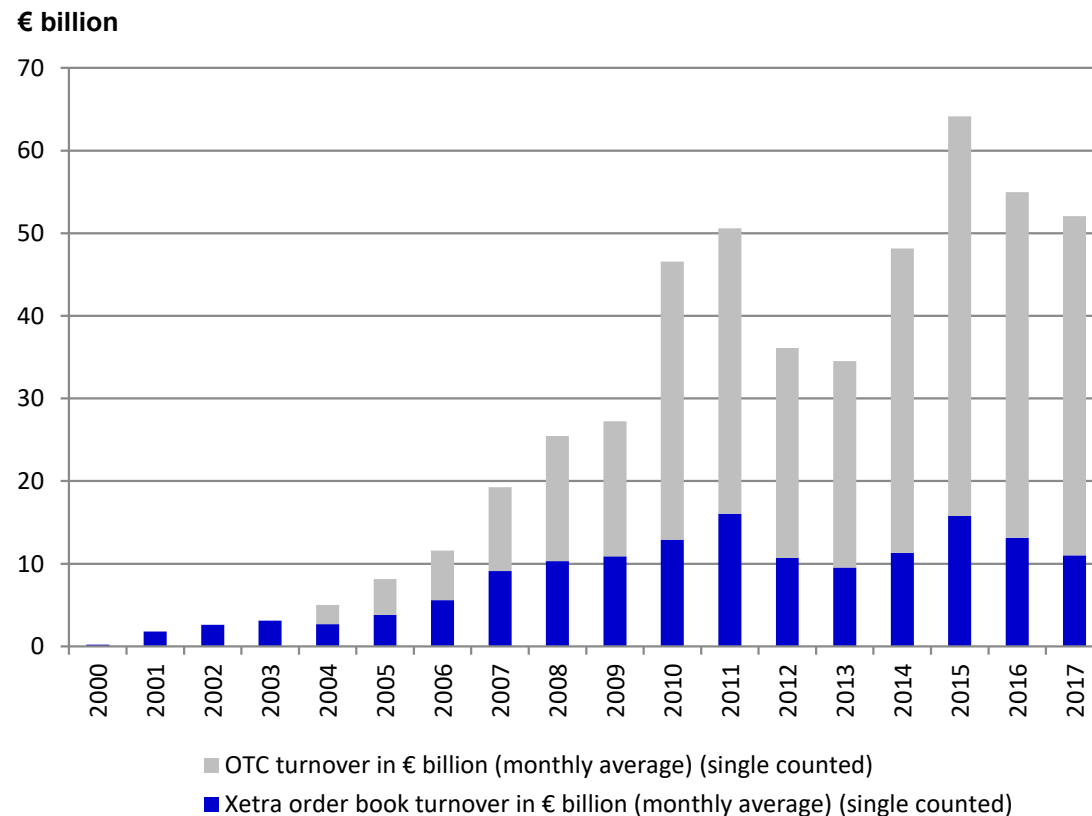
Assets under management and number of ETFs listed on Deutsche Börse



- European ETF market continues to demonstrate strong growth both in terms of assets under management (AUM) and number of products listed
- AUM of ETFs listed on Deutsche Börse reached a new record level of € 527.1 billion at the end of December 2017
- Number of ETFs listed increased to 1,205 products at the end of 2017
- New listings typically focus on alternatives to traditional benchmark equity indices, e.g. smart beta strategies, sustainable investing, high yield bonds and currency hedged products

Development of ETF order book and off-order book turnover at Deutsche Börse Group

Average monthly ETF order book and off-order book turnover

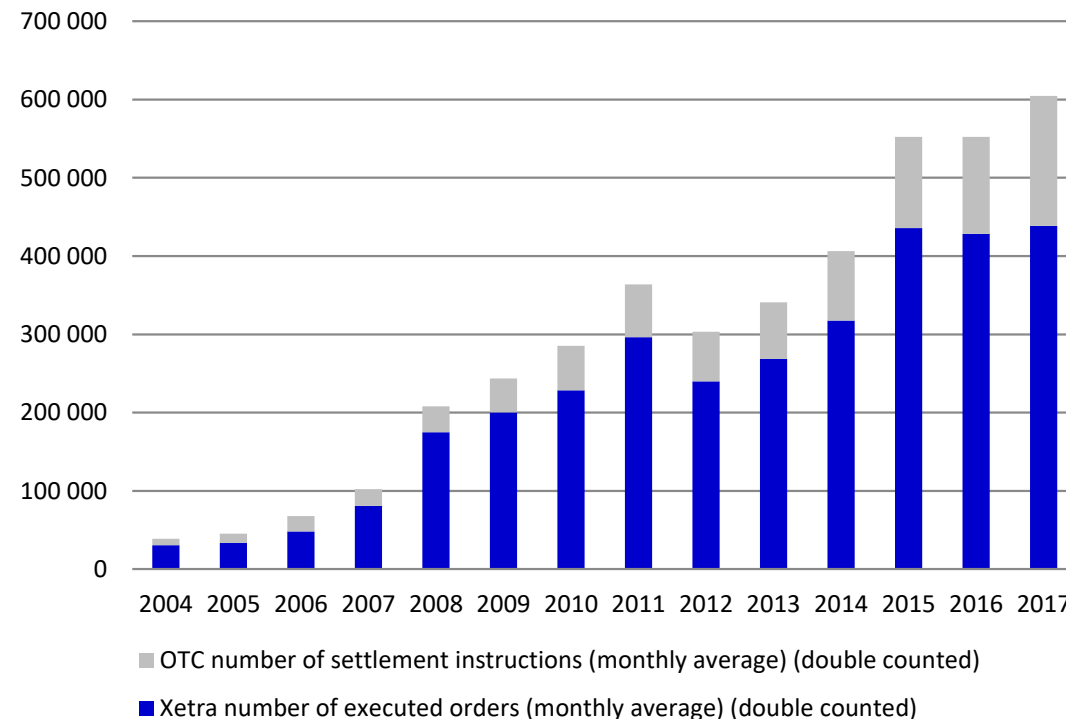


- Total average monthly ETF trading volume accounted for €52.1 billion in 2017 – decreasing volumes due to record-low volatility levels
- On-exchange and OTC trading accounted for €11.0 billion and €41.1 billion
- MiFID II will improve ETF transparency in terms of trading volume (new OTC trade reporting requirement, registration of traditional OTC RFQ venues as MTFs)

Development of executed ETF orders at Deutsche Börse Group

Number of executed ETF orders (monthly average)

Executed orders



- Monthly average number of executed ETF orders reached a new record level of 605k in 2017 (558k in 2016)
- On-exchange and OTC orders accounted for 438k and 166k in 2017, respectively
- Strong retail participation in terms of number of executed orders in the order book (approx. 35%)
- Average order size: €50k on-exchange vs. €500k OTC



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