

What are the benefits of Exchange Traded Funds?

Exchange Traded Funds (**ETFs**) offer attractive features and benefits for investors, including:

Lower cost

ETFs tend to charge lower management fees and expenses than many other diversified investment options. Lower costs mean that more of your money is working for you over the long-term. By purchasing an ETF, an investor avoids the commission costs that would normally be paid for purchasing each underlying security in a diversified portfolio, while only paying one commission fee for the purchase of an ETF. Trading costs in the portfolio that make up most ETFs are also kept to a minimum.

Portfolio transparency

An investor can view the current trading price of an ETF at any time during the course of a regular trading day. Investors can also verify the composition of an ETF's actual portfolio on a daily basis. This provides ongoing transparency, which can be particularly helpful during volatile investment markets.

Investment flexibility

Most ETFs can be bought and sold at current market prices at any time during the trading day. ETFs allow investors to access securities that are broadly linked to a particular region, market, sector, commodity or theme without the need to analyze and trade each individual security. Plus, by appropriately investing either long or short, investors are able to implement their positive or negative views on a particular market or sector.

Liquidity

Unlike other similar investments, ETFs enable investors to buy and sell whenever they want when the markets are open. In addition, unlike single stocks, due to the [create and redeem](#) process, the true liquidity of an ETF is represented by the liquidity of the underlying securities.

Diversification

By aiming to replicate a specific index or market return, an ETF aims to incorporate all, or a representative sample of, the securities that make up that index, regardless of the number of securities involved. This offers investors lower portfolio variability and can reduce the impact that volatile markets can have in terms of rising and falling prices, especially when compared to holding individual securities.

Are ETFs right for you?

If you are looking for a lower cost, transparent, easy to understand, diversified investment product that offers you the flexibility to trade when you want, then ETFs may be for you.



Investor Benefits

Lower cost	Tax efficiency
Investment flexibility	Portfolio transparency
Diversification	Liquidity

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