

ETF Watch – February 2025

2025 off to a strong start with inflows of €28 billion in January

Key takeaways

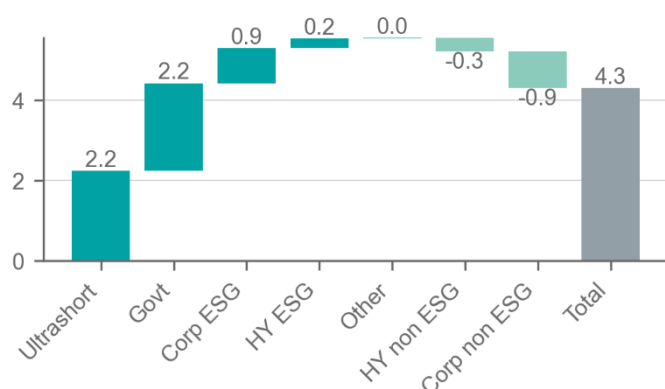
- €27.7 billion inflows into UCITS ETFs in January, continuing the 2024 trend
- Most of the flows were into Equity ETFs
 - €23 billion inflows in January
 - Mainly driven by US and global equities with €10.2 billion and €9.3 billion inflows respectively
- Fixed Income ETFs gathered €4.3 billion, with over 50% of flows into ESG
 - Flows led mainly by ultrashort and government bonds
 - On corporate and high yield, outflows from Article 6 and inflows into Article 8 & 9 products
- Another good month for Active ETFs with €1.7 billion inflows (6% of total UCITS ETF flows)

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Fixed Income flows led by ultrashort in January

FI UCITS ETF flows per sub asset class and SFDR category, in €bn



Source: ETF Book, BNP Paribas Asset Management as of 31/01/2025

BNP Paribas Asset Management ETF Research



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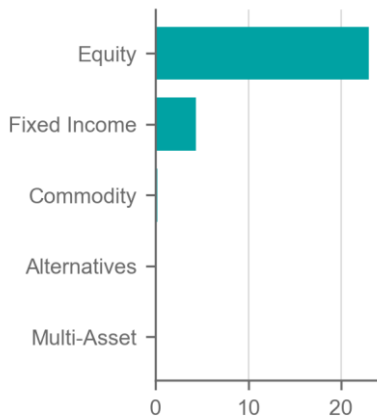
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UCITS ETF Flows Overview

1-month cumulative flows

ETF Book asset classes, in EUR mn



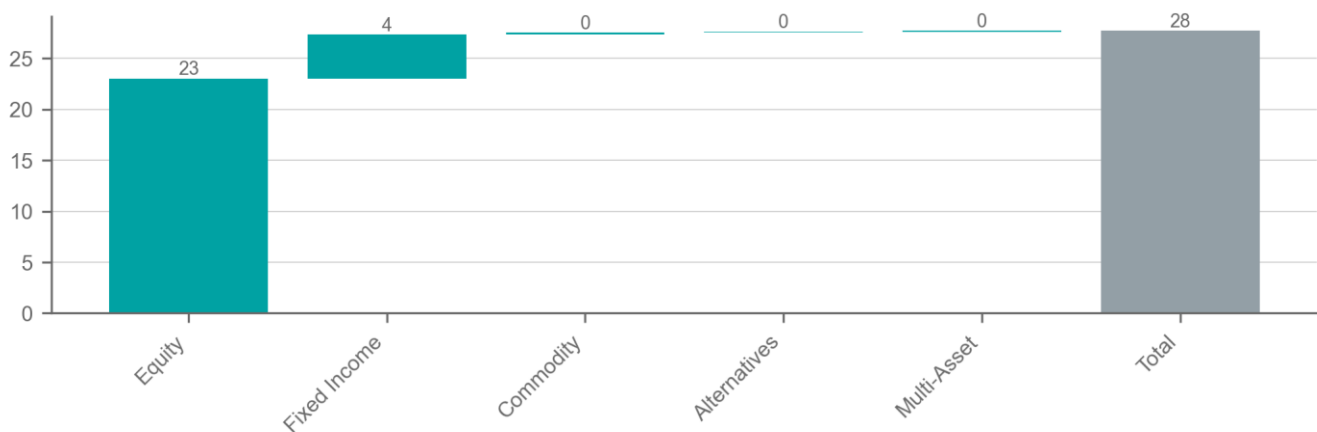
AUM and flows overview

ETF Book asset classes, in EUR

	AUM (€ billion)	Flows in € million			
		1-Month	%	YTD	%
Equity	1,618.8	23,027	83%	23,027	83%
Fixed Income	492.1	4,328	16%	4,328	16%
Commodity	14.0	169	1%	169	1%
Multi-Asset	3.9	90	0%	90	0%
Alternatives	2.2	97	0%	97	0%
Total	2,131.1	27,712		27,712	

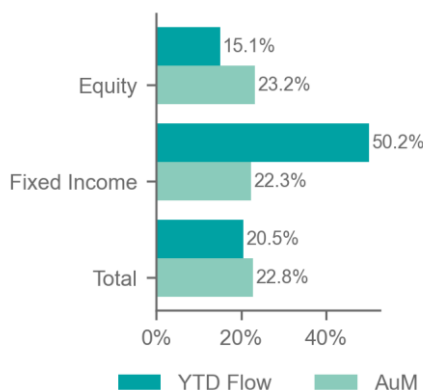
YTD cumulative flows per asset classes

in EUR mn



ESG market share AUM vs YTD flows

ETF Book asset classes



ESG Focus : AUM and flows overview

ETF Book asset classes, in EUR

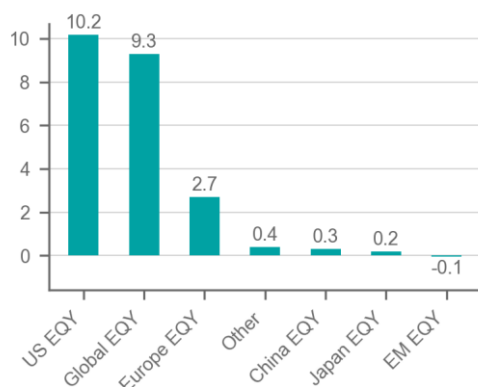
	AUM (€ billion)	Flows in € million			
		1-Month	% total market*	YTD	% total market*
Equity	376.3	3,472	15%	3,472	15%
Fixed Income	109.7	2,171	50%	2,171	50%
Commodity	0.0	2	1%	2	1%
Multi-Asset	0.3	24	26%	24	26%
Alternatives	0.0	0	0%	0	0%
Total	486.3	5,669	20.5%	5,669	20.5%

Source: ETF Book, BNP Paribas Asset Management as of 31/01/2025. Performances are for general information only and should not be used as a basis for making any specific investment, business or commercial decisions. Past performances or achievement is not indicative of current or future performance. * As percentage of overall UCITS ETF flows for the category.

Equity focus

1-month cumulative flows

ETF Book region focus, in EUR bn



AUM and flows overview

ETF Book region focus, in EUR

	AUM (€ billion)	Flows in € million			
		1-Month	% ESG	YTD	% ESG
Global EQY	493.0	9,281	16%	9,281	16%
US EQY	648.6	10,179	8%	10,179	8%
Europe EQY	284.3	2,703	43%	2,703	43%
Japan EQY	43.5	184	61%	184	61%
EM EQY	111.8	-55	303%	-55	303%
China EQY	13.6	323	-4%	323	-4%
Other	24.1	411	15%	411	15%
Total	1,618.8	23,027	15.1%	23,027	15.1%

Fixed Income focus

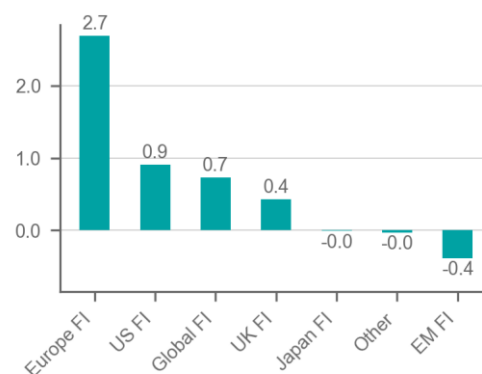
AUM and flows overview

ETF Book region focus, in EUR

	AUM (€ billion)	Flows in € million			
		1-Month	% ESG	YTD	% ESG
Global FI	78.0	729	74%	729	74%
US FI	162.0	908	16%	908	16%
Europe FI	199.0	2,689	62%	2,689	62%
UK FI	23.5	427	10%	427	10%
Japan FI	1.1	-9	0%	-9	0%
EM FI	28.1	-382	46%	-382	46%
Other	0.3	-33	121%	-33	121%
Total	492.1	4,328	50.2%	4,328	50.2%

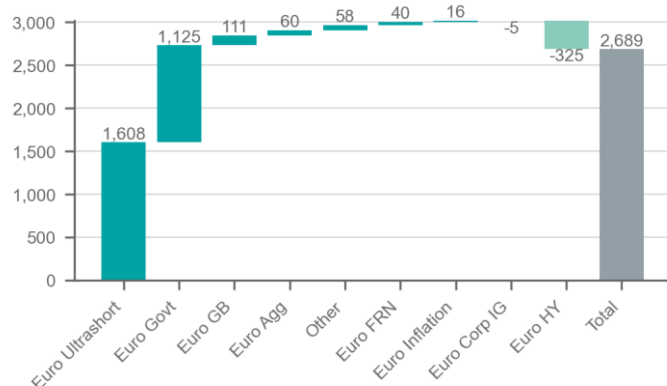
1-month cumulative flows

ETF Book region focus, in EUR bn



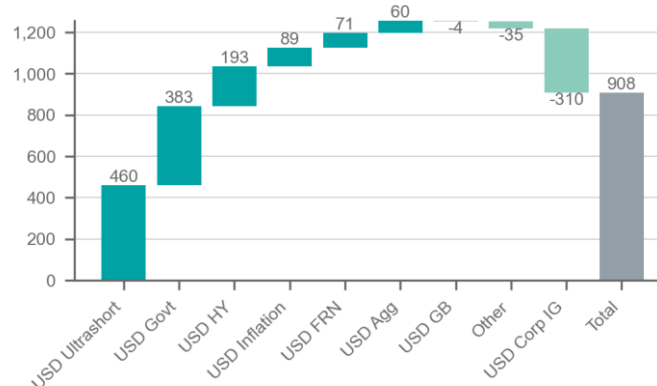
Europe FI focus: 1 month flows per sub categories

ETF Book sub asset classes, in EUR mn



US FI focus: 1 month flows per sub categories

ETF Book sub asset classes, in EUR mn



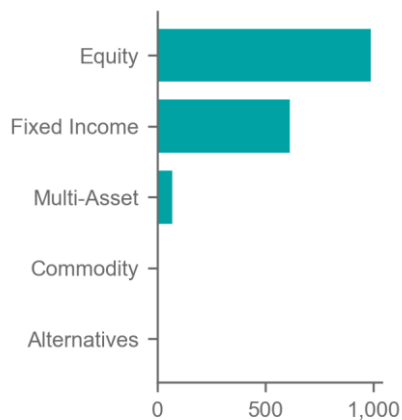
Source: ETF Book, BNP Paribas Asset Management as of 31/01/2025.

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Active ETFs focus

1-month cumulative flows

ETF Book asset classes, in EUR mn



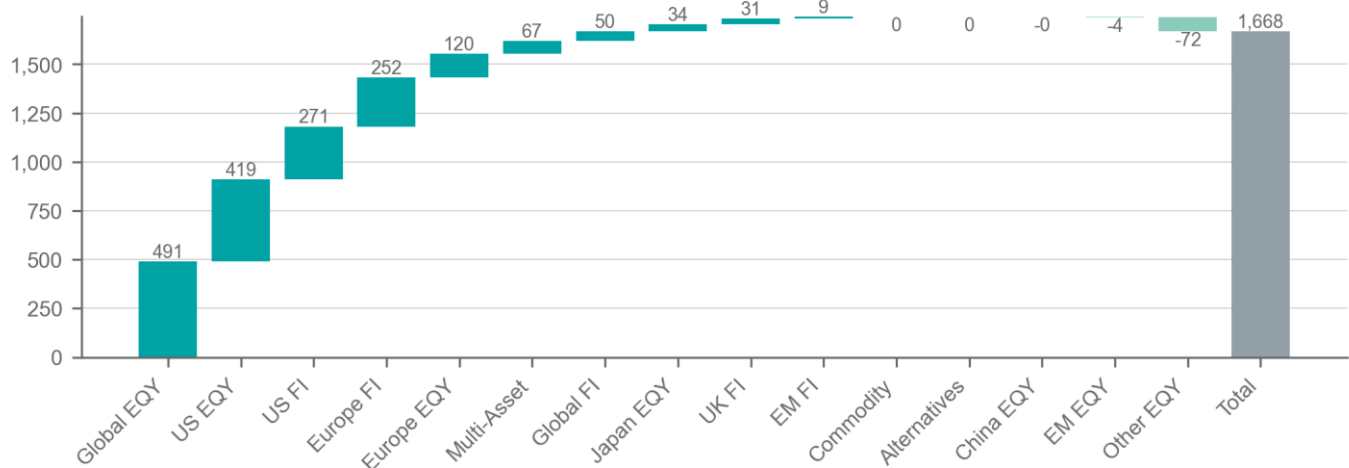
AUM and flows overview

ETF Book asset classes, in EUR

	AUM (€ billion)	Flows in € million			
		1-Month	%	YTD	%
Equity	37.6	989	59%	989	59%
Fixed Income	16.1	612	37%	612	37%
Commodity	0.0	0	0%	0	0%
Multi-Asset	2.6	67	4%	67	4%
Alternatives	0.0	0	0%	0	0%
Total	56.2	1,668		1,668	

YTD cumulative flows per category

ETF Book asset classes and region focus, in EUR mn



AUM and flows overview versus overall ETF market

ETF Book asset classes, in EUR

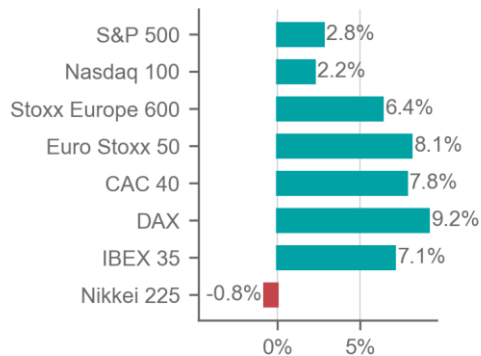
	AUM (€ billion)	% total market	Flows in € million			
			1-Month	% total market*	YTD	% total market*
Equity	37.6	2%	989	4%	989	4%
Fixed Income	16.1	3%	612	14%	612	14%
Commodity	0.0	0%	0	0%	0	0%
Multi-Asset	2.6	65%	67	74%	67	74%
Alternatives	0.0	0%	0	0%	0	0%
Total	56.2	2.6%	1,668	6.0%	1,668	6.0%

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Equity Indices Overview

1-month performance

Last month performance in index currency



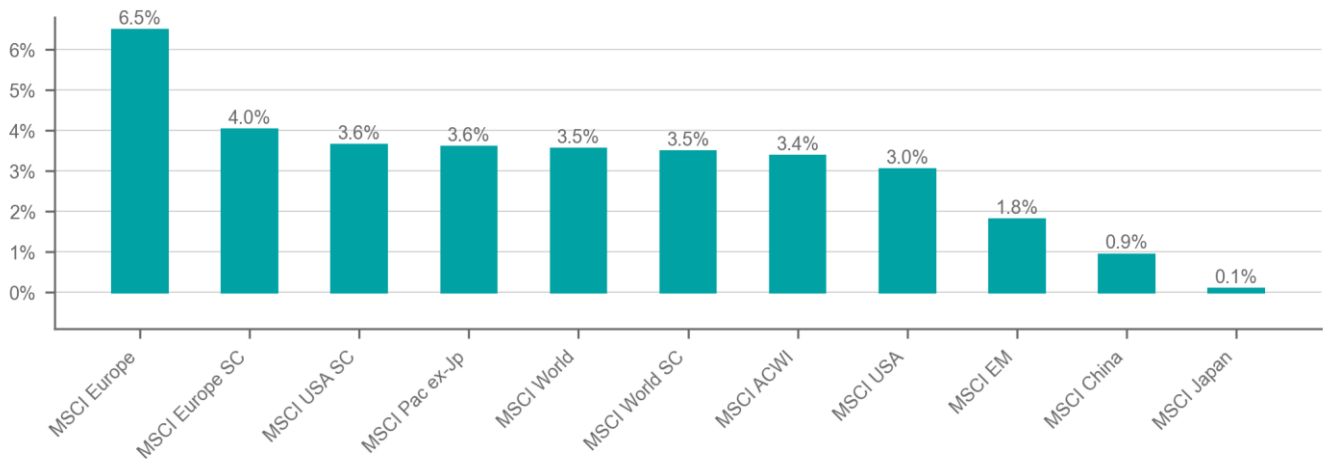
Stock market major indices overview

Performances in index currency

	Performances			Fundamentals	
	1M	3M	1Y	PE	Div yield
S&P 500	2.8%	6.1%	25.9%	25.5	1.24%
Nasdaq 100	2.2%	8.1%	26.0%	38.6	0.62%
Stoxx Europe 600	6.4%	7.1%	14.0%	15.0	3.19%
Euro Stoxx 50	8.1%	9.8%	16.6%	15.3	3.04%
CAC 40	7.8%	8.4%	6.3%	15.1	3.09%
DAX	9.2%	13.9%	27.7%	16.3	2.54%
IBEX 35	7.1%	6.8%	27.2%	11.6	4.22%
Nikkei 225	-0.8%	1.4%	10.6%	20.1	1.73%

1-month regional performances

Net total return, in USD



Regional overview

Net total return

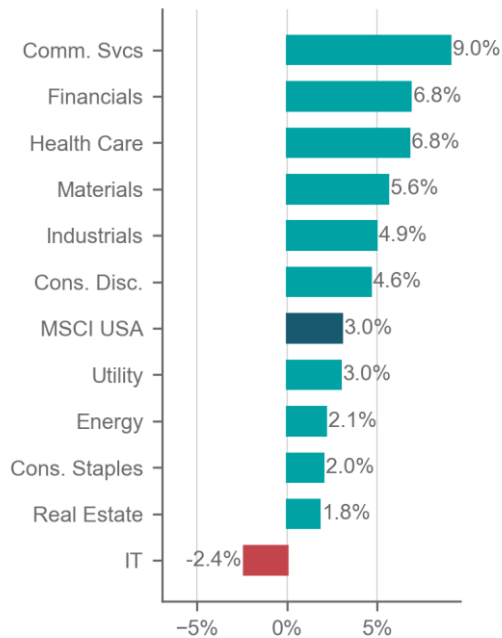
	Performances			Fundamentals	
	1M	3M	1Y	PE	Div yield
Large & Mid Cap					
MSCI ACWI	3.4%	4.7%	20.7%	20.3	1.79%
MSCI World	3.5%	5.5%	21.4%	21.4	1.68%
MSCI USA	3.0%	6.6%	26.4%	25.8	1.23%
MSCI Europe	6.5%	7.1%	13.8%	15.1	3.16%
MSCI Japan	0.1%	3.6%	11.4%	15.9	2.17%
MSCI Pacific ex-Japan	3.6%	0.5%	12.2%	16.1	3.72%
MSCI EM	1.8%	-2.0%	14.8%	13.7	2.74%
MSCI China	0.9%	-1.0%	34.8%	10.9	2.90%
Small Cap					
MSCI World Small Cap	3.5%	3.6%	15.1%	19.6	2.11%
MSCI USA Small Cap	3.6%	5.3%	19.8%	23.8	1.56%
MSCI Europe Small Cap	4.0%	5.0%	10.8%	14.2	3.49%

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Sector focus

1-month US sectors performances

Last month performance in USD



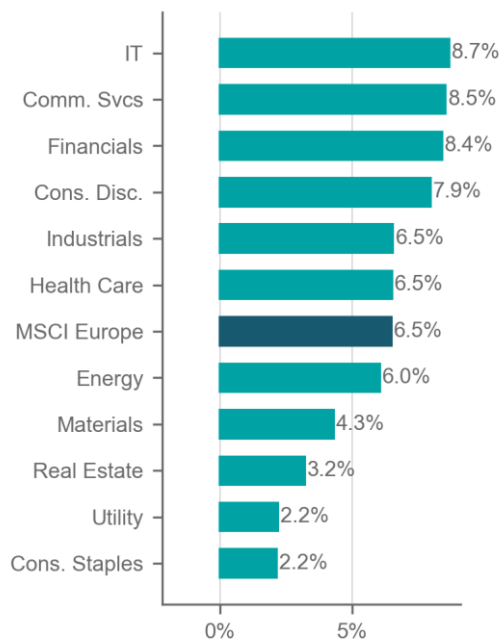
MSCI USA sectors overview

Performances in USD

	Performances			Fundamentals		
	1M	3M	1Y	PE	12M Fwd PE	Div Yield
MSCI USA	3.0%	6.6%	26.4%	25.8	26.1	1.23%
Comm. Svcs	9.0%	16.3%	44.5%	25.9	24.2	0.75%
Cons. Staples	2.0%	1.4%	14.3%	21.8	21.6	2.46%
Cons. Disc.	4.6%	20.9%	40.7%	34.8	30.8	0.56%
Energy	2.1%	-0.4%	8.8%	13.6	15.5	3.27%
Financials	6.8%	12.1%	36.5%	19.3	18.8	1.46%
Health Care	6.8%	0.3%	6.1%	22.0	22.3	1.60%
Industrials	4.9%	3.3%	23.3%	26.7	27.4	1.43%
IT	-2.4%	3.8%	28.2%	36.0	39.6	0.59%
Materials	5.6%	-3.7%	10.0%	22.7	22.1	1.83%
Real Estate	1.8%	-2.9%	11.1%	20.1	40.2	3.39%
Utility	3.0%	-2.0%	31.0%	19.1	19.4	2.92%

1-month European sectors performances

Last month performance in EUR



MSCI Europe sectors overview

Performances in EUR

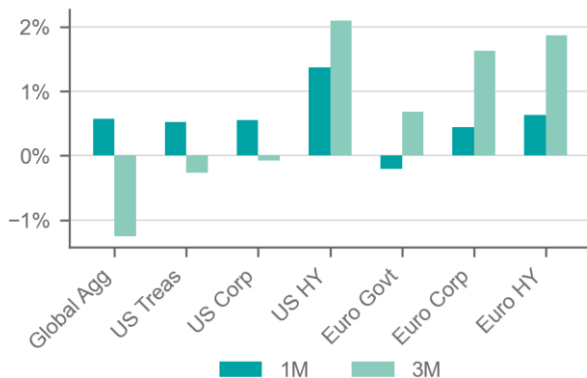
	Performances			Fundamentals		
	1M	3M	1Y	PE	12M Fwd PE	Div Yield
MSCI Europe	6.5%	7.1%	13.8%	15.1	15.3	3.16%
Comm. Svcs	8.5%	8.0%	20.3%	15.5	19.1	2.96%
Cons. Staples	2.2%	1.3%	-1.1%	15.9	15.9	3.41%
Cons. Disc.	7.9%	11.1%	9.1%	16.0	17.4	2.94%
Energy	6.0%	5.0%	2.9%	7.9	8.1	5.52%
Financials	8.4%	13.0%	34.4%	10.2	10.1	4.73%
Health Care	6.5%	0.7%	6.9%	18.8	18.4	2.20%
Industrials	6.5%	8.3%	21.4%	22.8	22.4	2.02%
IT	8.7%	18.0%	11.5%	35.1	29.8	1.04%
Materials	4.3%	-0.1%	5.7%	18.4	17.0	3.15%
Real Estate	3.2%	-1.4%	3.8%	13.7	14.5	3.55%
Utility	2.2%	-0.9%	6.5%	12.0	12.2	5.14%

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Fixed Income Indices Overview

Major indices performance

Last month performance in index currency



Major indices overview

Performances in index currency

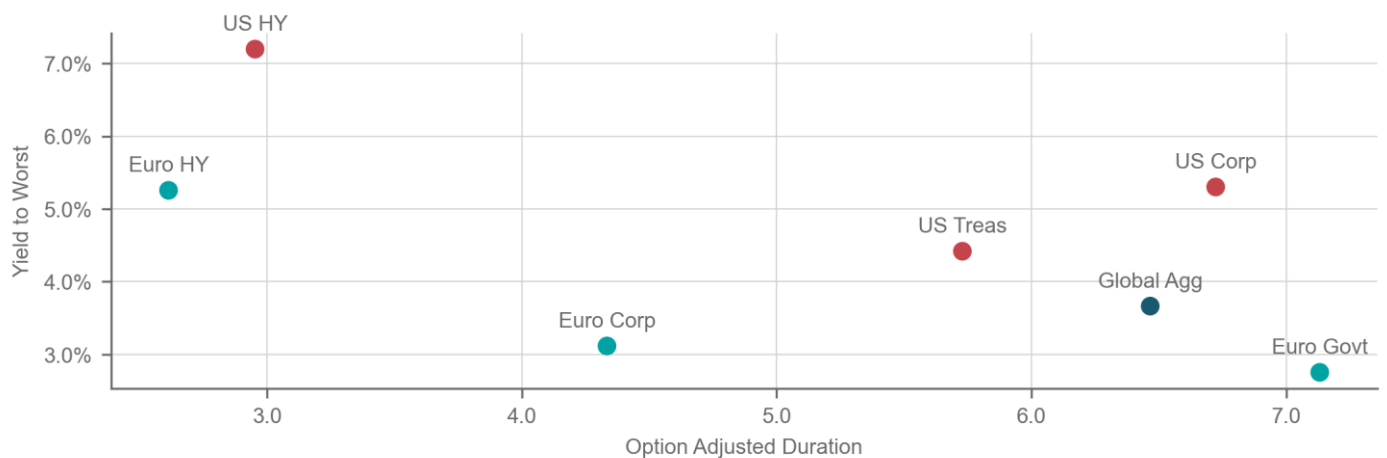
	Performance			Characteristics	
	1M	3M	1Y	Yield	Duration
Global Agg	0.6%	-1.3%	0.3%	3.7%	6.5
US Treas	0.5%	-0.3%	1.4%	4.4%	5.7
US Corp	0.6%	-0.1%	2.9%	5.3%	6.7
US HY	1.4%	2.1%	9.7%	7.2%	3.0
Euro Govt	-0.2%	0.7%	2.2%	2.8%	7.1
Euro Corp	0.4%	1.6%	5.1%	3.1%	4.3
Euro HY	0.6%	1.9%	8.1%	5.3%	2.6

Historical credit spreads

Option adjusted spread in %



Yield / Duration profile for major indices



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US focus

US Treasury indices historical yields

Last month performance in USD



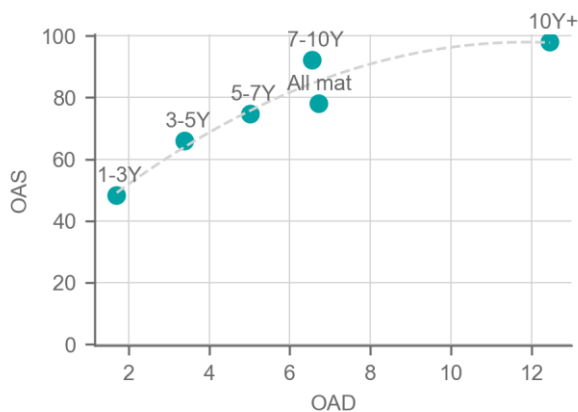
US Treasuries indices overview

Performances in USD

	Performance			Characteristics	
	1M	3M	1Y	Yield	Duration
US Treasury	0.5%	-0.3%	1.4%	4.4%	5.7
UST 1-3Y	0.4%	1.0%	4.1%	4.2%	1.8
UST 3-5Y	0.6%	0.5%	2.6%	4.3%	3.6
UST 5-7Y	0.6%	-0.0%	1.5%	4.4%	5.4
UST 7-10Y	0.7%	-0.6%	0.1%	4.5%	7.1
UST10Y+	0.4%	-3.2%	-3.9%	4.9%	14.7

US Corporate Credit spread / Duration

Option-adjusted spread vs Option-adjusted duration



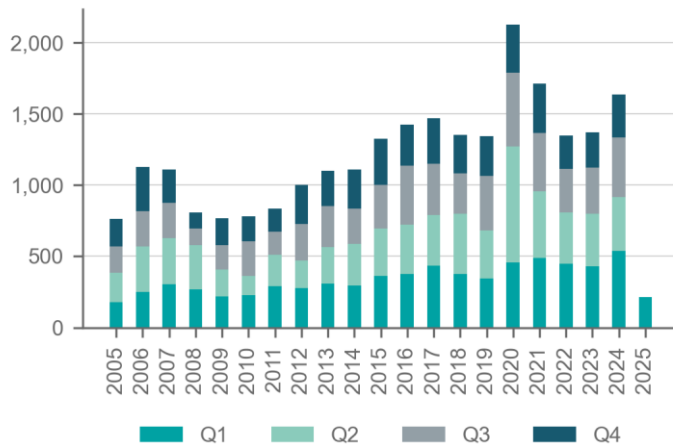
US Corporate indices overview

Performances in USD

	Performance			Characteristics		
	1M	3M	1Y	Yield	OAS	Dur.
US Corp	0.6%	-0.1%	2.9%	5.3%	78.0	6.7
US Corp 1-3Y	0.5%	1.2%	5.3%	4.7%	48.2	1.7
US Corp 3-5Y	0.7%	1.0%	4.9%	5.0%	65.9	3.4
US Corp 5-7Y	0.8%	0.7%	4.4%	5.2%	74.6	5.0
US Corp 7-10Y	0.6%	0.1%	3.7%	5.4%	92.1	6.6
US Corp 10Y+	0.4%	-1.7%	-0.7%	5.8%	98.0	12.5
US HY	0.6%	-0.1%	2.9%	5.3%	78.0	6.7

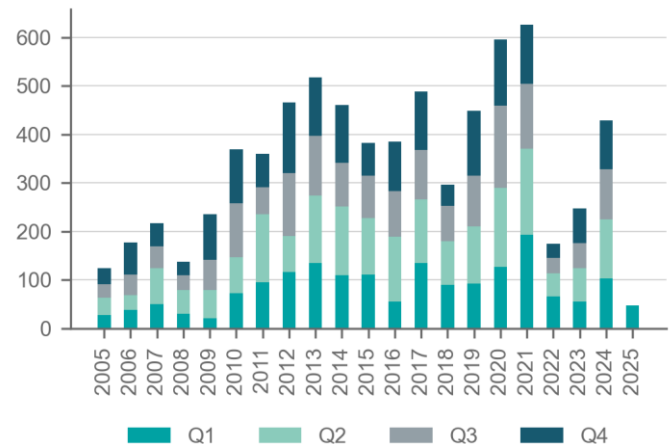
USD IG quarterly gross new issuance

in USD bn



USD HY quarterly gross new issuance

in USD bn

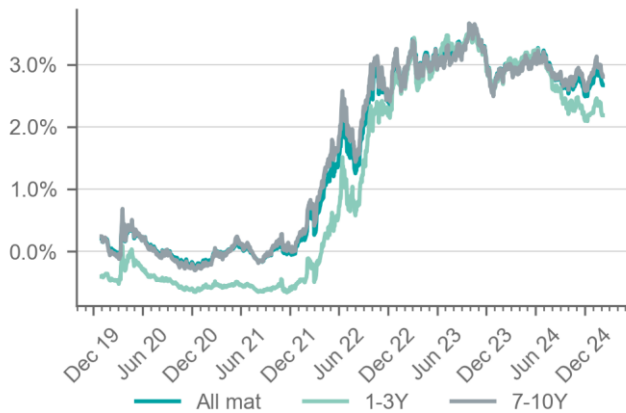


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Euro focus

Euro Government indices historical yields

Last month performance in EUR



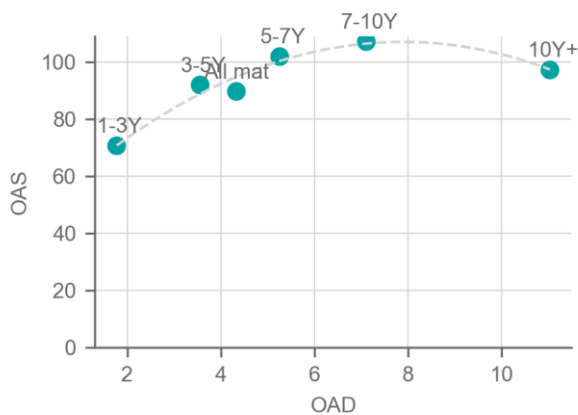
Euro Government indices overview

Performances in EUR

	Performance			Characteristics	
	1M	3M	1Y	Yield	Duration
Euro Govt	-0.2%	0.7%	2.2%	2.8%	7.1
Euro Govt 1-3Y	0.1%	1.0%	3.2%	2.2%	1.8
Euro Govt 3-5Y	0.1%	1.1%	2.7%	2.4%	3.7
Euro Govt 5-7Y	0.0%	1.1%	2.5%	2.7%	5.6
Euro Govt 7-10Y	-0.0%	0.8%	2.1%	2.9%	7.4
Euro Govt 10Y+	-0.9%	-0.1%	0.7%	3.3%	14.6

Euro Corporate Credit spread / Duration

Option-adjusted spread vs Option-adjusted duration



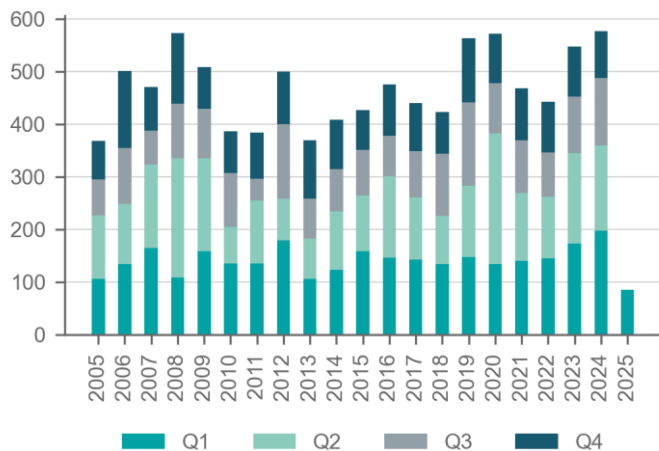
Euro Corporate indices overview

Performances in EUR

	Performance			Characteristics		
	1M	3M	1Y	Yield	OAS	Dur.
Euro Corp	0.4%	1.6%	5.1%	3.1%	89.6	4.3
Euro Corp 1-3Y	0.4%	1.2%	4.8%	2.8%	70.6	1.8
Euro Corp 3-5Y	0.4%	1.6%	5.2%	3.1%	91.9	3.6
Euro Corp 5-7Y	0.5%	2.0%	5.6%	3.3%	101.8	5.3
Euro Corp 7-10Y	0.6%	2.1%	5.2%	3.4%	107.1	7.1
Euro Corp 10Y+	0.4%	1.7%	3.8%	3.6%	97.2	11.0
Euro HY	0.4%	1.6%	5.1%	3.1%	89.6	4.3

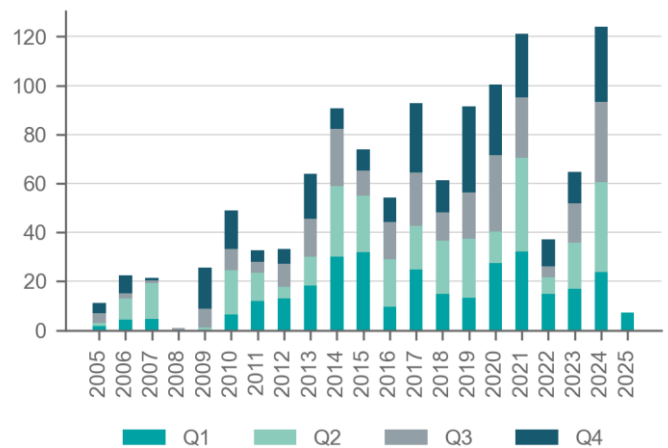
Euro IG quarterly gross new issuance

in EUR bn



Euro HY quarterly gross new issuance

in EUR bn



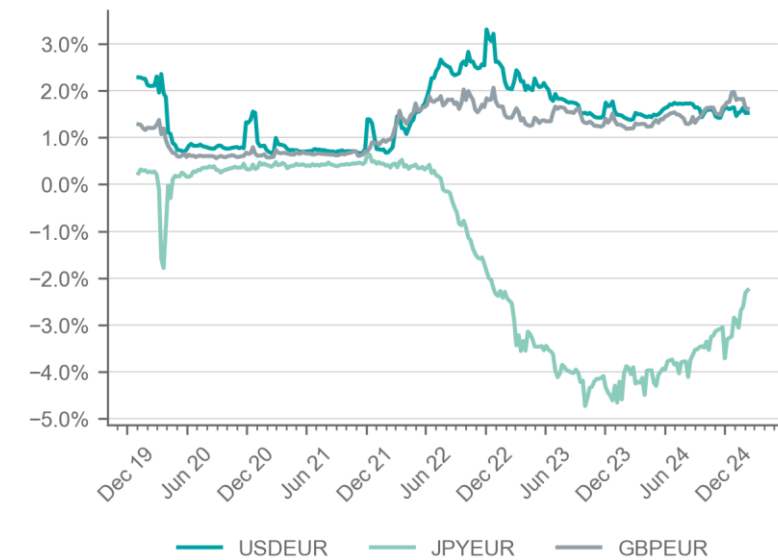
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Market Parameters Overview

FX hedging

Historical cost of hedging into EUR

Using 1-month forward cost annualised



Cost of hedging for major currencies

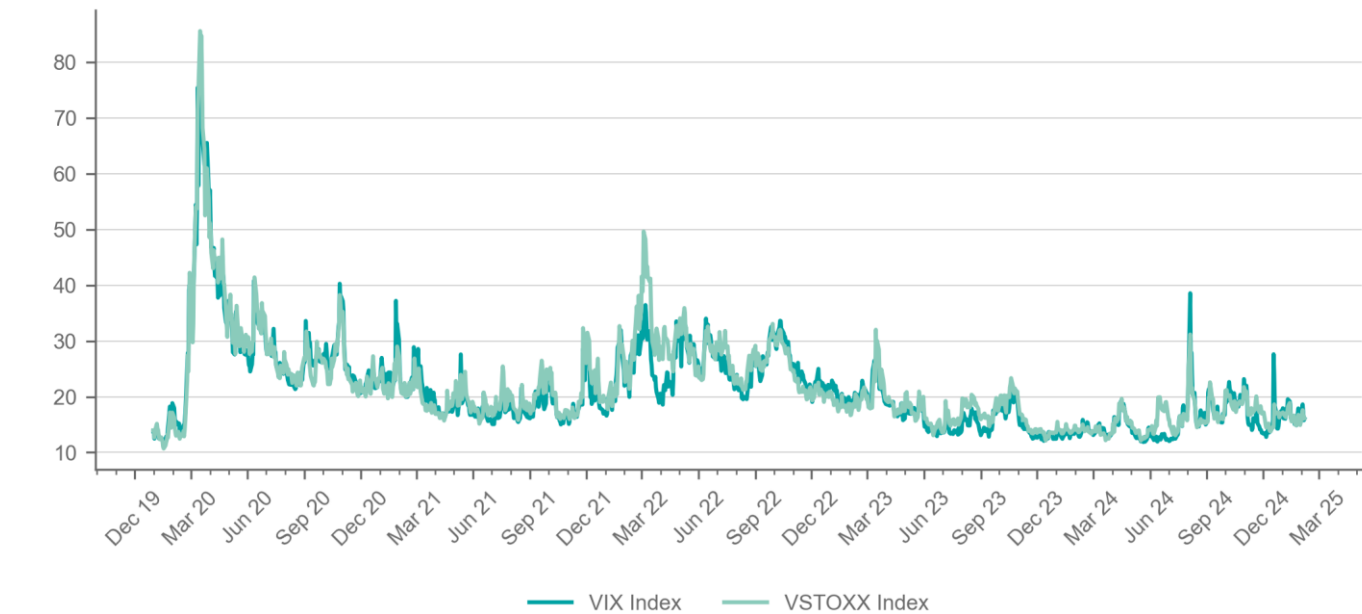
Using 1-month forward cost annualised

To	EUR	USD	GBP	JPY
From				
EUR	-	-1.52	-1.63	2.31
USD	1.52	-	-0.11	3.79
GBP	1.63	0.11	-	3.89
JPY	-2.31	-3.79	-3.89	-

Market volatility indicators

Historical VIX and VSTOXX levels

Since December 2019



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GLOSSARY

ETF	Exchange Traded Fund	PE	Price-to-earnings ratio
ESG	Environmental, Social and Governance	Div. yield	Dividend Yield
AUM	Asset under management	12M Fwd PE	12-month forward price-to-earnings ratio
YTD	Year-to-date	Dur.	Duration
EQY	Equity	OAS	Option-adjusted spread
FI	Fixed Income	OAD	Option-adjusted duration
HY	High Yield		
IG	Investment Grade		

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