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## **MEDIA RELEASE**

# **ETF education needed: Market Vectors**

Market Vectors launches all-encompassing education campaign aimed at advisers and investors

**Sydney 5 August 2014** – Market Vectors Australia, the exchange traded fund (ETF) business of Van Eck Global, has today launched a holistic education initiative with the intention of communicating to advisers and their clients the benefits of ETFs, how they work and how to use them.

"While ETFs have been around for almost 15 years, there's still a lot of work to be done to address the lack of awareness about investing in ETFs across the adviser, direct and self managed super fund segments," said Arian Neiron, Managing Director, Market Vectors Australia.

"Most advisers and investors have heard of ETFs, but there are still a lot of questions being asked what the benefits of ETFs are and how to use ETFs in a portfolio.

"As issuers, one of the biggest challenges we face is ensuring investors fully understand the benefits that ETFs can bring to their portfolio and fully understand the difference between products they are investing in," Mr Neiron said.

This week, to help address the education void Market Vectors has launched an all-encompassing education microsite designed to provide a holistic overview of investing in ETFs to help Australian advisers and investors better understand and navigate the ETF industry. This follows the ASIC launch of its National Financial Literacy Strategy last week.

Market Vectors' education series highlights the many benefits of ETFs over other investment vehicles.

"The tax advantages of ETFs are often underplayed by the industry and not fully understood by advisers. One of the greatest benefits that advisers can provide to their clients is tax effective structuring of their clients' portfolios. ETFs deliver better capital gains tax outcomes than unlisted managed funds for two reasons. The first, as they are passively managed, is their generally lower portfolio turnover. The second is that trading on the ASX allows for a more efficient and equitable allocation of capital gains when other investors redeem from the fund."

Another focus area for Market Vectors' education initiative is to help advisers and their clients understand the difference between indices that ETFs track. Market Vectors' education series looks at how an index is constructed, the types of ETF indices available in Australia and how they compare against each other.

"A lot of investors don't look under the bonnet of the ETFs they are invested in. Understanding the index behind the ETF is one of the most fundamentally important aspects of passive investing," Mr Neiron said. Market Vectors has launched a series of easy-to-follow education videos and ETF tips on its microsite. To also support the education initiative, Market Vectors has developed an "ETFs 101" presentation, enabling advisers to earn CPD points while they learn about ETF investing.

"We are fully committed to engaging with Australian advisers and investors to help them better understand what comes with investing in ETFs. The industry has come a long way since the first ETF listed on the ASX in 2001 and we hope the industry will continue to grow. Education is a key part of that growth," Mr Neiron said.



Market Vectors education microsite can be accessed at http://www.marketvectors.com.au/etf-education/

# **ENDS**

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#### **About Van Eck Global**

Market Vectors ETFs are sponsored by Van Eck Global. Founded in 1955, Van Eck Global was among the first US money managers helping investors to achieve greater diversification through global investing. Today, the firm continues this tradition by offering innovative, actively managed investment choices in hard assets, emerging markets, precious metals including gold, and other alternative asset classes. Van Eck Global has offices around the world and managed approximately US\$35 billion in investor assets as of 30 June 2014.

#### **About Market Vectors**

Market Vectors exchange traded products have been offered since 2006 and span many asset classes, including equities, fixed income (municipal and international bonds) and currency markets. The Market Vectors family totalled US\$24.8 billion in assets under management, making it one of the largest ETF families in the U.S. and worldwide as of 30 June 2014. Market Vectors Australia is a wholly owned subsidiary of Van Eck Global.

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