

# VanEck to launch Australia's first smart beta Global Healthcare Leaders ETF

**Sydney, 24 August** – A new exchange traded fund (ETF) from VanEck will provide investors with exposure to global healthcare companies in a growing sector, featuring strong performers such as Gilead Sciences and Novo Nordisk.

The VanEck Vectors Global Healthcare Leaders ETF (ASX: HLTH) is at final stages of approval and will list on ASX in coming weeks. HLTH will invest in 50 fundamentally sound and attractively valued companies with the best growth prospects in the global healthcare sector. The ETF will track the MarketGrader Developed Markets (ex-Australia) Health Care Index, which aims to invest in stocks that deliver growth at a reasonable price (GARP) and generate long-term shareholder value.

**Arian Neiron, VanEck's Managing Director and Head of Asia Pacific,** said: "As populations age around the world, health expenditures will rise globally across all economies, with the largest increases occurring in developed markets. The world's population is expected to grow by 800 million people by 2030 and the number of people aged 60 or over is projected to grow to more than 1.4 billion," Neiron said.

"This has important consequences for healthcare spending. As people age, healthcare spending rises significantly. With the COVID-19 pandemic too boosting healthcare demand dramatically, businesses in the sector will likely reap the benefits of ongoing strong demand for healthcare services and products.

Australian investors are generally underweight healthcare stocks because the local sector is relatively small and concentrated by CSL. So an allocation to global healthcare is important, according to Neiron.

"Globally, only the technology sector has performed better since 2008. Healthcare has been, at the same time, more defensive than technology and the overall share market by virtue of the relative performance in a down market. There is strong merit surrounding a strategic allocation to global healthcare in an investor's portfolio."

HLTH's holdings include several companies which are leaders in their fields such pharmaceutical manufacturers Lilly, Bristol-Myers Squibb, ResMed and Gilead Science, which has developed the only US-approved COVID-19 treatment.

"The ETF will offer Australian investors the chance to invest in these global leaders. But its portfolio extends to 50 companies all equally weighted, ensuring HLTH will offer true diversification.

"Existing healthcare investment products are often 'hit or miss', as active managers bet on who they think might be tomorrow's winners based on complex factors such as drug trials and winning regulatory approvals.



But a smart beta, or rules-based approach, to identifying companies that consistently deliver growth has the potential to deliver greater rewards to shareholders over the longer term," said Neiron.

| Fund  | ASX code | Features  | Management<br>Cost |
|---|----------|---|--------------------|
| VanEck Vectors<br>Global<br>Healthcare<br>Leaders ETF | HLTH     | <ul> <li>Provides investors with access to 50 global healthcare companies, applying GARP selection methodology</li> <li>Tracks the MarketGrader Developed Markets (ex-Australia) Health Care Index</li> <li>HLTH's holdings include leading healthcare companies Lilly, ResMed and Gilead Sciences</li> <li>Equal weight exposure ensures broad diversification</li> <li>All the benefits of ETFs including:         <ul> <li>Simple trading on the ASX</li> <li>Liquidity</li> <li>Transparent daily holdings</li> <li>Cost effective</li> </ul> </li> </ul> | 0.45% p.a.         |

#### **ENDS**

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## ABOUT VANECK

VanEck is one of the world's largest issuers of ETFs (Exchange Traded Funds), managing in excess of \$50 billion globally for individual and institutional investors. Founded in New York in 1955, VanEck is a pioneer in international investing and in gold funds, launching the first gold equities fund and the first gold ETF in the US.

In Australia, VanEck is the fastest growing ETF provider in the country and a leader in 'smart beta' investment strategies. We have 25 exchange traded funds on ASX that focus on delivering superior performance through beyond-the-usual approaches and providing access to asset classes typically unavailable to Australian investors.

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## General information only

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No member of the VanEck group guarantees the repayment of capital, the payment of income, performance, or any particular rate of return from the fund.