



Media Contacts

Brad Livingstone-Foggo

Head of Marketing

bfoggo@vaneck.com

+61 2 8038 3321

+61 422 794 035

PLUS ETF added to BT SuperWrap platform

Sydney, 31 July 2017 – VanEck Vectors Australian Corporate Bond Plus ETF (ASX: PLUS) has been added to the BT SuperWrap platform, reflecting strong interest in this high-yielding ETF from advisers and investors, according to Arian Neiron, Managing Director, VanEck Australia.

PLUS tracks the Markit® iBoxx® AUD Corporates Yield Plus Index, which includes the top 50% highest yielding corporate bonds issued in Australia. The Index is designed to benchmark the performance of the higher-yielding Australian dollar corporate bond market with at least 80% of the bonds in the Index being investment grade.

Since its launch in May, PLUS has attracted \$41.5 million in investors' funds¹. The underlying Index, has outperformed the standard corporate bond benchmark, Bloomberg AusBond Comp 0+YRS Index, by 3.95% over the last year, returning 4.20% over the year to June 30, compared to the benchmark's minor 0.25% gain.

Arian Neiron, Managing Director, VanEck Australia, said, "We are excited BT SuperWrap has added PLUS to the platform. We expect this will add considerable demand for the product, which has been popular with investors due to its relatively high yield. With a management fee of just 0.32% per annum, far less than managed funds, investors who are seeking to outperform the market are using PLUS."

PLUS may suit investors in retirement or the many who are underweight fixed income investments. "While Australians are heavily invested in cash and low yielding term deposits, PLUS provides an opportunity to investors to diversify into corporate bonds, which are significantly underrepresented in portfolios. Self-managed superannuation funds, for example, allocated just 1% of their total assets to debt securities in the March 2017 quarter²," Neiron said.

"In contrast, many investors are heavily exposed to equities and other growth assets such as property. Most don't realise just how risky their asset allocations are. One way of significantly reducing this investment risk is to diversify into bonds, which offer several attractions," Neiron said.

¹ As at July 27, 2017.

² [Australian Taxation Office SMSF asset allocation data for the March 2017 quarter.](#)

“Bonds are considered defensive investments because they tend to do relatively well when share markets correct. In times of economic downturn or financial market instability, investors typically switch out of equities to bonds because of their relatively stable returns.

“Over the 10 years to 30 June 2017, the returns on corporate bonds, as measured by the benchmark Bloomberg AusBond Credit 0+ Yr Index, was 6.36%. That easily outstripped the 3.30% gain of the S&P/ASX 200 Accumulation Index.

“So an exposure to bonds can pay dividends. PLUS pays distributions four times a year, offering a defensive income solution for investors’ portfolios,” said Neiron.

Fund	ASX code	Features	Management Cost
VanEck Vectors Australian Corporate Bond Plus ETF	PLUS	<ul style="list-style-type: none"> • Invests in a diversified portfolio of Australian dollar corporate bonds offering a yield premium. • Index selects the top 50% highest yielding corporate bonds in Australia, resulting in around 120 bonds from over 80 issuers. • PLUS gives investors simple, low cost access to the performance of higher yielding Australian-issued corporate bonds in a single trade on ASX. • Lower credit risk than typical high-yield bonds. • Only ETF of its kind in Australia 	0.32% p.a.

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With offices in key financial centres and regions including New York, Sydney, Shanghai, Frankfurt, Madrid and Zurich, VanEck offers investors broad investment reach with deep experience.

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