



BetaShares

Exchange Traded Funds

Media release

Australian investors seek out global cybersecurity sector as high-profile attacks soar

SYDNEY, 28 February 2019: Australian investors are increasingly recognising growth opportunities presented by the global cybersecurity sector, as companies boost spending to protect themselves from the increasing number and sophistication of cyber-attacks.

The interest from investors in this sector has led to a more than doubling in size of BetaShares' ASX-traded Global Cybersecurity ETF (ASX: HACK) over the last 12 months, with the Fund now approaching \$150 million in assets under management.

The strong inflows in HACK were coupled with robust investment performance, with the ETF returning 19% in the past 12 months to end January 2019*, making it the best performing international equities ETFs trading on the Australian Securities Exchange (ASX) during the period.

BetaShares CEO, Alex Vynokur, said "Australian investors have recently been increasing their holdings to global exposures to capitalise on growth opportunities from sectors that have little or no representation in our local sharemarket – with cybersecurity being a good example."

Cyberattacks are on the rise

2018 saw accelerated cyber threat activity across an assorted range of targets. Symantec, one of the global leaders in cyber-security reported that overall web attacks on internet-capable computers increased by 56% in 2018. Indeed, by December 2018, Symantec was blocking more than 1.3 million unique web attacks every day¹. In addition, over 1.2 billion data breaches were recorded in 2018² in the U.S. alone.

Several of the attacks that occurred last year were among the largest of all-time: Marriott, the world's largest hotelier, announced breaches that may have involved as many as 500 million people who made reservations in their hotels. In the social networking realm, Facebook estimated that hackers stole user information from nearly 30 million people.

Closer to home, some recent cyberattacks in Australia making headlines include the targeting of Toyota's servers that left staff locked out of their emails for two days; the ransomware attack against Malvern's Cabrini Hospital in Victoria which scrambled the medical files of about 15,000 patients; and the high-level cyber attack on the Australian Parliament in early 2018.

"Cybersecurity is part of the 'new world' economy and it will continue to be critically important the more our lives, and consequently our personal data, move online," Mr Vynokur said.

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The outlook for cybersecurity

In a world where smart, connected devices already far outnumber humans, spending on cybersecurity worldwide is expected to soar over the next decade.

The global cybersecurity market is currently worth around US \$140 billion and is forecast to increase to US \$248 billion by 2026³. This suggests that, as cybercrime costs continue to rise for corporations and governments, so will overall spending for cybersecurity measures, thus positively impacting the cybersecurity industry.

“Demand drivers for the cybersecurity industry remain strong, and we believe investors will continue to recognise the opportunity to be part of this story and seek investment opportunities that provide access to this sector”, Mr Vynokur concluded.

HACK provides instant access to a portfolio of the world’s leading cybersecurity companies, including Symantec, Verisign and Palo Alto Networks, all via a single trade on the ASX.

¹ Symantec 2019 Internet Security Threat Report

² Statista Cybercrime: Annual number of data breaches and exposed records in the United States from 2005 to 2018 (in millions)

³ Australian Cybersecurity Growth Network, Sector Competitiveness Plan 2018

* Past performance is not indicative of future performance. Investment value can go down as well as up.

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About BetaShares

Awarded ETF Fund Manager of Year for 2017 and 2016 by Professional Planner/Zenith and 2016 ETF Manager of the Year by Money Management/Lonsec, BetaShares Capital Ltd ("BetaShares") is a leading Australian manager of exchange traded products ("ETPs") which are traded on the Australian Securities Exchange. BetaShares offers a range of ETPs which cover Australian and International equities, cash, currencies, commodities and alternative strategies. BetaShares currently has approximately \$6.5 billion in assets under management.

BetaShares is owned and managed by its Australian based management team along with a strategic shareholding from Mirae Asset Global Investment Group, one of Asia’s largest asset management firms. As at January 2019, Mirae manages over US\$125 billion.

BetaShares’ range of ASX-traded funds includes:

Product Series	Product	Ticker
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Cash & Fixed Income ETFs	Australian Bank Senior Floating Rate Bond ETF	QPON
	Australian High Interest Cash ETF	AAA
	Australian Investment Grade Corporate Bond ETF	CRED
Hybrid Funds	Active Australian Hybrids Fund (managed fund)	HBRD
Commodity ETFs	Agriculture ETF – Currency Hedged (synthetic)	QAG
	Commodities Basket ETF – Currency Hedged (synthetic).	QCB
	Crude Oil Index ETF – Currency Hedged (synthetic)	OOO
	Gold Bullion ETF – Currency Hedged	QAU
Currency ETFs	British Pound ETF	POU
	Euro ETF	EEU
	U.S. Dollar ETF	USD
	BetaShares Strong U.S. Dollar Fund (hedge fund)	YANK
	BetaShares Strong Australian Dollar Fund (hedge fund)	AUDS
Equities ETFs	FTSE RAFI Australia 200 ETF	QOZ
	Financials Sector ETF	QFN
	Resources Sector ETF	QRE
	Australian Ex-20 Portfolio Diversifier ETF	EX20
	Australian Small Companies Select Fund (managed fund)	SMLL
	Australian Sustainability Leaders ETF	FAIR
	Australia 200 ETF	A200
Equity Income Funds	Australian Dividend Harvester Fund (managed fund)	HVST
	Equity Yield Maximiser Fund (managed fund)	YMAX
Geared Funds	Geared Australian Equity Fund (hedge fund)	GEAR
	Geared US Equity Fund – Currency Hedged (hedge fund)	GGUS

International Funds	Asian Technology Tigers ETF	ASIA
	FTSE RAFI U.S. 1000 ETF	QUS
	Global Agriculture ETF – Currency Hedged	FOOD
	Global Banks ETF – Currency Hedged	BNKS
	Global Cybersecurity ETF	HACK
	Global Energy Companies ETF – Currency Hedged	FUEL
	Global Gold Miners ETF – Currency Hedged	MNRS
	Global Healthcare ETF – Currency Hedged	DRUG
	Global Income Leaders ETF	INCM
	Global Quality Leaders ETF	QLTY
	Global Robotics and Artificial Intelligence ETF	RBTZ
	Global Sustainability Leaders ETF	ETHI
	NASDAQ 100 ETF	NDQ
	S&P 500 Yield Maximiser Fund (managed fund)	UMAX
	WisdomTree Europe ETF – Currency Hedged	HEUR
WisdomTree Japan ETF – Currency Hedged	HJPN	
Managed Risk Funds	Managed Risk Australian Share Fund (managed fund)	AUST
	Managed Risk Global Share Fund (managed fund)	WRLD
Short Funds	Australian Equities Bear Hedge Fund	BEAR
	Australian Equities Strong Bear Hedge Fund	BBOZ
	US Equities Strong Bear Hedge Fund – Currency Hedged	BBUS
Active	AMP Capital Dynamic Markets Fund (Hedge Fund)	DMKT
	AMP Capital Global Infrastructure Securities Fund (Unhedged) (Managed Fund)	GLIN
	AMP Capital Global Property Securities Fund (Unhedged) (Managed Fund)	RENT

	BetaShares Legg Mason Australian Bond Fund (managed fund)	BNDS
	BetaShares Legg Mason Equity Income Fund (managed fund)	EINC
	BetaShares Legg Mason Real Income Fund (managed fund)	RINC

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