



FIRST QUARTER 2017 NYSE ARCA ETF REPORT



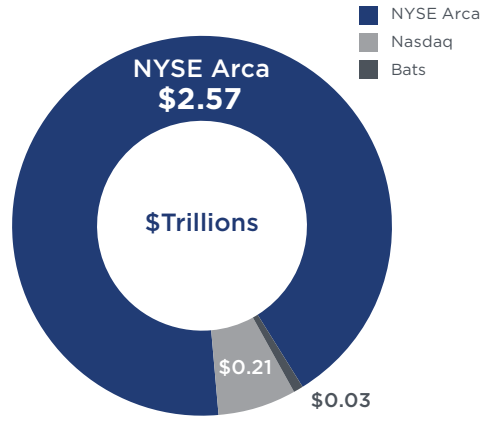
With a wide range of market structure and regulatory changes impacting the ETF industry, NYSE is committed to keeping you abreast of the latest developments, issues and changes that impact your business.

Q1 2017 ETF MARKET STATISTICS

- At the end of Q1, 1,997 ETFs – representing over \$2.8 trillion in assets – were listed in the U.S.
- NYSE continues to lead the ETF space in Q1 with 26 new ETFs, across 17 issuers.
- At the end of March, across all ETFs, NYSE had the highest market share, tightest spreads, greatest AUM, and the majority of daily trading volume compared to any other exchange.

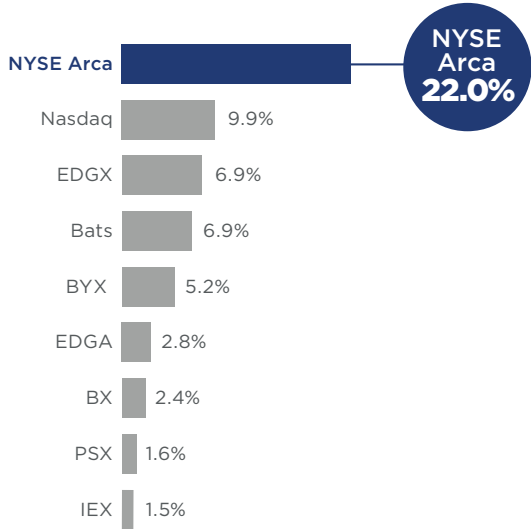
Assets Under Management of U.S. ETFs¹

Nearly 92% of all U.S. ETF AUM is listed on NYSE Arca.



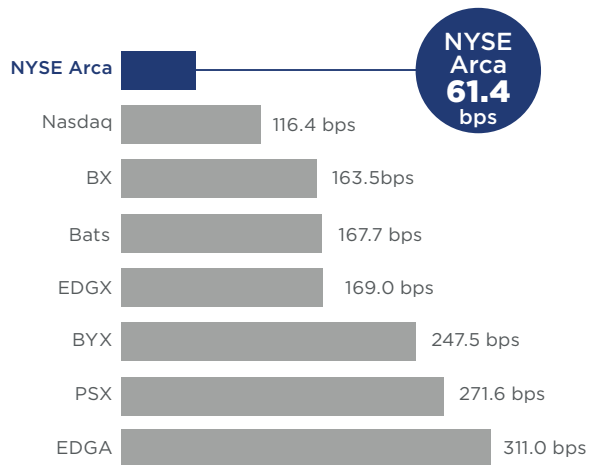
Market Share of Exchange Volume for all U.S. ETFs¹

NYSE Arca has the most market share in trading volume with 2.2 times more liquidity than the next largest exchange.



Narrowest Quoted Spread for all U.S. ETFs²

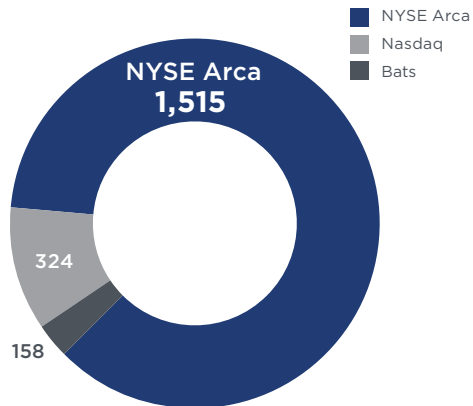
NYSE Arca has the narrowest quoted bid / ask spreads.



¹ ETFs include all Exchange Traded Funds
² Data only includes exchanges which quote all ETFs

Total # of U.S. ETFs¹

NYSE Arca has over 3 times more listings than all other U.S. exchanges combined.



REGULATORY UPDATES

INDUSTRY-WIDE CONTINUED LISTING RULES FOR ETFs

On March 7, 2017 the NYSE received approval to modify our generic listings standards for listing passively managed ETFs.

The majority of NYSE-listed ETFs, both equity and fixed income, are listed according to this rule, which looks to the underlying benchmark of the fund to determine eligibility for listing.

Historically the benchmarks only needed to be reviewed once upon initial listing. With the introduction of the new “continued listing rule,” the same initial requirements will apply on an ongoing basis. This means that all the underlying benchmarks of passively managed ETFs are required to adhere to the liquidity and diversification measurements at all times.

NYSE’s aim is to help understand these new continued listing standards so they are prepared to meet these requirements ahead of the October 1, 2017 implementation date. Stay tuned for more information as the deadline approaches.

NYSE REGULATORY SUMMIT



In early April, we hosted our inaugural NYSE ETF Regulatory Summit at the NYSE Big Board Club - our newly renovated conference space on Wall Street. The event brought together the ETF community to hear leading industry experts discuss the various regulatory proposals impacting the ETF industry this year.

For those unable to join us, please find the agenda [here](#).

ETF LIQUIDITY PROVIDER PROGRAM (“ELP”)

NYSE recently rolled out its ETF Liquidity Provider (ELP) Program, an innovative initiative that is geared towards improving market quality in new and less active ETFs, specifically those that trade less than 250,000 shares ADV. The program provides a launching pad for non-LMM firms to become LMMs.

REQUIREMENTS AND REBATES FOR ELPs:

Product Requirements	<ul style="list-style-type: none"> • Products that trade less than 250,000 shares CADV • ETFs, ETVs, and ETNs are eligible
Minimum Number of Less Active ETPs	<ul style="list-style-type: none"> • 50 NYSE Arca listed ETFs
Quotation Requirements	<p>TIME AT NBBO:</p> <ul style="list-style-type: none"> • An ELP must be at the NBBO for at least 15% of core trading hours <p>SIZE AND DEPTH:</p> <ul style="list-style-type: none"> • An ELP must have a displayed size of 2,500 shares within 2% of NBBO for at least 90% of core trading hours
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¹ ETFs include all Exchange Traded Funds

The ELP, along with the LMM and the Incentive Programs, are designed to develop deep pools of liquidity for all ETFs. Find additional information on the ELP and our various liquidity provision programs [here](#).

TIPS FOR ISSUERS

THE ZOMBIE ETF PROTECTION GUIDE

Here are our recent LinkedIn posts on how to prevent your product from becoming a “Zombie ETF”:

- [Zombie ETF Protection Guide Part 1](#)
- [Zombie ETF Protection Guide Part 2](#)

NYSE CONNECT ACCESS FOR ETF ISSUERS

Do you have NYSE Connect? Gain access to a unique market data solution that is designed to help decrease the number of paid-for logins to your existing data platforms.

Available data includes:

- ETF auction imbalance data real time
- Global streaming market data, pricing and news
- Modeling via Excel Plug-In
- Fully customizable interface
- Extensive charting functions

Easy access to:

- Detailed quotes / Time & Sales
- NYSE Order Book
- Equity options data
- Interest Rate and FX data
- ETF and Funds information

UPCOMING CONFERENCES

There is no shortage of industry and award events over the coming months. The NYSE ETF team will be attending the upcoming conferences below, so please drop by. We look forward to seeing you there.

- Morningstar Investment Conference, April 26 – 28
- Capital Link Closed End Fund and Global ETF Conference, April 27
- Capital Link Dissect ETF Forum, June 22
- IMN Global Indexing & ETF, June 25 – 27



“This quarter, we launched 26 new ETFs and the pipeline heading into the summer is looking strong. Joint industry and client events with our issuers and partners have been a big focus for us. In mid-March, Precidian hosted an engaging event for our issuer community at the NYSE, where discussions included product structure and upcoming plans on the “road to approval” for innovative actively managed products. We’ve hosted nearly 20 events and bell ringings since the beginning of the year. This year, we plan to build on our success, and will continue to focus on providing the greatest end-to-end ETF service offering worldwide.”

Douglas M. Yones, NYSE Head of Exchange Traded Funds

FURTHER INFORMATION

www.nyse.com/etf

Have questions or need support launching ETFs? Email us at etf@nyse.com or for media inquiries, please email media@theice.com

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