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## JPMorgan Seeks to Catch Record Flow Wave in Canada's ETF Market 📧

JPMorgan's leap into the Canadian ETF market may be well-timed, coming in a record year for inflows in the region. The risk-averse strategies the bank offers tend to be well-received in Canada, which leads the world in the share of such assets.

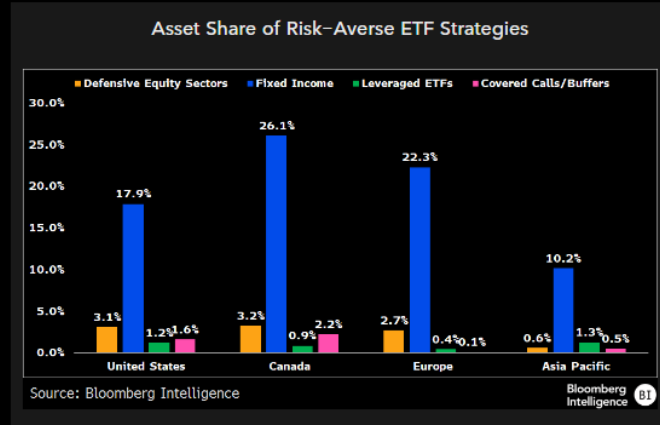
(10/04/24)

### 1. Covered Call ETFs Play Well in Risk-Averse Market 📧

ETF investors' preferences differ among regions, and Canada has the most risk-averse market. Compared with other regions, Canada has the highest percentage of assets in less risky areas such as bonds, defensive sectors and covered call/buffer ETFs, alongside low use of their opposites, leveraged ETFs. Given JPMorgan's success in the US with covered call offerings such as the JPMorgan Equity Premium Income ETF (JEPI), Canada could be a natural fit for the company's ETFs.

Covered call and buffer ETFs make up over 2% of Canada assets, the highest of any region. JPMorgan launched a Canadian listing of JEPI on Oct. 1.

(10/04/24)



## 2. New Entrants Must Overcome Some Home Bias

Canada's five largest issuers account for 77% of the market's ETF assets. New entrants will have to overcome a bit of home-country preference, given 10 of the top 15 are Canada-based asset managers. However, US-based BlackRock is the biggest in the region, and Vanguard ranks third. JPMorgan has a 1.7% share of the US ETF industry and 2% in Europe. A similar share in Canada would put it in the top 10. (10/04/24)

Canadian ETF League Tables

Issuer	Assets	Market Share	YTD Flows
BlackRock	135,232	26%	10,533
BMO	119,984	23%	11,985
Vanguard	83,300	16%	11,773
Global X	34,755	7%	2,548
CI Financial	20,004	4%	(1,348)
TD Asset Mgmt	16,864	3%	3,686
Mackenzie	14,899	3%	1,599
Fidelity	11,626	2%	6,066
Purpose	10,571	2%	(403)
National Bank	8,836	2%	663
RBC	7,566	1%	1,626
Invesco	7,145	1%	665
Hamilton	5,937	1%	1,802

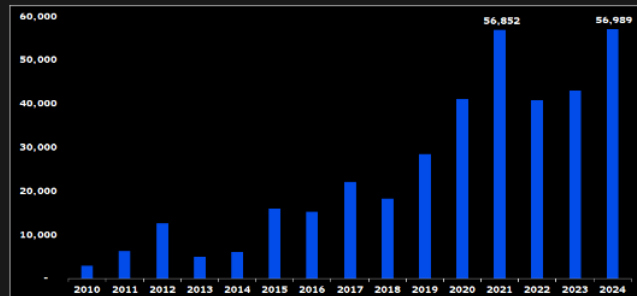
Source: Bloomberg Intelligence

Bloomberg Intelligence

## 3. Canadian ETF Flows Reach Annual Record

The Canadian ETF market has C\$56.9 billion of inflows in 2024, already making it the best year on record, surpassing 2021. Growth has accelerated, with annual flows around C\$40 billion or more since 2020. The rapid expansion indicates might be an opportune time for new issuers such as JPMorgan to enter the market. (10/04/24)

Annual Canadian ETF Flows



Source: Bloomberg Intelligence

Bloomberg Intelligence

## 4. More ETF Flows Bring More Competition

With more assets moving toward ETFs in Canada, issuers are launching products at the most aggressive pace ever. New ETF listings total 191 this year: 145 brand-new offerings and 46 share-class additions -- both record highs. Of the 1,474 ETFs on the market, 1,198 are unique strategies and 276 are share classes. (10/04/24)

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Annual Canadian ETF Launches



Source: Bloomberg Intelligence

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