

## **ETFs 101 VIDEO**

### TRANSCRIPT

What are ETFs?

ETF stands for Exchange Traded Funds and are investment funds traded on the stock market. They are designed to track the performance of specific indexes or mirror the price of an asset.

Think about it as a group of shares that are collected in a basket. The number of individual shares in the fund is weighted by size to replicate a particular index.

For example, by purchasing an ETF that tries to replicate the performance of the S&P/ASX 200 you would automatically invest in the you would get exposure to the 200 largest listed companies in Australia.

The benefits of ETFs

ETFs can be traded on the stock exchange, just like stocks - quickly and easily, and offer diversified, low-cost and tax-efficient access to the world's investment markets.

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