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SEPTEMBER 2026

MAJOR INDUSTRY SURVEY OF GLOBAL PROSPECTS IN 2026 AND BEYOND

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PREFACE

Eamonn O'Callaghan
global head of ETF product at CACEIS

Beyond Passive: Europe's ETF Market Comes of Age

Exchange-traded funds have increasingly become a mainstay of investment portfolios: active as well as passive, institutional as well as retail. As that process has unfolded, Europe's ETF market has moved beyond the question of whether it will grow. The more important issue now is how that growth will unfold, which products and channels will benefit, and which providers will be equipped to capture the opportunity.

This report examines the next phase of development through a survey of 128 European asset managers and institutional asset owners, supported by interviews with leading ETF providers. Confidence in the market's expansion is almost universal, but respondents do not expect a simple continuation of the low-cost passive model that first drove adoption.

Instead, future growth is likely to be shaped by forces working together. Active ETFs are becoming a more important part of portfolio construction, while fixed income, digital assets, thematic strategies and outcome-oriented products are broadening the range of exposures. At the same time, digital platforms, savings plans and younger investors are changing how ETFs are distributed and used.

The report explores the implications for asset managers and service providers. New launches may expand distribution and meet investor demand, but they can also challenge existing mutual fund businesses.

Scale, liquidity, pricing, transparency and regulatory reach will remain decisive, while automation, real-time data, capital markets support and tokenisation are moving higher up the operating agenda.

For asset owners, ETFs are serving multiple roles, from liquidity management and cost reduction to tactical and strategic allocation.

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Delivery outside Europe: €495

funds europe is published by
Definite Article Media Limited
5th floor, 167-169 Great Portland Street, London
W1W 5PF United Kingdom
+44 (0)20 3916 5974
© funds europe limited, 2026
ISSN 1477-4453
Printed by Micropress

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Europe's ETF industry prepares for its next growth phase

With over one thousand ETFs launched so far this year, a survey of 128 European asset managers and institutional asset owners finds near-unanimous confidence in the market's next decade. But the next phase will not be a simple extension of low-cost passive investing: active strategies, digital distribution, new asset classes and operating infrastructure will determine who captures the growth.

By ***Mark Latham*** and ***Luke Beacon***

Near-consensus, but no simple growth model

The European ETF industry's central question is no longer whether the market will grow. It is how that growth will be divided among products, channels and providers.

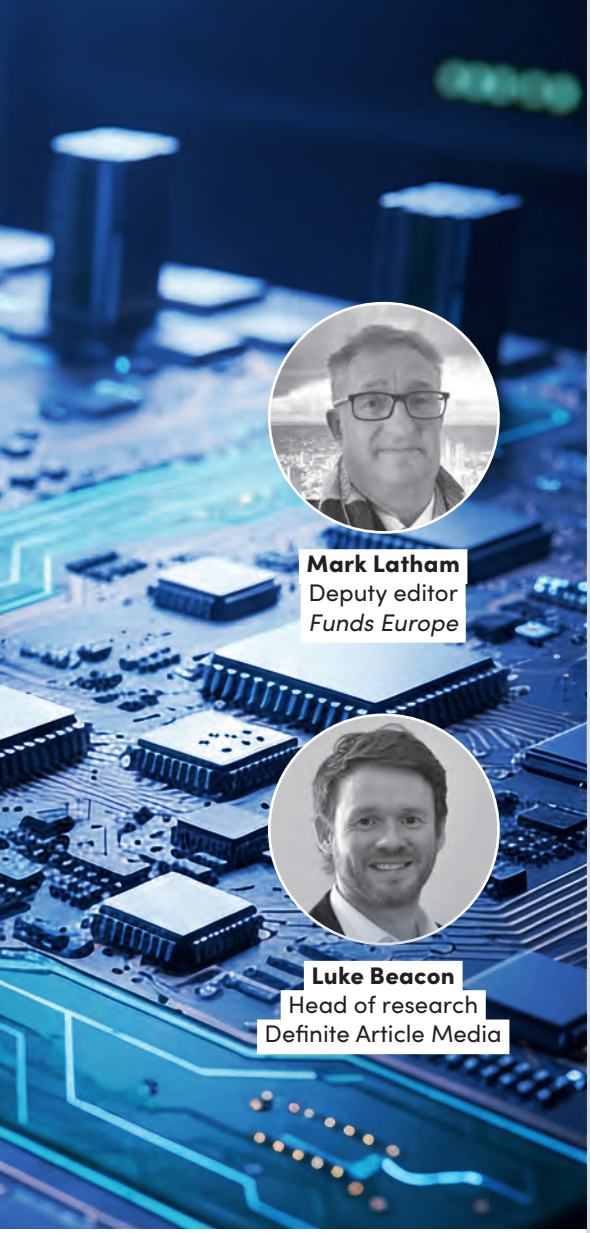
In the Funds Europe-CACEIS survey, conducted online between 12 May and 9 June 2026, 99% of respondents expect the European ETF market to expand over the next five to ten years. Only one respondent expects the market to remain broadly stable and none expect market contraction (**fig 1**).

That confidence is especially strong among institutional asset owners. Some 82% expect significant growth, compared with 57% of asset managers. The difference is not about direction - virtually every respondent in both groups expects expansion - but about intensity.

The forecast shape of growth is more complex than the headline suggests. Asset owners are particularly alert to this concentration dynamic. Sixty-five percent expect growth to be increasingly concentrated among larger issuers, compared with 41% of asset managers. Meanwhile 51% expect growth alongside consolidation, against 35% of managers (**fig 2**).

Asset owners are also more likely to expect retail-led growth, at 43% versus 28%. Their view is therefore expansive but not indiscriminate: more investors and more use cases, delivered through a market that may have fewer economically significant manufacturers.

These answers are not mutually exclusive. Together, they describe a market in which product breadth expands while industry economics continue to favour scale. More strategies and exposures may become available, but the costs of product development, capital-markets support, data, distribution and regulatory coverage



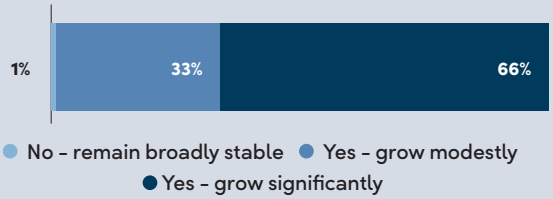
could make it harder for sub-scale providers to compete.

No single growth engine

The industry's next phase will be driven by a cluster of forces rather than one dominant catalyst. Product innovation ranks first, selected by 47%, followed by the EU's Savings & Investments Union (SIU) at 45%. Though there were differences between the importance stressed by asset owners and managers, cost and access to new asset classes are joint third at 43%, with regulatory change close behind at 42%.

Asset manager respondents selected 3.2 growth drivers while asset owners selected 3.4. The implication is that, for asset managers, an issuer or service provider cannot rely on a single strength. Product design, price, regulation, distribution, transparency and liquidity form a connected operating system. »

fig 1/ Overall, do you expect the European ETF market to grow over the next 5–10 years?



Note: 'No – decline' was also an answer option but was not selected by any respondents so has not been included in the chart.

fig 2/ Which of the following best describes how you expect the European ETF market to grow over the next 5–10 years?

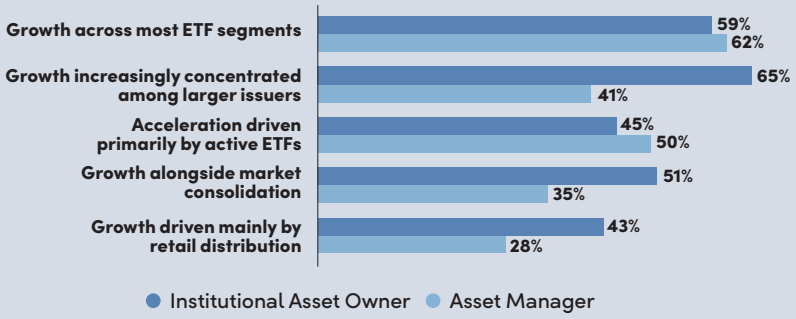
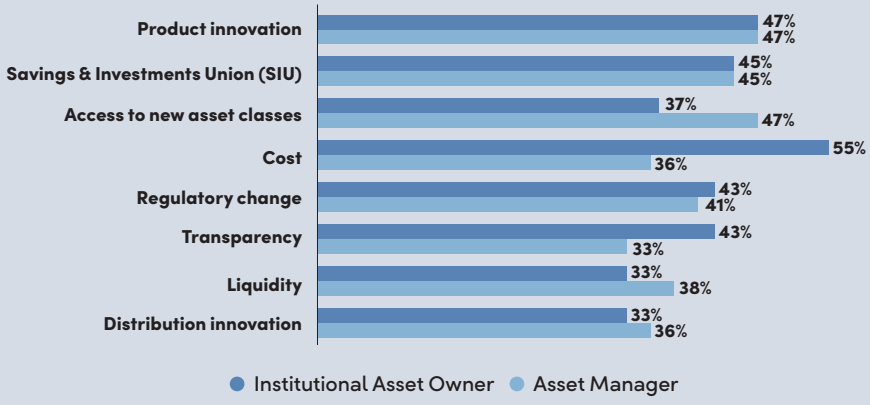


fig 3/ What do you think will be the most important drivers of this ETF growth in Europe?



Note: Where 0% of respondents have selected 'Other' and 'None of these/don't know' answer options, these have been left off of the charts.

There is also a revealing difference between the supply and demand sides. Cost is the leading growth driver for asset owners, selected by 55%, but only 36% of managers. By contrast, access to new asset classes is selected by 47% of managers and 37% of asset owners. Managers are focused on extending the investable frontier; owners are focused on whether innovation arrives with an acceptable total cost and sufficient liquidity.

Other than product innovation, the European Union's Savings & Investments Union (SIU) is one of the few factors on which the two groups align almost exactly, at 45% each. That suggests the policy agenda is viewed as an enabling framework rather than a substitute for commercial execution. Regulatory change can open channels and reduce fragmentation, but products must still solve investor needs at a competitive cost **(fig 3)**.

Active ETFs move into the portfolio architecture

Asked about the threat to mutual funds from ETFs, the aggregate of survey respondents masks a sharp difference in perspective. Among asset owners, 55% expect gradual adoption as a complement to active mutual funds, almost three times the share choosing any other option. Only 6% expect replacement of traditional strategies and 4% expect active ETFs to remain niche.

Asset managers are much more divided. Their five answer options fall within a relatively narrow range: 24% expect rapid mainstream adoption, 23% complementarity, 23% replacement, 16% a niche role and 14% convergence with passive products. This is less a consensus than a portfolio of competing business cases.

Experience also appears to shape expectations. Among managers not currently issuing ETFs, one-third say active ETFs will remain niche, compared with 10% of current issuers. Current issuers are twice as likely to expect rapid mainstream adoption across institutional portfolios as managers not currently issuing ETFs.

“Experience also appears to shape expectations. Among managers not currently issuing ETFs, one-third says active ETFs will remain niche, compared with 10% of current issuers. Current issuers are nearly twice as likely to expect rapid mainstream adoption across institutional portfolios as managers not currently issuing ETFs”

These subgroup findings are directional because of the smaller bases, but they point to an important divide: firms already operating in the market see more evidence of scalable adoption, while prospective entrants remain less certain about the addressable demand.

Demand will be broad across channels, regions and exposures

Respondent groups see different routes to growth. Asset owners place wealth managers and institutional owners at the top, selected by 65% and 63% respectively. Managers are much more likely to identify hedge funds, at 52% versus 22% of asset owners. Current ETF issuers also select wealth managers far more often than managers not currently issuing - 57% versus 19% - suggesting that live distribution experience is changing where firms see the most immediate opportunity **(fig 4)**.
There were differences between where, geographically, asset owners and managers expect to see growth in Europe.

Among the markets attracting similar responses from both groups, the UK and Ireland was felt to have the largest potential for growth, selected by 49% of respondents. Italy was selected by 22%, while the Nordics attracted 16% in aggregate.

Asset managers identify more markets on average than asset owners and are particularly bullish on Germany: 58%

99%

expect the European ETF market to grow

select it, compared with 33% of owners. For France, 46% of managers and 39% of asset owners expect to see the strongest growth, while in Switzerland the figures are 43% of managers and 31% of owners.

The result reinforces the need for genuinely pan-European distribution capabilities, but it also suggests that commercial priorities will differ by business model and client base (**fig 5**).

When it comes to product opportunity, fixed income scored strongly among asset owners and managers, making it one of the clearest areas of shared conviction between owners and managers. Elsewhere, managers and owners diverge. Asset owners are more likely to expect demand for core equity, at 57% versus 42% of managers.

Current issuers are more bullish than prospective entrants on digital assets and multi-asset, while managers not currently issuing lean more heavily toward fixed income, core equity and outcome-oriented strategies (**fig 6**).

When it comes to artificial intelligence as an investment theme, AI is primarily a manager conviction: 61% of managers select it, compared with 41% of asset owners. Owners instead place more weight on infrastructure and healthcare, selected by 55% and 51% respectively, »

fig 4/ Which investor segments do you think will drive the next phase of ETF growth?

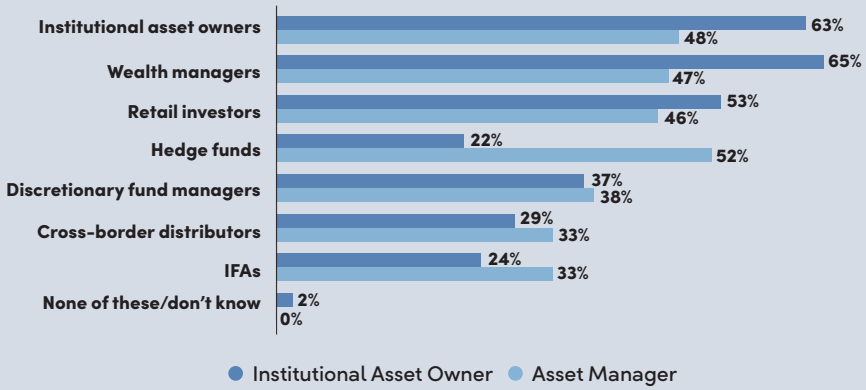


fig 5/ Which geographic segments do you expect to drive the strongest ETF growth in Europe?

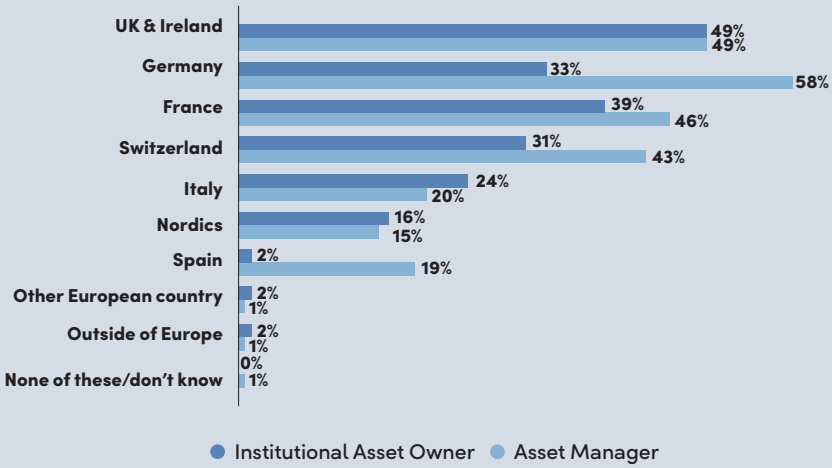
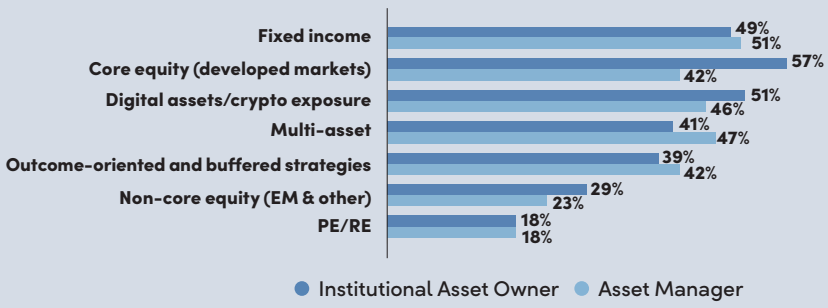
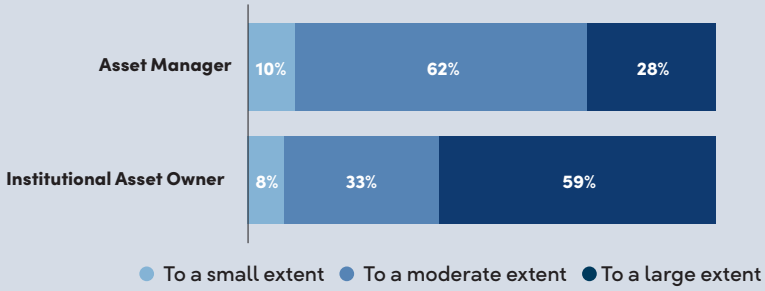


fig 6/ In which asset classes do you expect to see the strongest ETF demand (active and passive)?



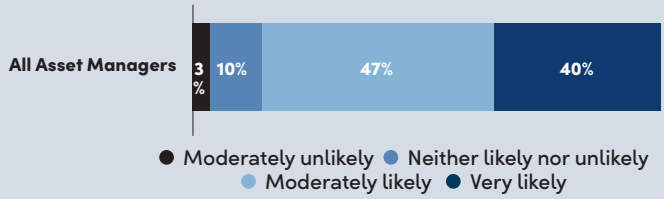
Note: Where 0% of respondents have selected 'Other' and 'None of these/don't know' answer options, these have been left off of the charts.

fig 7/ To what extent do you expect changing demographics, and increased participation by Millennials and Gen Z to influence inflows into ETFs?



Note: 'Not at all' was also an answer option but was not selected by any respondents so has not been included in the chart.

fig 8/ Asset managers without ETFs but who are considering a launch only - How likely is it that the increased usage of ETFs by Millennials and Gen Z will influence how your organisation distributes ETFs in the future?



Note: 'Highly unlikely' was also an answer option but was not selected by any respondents so has not been included in the chart.

fig 9/ Asset managers without ETFs but who are considering a launch only - What are the motivations for launching (or considering launching) an ETF at your organisation?

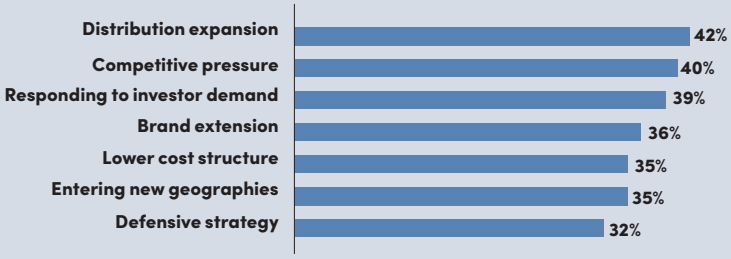
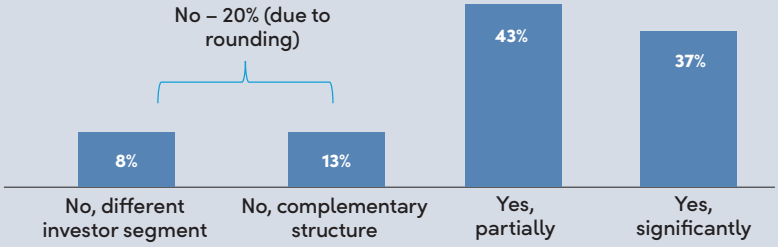


fig 10/ Asset Managers only - Do you expect an ETF launch to cannibalise existing mutual fund products?



Note: 'No - other reason' was also an answer option but was not selected by anyrespondents so has not been included in the chart.

Note: Where 0% of respondents have selected 'Other' and 'None of these/don't know' answer options, these have been left off of the charts.

compared with 39% and 32% of managers. That gap may indicate areas where client demand is not fully reflected in the product-development priorities of ETF issuers.

Technology and demographics move from theme to infrastructure

AI is not only expected to attract assets as an investment theme. It is also expected to change how portfolios are managed. Asset owners are more emphatic with 86% believing AI and agentic technologies will have either a significant or transformational influence on portfolio management decisions over the next five to ten years. The figure for managers was 71%.

Demographic change is another near-consensus force. Nine in ten respondents expect increased participation by millennials (the demographic group born between roughly 1981 and 1996) and Gen Z (born between 1997 and 2012) to influence ETF inflows to at least a moderate extent, with 59% of asset owners expecting a large influence, compared with 28% of managers. Managers are more likely to choose a moderate influence, at 62% compared with 33% of asset owners (**fig 7**).

This distinction has practical consequences. Among the 77 managers already issuing or considering issuing ETFs, 87% say increased usage by younger investors is likely to affect future ETF distribution. The response is not simply a forecast of more retail demand but a warning that firms will need distribution models suited to digital platforms, different information expectations and more direct investor interaction (**fig 8**).

Managers prepare for expansion

The manager sample shows a market moving from experimentation toward industrialisation. Of the manager/sponsor/issuer respondents, 58 were asset managers currently issuing ETFs, 19 were considering a launch and two are neither issuing nor considering. Among the 77 current or prospective issuers, the reasons for entering the market are tightly clustered: distribution expansion leads at 42%, competitive pressure at 40% and investor demand at 39%, but every option scores between 32% and 42%.

76%

of asset owners expect active ETFs to complement mutual funds or become mainstream

ETF strategy, it seems from the responses, is rarely driven by one isolated objective. It is simultaneously about defence, distribution, brand, geography, client demand and operating cost (**fig 9**).

The contrast between current issuers and non-issuers is noteworthy. Current issuers are more likely to cite entering new geographies, at four in ten versus one in six, and distribution expansion, at about half versus about a third.

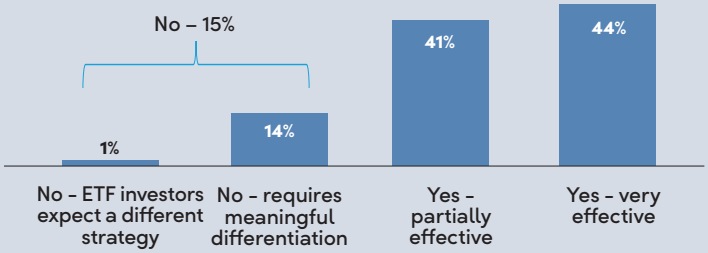
Managers without ETFs but considering a launch are more likely to cite investor demand, at 58% versus 33%, and a defensive strategy, at 47% versus 28%. Competitive pressure is almost identical for both groups, at about four in ten. Incumbents are primarily scaling an established platform whereas entrants are more often responding to a market they fear they cannot ignore.

The survey also exposes the tension between complementarity at the market level and market cannibalisation at the product level. Eighty percent of all asset managers expect an ETF launch to cannibalise existing mutual-fund products, including 37% who expect significant cannibalisation and 43% who expect cannibalisation (**fig 10**). At the same time, 85% believe replicating an existing mutual fund strategy in an ETF can be an effective way to increase assets (**fig 11**).

These results imply that firms cannot manage ETF launches as entirely separate product extensions. They need an explicit wrapper strategy: which client segment should move, how fees and share classes interact, how sales incentives are aligned, and whether the ETF is intended to defend an existing franchise or open a new one.

The operating agenda is equally demanding. Real-time data transparency is the most selected future requirement »

fig 11/ Asset Managers only - Do you believe replicating an existing mutual fund strategy into an ETF would be an effective way to raise assets in the ETF?



Note: 'No - other reason' was also an answer option but was not selected by anyrespondents so has not been included in the chart.

fig 12/ Asset Managers only - What new requirements do you plan to place on service providers over the next 5–10 years?

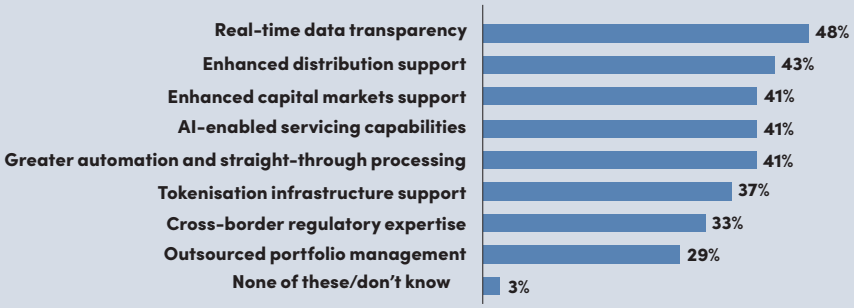
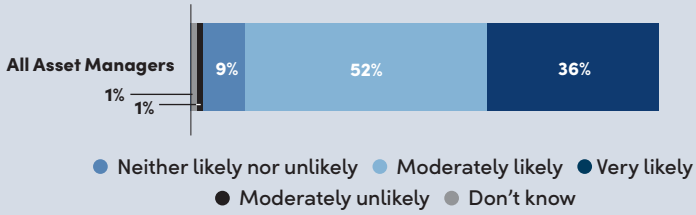
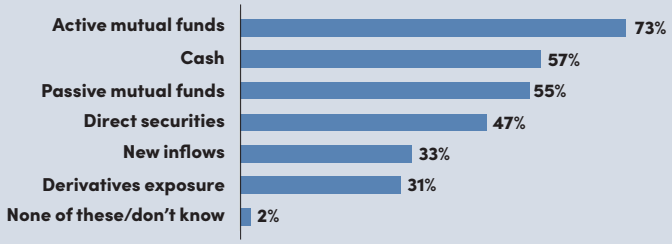


fig 13/ Asset managers without ETFs but who are considering a launch only - In five years' time, how likely is it that your organisation will offer tokenised versions of its ETFs?



Note: 'Highly unlikely' was also an answer option but was not selected by any respondents so has not been included in the chart

fig 14/ Institutional Asset Owners only – When you increase ETF exposure, where do you typically reallocate capital from or where do you anticipate reallocating capital from?



Note: Where 0% of respondents have selected 'Other' and 'None of these/don't know' answer options, these have been left off of the charts.

fig 15/ Institutional Asset Owners only – Which, if any, of the following best describes how ETFs fit - or would fit - into your long-term strategic asset allocation?

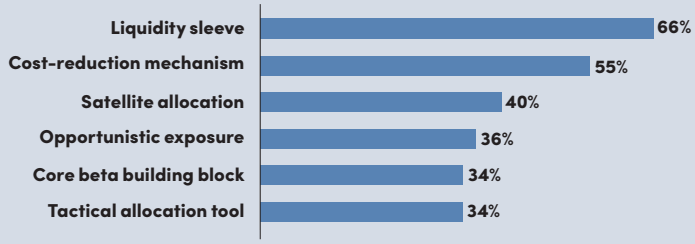


fig 16/ Institutional Asset Owners only - How do you view active ETFs relative to traditional active mutual funds?

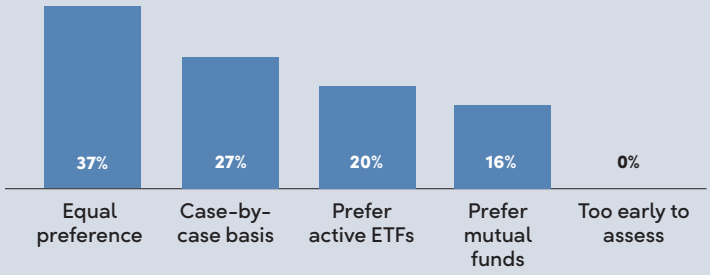


fig 17/ Institutional Asset Owners only – What factors, if any, would most increase your allocation to ETFs? If you don't currently allocate to ETFs, what would encourage you most to start?

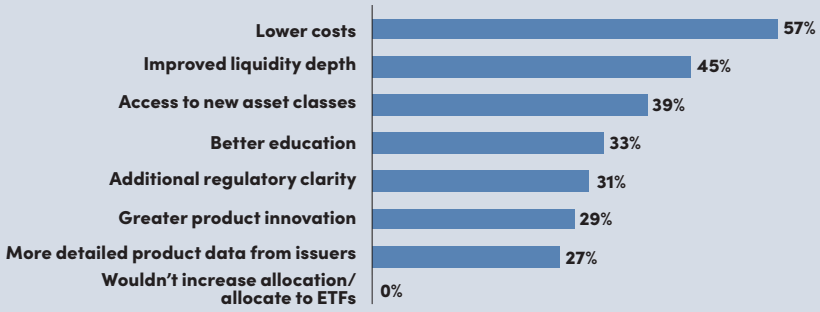
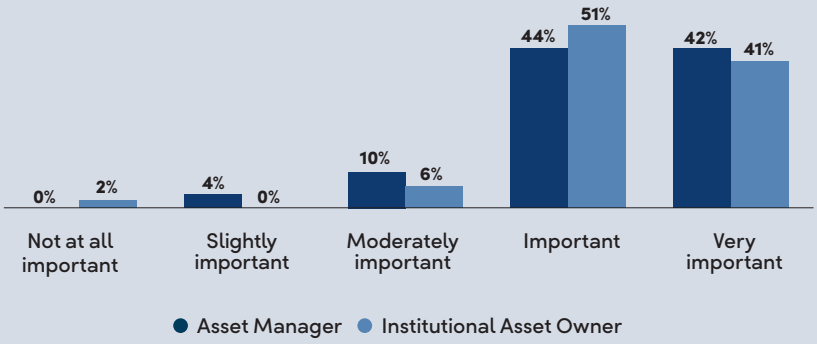


fig 18/ How important will digitalisation (including tokenisation) be in shaping how investors access and interact with ETFs?



Note: Where 0% of respondents have selected 'Other' and 'None of these/don't know' answer options, these have been left off of the charts.

for service providers, at 48%, followed by enhanced distribution support at 43%. Greater automation and straight-through processing, enhanced capital markets support and AI-enabled servicing capabilities each score 41%. Tokenisation infrastructure is selected by 37% (**fig 12**).

Current issuers place greater emphasis on automation than managers without ETFs but who are considering a launch, perhaps reflecting the cost and control pressures that become visible at scale. Non-issuers place greater emphasis on tokenisation infrastructure, at just under half compared with a third of current issuers.

Across the 77 current and prospective issuers, 88% say it is likely their organisation will offer tokenised versions of their ETFs within five years, including 36% who believe this is very likely (**fig 13**).

Asset owners are voting with allocations

Asset owners indicate that ETF adoption is already well advanced, with 96% of the 49 institutional owners currently invested in ETFs. Sixty-one percent expect to invest more, 33% expect to maintain current allocations, 2% expect to reduce them and 4% are not yet invested but are considering becoming invested.

When ETF exposure rises, the largest source of reallocated capital is active mutual funds, selected by 73% of respondents. Cash follows at 57%, passive mutual funds at 55% and direct securities at 47%. New inflows are selected by 33%, which means most future ETF growth is expected to involve a shift in portfolio implementation as well as incremental assets (**fig 14**).

ETFs also serve multiple roles inside strategic allocation. Among current users, 66% describe them as

88%

say digitalisation will shape ETF access and interaction

61%

of institutional asset owners expect to invest more in ETFs

a liquidity sleeve and 55% as a cost-reduction mechanism. Forty percent use them for satellite allocations, 36% for opportunistic exposure and 34% as a tactical tool or core beta building block. Institutional asset owners select an average of 2.7 roles, underlining that the ETF is no longer a single-purpose instrument (**fig 15**).

Their view of active ETFs is consistent with this case-by-case approach. Thirty-seven percent have an equal preference between active ETFs and traditional active mutual funds, while 27% decide case by case. Twenty percent prefer active ETFs and 16% prefer mutual funds. In other words, 63% reject a blanket preference for either wrapper (**fig 16**).

The conditions for further allocation are pragmatic. Lower costs rank first at 57%, improved liquidity depth at 45% and access to new asset classes at 39%. Better education, regulatory clarity, product innovation and more detailed issuer data also attract meaningful support. For asset owners, the next phase is not about novelty alone; it is about combining new exposures with institutional-grade economics and tradability (**fig 17**).

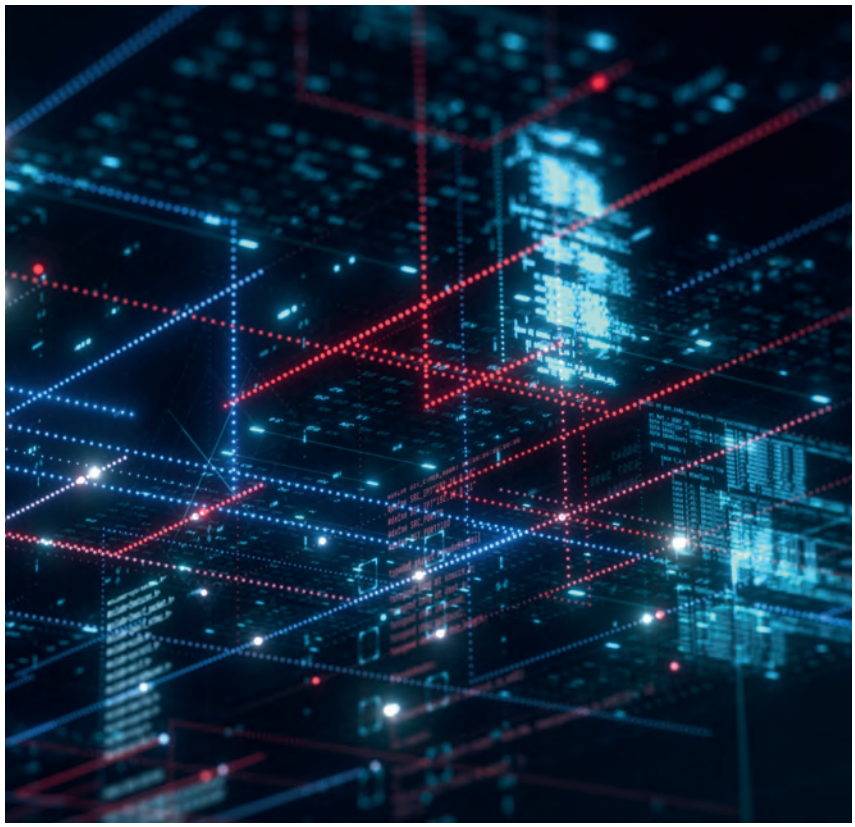
The next phase will reward operating readiness

The survey's core message is not simply that European ETFs will grow but that growth will test the industry's ability to execute across several dimensions at once.

Manufacturers will need enough scale to support broad product ranges, but enough specialisation to avoid commoditisation. Active ETFs will require careful management of mutual fund franchises rather than a simplistic replacement strategy. Distribution will have to span wealth, institutional and retail channels while adapting to younger, digitally savvy investors. Service providers will be expected to deliver real-time data, automation, capital markets depth, tokenisation infrastructure and cross-border regulatory support.

The open-ended respones, as opposed to multiple-choice, reinforce that breadth. Of 77 comments, the most frequently mentioned milestone is retail access and digital distribution, cited by 21%. Active ETF mainstreaming follows at 18%, while AI and the embedding of ETFs in core or institutional portfolios are each mentioned by 17%. Product innovation, regulation and cost or transparency each appear in 16%.

Europe's next ETF milestone is unlikely to be one breakthrough product or one regulatory event. It will be the moment ETFs become a default part of portfolio architecture: active as well as passive, institutional as well as retail, and supported by an operating model capable of delivering scale without sacrificing liquidity, transparency or cost discipline.



Methodology

The research for this report is based on an online survey of asset managers and asset owners operating in Europe. The survey was open from 12 May 2026 to 9 June 2026 and had 128 responses, with 79 being asset managers and 49 being asset owners.

The qualitative element of the report comprises nine in-depth interviews with ETP sponsors operating in Europe. These interviews, carried out in July 2026, explored the themes raised in the quantitative research in greater depth. Qualitative findings are used throughout this report to provide context and illustration; they are indicative rather than statistically representative.

Eamonn O'Callaghan
global head of ETF product
at CACEIS

The future of ETFs: growth, evolution and the next five years

Many ETF market surveys take a retrospective view, asking questions which look back over the previous year. While that approach provides valuable insight into what has happened, the results are, by definition, backward-looking.

With this survey we wanted to pivot the conversation and take a more forward-looking approach. Our thinking was that a view of what lies ahead would complement the wealth of existing market research, whilst also providing valuable insight into what keeps asset managers and ETF buyers up at night when they think about the ETF market, and where it could be five years from now.

From a macro perspective, financial markets are experiencing considerable volatility, driven by a range of factors including changing government policies, market protectionism, trade tariffs, regional conflicts, elevated equity valuations and growing concerns around a potential market correction. Against this backdrop, investors are seeking new opportunities to generate returns and create wealth. Asset managers are looking for ways to grow assets and generate alpha, while governments, particularly across Europe, are keen to encourage greater levels of self-directed investment.

Market Growth

At the same time, the ETF market itself continues to evolve at pace. Since the early noughties, assets invested in ETFs have grown steadily, with compound annual growth of more than 15% over a 10-year period – if you look specifically at active ETFs it is significantly higher at circa 35%. Another striking statistic is that if ETF asset growth is viewed over five-year periods, the market has effectively doubled in size every five years. Few investment vehicles can make such an assertion and many look on with envy. Historically, ETF buyers in Europe have predominantly been institutional investors. In recent years, however, we have seen growing interest from outside of this traditional segment, particularly from retail investors. At the same time, a steady stream of new asset managers has entered the ETF market, launching products for the first time, alongside existing US and Asian ETF issuers expanding into Europe to broaden their sales and distribution channels.

Product evolution

Product evolution is another important theme, closely intertwined with the growth of the market. Taking a step back, the first ETFs typically housed a single share class and passively tracked vanilla equity indices. For many years, this represented the status quo. Today, ETFs have evolved considerably. They now encompass active and smart beta strategies and span virtually every asset class. Products are available across multiple currencies and share classes, with hedged and unhedged options, as well as accumulating and distributing structures. More recently, conversations have centred on ETFs holding alternative assets, real assets and derivatives as investors look for new ways to manage and mitigate downside risk. Other topical developments include tokenisation and the potential for extended hours, or even 24/7 trading.

But alongside these core themes, some important questions emerge.

Will growth continue, or will it begin to taper? What will the ETF product landscape look like in the future? And which asset classes and strategies will be of greatest interest to ETF buyers?

Answering these questions, and others like them, is the purpose of this survey. We wanted to gauge the views of asset managers and ETF buyers and understand where they believe the market is heading, and whether the expansion and evolution we have witnessed over the past 25 years can continue.

What the survey tells us

The survey produced a number of interesting findings. For me, however, several stand out in particular:

- **Continued growth**
  Virtually all respondents believe the ETF industry will continue to grow. An overwhelming 99% expect the market to expand, with the

remaining 1% expecting it to remain broadly flat.

- **Continued growth, continued**
When we asked asset owners about their asset allocations, 94% said they expect to at least maintain their current level of investment. Of these, 61% expect to increase their allocation, while 33% expect to maintain it at current levels.
- **Why launch an ETF?**
Asset managers identified distribution expansion, investor demand and competitive pressure as the leading reasons for launching ETFs.
- **Where is the money coming from?**
When buying ETFs, investors are primarily reallocating assets from existing investment vehicles. Some 73% cited active mutual funds as a source of funding, while 55% cited passive mutual funds.
- **Who will be buying?**
Changing demographics and increased participation by younger generations are expected to have a significant influence on ETF flows, with 91% of respondents expecting Millennials and Gen Z to drive future demand.

The macro tailwinds

Looking beyond the survey results, I see several macro trends that could provide further tailwinds for the ETF market. At a European level, there is a growing policy push to strengthen domestic capital markets and encourage greater participation in investment. This is closely linked to initiatives such as the Savings & Investments Union (SIU). Europeans are traditionally strong savers, but less active investors. With an estimated €70 trillion sitting in bank accounts, policymakers are keen to transition this capital into investment vehicles that can support economic growth while potentially generating better long-term outcomes for savers.

Retail investors currently account for approximately 15% of the European ETF market. By comparison, depending on the methodology used, the retail segment in the US can exceed 45%. The gap illustrates the potential runway ahead for growth if more European retail investors can be encouraged and enabled to participate in ETFs. This is where I see one of the greatest opportunities for the ETF market.

Another significant opportunity is the intergenerational transfer of wealth. Over the next 10 years, global wealth transfer is estimated to be in the region of €100 trillion. Much of this wealth will ultimately pass to younger generations – a demographic that is increasingly comfortable with digital platforms and ETF-based investing.

There is, however, one potential headwind that should not be underestimated: education. Research from a number of different sources has highlighted relatively low levels of financial literacy, particularly among retail investors. If participation is to increase meaningfully, financial education will need to become a priority, not only for policymakers, but across the wider investment industry.

Where could the market go from here?

The numbers point to a compelling outlook. ETF assets have delivered a CAGR of around 17% over the last 10 years. With European ETF assets standing at approximately €3.7 trillion at the end of July 2026, maintaining a 17% CAGR over the next decade would take the market to over €15 trillion.

Of course, growth rates will inevitably fluctuate, and the ETF market will face periods of volatility, competition and disruption. But the combination of continued investor demand, product innovation, demographic change, the expansion of retail investing and supportive policy initiatives provides a strong foundation for future growth.

The more interesting question, therefore, may no longer be whether ETFs will continue to grow, but how the market will evolve as that growth continues. This will ultimately shape the next chapter of the ETF story.

Ross Finlayson
head of markets and product strategy at Amundi ETF & Indexing

Amundi targets expansion of active ETF range

The European asset manager is moving successful mutual fund strategies into ETF wrappers as retirement and digital platforms reshape distribution

Europe's largest asset manager, Amundi, plans to expand its active exchange-traded fund range significantly and is already moving successful investment strategies from mutual funds into ETF wrappers.

Ross Finlayson, head of markets and product strategy at Amundi ETF & Indexing, says that the Paris-headquartered group currently has about 12 active ETFs within a range of over 350 exchange-traded products with AuM of €412bn (as of end June 2026). Amundi also runs a white-labelling service for large institutional clients, with much of the demand focused on active strategies.

"We are very focused on increasing that number quite significantly," he says.

The expansion reflects the growing role of active products in a market once associated overwhelmingly with index tracking. Finlayson estimates that active ETFs account for about 4% of assets but between 10-12% of net new assets.

He expects them to become mainstream gradually, without displacing conventional funds. "I don't think they'll be replacing mutual fund strategies," he says.

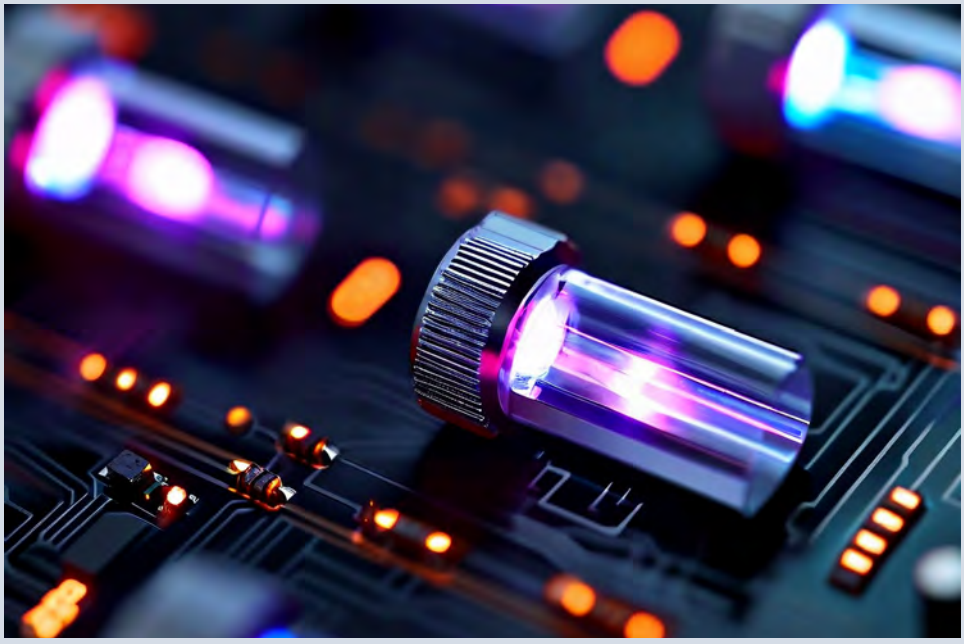
Amundi – the second-largest ETF issuer outside the US, behind BlackRock in Europe – is moving several successful active strategies from mutual fund wrappers into ETFs to broaden their distribution. Finlayson says the European ETF client base, regulatory system and product range had evolved substantially, with pension reforms and self-directed investment creating new routes to market.

Annual organic growth has eased from about 18-20% a decade ago, but net new assets are still increasing by more than 10% of the enlarged market. That combination should produce an acceleration in absolute assets under management.

"It's not one or the other. We're seeing quite balanced growth across different product segments driven by different channels," he says. Institutions continue to adopt core investment building blocks, while retail platforms are supporting sector, thematic and income products.

Finlayson identifies retirement reform and distribution changes as the most important long-term forces. "Retirement overall is massive. That's going to be a huge tailwind," he says.

While liquidity, transparency, cost and product innovation have supported the industry, the way investors now reach products is becoming decisive.



"I think the market will look completely different in five to seven years," he says. "The point of sale has fundamentally changed."

In the UK, Amundi distributes products through partnerships including Revolut and Moneybox, as newer brokers help to expand retail participation. Germany's growth is more closely connected to ETF savings plans offered by platforms such as Trade Republic and Scalable Capital.

Institutional demand is also increasing, particularly for fixed-income and equity building blocks, while wealth managers and retail investors are being reached through digital platforms.

Finlayson says the generational transfer of wealth would reinforce that shift. "Your parents may not be using an AJ Bell or a Revolut, but the children definitely are," he said, arguing that younger investors were likely to inherit substantial assets while already comfortable with app-based investing.

Product development will accompany the distribution push. Finlayson expects continued demand for artificial intelligence exposures, despite valuation-driven volatility, with increasingly specialised products targeting areas such as memory chips.

Energy infrastructure, grid electrification and cybersecurity will benefit from the capital spending required to support AI, he says. Amundi is also expanding in defence, where geopolitical uncertainty and increased European investment have generated stronger demand.

Michael Mohr
global head of Xtrackers products at DWS

DWS plans tokenised products across Xtrackers range

The firm is moving beyond pilots as demand emerges, while warning that scale will continue to favour Europe's largest ETF issuers.

Frankfurt-based asset manager DWS intends to offer tokenised products across its Xtrackers range, although the asset manager does not expect blockchain-based funds to claim a large share of assets in the near term, according to Michael Mohr, global head of Xtrackers products at DWS.

"Definitely, we will offer tokenised products across the range," Mohr says. DWS does not yet have a broad commercial line-up, but has pilots under development. "You have to offer it, then we will see how much it grows," he adds.

His comments reflect strong industry interest in digital securities. Our survey of 77 asset managers found that 88% consider it likely their organisation would offer tokenised versions of its ETFs, including 36% who said this was very likely and 52% who judged it moderately likely.

Mohr nevertheless tempers expectations for rapid adoption. Tokenised assets are unlikely to grow significantly relative to traditional products over the next two to four years, he says. Issuers need to build the capability, but investor allocations will take longer to develop.

The plans sit within a wider expansion of Europe's ETF market. Of the total of 128 asset managers and owners surveyed, 99% expect the market to grow during the next five to 10

»

years, with 66% forecasting significant growth. Mohr believes new entrants, fresh capital and retail savings plans will support the next phase. "We're just at the beginning of the next wave," he says.

Yet expansion is unlikely to overturn the industry hierarchy quickly. Sixty-one per cent of survey participants expect growth across most ETF segments, while 50% think growth will become increasingly concentrated among large issuers and 48% expect active ETFs to be the primary catalyst.

"This is a highly concentrated market," Mohr says, noting that a small number of providers command the lion's share of assets. "The ETF market is operating on the basis of economies of scale."

Much of the money remains invested in standard exposures such as developed market and US equities and corporate bonds, favouring providers able to run broad ranges at scale. New entrants and active strategies will win business, Mohr says, but could take a long time to erode the leaders' market shares.

"This is a highly concentrated market. The ETF market is operating on the basis of economies of scale."

DWS has seen rising European demand for active ETFs, initially in systematic, alpha-generating strategies designed to maintain relatively low tracking error while producing consistent outperformance.

The firm has also launched more highly active products that draw on DWS portfolio managers rather than relying principally on machines and algorithms.

Self-directed investors have shown little demand for active ETFs, Mohr says, leaving traditional fund buyers, institutions and family offices as the main users. Online brokers and other digital channels could broaden that audience.

The UK & Ireland and Germany were identified by 49% and 48% of respondents respectively as likely to deliver the strongest regional growth.

Mohr agreed that both were key markets, while arguing that the Nordic region deserved a higher ranking. A German proposal to encourage ETF savings through private pensions could be "a game changer", he says, bringing new investors into the market and shifting money from savings accounts.

He is more cautious about digital assets. Although 48% of survey participants expect strong demand for crypto and digital-asset ETFs, Mohr says that strategic allocations have grown more slowly than DWS anticipated.

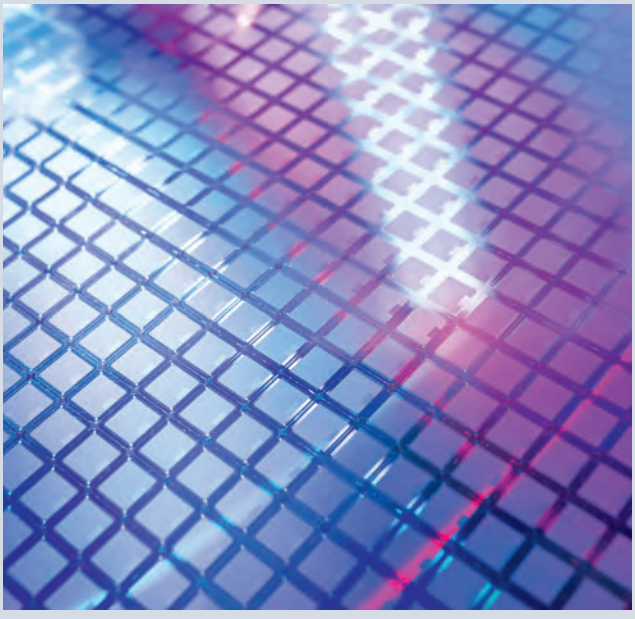
Fixed income – selected by 50% of survey respondents – offers a more convincing opportunity, alongside liquid exposures to real estate, private equity and commodities.

Artificial intelligence could help providers respond faster to demand and reduce production costs, he adds, while robotics and drones are among the themes he believes the survey understated.

Gea Blumberg
co-head of Europe at New York-based ETF issuer Global X ETFs

Europe's ETF market entering exponential growth phase, says Global X

Digital distribution, younger investors and demand for new exposures are set to broaden adoption beyond active strategies



Europe's exchange-traded fund market is entering an "exponential" phase of growth as digital investment platforms draw younger savers into capital markets and issuers broaden the range of products available, according to Gea Blumberg, co-head of Europe at New York-based ETF issuer Global X ETFs.

Blumberg says that the industry has moved beyond questioning whether ETFs are a viable part of the investment market. "The growth has been exponential. There is no sign of stopping," she says, arguing that Europe still has scope to narrow the gap with the more mature US market.

The expansion is unlikely to follow a single route. Sixty-one per cent of respondents to our survey expect growth across most ETF segments, while 50% believe assets will become increasingly concentrated among large issuers and 48% expect active ETFs to be the main catalyst.

Blumberg cautions against treating active ETFs as the industry's sole engine. Active strategies are "the theme of the season", she says, following earlier waves of demand for ESG and smart-beta products.

Growth will instead come from a wider range of issuers and uses, including white-label platforms, overseas entrants and asset managers creating ETFs for their own portfolios.

"ETFs have become a desirable wrapper and access tool," she says. The industry's early focus on low-cost exposure to standard indices is giving way to a broader contest based on product design, access to hard-to-reach assets and the quality of an issuer's range.

Blumberg believes that the fixed-income opportunity partly reflects the market's existing concentration in equity ETFs. She also points to growing interest in defined-outcome, covered-call and other portfolio tools that give investors packaged access to strategies previously available mainly through specialist mandates.

Fractional trading, savings plans and app-based account opening have lowered barriers to investing, she says.

About a quarter of Global X Europe's assets in the region are held through online brokers, neo-brokers and direct-to-consumer platforms.

The shift is also changing financial marketing. Investors increasingly expect short-form video and mobile-first communication – a "TikTok mentality", in Blumberg's words – rather than relying only on conventional written commentary and imagery.

Geographically, respondents to the survey ranked the UK & Ireland as the strongest prospective growth market, selected by 49%, narrowly ahead of Germany at 48% and France at 43%.

Blumberg says that Germany's early lead in ETF savings plans has made it Europe's largest retail ETF market, but the UK had begun to catch up as its trading and platform infrastructure improved.

She also highlights Spain, central and eastern Europe and demand from investors outside Europe as emerging sources of growth.

The result, she says, would be a broader and more competitive industry in which issuers must keep innovating as client needs, regulation and market structure evolve.

Tom Stephens
head of ETFs at Schroders

Schroders builds $3.5bn active ETF range in under a year

Europe's ETF growth runway will be measured in decades, with active strategies, frictionless distribution and fixed income set to lead the next phase

Schroders has gathered $3.5bn across its new active Ucits ETF range less than a year after entering the market, as the asset manager bets that European adoption of the wrapper has only just begun. The firm launched its first two exchange-traded products in September 2025.

The group now offers four active ETFs. Its range spans global equities, US equities, global investment-grade credit and a Paris-aligned developed and emerging markets strategy, all available to pan-European investors.

The global equities and credit funds had attracted $1bn each by July this year, while the Paris-aligned strategy had grown beyond $800m. Tom Stephens, head of ETFs at Schroders, expects the recently-launched US equity ETF to scale similarly.

Nevertheless, Stephens says that Europe remains "significantly under-represented" compared with the US ETP market. "ETF adoption is moving from a product trend to a structural shift in how portfolios are built," he says. "The question is less whether ETFs grow, it's more which segments capture that growth."

"Active strategies are the most significant product innovation of the past decade in the ETF space," Stephens says. Investors increasingly want skilled management delivered through a vehicle offering the transparency, liquidity and efficiency associated with ETFs, he adds.

"ETFs are no longer synonymous with just passive or indexed investing," Stephens says. "The ETF vehicle has won – or is the winner here. The question now is which investment capabilities migrate into it."

Schroders is seeking

to build a differentiated active platform rather than reproduce products already available. Stephens points to outcome-oriented strategies, active fixed income and equity alpha as areas in which established investment capabilities could be transferred into the wrapper.

Asked about the key drivers of growth, Stephens says he would rank active ETFs first, distribution innovation second and regulatory support third.

Platforms, model portfolios, digital wealth channels and private banks are lowering barriers to adoption. "ETF adoption tends to accelerate when distribution becomes frictionless," he says.

He rejects the idea that active ETFs must displace traditional funds. This is in line with our survey's most popular evolutionary pathway, selected by 35% of respondents, who expect gradual adoption alongside active mutual funds, with only 16% expecting traditional strategies to be replaced.

"This isn't a transfer from mutual funds to ETFs," Stephens says. "It's investors using portfolios differently." He adds: "Some strategies migrate, but it's not wholesale replacement."

Fixed income, selected by 50% of survey respondents as the asset class likely to experience the strongest demand, offers another substantial opportunity. "Fixed income for me remains one of the most compelling ETF opportunities because adoption still lags equities," Stephens says.

Tokenisation would matter eventually, Stephens says, but should not distract from the immediate opportunity. "The much bigger story over the next five years is ETF adoption itself."

Torsten Hunke
managing director and general counsel at VanEck Europe

VanEck targets 2027 launch for tokenised European ETFs

The asset manager plans to begin with a regulatory pilot before extending blockchain-based share classes across its European range

VanEck expects to begin a pilot to tokenise traditional European exchange-traded funds next year with the potential to make its broader range available through blockchain-based share classes, subject to proof of concept, according to Torsten Hunke, managing director and general counsel at VanEck Europe.

The asset manager has spent five years examining how distributed-ledger technology could be applied beyond money-market funds to conventional exchange-traded products. "We are right now very close to tokenising traditional ETFs," Hunke says.

"I would expect a first pilot to start next year," he adds, although the timetable remains subject to regulatory approval. VanEck should be able to introduce its first tokenised European ETFs during 2027 provided there are no regulatory obstacles, he says.

The firm plans to begin with larger products for which institutional investors have traditionally expressed demand, potentially within a closed or limited environment. It would then expand the programme after the concept had been proven, Hunke says of the group's roughly 40 European ETFs, which collectively have AuM of $45bn.

The plans echo strong interest across the industry. In our survey, 88% of respondents considered it likely their organisation would offer tokenised versions of its ETFs, comprising 36% who believe this scenario is very likely and 52% who judge it moderately likely.

According to Hunke, demand is particularly evident among institutional investors seeking pension or insurance solutions and lower transaction costs. Tokenisation could simplify a custody chain that may involve brokers, global custodians, central securities depositories and depositaries, he argues.

He also presents blockchain-based shares as a means of diversifying operational risk rather than merely reducing costs. Investors could choose traditional or tokenised holdings, or use both.

"It's going to be a requirement for an asset manager to be able to offer both," Hunke says, arguing that examining the technology is becoming a fiduciary responsibility. Tokenisation could provide greater transparency over ownership while reducing reliance on a single operational system, he adds.

> **"It's a much broader and much more complex environment in Europe to tokenise a fund than in the US. We don't test anything with retail client money."**

Regulation remains the principal obstacle. VanEck has taken views from regulators including the Central Bank of Ireland and Luxembourg's CSSF, while Europe's fragmented fund market introduces additional layers of supervision over distribution and technology providers.

"It's a much broader and much more complex environment in Europe to tokenise a fund than in the US," Hunke says. The initial roll-out will therefore take the form of a carefully controlled pilot. "We don't test anything with retail client money," he adds.

Hunke identifies pensions as the most important source of future growth. Small differences in fees and transaction costs could compound into substantial sums over a 40-year savings period, making efficiency central to investor outcomes.

Respondents to our survey ranked the UK & Ireland and Germany as the strongest prospective growth markets, selected by 49% and 48% respectively.

Hunke agrees that the UK and Germany are among VanEck's core markets, although he views Ireland primarily as a fund domicile whose end-investors were often located elsewhere.

VanEck launched its first European ETF in 2015 and remains principally focused on passive strategies. Hunke identifies semiconductor, defence and global-dividend products among its largest funds. On the survey's finding that artificial intelligence is currently the leading investment theme (selected by 53% of survey respondents), he says: "AI is in everything right now."

Adrià Beso Marco
head of distribution for Europe
at WisdomTree

WisdomTree plans active outcome ETFs following Atlantic House deal

The $165bn manager plans to expand its European range, as retail and wealth adoption are broadening the ETF market

New York-based ETP sponsor WisdomTree is preparing to launch active, outcome-oriented exchange-traded funds in Europe following its acquisition of London-based investment manager Atlantic House, marking a move beyond the group's existing index-based range.

Adrià Beso Marco, head of distribution for Europe at WisdomTree, says the acquisition, completed in May, will bring investment staff and intellectual property from a business specialising in defined-outcome and derivatives strategies into the ETF group.

"The idea for the Atlantic House acquisition is to start launching outcome-oriented ETFs with their expertise," he says. "Those ETFs will be active, which we think will be a growing part of the ETF ecosystem."

WisdomTree's European products currently track indices, although many use proprietary benchmarks rather than standard market measures. The planned range would therefore mark a further shift into active implementation.

"We don't yet have ETFs that don't track indices, but that is coming," Beso Marco says. Most European defined-outcome and buffer ETFs remain index-based, he adds.

Beso Marco says that market confidence was reflected in adoption by institutions, wealth managers and retail investors, alongside demand for active and thematic funds, crypto products and defined-return strategies.

"The strength is that adoption is across the board now rather than single segments or countries," he says.

Wealth and retail channels had grown fastest in relative terms in recent years, he adds.

"A lot of the ETF adoption comes from the neo-brokers," he says, arguing that the wrapper's liquidity and transparency suit a digital-first experience. Younger investors are often beginning with ETFs rather than migrating from older products.

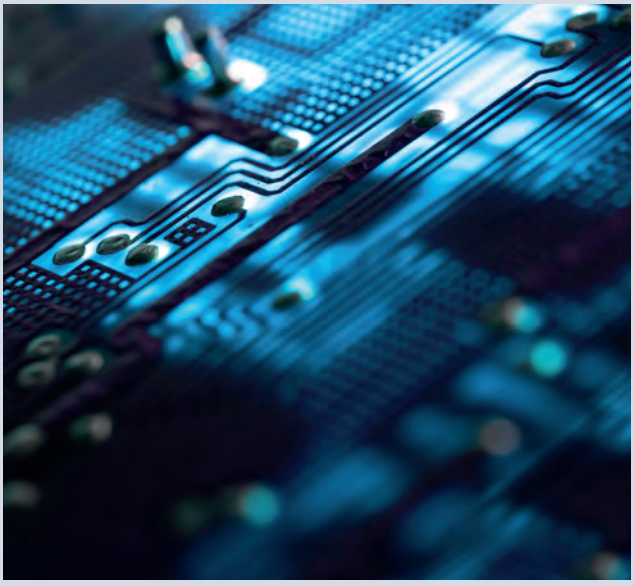
However, "the truly self-directed retail part is probably growing faster than the advice part" because not all UK adviser platforms make ETFs readily available.

WisdomTree manages about $165bn globally and $63bn in Europe, where it is the eighth-largest ETF manager. Its roughly 320 European products include about 125 commodity vehicles, reflecting the specialist position created by its 2018 acquisition of London-based ETF Securities.

Beso Marco differs from the survey on which asset classes will lead demand. Respondents put fixed income first at 50%, with digital assets and core equities both at 48%. "I think developed equities will remain the strongest by far," he said, while describing fixed income as important but unlikely to match equity flows.

He backs the survey's view that active ETFs will complement, rather than simply displace, mutual funds.

"If it doesn't add value as a mutual fund, it's not going to add value as an ETF," Beso Marco says. "ETFs need to be transparent, liquid and tradable."



Travis Spence
global head of ETFs at
J.P. Morgan

J.P. Morgan AM forecasts European ETF assets will exceed $6tn by 2030

Firm expects retail platforms, retirement reform and the move of active ETFs into core portfolios will drive another rapid expansion of the European market

J.P. Morgan Asset Management expects European exchange-traded fund assets to rise to "well north of $6tn" by the end of 2030, supported by retail adoption, pension reform and greater institutional use of active products.

Travis Spence, global head of ETFs at New York-based J.P. Morgan Asset Management, says the European industry is on course for a second consecutive record year across assets, flows, trading volumes and issuance. The market had broadly doubled every five years, he adds, and expects the global ETF industry will exceed $35tn by 2030.

Retail participation could grow more quickly than the wider European market, driven by digital investment platforms and changes to retirement systems, particularly in Germany.

Spence describes the opportunity as a "saver-to-investor movement", arguing that ETFs' cost and ease of use make them a natural vehicle for bringing younger and first-time investors into capital markets.

Institutional demand is also changing. Pension funds, insurers and sovereign investors are increasingly moving active ETFs into core allocations rather than using them only for limited portfolio purposes, he says.

Active ETFs will be a major part of the expansion. J.P. Morgan AM forecasts that global active ETF assets will increase from about $2.5tn today to more than $7tn by 2030. The US now has more active than passive ETFs by number, a reversal that Spence says occurred within the past two years.

"You now have a two-and-a-half-trillion-dollar industry that didn't exist five years ago," he says. Its increased scale and breadth means that "any large investor has to take notice" of the products now available.

J.P. Morgan AM has 177 ETFs globally, of which 127 are active. Its European Ucits range comprises 58 exchange-traded products of which 46 are active ETFs. The US giant began developing active Ucits ETFs in 2018 and has continued to broaden the range.

Rather than building separate investment operations, the firm uses the same portfolio managers, research analysts and investment processes for ETFs, mutual funds and separate accounts.

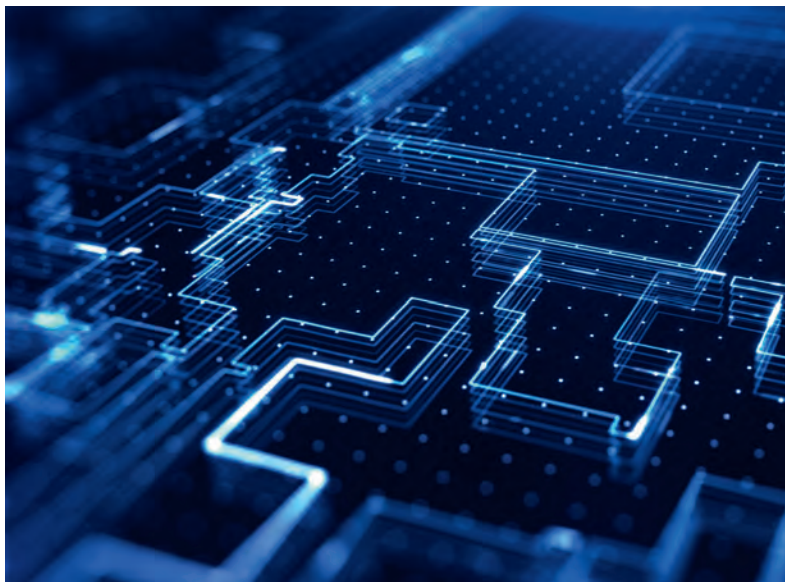
"Our portfolio managers do both," Spence says, adding that the company wants clients to choose the vehicle most appropriate for them.

He rejects the suggestion that the rise of ETFs necessarily amounts to cannibalisation of mutual funds. Although the broader industry has experienced mutual fund outflows and ETF inflows, J.P. Morgan had recorded growth across both its mutual funds and ETFs.

"We don't necessarily see that it is a cannibalisation," he says. "There's an adjustment happening within the industry."

Product innovation should provide a further source of growth. Spence highlights derivative-based ETFs that package income generation or lower-volatility equity exposure into a single trade.

J.P. Morgan's derivative-income ETF suite has



gathered over $90bn across its Ucits and US platforms, while the global category has grown to roughly $170bn since emerging in 2020. Spence says European investors have demonstrated "insatiable demand for income".

Fixed income is another large opportunity, particularly for active ETFs. The wrapper allows investors to obtain a diversified bond portfolio through a security that trades like an equity, avoiding some of the cost and complexity of purchasing individual bonds.

J.P. Morgan has also begun tokenising money-market funds and expects tokenisation to become "a much bigger area" over the next five years, although Spence says that the pace of investor adoption remains uncertain.

The firm is separately applying artificial intelligence to its Spectrum portfolio-management system, using the technology to analyse more than 40 years of proprietary investment data to help portfolio managers assess markets from multiple perspectives.

Manuela Sperandeo
co-head of BlackRock iShares Europe

Europe's ETF boom is entering a crosssectional acceleration, believes BlackRock

The co-head of BlackRock iShares Europe, Manuela Sperandeo, says that institutional innovation, younger investors and regulatory momentum are reshaping the continent's ETF landscape, with digital assets and tokenisation set to define the next frontier

Europe's exchange-traded fund market is heading for what BlackRock's Manuela Sperandeo calls a "cross-sectional acceleration", driven simultaneously by new investors entering the market and existing ones expanding their use of ETFs.

"What is quite unique at this moment in time in the European market is how we see growth across multiple client segments," she said. "It's not only about existing investors using more, but also new investors entering."

One of the most striking trends, she noted, is the shift among institutional investors. Historically, institutions used ETFs mainly for tactical allocation, but this has broadened dramatically.

"Institutional investors are really expanding use cases," she said, citing cash management, strategic allocation, crypto exposure and even the substitution of derivatives with ETF structures. "It's a perfect example of existing investors doing more."

At the beginning of August BlackRock's European ETF platform oversaw $1.5tn, with $500bn added in the past two years.

Globally, iShares stands »

at $6.37 trillion, ahead of Vanguard's $5 trillion. BlackRock, the world's largest asset manager, currently offers around 1,700 ETFs, with Europe hosting the majority due to its wider range of share classes and currency-hedged options.

Sperandeo highlights the rapid growth of thematic ETFs – particularly in areas such as semiconductors, AI and European infrastructure – but suggests the next phase will be more granular.

"Themes are fast-moving," she says with robotics, infrastructure and the underlying materials required for AI development likely to be increasingly important.

She also points to multi-asset ETFs as an underappreciated area of future growth, especially as ETF-based pension offerings expand.

On active ETFs, which currently account for around 9% of the firm's European ETPs, Sperandeo says they remain a small but growing part of the iShares range.

"What is quite unique at this moment in time in the European market is how we see growth across multiple client segments. It's not only about existing investors using more, but also new investors entering."

But she cautions that Europe's entrenched mutual fund distribution model means active ETFs will complement, rather than replace, existing structures.

Sperandeo describes a survey finding that the UK & Ireland and Germany will be the key European growth countries as "somewhat surprising", given persistent structural barriers in the UK such as the fact that many traditional UK investment platforms are not set up to trade ETFs and, as a consequence, are expensive to use for ETF investing. Also, fractional ETF ownership is not possible in the UK.

"The direction of travel in the UK is encouraging, with policymakers focused on increasing retail participation, but structural barriers to ETF adoption are still present," she says. "Germany's pension reforms, by contrast, provide a tangible catalyst for long-term ETF growth."

Central banks have also emerged as significant new ETF users, particularly for reserve management. Meanwhile, younger investors continue to embrace ETFs as their default investment vehicle. "Our People & Money survey shows younger cohorts tend to turn to ETFs," she said, adding that southern Europe is seeing notable retail adoption despite tax structures that favour traditional funds.

BlackRock does not yet offer tokenised ETFs, but Sperandeo said the firm is deeply engaged in the digital assets and tokenisation space. "We want to make sure the whole ecosystem is ready," she says.

BlackRock has, however, launched tokenised moneymarket funds in both the US and Europe: a development she describes as an important step toward broader tokenised investment products.

Looking ahead, Sperandeo believes education and regulation will be decisive in unlocking further ETF adoption. "There is a real wave in Europe to increase investor participation. ETFs are best positioned to enable that," she says.

As Europe's ETF market matures, BlackRock expects growth to come not just from liquidity-driven use cases but from deeper integration into portfolio construction, particularly in fixed income.

"The way ETFs are powering better fixed income portfolio construction has been transformative," she says.

Allyson Wallace
global head of ETFs at Morgan Stanley Investment Management

Morgan Stanley IM readies autumn launch as it targets Europe's booming ETF market

The US bank's $15bn ETF platform, built almost entirely around active strategies, is preparing its first broadly distributed Ucits range, with fixed income, thematics and digital assets high on the agenda

New York-based Morgan Stanley Investment Management is preparing to bring its exchange-traded fund business to Europe this autumn, marking the first mass-market push by a platform that has grown to $15bn in assets in the US in just three and a half years.

Allyson Wallace, global head of ETFs at Morgan Stanley Investment Management, says the firm currently has one Ucits product, a bespoke solution built for a single investor and launched last year primarily to get the infrastructure in place. This autumn's launch will be the firm's first attempt at a broadly distributed European range.

"Most issuers like ourselves see Europe as the next big opportunity," Wallace said, noting that Morgan Stanley entered the US ETF market around four years ago and has since seen exponential growth, but that the market there is becoming more saturated.

She points to product innovation, rising retail participation and digitalisation as the three main drivers of European growth, adding that an "under-40" generation of investors is likely to behave very differently from its predecessors.

Of the firm's 22 US-listed ETPs, the bulk are active strategies, alongside three cryptocurrency products, covering Bitcoin, Ether and staked Solana, launched recently, and three passive environmental, social and governance funds run by Calvert.

Wallace says that the firm would consider passive launches in Europe "if it made sense," but that the European range would not simply replicate the US line-up.

The initial European filings, all thematic strategies not currently offered in the US, include funds built around artificial intelligence and technology diffusion, the »

energy transition, a "bipolar world" theme reflecting shifting geopolitics, and a "top picks" fund drawing on the firm's broader research ideas.

Fixed income is expected to be a particular focus. Morgan Stanley's US business has built a strong active fixed income capability, but Wallace says that the European offering will need to reflect local nuances, such as a differing appetite for emerging-market or high-yield exposures, rather than a straight replication of the US "core plus" approach.

On geography, the firm is prioritising three or four markets rather than attempting broad coverage from the outset. The UK and Germany are early focuses, alongside Italy, where Wallace says the firm already has deep penetration among wealth managers thanks to its existing investment strategies.

Wallace said she was struck by the strength of European investor appetite for digital assets, despite it not yet being a significant feature of the region's ETF market, and confirmed the firm would look to expand there if the regulatory backdrop allows.

On tokenisation, she says Morgan Stanley has firm-wide workstreams examining use cases, including one already under way for money-market funds, though a dedicated ETF and tokenisation working group has yet to be established.

> **"Most issuers like ourselves see Europe as the next big opportunity"**

Asked whether new European launches risked cannibalising the firm's existing mutual fund range, Wallace was candid. "You cannot prevent some of that," she said, arguing that failing to modernise the product range risked losing client assets altogether. She adds that the firm was not building ETFs "purposely to cannibalise ourselves or others."

Wallace also flagged growing scrutiny of service providers as a notable finding from the broader market survey, saying Morgan Stanley has pushed providers to automate processes and reduce the operational risk associated with manual workflows, given the breadth of products on its platform.

Asia remains a longer-term ambition rather than a near-term priority, Wallace says, with the firm's immediate focus on establishing its European foothold.

Our survey found that...

99%

of respondents expect the European ETF market to grow over the next five to ten years

86%

of asset owners expect AI and agentic technologies to have a significant or transformational influence on portfolio management over the next five to ten years

88%

of current or prospective ETF issuers expect to offer tokenised ETFs within five years

73%

of asset owners say increased ETF allocations would come from active mutual funds

80%

of asset managers expect ETF launches to cannibalise existing mutual funds

61%

of institutional asset owners expect to invest more in ETFs

UK & Ireland and Germany are seen as Europe's strongest growth markets

Younger investors are expected to have a major influence on ETF flows

Fixed income is the clearest cross-market product opportunity, selected by 50% of respondents as an area likely to see particularly strong demand

Around the clock, around the globe

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