


[Home](#)
[My Account](#)
[Watchlists](#)
[Quotes & Research](#)
[Trading](#)
[Products & Services](#)
[Contact and Support](#)

You are here: [Products & Services](#) > [Shares](#) > [ETFs & ETCs](#)

## ETFs & ETCs

### Diversification with a single trade

[Why ETFs & ETCs](#)
[Features](#)
[Utilising ETFs](#)
[Getting Started](#)
[Case studies](#)

### Combining ETFs with your portfolio

ETFs cover the investment landscape from all angles. You can invest by asset class, market capitalisation, country and sector. The flexible nature of ETFs means they can play a core or satellite role in any investment portfolio.

#### Core

Investors can use ETFs based on a broad market index as a cost-efficient core component of their portfolio. The aim of the 'core' is to form the foundation of an investor's portfolio. Using an ETF to buy a core position can provide cost-effective diversification and may help to reduce overall portfolio risk.

#### Satellite

Investors can use satellites, which are typically more focused investments, to complement the core of their portfolio. Satellites can include ETFs with specific exposure, such as single country or sector positions and are often used to express a specific market view.

| Types of ETFs & ETCs         | What the ETF / ETC tracks                | Example of stocks held within index                                 |
|------------------------------|--|---|
| <b>Australian (domestic)</b> | Established local equity indices         | CBA<br>BHP<br>Westpac<br>Telstra                                    |
| <b>International</b>         | Major global and regional equity indices | Apple<br>Microsoft<br>Johnson & Johnson<br>Procter & Gamble         |
| <b>Fixed Income</b>          | Well-known fixed income indices          | Government bonds (various)  |
| <b>Sector</b>                | Key domestic and global sector indices   | <b>Healthcare:</b><br>Johnson & Johnson<br>GlaxoSmithKline<br>Bayer |
| <b>ETC Commodities</b>       | Aims to replicate the physical commodity | <b>Examples:</b><br>Gold, Palladium or Platinum                     |

All examples and images are for illustrative purposes only and should not be considered as a recommendation to buy, sell or hold.