

2016 ETF Investor Study

September 2016

charles
SCHWAB

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About the Study

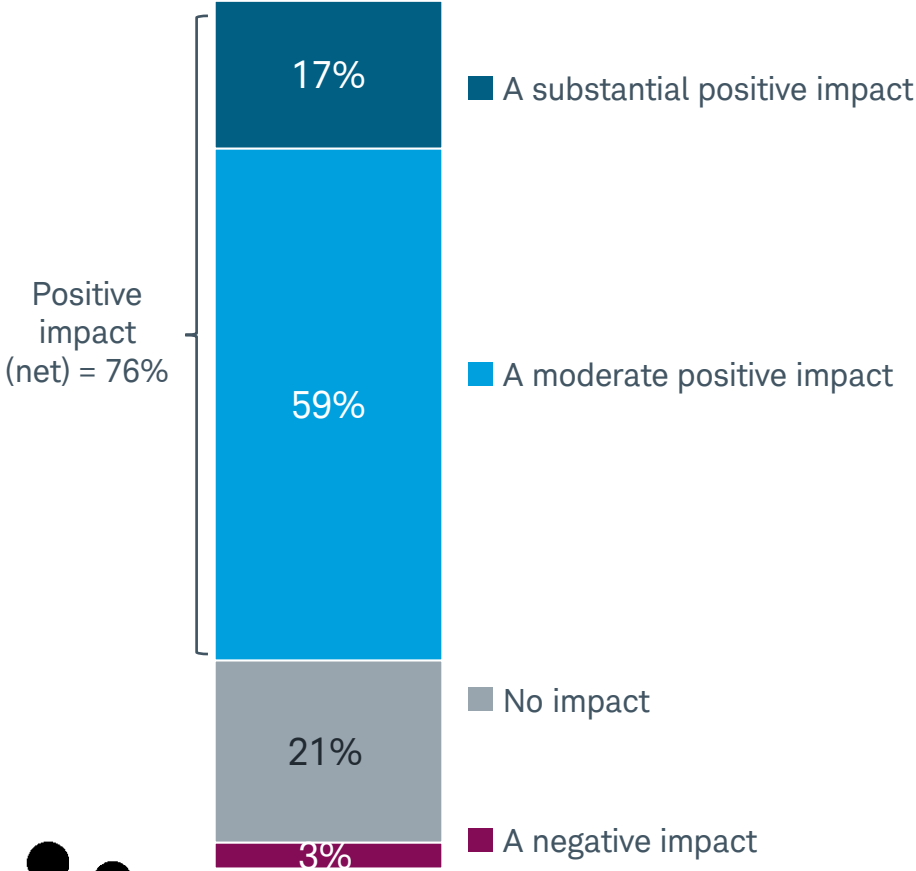
What	<ul style="list-style-type: none">▪ An online study among a national sample of Registered Investment Advisors (RIAs) and ETF Investors was conducted by Koski Research▪ Koski Research is neither affiliated with, nor employed by, Charles Schwab & Co., Inc.
When	<ul style="list-style-type: none">▪ The RIA survey was fielded June 29 to July 20, 2016▪ The ETF Investor survey was fielded June 28 to July 15, 2016
Who	<ul style="list-style-type: none">▪ 312 RIAs completed the study▪ To qualify for the study, RIAs had to:<ul style="list-style-type: none">▪ Be registered in RIA Database▪ Have bought or sold an ETF in the past 2 years▪ 1,008 ETF Investors completed the study▪ To qualify for the study, ETF Investors had to<ul style="list-style-type: none">▪ Be 25 to 75 years old▪ Have a minimum of \$25,000 in investable assets▪ Have purchased an ETF in the past 2 years▪ Be at least somewhat familiar with ETFs

RIAs and Investors: embracing ETFs in both action and words

Investing Game-Changers: most investors and RIAs believe ETFs have had a positive impact on how they invest

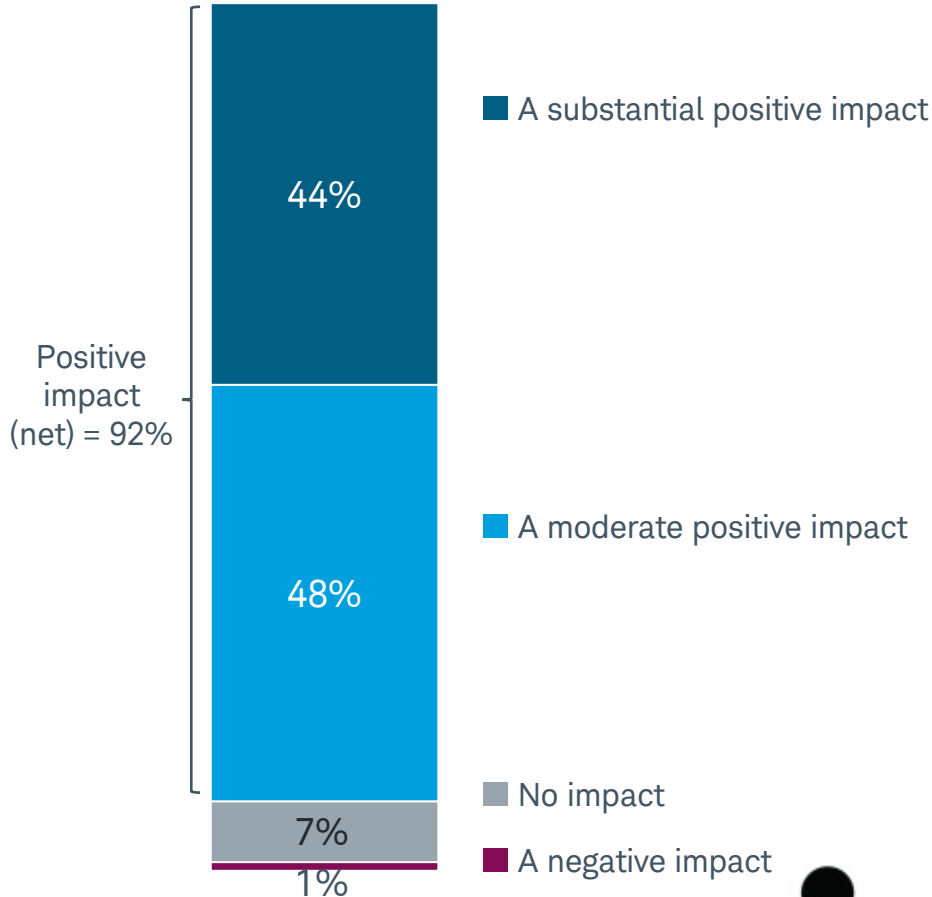
Impact ETFs Have Had on...

The way you invest your money



ETF Investors

The way you invest in the portfolios you manage



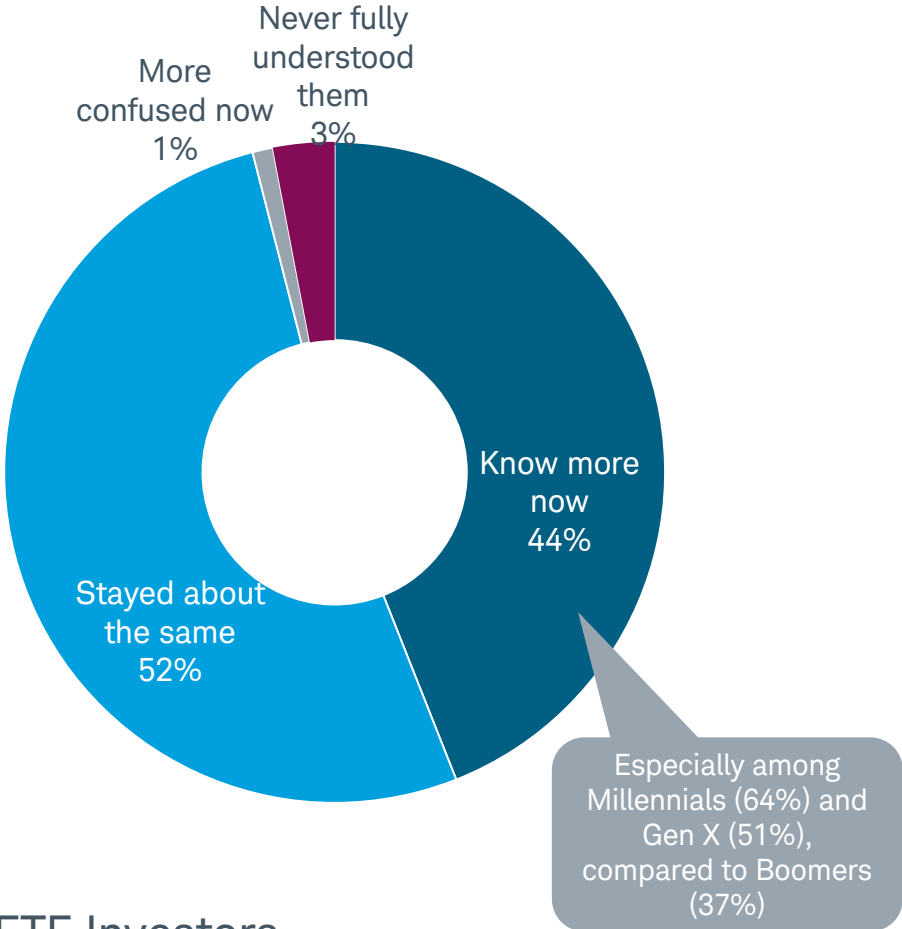
RIAs



Q11. What kind of impact would you say ETFs have had on the way you invest your money? (Base: ETF Investors=1,008)
 Q7. What kind of impact would you say ETFs have had on the way you invest in the portfolios you manage? (Base: RIAs=312)

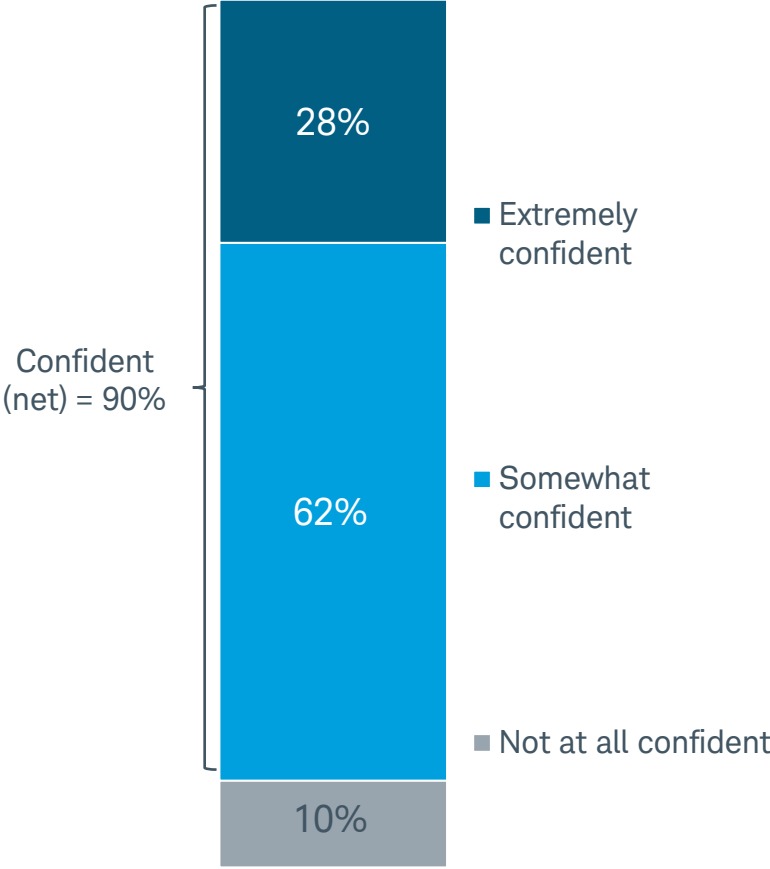
Individual investors continue to make strides in their understanding and confidence around ETFs.

How ETF Knowledge Has Changed in Past Year



ETF Investors

Confidence in Ability to Choose the Right ETF



Q10. How has your knowledge of ETFs changed over the past year?
 Q31. How confident are you in your ability to choose an ETF that is right for your investment objectives? (Base: ETF Investors=1,008)

On average, 1/3 of RIAs' investments are in ETFs...and they expect that to increase in the years ahead

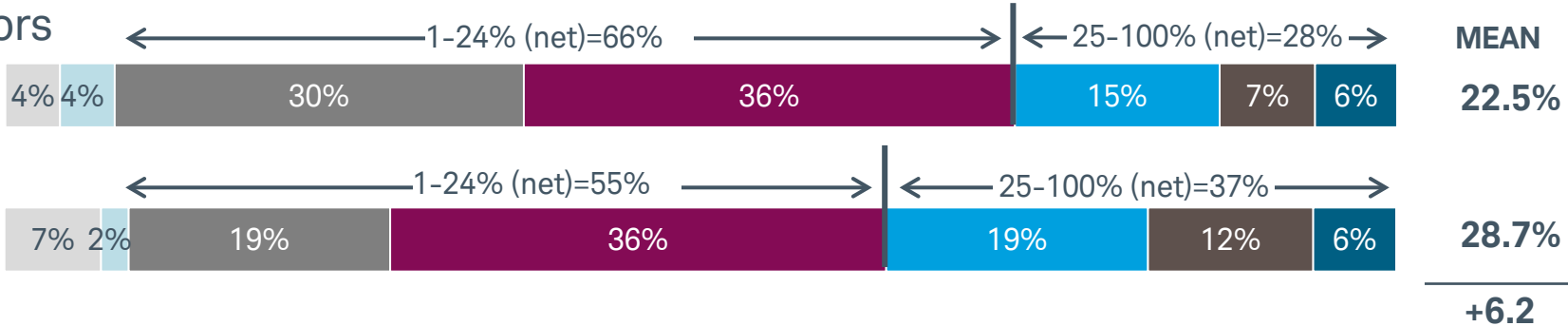
Percentage of Portfolio in ETFs



ETF Investors

Currently

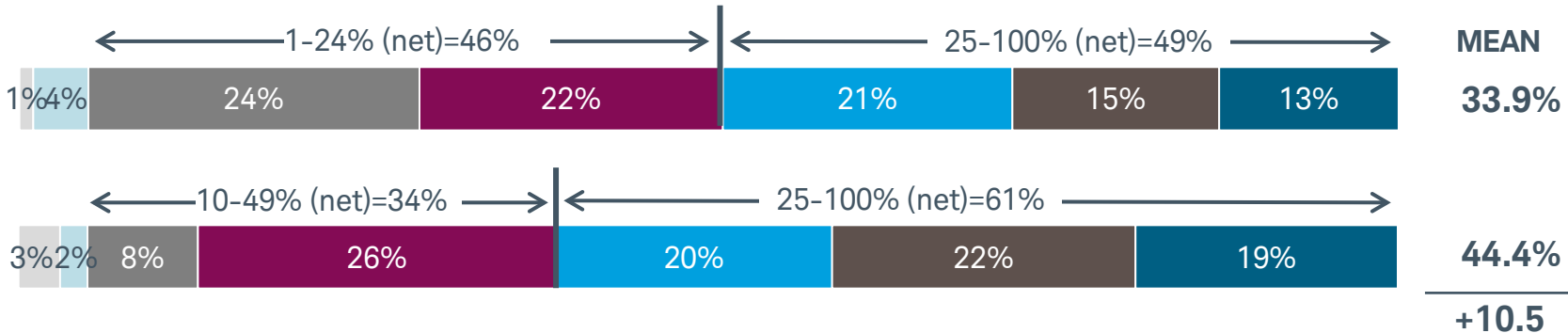
In 5 Years



RIAs

Currently

In 5 Years

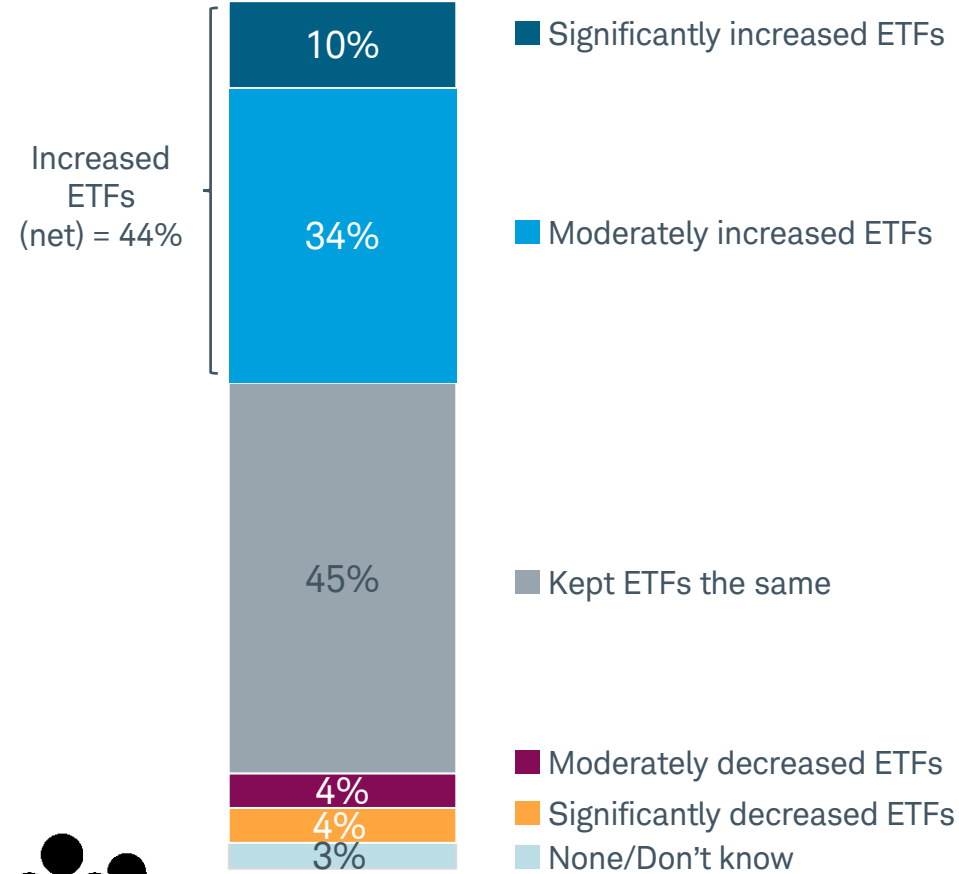


Q12/Q8 What percent of all of your investments is in ETFs today, if any? / What percent of all the assets you manage is in ETFs today, if any?
 Q18/Q17 Looking ahead five years, what percentage of your portfolio do you expect will be in ETFs? / Looking ahead five years, what percentage of the assets you manage do you expect will be in ETFs? (Base: ETF Investors=1,008; RIAs=312)

More than half of RIAs and 44% of investors have increased their investments in ETFs in the past year...

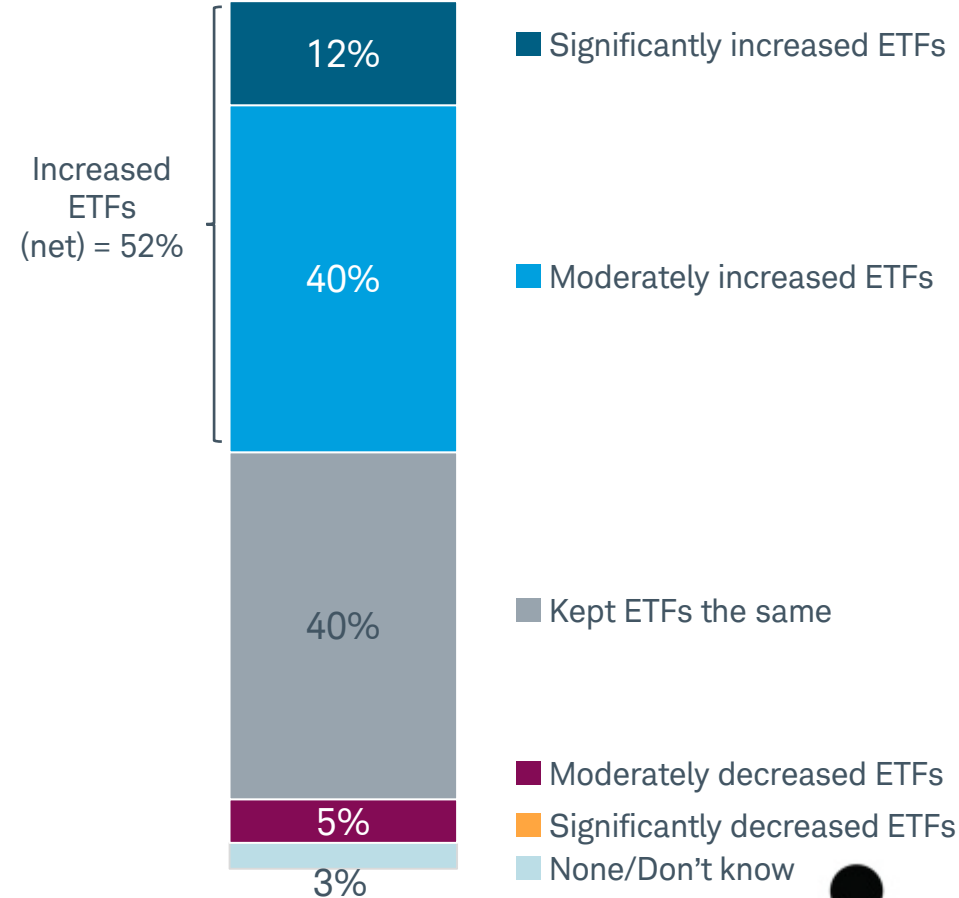
Change in Investments in Past Year...

In your investments



ETF Investors

For investment of assets you manage



RIAs

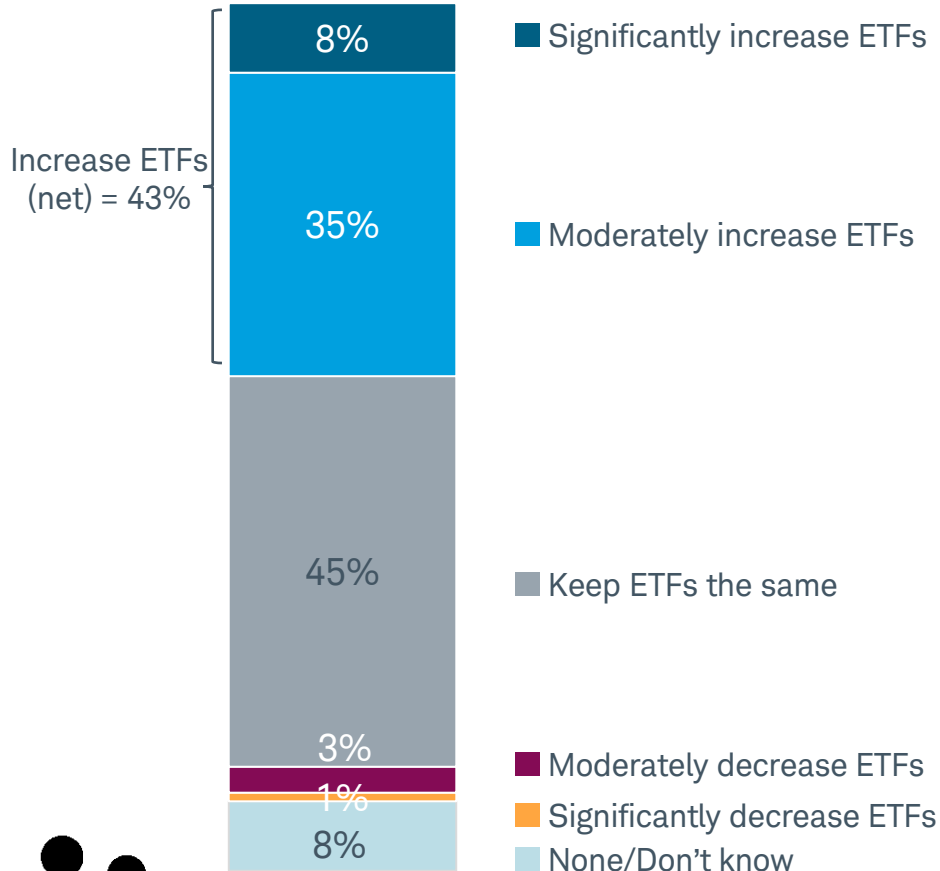


Q15. In the last year, which of the following did you do, if any? (Base: ETF Investors=1,008)
 Q14. In the last year, which of the following did you do with the assets you manage, if any? (Base: RIAs=312)

...and just over half of RIAs and two in five investors plan to increase their ETF investments in the next year

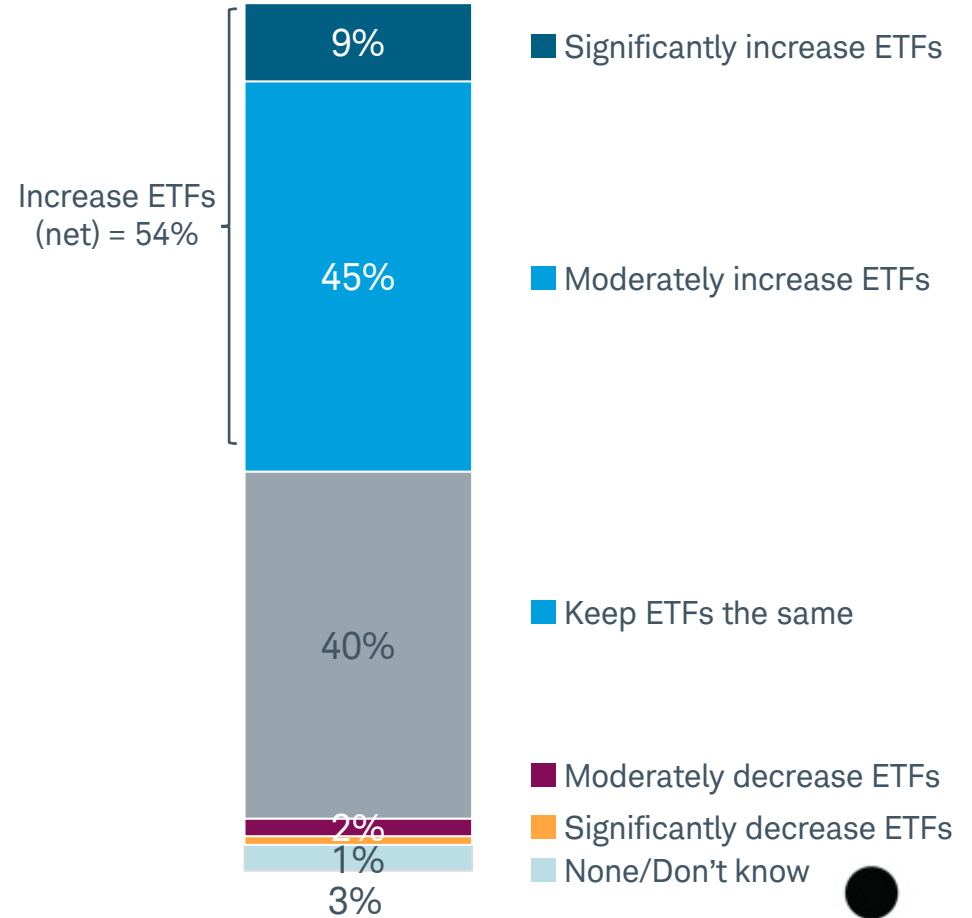
Expected behavior in the next year

In your investments



ETF Investors

For investment of assets you manage



RIAs

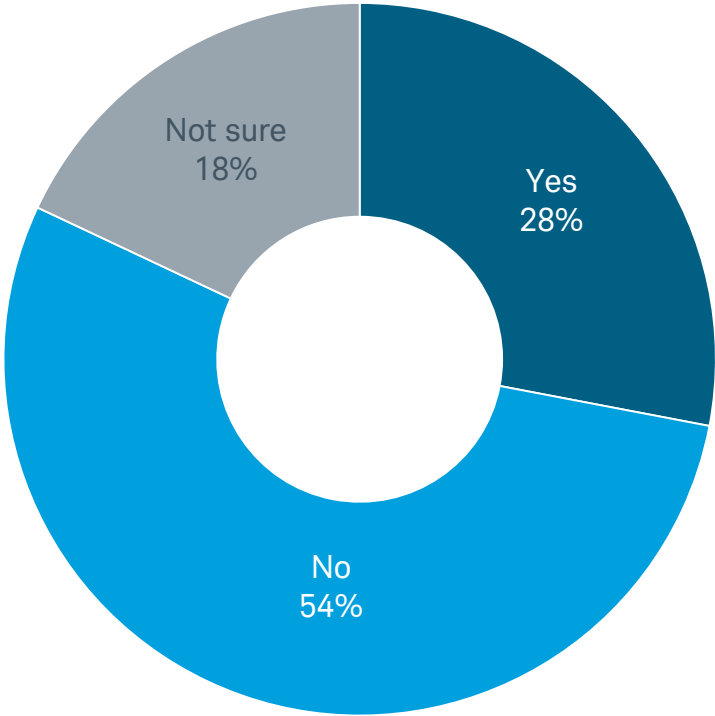
Q16. In the next year, which of the following do you expect to do, if any? (Base: ETF Investors=1,008)

Q14. In the next year, which of the following do you expect to do with the assets you manage, if any? (Base: RIAs=312)

Nearly half of RIAs and more than one in four investors expect ETFs to be their primary investment in the future

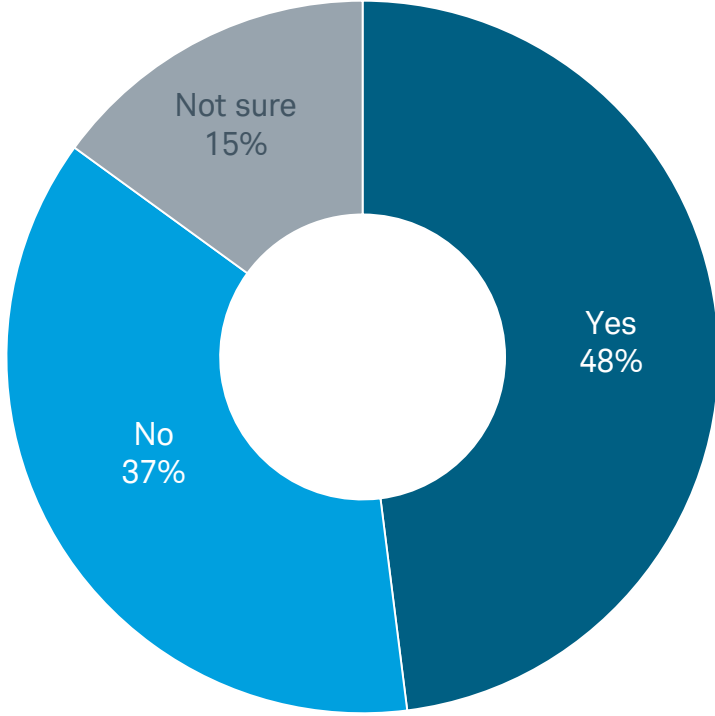
Those who see ETFs as the primary investment type in the future...

In your portfolio



ETF Investors

For the assets you manage



RIAs



Q17. Do you see ETFs as being the primary investment type in your portfolio in the future? (Base: ETF Investors=1,008)
Q16. Do you see ETFs as being the primary investment type in the assets you manage in the future? (Base: RIAs=312)

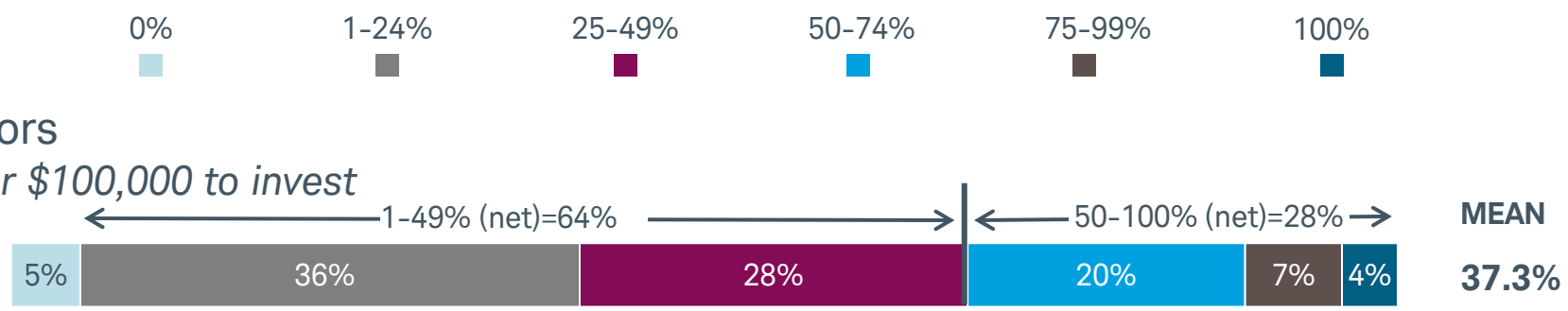
The \$100,000 Question: with an extra \$100K to invest, RIAs would put an average of \$43.6K into ETFs

Percent of \$100,000 Would Invest in ETFs



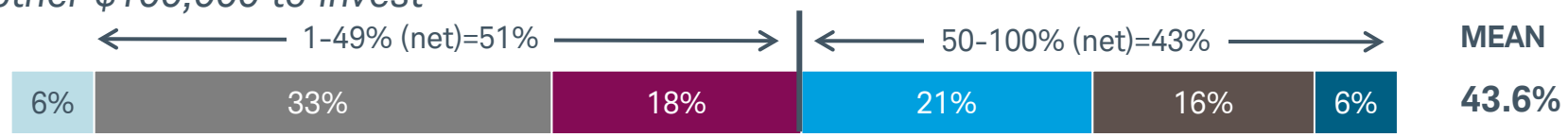
ETF Investors

If you had another \$100,000 to invest



RIAs

If a client had another \$100,000 to invest

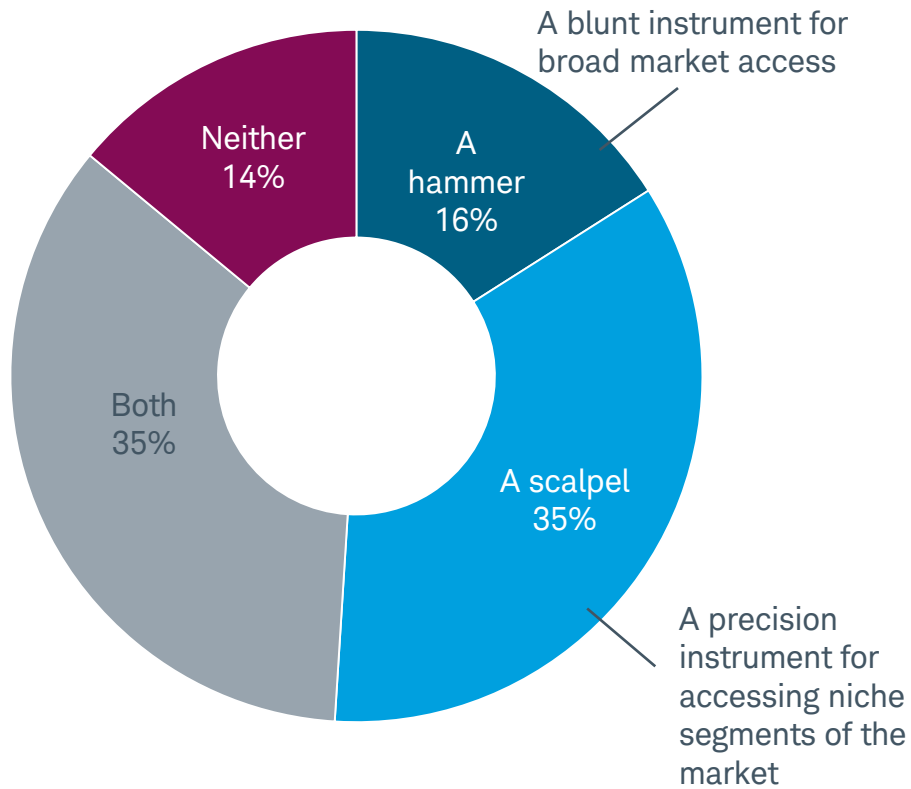


Q20. If you had another \$100,000 to invest, how much would you put into ETFs? (Base: ETF Investors=1,008)
 Q19. If a client of yours had other \$100,000 to invest, how much would you put into ETFs? (Base: RIAs=312)

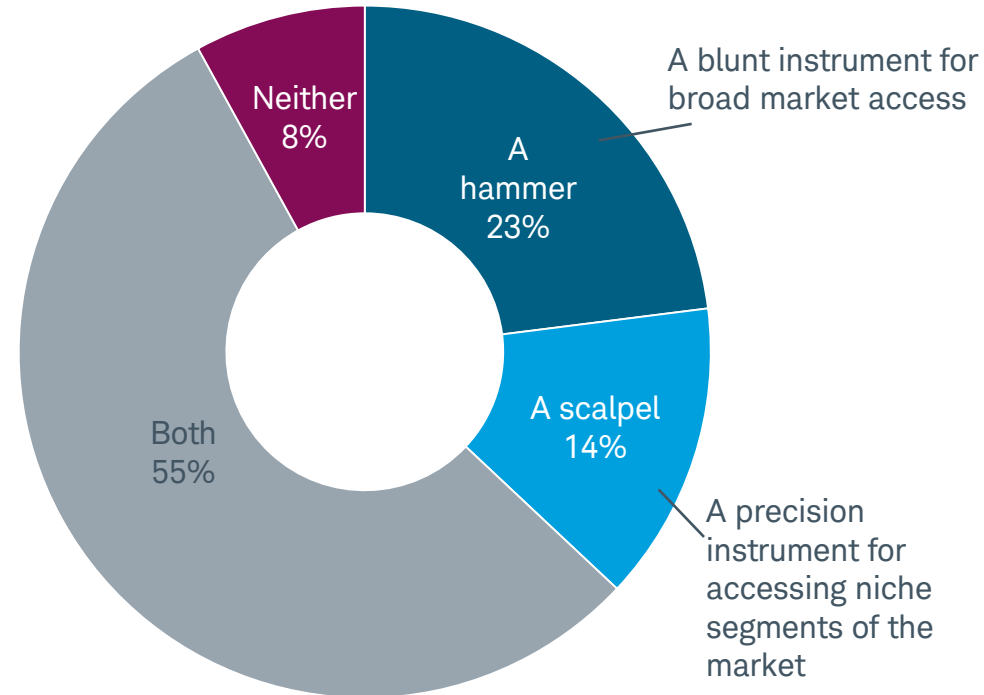
The role ETFs play in a portfolio

ETFs: A scalpel or a hammer?

If ETFs Were a Tool, They'd Be More Like...



ETF Investors



RIAs

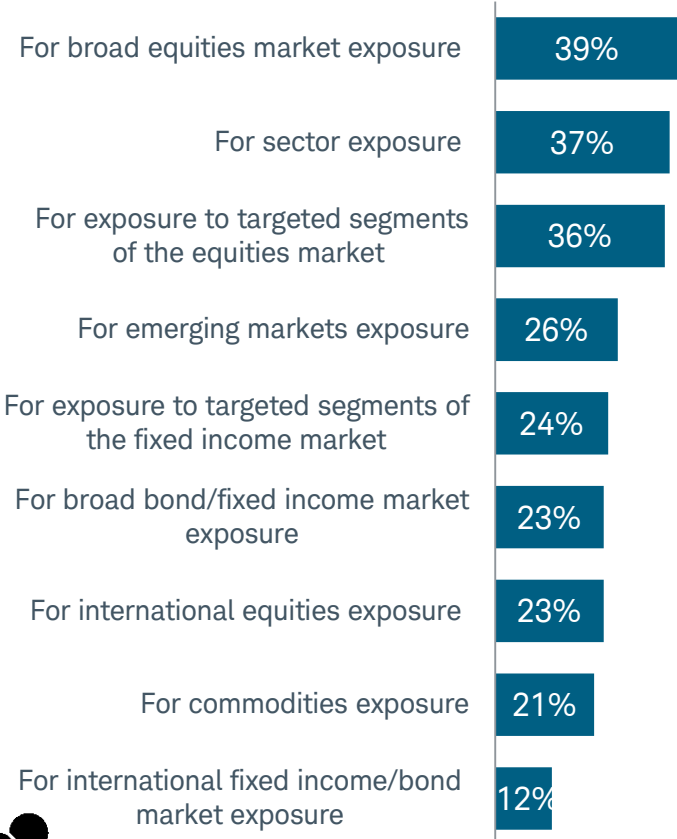


Q23. If ETFs were a tool, would they be more like...? (Base: ETF Investors=1,008; RIAs=312)

Both RIAs and investors say that the #1 way they use ETFs is for broad equities market exposure

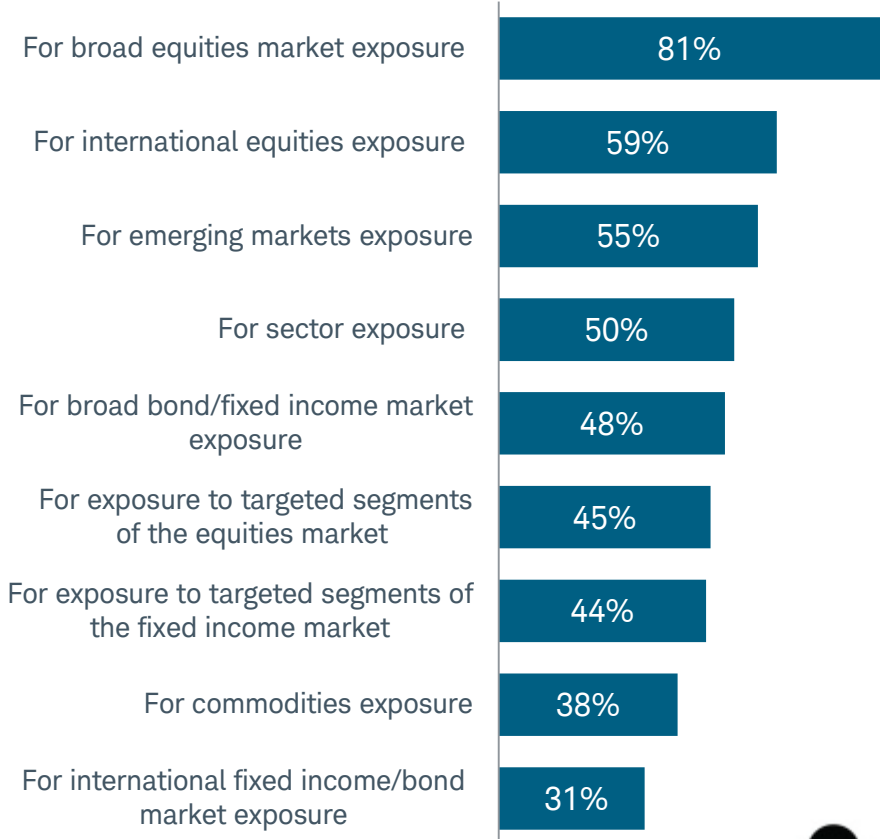
How ETFs Are Used...

In your portfolio



ETF Investors

Within the portfolios you manage



RIAs



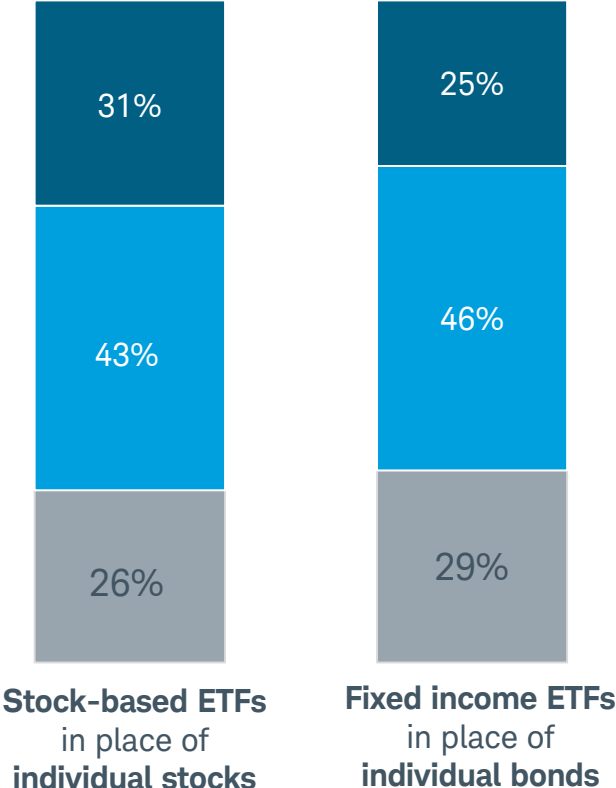
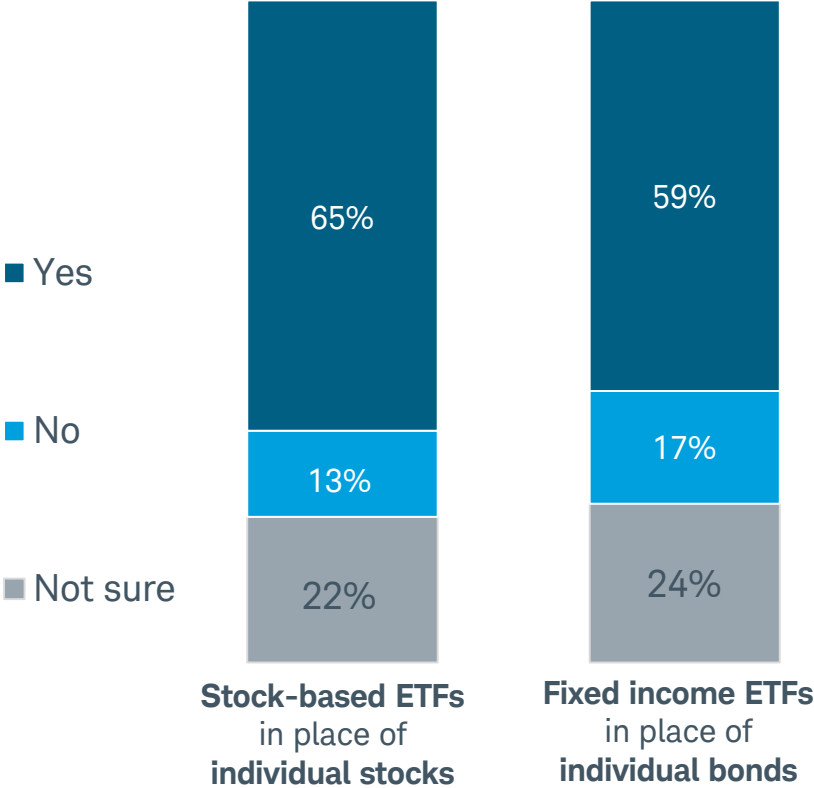
Q13. How do you use ETFs in your portfolio? (Base: ETF Investors who have ETF investments=968)
 Q9. How do you use ETFs within the portfolios you manage? (Base: RIAs who have ETFs in portfolios managed=299)

RIAs see ETFs as one piece of the puzzle in a portfolio; investors more likely to view ETFs as a replacement for individual stocks and bonds

Use of ETFs in Place of Stocks/Bonds

In your portfolio:

For assets managed:



ETF Investors



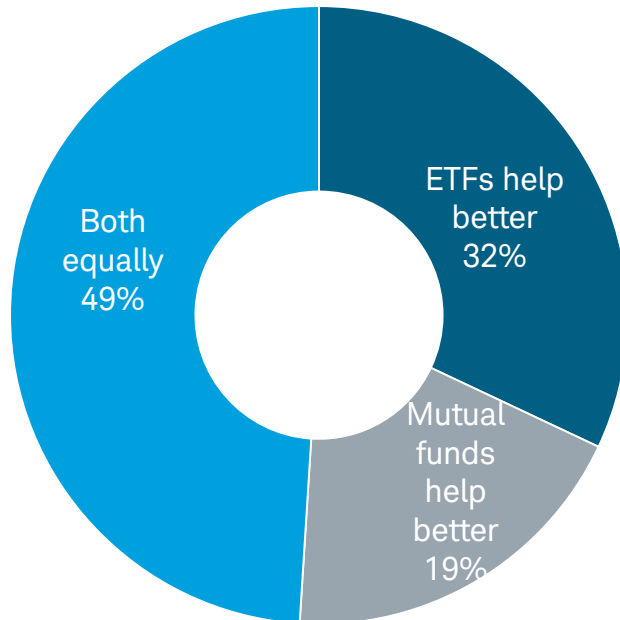
RIAs

Q24. Would you consider using stock-based ETFs instead of individual stocks in your portfolio?
 Q25. Would you consider using fixed income ETFs instead of individual bonds in your portfolio? (Base: ETF Investors=1,008)
 Q21. For the assets you currently manage, do you plan to replace individual stocks with stock-based ETFs in the next year?
 Q22. For the assets you currently manage, do you plan to replace individual bonds with fixed income ETFs in the next year? (Base: RIAs=312)

Half of those surveyed say ETFs and mutual funds play an equally important role in a portfolio

Roles of ETFs and Mutual Funds

In helping me reach my investments goals



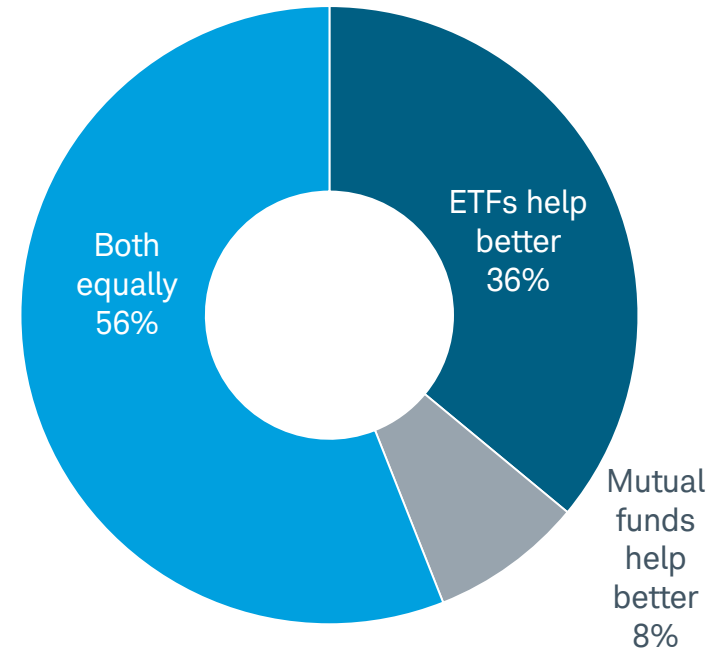
In next few years, I expect my portfolio to have:

More invested in ETFs than mutual funds	38%
More invested in mutual funds than ETFs	31%
About the same amount in each	31%



ETF Investors

In helping to reach my clients' investment goals



RIAs



Q22. What role do ETFs and mutual funds play in relation to each other in your portfolio? (Base: ETF Investors who have ETFs=968)

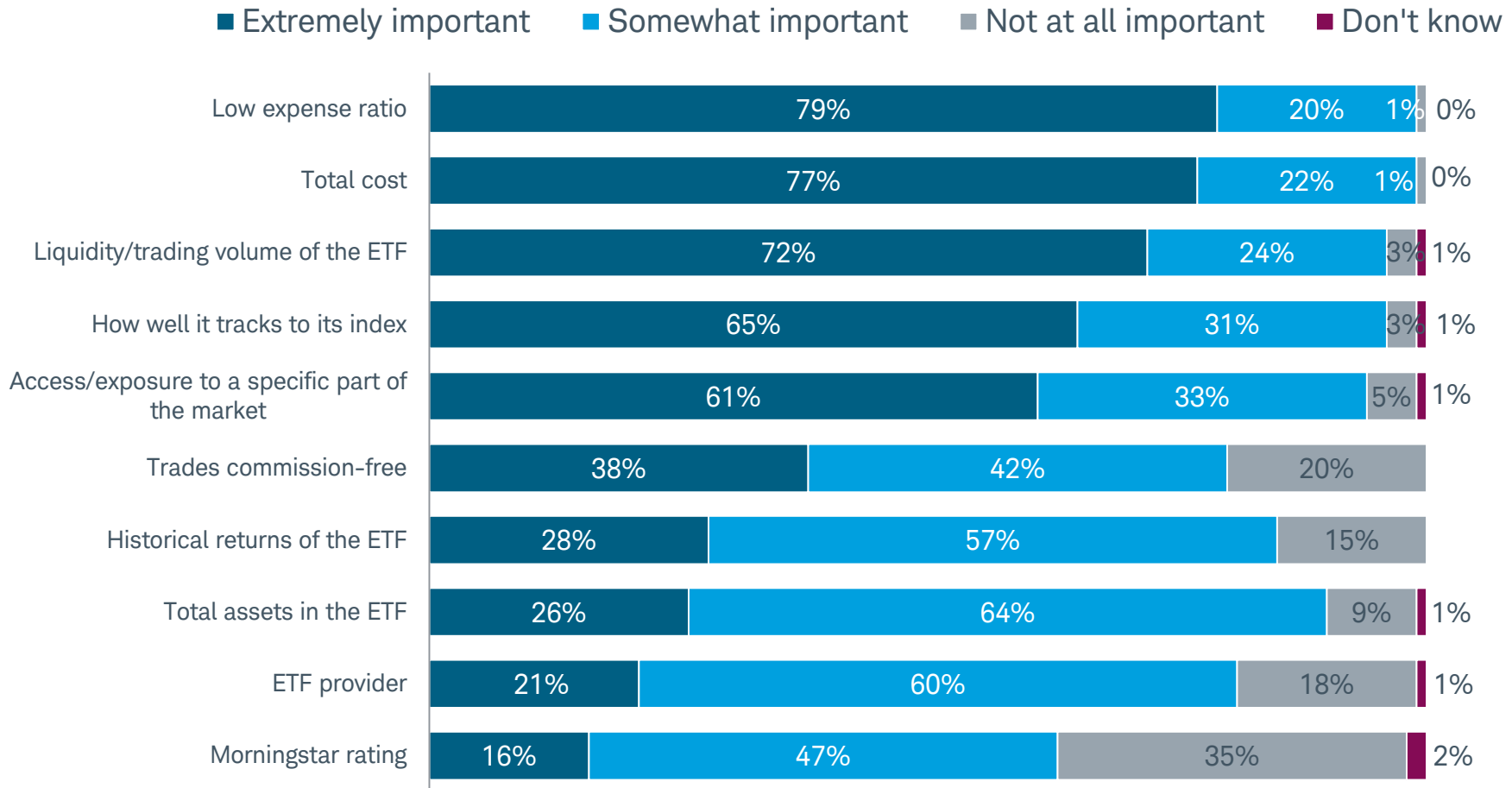
Q20. What role do ETFs and mutual funds play in relation to each other in the assets you manage? (Base: RIAs=312)

Q21. In the next few years, will your portfolio have...? (Base: ETF Investors=1,008)

Evaluating ETFs

RIAs say low expense ratio, total cost and liquidity/trading volume are extremely important when evaluating an ETF

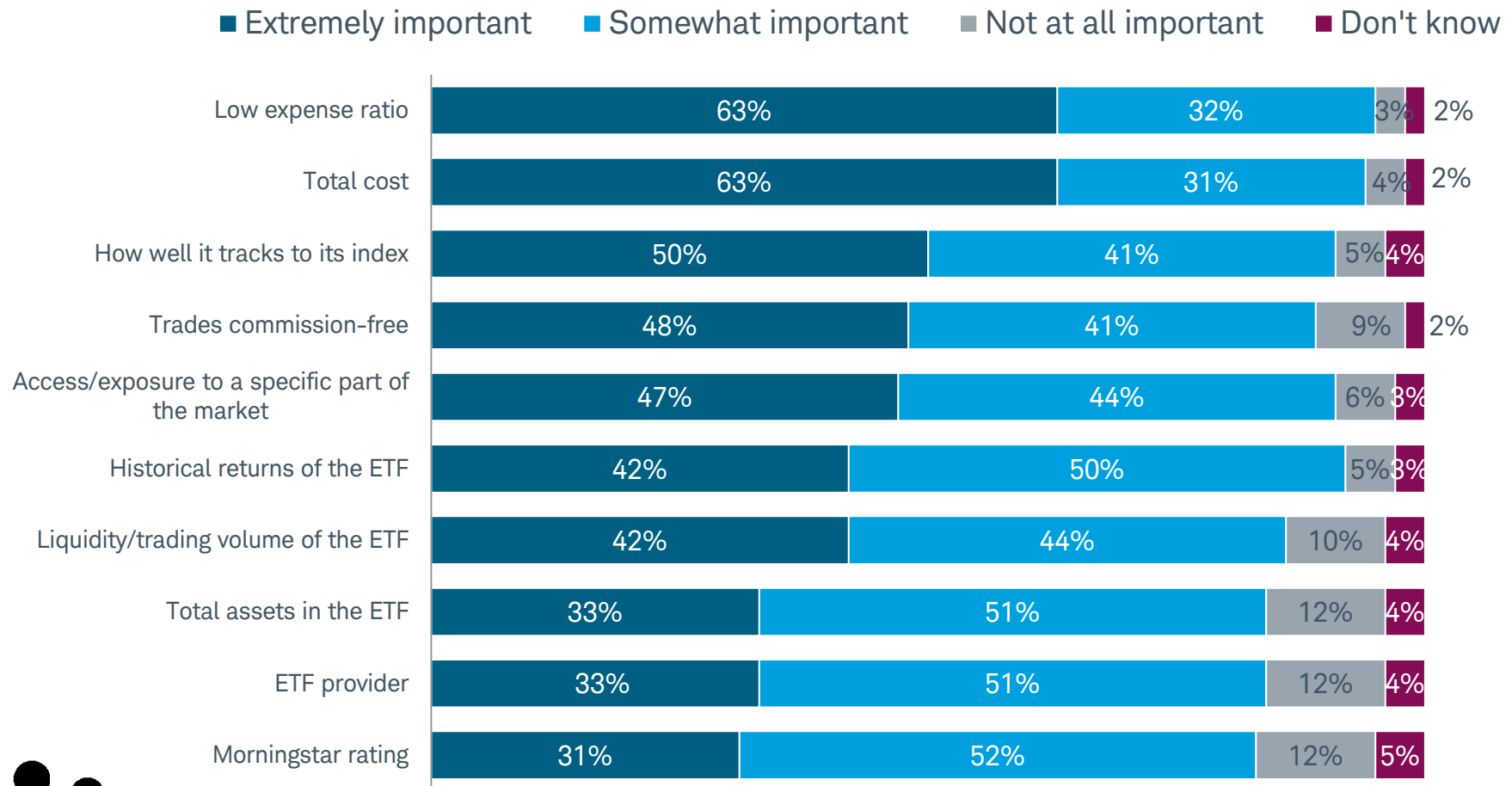
Importance When Choosing an ETF



Q24. When choosing an ETF, how important to you is each of the following? (Base: RIAs=312)

Individual investors prioritize low expense ratio, total cost and how well ETF tracks to its index when evaluating an ETF

Importance When Choosing an ETF



ETF Investors

Q27. When choosing an ETF, how important to you is each of the following? (Base: ETF Investors=1,008)

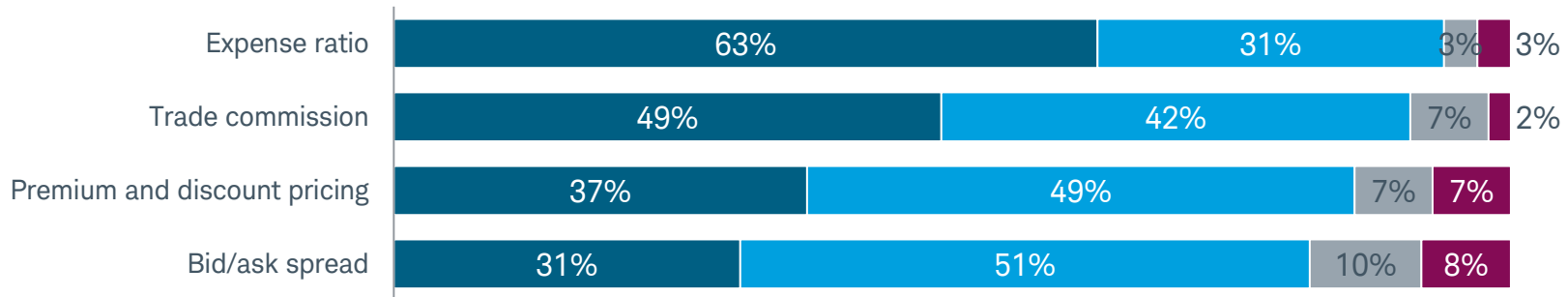
Expense ratio is the most important ETF cost criterion for both RIAs and individual investors

Importance When Evaluating the Cost of a Specific ETF

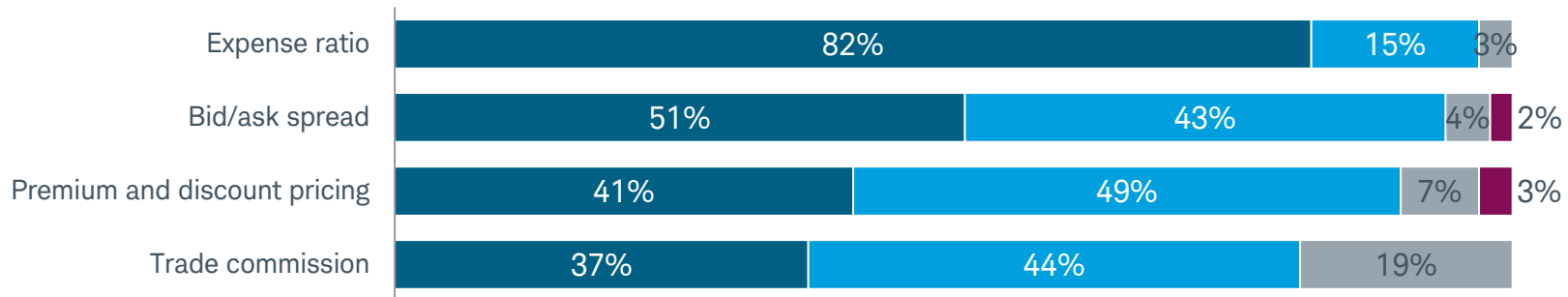


ETF Investors

■ Extremely important
 ■ Somewhat important
 ■ Not at all important
 ■ Don't know



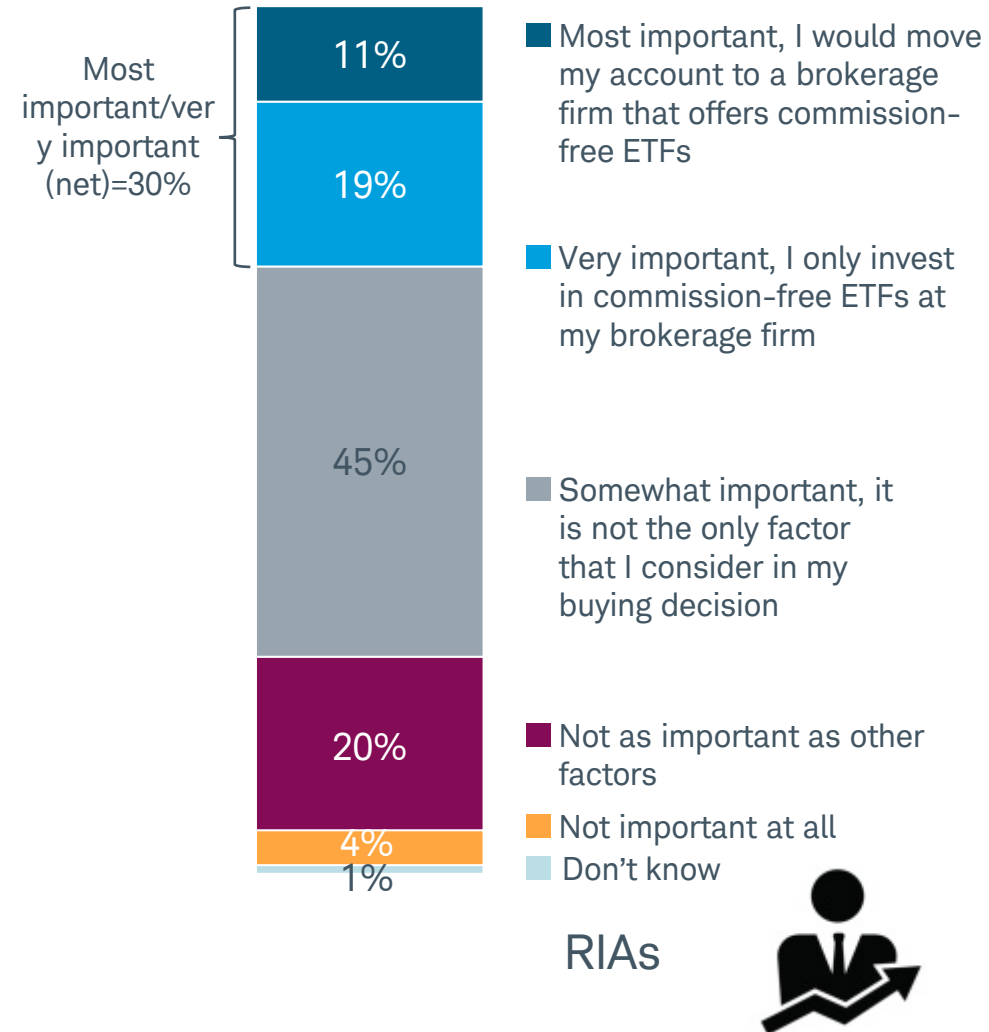
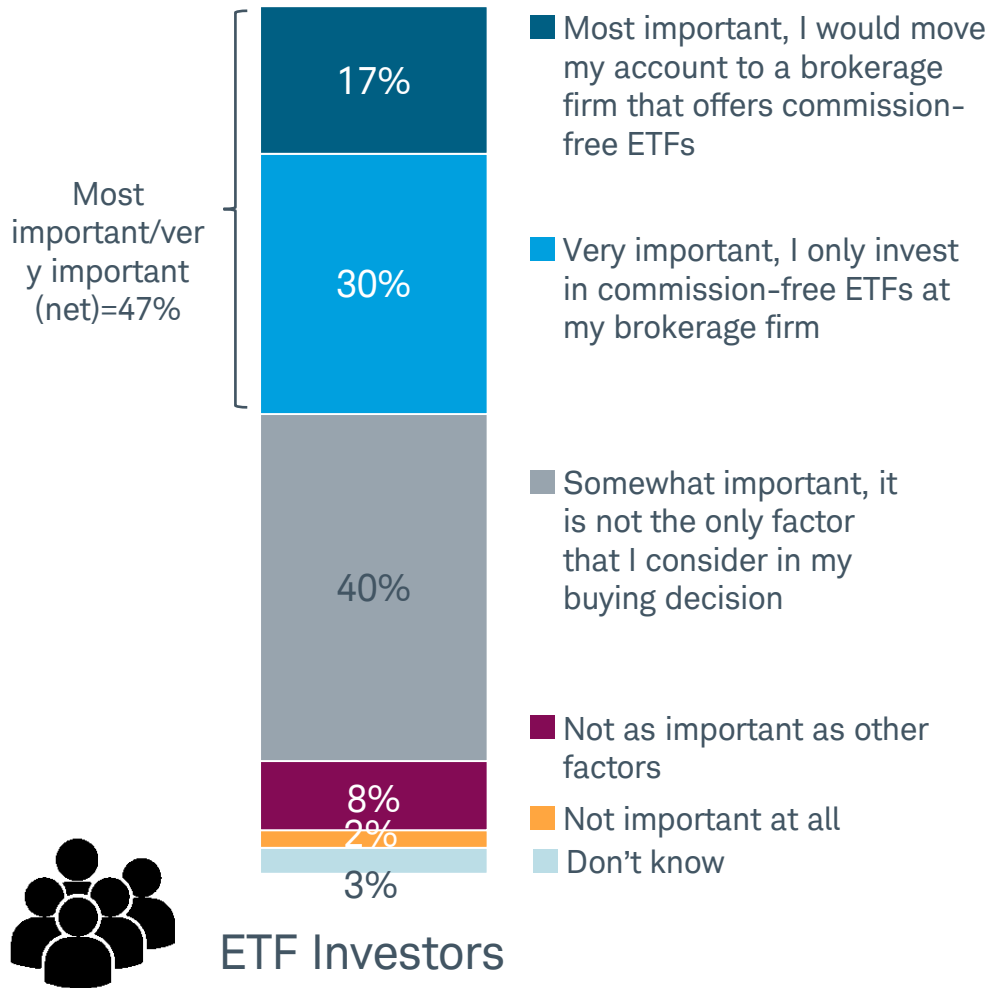
RIAs



Q28/Q25. How important to you is each of the following when evaluating the cost of a specific ETF? (Base: ETF Investors=1,008; RIAs=312)

Nearly half of individual investors say that the ability to trade an ETF commission-free is extremely important

Importance of Ability to Trade ETFs without Commissions or Other Brokerage Fees



Q29/Q26. How important is the ability to trade ETFs without commissions or other brokerage firm fees? (Base: ETF Investors=1,008; RIAs=312)

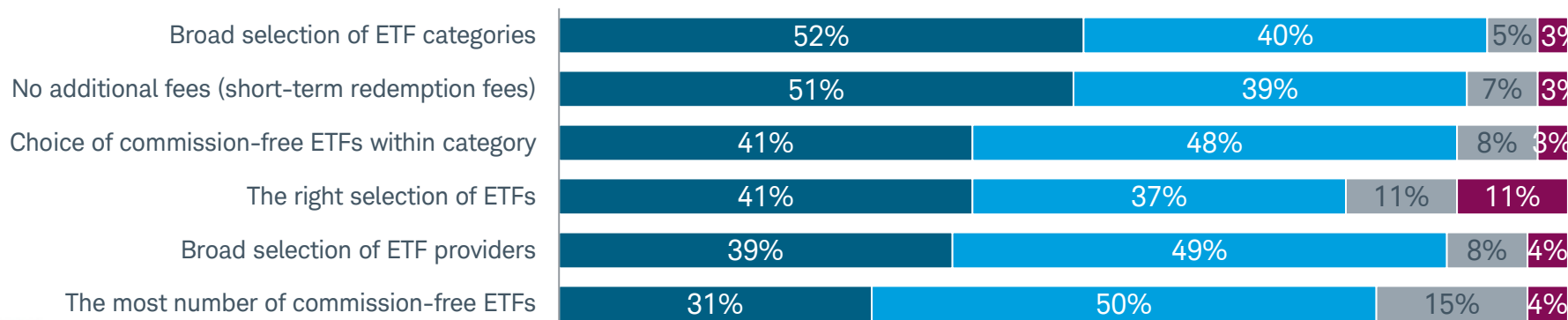
RIAs look for the right selection of ETFs when evaluating a commission-free ETF offering; individual investors cite broad selection of ETF categories and no additional fees as extremely important

Importance When Evaluating Brokerages That Offer Commission-Free ETFs

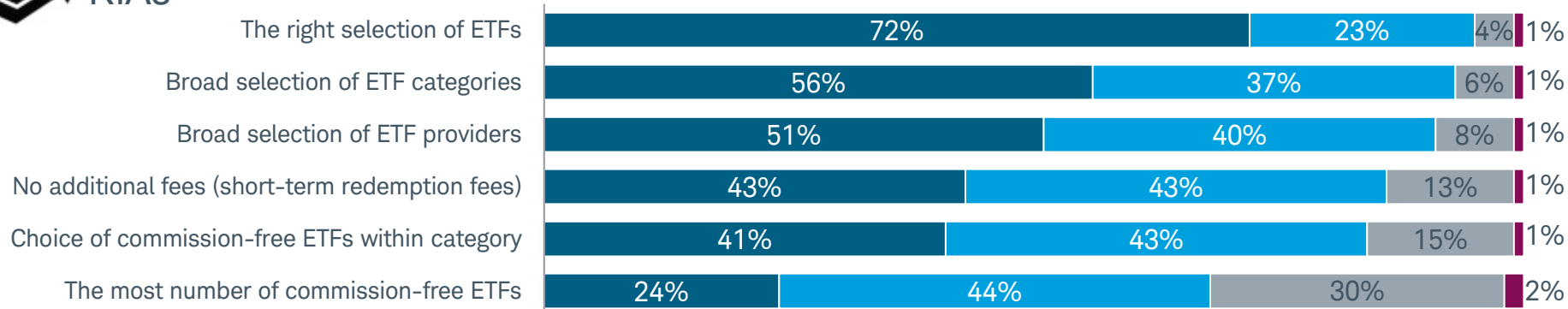


ETF Investors

■ Extremely important
 ■ Somewhat important
 ■ Not at all important
 ■ Don't know



RIAs

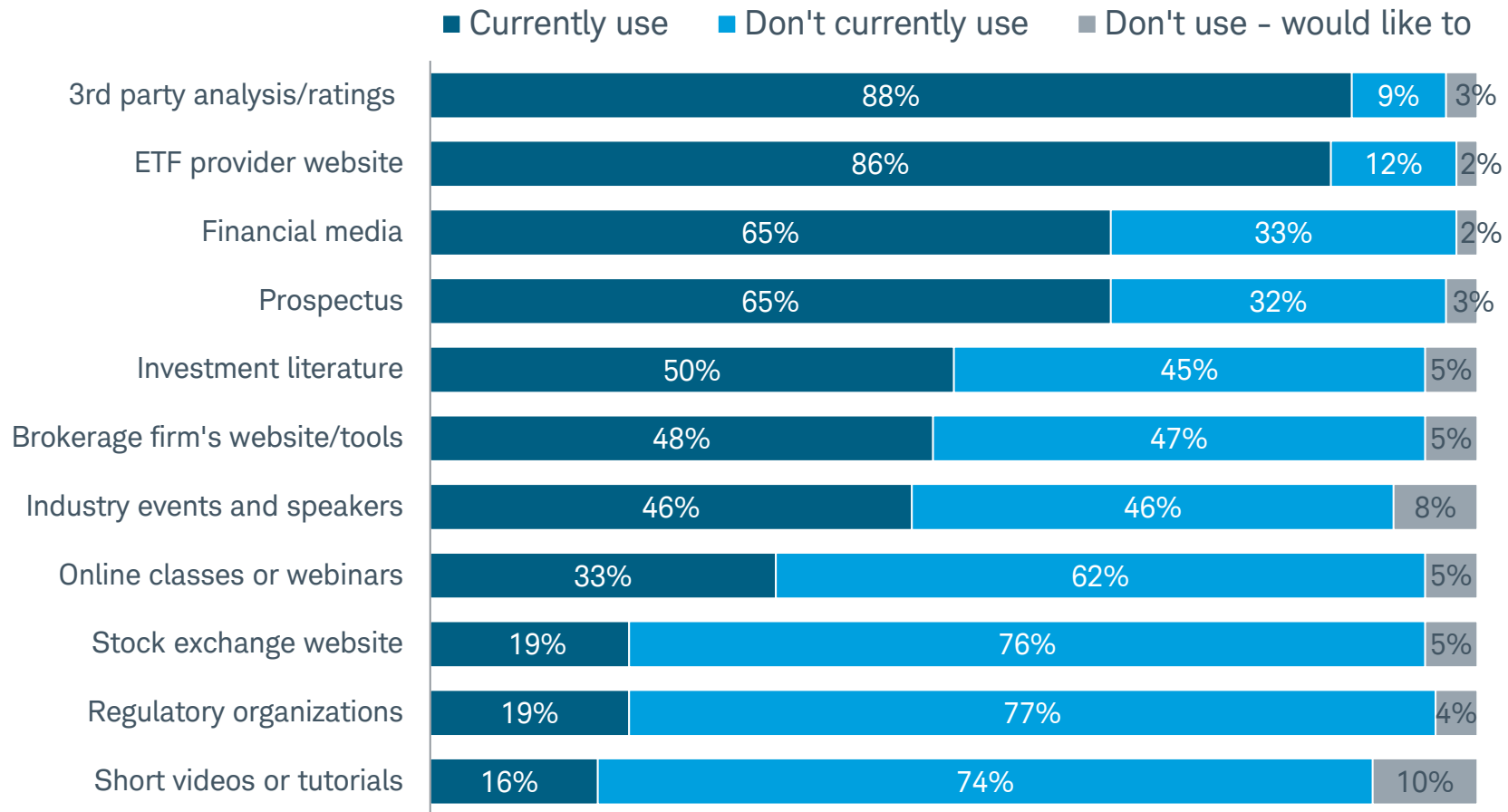


Q30/Q27. How important to you is each of the following when evaluating brokerages that offer commission-free ETFs/a commission-free ETF platform? (Base: ETF Investors=1,008; RIAs=312)

Researching ETFs

RIAs most often use 3rd party analysis or ETF provider websites when researching ETFs

Sources Used for Researching ETFs



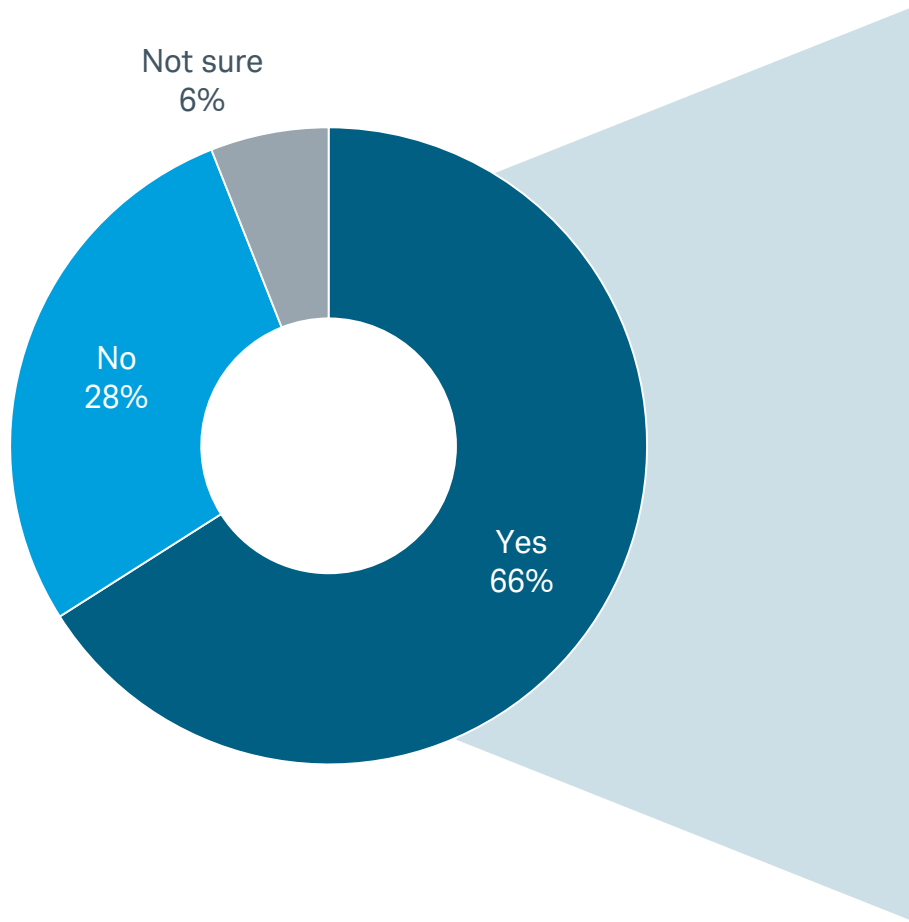
RIAs



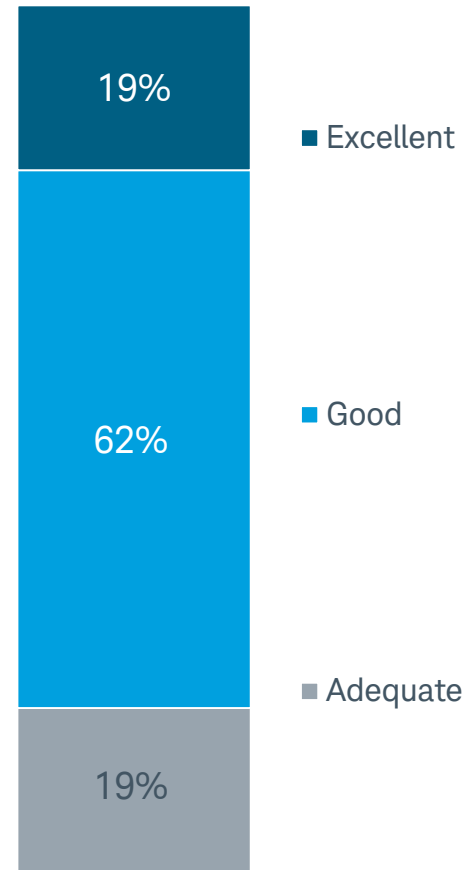
Q10. Which sources do you use when doing research to choose an ETF? (Base: RIAs=312)

Two-thirds of RIAs look to ETF providers for guidance on ETFs; the quality of guidance is rated excellent or good

ETF Providers Used for Guidance



Quality of Guidance Received (among those who turn to ETF Providers for guidance)



RIAs

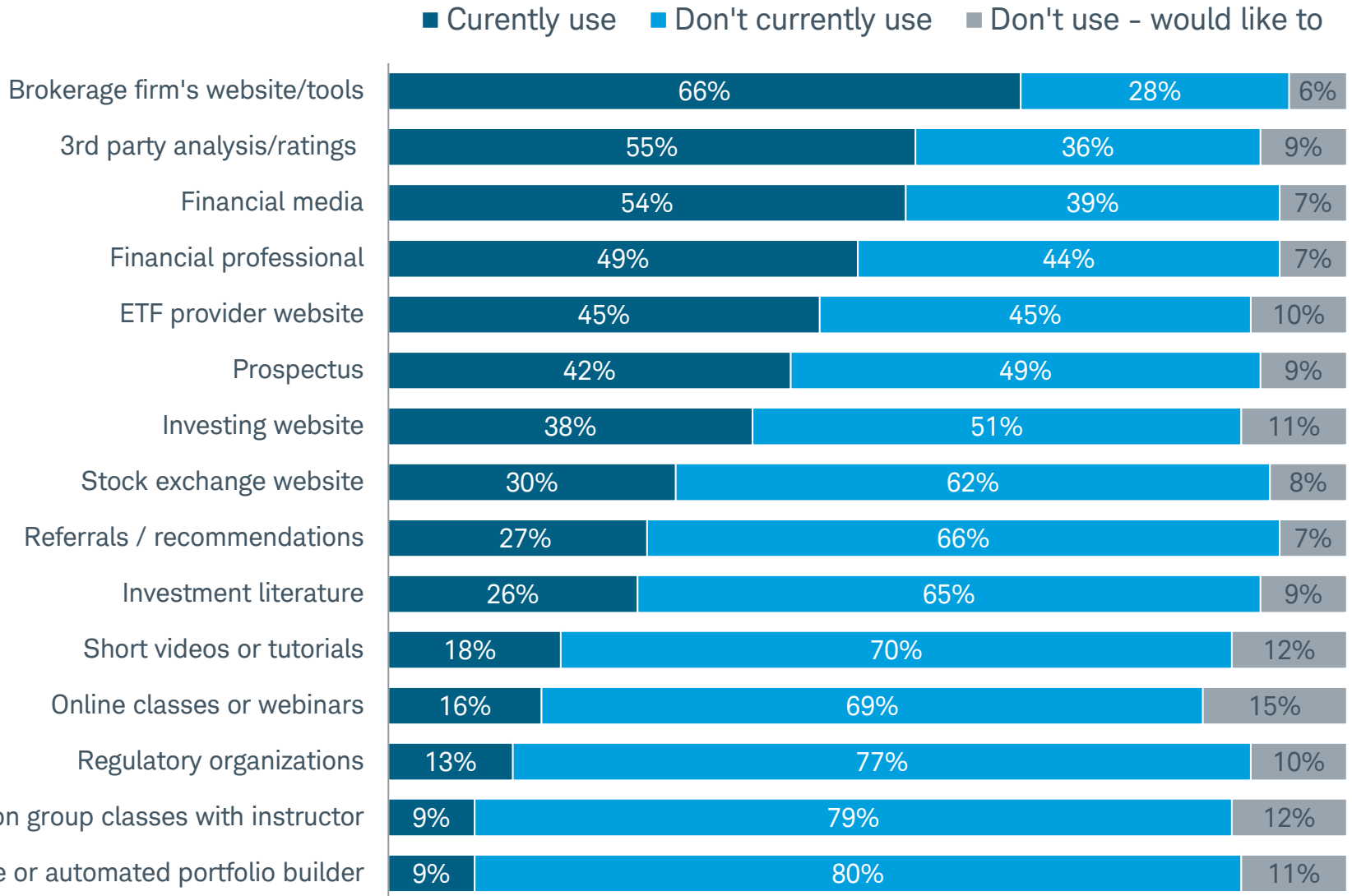


Q11. Do you look to ETF providers for guidance/expertise on ETFs? (Base: RIAs=312)

Q12. How would you rate the quality of that guidance? (Base: RIAs who look to ETF providers for guidance=207)

Two-thirds of investors use their brokerage firm's website when researching ETFs

Sources Used for Researching ETFs



ETF Investors

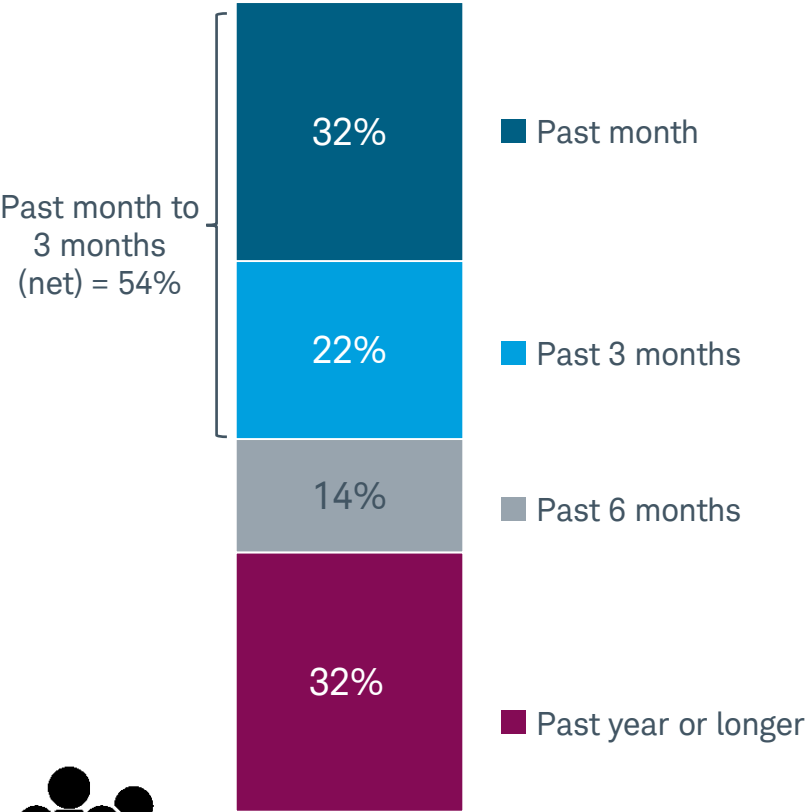
Q14. Which sources do you use when doing research to choose an ETF? (Base: ETF Investors=1,008)

Respondent Profiles

Three in four RIAs surveyed have traded ETFs in the past month; half of investors surveyed have traded ETFs in the past quarter

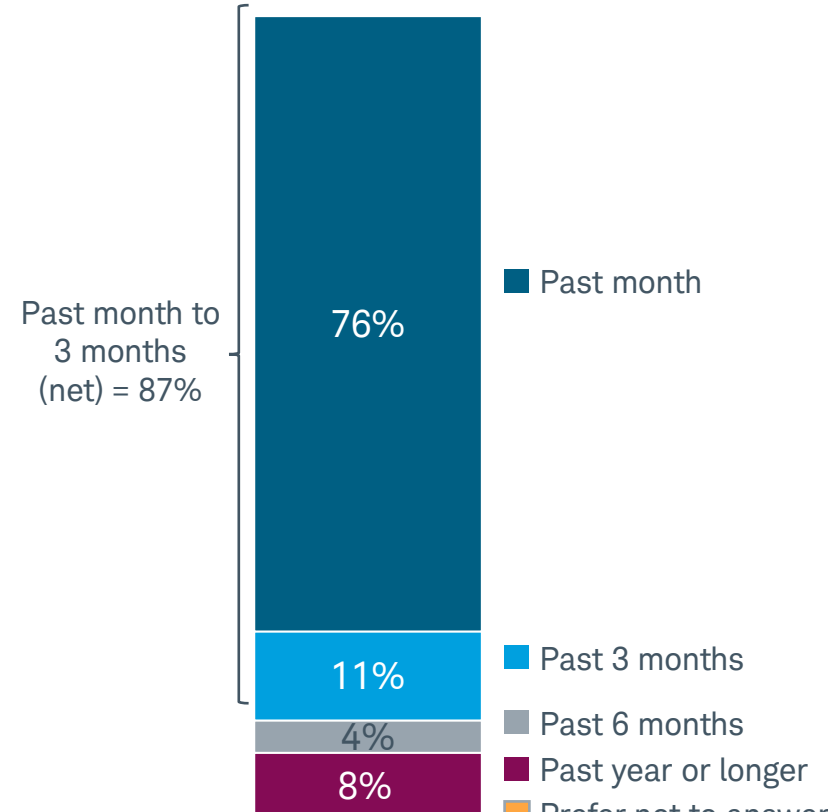
Last time Bought or Sold ETFs...

Personally bought/sold



ETF Investors

Bought/sold for accounts managed



RIAs

Q8. When is the last time you personally bought or sold an ETF? (Base: ETF Investors=1,008)
 Q5. When is the last time you bought or sold ETFs for the accounts you manage? (Base: RIAs=312)

ETF Investor Profile

	ETF Investors (n=1,008)
Gender	
Male	67%
Female	33%
Age	
Millennials	14%
Generation X	20%
Boomers	66%
Mean	55 years
Employed	
Full time	51%
Part time	11%
Retired	32%
Other	7%
Region	
Northeast	26%
Midwest	23%
South	29%
West	22%

	ETF Investors (n=1,008)
Personal Income	
<\$50K	12%
\$50K-\$74.9K	17%
\$75K-\$99.9K	20%
\$100K-\$149.9K	27%
\$150K+	24%
Mean (in thousands)	\$117.28
Investable Assets	
<\$100K	17%
\$100K-\$499.9K	36%
\$500K-\$999.9K	21%
\$1M+	26%
Mean (in thousands)	\$951.8

RIA Profile

	RIAs (n=312)
Gender	
Male	87%
Female	13%
Age	
Millennials	19%
Generation X	43%
Boomers	38%
Mean	46 years
Region	
Northeast	23%
Midwest	19%
South	26%
West	33%
Personal Income	
<\$50K	15%
\$50K-\$74.9K	24%
\$75K-\$99.9K	21%
\$100K+	40%
Mean (in thousands)	\$100.8

	RIAs (n=312)
Assets Under Management	
<\$50M	45%
\$50M-\$149.9M	18%
\$150M-\$249.9M	10%
\$250M-\$499.9M	10%
\$500M+	15%
Mean (in thousands)	\$239.3M

Focus on Investors: By Generation

Focus On Investors: Generations

	Investors: Generations			
	Millennials ^a (n=163)	Gen X ^b (n=193)	Boomers ^c (n=505)	Matures ^d (n=147)
Impact ETFs have on way invest money:				
Substantial/moderate positive impact (net)	86%bcd	77%	73%	75%
Substantial impact	33%bcd	20%cd	13%	9%
Moderate impact	53%	57%	60%	66%a
No impact	12%	22%a	24%a	20%
Moderate/substantial negative impact (net)	2%	1%	3%	5%
In last year investments in ETFs have:				
Increased (net)	63%bcd	46%	38%	39%
Significantly increased investments in ETFs	21%bcd	11%d	7%	4%
Moderately increased investments in ETFs	42%c	35%	31%	35%
Kept investments in ETFs the same	31%	46%a	49%a	43%a
Decreased (net)	4%	4%	10%ab	10%ab
Moderately decreased investments in ETFs	3%	1%	5%	7%b
Significantly decreased investments in ETFs	1%	3%	5%	3%
Don't know	1%	3%	1%	1%
None - I don't own any ETFs	1%	1%	2%	7%abc

Letter notations indicate statistically significant differences at the 95% confidence level. Only significant difference of +/-5% or more are shown.

Focus On Investors: Generations

	Investors: Generations			
	Millennials ^a (n=163)	Gen X ^b (n=193)	Boomers ^c (n=505)	Matures ^d (n=147)
In next year, expect investments in ETFs to:				
Increase (net)	66%bcd	45%c	37%	35%
Significantly increase investments in ETFs	23%bcd	10%cd	4%	2%
Moderately increase investments in ETFs	43%c	35%	33%	33%
Keep investments in ETFs the same	29%	44%a	49%a	50%a
Decrease (net)	4%	6%	4%	4%
Moderately decrease investments in ETFs	3%	4%	3%	3%
Significantly decrease investments in ETFs	1%	2%	1%	1%
Don't know	1%	4%	7%a	8%a
None - I don't own any ETFs	0%	1%	3%	4%
Percentage of investments in ETF Now:				
None	2%	4%	4%	6%
1-9%	16%	23%	34%ab	40%ab
10-24%	34%	37%	38%	31%
25-49%	17%	21%c	12%	13%
50-74%	15%bcd	7%	5%	3%
75-99%	14%bcd	6%c	2%	2%
100%	1%	1%	0%	0%
Don't know	1%	1%	5%	5%
MEAN	35.8%bcd	26.0%cd	18.4%	16.4%

Letter notations indicate statistically significant differences at the 95% confidence level. Only significant difference of +/-5% or more are shown.

Focus On Investors: Generations

	Investors: Generations			
	Millennials ^a (n=163)	Gen X ^b (n=193)	Boomers ^c (n=505)	Matures ^d (n=147)
Percentage of investments in ETF in Five Years:				
None	1%	1%	2%	3%
1-9%	10%	15%	21%a	29%abc
10-24%	28%	34%	40%a	33%
25-49%	24%cd	24%cd	17%	15%
50-74%	20%cd	14%d	9%	8%
75-99%	14%cd	8%cd	3%	3%
100%	1%	1%	0%	0%
Don't know	2%	3%	8%ab	9%ab
MEAN	41.0%bcd	33.0%cd	24.8%	21.6%
ETFs being the primary investment type in your portfolio in the future:				
Yes	60%bcd	38%cd	19%d	11%
If you had \$100,000 to invest, amount would invest in ETFs				
All of it	7%	3%	4%	3%
75-99%	13%cd	9%cd	5%	3%
50-74%	33%cd	24%cd	17%	14%
25-49%	28%	31%	26%	26%
1-24%	18%	31%a	41%ab	46%ab
None of it	1%	2%	7%ab	8%ab

Letter notations indicate statistically significant differences at the 95% confidence level. Only significant difference of +/-5% or more are shown.

Focus On Investors: Generations

	Investors: Generations			
	Millennials ^a (n=163)	Gen X ^b (n=193)	Boomers ^c (n=505)	Matures ^d (n=147)
Would consider using ETFs instead of:				
Individual stocks	81%bcd	69%d	62%d	52%
Individual bonds	67%cd	67%cd	55%	52%
Last time bought/sold an ETF:				
3 MONTHS OR LESS (NET)	66%cd	58%d	50%	46%
Past month	45%cd	36%	28%	26%
Past 3 months	21%	22%	22%	20%
MORE THAN 3 MONTHS (NET)	34%	42%	50%a	54%ab
Past 6 months	15%	17%	14%	12%
Past year	10%	14%	23%ab	24%ab
Past 2 years	9%	11%	13%	18%a
How knowledge of ETFs has changed over the past year:				
I think I know more now	64%bcd	51%cd	37%	36%
It stayed about the same	33%	46%a	58%ab	59%ab
I am more confused now	1%	1%	2%	2%
I've never fully understood them	2%	2%	3%	3%
Confidence in ability to choose ETF that is right for investment objectives:				
Extremely confident	45%bcd	34%cd	24%	17%
Somewhat confident	51%	61%	64%a	69%a
Not at all confident	4%	5%	13%ab	14%ab

Letter notations indicate statistically significant differences at the 95% confidence level. Only significant difference of +/-5% or more are shown.

Focus On Investors: Generations

	Investors: Generations			
	Millennials ^a (n=163)	Gen X ^b (n=193)	Boomers ^c (n=505)	Matures ^d (n=147)
Understanding of ETFs				
A Novice	29%	29%	32%	35%
An Intermediate	58%	55%	60%	59%
An Expert	13%cd	16%cd	8%	6%
Importance when choosing an ETF: Extremely important				
Total cost (commissions, expense ratio, bid/ask spread)	61%	64%	64%	64%
Low expense ratio	56%	63%	64%	65%
Trades commission-free	55%cd	53%	45%	45%
Historic returns of the ETF	53%c	48%cd	38%	36%
How well it tracks to its index	48%	55%	50%	46%
Total assets in the ETF	47%cd	39%cd	28%	25%
Access/exposure to a specific part of the market	44%	56%ac	45%	46%
Liquidity/trading volume of the ETF	44%	47%	41%	39%
Morningstar rating	41%cd	36%d	29%	24%
ETF provider	39%	32%	31%	33%

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Focus On Investors: Generations

	Investors: Generations			
	Millennials ^a (n=163)	Gen X ^b (n=193)	Boomers ^c (n=505)	Matures ^d (n=147)
Importance when evaluating the cost of a specific ETF: Extremely important				
Expense ratio	60%	66%	63%	62%
Trade commission	54%	53%	47%	47%
Premium and discount pricing	49%cd	43%c	32%	35%
Bid/ask spread	42%cd	35%c	28%	28%
Importance of being able to trade ETFs without commissions or other brokerage firm fees:				
Most important, I would move my account to a brokerage firm that offers commission-free ETFs	33%bcd	22%cd	12%	9%
Very important, I only invest in commission-free ETFs at my brokerage firm	41%cd	33%	27%	26%
Somewhat important, it is not the only factor that I consider in my buying decision	23%	36%a	46%ab	45%a
Not as important as other factors	1%	5%	10%ab	15%ab
Not important at all	0%	2%	2%	2%
Don't know	2%	2%	3%	3%

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Focus On Investors: Generations

	Investors: Generations			
	Millennials ^a (n=163)	Gen X ^b (n=193)	Boomers ^c (n=505)	Matures ^d (n=147)
Importance When Evaluating Brokerages That Offer Commission-Free ETFs: Extremely Important				
No additional fees (e.g., short-term redemption fees for selling an ETF within 30 days of purchase)	58%cd	55%	48%	45%
Broad selection of ETF categories	52%	60%cd	50%	48%
The right selection of ETFs	47%	47%c	39%	37%
Choice of commission-free ETFs within category	45%	45%	38%	38%
The most number of commission-free ETFs	45%cd	36%cd	26%	25%
Broad selection of ETF providers	43%	45%c	36%	40%

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Focus on RIAs: By Generation

Focus On RIAs: By Generation

	RIAs: Generations*		
	Millennials ^a (n=58)	Gen X ^b (n=134)	Boomers ^c (n=107)
Impact ETFs have on way invest money:			
Substantial/moderate positive impact (net)	97%^c	95%^c	87%
Substantial impact	47%	45%	46%
Moderate impact	50%	50%	41%
No impact	3%	5%	11%
Moderate/substantial negative impact (net)	0%	0%	2%
In last year investments in ETFs have:			
Increased (net)	47%	54%	52%
Significantly increased investments in ETFs	10%	13%	11%
Moderately increased investments in ETFs	36%	40%	41%
Kept investments in ETFs the same	41%	42%	40%
Decreased (net)	9%	3%	4%
Moderately decreased investments in ETFs	9%	3%	4%
Significantly decreased investments in ETFs	0%	0%	0%
Don't know	3%	1%	2%
None - I don't own any ETFs	0%	0%	2%

* Matures not shown due to extremely small base.

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Focus On RIAs: By Generation

	RIAs: Generations*		
	Millennials ^a (n=58)	Gen X ^b (n=134)	Boomers ^c (n=107)
In next year, expect investments in ETFs to:			
Increase (net)	43%	53%	60%^a
Significantly increase investments in ETFs	10%	8%	10%
Moderately increase investments in ETFs	33%	45%	50% ^a
Keep investments in ETFs the same	54% ^c	41%	33%
Decrease (net)	0%	4%	3%
Moderately decrease investments in ETFs	0%	3%	3%
Significantly decrease investments in ETFs	0%	1%	0%
Don't know	3%	2%	2%
None - I don't own any ETFs	0%	0%	2%
Percentage of assets managed in ETF Now:			
None	3%	5%	2%
1-9%	16%	22%	30% ^a
10-24%	24%	19%	23%
25-49%	21%	22%	21%
50-74%	14%	19%	13%
75-99%	19% ^c	10%	7%
100%	3%	1%	2%
Don't know	0%	1%	2%
MEAN	41.0%	35.3%	29.6%

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Focus On RIAs: By Generation

	RIAs: Generations*		
	Millennials ^a (n=58)	Gen X ^b (n=134)	Boomers ^c (n=107)
Percentage of assets managed in ETF In Five Years:			
None	0%	2%	2%
1-9%	4%	11%	7%
10-24%	29% ^b	16%	33% ^b
25-49%	19%	27% ^c	15%
50-74%	9%	24% ^a	26% ^a
75-99%	33% ^{bc}	14%	8%
100%	3%	3%	5%
Don't know	3%	3%	4%
MEAN	51.2%	44.7%	41.2%
ETFs being the primary investment type in assets you manage in the future:			
Yes	52%	48%	50%
If your client had \$100,000 to invest, amount would invest in ETFs			
All of it	7%	7%	6%
75-99%	26% ^c	14%	11%
50-74%	17%	27% ^c	15%
25-49%	14%	20%	20%
1-24%	29%	25%	42% ^b
None of it	7%	7%	6%

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Focus On RIAs: By Generation

	RIAs: Generations*		
	Millennials ^a (n=58)	Gen X ^b (n=134)	Boomers ^c (n=107)
Would consider using ETFs instead of:			
Individual stocks	43% ^b	28%	33%
Individual bonds	26%	21%	31%
Last time bought/sold an ETF			
3 MONTHS OR LESS (NET)	97%	83%	88%
Past month	85%	75%	73%
Past 3 months	12%	8%	15%
MORE THAN 3 MONTHS (NET)	3%	15%	13%
Past 6 months	3%	7%	0%
Past year	0%	8%	10%
Past 2 years	0%	0%	2%
Don't know	0%	2%	0%

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Focus On RIAs: By Generation

	RIAs: Generations*		
	Millennials ^a (n=58)	Gen X ^b (n=134)	Boomers ^c (n=107)
Understanding of ETFs			
A Novice	9%	4%	3%
An Intermediate	24%	51% ^a	41% ^a
An Expert	67% ^b	45%	56%
Importance when choosing an ETF: Extremely important			
Low expense ratio	72%	78%	85%
How well it tracks to its index	72%	69%	62%
Total cost (commissions, expense ratio, bid/ask spread)	69%	86% ^{ac}	75%
Liquidity/trading volume of the ETF	67%	72%	74%
Access/exposure to a specific part of the market	48%	67% ^a	62%
Trades commission-free	29%	40%	39%
Total assets in the ETF	26%	25%	29%
Historic returns of the ETF	24%	29%	27%
Morningstar rating	17%	19%	10%
ETF provider	9%	25% ^a	21%

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Focus On RIAs: By Generation

	RIAs: Generations*		
	Millennials ^a (n=58)	Gen X ^b (n=134)	Boomers ^c (n=107)
Importance when evaluating the cost of a specific ETF: Extremely important			
Expense ratio	79%	84%	86%
Bid/ask spread	45%	55%	51%
Trade commission	41%	37%	36%
Premium and discount pricing	33%	44%	42%
Importance of being able to trade ETFs without commissions or other brokerage firm fees:			
Most important, I would move my account to a brokerage firm that offers commission-free ETFs	14%	11%	13%
Very important, I only invest in commission-free ETFs at my brokerage firm	10%	22%	18%
Somewhat important, it is not the only factor that I consider in my buying decision	55% ^c	49%	38%
Not as important as other factors	14%	15%	25% ^b
Not important at all	3%	2%	6%
Don't know	4%	1%	0%

* Matures not shown due to extremely small base.

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Focus On RIAs: By Generation

	RIAs: Generations*		
	Millennials ^a (n=58)	Gen X ^b (n=134)	Boomers ^c (n=107)
Importance When Evaluating Brokerages That Offer Commission-Free ETFs: Extremely Important			
Broad selection of ETF categories	60%	54%	55%
Broad selection of ETF providers	57% ^c	60% ^c	39%
The right selection of ETFs for my clients	55%	73% ^a	78% ^a
No additional fees (e.g., short-term redemption fees for selling an ETF within 30 days of purchase)	38%	45%	43%
Choice of commission-free ETFs within category	34%	44%	39%
The most number of commission-free ETFs	26%	21%	26%

Disclosures

Investors should consider carefully information contained in the prospectus, including investment objectives, risks, charges, and expenses. You can request a [prospectus](#) by calling Schwab at 800-435-4000. Please read the prospectus carefully before investing.

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