

Monthly Airlines Market Report

October 2023

HANetf & U.S. Global Investors

U.S. Global Jets UCITS ETF

JETS

65bps

IE00BN76Y761

Product Inception Date: 15/06/21

For Professional Clients Only. Capital at risk.

All data as of 30/09/2023

This report was written by, and is the opinion of, the JETS index providers U.S. Global Investors.

Airlines ETF Key Takeaways

The U.S. Department of Transportation has told Mexico that it will officially recover a U.S.-given air safety rating next week, Mexican President Lopez Obrador said this month, pre-empting the much-anticipated decision, reports Reuters. Mexico was downgraded by the U.S. Federal Aviation Administration to the Category 2 safety rating over two years ago, pausing Mexican airlines' plans to expand new routes to its northern neighbour, the article continues.

Due to a jump in crude prices this month, Southwest Airlines flagged softer August leisure bookings and joined two other U.S. airlines in warning of higher fuel costs in the third quarter, reports Reuters. The largest U.S. domestic carrier said August bookings were at the lower end of expectations, in part due to seasonal trends, but maintained that overall leisure demand and yields remain healthy.

JetBlue Airways Corp. said this month that it had agreed to sell all of Spirit Airlines assets at Boston and Newark Liberty airports to Allegiant, reports Reuters, as it works to win approval for its tie-up with Spirit. JetBlue has agreed to transfer two gates in Boston, two in Newark and 43 take-off and landing authorizations in Newark to Allegiant.

Macro Outlook

Airline fares in the U.S. fell 9.4% in August compared to a year ago on an unadjusted basis. In the month of September, the airline sector continues to feel the pressure as macroeconomic factors begin to impact booking, fare and fuel price trends in the U.S., explains Seeking Alpha.

American Airlines announced the departure of three corporate sales leaders as part of a reorganization, reports Travel Weekly, the second substantial reorganization this year involving American's North American sales team. "We are not deprioritizing corporate/agency sales, but we are streamlining sales, so they perform the core functions of agency relationships and manage corporate sales," the airline said in a statement.

The CEO of Southwest Airlines revealed that the carrier is better prepared than ever to handle any upcoming winter weather, reports Simple Flying. At an investor conference this month, Robert Jordan said that the airline had invested in new technology and made significant improvements in its de-icing capacity and staffing levels.

All performance figures are showing net data. Sources available upon request. Past performance is not indicative of future performance and when you invest in ETFs, your capital is at risk.

Airlines ETF Performance

As of 30.09.2023

	1M	3M	6M	YTD	12M	2Y	SI
U.S. Global Jets UCITS ETF	-11.47%	-20.63%	-8.79%	-0.54%	13.11%	-27.77%	-33.85%
<i>U.S. Global Jets Index</i>	<i>-11.45%</i>	<i>-20.48%</i>	<i>-8.37%</i>	<i>0.05%</i>	<i>13.51%</i>	<i>-26.96%</i>	<i>-33.00%</i>

Please note that all performance figures are showing net data. Source: Bloomberg / HANetf. Data as of 30/09/2023. Performance before inception is based on back tested data. Back tested data does not represent actual performance and should not be interpreted as an indication of actual or future performance. Past performance for the index is in USD. Past performance is not an indicator for future results and should not be the sole factor of consideration when selecting a product. Investors should read the prospectus of the Issuer ("Prospectus") before investing and should refer to the section of the Prospectus entitled 'Risk Factors' for further details of risks associated with an investment in this product. When you invest in ETFs and ETCs, your capital is at risk.

Product Details

The U.S. Global Jets UCITS ETF is designed to capture global companies' performance in the commercial airline, aircraft manufacturing, and airport & terminal services industries.

The index that the ETF is based on uses a **smart-beta 2.0** strategy to determine the most efficient airline carriers in the world and provides diversification through exposure to international airline companies.

Unlike investing in individual commercial airline names alone, this ETF will also offer exposure to the industries that support them, including aircraft manufacturers, airports, and terminal service industries.

Pre-COVID, the airline industry was booming as carriers streamlined operations, improved their balance sheets, and managed to grow profits by introducing more ancillary (non-ticket) fees. The coronavirus disrupted the industry tremendously, but now borders have reopened we are confident that **the airline industry will recover**. Leisure travel has already begun to recover, and we expect business travel to do the same.

Visit the [JETS Fund Page](#) for more information.

Exchange	Ticker	RIC	SEDOL	ISIN	Valoren	WKN	CCY	Listing Date
LSE	JETS LN	JETS.L	BMTQZX0	IE00BN76Y761	-	-	USD	17/06/2021
LSE	JETP LN	JETPL	BMTR005	IE00BN76Y761	-	-	GBP	17/06/2021
Borsa Italiana	JETS IM	JETS.MI	BL6KDX4	IE00BN76Y761	-	-	EUR	30/06/2021
Xetra	JETS GY	JETSG.DE	BL6KDY5	IE00BN76Y761	-	A3CPGH	EUR	28/06/2021
SIX	JETS SW	JETS.S	BMX8D94	IE00BN76Y761	111372919	-	CHF	01/03/2022
Euronext Paris	JETZ FP	JETS.PA	BPG9NC8	IE00BN76Y761			EUR	07/03/2022

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 - ii. the carbon securities ETCs under the terms in the base prospectus approved by the UK Financial Conduct Authority (“FCA”) and the relevant final terms of the carbon securities (together, “FCA Carbon ETC Prospectus”); and
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The ETF Prospectus, Metals ETC Prospectus, FCA Carbon ETC Prospectus, CBI Carbon ETC Prospectus and Cryptocurrency Prospectus can all be downloaded from www.hanetf.com.

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