

U.S. Exchange-Traded Fund Markets 2025

Active Product Development Meets Demand

OVERVIEW & METHODOLOGY

Cerulli's 2025 U.S. Exchange-Traded Fund Markets report remains focused on product development and distribution trends within the expanding U.S. ETF industry, highlighting opportunities in both retail and institutional segments where managers see the greatest potential. As the industry shifts from passive ETFs to more active ETF products, which are now attracting significant flows and seeing increased product development, Cerulli's report directs managers to segments where they can earn more attractive fees for their expertise. Cerulli's 2025 report examines the rise of transparent active ETFs, the expansion of fixed-income ETFs, and the potential launch (pending regulatory approval) of dual-share-class products, offering recommendations for effective distribution structures in the current market. Cerulli's insights are based upon extensive surveys of ETF issuers and financial advisors.

USE THIS REPORT TO

- Analyze the fixed-income asset classes as they remain a priority for asset managers developing ETFs, with issuers experiencing growing demand across different client segments, leading to positive net flows
- Gain insight into how asset managers are increasingly developing active ETF strategies that include both equity and fixed-income strategies
- Learn about the pending potential launch of dual-share-class products, as ETF issuers are investing more in product development in preparation

QUESTIONS ANSWERED

- In which categories do ETF issuers and financial advisors perceive unmet demand?
- How do ETF issuers staff distribution teams and to which roles are they looking to add?
- What proportion of assets do advisors allocate to ETFs based on channel?
- What types of ETF products are ETF issuers planning to develop?
- What channels do ETF issuers see as the best opportunities for growth?

PRODUCT DETAILS

Included with Purchase

- Digital report in PDF format
- Unlimited online firm-wide access
- Exhibits in Excel
- Key findings
- Analyst support
- Interactive Report Dashboards

Interactive Report Dashboards

Interact and explore select report data with Cerulli's visualization tool.

Custom ETF Asset Projections: Benchmark Cerulli's total U.S. ETF asset and flow projections against customizable user projections with inputs for capital market and flow growth rates.

U.S. ETF Issuer Breakdown: Compare 2020–2025 data for key ETF industry data sets, visualizing which high-level industry trends changed and which stayed the same.

Issuers vs. Advisors Comparison: Review a side-by-side comparison of where ETF issuers and advisors see unmet demand across different asset classes. Evaluate changes across four years of data.

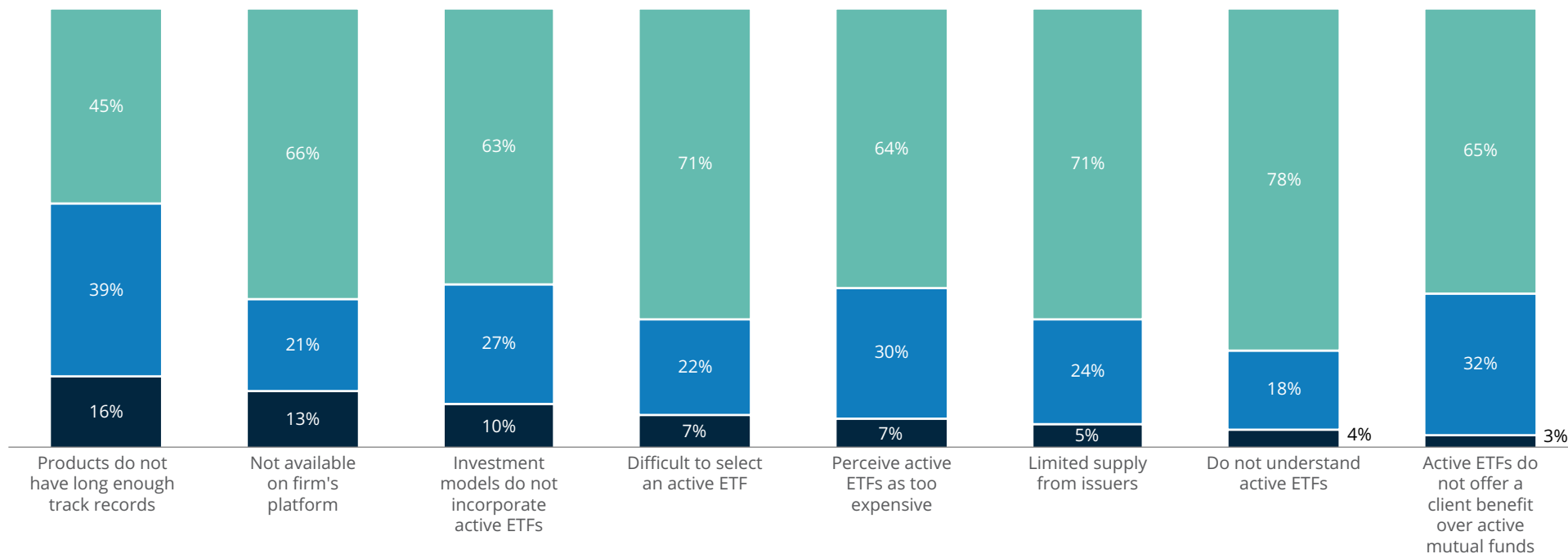
Investor ETF Ownership: Customize side-by-side charts comparing ETF ownership and reasons behind household purchases of ETFs with filters by investor age range, and financial assets.

Exhibit 2.08

Active ETF Non-Users: Factors Preventing Use by Financial Advisors, 2025

Source: Cerulli Associates 2025 U.S. Advisor Survey | **Analyst Note:** Financial advisors who use neither transparent nor semi-transparent ETFs were asked to rate the significance of potential factors.

■ Significant factor ■ Moderate factor ■ Not a factor



- As active ETF product development continues to grow, a significant majority (71%) of advisors report that limited supply from issuers is not a factor in preventing the use of these offerings. The percentage of advisors who indicate that limited supply is a moderate or significant barrier to using active ETFs has decreased more than 10 percentage points since 2024.
- The issue of difficulty in selecting active ETFs is no longer a concern for 71% of advisors as those products continue to gain more traction.

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