

INSURANCE ASIA NEWS

Institutional Asset Management Awards
2023



Best ETF Manager Best Passive Manager Xtrackers by DWS

The active representation of investor interests is an integral component of our investment processes.



Klein Simon, Global Head of Xtrackers Sales

Product innovation and anticipation of new market dynamics are important factors in the ETF space, which is highly competitive and cost-conscious. The experience Xtrackers by DWS has in ETF development, the breadth of its product range and the extensive work it has put into investor education, make it a worthy winner of this award.

Over the past decade in Asia, DWS has made great strides in building its Xtrackers ETF business and establishing itself as a major player in the market. With EUR 902bn of assets under management (as of 31 March 2022), DWS has more than 60 years of fund management experience in Germany, Europe, the Americas and Asia. The firm is recognised by clients globally as a trusted source for integrated investment solutions, stability and innovation across the full spectrum of investment disciplines.

Since 2014, Xtrackers and its Core ETFs have provided a key foundation for every investment portfolio. These funds have a flat fee starting from as low as 0.06%, are cost-effective and physically replicating, and are based on major equity and fixed income indices.

In 2022, the DWS range of ETFs under the Xtrackers brand celebrated a 15-year anniversary of listings in Europe and Asia. At the same time, they recorded more than \$17 billion of net inflows for the year in 2021, higher than the \$15 billion of inflows recorded the previous year.

ESG popularity

Demand was especially strong for the expanding range of Xtrackers ESG ETFs. In 2022, more than 30 share classes/ETFs were launched, with the majority focusing on ESG to some degree.

For example, the Xtrackers MSCI China A ESG-screened Swap ETF was launched, based on an index that excludes companies that do not fulfil certain ESG characteristics. DWS now manages around \$5 billion in Xtrackers ETFs based on the Chinese equity market.

DWS also launched an extensive Paris-aligned benchmark covering key regions, gaining further recognition for its ESG research.

Early in 2023, the Xtrackers range was further expanded with the listing of the industry's first ETFs aligned with United Nations Sustainable Development Goals. Then in April this year, DWS announced the listing of Xtrackers MSCI USA Climate Action Equity ETF. This fund is designed for investors seeking exposure to large and mid-cap companies in the United States that are leading their sector peers in taking actions relating to climate transition.

The investment of approximately \$2 billion on the first day of trading made it the largest ETF launch of all time in the U.S. and also the single largest climate investing ETF launch, underscoring continued investor demand for sustainable investment solutions.

The investment into USCA by Ilmarinen, Finland's largest private earnings-related pension insurance company, is part of Ilmarinen's investment strategy aligned with its goal to achieve a carbon neutral portfolio by the end of 2035.



DWS seeks to innovate and shape the future of investing. It understands the crucial role it has to play in helping navigate the transition to a more sustainable future.

In addition to its success in ESG space, DWS launched the Xtrackers India Government Bond UCITS ETF in 2022, with Nippon Life India Asset Management as the sub-portfolio manager. The new ETF aims to physically replicate the J.P. Morgan India Government Fully Accessible Route (FAR) Bond index and to provide hard to access exposures.

DWS offers individual investors and institutions easy access to investment capabilities across all major liquid and illiquid asset classes - as well as solutions aligned to growth trends. It has considerable expertise in passive asset management and has also demonstrated a deep environmental, social and governance commitment. These things are complementary when one is creating targeted solutions for clients in a world increasingly aware of environmental risks.

DWS's expertise and on-the-ground knowledge via its economists, research analysts and investment professionals are brought together in one consistent global CIO view, giving strategic guidance to the overall investment approach.

Entrepreneurial spirit

Xtrackers by DWS seeks to innovate and shape the future of investing. It understands the crucial role it has to play in helping navigate the transition to a more sustainable future. It is this entrepreneurial and collaborative spirit that creates outstanding investment results.

Xtrackers Thematic ETFs replicate indices that were conceived in line with forward-looking criteria. Therefore, investors today can already buy shares in companies that are well positioned to benefit from future trends such as artificial intelligence, big data and autonomous driving.

Simon Klein, Global Head of Xtrackers Sales at DWS said, "The active representation of investor interests is an integral component of our investment processes."

In APAC, DWS has gone through different cycles of transformation and growth in the past decade, and its continue to look ahead with our ambitions and plans for this region.

Asia roadshows

Education is a vitally important aspect of the passive management landscape, where investors are attracted by the ease of investing combined with affordability. As such, investors use ETFs as the building blocks for their long-term savings and provident fund schemes. Xtrackers holds regular roadshows to guide investors on the best way to manage their ETF holdings.

It also holds roadshows focused on alternatives investments and real assets throughout the year across APAC. Notable events in 2022 were the Project True Green Roadshow with the DWS infrastructure team in Japan & Korea, followed by a similarly themed roadshow in Hong Kong. DWS also hosted a real assets global infra seminar in Taiwan.