

INSURANCE ASIA NEWS

Institutional Asset Management Awards
2023



MSCI innovated further by licensing various clients in using the MSCI China A 50 Connect Index.

Best Index Provider

MSCI

MSCI again proved to have the edge with the launch of several innovative indices which attracted strong interest in Asia Pacific. These include the MSCI Climate Action Indexes, already licensed to the SGX, and the risk-controlled version of the MSCI AC Pacific ESG Leaders Index.

In a volatile environment, MSCI responded to the needs of the market in Asia Pacific in 2022 with a range of innovations to enhance and complement its benchmarks. This included enhancing ESG benchmarks with the launch of the **MSCI Climate Action Indexes**. This solution was quickly recognised in Asia Pacific with a licensing deal from the Singapore Exchange (SGX), which will use the benchmarks for listed futures contracts.

MSCI's climate offerings have received the endorsement of clients across Asia Pacific, including the NZ Super Fund, which in 2022 moved \$15.5bn of assets to track MSCI Climate Paris Aligned benchmarks, as well as Cathay Taiwan Select ESG Sustainability High Yield ETF which as of February 28, 2023 has the invested value at \$5.3bn.

MSCI's ability to customise its benchmarks is well demonstrated by the launch in 2022 of the **MSCI AC Pacific ESG Leaders 7% Risk Control Excess Return 0.5% Decrement Index**. This allows option providers such as banks to quote more aggressive pricings. This new index allowed a major international bank to roll out structured retail products in mainland China. MSCI innovated further by licensing various clients in using the **MSCI China A 50 Connect Index** as the basis of their products. Based on this novel and sector-neutral index, a rich global ecosystem has been built up, which included the creation of liquid, tradable products in multiple markets and billions of dollars deployed against the index across ETFs and derivatives, including warrants in Hong Kong.

Other additions in 2022 included the **MSCI AC Asia Pacific High Dividend Low Volatility Index**, launched in December. And to meet institutional investors' demand for greater insight into the digital assets space, MSCI launched Datonomy™, a Digital Assets Taxonomy, and a new suite of MSCI Digital Asset Indexes.

In response to the growing demand from institutional investors to embrace climate transition and sustainability, they have added **Government Bond Indexes** to their index range, an expansion which is continuing this year both in developed and emerging markets and for ESG and climate strategies.

MSCI drives a thought leadership program – "Markets in Focus" that offers a macro-level overview of latest trends and market events and performance of various factors, sectors, ESG and thematic in current market environment. This is a comprehensive integrated quarterly program that includes MSCI's latest research, media, podcasts, and regional webinars.

