



- ★ Best Index Provider Product
- ★ Innovation Award Best ETF
- ★ Index Provider – Global S&P Dow Jones Indices

“In a market full of passive dividend solutions, the S&P 500 High Dividend Growth Index stands out by utilising a forward-looking approach.”

Best Index Provider

S&P's Dow Jones Indices (S&P DJI) reported strong business growth in 2024, driven by the successful launch of new products and market expansion efforts. This growth was particularly strong in markets in Asia Pacific, where demand for index-based products has surged. The firm's strategic focus on Asia Pacific markets has paid off, with significant revenue contributions from these regions.

Increased market volatility in 2024 also led to higher trading activities on exchange-traded derivatives. ETFs linked to S&P DJI indices have become some of the most actively traded securities on stock markets around the world.

S&P DJI introduced over 180 new Asia Pacific, emerging market and new economy indices from January to December 2024.

Among the novel ideas S&P DJI has brought to the market, the S&P 500® High Dividend Growth Index is a prime example, as it incorporates a forward-looking assessment into its methodology.

This index tracks companies in the S&P 500 that have not only offered consistent or growing dividends in the past but also have the highest forecast dividend yield growth. In doing so, constituents are selected based on what dividend they are expected to pay instead of being assessed solely on what they have paid in the past.

In a market full of passive dividend solutions, the S&P 500 High Dividend Growth Index stands out by utilising a forward-looking approach while historically offering high dividend growth and high yield. This index's historical lower value tilt and higher growth tilt may help to avoid sacrificing potential upside when seeking high yield.

Product Innovation Award

The S&P 500 Economic Moat Index measures companies that have long-term, sustainable competitive advantages versus their competitors.

Popularised by Warren Buffett, the term economic moat refers to a company's sustainable competitive advantage that allows it to preserve market share and generate high profits over the long term.

No single quantitative measure is the sole indicator of an economic moat. Instead, multiple metrics must be used with careful consideration as to how they complement one another. S&P DJI's research identifies three core metrics by which companies should be assessed: high ROIC, high gross margins and high market share.

The final selection is based on the average of these three Economic Moat Indicators, known as the Economic Moat Score. The top 50



“Back-tested data show that the companies with the widest economic moats generated significant outperformance.”

companies are selected and then equally weighted to help avoid concentration risk and to place each company on equal footing.

Back-tested data show that the companies with the widest economic moats generated significant outperformance since June 30, 2013. Over the full period, the S&P 500 Economic Moat Index outperformed the S&P 500 by 2.63% annualised. Furthermore, the index has exhibited defensive characteristics as evidenced by its reduced volatility and downside capture. This is expected since companies with wide economic moats tend to be higher quality and better able to weather periods of market stress and uncertainty.

Best ETF Index Provider

As of 31st December 2024, there were over 2,000 ETPs linked to S&P DJI indices globally, with assets under management of \$4.4 trillion, representing over 33% growth in the past 12 months.

New launches in 2024 included the listing of the S&P 500 ETF in Hong Kong by Hang Seng Investment Management, providing Hong Kong investors direct access to the U.S. equities market.

Appealing to investors looking at diversifying their U.S. equity market exposure, Mirae Asset Management in Korea and BetaShares in Australia listed the S&P 500 Equal Weight ETFs, allowing domestic investors to access the U.S. equity market with a diversified approach.

The launch of the first domestic Dow Jones Industrial Average ETF in China by Penghua Asset Management has provided investors with a new channel to invest in the US stock market, and S&P DJI expects the issuance of such products will also help open up the domestic capital market to the outside world and promote the development of cross-border investment.

In 2024, income growth strategies focusing on dividend sustainability and financial quality have remained attractive. Among the ETF issues tracking S&P DJI Income Strategies ETFs, The Dow Jones US Dividend 100 Index is designed to measure quality dividend payers in the U.S.

The characteristics of these indices can be important in an unstable economic environment and when market participants fear rising rates. Launched by major ETF issuers in Korea, the ETFs tracking the Dow Jones US Dividend 100 Index - Global X S&P 500 Dividend Aristocrats ETF and KODEX Taiwan Technology High Dividend ETF by Samsung Asset Management -enable market participants to enjoy yield opportunity and benefit from diversification.