

Funds analysis

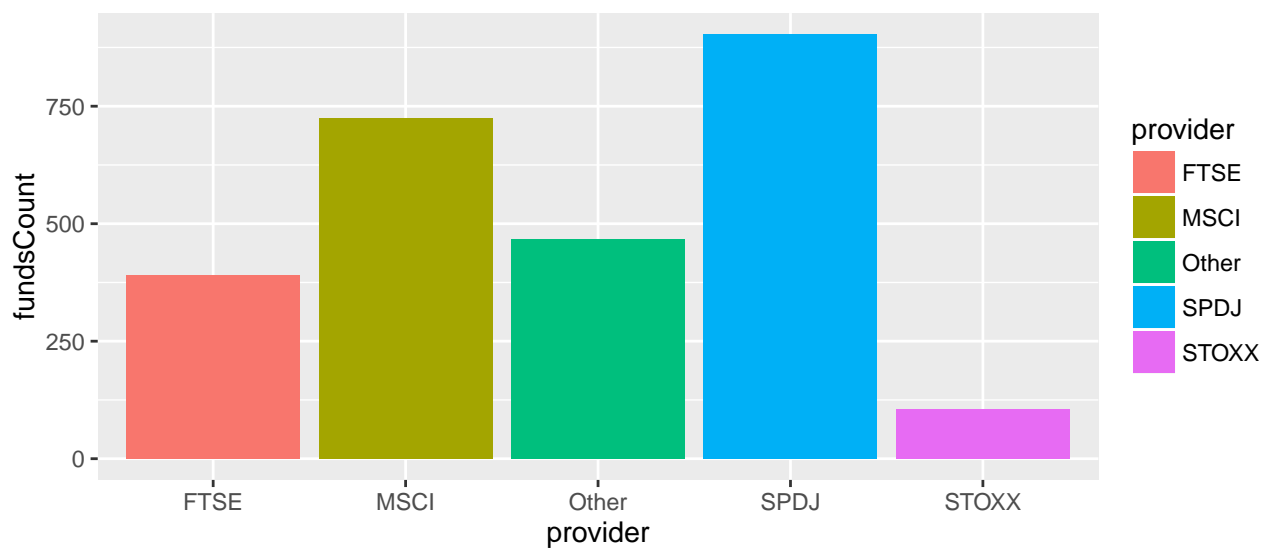
Jack Ye

August 2, 2016

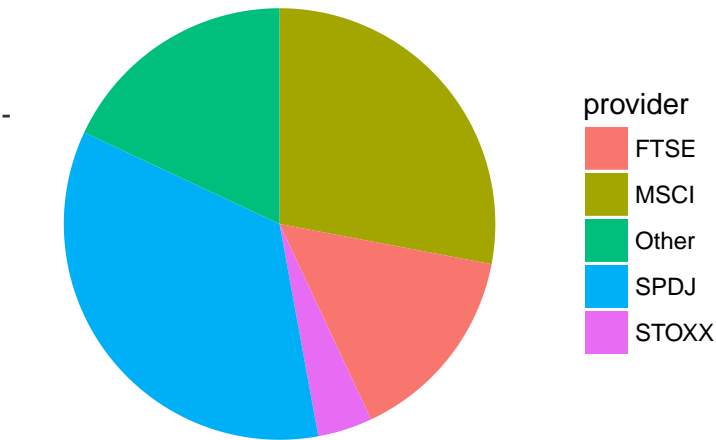
How many funds are tracking each provider:

provider	fundsCount	fundsPercent	AUM
MSCI	725	0.2798147	2.227416e+11
FTSE	390	0.1505210	3.324709e+10
STOXX	106	0.0409108	1.103176e+10
SPDJ	903	0.3485141	6.337253e+11
Other	467	0.1802393	1.601309e+12

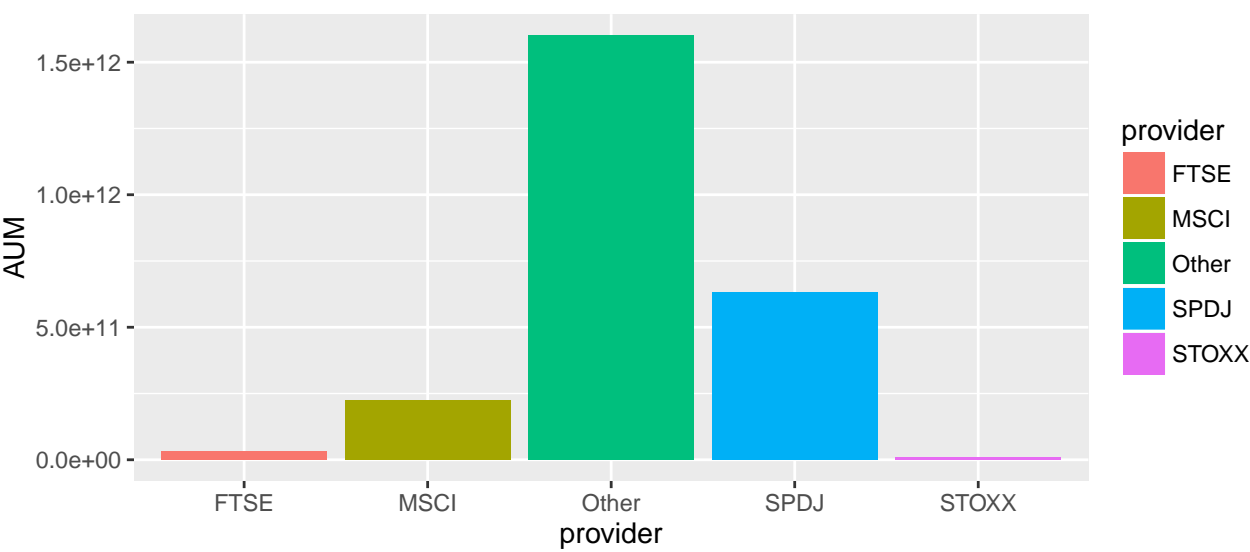
Bar chart:



Pie chart:



AUM comparison:

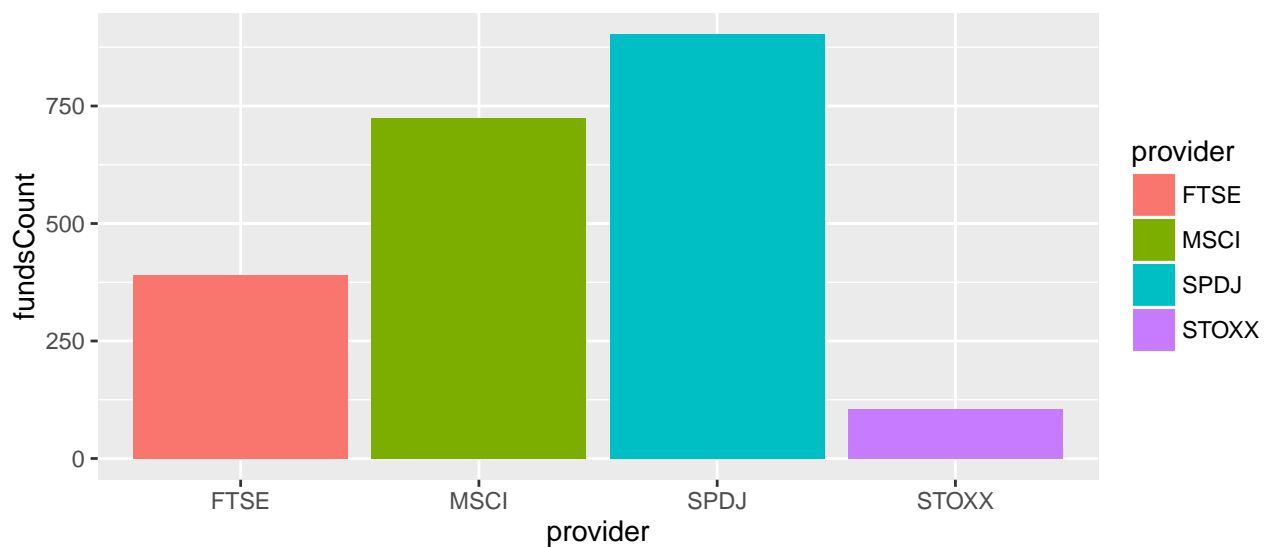


How many funds are tracking the 4 major providers:

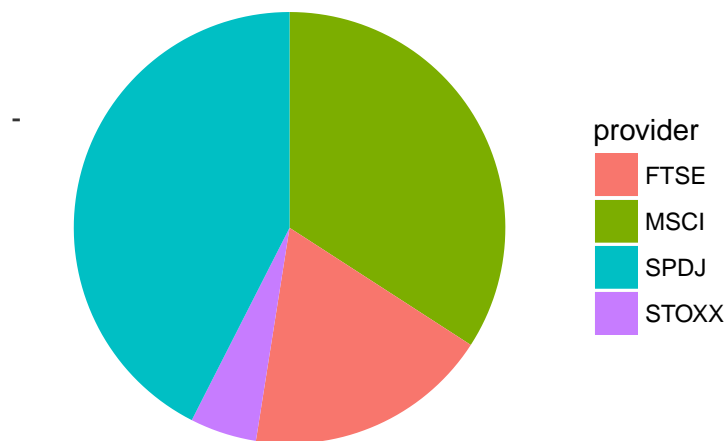
provider	fundsCount	fundsPercent	AUM
MSCI	725	0.2798147	222741582059
FTSE	390	0.1505210	33247090573
STOXX	106	0.0409108	11031764336
SPDJ	903	0.3485141	633725254434

Percentage of total: 0.8197607

Bar chart:



Pie chart:

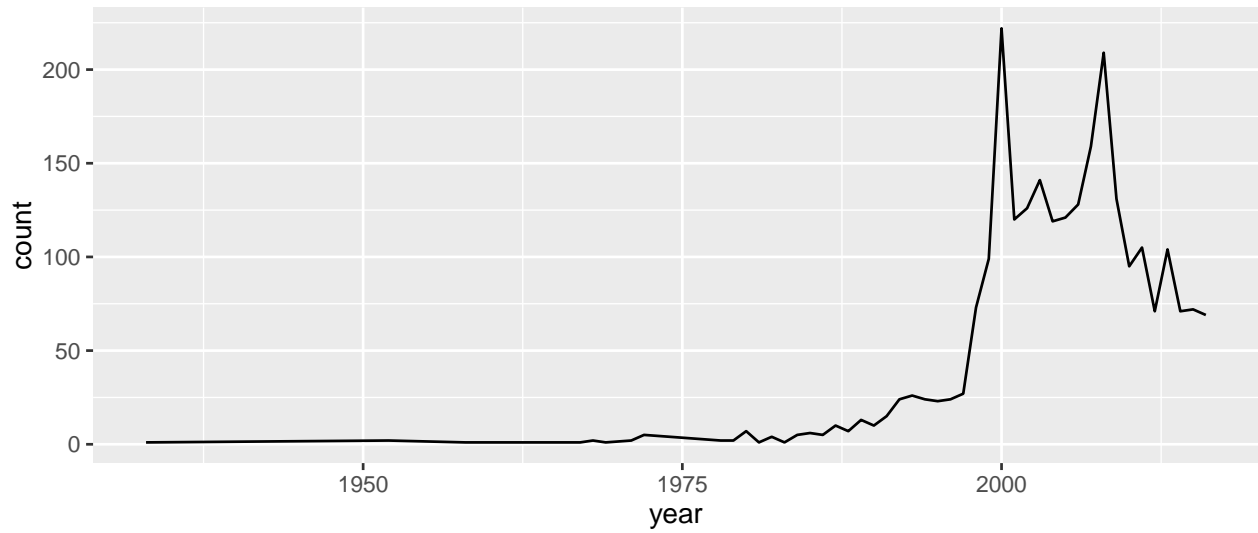


AUM comparison:

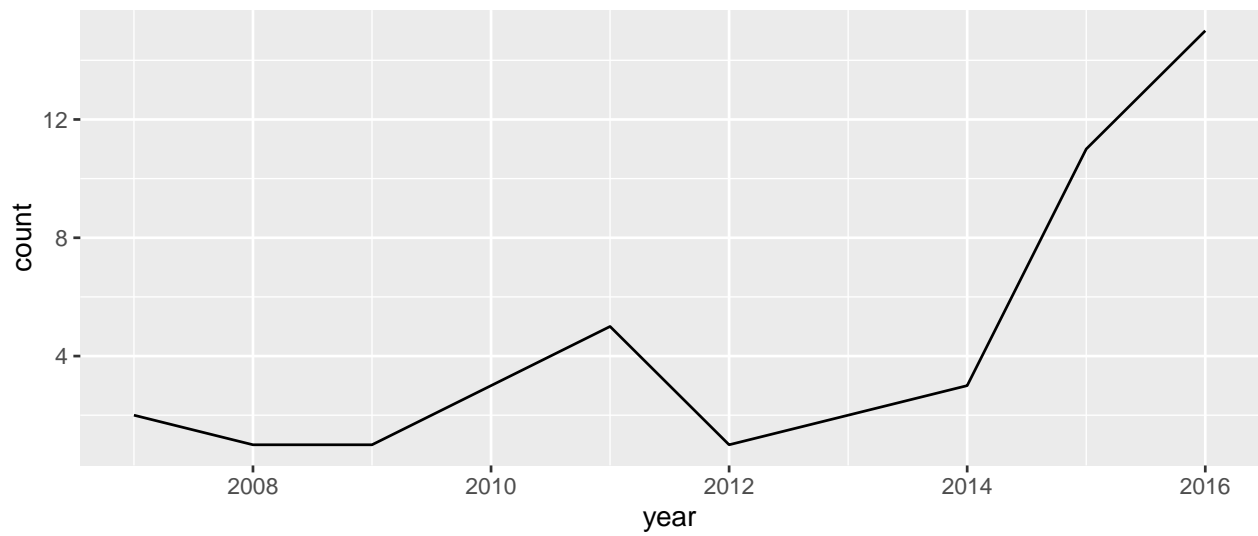


What's the yearly trend of launching ESG funds:

total universe:



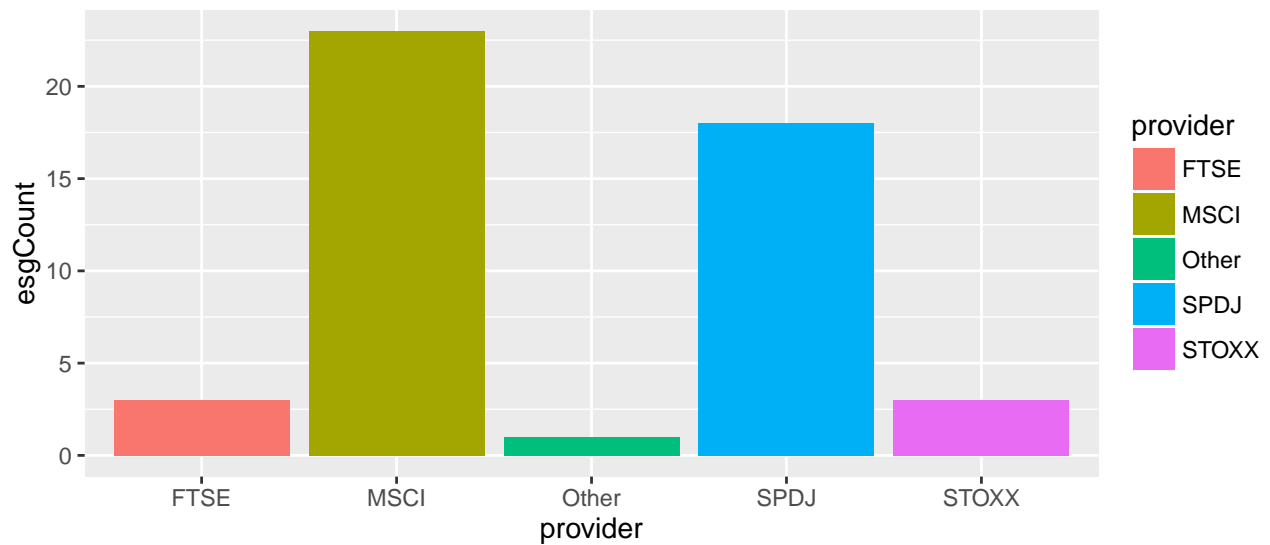
ETF universe:



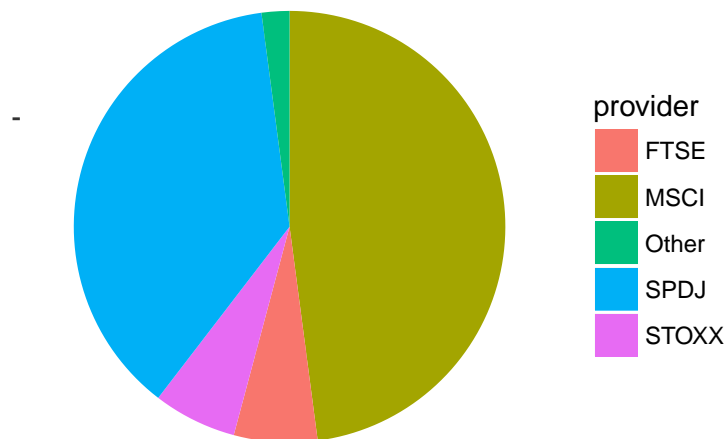
How many funds are tracking the ESG indexes providers:

provider	fundsCount	fundsPercent	AUM	esgCount	esgPercent	esgAUM	esgRatio	aumRatio
MSCI	725	0.2798147	2.227416e+11	23	0.4791667	4996781803	0.0317241	0.0224331
FTSE	390	0.1505210	3.324709e+10	3	0.0625000	451402489	0.0076923	0.0135772
STOXX	106	0.0409108	1.103176e+10	3	0.0625000	76233085	0.0283019	0.0069103
SPDJ	903	0.3485141	6.337253e+11	18	0.3750000	1674142059	0.0199336	0.0026417
Other	467	0.1802393	1.601309e+12	1	0.0208333	17814187	0.0021413	0.0000111

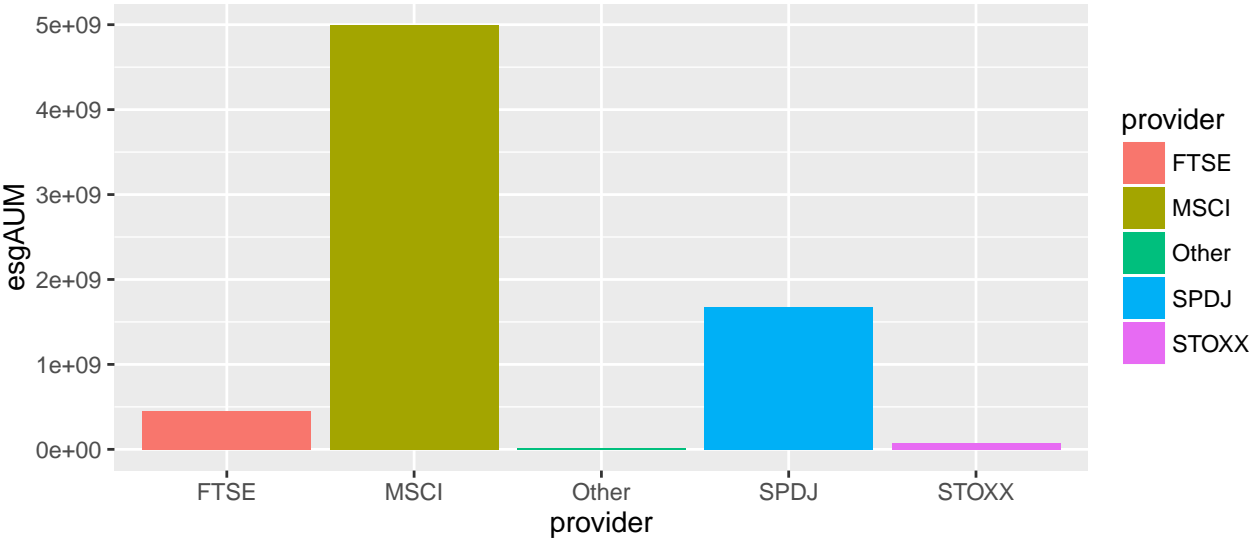
Bar chart:



Pie chart:



ESG AUM comparison:



What percentage of funds are tracking ESG indexes compare to parent market indexes:

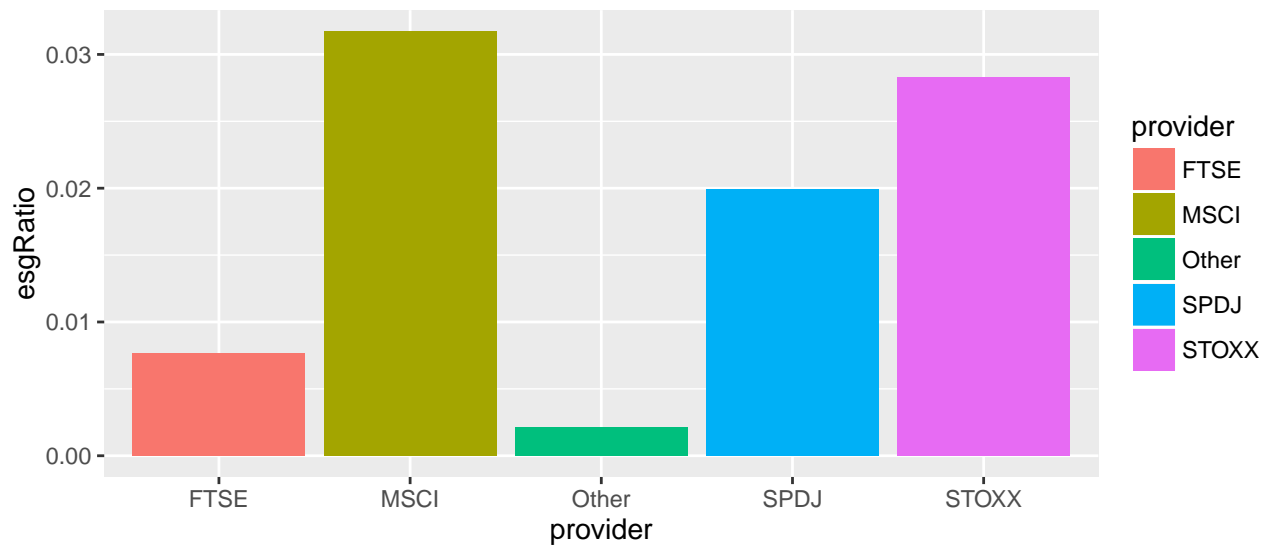
total tracking ESG count: 48

total funds count: 2591

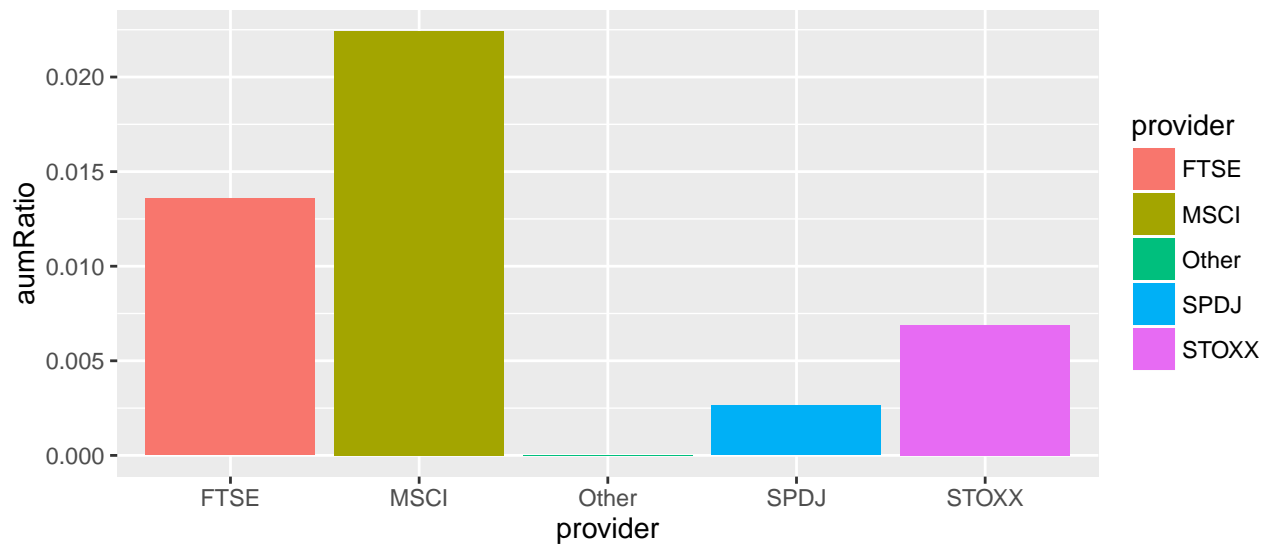
percentage count of total: 0.0185257

percentage AUM of total: 0.0028842

Bar chart for each provider:



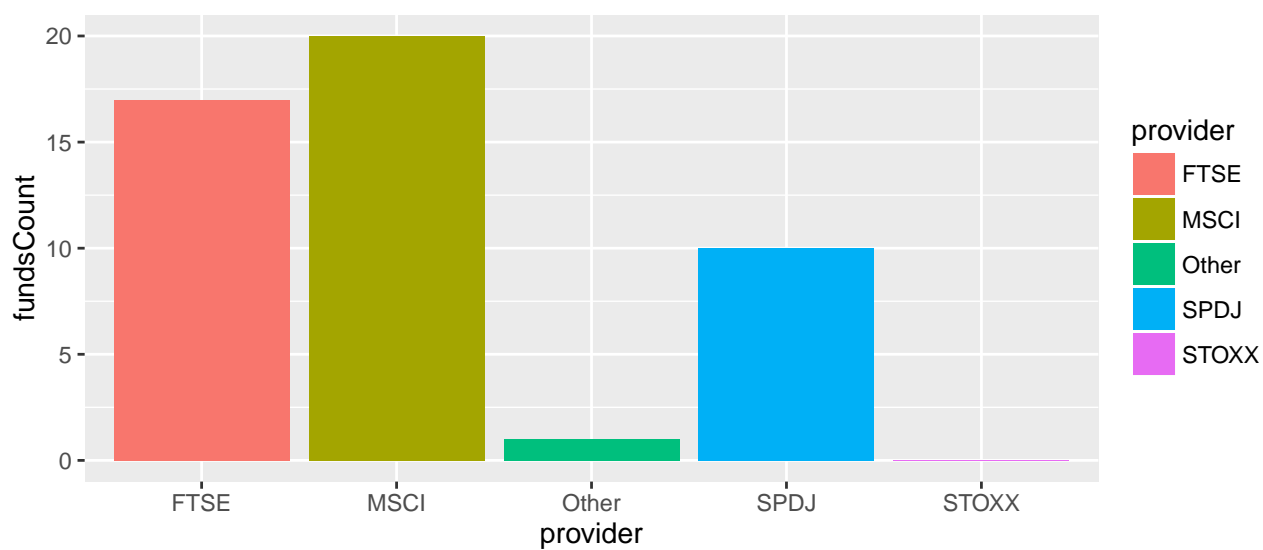
AUM percentage for each provider:



BlackRock choice of providers:

provider	fundsCount	fundsPercent
MSCI	20	0.4166667
FTSE	17	0.3541667
STOXX	0	0.0000000
SPDJ	10	0.2083333
Other	1	0.0208333

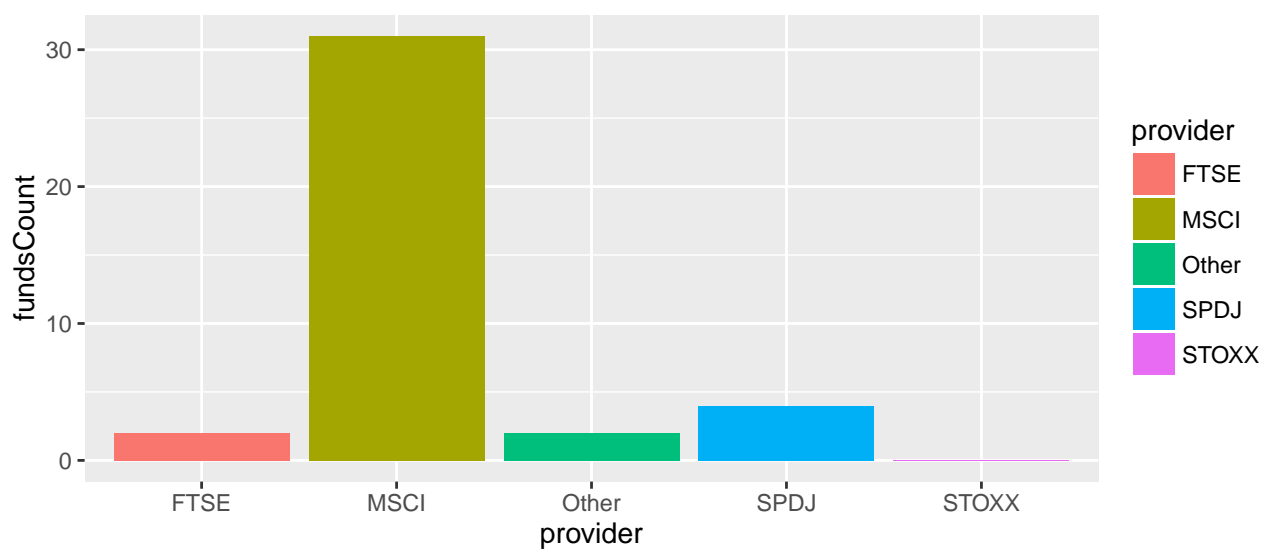
Bar chart:



ETF choice of providers:

provider	fundsCount	fundsPercent
MSCI	31	0.7948718
FTSE	2	0.0512821
STOXX	0	0.0000000
SPDJ	4	0.1025641
Other	2	0.0512821

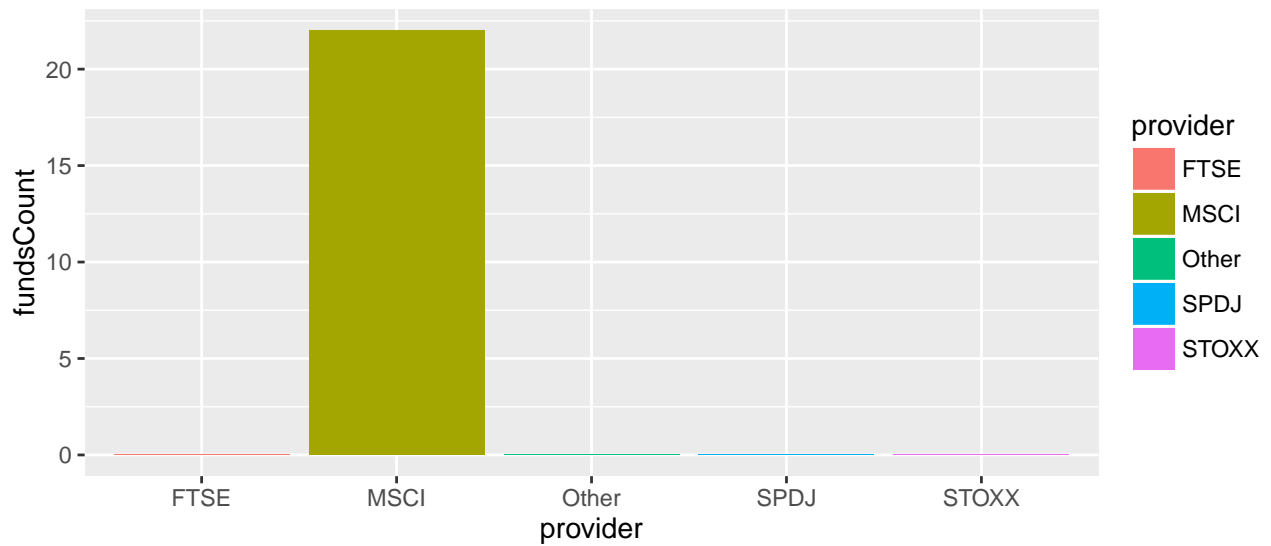
Bar chart:



Some other institutions:

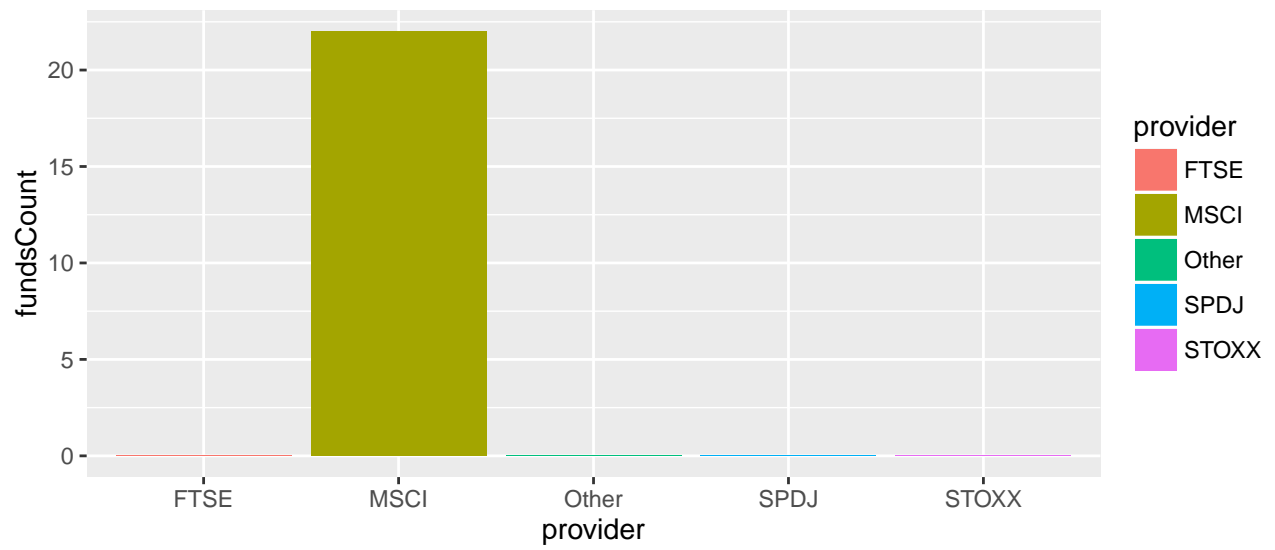
UBS

provider	fundsCount	fundsPercent
MSCI	22	1
FTSE	0	0
STOXX	0	0
SPDJ	0	0
Other	0	0



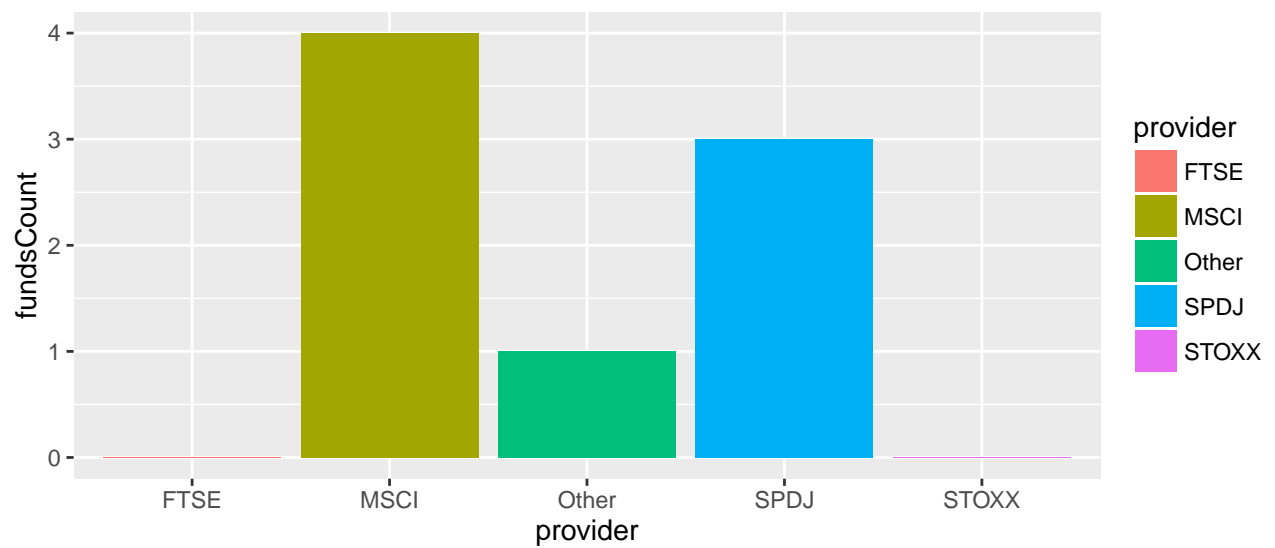
HSBC

provider	fundsCount	fundsPercent
MSCI	22	1
FTSE	0	0
STOXX	0	0
SPDJ	0	0
Other	0	0



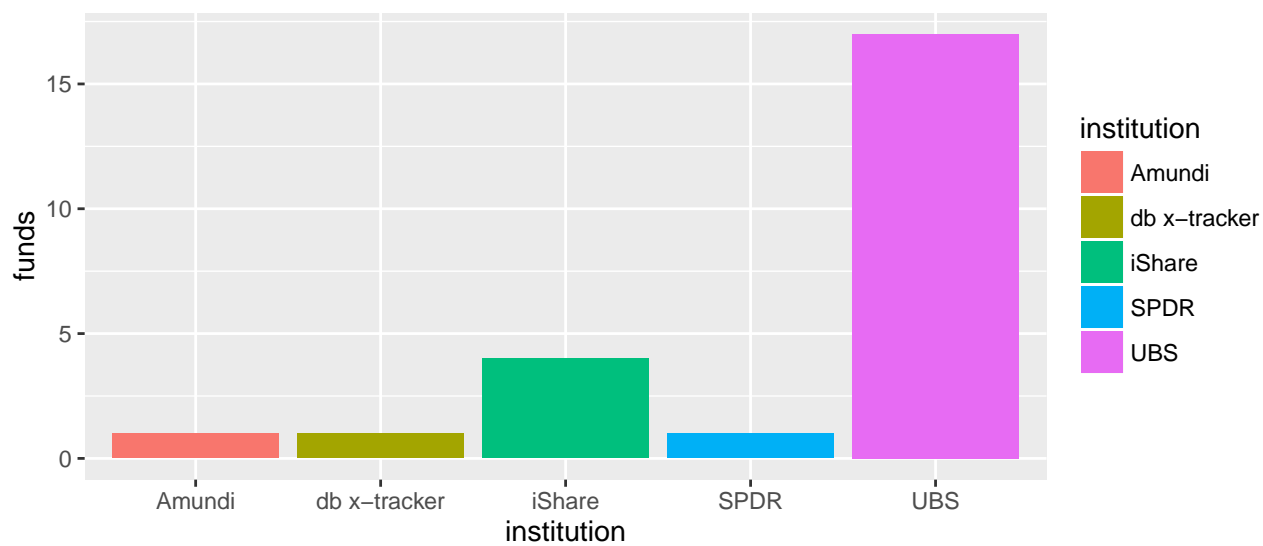
Fidelity

provider	fundsCount	fundsPercent
MSCI	4	0.500
FTSE	0	0.000
STOXX	0	0.000
SPDJ	3	0.375
Other	1	0.125



What's MSCI ESG index tracking funds distribution:

institution	funds
UBS	17
iShare	4
SPDR	1
Amundi	1
db x-tracker	1



Some conclusions drawn from these plots:

- lots of ESG funds prefer to track a parent index instead of a ESG index, because it shows better performance and they are not limited to the methodology for choosing stocks. eg. HSBC
- the amount of ESG index tracking funds is only a very tiny portion of the overall universe, other funds gets highest AUM, further strengthen the last point
- Most passive funds tracks a ESG index, most active funds tracks the parent index. eg. UBS ETFs
- ESG fund launch peaks around 2000, decrease recently, but ESG ETF launch keeps increasing
- Most popular should be MSCI and SPDJ. Some of my thoughts: MSCI uses independent research and have a very mature ESG rating and index construction scheme, SPDJ is used more by having various rating schemes to satisfy all sort of needs
- SPDJ gets highest AUM, but MSCI gets highest ESG AUM
- ...