



News release

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ETF.com Awards for Excellence: PwC scoops ‘Best ETF Research Paper’

A global report on exchange traded funds (ETFs) published by PwC, has been awarded ‘**Best ETF Research Paper**’ for 2015, by ETF.com’s annual **ETF Awards for Excellence**.

Now in their third year, the **ETF Awards for Excellence** recognise forces that support the growth of this industry, and the most notable people, companies and products that are moving it forward.

PwC’s report ‘[ETFs 2020: Preparing for a New Horizon](#)’ (“**ETF 2020**”), received the award in recognition by the judging panel for its contribution to the understanding of how ETFs and index-based investments affect investor outcomes, whether in portfolios, markets or broader economic context.

The Selection Committee, a group of independent ETF experts from throughout the ETF community, commented on the PwC report:

“PwC’s outlook for the ETF industry identified key trends and concerns, including the industry’s growing global footprint, challenging regulatory issues and technological disruption. **It is a must-read for any ETF expert.**”

PwC’s report surveyed executives from 60 ETF sponsors, asset managers and service providers around the world that account for over 70% of global assets. **It revealed more than three out of four executives expect ETF assets to at least double, to reach \$5 trillion or more by 2020.**

Other findings from PwC’s ETF 2020 report highlighted:

- The highest rates of growth will be found in the less mature markets
- Institutional investors are widely expected to be the primary growth driver
- New types of indexing (also referred to as “smart beta”) represent a hotbed of product development activity with 46% of firms surveyed identifying this as the most important area of innovation
- ETF sponsors are bullish on their financial prospects with 59% saying they expect their ETF business to become more profitable



- The regulatory environment is widely expected by participants surveyed to have a significant impact on the growth and innovation of ETFs over the next few years. 91% of survey participants indicated that regulations and taxes impact ETF growth
- In Europe, new regulatory initiatives will be some of the biggest drivers of change in the ETF business, affecting distribution dynamics and the product landscape in particular
- Distribution remains a challenge in Asia; however fund passports could have a profound impact on the success of ETFs
- In the U.S, institutional investors, including registered investment advisors, wealth management platforms, other asset managers, endowments and foundations, are each expected to continue to expand their investments in ETFs in the lead up to 2020
- The Securities and Exchange Commission (SEC) approval of additional versions of non-transparent active ETFs could lead to another phase of growth and innovation.

“We’re thrilled to have been awarded this accolade. Sharing of our collective knowledge and insights with ETF sponsors and contributing to the success of their businesses is hugely rewarding,” said PwC Global ETF leader, Nigel Brashaw.

Bill Donahue, PwC U.S. ETF practice leader, added:

“Significant opportunities and challenges abound for existing ETF sponsors and other asset managers willing to develop a thoughtful and informed strategy. It is an honour to have been recognised for our contribution to help ETF sponsors and service providers achieve success.”

Winners were announced at a dinner that took place on Wednesday 16 March in New York City.

Notes to Editors:

Survey methodology:

PwC surveyed executives from 60 firms around the world in 2014 using a combination of structured questionnaires and in-depth interviews. Two-thirds of the participants were ETF managers or sponsors, with the remaining participants divided between asset managers not currently offering ETFs and service providers. Participating firms account for more than 70% of global ETF assets.

To download a copy of PwC's report, '[ETF 2020: Preparing for a new horizon](#)', please visit: www.pwc.com/etf2020

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