

Mirae Asset and Nasdaq Partner to Expand Exposure to Surging Semiconductor Sector

Mirae Asset Global Investments, one of the leading asset management firms in Korea, is partnering with Nasdaq to increase exposure to the rapid growth of the semiconductor industry. With the launch of the **MIRAE ASSET TIGER US PHLX Semiconductor Sector Nasdaq ETF**, Korean investors will have the opportunity to tap into the potential of this sector through an exchange-traded fund (ETF) tracking the Nasdaq PHLX Semiconductor Index (SOX).

As an asset manager, Mirae Asset leverages its globally integrated platform and investment intelligence to provide clients with progressive solutions across all major asset classes and help them navigate the ever-changing investment landscape. In response to local investor demands, Mirae Asset selected SOX for its ETF productization.

“We are extremely pleased to launch the U.S. Philadelphia Semiconductor Sector Nasdaq ETF (SOX ETF) in Korea,” said Chun Yong Rhie, Chief Investment Officer at Mirae Asset Global Investments.

“There is increasing local demand for investing in constituents of the SOX index, where Korean investors currently hold over \$1.7 billion in semiconductor-related stocks such as NVIDIA, TSMC and Qualcomm.¹ The top-heavy structure of the index, combined with surging interest in the semiconductor sector, will make it a compelling investment for investors.”

“Through the launch of the SOX ETF, we strive to provide easier access for Korean investors to gain exposure to overseas equities. In addition, the local listing of the SOX ETF will allow investors to purchase the ETF for their private pension and retirement pension accounts, a segment that grew 342% in 2020,” Rhie continued.



Mirae Asset's industry recognition



Newcomer ETF of the Year – Global X Cloud Computer ETF
By Mutual Fund Industry Awards



Thematic ETF of the Year – Global X Cloud Computing ETF
By ETF.com

New ETF of the Year – AUSF – Adaptive U.S. Factor ETF (Global X)
By Fund Intelligence

Mirae Asset's long-standing relationship with Nasdaq dates back to 2010, when the firm launched the first Nasdaq-100 ETF in Korea. "The TIGER Nasdaq-100 ETF, Asia's largest Nasdaq ETF, recently crossed the KRW600 billion (\$535 million) AUM milestone in January 2021, Rhie noted. "We look forward to partnering with Nasdaq to further develop ETFs for easier and more efficient access to overseas exposure for our investors."

With the addition of the SOX ETF to Mirae Asset's product line-up, the firm now offers over 300 ETFs across 11 global markets. ETFs make up almost a third of the firm's \$190 billion of assets under management, reflecting Mirae Asset's commitment to this investment vehicle as well as its investors' well-earned trust in its ETFs offerings.

The ETF market in South Korea has become a highly competitive landscape, with local investor appetite showing little signs of slowing down. Between 2010 and 2020, the ETF industry in Korea grew at a CAGR of 24%. As of year-end 2020, the Korean ETF industry stands at KRW52 trillion (\$46.4 billion) in terms of AuM, with 468 ETFs and 15 ETF issuers.²

Amid the rise of ETFs in the local market as well as the prevailing technology investment theme, Mirae Asset recognized the need for a solution that addresses investors' focus on semiconductors. Given the performance of the underlying SOX index, Mirae Asset saw an opportunity to partner with Nasdaq on such an investment vehicle.



Since its inception in 1993, SOX has become one of the most widely tracked subsector indexes. As of February 26, 2021, the total return for NDX since December 31, 2009, was 685%, while for SOX it was 935%. As one of the largest constituents in recent years, NVIDIA Corporation (NVDA) has contributed 114% of the 935% total return of SOX – the most of any company in the index.

SOX continues to successfully reflect a transformative period for the semiconductor industry, as its constituents become increasingly critical to today's thematic tech landscape, including cloud, cyber, biotech, automotive and artificial intelligence applications.

For more information on Nasdaq's Asia-Pacific index coverage, [click here](#).

1 Source: Korea Securities Depository SEIBRO "Top 50 Overseas Stocks Held by Korean Investors", as of 26 February 2021

2 Source: KRX ETF ETN Monthly – January 2021 Edition