

Press Release

Korea Investment Management Launches Secured Overnight Financing Rate ETF Tracking Solactive Index

28 April 2022

FRANKFURT AM MAIN – The world has been coping with an environment of rising inflation, higher interest rates, and geopolitical instabilities, pressuring both stock and bond markets. As a result, investors increasingly feel the need to allocate their resources more defensively, causing them to de-risk and allocate higher portions of their capital towards cash. Correspondingly, the demand for investment vehicles that provide adequate yields in today's higher interest rate environment has been rising. Against this backdrop, Korea Investment Management has expanded its partnership with Solactive to launch the new KIM ACE USD SOFR ETF Synth, that tracks the Solactive SOFR Daily Total Return Index.

The product is an accumulating daily return strategy that aims to provide yields in line with the SOFR rate. Moreover, the ETF wrapper can be an attractive tool for financial market participants, allowing investors to access the yield efficiently and flexibly. SOFR itself is based on transactions in the US Treasury repurchase market and acts as a benchmark interest rate for USD denominated derivatives and loans. As such, it is replacing the London Interbank Offered Rate (LIBOR), and is considered preferable to LIBOR since it is based on data from observable transactions rather than on estimated borrowing rates.

The **KIM ACE USD SOFR ETF Synth** has been listed on the Korean Stock Exchange under the code **456880.KS**.

Timo Pfeiffer, Chief Markets Officer at Solactive, says: "For institutional and individual investors alike, this new product can be a powerful instrument for facilitating their tactical asset allocation decisions. Additionally, with interest rates being at highs not seen for a very long time, it can also be seen simply as a safe-haven investment with a solid return. With this launch, we are once more pleased to expand our activities in the Korean market with KIM, further demonstrating our commitment to continuously provide the best solutions for our partners, and ultimately investors."

For more information, please visit:

<http://www.solactive.com>

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Note to editors

About Solactive

Solactive is a leading provider of indexing, benchmarking, and calculation solutions for the global investment and trading community. Headquartered in Frankfurt and, with offices in Hong Kong, Toronto, Berlin, and Dresden, we innovate and disrupt the status quo as the partner of choice for our clients.

The unique blend of our 250 staff's expertise in data, data science, financial markets, and technology enables our clients' continued success through the delivery of a superior experience, unique customization capabilities, and the best value for money available in the industry. With more than 20,000 indices calculated daily, we offer a full suite of solutions, including market-leading ESG and thematic indices.

As at January 2022, Solactive served approximately 500 clients across the world, with approximately US\$250 billion invested in products linked to our indices. Solactive is registered with ESMA as a benchmark administrator and is supervised by the BaFin.

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