

Thematic Investing | Electric Vehicles



Overview

Electric vehicles (EVs) are set to revolutionise transport in the coming years. With increasing awareness of environmental concerns and technological advancements, the adoption of EVs is accelerating globally. The primary change will be a significant reduction in carbon emissions and air pollution, leading to cleaner air and a lower environmental impact.

Advancements in battery technology will improve EV performance and affordability, enabling longer driving ranges and faster charging times. Governments and private entities are investing in charging infrastructure, making it more convenient for EV owners. This transition will also reduce dependence on fossil fuels, contributing to a more sustainable energy future. As EV adoption grows, it will stimulate economic opportunities and transform the automotive industry. Ultimately, electric vehicles will play a critical role in shaping a greener, more efficient, and sustainable transportation system.

Benefits

- **Environmental sustainability:** EVs reduce greenhouse gas emissions and air pollution, contributing to a cleaner and healthier environment.
- **Energy efficiency:** EVs have higher energy efficiency compared to internal combustion engines, resulting in reduced fuel/energy costs and energy consumption.
- **Technological innovation:** Investing in EVs drives advancements in battery technology, renewable energy integration, and smart grid systems, fostering innovation and economic growth.

Challenges

- **Infrastructure development:** The need for a robust charging network and sufficient charging infrastructure is crucial for widespread adoption of EVs.
- **Range anxiety:** Addressing concerns about limited driving range and access to charging facilities is important to alleviate consumer apprehensions.
- **Cost and affordability:** EVs are often priced higher than conventional vehicles, making affordability a challenge for some consumers, despite potential long-term savings.

Shortlist of ETFs to gain exposure to this theme

Ticker	Name	Net Assets (US\$)*	Holdings	Fee*	Link To Factsheet
IDRV US	iShares Self-Driving EV & Tech ETF	\$493m	60	0.47%	IDRV US
DRIV US	Global X Autonomous & Elec	\$950m	81	0.68%	DRIV US
DRIV AU	BetaShares Electric Vehicles and Future Mobility ETF	\$9.8m	50	0.67%	DRIV AU
FDRV US	Fidelity Electric Vehicles and Future Transpo ETF	\$60.2m	59	0.39%	FDRV US
KARS US	KraneShares Electric Vehicles & Future Mobility ETF	\$197.5m	69	0.72%	KARS US
CARZ US	First Trust S-Network Future Vehicles & Technology ETF	\$53m	103	0.70%	CARZ US
ECAR LN	iShares Electric Vehicles and Driving Technology UCITS ETF	\$1010m	101	0.40%	ECAR LN

*Data as at 1 August 2023



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