

DBEU

Xtrackers MSCI Europe Hedged Equity ETF

Analyst Report

While the Xtrackers MSCI Europe Hedged Equity Fund (DBEU) offers broad exposure to European stocks, its currency hedge makes it distinct among Europe-focused index. This fund delivers isolated exposure to the performance of the underlying equities in local prices. Currency fluctuations can be a significant driver of gains and losses, and some investors may prefer the potential diversification benefit of exposure to non-U.S. dollar investments.

DBEU maintains broadly similar exposure to the unhedged iShares Core MSCI Europe ETF (IEUR), but the currency hedges means the performance of the two will be substantially different. Investors who expect the U.S. dollar to appreciate relative to the euro might prefer this fund as a way to bet on the performance of European stocks; DBEU should outperform IEUR when the U.S. currency strengthens. Those expecting the dollar to lose value relative to the euro will probably prefer to leave currency exposure unhedged, utilizing a fund such as IEUR instead. Those investors without a strong view in either direction might use a mix of both hedged and unhedged European equity ETFs (e.g., 50% DBEU and 50% IEUR).

Competitors offer similar hedged exposure to European stocks, such as the iShares Currency Hedged MSCI Eurozone ETF (HEZU) or the WisdomTree Europe Hedged Equity Fund (HEDJ). DWS Group's Xtrackers lineup also includes the Xtrackers MSCI Eurozone Hedged Equity ETF (DBEZ). The biggest difference between the two is that DBEU includes stocks from the U.K. and other countries, like Sweden, that aren't part of the Eurozone.

ESG Themes and Scores

7.98/10

ESG Rate

94.94%

Global Percentile

50.56%

Peer Percentile

Performance Data

	DBEU	ETF Database Category Average	Factset Segment Average
1 Month	3.34%	1.83%	1.90%
3 Month	5.42%	5.31%	3.66%
YTD Return	11.50%	8.21%	8.01%
1 Year Return	20.86%	16.22%	14.56%
3 Year Return	17.05%	18.04%	15.79%
5 Year Return	11.96%	9.07%	8.74%

Top 5 Holdings

Symbol	Holding	% Assets
ASML	ASML Holding NV	4.97%
HSBA	HSBC Holdings Plc	2.34%
ROP	Roche Holding Ltd	2.04%
NOVN	Novartis AG	1.97%
AZN	AstraZeneca PLC	1.89%

Vitals

Issuer	DWS
Brand	Xtrackers
Structure	ETF
Expense Ratio	0.45%
Inception	Oct 01, 2013
Index Tracked	MSCI Europe US Dollar Hedged Index

ETF Database Themes

Category	Europe Equities
Asset Class	Equity
Asset Class Size	Large-Cap
Asset Class Style	Blend
Region (General)	Developed Europe
Region (Specific)	Broad

FactSet Classifications

Segment	Equity: Developed Europe - Total Market
Category	Size and Style
Focus	Total Market
Niche	Broad-based
Strategy	Vanilla
Weighting	Market Cap

