

ETFs For Global Investors

An Interview with Jonathan Krane, Founder and Chief Executive Officer, KraneShares

EDITORS' NOTE Jonathan Krane is the Founder and Chief Executive Officer of KraneShares, a global asset management firm delivering research-driven, high-conviction investment strategies across China, emerging technologies, alternatives, and income. Under his leadership, KraneShares has become a recognized leader in thematic and international investing, with a platform designed to connect global investors to some of the world's most strategic growth opportunities. Krane has spent more than two decades working with companies in China and has been instrumental in the development of the firm's flagship China strategies, including KWEB, one of the largest China-focused ETFs globally.



Jonathan Krane

Every five years, the government releases a blueprint outlining its economic goals and priorities. The latest of these Five-Year Plans was focused on technology innovation and domestic consumption. China's economy is policy-driven and dynamic, more so than those of the U.S. and Europe.

When I was in China, I had people tell me they would change careers to align with the new goals of the Five-Year Plans as they were announced. These plans are therefore highly impactful. They are also helpful to us

as investors because the government is telling us in plain terms what it plans to do over the next five years. Compared to the U.S. political cycle, this can introduce a high degree of certainty, with a five-year cadence.

China's economy is still on a significant growth and development path, despite how far it has come. We continue to believe in the long-term growth potential of China's economy, especially the consumer and technology sectors.

Which sectors of the Chinese economy do you see as most promising?

China's technology and innovation sectors are the most promising right now, in my

FIRM BRIEF Empowering investors with access to the world's most powerful growth themes through ETFs, private strategies, and other investment solutions, KraneShares (kraneshares.com) delivers research-driven, high-conviction strategies connecting investors to the world's most powerful growth themes. From China's dynamic capital markets to emerging technologies, alternatives, carbon credits, covered calls and fixed income, KraneShares aims to help investors position portfolios for the future. By combining innovative products, deep expertise, and trusted global partnerships, KraneShares helps investors position portfolios to capture the megatrends reshaping the global economy.

You founded KraneShares in 2013 and originally focused on investing in China. What made that your focus?

After founding and selling a media and entertainment business in China in the late 2000s, I returned to the United States to find that China investment options for U.S. investors were not aligned with what I knew to be the "new China" at the time. On the ground in China, I experienced firsthand the burgeoning digital economy through which most consumption was increasingly routed. So, we created KraneShares to help investors capture the "new China" through passive ETF exposures and global megatrends they might be missing in their portfolios.

How do you view the Chinese economy today and its potential for investment?

China's economy today is just as dynamic as it was when I was living there as an entrepreneur.



Jonathan Krane with a humanoid robot

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opinion. China is now demonstrating its role as an innovator in computer technology, artificial intelligence, semiconductors, and healthcare. This has resulted in a renaissance for many of the Mainland China-listed hardware technology firms, which we capture in our KSTR ETF, which tracks the top 50 stocks listed on the STAR Market. The STAR Market is the science and technology innovation board of the Shanghai Stock Exchange.

China is also a leader in green energy technologies, and we see significant opportunities in that industry, as it has taken significant steps to reduce its environmental impact. We launched the KGRN ETF to capture opportunities from China’s renewable energy sector. Currently, China has a higher renewable energy capacity than the U.S. or Europe, and the most advanced companies in batteries, like CATL, energy storage, solar power, and electric vehicles.

We also launched a global carbon-credit ETF, KRBN, that provides long exposure to global emissions allowances via futures. China is poised to become the world’s largest emissions allowance market once it is fully developed.

Lastly, healthcare is an exciting theme in China right now. Outbound licensing deals for innovative drugs developed in China reached a record high in both number and value in 2026, a significant catalyst for China’s healthcare equities. China represents the world’s second-largest healthcare market, and, due to its rapidly aging population and rising incomes, per capita health expenditure is expected to skyrocket as global demand for China-developed innovative drugs and treatments increases. Both trends are

strong catalysts for our China Healthcare ETF, KURE, which provides comprehensive exposure to firms capitalizing on both local demand in China and foreign demand for innovative drugs and treatments.

Since originally being focused on China, you have developed several Exchange Traded Funds (ETFs) in other areas, including robotics and AI. AI, robotics, and autonomous driving are obviously very much in the news. What are the investment opportunities there?

Many of our investment themes are informed by our experience in China, including humanoid robotics and AI. We noticed China ramping up advanced robotics manufacturing very early on. We believe investment opportunities within AI and robotics are significant. China is a leader in robotics and produces most of the world’s humanoids, leveraging its vast industrial and advanced manufacturing base. Humanoid robots bring AI into the physical world and will become increasingly important in economies.

Currently, our global humanoid robotics ETF, KOID, holds the most important publicly listed companies in the supply chain for humanoid robotics, including chipmakers such as NXP, robotics makers such as UB Tech, and materials suppliers such as MP Materials. We are also looking forward to the IPO of Unitree Robotics, the leader in robot deliveries worldwide, which will go public on China’s STAR Market. Robotics brings AI into the physical world, and we believe it represents the next step in the development of the technology.

In digital AI, we also see significant opportunities. We partnered with a venture capital firm and AI engineers to design an index to capture the entire digital AI ecosystem and adjust as it develops. We then included key, late-stage private companies that we found were missing from the public equity ecosystem for AI. We are pleased to have provided investors with exposure to private companies in the theme, including SpaceX and Anthropic, and to have been one of the first ETF firms to do so through our AI & Technology ETF, AGIX.

Regarding China and the U.S., President Trump flew to China in May to meet with President Xi Jinping. Do you think the summit was successful, and what are the implications for future U.S.-China relations and the two economies?

Yes. I believe the Trump-Xi Summit delivered more than was reported, and its positive impacts will continue to be felt for years to come. Key takeaways include Trump standing with the U.S. business community to seek more stable relations, internet platforms potentially benefiting from a loosening of technology trade restrictions, and a commitment to further dialogue and to building bilateral institutions.

U.S. goods trade with China in 2025 totaled \$414 billion, with \$106 billion in exports and \$308 billion in imports. These numbers are too large to ignore. At the end of the day, the U.S. and China are significant trade partners and, as the world’s two largest economies, recognize that they need to work together. Trump and Xi know this and have leveraged their existing relationship to advance U.S.-China relations. ●

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