

# Country Indices Flash Report

May 2018

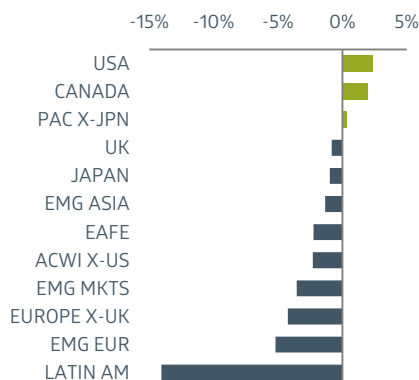
## Commentary\*

- Since late last month—when 10-year U.S. Treasury yields pierced 3%—non-U.S. stocks (both developed and emerging) have failed to track U.S. shares on a local basis and due to currency weakness.
- Emerging market currencies as a whole are only slightly weaker than developed ones; major market currencies such as those of China, Taiwan and South Korea held up well. The weakness hasn't spread broadly but has instead focused on markets experiencing financial and political vulnerabilities, like those of Argentina and Turkey.
- Italy's presumptive coalition government bodes worse for Italy than the European Union broadly. Disparate policies may lead to gaping budget deficits but risks to its EU membership appear limited.
- Oil prices plummeted over the past two weeks as supply constraints due to politics (Iran) and crumbling infrastructure (Venezuela) opened the door to increased production for Russia and Saudi Arabia.

For more information, please visit our [International](#) and [Emerging Markets](#) Strategy website sections.

## COUNTRY/REGIONAL SNAPSHOT

May 2018 total return (MSCI indices)\*  
US\$ terms with net dividends



## TOTAL RETURN FOR SELECTED MSCI INDICES, US\$ TERMS WITH NET DIVIDENDS\* (for periods ended 05/31/18)

COUNTRY/REGION	1 MO.	3 MOS.	2018 YTD	12 MOS.	CAL 2017
USA	2.4%	0.2%	2.0%	13.8%	21.2%
ALL COUNTRY WORLD EX-USA (ACWI X-US)	-2.3%	-2.5%	-1.9%	9.7%	27.2%
Canada	2.0%	3.5%	-3.2%	12.2%	16.1%
EAFE (Europe, Aus, Far East)	-2.2%	-1.8%	-1.5%	8.0%	25.0%
Japan	-1.0%	-2.4%	0.5%	14.6%	24.0%
UK	-0.8%	3.6%	-0.1%	8.9%	22.3%
PACIFIC EX-JAPAN	0.3%	-0.8%	-0.4%	12.8%	25.9%
Australia	1.4%	-1.9%	-2.5%	10.5%	19.9%
Hong Kong	0.6%	1.2%	2.5%	15.5%	36.2%
Singapore	-5.9%	-1.5%	2.7%	17.9%	35.6%
EUROPE EX-UK	-4.2%	-3.8%	-3.5%	3.3%	26.8%
France	-4.0%	-0.9%	0.9%	9.5%	28.7%
Germany	-3.5%	-3.5%	-5.1%	3.9%	27.7%
Netherlands	-3.3%	-1.9%	-0.9%	7.4%	32.2%
Belgium	-5.4%	-9.2%	-8.2%	-4.5%	18.6%
Finland	-1.8%	1.0%	10.8%	10.8%	22.5%
Austria	-7.3%	-10.7%	-6.7%	13.0%	58.3%
Portugal	-0.3%	4.1%	3.9%	8.5%	23.8%
Italy	-11.6%	-6.4%	-1.7%	10.5%	28.4%
Spain	-9.3%	-8.6%	-8.4%	-7.3%	27.0%
Denmark	-2.6%	-6.4%	-6.1%	4.2%	34.7%
Norway	-1.5%	-0.8%	3.1%	24.2%	28.3%
Sweden	-2.0%	-5.9%	-5.5%	-3.4%	20.6%
Switzerland	-3.3%	-5.6%	-7.8%	-4.5%	22.5%
Israel	7.3%	2.4%	2.5%	-0.9%	2.1%
EMERGING MARKETS	-3.5%	-5.8%	-2.6%	14.0%	37.3%
South Africa	-6.7%	-13.9%	-11.7%	7.0%	36.1%
EMERGING EUROPE	-5.2%	-14.0%	-7.8%	6.5%	20.5%
Poland	-10.8%	-15.3%	-17.0%	-2.4%	54.7%
Russia	1.1%	-9.9%	2.4%	20.7%	5.2%
Turkey	-12.9%	-28.1%	-26.1%	-19.6%	38.4%
Greece	-18.8%	-14.6%	-12.4%	-7.9%	28.6%
LATIN AMERICA	-14.1%	-16.0%	-8.3%	3.7%	23.7%
Brazil	-16.4%	-21.2%	-9.8%	6.9%	24.1%
Chile	-8.3%	-8.4%	-5.4%	17.0%	42.2%
Mexico	-13.7%	-11.1%	-10.9%	-12.1%	16.0%
EMERGING ASIA	-1.3%	-2.6%	-0.4%	17.5%	42.8%
China	1.8%	-1.5%	3.7%	30.9%	54.1%
India	-3.6%	-3.2%	-6.6%	6.7%	38.8%
Indonesia	-1.0%	-12.2%	-12.3%	-3.7%	24.2%
Korea	-5.2%	-0.2%	-3.1%	11.9%	47.3%
Malaysia	-8.1%	-7.0%	-1.2%	8.3%	25.1%
Taiwan	-0.2%	-3.5%	0.7%	9.9%	27.5%
Thailand	-4.9%	-6.9%	3.3%	26.4%	34.5%

## CURRENCY RETURN VS. USD\* (for periods ended 05/31/18)

	1 MO.	3 MOS.	2018 YTD	12 MOS.	CAL 2017
Australian Dollar	0.2%	-2.9%	-3.3%	1.6%	8.0%
Canadian Dollar	-1.2%	-1.2%	-3.4%	4.1%	7.0%
Euro	-3.4%	-4.3%	-2.8%	3.8%	13.8%
Yen	0.7%	-1.8%	3.7%	1.8%	3.5%
Swiss Franc	0.7%	-3.9%	-0.9%	-1.6%	4.3%
British Pound	-3.4%	-3.4%	-1.6%	3.1%	9.5%

Sources: Bailard, MSCI/Bloomberg.

\* Past performance is no indication of future results. All investments involve the risk of loss. Please see reverse for important disclosures.

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## DISCLOSURES

The MSCI indices presented in this publication are free float-adjusted market capitalization indexes that are designed to measure equity market performance of the geographic areas described. These indexes are presented with net dividends reinvested, in U.S. dollars. They are unmanaged and uninvestable and do not reflect any transaction costs.

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