

Country Indices Flash Report

March 2019

Commentary*

- The ECB and Fed showed concern for global economic momentum. Both postponed interest rate rises through 2019, and extended accommodative use of their balance sheets. Norway's central bank bucked the trend, raising rates (albeit to a modest 1%) and sounding chipper about 2019.
- Three strikes, is she out? Theresa May's EU withdrawal agreement was voted down yet again by the UK Parliament, as were eight alternative courses of action. So much for "taking back control" at the national level. The pound fell slightly in March, while Britain's global firms fared relatively well.
- Turkey's mismanagement reared its head, with GDP falling 3% year over year in Q4 2018. The lira's recent slide prompted the central bank to spend foreign-currency reserves and hike overnight lending rates to 25.5%. Foreign investors added pressure, selling Turkish assets. Politics remain split ahead of the March 31st local elections, with the government focused on social/religious issues while the opposition pounds away at the economy.

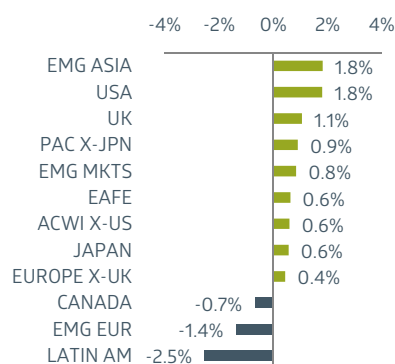
For more information, please visit our [International](#) and [Emerging Markets](#) Strategy website sections.

TOTAL RETURN FOR SELECTED MSCI INDICES, US\$ TERMS WITH NET DIVIDENDS* (for periods ended 03/29/19)

COUNTRY/REGION	1 MO.	3 MOS.	2019 YTD	12 MOS.	CAL 2018
USA	1.8%	13.7%	13.7%	8.8%	-5.0%
ALL COUNTRY WORLD EX-USA (ACWI X-US)	0.6%	10.3%	10.3%	-4.2%	-14.2%
Canada	-0.7%	15.4%	15.4%	3.1%	-17.2%
EAFE (Europe, Aus, Far East)	0.6%	10.0%	10.0%	-3.7%	-13.8%
Japan	0.6%	6.7%	6.7%	-7.8%	-12.9%
UK	1.1%	11.9%	11.9%	-0.1%	-14.2%
PACIFIC EX-JAPAN	0.9%	12.2%	12.2%	4.6%	-10.3%
Australia	0.5%	11.4%	11.4%	4.5%	-12.0%
Hong Kong	1.3%	15.6%	15.6%	8.0%	-7.8%
Singapore	0.6%	6.2%	6.2%	-6.4%	-9.4%
EUROPE EX-UK	0.4%	10.5%	10.5%	-5.1%	-15.1%
France	0.4%	10.7%	10.7%	-3.7%	-12.8%
Germany	-1.4%	6.9%	6.9%	-13.7%	-22.2%
Netherlands	1.1%	13.6%	13.6%	-2.3%	-13.1%
Belgium	3.2%	16.2%	16.2%	-15.5%	-26.9%
Finland	-1.5%	8.0%	8.0%	-3.6%	-3.4%
Austria	-3.1%	8.4%	8.4%	-23.0%	-27.4%
Portugal	1.8%	10.2%	10.2%	-4.9%	-11.1%
Italy	2.0%	14.6%	14.6%	-10.6%	-17.8%
Spain	-1.6%	7.0%	7.0%	-8.8%	-16.2%
Denmark	3.1%	12.8%	12.8%	-3.2%	-15.4%
Norway	-1.8%	7.0%	7.0%	-4.4%	-8.6%
Sweden	-0.2%	7.4%	7.4%	-5.1%	-13.7%
Switzerland	2.2%	13.1%	13.1%	7.5%	-9.1%
Israel	-1.0%	10.1%	10.1%	9.9%	-5.5%
EMERGING MARKETS	0.8%	9.9%	9.9%	-7.4%	-14.6%
South Africa	-1.7%	4.4%	4.4%	-18.0%	-24.8%
EMERGING EUROPE	-1.4%	7.6%	7.6%	-7.1%	-11.9%
Poland	-2.0%	-0.6%	-0.6%	-5.7%	-12.9%
Russia	0.9%	12.2%	12.2%	2.2%	-0.4%
Turkey	-14.9%	-3.2%	-3.2%	-40.3%	-41.4%
Greece	1.1%	12.8%	12.8%	-23.6%	-36.8%
LATIN AMERICA	-2.5%	7.9%	7.9%	-6.7%	-6.6%
Brazil	-3.8%	8.1%	8.1%	-4.2%	-0.5%
Chile	-4.5%	4.1%	4.1%	-17.5%	-19.7%
Mexico	0.3%	5.5%	5.5%	-11.7%	-15.5%
EMERGING ASIA	1.8%	11.1%	11.1%	-6.8%	-15.5%
China	2.4%	17.7%	17.7%	-6.2%	-18.9%
India	9.2%	7.2%	7.2%	6.8%	-7.3%
Indonesia	0.6%	4.3%	4.3%	2.0%	-9.2%
Korea	-3.1%	4.9%	4.9%	-16.7%	-20.9%
Malaysia	-2.8%	0.3%	0.3%	-13.1%	-6.0%
Taiwan	2.3%	9.0%	9.0%	-6.1%	-8.9%
Thailand	-1.6%	7.4%	7.4%	-6.8%	-5.5%

COUNTRY/REGIONAL SNAPSHOT

March 2019 total return (MSCI indices)*
US\$ terms with net dividends



CURRENCY RETURN VS. USD* (for periods ended 03/29/19)

	1 MO.	3 MOS.	2019 YTD	12 MOS.	CAL 2018
Australian Dollar	-0.2%	0.9%	0.9%	-7.4%	-10.0%
Canadian Dollar	-1.4%	2.2%	2.2%	-3.5%	-8.3%
Euro	-1.4%	-1.8%	-1.8%	-8.7%	-4.8%
Yen	0.6%	-0.9%	-0.9%	-3.9%	2.7%
Swiss Franc	0.0%	-1.0%	-1.0%	-3.8%	-1.1%
British Pound	-2.0%	2.3%	2.3%	-7.1%	-5.8%

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.

Bailard
Institutional

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.

The information in this publication is based primarily on data available as of March 29, 2019 and has been obtained from sources believed to be reliable, but its accuracy, completeness and interpretation are not guaranteed. In addition, this publication contains the opinions of the authors as of that date and such opinions are subject to change without notice. We do not think this publication should necessarily be relied on as a sole source of information and opinion.

This publication has been distributed for informational purposes only and is not a recommendation of, or an offer to sell or solicitation of an offer to buy any particular security, strategy or investment product.

It does not take into account the particular investment objectives, financial situations or needs of individual clients. Any references to specific securities are included solely as general market commentary and were selected based on criteria unrelated to Bailard's portfolio recommendations or past performance of any security held in any Bailard account or fund. Investing in international stocks is riskier than investing in U.S. stocks. In addition to market risk and the risk of losing money, international stocks may be affected by fluctuations in currency exchange rates, different accounting and financial standards, social upheavals and political actions. Emerging market securities may be more susceptible to these risks. Charts and performance information portrayed in this publication are not indicative of the past or future performance of the Bailard International Equity Strategy or any other Bailard product. **Past performance is no indication of future results. All investments involve the risk of loss.** Bailard cannot provide investment advice in any jurisdiction where it is prohibited from doing so.

Bailard
Institutional

Published March 29, 2019

For more information, please call 800.BAILARD (800.224.5273) or visit www.bailard.com.

Bailard Institutional
950 Tower Lane, Suite 1900
Foster City, California 94404