

# Country Indices Flash Report

July 2023

## Commentary\*

- All emerging market regions enjoyed a month of results in excess of EAFE's. While a Fed rate hike cycle typically causes economic distress across emerging economies, EMs look relatively unscathed as the FOMC nears the end of sixteen months that brought the Fed Funds rate from near-zero to 5.5%.
- China's post-COVID economic recovery continues to underwhelm, though: Q2 GDP growth was only 0.8%. There have been hints of fiscal stimulus, but nothing formally announced. On the political side, President Xi's iron hand showed itself again, with the abrupt removal of the nation's foreign minister.
- After years of ultra-low interest rates in Japan, the Bank of Japan tweaked guidance regarding the interest rate band for 10-year government bonds as it works to stem rising inflation. These efforts could bolster consumer spending and support the yen relative to the dollar. That said, new demographic data point to Japan's long-term challenge: all 47 prefectures experienced population losses in 2022.

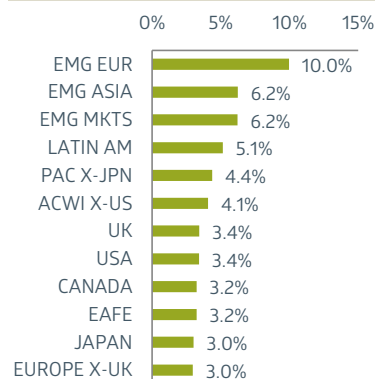
For more information, please visit our [International Equity Strategy](#).

## TOTAL RETURN FOR SELECTED MSCI INDICES, US\$ TERMS WITH NET DIVIDENDS\* (for periods ended 7/31/2023)

COUNTRY/REGION	1 MO.	3 MOS.	2023 YTD	12 MOS.	CAL 2022
USA	3.4%	10.9%	20.8%	12.6%	26.5%
<b>ALL COUNTRY WORLD EX-USA (ACWI X-US)</b>	<b>4.1%</b>	<b>4.8%</b>	<b>13.9%</b>	<b>13.4%</b>	<b>7.8%</b>
Canada	3.2%	4.0%	11.7%	5.3%	26.0%
<b>EAFE (Europe, Aus, Far East)</b>	<b>3.2%</b>	<b>3.4%</b>	<b>15.3%</b>	<b>16.8%</b>	<b>11.3%</b>
Japan	3.0%	9.2%	16.4%	15.1%	1.7%
UK	3.4%	0.4%	12.2%	12.9%	18.5%
<b>PACIFIC EX-JAPAN</b>	<b>4.4%</b>	<b>2.3%</b>	<b>4.7%</b>	<b>6.4%</b>	<b>4.7%</b>
Australia	4.0%	4.1%	7.2%	8.5%	9.4%
Hong Kong	2.8%	-2.9%	-4.7%	-2.9%	-3.9%
Singapore	9.3%	4.0%	10.5%	13.5%	5.7%
<b>EUROPE EX-UK</b>	<b>3.0%</b>	<b>2.0%</b>	<b>18.6%</b>	<b>21.7%</b>	<b>15.7%</b>
France	2.2%	0.8%	20.9%	26.5%	19.5%
Germany	3.1%	2.4%	21.5%	29.3%	5.3%
Netherlands	2.8%	8.4%	24.8%	22.1%	27.6%
Spain	2.1%	4.8%	24.7%	33.7%	1.4%
Italy	6.2%	10.0%	31.8%	48.6%	15.0%
Finland	0.0%	-8.3%	-8.4%	-4.5%	9.0%
Belgium	7.6%	-0.2%	7.4%	14.2%	2.2%
Ireland	7.2%	8.7%	35.8%	45.5%	8.5%
Austria	5.2%	4.0%	12.6%	23.3%	41.5%
Denmark	0.8%	-1.6%	15.1%	23.1%	19.0%
Norway	8.7%	6.3%	-0.1%	-6.7%	22.0%
Sweden	1.5%	-3.6%	9.9%	6.3%	21.9%
Switzerland	3.6%	1.5%	15.0%	12.1%	19.3%
Israel	8.1%	5.8%	4.7%	-3.0%	15.2%
<b>EMERGING MARKETS</b>	<b>6.2%</b>	<b>8.4%</b>	<b>11.4%</b>	<b>8.3%</b>	<b>-2.5%</b>
South Africa	12.6%	6.1%	6.5%	10.1%	3.6%
Saudi Arabia	2.2%	2.4%	8.7%	-5.1%	37.7%
<b>EMERGING EUROPE</b>	<b>10.0%</b>	<b>16.2%</b>	<b>24.2%</b>	<b>54.9%</b>	<b>13.8%</b>
Greece	5.6%	26.2%	51.4%	73.2%	8.0%
Poland	8.6%	19.2%	33.9%	48.7%	8.5%
Turkey	19.3%	12.3%	-3.5%	85.1%	-28.4%
<b>LATIN AMERICA</b>	<b>5.1%</b>	<b>16.8%</b>	<b>24.6%</b>	<b>30.9%</b>	<b>-8.1%</b>
Brazil	4.9%	22.4%	22.6%	29.0%	-17.4%
Chile	5.8%	10.6%	14.0%	11.1%	-17.3%
Colombia	13.7%	20.5%	9.9%	8.6%	-13.8%
Mexico	4.6%	7.7%	32.9%	41.4%	22.5%
<b>EMERGING ASIA</b>	<b>6.2%</b>	<b>8.0%</b>	<b>10.5%</b>	<b>6.6%</b>	<b>-5.1%</b>
China	10.8%	5.4%	4.7%	1.8%	-21.7%
India	3.0%	11.0%	8.2%	7.5%	26.2%
Indonesia	1.4%	-2.2%	10.4%	11.2%	2.1%
Korea	6.5%	12.3%	21.9%	13.7%	-8.4%
Malaysia	9.7%	1.9%	-3.1%	0.3%	-6.2%
Taiwan	0.8%	10.0%	20.9%	10.1%	26.1%
Thailand	8.1%	2.7%	-2.5%	12.1%	-1.4%

## COUNTRY/REGIONAL SNAPSHOT

July 2023 total return (MSCI indices)\*  
US\$ terms with net dividends



## CURRENCY RETURN VS. USD\* (for periods ended 7/31/2023)

	1 MO.	3 MOS.	2023 YTD	12 MOS.	CAL 2022
Australian Dollar	1.2%	2.0%	-0.6%	-3.4%	-6.7%
Canadian Dollar	0.5%	3.0%	2.9%	-2.7%	-6.8%
Euro	1.1%	-0.1%	3.3%	8.1%	-6.2%
Yen	1.7%	-4.2%	-7.1%	-5.9%	-12.7%
Swiss Franc	3.2%	2.7%	6.7%	9.9%	-1.5%
British Pound	1.2%	2.4%	7.0%	5.7%	-11.2%

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.

## 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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