

# Country Indices Flash Report

August 2023

## Commentary\*

- The U.S. was stripped of its AAA credit rating by Fitch. The agency pointed to high and rising debt levels, and a general erosion in quality of governance.
- The U.S. economy may finally be slowing, after 17 months of Fed hikes. Still, a relatively hawkish stance drove the dollar higher against all major currencies for the month, and yields continued to rise: 6-month T-bill yields hit a 22-year high and 10-year Treasuries reached their highest since 2007.
- August brought two new sets of indictments for Donald Trump, four counts early in the month for attempting to overthrow the U.S. government and thirteen from Georgia regarding interference with the 2020 election.
- Evidence of a Chinese economic rebound after the nation's COVID reopening is becoming harder to discern. On a year-over-year basis China is now experiencing price deflation as consumers remain sheepish. Further strains are showing among housing developers, a group that has traditionally played a critical role in the government's stimulus efforts.

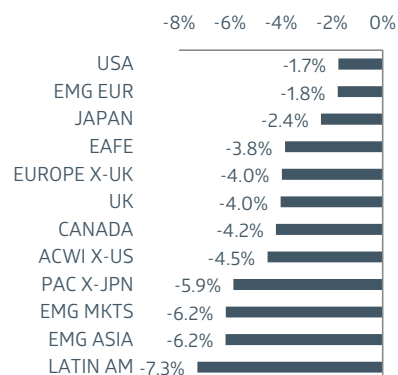
For more information, please visit our [International Equity Strategy](#).

## TOTAL RETURN FOR SELECTED MSCI INDICES, US\$ TERMS WITH NET DIVIDENDS\* (for periods ended 8/31/2023)

| COUNTRY/REGION                              | 1 MO.        | 3 MOS.       | 2023 YTD     | 12 MOS.      | CAL 2022      |
|---|--------------|--------------|--------------|--------------|---------------|
| USA   | -1.7%        | 8.4%         | 18.7%        | 15.2%        | -19.8%        |
| <b>ALL COUNTRY WORLD EX-USA (ACWI X-US)</b> | <b>-4.5%</b> | <b>3.8%</b>  | <b>8.8%</b>  | <b>11.9%</b> | <b>-16.0%</b> |
| Canada                                      | -4.2%        | 5.4%         | 7.0%         | 5.1%         | -12.9%        |
| <b>EAFE (Europe, Aus, Far East)</b>         | <b>-3.8%</b> | <b>3.8%</b>  | <b>10.9%</b> | <b>17.9%</b> | <b>-14.5%</b> |
| Japan                                       | -2.4%        | 4.6%         | 13.6%        | 15.3%        | -16.6%        |
| UK  | -4.0%        | 3.1%         | 7.7%         | 14.8%        | -4.8%         |
| <b>PACIFIC EX-JAPAN</b>                     | <b>-5.9%</b> | <b>2.4%</b>  | <b>-1.4%</b> | <b>1.9%</b>  | <b>-5.9%</b>  |
| Australia                                   | -4.3%        | 4.6%         | 2.6%         | 4.9%         | -5.3%         |
| Hong Kong                                   | -8.6%        | -2.8%        | -12.9%       | -8.0%        | -4.7%         |
| Singapore                                   | -8.5%        | 1.8%         | 1.2%         | 5.8%         | -11.0%        |
| <b>EUROPE EX-UK</b>                         | <b>-4.0%</b> | <b>3.9%</b>  | <b>13.9%</b> | <b>25.0%</b> | <b>-18.0%</b> |
| France                                      | -3.9%        | 4.7%         | 16.2%        | 29.8%        | -13.3%        |
| Germany                                     | -4.8%        | 3.3%         | 15.6%        | 31.4%        | -22.3%        |
| Netherlands                                 | -8.6%        | -1.7%        | 14.1%        | 24.2%        | -27.7%        |
| Spain                                       | -3.0%        | 7.8%         | 21.0%        | 35.5%        | -7.3%         |
| Italy                                       | -3.9%        | 13.4%        | 26.7%        | 49.8%        | -14.4%        |
| Finland                                     | -0.9%        | -0.3%        | -9.2%        | -3.4%        | -15.3%        |
| Belgium                                     | -3.1%        | 8.3%         | 4.0%         | 19.4%        | -12.5%        |
| Ireland                                     | -3.8%        | 9.2%         | 30.6%        | 37.4%        | -26.2%        |
| Austria                                     | -3.7%        | 9.6%         | 8.4%         | 31.0%        | -26.4%        |
| Denmark                                     | 4.6%         | 7.4%         | 20.4%        | 39.5%        | -4.8%         |
| Norway                                      | -2.2%        | 12.9%        | -2.3%        | -7.5%        | -7.0%         |
| Sweden                                      | -6.9%        | -2.0%        | 2.3%         | 10.1%        | -28.4%        |
| Switzerland                                 | -3.5%        | 2.5%         | 10.9%        | 14.4%        | -18.3%        |
| Israel                                      | -2.7%        | 7.2%         | 1.9%         | -10.1%       | -26.7%        |
| <b>EMERGING MARKETS</b>                     | <b>-6.2%</b> | <b>3.5%</b>  | <b>4.6%</b>  | <b>1.3%</b>  | <b>-20.1%</b> |
| South Africa                                | -12.3%       | 8.2%         | -6.6%        | 0.7%         | -3.9%         |
| Saudi Arabia                                | -2.3%        | 3.2%         | 6.2%         | -9.1%        | -5.1%         |
| <b>EMERGING EUROPE</b>                      | <b>-1.8%</b> | <b>15.5%</b> | <b>22.0%</b> | <b>56.3%</b> | <b>-71.2%</b> |
| Greece                                      | -2.6%        | 13.1%        | 47.4%        | 72.2%        | 0.3%          |
| Poland                                      | -9.5%        | 12.3%        | 21.2%        | 54.9%        | -27.2%        |
| Turkey                                      | 7.6%         | 22.8%        | 3.9%         | 62.3%        | 90.4%         |
| <b>LATIN AMERICA</b>                        | <b>-7.3%</b> | <b>9.2%</b>  | <b>15.6%</b> | <b>18.2%</b> | <b>8.9%</b>   |
| Brazil                                      | -8.3%        | 11.5%        | 12.4%        | 11.2%        | 14.2%         |
| Chile                                       | -9.4%        | 3.7%         | 3.3%         | -1.9%        | 19.4%         |
| Colombia                                    | -15.7%       | 8.8%         | -7.4%        | -2.2%        | -6.0%         |
| Mexico                                      | -4.5%        | 5.6%         | 26.9%        | 42.2%        | -2.0%         |
| <b>EMERGING ASIA</b>                        | <b>-6.2%</b> | <b>2.4%</b>  | <b>3.7%</b>  | <b>-0.3%</b> | <b>-21.1%</b> |
| China                                       | -9.0%        | 4.8%         | -4.7%        | -7.5%        | -21.9%        |
| India                                       | -1.9%        | 5.8%         | 6.2%         | 1.3%         | -8.0%         |
| Indonesia                                   | -1.4%        | -0.3%        | 8.9%         | 4.3%         | 3.6%          |
| Korea                                       | -7.6%        | -1.0%        | 12.6%        | 8.7%         | -29.4%        |
| Malaysia                                    | -3.1%        | 4.3%         | -6.1%        | -3.3%        | -5.8%         |
| Taiwan                                      | -4.5%        | -2.1%        | 15.4%        | 6.5%         | -29.8%        |
| Thailand                                    | -2.8%        | 3.0%         | -5.2%        | 3.2%         | 5.0%          |

## COUNTRY/REGIONAL SNAPSHOT

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



## CURRENCY RETURN VS. USD\* (for periods ended 8/31/2023)

|                   | 1 MO. | 3 MOS. | 2023 YTD | 12 MOS. | CAL 2022 |
|-------------------|-------|--------|----------|---------|----------|
| Australian Dollar | -3.9% | 0.1%   | -4.5%    | -5.5%   | -6.7%    |
| Canadian Dollar   | -2.7% | 0.5%   | 0.1%     | -3.2%   | -6.8%    |
| Euro              | -1.6% | 1.8%   | 1.7%     | 7.9%    | -6.2%    |
| Yen               | -2.4% | -4.0%  | -9.4%    | -4.8%   | -12.7%   |
| Swiss Franc       | -1.9% | 3.5%   | 4.7%     | 10.5%   | -1.5%    |
| British Pound     | -1.5% | 2.2%   | 5.3%     | 8.9%    | -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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