GROVE STREET FIDUCIARY, LLC

WEALTH AND TRUST ADVISORS

JANUARY 2019

MARKET COMMENTARY & QUARTERLY MARKET REVIEW

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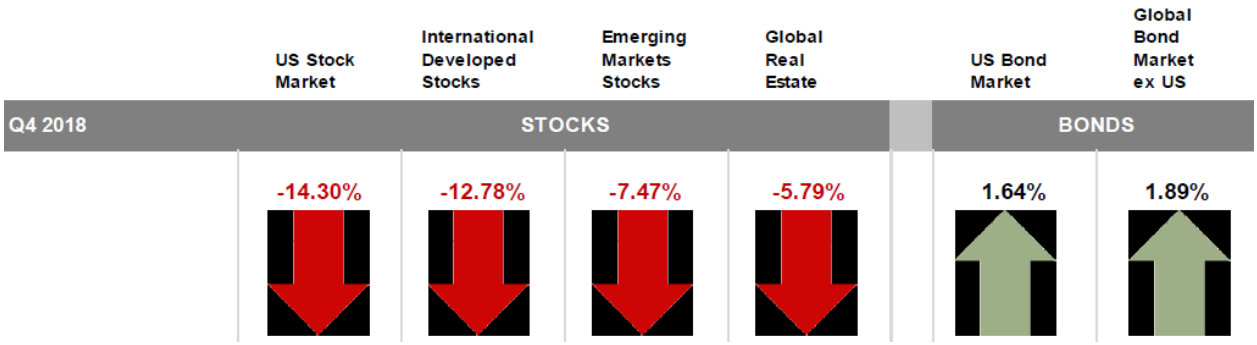
Market Commentary: January 2019

The world and global stock markets in particular, are enormously fascinating to me. In the last year, they have only gotten more so. Understandably, fascinating might not be the first word that comes to your mind as you review your portfolio's performance for 2018. A short review of some data might help you to understand my interest.

A paradox always makes things more interesting and last year's stock market provided one. The stock market declined while the underlying economy strengthened. Retailers had the strongest holiday season in six years. The unemployment rate is the lowest in fifty years. Inflation is under control and global economies are growing albeit more slowly. However, while consumers were spending and businesses were hiring, investors were selling. December was the worst month for the Dow Jones Industrial Average (DJIA) since 1931. For the year, stocks turned in the worst performance since 2008.

Another curious layer of our current investing environment is the speed and volume of trading. All forms of computer-based trading, including algorithmic high frequency trading and robo-advisor platforms, are exchanging capital in milliseconds. This means events occurring in any market across the planet are almost simultaneously realized in stock markets. Combine this with the ubiquitous use of digital devices (smart phones), emails, alerts, and texts to update and check one's investments and it is surprising that we have not seen more volatility, especially in light of the perplexing geopolitical concerns we face and how they influence investors. Like it or not, we will have to get used to swings like the one last month; the worst stock market performance ever on a Christmas Eve was followed by the DJIA's biggest daily point gain ever on the next trading day, Dec 26! Nevertheless, we also have much to celebrate. Before I elaborate on why we should celebrate, let's look at the figures below.



The arrows above (also found on page 2 of the Quarterly Market Review) reveal that stock investors across the board saw prices go lower during the quarter. Only bonds returned a profit. For the year, the results were the same, both U.S., International, and Emerging

Market equities lost ground while fixed income gained slightly. Emerging Market stocks started their decline in the spring and showed signs of stabilizing in December ahead of U.S. stocks. While the long-term outlook is always positive, the near-term forecast is also good. Vanguard's analyst team expects stocks overall will yield 5-7% with international stocks outperforming U.S. by about 3% over the next decade. The forecast for bonds remains about 2-4%.

On the surface, 2018's returns are not pleasant. Upon digging deeper, a decline like this is not only interesting from an investment standpoint, but also is expected and should be embraced. Illustrating how returns like this are normal, during the last seventy years (1948-2018), the Dow fell at least 15 percent about once every three years and lasted on average 275 days. It also fell at least 20 percent about once every six years and lasted an average of 425 days. Historically we may understand that negative returns are expected and normal, but why should we embrace them? This is where we find the reason to celebrate.

The logic is simple: If you are a net buyer of stocks in the future, you benefit when stocks swoon. When Warren Buffet first understood this basic fact, he described it this way, "Immediately the scales fell from my eyes, and low prices became my friend." Before this however, he was like most investors who celebrated when stock prices advanced. He likens that thinking to a commuter who rejoices after the price of gas increases, simply because his tank contains a day's supply. Would you celebrate if gas went up by 10%? Of course not! Because you know you will be buying more soon. *Each of you, as a Grove Street Fiduciary client, is a buyer of stocks for at least the next five years; therefore, you are helped by lower stock prices today.* This fact is critical in understanding your investment strategy, let alone settling your nerves. How are you a buyer? Through regular savings contributions, rebalancing of excess fixed income (bonds and cash), or even simply reinvesting dividends and capital gains, you are purchasing stocks on sale.

We treasure and celebrate your trust - thank you! May you enjoy a wonderful 2019.

"Investment is most intelligent when it is most businesslike." – Benjamin Graham

Happy New Year,

Carl Amos Johnson, MBA, CFP®, AIF®
January 14, 2019

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Q4

Quarterly Market Review

Fourth Quarter 2018

Quarterly Market Summary

Index Returns

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	US Stock Market	International Developed Stocks	Emerging Markets Stocks	Global Real Estate	US Bond Market	Global Bond Market ex US
Q4 2018	**STOCKS**				**BONDS**	
	-14.30%	-12.78%	-7.47%	-5.79%	1.64%	1.89%
Since Jan. 2001						
Avg. Quarterly Return	1.8%	1.3%	2.8%	2.4%	1.1%	1.1%
Best Quarter	16.8%	25.9%	34.7%	32.3%	4.6%	4.6%
	2009 Q2	**2009 Q2**	**2009 Q2**	**2009 Q3**	**2001 Q3**	**2008 Q4**
Worst Quarter	-22.8%	-21.2%	-27.6%	-36.1%	-3.0%	-2.7%
	2008 Q4	**2008 Q4**	**2008 Q4**	**2008 Q4**	**2016 Q4**	**2015 Q2**

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Long-Term Market Summary

Index Returns

	US Stock Market	International Developed Stocks	Emerging Markets Stocks	Global Real Estate	US Bond Market	Global Bond Market ex US
1 Year	STOCKS				BONDS	
	-5.24%	-14.09%	-14.58%	-5.90%	0.01%	3.17%
5 Years						
	7.91%	0.34%	1.65%	5.28%	2.52%	4.11%
10 Years						
	13.18%	6.24%	8.02%	10.05%	3.48%	3.98%

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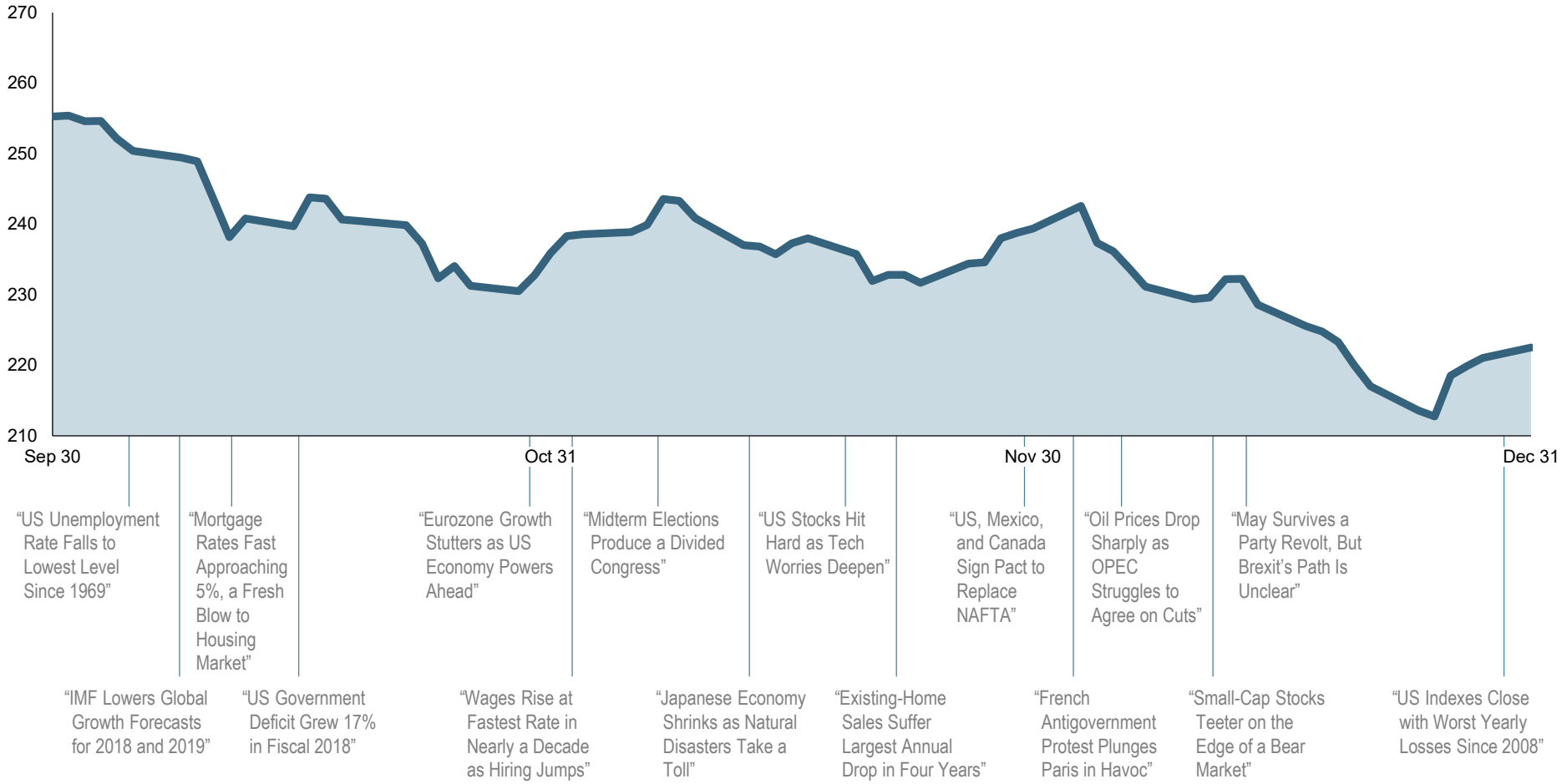
World Stock Market Performance

MSCI All Country World Index with selected headlines from Q4 2018

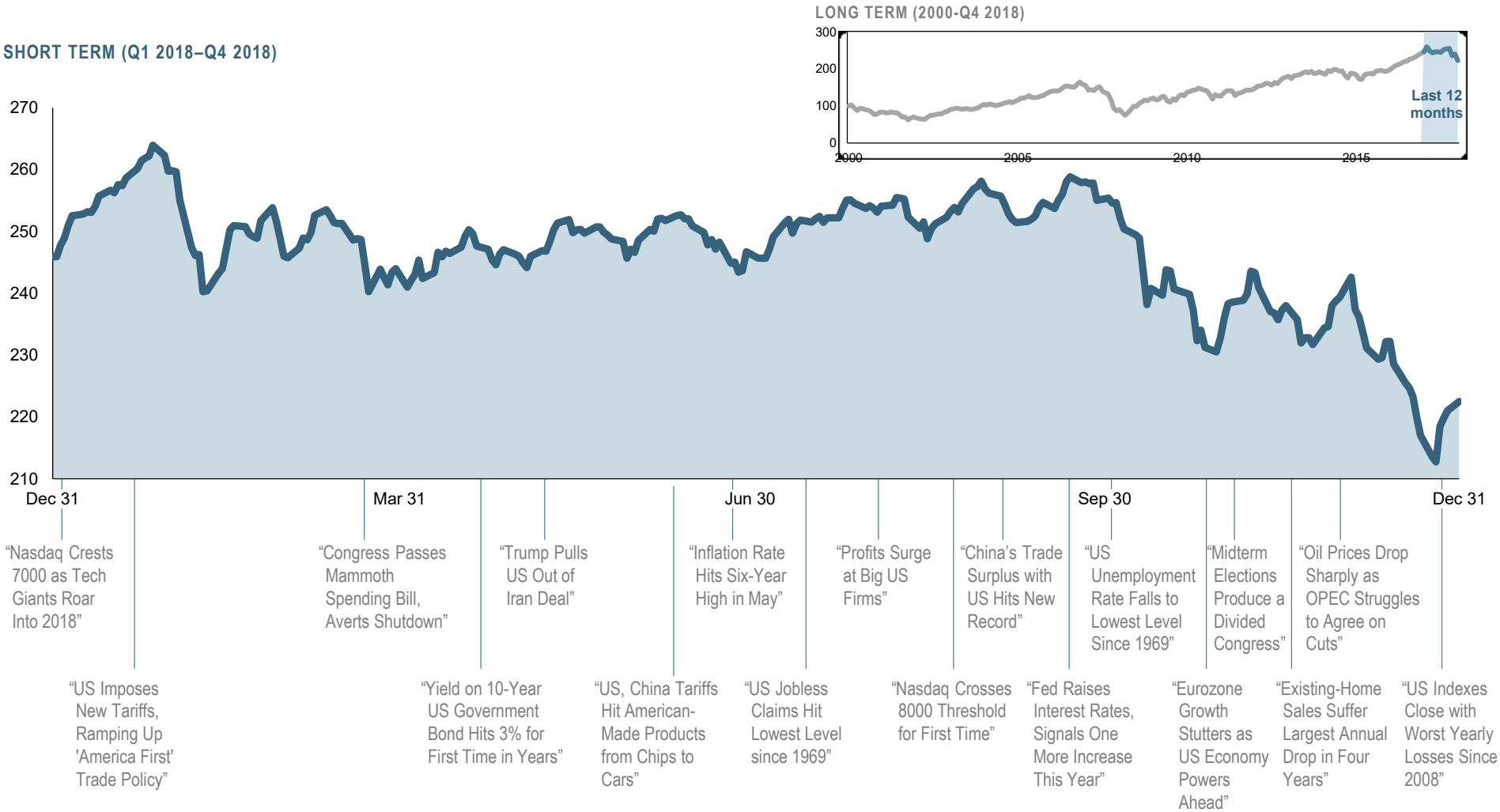


These headlines are not offered to explain market returns. Instead, they serve as a reminder that investors should view daily events from a long-term perspective and avoid making investment decisions based solely on the news.

Graph Source: MSCI ACWI Index [net div.]. MSCI data © MSCI 2019, all rights reserved.
It is not possible to invest directly in an index. Performance does not reflect the expenses associated with management of an actual portfolio. Past performance is not a guarantee of future results.

World Stock Market Performance

MSCI All Country World Index with selected headlines from past 12 months



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Graph Source: MSCI ACWI Index [net div.]. MSCI data © MSCI 2019, all rights reserved.
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US Stocks

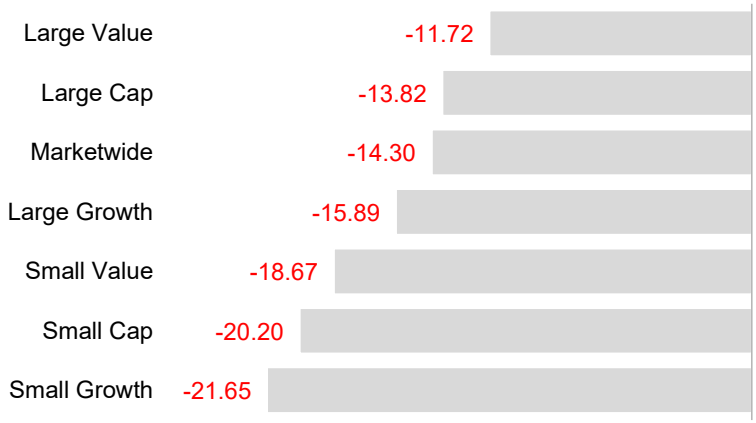
Fourth Quarter 2018 Index Returns

US equities underperformed both non-US developed and emerging markets.

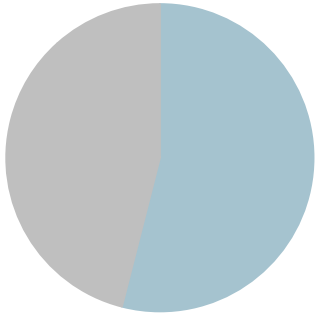
Value outperformed growth in the US across large and small cap stocks.

Small caps underperformed large caps in the US.

Ranked Returns for the Quarter (%)



World Market Capitalization—US



54%

US Market
$25.1 trillion

Period Returns (%)

** Annualized*

Asset Class	1 Year	3 Years*	5 Years*	10 Years*
Large Growth	-1.51	11.15	10.40	15.29
Large Cap	-4.78	9.09	8.21	13.28
Marketwide	-5.24	8.97	7.91	13.18
Large Value	-8.27	6.95	5.95	11.18
Small Growth	-9.31	7.24	5.13	13.52
Small Cap	-11.01	7.36	4.41	11.97
Small Value	-12.86	7.37	3.61	10.40

Past performance is not a guarantee of future results. Indices are not available for direct investment. Index performance does not reflect the expenses associated with the management of an actual portfolio. Market segment (index representation) as follows: Marketwide (Russell 3000 Index), Large Cap (Russell 1000 Index), Large Cap Value (Russell 1000 Value Index), Large Cap Growth (Russell 1000 Growth Index), Small Cap (Russell 2000 Index), Small Cap Value (Russell 2000 Value Index), and Small Cap Growth (Russell 2000 Growth Index). World Market Cap represented by Russell 3000 Index, MSCI World ex USA IMI Index, and MSCI Emerging Markets IMI Index. Russell 3000 Index is used as the proxy for the US market. Frank Russell Company is the source and owner of the trademarks, service marks, and copyrights related to the Russell Indexes. MSCI data © MSCI 2019, all rights reserved.

International Developed Stocks

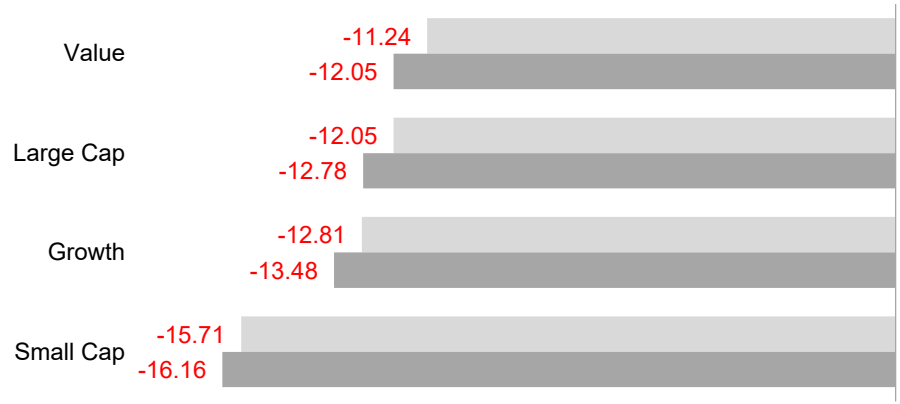
Fourth Quarter 2018 Index Returns

In US dollar terms, developed markets outside the US outperformed the US equity market but underperformed emerging markets during the quarter.

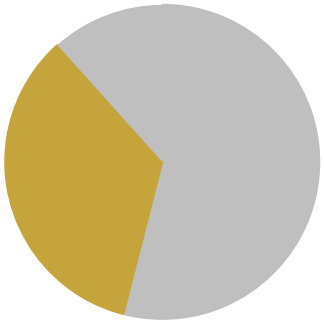
Value outperformed growth across large and small cap stocks.

Small caps underperformed large caps in non-US developed markets.

Ranked Returns for the Quarter (%)



World Market Capitalization—International Developed



Period Returns (%)

** Annualized*

Asset Class	1 Year	3 Years*	5 Years*	10 Years*
Growth	-13.14	2.84	1.36	6.74
Large Cap	-14.09	3.11	0.34	6.24
Value	-15.06	3.36	-0.73	5.69
Small Cap	-18.07	3.85	2.25	10.06

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Emerging Markets Stocks

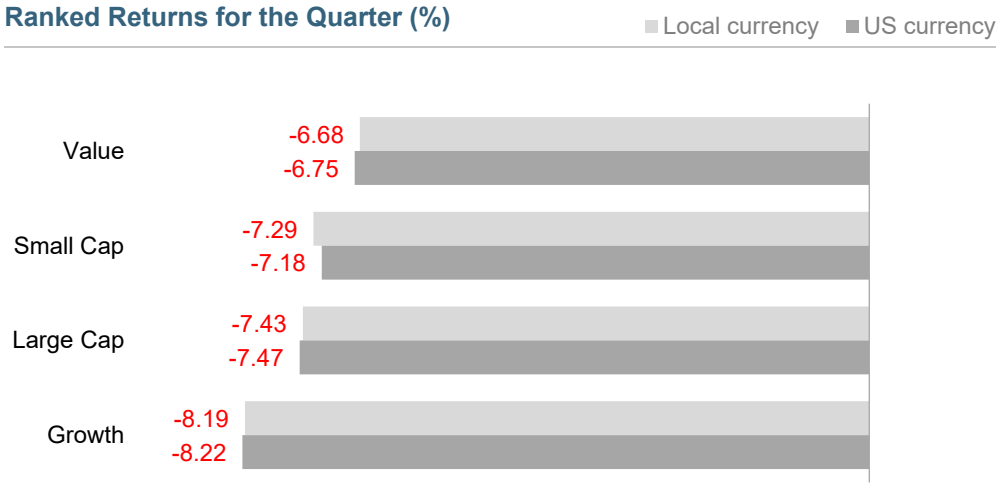
Fourth Quarter 2018 Index Returns

In US dollar terms, emerging markets outperformed developed markets, including the US.

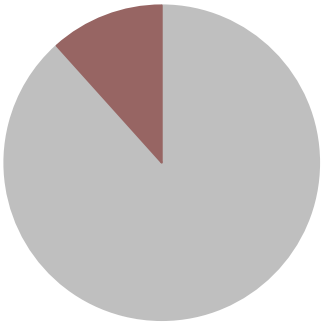
Value outperformed growth across large and small cap stocks.

Small caps outperformed large caps.

Ranked Returns for the Quarter (%)



World Market Capitalization—Emerging Markets



12%

Emerging Markets
$5.4 trillion

Period Returns (%)

** Annualized*

Asset Class	1 Year	3 Years*	5 Years*	10 Years*
Value	-10.74	9.52	0.51	6.99
Large Cap	-14.58	9.25	1.65	8.02
Growth	-18.26	8.89	2.67	8.97
Small Cap	-18.59	3.68	0.95	9.87

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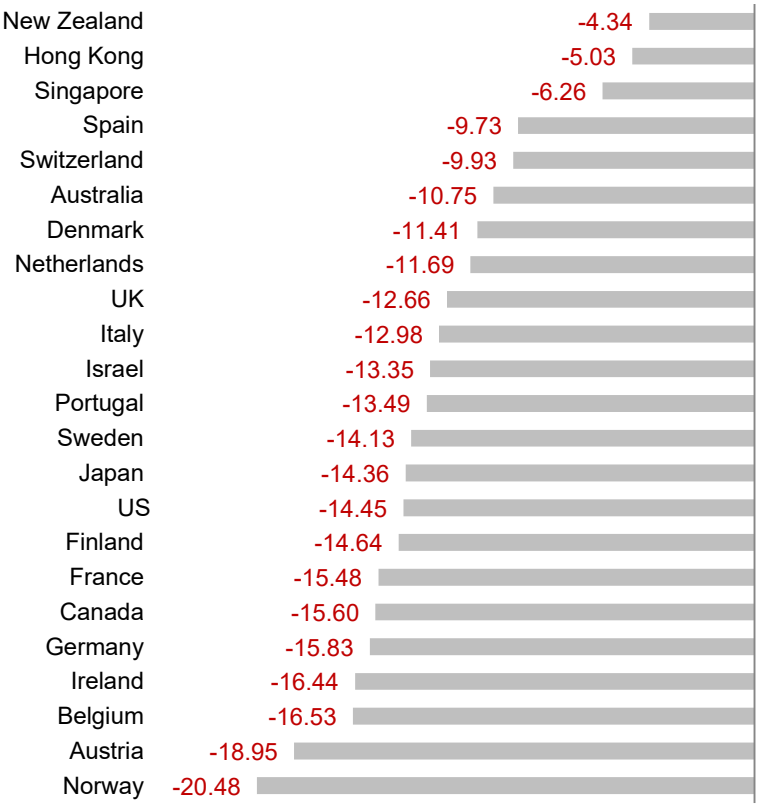
Select Country Performance

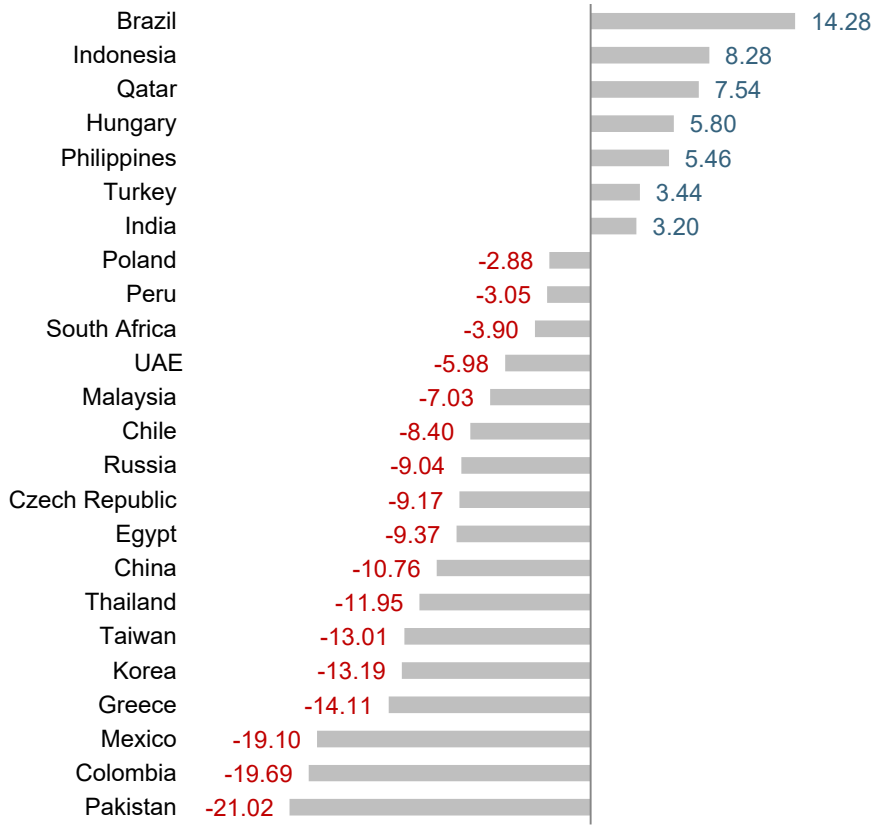
Fourth Quarter 2018 Index Returns

In US dollar terms, New Zealand and Hong Kong recorded the highest country performance in developed markets, while Austria and Norway posted the lowest returns for the quarter. In emerging markets, Brazil and Indonesia recorded the highest country performance, while Columbia and Pakistan posted the lowest performance.

Ranked Developed Markets Returns (%)



Ranked Emerging Markets Returns (%)



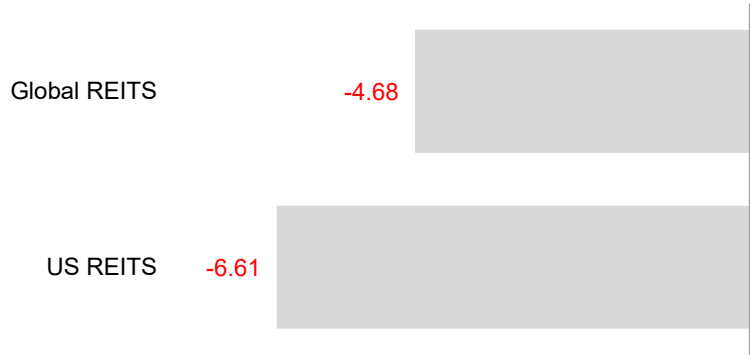
Past performance is not a guarantee of future results. Indices are not available for direct investment. Index performance does not reflect the expenses associated with the management of an actual portfolio. Country performance based on respective indices in the MSCI World ex US IMI Index (for developed markets), MSCI USA IMI Index (for US), and MSCI Emerging Markets IMI Index. All returns in USD and net of withholding tax on dividends. MSCI data © MSCI 2019, all rights reserved. UAE and Qatar have been reclassified as emerging markets by MSCI, effective May 2014.

Real Estate Investment Trusts (REITs)

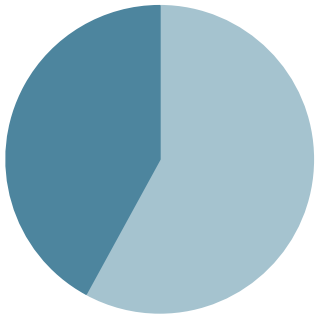
Fourth Quarter 2018 Index Returns

Non-US real estate investment trusts outperformed US REITs in US dollar terms.

Ranked Returns for the Quarter (%)



Total Value of REIT Stocks



Period Returns (%)

** Annualized*

Asset Class	1 Year	3 Years*	5 Years*	10 Years*
US REITS	-4.22	1.97	7.89	12.05
Global REITS	-7.42	3.35	3.39	8.94

Past performance is not a guarantee of future results. Indices are not available for direct investment. Index performance does not reflect the expenses associated with the management of an actual portfolio. Number of REIT stocks and total value based on the two indices. All index returns are net of withholding tax on dividends. Total value of REIT stocks represented by Dow Jones US Select REIT Index and the S&P Global ex US REIT Index. Dow Jones US Select REIT Index used as proxy for the US market, and S&P Global ex US REIT Index used as proxy for the World ex US market. Dow Jones and S&P data © 2019 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved.

Commodities

Fourth Quarter 2018 Index Returns

The Bloomberg Commodity Index Total Return declined 9.41% during the fourth quarter of 2018, bringing the total annual return to –11.25%.

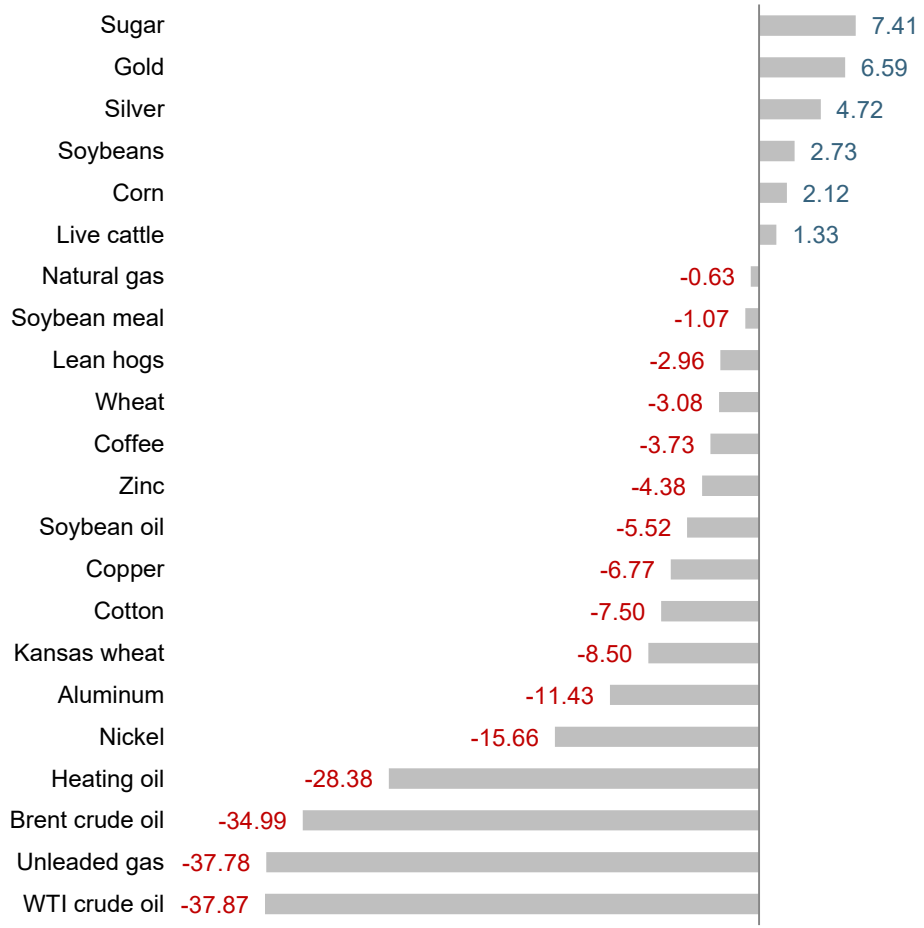
Sugar led quarterly performance with a gain of 7.41%. Energy was the worst-performing complex, with WTI crude oil and unleaded gas declining by 37.87% and 37.78%, respectively.

Period Returns (%)

** Annualized*

Asset Class	QTR	1 Year	3 Years*	5 Years*	10 Years*
Commodities	-9.41	-11.25	0.30	-8.80	-3.78

Ranked Returns for Individual Commodities (%)



Past performance is not a guarantee of future results. Index is not available for direct investment. Index performance does not reflect the expenses associated with the management of an actual portfolio.
Commodities returns represent the return of the Bloomberg Commodity Total Return Index. Individual commodities are sub-index values of the Bloomberg Commodity Total Return Index. Data provided by Bloomberg.

Fixed Income

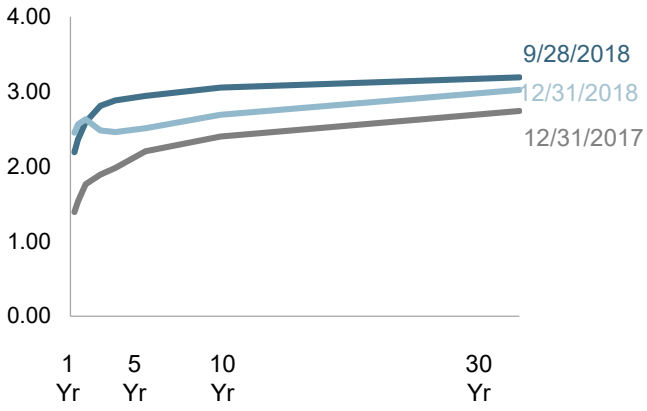
Fourth Quarter 2018 Index Returns

Interest rate changes across the US fixed income market were mixed during the fourth quarter of 2018. The yield on the 5-year Treasury note declined 43 basis points (bps), ending the quarter at 2.51%. The yield on the 10-year Treasury note decreased 36 bps to 2.69%. The 30-year Treasury bond yield decreased 17 bps to finish at 3.02%. For 2018, yields on the 10-year Treasury and 30-year Treasury increased 29 bps and 28 bps, respectively.

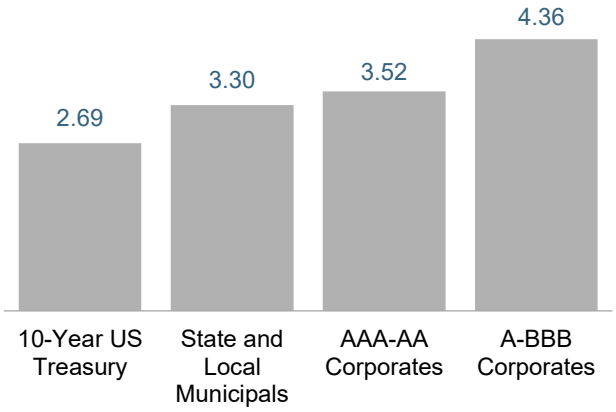
In terms of total returns, short-term corporate bonds increased 0.78% during the quarter. Intermediate-term corporate bonds had a total return of 0.58%.

Total returns for short-term municipal bonds were 1.10% for the quarter. Intermediate-term municipal bonds returned 2.00%.

US Treasury Yield Curve (%)



Bond Yield across Issuers (%)



Period Returns (%)

*Annualized

Asset Class	QTR	1 Year	3 Years*	5 Years*	10 Years*
Bloomberg Barclays US Government Bond Index Long	4.16	-1.79	2.63	5.90	4.15
Bloomberg Barclays Municipal Bond Index	1.69	1.28	2.30	3.82	4.85
Bloomberg Barclays US Aggregate Bond Index	1.64	0.01	2.06	2.52	3.48
FTSE World Government Bond Index 1-5 Years (hedged to USD)	1.53	2.12	1.58	1.53	1.69
FTSE World Government Bond Index 1-5 Years	0.94	-0.76	1.56	-0.82	0.29
ICE BofAML 1-Year US Treasury Note Index	0.78	1.86	1.06	0.70	0.62
ICE BofAML US 3-Month Treasury Bill Index	0.56	1.87	1.02	0.63	0.37
Bloomberg Barclays US TIPS Index	-0.42	-1.26	2.11	1.69	3.64
Bloomberg Barclays US High Yield Corporate Bond Index	-4.53	-2.08	7.23	3.83	11.12

One basis point equals 0.01%. **Past performance is not a guarantee of future results. Indices are not available for direct investment. Index performance does not reflect the expenses associated with the management of an actual portfolio.** Yield curve data from Federal Reserve. State and local bonds are from the S&P National AMT-Free Municipal Bond Index. AAA-AA Corporates represent the Bank of America Merrill Lynch US Corporates, AA-AAA rated. A-BBB Corporates represent the ICE BofAML Corporates, BBB-A rated. Bloomberg Barclays data provided by Bloomberg. US long-term bonds, bills, inflation, and fixed income factor data © Stocks, Bonds, Bills, and Inflation (SBBI) Yearbook™, Ibbotson Associates, Chicago (annually updated work by Roger G. Ibbotson and Rex A. Sinquefield). FTSE fixed income indices © 2019 FTSE Fixed Income LLC, all rights reserved. ICE BofAML index data © 2019 ICE Data Indices, LLC. S&P data © 2019 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved.

Why Should You Diversify?

Fourth Quarter 2018

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As 2019 approaches, and with US stocks outperforming non-US stocks in recent years, some investors have again turned their attention towards the role that global diversification plays in their portfolios.

For the five-year period ending October 31, 2018, the S&P 500 Index had an annualized return of 11.34% while the MSCI World ex USA Index returned 1.86%, and the MSCI Emerging Markets Index returned 0.78%. As US stocks have outperformed international and emerging markets stocks over the last several years, some investors might be reconsidering the benefits of investing outside the US.

While there are many reasons why a US-based investor may prefer a degree of home bias in their equity allocation, using return differences over a relatively short period as the sole input into this decision may result in missing opportunities that the global markets offer. While international and emerging markets stocks have delivered disappointing returns relative to the US over the last few years, it is important to remember that:

- Non-US stocks help provide valuable diversification benefits.
- Recent performance is not a reliable indicator of future returns.

THERE'S A WORLD OF OPPORTUNITY IN EQUITIES

The global equity market is large and represents a world of investment opportunities. As shown in **Exhibit 1**, nearly half of the investment opportunities in global equity markets lie outside the US. Non-US stocks, including developed and emerging markets, account for 48% of world market capitalization[1] and represent thousands of companies in countries all over the world. A portfolio investing solely within the US would not be exposed to the performance of those markets.

Exhibit 1. World Equity Market Capitalization

As of December 31, 2017. Data provided by Bloomberg. Market cap data is free-float adjusted and meets minimum liquidity and listing requirements. China market capitalization excludes A-shares, which are generally only available to mainland China investors. For educational purposes; should not be used as investment advice.

1. The total market value of a company's outstanding shares, computed as price times shares outstanding.

Why Should You Diversify?

(continued from page 14)

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THE LOST DECADE

We can examine the potential opportunity cost associated with failing to diversify globally by reflecting on the period in global markets from 2000–2009. During this period, often called the "lost decade" by US investors, the S&P 500 Index recorded its worst ever 10-year performance with a total cumulative return of –9.1%. However, looking beyond US large cap equities, conditions were more favorable for global equity investors as most equity asset classes outside the US generated positive returns over the course of the decade. **(See Exhibit 2.)** Expanding beyond this period and looking at performance for each of the 11 decades starting in 1900 and ending in 2010, the US market outperformed the world market in five decades and underperformed in the other six.[2] This further reinforces why an investor pursuing the equity premium should consider a global allocation. By holding a globally diversified portfolio, investors are positioned to capture returns wherever they occur.

Exhibit 2. Global Index Returns, January 2000–December 2009

	Total Cumulative Return (%)
S&P 500 Index	–9.10
MSCI World ex USA Index (net div.)	17.47
MSCI World ex USA Value Index (net div.)	48.71
MSCI World ex USA Small Cap Index (net div.)	94.33
MSCI Emerging Markets Index (net div.)	154.28
MSCI Emerging Markets Value Index (net div.)	212.72

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PICK A COUNTRY?

Are there systematic ways to identify which countries will outperform others in advance? **Exhibit 3** illustrates the randomness in country equity market rankings (from highest to lowest) for 22 different developed market countries over the past 20 years. This graphic conveys how difficult it would be to execute a strategy that relies on picking the best country and the resulting importance of diversification.

In addition, concentrating a portfolio in any one country can expose investors to large variations in returns. The difference between the best- and worst-performing countries can be significant. For example, since 1998, the average return of the best-performing developed market country was approximately 44%, while the average return of the worst-performing country was approximately –16%. Diversification means an investor's portfolio is unlikely to be the best or worst performing relative to any individual country, but diversification also provides a means to achieve a more consistent outcome and more importantly helps reduce and manage catastrophic losses that can be associated with investing in just a small number of stocks or a single country.

A DIVERSIFIED APPROACH

Over long periods of time, investors may benefit from consistent exposure in their portfolios to both US and non-US equities. While both asset classes offer the potential to earn positive expected returns in the long run, they may perform quite differently over short periods. While the performance of different countries and asset classes will vary over time, there is no reliable evidence that this performance can be predicted in advance. An approach to equity investing that uses the global opportunity set available to investors can provide diversification benefits as well as potentially higher expected returns.

2. Source: Annual country index return data from the Dimson-Marsh-Staunton (DMS) Global Returns Data, provided by Morningstar, Inc.

Why Should You Diversify?

(continued from page 15)

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Exhibit 3. Equity Returns of Developed Markets

RETURNS																		
Finland 121.6	Finland 152.6	Switzerland 5.9	New Zealand 8.4	New Zealand 24.2	Sweden 64.5	Austria 71.5	Canada 28.3	Spain 49.4	Finland 48.7	Japan −29.2	Norway 87.1	Sweden 33.8	Ireland 13.7	Belgium 39.6	Finland 46.0	USA 12.7	Denmark 23.4	Canada 24.6	Austria 58.3
Belgium 67.7	Singapore 99.4	Canada 5.3	Australia 1.7	Austria 16.5	Germany 63.8	Norway 53.3	Japan 25.5	Portugal 47.4	Hong Kong 41.2	Switzerland −30.5	Australia 76.4	Denmark 30.7	New Zealand 5.5	Denmark 31.3	Ireland 41.2	New Zealand 7.3	Ireland 16.5	New Zealand 18.4	Hong Kong 36.2
Italy 52.5	Sweden 79.7	Denmark 3.4	Ireland −2.8	Australia −1.3	Spain 58.5	Belgium 43.5	Austria 24.6	Ireland 46.8	Germany 35.2	USA −37.6	Singapore 74.0	Hong Kong 23.2	USA 1.4	Singapore 31.0	USA 31.8	Denmark 6.2	Belgium 12.1	Norway 13.3	Singapore 35.6
Spain 49.9	Japan 61.5	Norway −0.9	Austria −5.6	Norway −7.3	Austria 57.0	Ireland 43.1	Denmark 24.5	Singapore 46.7	Norway 31.4	Spain −40.6	Sweden 64.2	Singapore 22.1	UK −2.6	Germany 30.9	Germany 31.4	Hong Kong 5.1	Japan 9.6	Australia 11.4	Denmark 34.7
France 41.5	Hong Kong 59.5	Italy −1.3	Belgium −10.9	Italy −7.3	New Zealand 55.4	Sweden 36.3	Norway 24.3	Norway 45.1	Canada 29.6	France −43.3	Hong Kong 60.2	Canada 20.5	Switzerland −6.8	New Zealand 29.3	Spain 31.3	Belgium 4.1	Austria 3.5	Austria 11.3	Netherlands 32.2
Ireland 35.3	Canada 53.7	Netherlands −4.1	Spain −11.4	Japan −10.3	Canada 54.6	New Zealand 35.2	Finland 16.7	Sweden 43.4	Singapore 28.4	Canada −45.5	Belgium 57.5	Japan 15.4	Norway −10.0	Hong Kong 28.3	Netherlands 31.3	Singapore 3.0	Italy 2.3	USA 10.9	France 28.7
USA 30.1	Norway 31.7	France −4.3	Norway −12.2	Switzerland −10.3	Australia 49.5	Italy 32.5	Switzerland 16.3	Denmark 38.8	Australia 28.3	Germany −45.9	Canada 56.2	USA 14.8	Belgium −10.6	Austria 25.9	Belgium 27.6	Ireland 2.3	Finland 2.0	France 4.9	Italy 28.4
Germany 29.4	France 29.3	Australia −10.0	USA −12.4	Singapore −11.0	Denmark 49.3	Denmark 30.8	Australia 16.0	Belgium 36.7	Denmark 25.6	Singapore −47.4	New Zealand 50.4	Australia 14.5	Australia −11.0	Australia 22.1	Japan 27.2	Canada 1.5	Netherlands 1.3	Netherlands 4.8	Norway 28.3
Portugal 27.5	USA 21.9	Portugal −10.3	UK −14.0	Canada −13.2	Norway 48.1	Australia 30.3	Singapore 14.4	Austria 36.5	Portugal 24.0	Denmark −47.6	Spain 43.5	Switzerland 11.8	Netherlands −12.1	Sweden 22.0	Switzerland 26.6	Switzerland −0.1	Portugal 0.9	Portugal 3.6	Germany 27.7
Switzerland 23.5	Germany 20.0	UK −11.5	Denmark −14.8	Portugal −13.8	Ireland 43.8	Spain 28.9	Netherlands 13.9	Germany 36.0	Spain 24.0	Netherlands −48.2	UK 43.3	Norway 10.9	Spain −12.3	France 21.3	France 26.3	Finland −0.7	USA 0.7	Germany 2.8	Spain 27.0
Netherlands 23.2	Australia 17.6	Austria −12.0	Hong Kong −18.6	Belgium −15.0	Portugal 43.0	Hong Kong 25.0	Sweden 10.3	France 34.5	Netherlands 20.6	UK −48.3	Austria 43.2	Finland 10.3	Canada −12.7	Netherlands 20.6	Denmark 25.2	Australia −3.4	Switzerland 0.4	Japan 2.4	Japan 24.0
UK 17.8	New Zealand 12.9	Ireland −12.7	Canada −20.4	UK −15.2	France 40.2	Portugal 24.7	Germany 9.9	Italy 32.5	France 13.2	Sweden −49.9	Netherlands 42.3	Austria 9.9	Japan −14.3	Switzerland 20.4	Sweden 24.5	Netherlands −3.5	France −0.1	Hong Kong 2.3	Portugal 23.8
Sweden 14.0	UK 12.5	USA −12.8	Switzerland −21.4	Spain −15.3	Hong Kong 38.1	Singapore 22.3	France 9.9	Netherlands 31.4	New Zealand 8.9	Italy −50.0	Portugal 40.4	UK 8.8	Sweden −16.0	Norway 18.7	UK 20.7	Japan −4.0	Hong Kong −0.5	Singapore 1.4	Switzerland 22.5
Denmark 9.0	Denmark 12.1	Finland −14.2	Portugal −22.0	Denmark −16.0	Italy 37.8	Canada 22.2	Belgium 9.0	Australia 30.9	UK 8.4	Australia −50.7	Denmark 36.6	Germany 8.4	Denmark −16.0	USA 15.3	Italy 20.4	Spain −4.7	Germany −1.9	Sweden 0.6	Finland 22.5
Australia 6.1	Netherlands 6.9	Hong Kong −14.7	Netherlands −22.1	Hong Kong −17.8	Singapore 37.6	UK 19.6	Hong Kong 8.4	UK 30.6	Italy 6.1	Hong Kong −51.2	France 31.8	New Zealand 8.3	Hong Kong −16.0	UK 15.3	Austria 13.4	UK −5.4	Sweden −5.0	UK −0.1	UK 22.3
Japan 5.1	Spain 4.8	Germany −15.6	France −22.4	Netherlands −20.8	Japan 35.9	France 18.5	UK 7.4	Hong Kong 30.4	USA 5.4	Portugal −52.2	Italy 26.6	Netherlands 1.7	France −16.9	Finland 14.6	New Zealand 11.3	Sweden −7.5	New Zealand −6.3	Spain −1.0	USA 21.2
Austria 0.4	Italy −0.3	Spain −15.9	Germany −22.4	France −21.2	Belgium 35.3	Germany 16.2	USA 5.1	Finland 29.9	Switzerland 5.3	New Zealand −53.8	USA 26.3	Belgium −0.4	Singapore −17.9	Italy 12.5	Hong Kong 11.1	Italy −9.5	UK −7.6	Finland −4.7	Sweden 20.6
Hong Kong −2.9	Switzerland −7.0	Belgium −16.8	Singapore −23.4	USA −23.1	Switzerland 34.1	Japan 15.9	Spain 4.4	Switzerland 27.4	Austria 2.2	Finland −55.2	Switzerland 25.3	France −4.1	Germany −18.1	Canada 9.1	Portugal 11.0	France −9.9	Australia −10.0	Switzerland −4.9	Australia 19.9
Canada −6.1	Portugal −8.9	Sweden −21.3	Italy −26.6	Ireland −26.2	UK 32.1	Switzerland 15.0	Italy 1.9	Canada 17.8	Sweden 0.6	Norway −64.2	Germany 25.2	Portugal −11.3	Portugal −23.1	Japan 8.2	Norway 9.4	Germany −10.4	Norway −15.0	Ireland −7.1	Belgium 18.6
Singapore −12.9	Austria −9.1	Singapore −27.7	Sweden −27.2	Finland −30.3	USA 28.4	Netherlands 12.2	New Zealand 1.7	New Zealand 16.6	Belgium −2.7	Belgium −66.5	Ireland 12.3	Italy −15.0	Italy −23.2	Ireland 5.7	Canada 5.6	Norway −22.0	Spain −15.6	Belgium −7.6	Ireland 18.1
New Zealand −22.6	Ireland −12.6	Japan −28.2	Japan −29.4	Sweden −30.5	Netherlands 28.1	USA 10.1	Portugal −1.9	USA 14.7	Japan −4.2	Austria −68.4	Finland 11.1	Ireland −18.1	Finland −31.9	Portugal 3.5	Australia 4.2	Austria −29.8	Singapore −17.7	Italy −10.5	Canada 16.1
Norway −30.1	Belgium −14.3	New Zealand −33.5	Finland −38.2	Germany −33.2	Finland 19.4	Finland 6.1	Ireland −2.3	Japan 6.2	Ireland −20.1	Ireland −71.9	Japan 6.3	Spain −22.0	Austria −36.4	Spain 3.0	Singapore 1.7	Portugal −38.2	Canada −24.2	Denmark −15.8	New Zealand 11.7

Source: MSCI country indices (net dividends) for each country listed. Does not include Israel, which MSCI classified as an emerging market prior to May 2010. MSCI data © MSCI 2019, all rights reserved. Past performance is no guarantee of future results. Indices are not available for direct investment; therefore, their performance does not reflect the expenses associated with the management of an actual portfolio.

Source: Dimensional Fund Advisors LP.

Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio. Past performance is not a guarantee of future results. Diversification does not eliminate the risk of market loss.

There is no guarantee investment strategies will be successful. Investing involves risks, including possible loss of principal. Investors should talk to their financial advisor prior to making any investment decision.

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