

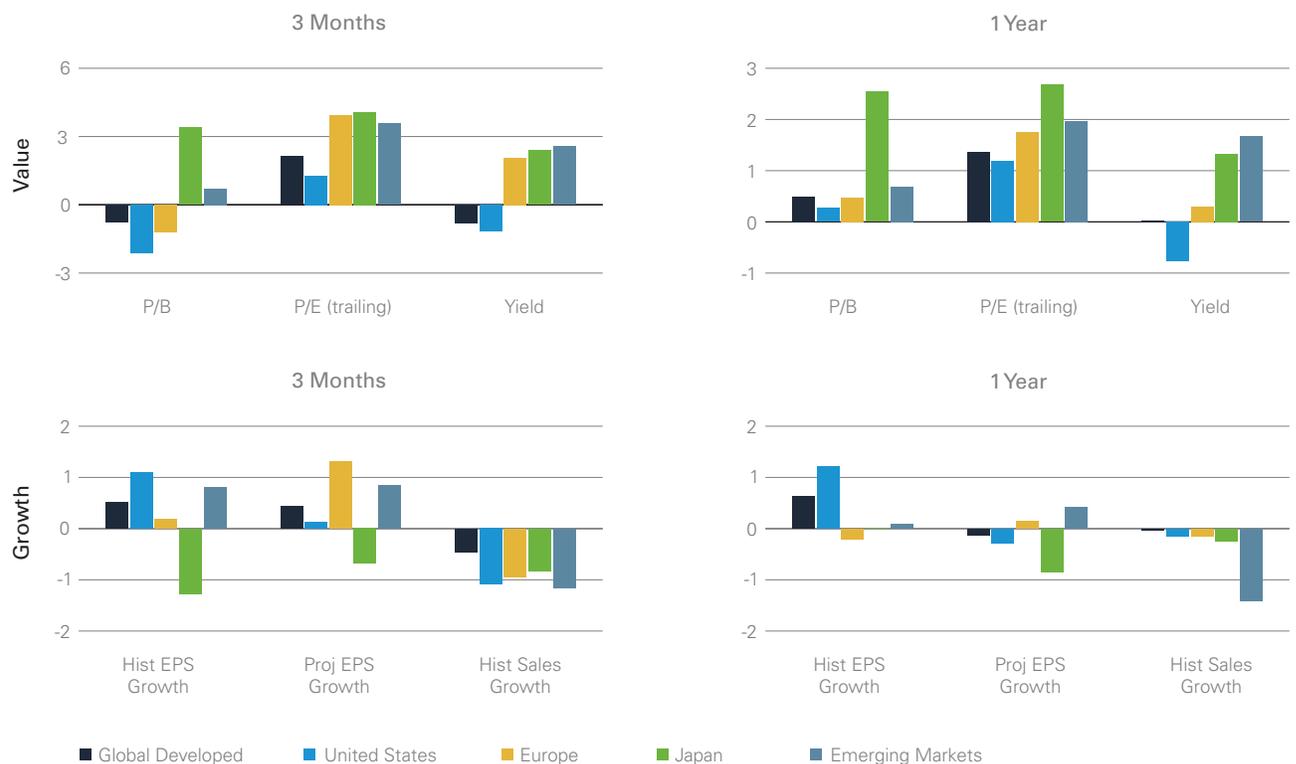
Global equity markets<sup>1</sup> enjoyed their fifth-consecutive month of gains, returning 3.1% in March. The first quarter returned 7.7%, marking the best quarterly start to the year since 2019.

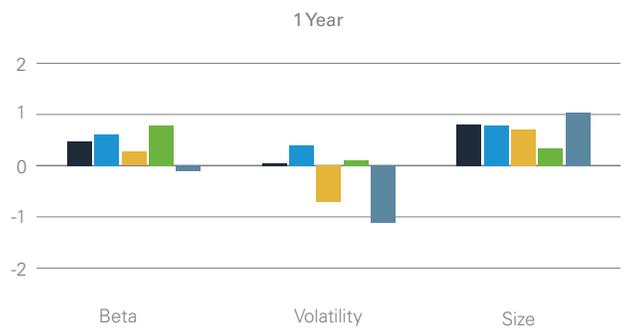
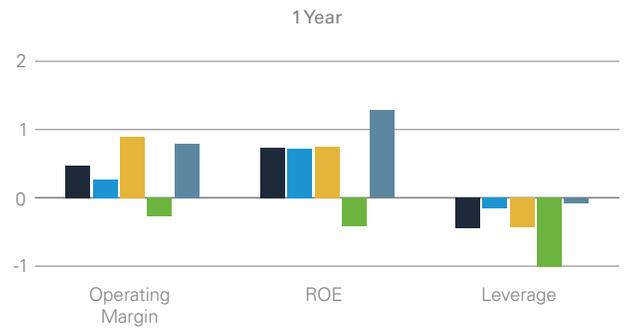
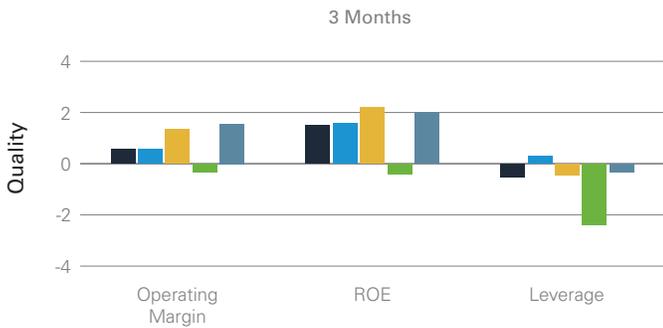
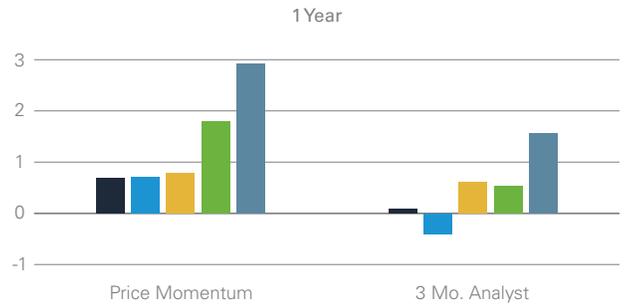
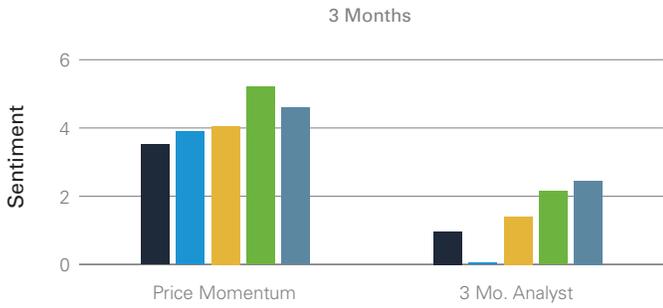
The markets managed to shrug off signs of escalating inflation, taking comfort in Federal Reserve Chairman Jerome Powell's more dovish tone. Both the European Central Bank and the Fed have adopted a data-driven approach to cutting interest rates with the Fed still forecasting three rate cuts by year-end. Commodity prices, including gold and oil, rose sharply in March. Global interest rates, with several exceptions including the United Kingdom, remained largely unchanged for the month.

Investors continued to bid up US equity prices, helped by expectations of continued growth in corporate profits and strong gains in productivity. While US market leaders began to expand beyond the magnificent seven in March, NVIDIA's 82% return in the first quarter accounted for more than 24% of the S&P 500's first-quarter return. Europe proved to have the strongest returns in March as Spain, Italy, and the United Kingdom outpaced the broader regional market averages. The UK market, selling at a valuation discount of nearly 50% to the United States, rallied as takeover speculation and a high dividend yield attracted investors. Asian markets continued to lag as China posted a negative return in the first quarter as trade wars persisted and the Chinese consumer remained largely dormant. South Korea and Taiwan led Asian markets, benefitting from high technology concentrations. The March rally was broad based with every sector posting a positive return for the month led by energy and materials stocks. The consumer discretionary and staples sectors lagged.

The divergence in regional factor performance was much less pronounced in March. Risk measures were mixed with higher beta stocks outperforming, particularly in Europe, whereas more volatile stocks were not in favor. Large cap stocks outperformed, largely driven by the United States and emerging markets. Value measures were favored in the month across every region, whereas growth indicators underperformed. Sentiment measures were mixed except in Japan, where they worked well. Quality measures outperformed in the United States and emerging markets but lagged elsewhere.

## Factor Returns<sup>2</sup> (%)





■ Global Developed    ■ United States    ■ Europe    ■ Japan    ■ Emerging Markets

		1 Month	3 Months	1 Year	5 Years
Global Market Returns (%) <sup>3</sup>	Global	3.11	7.73	22.82	10.86
	Large Cap	3.02	8.27	23.94	11.31
	Small Cap	3.70	4.48	16.15	7.98
	Emerging Markets	1.31	1.88	9.78	3.35
	United States	3.22	10.56	29.88	15.05

## Global Developed Factor Returns (%)<sup>2</sup>

		1 Month	3 Months	1 Year	5 Years
Value	P/B	2.85	-0.78	0.49	0.35
	P/E (trailing)	2.56	2.14	1.36	0.75
	Yield	1.37	-0.82	0.09	0.22
Growth	Hist. EPS Growth	-2.00	0.51	0.64	0.31
	Proj. EPS Growth	-1.69	0.44	-0.13	0.09
	Hist. Sales Growth	-0.61	-0.46	-0.03	0.18
Sentiment	Price Momentum	-0.03	3.51	0.68	0.41
	3 Mo. Analyst Up/down	-0.01	0.97	0.09	0.38
Quality	Operating Margin	0.50	0.58	0.47	0.10
	ROE	0.64	1.49	0.74	0.62
	Leverage	-2.23	-0.53	-0.44	-0.35
Risk	Beta	1.11	-0.31	0.47	0.85
	Volatility	-0.89	-0.52	0.05	0.19
	Size	1.76	1.98	0.81	0.42

## US Factor Returns (%)<sup>2</sup>

		1 Month	3 Months	1 Year	5 Years
Value	P/B	3.76	-2.11	0.27	0.32
	P/E (trailing)	5.34	1.27	1.19	0.78
	Yield	3.52	-1.14	-0.22	0.11
Growth	Hist. EPS Growth	-1.50	1.10	1.22	0.51
	Proj. EPS Growth	-2.15	0.13	-0.29	-0.14
	Hist. Sales Growth	-2.33	-1.09	-0.14	-0.15
Sentiment	Price Momentum	0.91	3.90	0.70	0.53
	3 Mo. Analyst Up/down	-0.14	0.05	-0.40	0.18
Quality	Operating Margin	4.05	0.56	0.27	0.04
	ROE	3.52	1.58	0.72	0.77
	Leverage	-3.07	0.28	-0.15	-0.50
Risk	Beta	0.21	-1.28	0.61	1.04
	Volatility	-4.46	-1.41	0.40	0.12
	Size	2.62	2.42	0.79	0.38

## Europe Markets Factor Returns (%)<sup>2</sup>

		1 Month	3 Months	1 Year	5 Years
Value	P/B	3.86	-1.21	0.48	0.45
	P/E (trailing)	2.68	3.95	1.76	0.86
	Yield	2.36	2.07	0.97	0.42
Growth	Hist. EPS Growth	-1.95	0.18	-0.21	0.20
	Proj. EPS Growth	-2.20	1.32	0.14	-0.04
	Hist. Sales Growth	-0.96	-0.95	-0.15	0.20
Sentiment	Price Momentum	-0.38	4.06	0.78	0.56
	3 Mo. Analyst Up/down	1.36	1.40	0.61	0.53
Quality	Operating Margin	-1.13	1.33	0.89	0.34
	ROE	-1.27	2.20	0.75	0.63
	Leverage	-1.98	-0.45	-0.43	-0.16
Risk	Beta	0.86	-1.07	0.27	0.55
	Volatility	-1.23	-2.69	-0.70	-0.41
	Size	1.38	2.33	0.71	0.21

As of 31 March 2024

Source: Lazard, I/B/E/S, Standard & Poor's, WorldScope

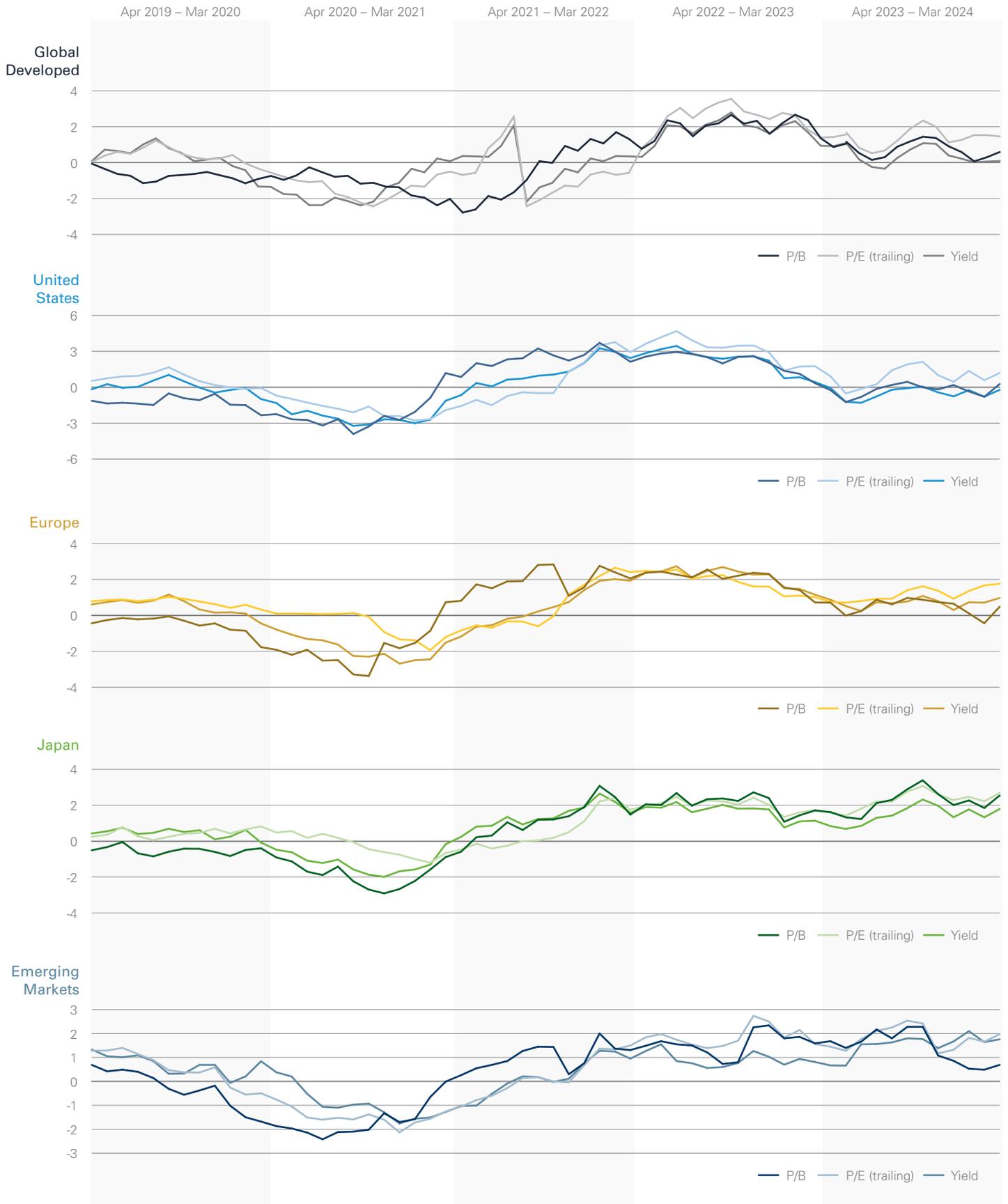
## Japan Factor Returns (%)<sup>2</sup>

		1 Month	3 Months	1 Year	5 Years
Value	P/B	5.70	3.39	2.54	0.89
	P/E (trailing)	5.20	4.07	2.68	1.26
	Yield	3.27	2.38	1.79	0.85
Growth	Hist. EPS Growth	-2.03	-1.28	0.01	0.41
	Proj. EPS Growth	0.57	-0.68	-0.84	0.19
	Hist. Sales Growth	-1.75	-0.82	-0.25	0.35
Sentiment	Price Momentum	1.73	5.20	1.80	-0.12
	3 Mo. Analyst Up/down	1.41	2.14	0.53	0.28
Quality	Operating Margin	-1.07	-0.34	-0.27	0.10
	ROE	-2.41	-0.40	-0.41	0.01
	Leverage	-3.67	-2.38	-1.01	-0.38
Risk	Beta	0.11	2.82	0.78	0.77
	Volatility	-1.85	2.05	0.10	0.36
	Size	1.80	1.18	0.34	0.08

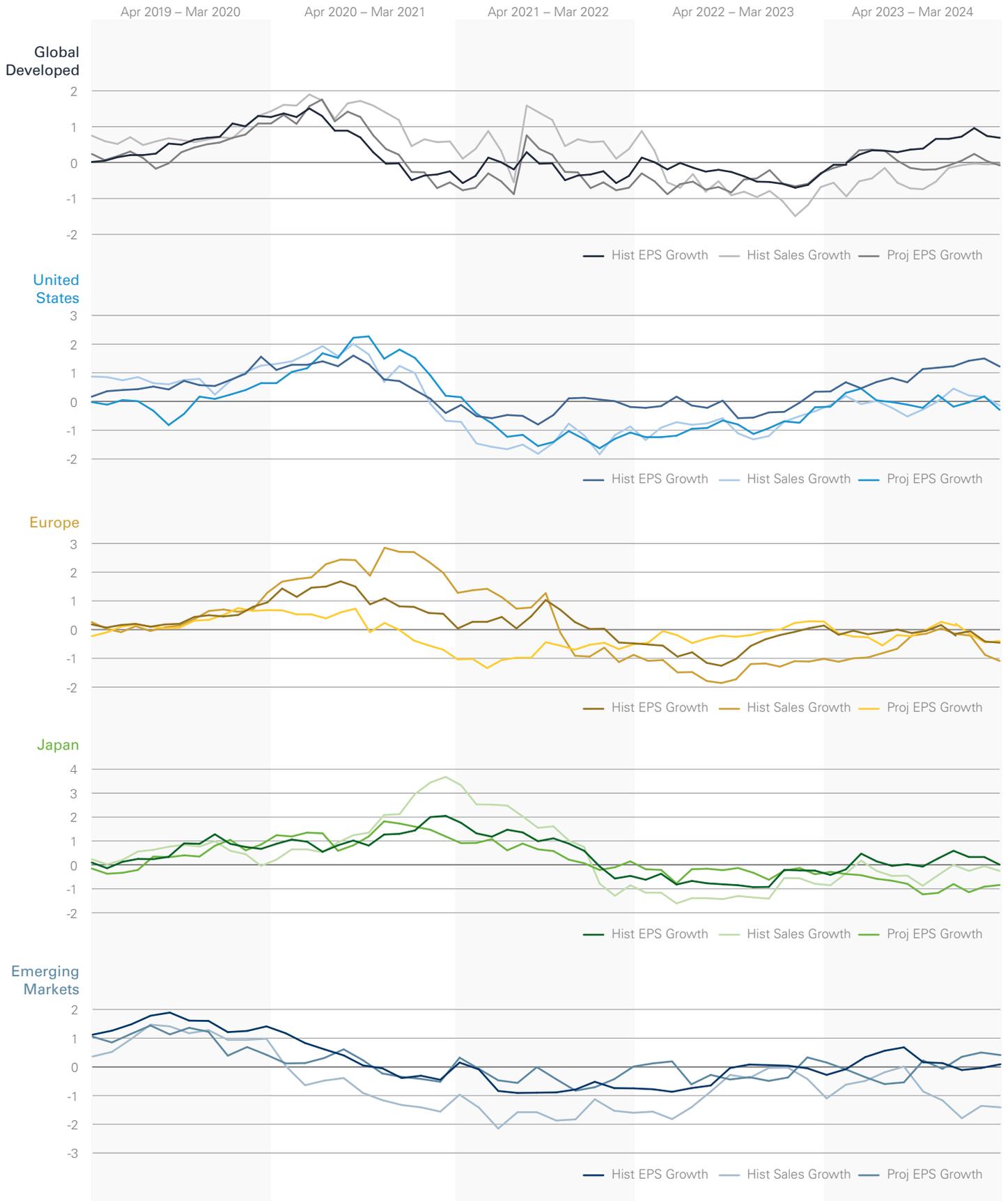
## Emerging Markets Factor Returns (%)<sup>2</sup>

		1 Month	3 Months	1 Year	5 Years
Value	P/B	3.07	0.70	0.69	0.38
	P/E (trailing)	3.18	3.56	1.97	0.65
	Yield	4.43	2.56	1.76	0.61
Growth	Hist. EPS Growth	0.22	0.80	0.09	0.21
	Proj. EPS Growth	-0.64	0.84	0.41	0.21
	Hist. Sales Growth	-2.33	-1.16	-1.41	-0.61
Sentiment	Price Momentum	-0.70	4.60	2.92	1.43
	3 Mo. Analyst Up/down	0.76	2.45	1.57	1.11
Quality	Operating Margin	0.68	1.56	0.79	-0.14
	ROE	0.57	2.01	1.28	0.32
	Leverage	-0.51	-0.33	-0.08	-0.04
Risk	Beta	-0.11	0.06	-0.10	0.43
	Volatility	-3.80	-0.73	-1.12	-0.31
	Size	2.91	1.05	1.04	-0.03

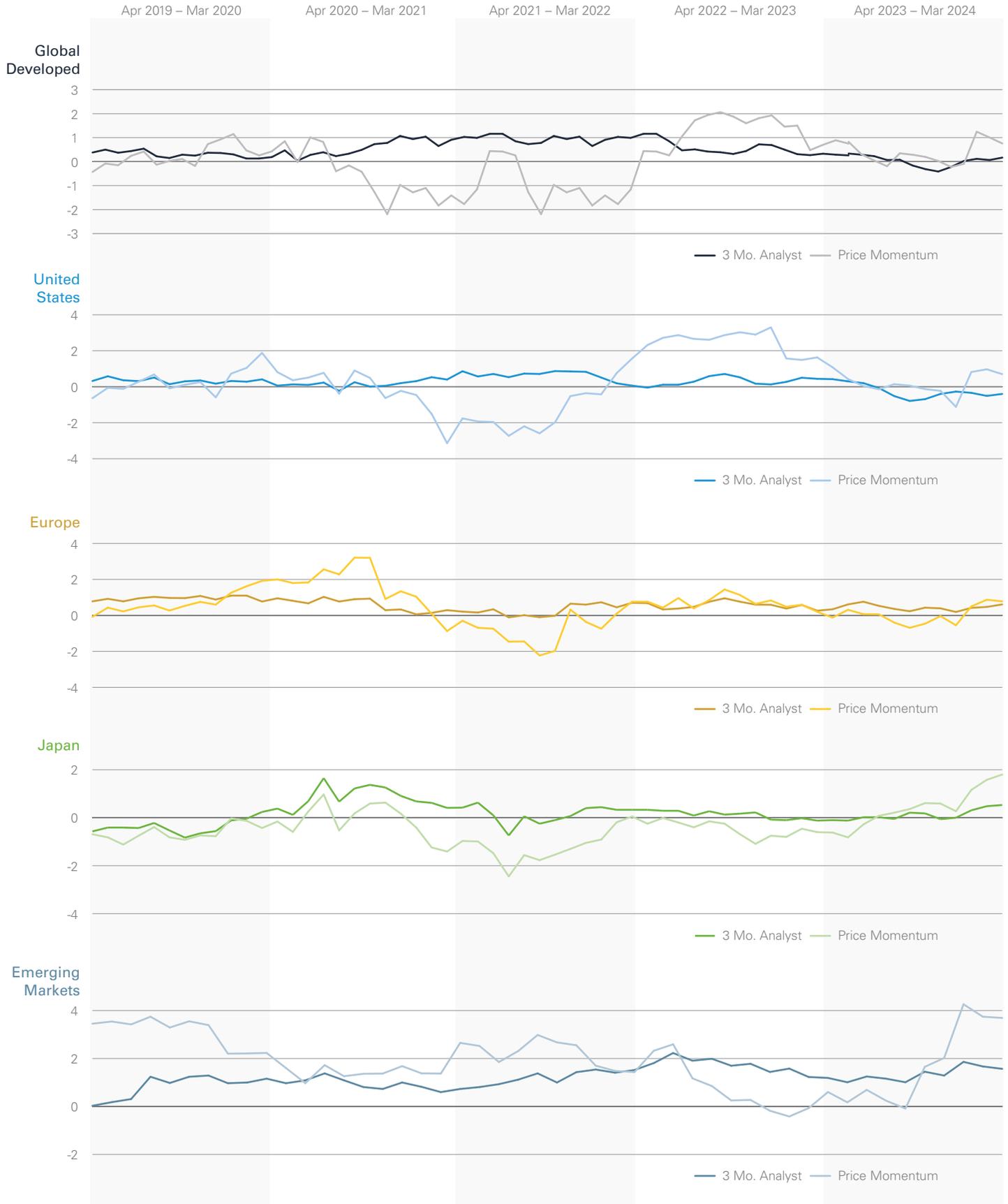
### 12 Month Moving Averages<sup>2</sup> – Value (%)



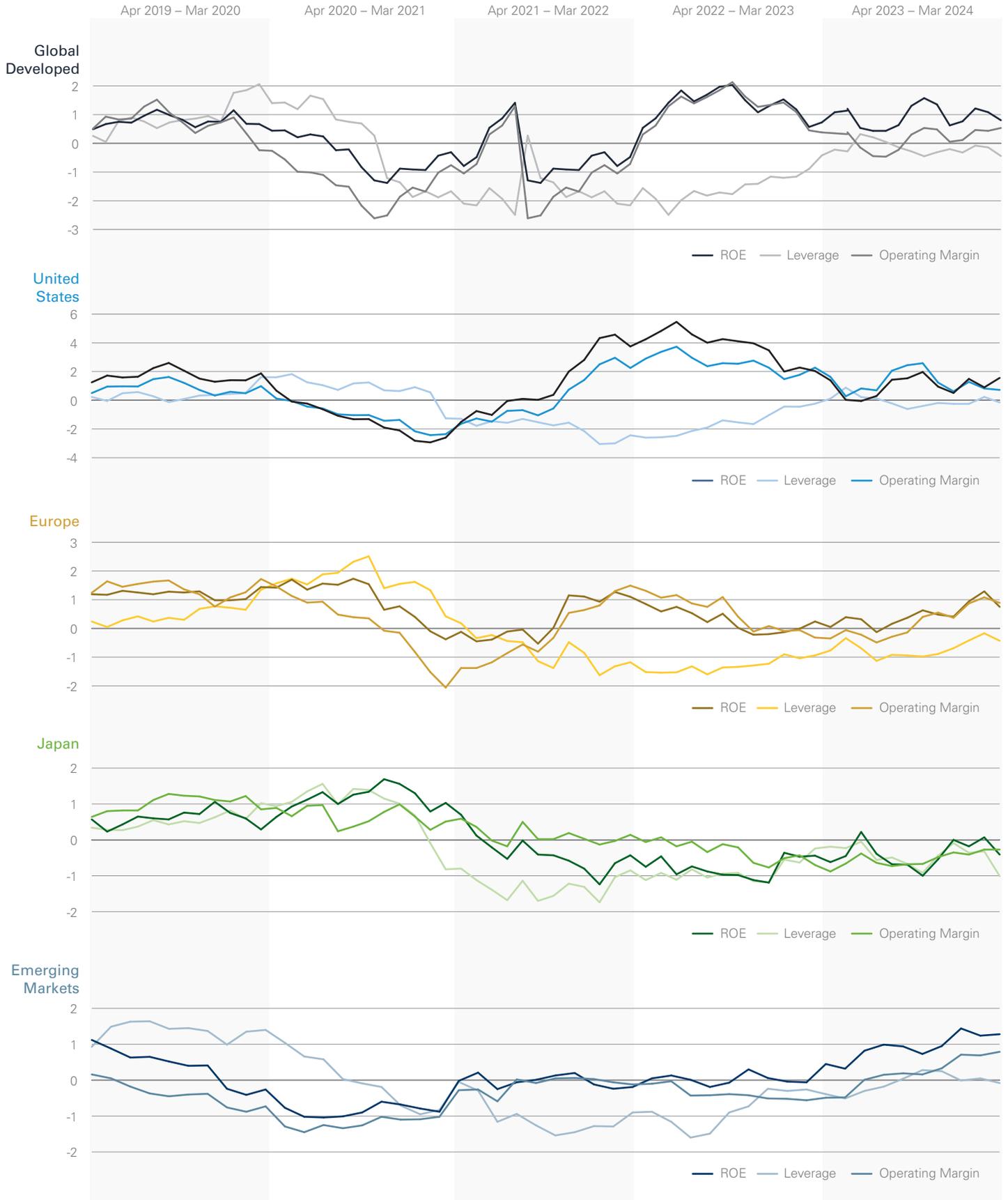
### 12 Month Moving Averages<sup>2</sup> – Growth (%)



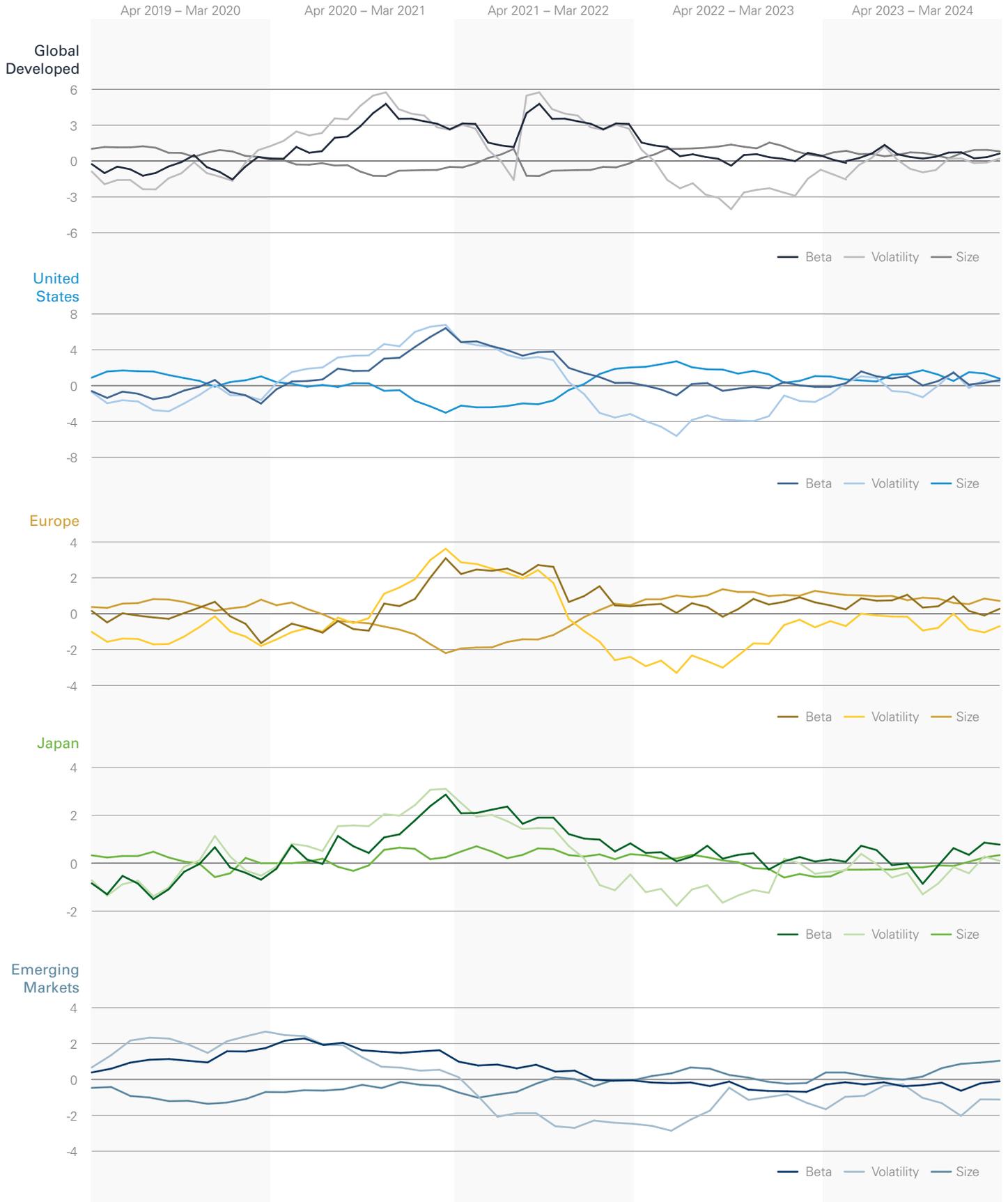
### 12 Month Moving Averages<sup>2</sup> – Sentiment (%)



### 12 Month Moving Averages<sup>2</sup> – Quality (%)



### 12 Month Moving Averages<sup>2</sup> – Risk (%)



## Notes

- 1 S&P Global BMI in USD
- 2 Factor performance is based on a universe of developed market and emerging market stocks with a market capitalization of \$200M or greater (approximately 6,000 companies). Global factor returns reflect the return differential, computed monthly, for an equal weighted composite of stocks ranked in the top and bottom 20% (quintile) for each measure shown. For example, each month the aggregate return for stocks ranking in the bottom 20% in terms of operating margins is subtracted from the aggregate return for stocks ranking in the top 20%. The difference is the return displayed. The monthly differences are averaged for longer time periods.

The calculation for P/B, P/E and leverage reflect the performance difference between the lowest quintile less the highest quintile. For all other measures, the difference reflects the difference between the highest quintile less the lowest quintile. P/B is calculated as current market price divided by book value. P/E is calculated as current market price divided 1 year trailing earnings. Yield is calculated as most recent dividend by current market price. Historic EPS Growth is calculated as a 5 year trailing earnings per share growth. Projected EPS growth is calculated as I/B/E/S analyst forecasted 3–5 year growth in earnings per share. Historic Sales Growth is calculated on a 5 year trailing growth in sales revenue. Price momentum is calculated as the 12 month change in USD price. 3 MO Analyst Up/Down is calculated as the change in the average EPS estimate over the past three months. Operating margin is calculated as net operating income divided by total revenue. ROE is calculated as the net income divided by shareholder's equity. Leverage is calculated as outstanding debt divided by shareholder's equity. Beta is calculated against local market indices for periods up to 36 months. Volatility is calculated on a trailing 270 day average of USD based price returns. Size is market capitalization as calculated according to MSCI. All data As of 31 March 2024. Source: Lazard, I/B/E/S, Standard & Poor's, WorldScope.

- 3 Market return data is as of 31 March 2024 and is based on the following indices: Global – S&P Global BMI; Large Cap – S&P Global LargeMidCap; Small Cap – S&P Global SmallCap; Emerging Markets – S&P Emerging BMI; US – S&P 500.

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Published on 1 April 2024.

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