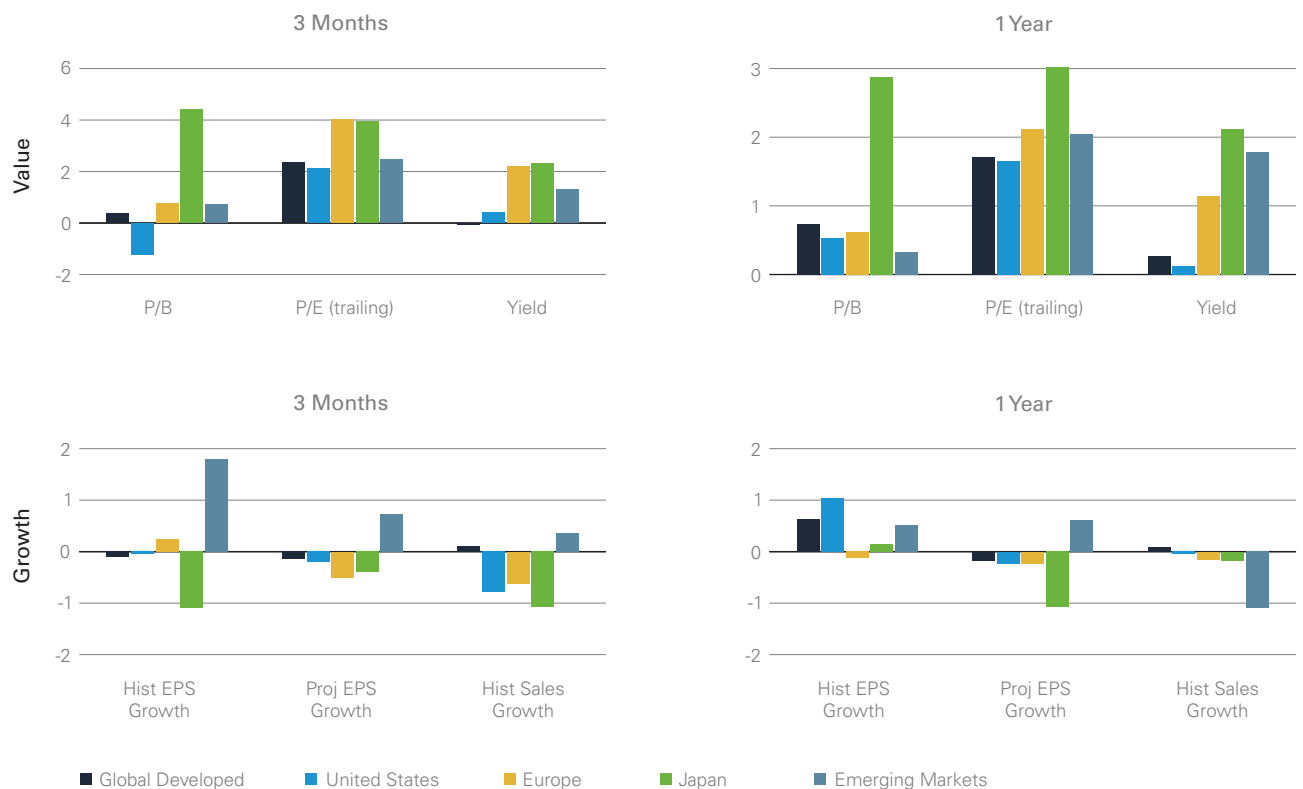


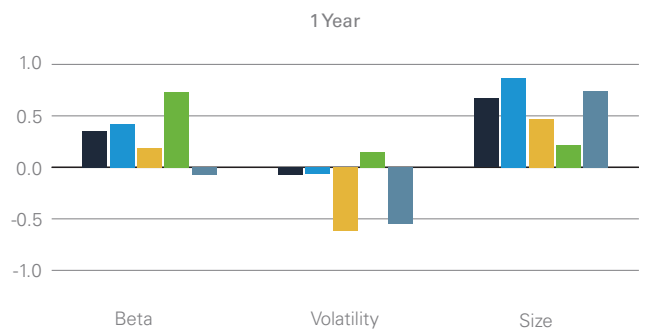
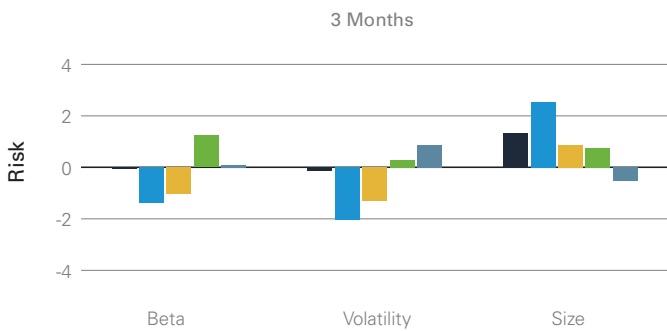
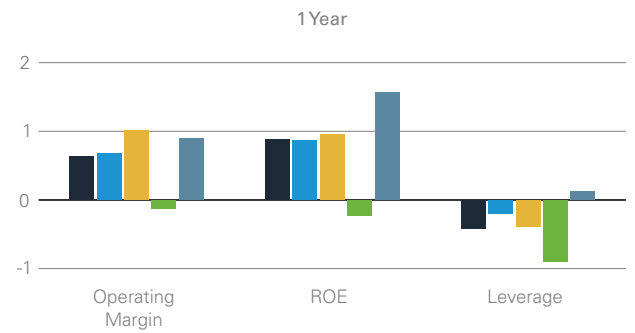
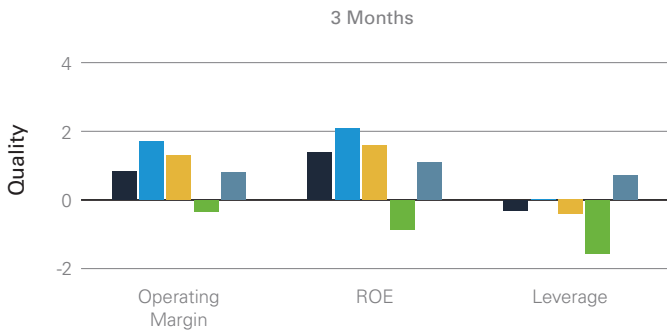
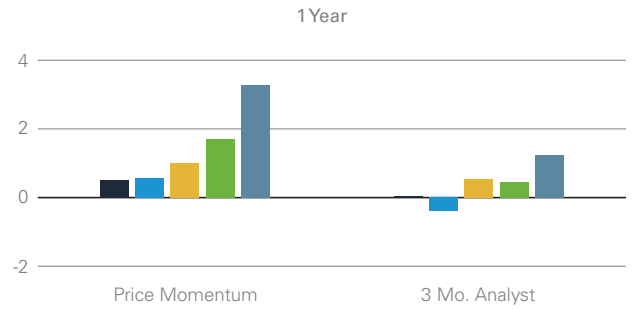
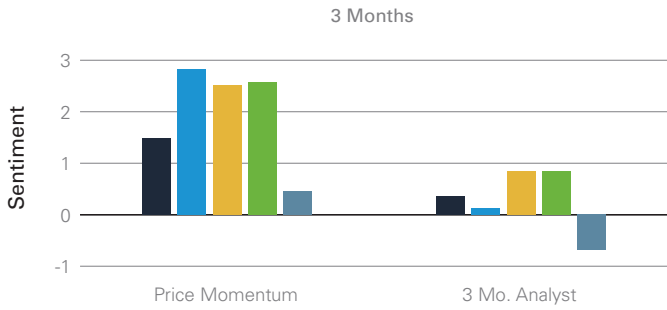
Global equity markets<sup>1</sup> broke their string of monthly gains, posting a loss of 3.3% in April, but the markets remained more than 20% above October 2023 lows.

The market turn was largely a function of disappointing US inflation numbers as April marked the third-straight month of higher-than-expected core CPI inflation. Market optimism over a Fed rate cut in the first half of 2024 was pretty well dashed and the investor outlook turned decidedly hawkish. The US economy delivered mixed signals with strong growth in nonfarm payrolls and retail sales. First-quarter GDP was lighter than expected while corporate earnings, thus far, have been a positive with actual results beating expectations at a rate above historic norms. Europe, by contrast, reported inflation figures that were at or below expectations, notably in the United Kingdom, which raised hope for an interest rate cut later in the year. Asia markets were the strongest as China rebounded from its dismal start to the year, rising 6% in April. Economic conditions, while still challenged, appear to be bottoming and valuations appear compelling. The yen hit a 34-year low as the Bank of Japan elected to keep its zero-interest rate policy as it faced a set of weak economic figures. Oil prices dipped in April as the combination of large US inventories and optimism over a resolution in the Gaza conflict placed downward pressure. Gold prices rose in the month, up 3% after spiking in the middle of the month. Utility and energy stocks led for the quarter. Real estate and information technology stocks lagged. The US dollar continued to gain strength against the world's currencies.

Factor performance reflected the shift in investor risk appetite as lower beta stocks outperformed across the globe in April. Large cap stocks outperformed in the United States but lagged outside the US. Defensive value and quality measures (low price-to-earnings ratio) outperformed broadly in April. Value measures continued to show power globally, fully recovering from a long period of weakness ending in late 2021. Quality measures in Japan were the notable exception. Growth factors underperformed in developed markets but added value in emerging markets.

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





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

		1 Month	3 Months	1 Year	5 Years
<b>Global Market Returns (%)<sup>3</sup></b>	Global	-3.27	4.00	17.29	9.39
	Large Cap	-3.07	4.23	18.31	9.89
	Small Cap	-4.40	2.67	11.29	6.39
	Emerging Markets	1.83	7.47	12.36	3.28
	United States	-4.08	4.29	22.66	13.19

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

		1 Month	3 Months	1 Year	5 Years
Value	P/B	4.09	0.38	0.74	0.42
	P/E (trailing)	5.50	2.35	1.71	0.82
	Yield	4.80	-0.06	0.27	0.30
Growth	Hist. EPS Growth	-0.90	-0.10	0.64	0.27
	Proj. EPS Growth	-1.61	-0.14	-0.17	0.04
	Hist. Sales Growth	-1.10	0.10	0.09	0.15
Sentiment	Price Momentum	-0.43	1.49	0.51	0.45
	3 Mo. Analyst Up/Down	0.18	0.35	0.05	0.38
Quality	Operating Margin	3.19	0.83	0.64	0.14
	ROE	2.83	1.38	0.88	0.63
	Leverage	-0.97	-0.32	-0.42	-0.34
Risk	Beta	-3.62	-0.04	0.35	0.75
	Volatility	-5.46	-0.12	-0.07	0.09
	Size	0.91	1.34	0.67	0.43

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

		1 Month	3 Months	1 Year	5 Years
Value	P/B	0.02	-1.21	0.53	0.29
	P/E (trailing)	5.68	2.13	1.65	0.79
	Yield	4.69	0.41	0.12	0.19
Growth	Hist. EPS Growth	-1.64	-0.05	1.04	0.43
	Proj. EPS Growth	-0.21	-0.20	-0.23	-0.17
	Hist. Sales Growth	-0.90	-0.79	-0.04	-0.18
Sentiment	Price Momentum	2.25	2.83	0.58	0.61
	3 Mo. Analyst Up/Down	0.14	0.13	-0.39	0.18
Quality	Operating Margin	5.15	1.71	0.68	0.06
	ROE	4.43	2.08	0.87	0.78
	Leverage	-1.81	0.01	-0.20	-0.48
Risk	Beta	-5.53	-1.38	0.42	0.94
	Volatility	-8.05	-2.04	-0.06	0.03
	Size	4.87	2.53	0.87	0.43

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

		1 Month	3 Months	1 Year	5 Years
Value	P/B	4.08	0.75	0.62	0.52
	P/E (trailing)	3.61	4.01	2.12	0.92
	Yield	3.51	2.21	1.15	0.48
Growth	Hist. EPS Growth	-0.51	0.24	-0.12	0.17
	Proj. EPS Growth	-3.39	-0.50	-0.23	-0.14
	Hist. Sales Growth	-1.04	-0.62	-0.15	0.18
Sentiment	Price Momentum	0.80	2.51	1.01	0.67
	3 Mo. Analyst Up/Down	0.14	0.85	0.55	0.54
Quality	Operating Margin	1.71	1.30	1.01	0.41
	ROE	0.59	1.59	0.96	0.63
	Leverage	-0.15	-0.41	-0.38	-0.18
Risk	Beta	-2.00	-1.03	0.19	0.46
	Volatility	-0.75	-1.29	-0.62	-0.51
	Size	-2.68	0.87	0.47	0.19

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

		1 Month	3 Months	1 Year	5 Years
Value	P/B	7.20	4.40	2.88	1.01
	P/E (trailing)	4.41	3.94	3.02	1.32
	Yield	4.64	2.32	2.12	0.93
Growth	Hist. EPS Growth	-1.06	-1.10	0.15	0.35
	Proj. EPS Growth	-2.91	-0.39	-1.07	0.12
	Hist. Sales Growth	-2.47	-1.08	-0.17	0.28
Sentiment	Price Momentum	-1.58	2.57	1.70	-0.06
	3 Mo. Analyst Up/Down	-1.06	0.85	0.44	0.29
Quality	Operating Margin	-0.88	-0.34	-0.12	0.08
	ROE	-1.95	-0.86	-0.23	-0.05
	Leverage	0.05	-1.57	-0.90	-0.41
Risk	Beta	-3.50	1.24	0.73	0.64
	Volatility	-4.38	0.30	0.15	0.19
	Size	-0.58	0.75	0.22	0.10

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

		1 Month	3 Months	1 Year	5 Years
Value	P/B	-0.65	0.72	0.33	0.38
	P/E (trailing)	3.20	2.48	2.05	0.71
	Yield	1.47	1.32	1.78	0.61
Growth	Hist. EPS Growth	2.90	1.79	0.51	0.28
	Proj. EPS Growth	1.72	0.73	0.62	0.24
	Hist. Sales Growth	-0.67	0.36	-1.10	-0.62
Sentiment	Price Momentum	4.72	0.45	3.27	1.52
	3 Mo. Analyst Up/Down	-2.89	-0.68	1.24	1.05
Quality	Operating Margin	1.37	0.79	0.89	-0.13
	ROE	2.53	1.09	1.57	0.35
	Leverage	0.40	0.70	0.12	-0.04
Risk	Beta	-2.28	0.09	-0.07	0.40
	Volatility	1.34	0.88	-0.55	-0.28
	Size	-2.24	-0.51	0.74	-0.09

## Notes

- 1 S&P Global BMI Index in USD
- 2 Factor performance is based on a universe of developed market and emerging market stocks with a market capitalization of \$200mm or greater (approximately 6,000 companies). 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 IBES 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.
- 3 Market return data is as of 30 April 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

## Important Information

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