Performance Insights

Markets sober up in January from year-end highs

Global stock and bond market performance moderated and diverged in January from the broad-based year-end rally. Long yields in the US, UK and Europe rose from their year-end lows challenging long-duration bond performance, as markets recalibrated expectations for the timing of anticipated policy rate cuts. Rising geopolitical tensions were supportive of the USD and crude oil.

Global asset classes – Growth and rate expectations underpin diverging performance
Regional equity performance diverged in January in a reversal from the broad-based Q4 2023 rally. Long-duration bonds were challenged by rising long yields in the US, UK and Europe. The USD appreciated versus major currencies and crude oil rose with the potential for supply disruption from rising geopolitical tensions. (page 3)

Global equities – Japan and the US fare best
Japanese and US equities outperformed the FTSE All-World and peers in January. Europe, the UK, Emerging and Asia Pacific indices lagged the global benchmark; China was a major laggard. The US and Japan retained the 12M lead. (page 4)

Industry returns – Health care bolsters returns
Health care was top performing on average across regions, followed by technology, financials, discretionary and staples. Materials and real estate lagged the most with rising long yields. (page 5)

Alternative indices – REITs underperform
REITs underperformed their benchmarks in January, as did Core Infrastructure indices, except for Emerging Core. Both FTSE4Good and Environmental Opportunities indices posted mixed results across regions and themes. (page 8)
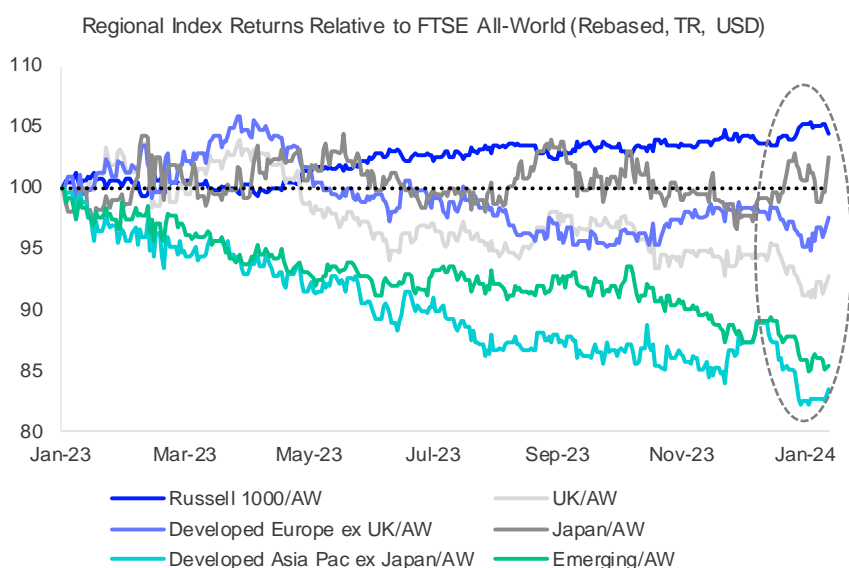
Factor performance – (Small) Size lags, Momentum outperforms
Size lagged and Low Vol outperformed in most regions in January, reflecting a more risk-off sentiment than at year-end. Momentum outperformed, indicating the persistence of trends over 12M. Performance of Value, Quality and Dividend Yield was mixed. (page 9)

Foreign exchange – USD appreciates broadly
The USD gained broadly versus other currencies in January in a reversal from Q4 2023. The pound depreciated modestly versus the USD, as did the euro and yuan. The JPY posted steeper losses versus the USD over the month and the 12M timeframe. (page 10)

Appendix - Asset Class Risk/Returns (1-Year and 5-Year), Correlation, Regional Performance and Country Exposures.

Regional Index Returns Relative to FTSE All-World (Rebased, TR, USD)

Legend:
- Russell 1000/AW
- Developed Europe ex UK/AW
- Developed Asia Pac ex Japan/AW
- UK/AW
- Japan/AW
- Emerging/AW

1.4% Russell 1000 (TR) January 2024	**-3.9%** Russell 2000 (TR) January 2024
5.5% Move in Oil Price January 2024	**11 bps** Move in 10yr US Treasury Yield January 2024
5.6% FTSE US Telecoms (TR) January 2024	**-4.7%** FTSE US Real Estate (TR) January 2024

Source: FTSE Russell and LSEG. Data as of January 31, 2024. Past performance is no guarantee of future results. Please see the end for important legal disclosures.

Market Overview — January 2024

Global asset class performance moderated and diverged in January from the broad-based risk-on rally of the last two months of 2023. Investors recalibrated their expectations for the timing of policy rate changes in major developed markets and increased their focus on the economic growth outlook.

Even as the IMF raised its global growth forecast in January, it highlighted risks, including policy rates staying at historically high levels for too long and new supply-side disruptions. The US was a growth bright spot, recording 3.3% GDP growth in Q4 2023. The Eurozone saw a more modest 0.1%.

While core inflation eased further in December, both the Fed and the ECB cited the need for greater confidence from emerging data that inflation was approaching long-term targets. They held rates in January, as expected, but indicated a potentially longer wait for the first rate cut than markets had previously anticipated, cooling market sentiment.
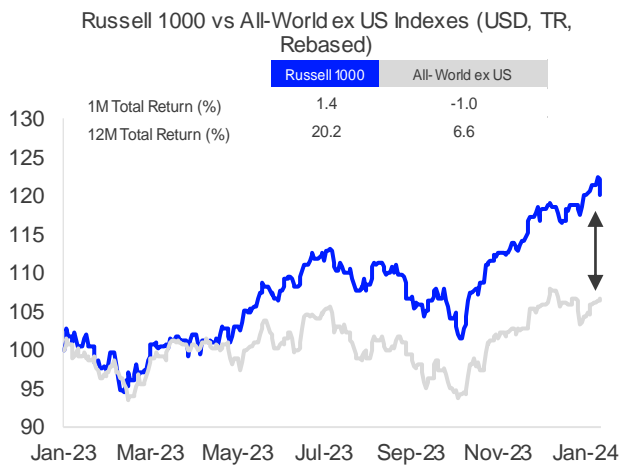
The BoJ, with the opposite task of encouraging sustainable inflation, also maintained its negative policy rate in January, awaiting results of the spring wage negotiations with Japan's labor unions to decide on a possible rate hike, and continued its yield curve control at the long end, buoying equity markets.

China's growth outlook remained a concern despite a string of recent policy measures aimed at boosting domestic credit growth and stabilizing markets, even as the PBoC did not cut the policy rate in January, surprising investors. Investor sentiment toward China took another blow with a Hong Kong court's decision to liquidate property giant China Evergrande.

After steep declines in Q4, 10-year government bond yields in the US, the UK and Germany climbed between 30 and 47 bps during the month before settling between 10 and 25 bps higher by January-end from their year-end lows. The yield rise adversely impacted longer-duration bond performance for the month, reversing some of their gains from Q4 2023.

Geopolitical tensions in the Middle East dragged more countries into the fray, including the US, and disrupted shipping via the Red Sea, putting pressure on supply chains. These concerns may have been supportive of the US dollar, which strengthened broadly in January, and oil, which gained over the month after a sharp retreat during the last two months of 2023.

US large-caps continued their outperformance versus All-World ex US in Jan on the back of stronger growth.

Russell 1000 vs All-World ex US Indexes (USD, TR, Rebased)

	Russell 1000	All- World ex US
1M Total Return (%)	1.4	-1.0
12M Total Return (%)	20.2	6.6

US 10-year yields rose 32 bps in Jan, challenging long-duration bonds, before settling slightly above year-end levels.

US Govt Bond Yields (%)
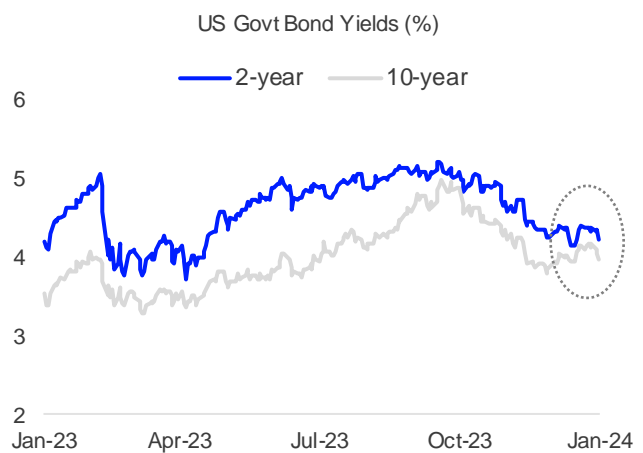
Key Macro Indicators for Select Regions

	GDP (%)		Composite PMI		CPI (%)		CPI Core (%)		Unemployment (%)		Policy Rate (%)		10YR Yield (%)	
	QoQ	Poll			YoY		YoY							
period	23Q4	2024	Jan	Dec	Dec	Nov	Dec	Nov	Dec	Nov	Jan	Chng	Jan	Dec
US	3.3	1.4	52.3	50.9	3.3	3.1	3.9	4.0	3.7	3.7	5.50	HOLD	3.97	3.86
Canada	-1.1*	0.5		45.4	3.4	3.1	2.7	2.8	5.8	5.8	5.00	HOLD	3.32	3.11
UK	-0.5*	0.4	52.5	52.1	4.0	3.9	5.1	5.1	4.0	4.0	5.25	HOLD	3.80	3.54
Germany	-1.1	0.3	47.1	47.4	3.7	3.2	3.5	3.8	5.8	5.8	4.50	HOLD	2.16	2.03
Eurozone	0.1	0.5	47.9	47.6	2.9	2.4	3.4	3.6	6.4	6.4	4.50	HOLD	-	-
Japan	-2.1*	0.9	48.0	47.9	2.6	2.9	3.6	3.7	2.4	2.5	-0.10	HOLD	0.72	0.63
China	3.6	4.6		52.6	-0.3	-0.5	0.6	0.6	5.2	5.1	3.45	HOLD	2.44	2.58

Important notes:
GDP: QoQ GDP growth rates are annualized. * GDP growth for Canada, the UK and Japan are for Q3 2023. Japan's poll GDP growth is for FY 2024 ending March 2025.
Composite PMI: Jan PMI are flash composite PMI, except for Japan which is flash manufacturing PMI. Dec PMI are final composite PMI, except for Canada and Japan which are final manufacturing PMI.

Source: FTSE Russell and LSEG. Data as of January 31, 2024. Past performance is no guarantee of future results. Please see the end for important legal disclosures.

Asset Class Returns – 1M & 12M (USD, TR %)

Key Observations

Equity markets diverged in January after the broad-based rally at year-end. Japanese and US equities outperformed FTSE All-World, while those in Europe, the UK, Emerging and Asia Pacific lagged the global benchmark; the latter three ended the month in red. China continued to be a major detractor from the Emerging index's performance. US small caps also lagged, ending the rally that began in Q4. Over 12M, US and Japanese equities held their lead, outperforming FTSE All-World (page 4).

As long yields rose over the month, government 7-10yr bonds in both developed and emerging regions posted losses. US and China 7-10yr bonds were only slightly negative, while Japan lagged the most adding to its 12M underperformance. High yield corporates outperformed their investment grade counterparts, led by high yield in EM, followed by those in the US and Europe. Long-dated (10yr+) inflation-linked bonds in the UK and US reversed their gains from Q4 2023, underperforming their 1-5yr counterparts in January, as they have over the 12M period.

Oil reversed some of its steep losses from Q4 2023 to post moderate gains with the backdrop of possible supply disruptions from rising geopolitical tensions, while copper, gold and the Commodity Index ended the month in the red.
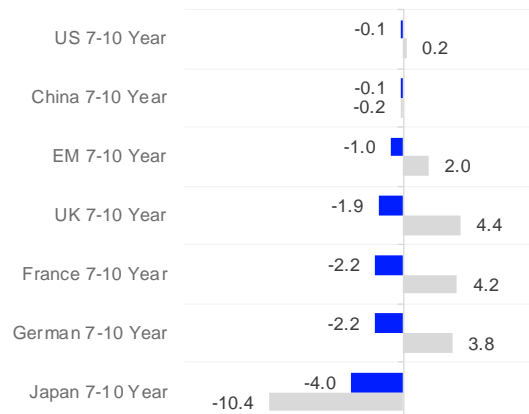
The USD gained broadly versus other currencies in January in a reversal from Q4 2023. The pound depreciated modestly versus the USD, as did the yuan and euro. The yen posted steeper losses versus the USD over the month and the 12M timeframe. Broader FX performance versus the USD over 12M was mixed (page 10).
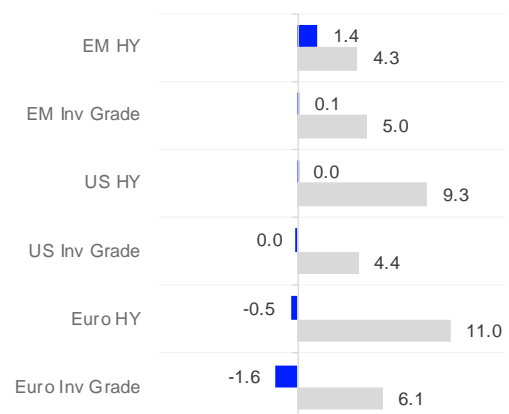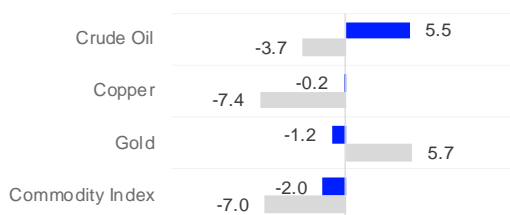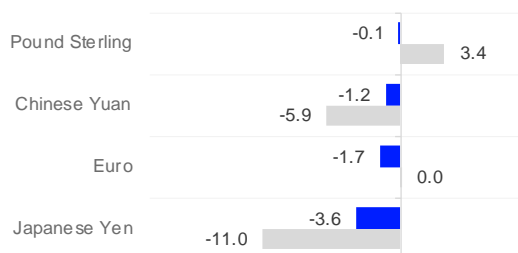
1M USD   **12M USD**

Equities

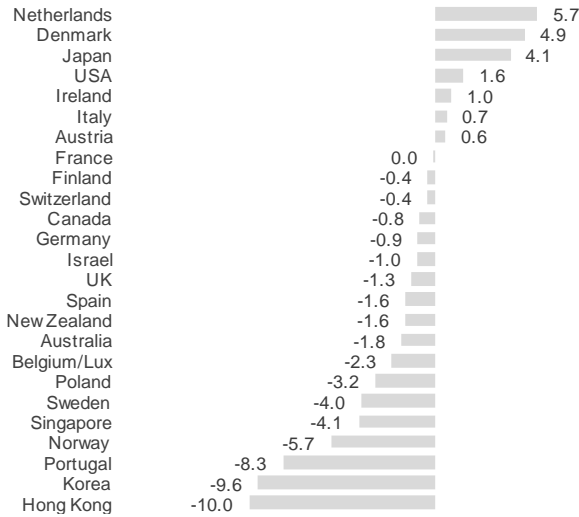|	1M USD	12M USD
Japan	4.1	18.1
USA	1.6	21.2
Russell 1000	1.4	20.2
All-World	0.6	15.2
Developed Europe ex UK	0.1	12.4
All-World Ex US	-1.0	6.6
UK	-1.3	6.7
Emerging	-3.5	-1.7
Russell 2000	-3.9	2.4
Developed Asia Pacific ex Japan	-5.5	-3.9

Government Bonds

	1M USD	12M USD
US 7-10 Year	-0.1	0.2
China 7-10 Year	-0.1	-0.2
EM 7-10 Year	-1.0	2.0
UK 7-10 Year	-1.9	4.4
France 7-10 Year	-2.2	4.2
German 7-10 Year	-2.2	3.8
Japan 7-10 Year	-4.0	-10.4
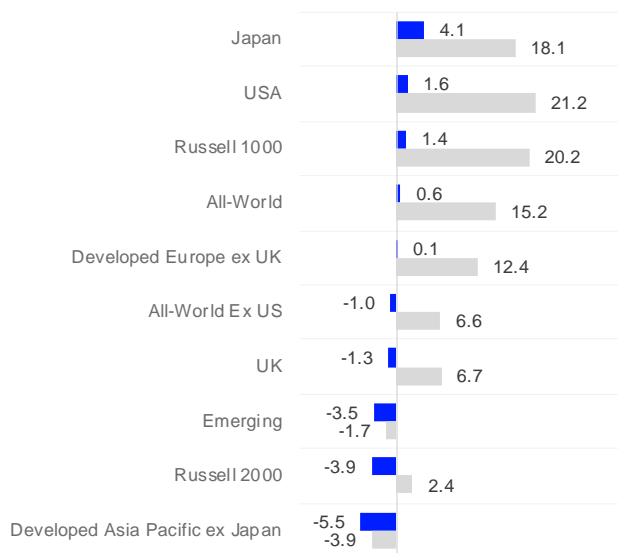
Commodities in USD

	1M USD	12M USD
Crude Oil	5.5	-3.7
Copper	-0.2	-7.4
Gold	-1.2	5.7
Commodity Index	-2.0	-7.0

Corporate Bonds

	1M USD	12M USD
EM HY	1.4	4.3
EM Inv Grade	0.1	5.0
US HY	0.0	9.3
US Inv Grade	0.0	4.4
Euro HY	-0.5	11.0
Euro Inv Grade	-1.6	6.1

FX Moves vs USD

	1M USD	12M USD
Pound Sterling	-0.1	3.4
Chinese Yuan	-1.2	-5.9
Euro	-1.7	0.0
Japanese Yen	-3.6	-11.0

Inflation-Linked Bonds

	1M USD	12M USD
US 1-5 Year	0.4	4.1
UK 1-5 Year	-0.8	9.2
US 10+ Year	-0.9	-4.6
UK 10+ Year	-6.7	-9.2
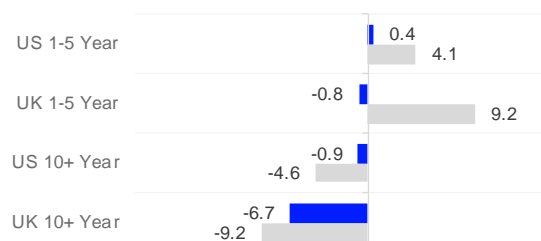
Global Equity Market Returns – 1M & 12M (USD, TR %)

FTSE Regions 1M USD

Region	Return
Japan	4.1
USA	1.6
Developed	1.1
All-World	0.6
Developed Europe ex UK	0.1
UK	-1.3
Emerging	-3.5
Dev Asia Pacific ex Japan	-5.5

FTSE Regions 12M USD

Region	Return
USA	21.2
Japan	18.1
Developed	17.2
All-World	15.2
Developed Europe ex UK	12.4
UK	6.7
Emerging	-1.7
Dev Asia Pacific ex Japan	-3.9

FTSE Developed 1M USD

Country	Return
Netherlands	5.7
Denmark	4.9
Japan	4.1
USA	1.6
Ireland	1.0
Italy	0.7
Austria	0.6
France	0.0
Finland	-0.4
Switzerland	-0.4
Canada	-0.8
Germany	-0.9
Israel	-1.0
UK	-1.3
Spain	-1.6
New Zealand	-1.6
Australia	-1.8
Belgium/Lux	-2.3
Poland	-3.2
Sweden	-4.0
Singapore	-4.1
Norway	-5.7
Portugal	-8.3
Korea	-9.6
Hong Kong	-10.0

FTSE Developed 12M USD

Country	Return
Poland	38.1
Denmark	35.4
Italy	23.4
USA	21.2
Japan	18.1
Spain	17.2
Netherlands	15.2
Sweden	12.4
Austria	11.5
France	10.3
Germany	9.9
Switzerland	9.4
UK	6.7
Ireland	6.4
Canada	5.7
Norway	2.2
Australia	1.1
Belgium/Lux	0.4
Korea	-0.2
Portugal	-0.7
Israel	-1.5
Singapore	-1.8
Finland	-3.6
New Zealand	-4.5
Hong Kong	-24.4

FTSE Emerging 1M USD

Country	Return
Pakistan	20.9
India	2.5
Philippines	1.1
Malaysia	0.4
Saudi Arabia	-1.0
Taiwan	-1.4
Indonesia	-1.6
Mexico	-1.7
South Africa	-5.3
Brazil	-5.7
Thailand	-8.2
China	-10.4

FTSE Emerging 12M USD

Country	Return
Pakistan	51.0
India	32.4
Brazil	18.3
Mexico	18.1
Taiwan	15.6
Saudi Arabia	9.2
Indonesia	4.3
Philippines	0.5
Malaysia	-3.1
South Africa	-7.8
Thailand	-19.5
China	-29.0

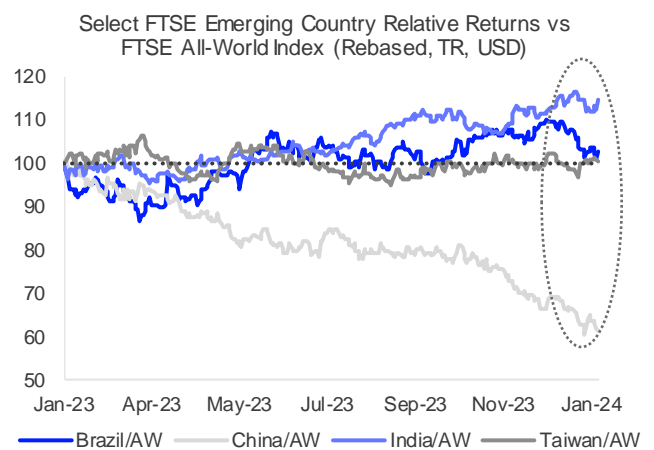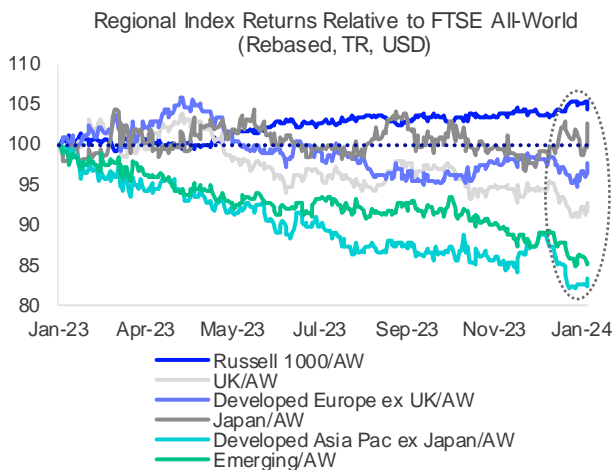**Japan and the US outperformed the global index in Jan, while Asia Pacific lagged the most. Over 12M US led.**

Regional Index Returns Relative to FTSE All-World (Rebased, TR, USD)

- Russell 1000/AW
- UK/AW
- Developed Europe ex UK/AW
- Japan/AW
- Developed Asia Pac ex Japan/AW
- Emerging/AW

The Emerging index lagged most peers in January despite gains in India, with China, Brazil and Taiwan detracting.

### Select FTSE Emerging Country Relative Returns vs FTSE All-World Index (Rebased, TR, USD)

- Brazil/AW
- China/AW
- India/AW
- Taiwan/AW

Regional Industry-Weighted Contributions to Returns – 1M (USD, TR %)

Key Observations

- Industry contributions were mixed in January. While cyclicals such as technology and discretionary led contributions in several regions, health care came second in all but Japan and Asia Pacific. Materials, utilities and real estate detracted in most regions.

- In the US, technology contributed about two-thirds of the US index's gains. Health care and financials also pitched in substantially, while discretionary and real estate detracted the most.

- In the UK, discretionary, health care and staples led contributions, offsetting large detractions from financials, materials and energy. In Europe, technology contributed significantly, but was offset by detractions from industrials, materials and utilities.

- In Japan, most industries contributed led by cyclicals such as discretionary, industrials, financials and technology. In Asia Pacific, all industries detracted, with materials and telecoms detracting substantially.

	US	UK	Dev EU ex UK	Japan	Dev AP ex JP
1M Total Return (%)	1.6	- 1.3	0.1	4.1	- 5.5
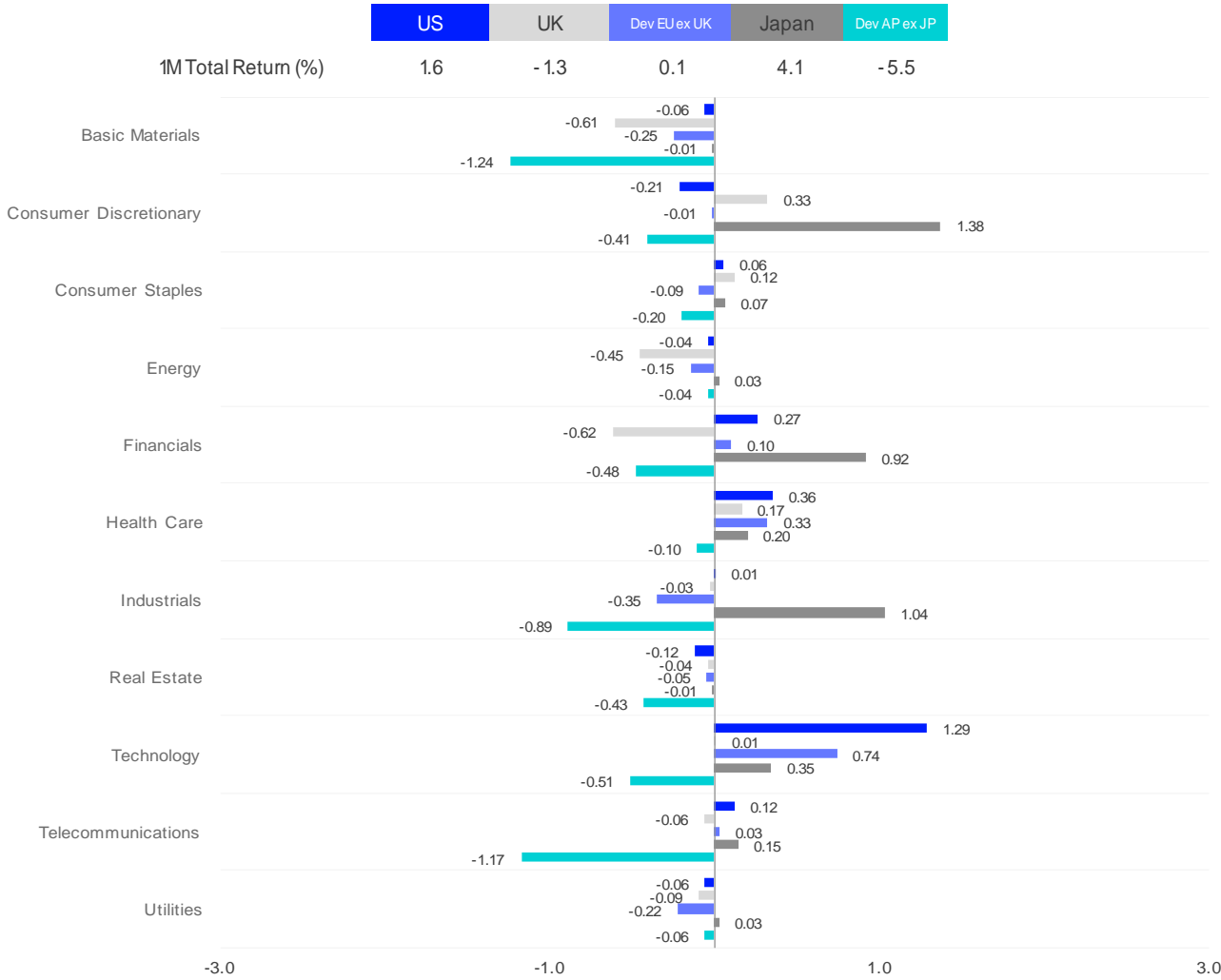
Defensives such as Health Care and Staples rallied in Jan to join cyclicals in the top 5 best-performing industries on average.

1M Regional Industry Returns (TR, USD)

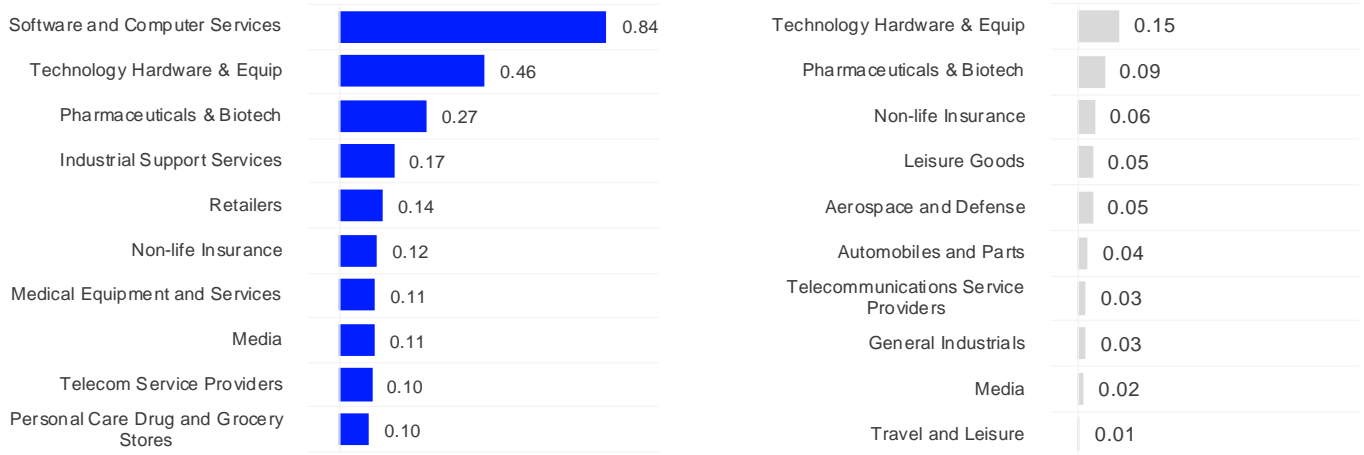|	US	UK	Dev EU ex UK	Japan	Dev AP ex JP
Basic Materials	- 3.2	- 7.3	- 5.3	- 0.2	- 9.8
Consumer Disc.	- 1.5	2.9	- 0.1	6.0	- 4.8
Consumer Staples	1.2	0.8	- 1.1	1.0	- 5.8
Energy	- 0.9	- 3.7	- 3.5	3.5	- 1.1
Financials	2.6	- 3.4	0.6	8.0	- 1.8
Health Care	3.0	1.3	2.0	2.6	- 1.6
Industrials	0.1	- 0.2	- 1.9	4.2	- 8.0
Real Estate	- 4.7	- 2.6	- 4.1	- 0.1	- 6.2
Technology	3.9	1.4	7.7	3.0	- 9.2
Telecoms	5.6	- 5.0	1.1	3.7	- 9.5
Utilities	- 2.2	- 2.3	- 5.4	2.1	- 2.0

Tech dominates in the US; financials are largest in the UK and Asia Pac; and industrials is top in Europe and Japan.

Regional Industry Exposures (%)

	US	UK	Dev EU ex UK	Japan	Dev AP ex JP
Basic Materials	1.7	7.8	4.4	5.2	12.0
Consumer Disc.	14.0	11.8	13.2	23.3	8.6
Consumer Staples	4.8	15.8	8.2	6.2	3.4
Energy	3.9	12.1	4.0	0.8	3.6
Financials	10.4	17.7	17.8	11.9	27.6
Health Care	12.2	12.8	16.3	7.7	6.9
Industrials	11.8	14.4	17.9	24.7	10.8
Real Estate	2.4	1.4	1.1	3.4	6.9
Technology	34.2	0.9	10.4	11.5	5.4
Telecoms	2.3	1.2	3.0	4.0	11.9
Utilities	2.5	4.0	3.9	1.4	2.9

FTSE USA vs AW ex US: Sector-Weighted Return Contributions – 1M (USD, TR %)

USA	All-World Ex US
1.6	-1.0

Top 10 Contributors

Software and Computer Services	0.84		Technology Hardware & Equip	0.15
Technology Hardware & Equip	0.46		Pharmaceuticals & Biotech	0.09
Pharmaceuticals & Biotech	0.27		Non-life Insurance	0.06
Industrial Support Services	0.17		Leisure Goods	0.05
Retailers	0.14		Aerospace and Defense	0.05
Non-life Insurance	0.12		Automobiles and Parts	0.04
Medical Equipment and Services	0.11		Telecommunications Service Providers	0.03
Media	0.11		General Industrials	0.03
Telecom Service Providers	0.10		Media	0.02
Personal Care Drug and Grocery Stores	0.10		Travel and Leisure	0.01

Bottom 10 Contributors

Industrial Transportation	-0.02		Banks	-0.06
Health Care Providers	-0.03		Life Insurance	-0.06
General Industrials	-0.04		Precious Metals and Mining	-0.06
Chemicals	-0.04		Real Estate Investment and Services Development	-0.07
Personal Goods	-0.05		Electronic and Electrical Equipment	-0.09
Aerospace and Defense	-0.05		Software and Computer Services	-0.09
Electricity	-0.05		Retailers	-0.11
Electronic and Electrical Equipment	-0.05		Chemicals	-0.15
Real Estate Investment Trusts	-0.11		Telecommunications Equipment	-0.16
Automobiles and Parts	-0.43		Industrial Metals and Mining	-0.23

The US outperformed the non-US index in Jan, led by software, tech hardware and other cyclical sectors.

FTSE USA Sector Returns Relative to FTSE All-World ex USA Sector Returns (Rebased, TR, USD)

- USA/AW ex USA Software and Computer Services
- USA/AW ex USA Retailers
- USA/AW ex USA Industrial Metals and Mining
- USA/AW ex USA Technology Hardware and Equipment

The US is tilted more to tech, health care & discretionary than peers, and less to financials, materials & industrials.
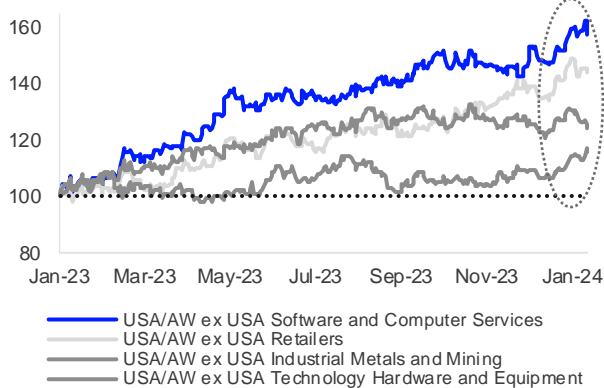
FTSE USA vs FTSE All-World ex USA Industry Weights (%)
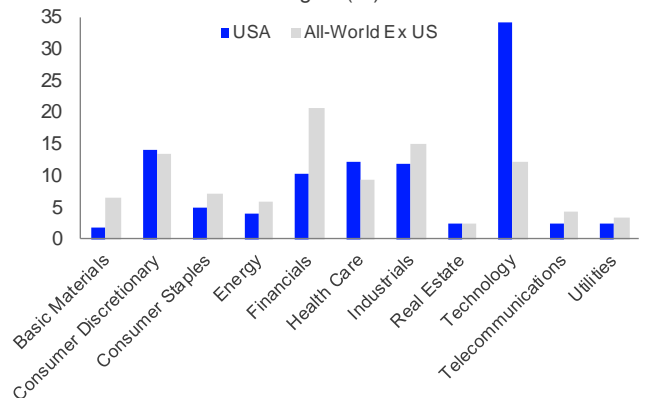
Russell 1000 vs 2000: Sector-Weighted Return Contributions – 1M (USD, TR %)

Russell 1000	Russell 2000
1.4	-3.9

Top 10 Contributors

Software and Computer Services	0.79	Technology Hardware & Equip	0.26
Technology Hardware & Equip	0.43	Industrial Transportation	0.05
Pharmaceuticals and Biotechnology	0.26	Non-life Insurance	0.04
Industrial Support Services	0.16	Personal Care Drug and Grocery	0.01
Non-life Insurance	0.12	Media	-0.01
Retailers	0.11	Life Insurance	-0.01
Medical Equipment and Services	0.11	Waste and Disposal Services	-0.01
Media	0.11	Personal Goods	-0.01
Telecom Service Providers	0.09	Tobacco	-0.01
Personal Care Drug and Grocery	0.09	Industrial Metals and Mining	-0.03

Bottom 10 Contributors

Oil Gas and Coal	-0.02	Consumer Services	-0.13
Health Care Providers	-0.03	Medical Equipment and Services	-0.14
Personal Goods	-0.04	Industrial Support Services	-0.14
Chemicals	-0.04	Oil Gas and Coal	-0.18
General Industrials	-0.04	Retailers	-0.19
Aerospace and Defense	-0.05	Chemicals	-0.20
Electricity	-0.05	Pharmaceuticals & Biotech	-0.24
Electronic and Electrical Equipment	-0.05	Software and Computer Services	-0.25
Real Estate Investment Trusts	-0.13	Real Estate Investment Trusts	-0.27
Automobiles and Parts	-0.40	Banks	-0.61

Russell 1000 outperformed Russell 2000 in Jan, helped by a bias for larger players within software, pharma and retailers.

Russell 1000 Sectors Relative Returns vs Russell 2000 Sectors (TR, Rebased, USD)

— Russell 1000/Russell 2000 Software and Computer Services
— Russell 1000/Russell 2000 Pharmaceuticals and Biotechnology
— Russell 1000/Russell 2000 Retailers
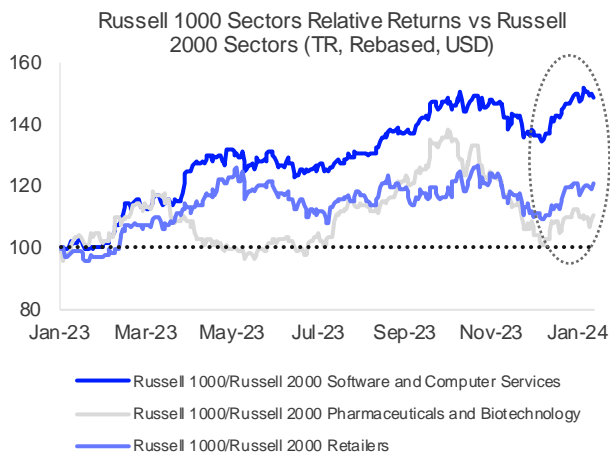
Russell 1000 is more tilted to tech, staples & discretionary than Russell 2000, less so to industrials, financials & health care.
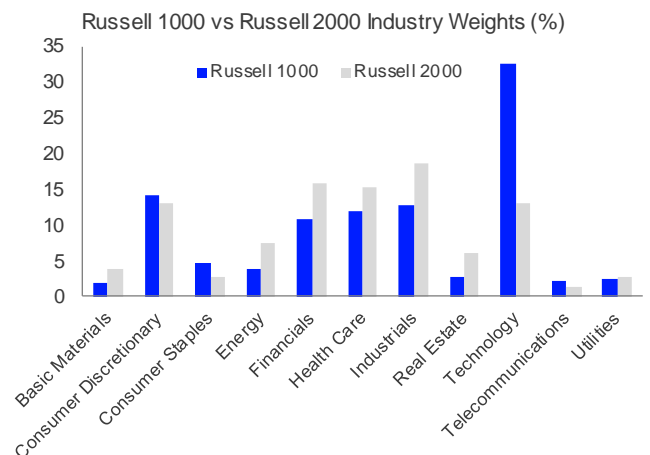
Russell 1000 vs Russell 2000 Industry Weights (%)

Alternative Indices – REITs, FTSE4Good, Environmental Opportunities, Infrastructure (USD)

Benchmark (All Cap) Returns %- 1M USD

US	UK	Dev EU ex UK	Japan	Dev AP ex JP	EM
1.2	-1.4	-0.1	3.8	-5.6	-3.4

Benchmark (All Cap) Returns %- 12M USD

US	UK	Dev EU ex UK	Japan	Dev AP ex JP	EM
19.6	6.4	11.6	17.4	-3.9	-0.6

FTSE EPRA Nareit Global Real Estate – 1M USD (Relative)

EPRA Nareit Dev Asia Pacific ex Japan	-0.62
EPRA Nareit UK	-1.96
EPRA Nareit Emerging	-2.69
EPRA Nareit Japan	-4.26
EPRA Nareit Developed Europe ex UK	-4.93
EPRA Nareit USA	-5.26

FTSE EPRA Nareit Global Real Estate – 12M USD (Relative)

EPRA Nareit UK	-3.02
EPRA Nareit Developed Europe ex UK	-5.50
EPRA Nareit Emerging	-11.19
EPRA Nareit Japan	-11.79
EPRA Nareit Dev Asia Pacific ex Japan	-12.72
EPRA Nareit USA	-17.93
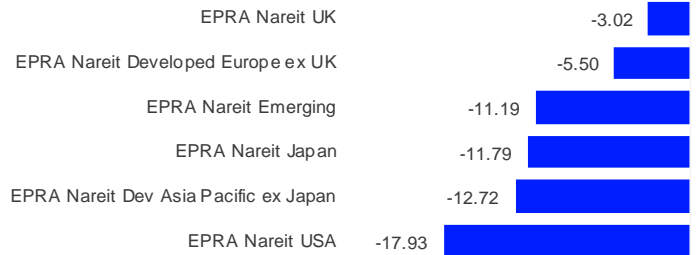
FTSE Core Infrastructure – 1M USD (Relative)

Emerging Core Infra	3.94
Global Core Infra	-2.54
Developed Core Infra	-3.17
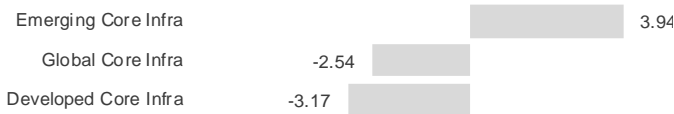
FTSE Core Infrastructure – 12M USD (Relative)

Emerging Core Infra	7.66
Global Core Infra	-14.27
Developed Core Infra	-16.24
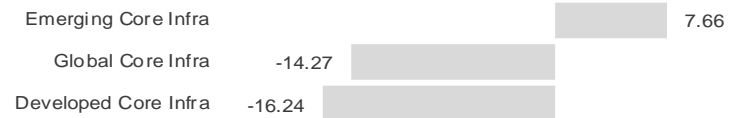
FTSE4Good – 1M USD (Relative)

FTSE4Good Developed Asia	7.35
FTSE4Good US	0.98
FTSE4Good UK	0.00
FTSE4Good Japan	-0.28
FTSE4Good Europe	-0.41
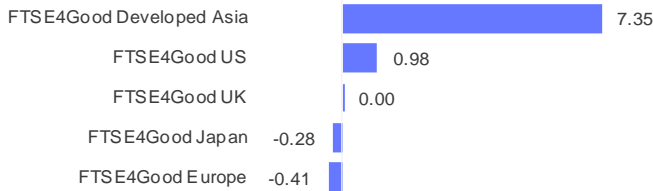
FTSE4Good – 12M USD (Relative)

FTSE4Good Developed Asia	14.42
FTSE4Good US	2.69
FTSE4Good Japan	1.61
FTSE4Good UK	-0.23
FTSE4Good Europe	-1.03
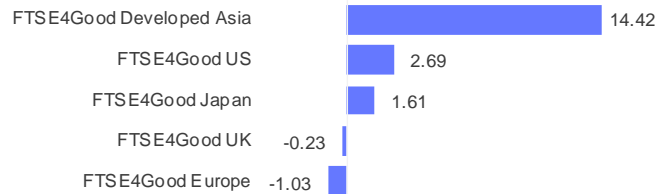
FTSE Environmental Opportunities – 1M USD (Relative)

Env Opps Energy Efficiency	2.99
Env Opps Asia Pac ex Japan	1.80
Env Opps Japan	0.76
Env Opps UK	0.12
EO Waste & Pollution Control Technology	-0.50
Env Opps US	-1.76
Env Opps Water Technology	-2.49
Env Opps Europe	-3.10
EO Renewable & Alternative Energy	-6.31
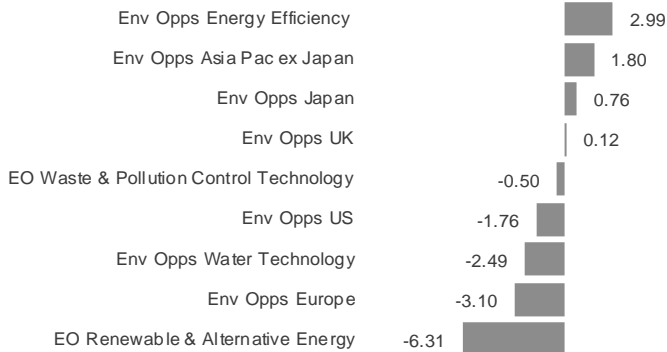
FTSE Environmental Opportunities – 12M USD (Relative)

Env Opps Energy Efficiency	22.57
Env Opps Asia Pac ex Japan	8.18
Env Opps US	6.83
Env Opps Japan	3.44
Env Opps UK	2.54
Env Opps Europe	-0.18
Env Opps Water Technology	-7.36
EO Waste & Pollution Control Technology	-15.00
EO Renewable & Alternative Energy	-19.67

Regional FTSE EPRA Nareit Index Relative Performance vs Home Market (Rebased, TR, USD)

- EPRA Nareit USA/USA
- EPRA Nareit UK/UK
- EPRA Nareit Dev Europe ex UK/Dev Europe ex UK
- EPRA Nareit Japan/Japan
- EPRA Nareit Dev Asia Pac ex Japan/Dev Asia Pac ex Japan
- EPRA Nareit Emerging/Emerging

Regional FTSE Environmental Opportunities Index Relative Performance vs Home Market (Rebased, TR, USD)

- Env Opps USA/USA
- Env Opps UK/UK
- Env Opps Europe/Europe ex UK
- Env Opps Japan/Japan
- Env Opps Asia Pac ex Japan/Asia Pac ex Japan

Source: FTSE Russell and LSEG. All data as of January 31, 2024. Index data based on: FTSE USA, FTSE UK, FTSE Europe ex UK, FTSE Japan and FTSE Developed Asia Pacific ex Japan Indexes and Industry Classification Benchmark (ICB®) industry groups. Past performance is no guarantee of future results. Please see the end for important legal disclosures.
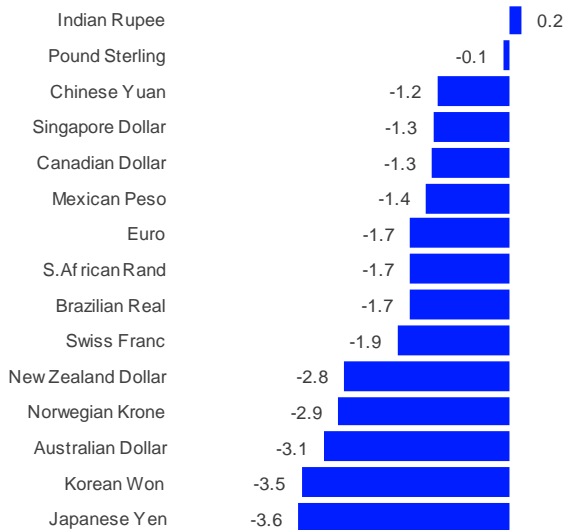
Regional Factor Indicator Relative Returns – 1M & 12M (Local Currency, TR %)

Legend: US | UK | EU ex UK | Japan | AP ex JP | EM

January 2024

Value | (Small) Size | Momentum | Quality | Low Volatility | Dividend Yield

12 Months

Value | (Small) Size | Momentum | Quality | Low Volatility | Dividend Yield

---
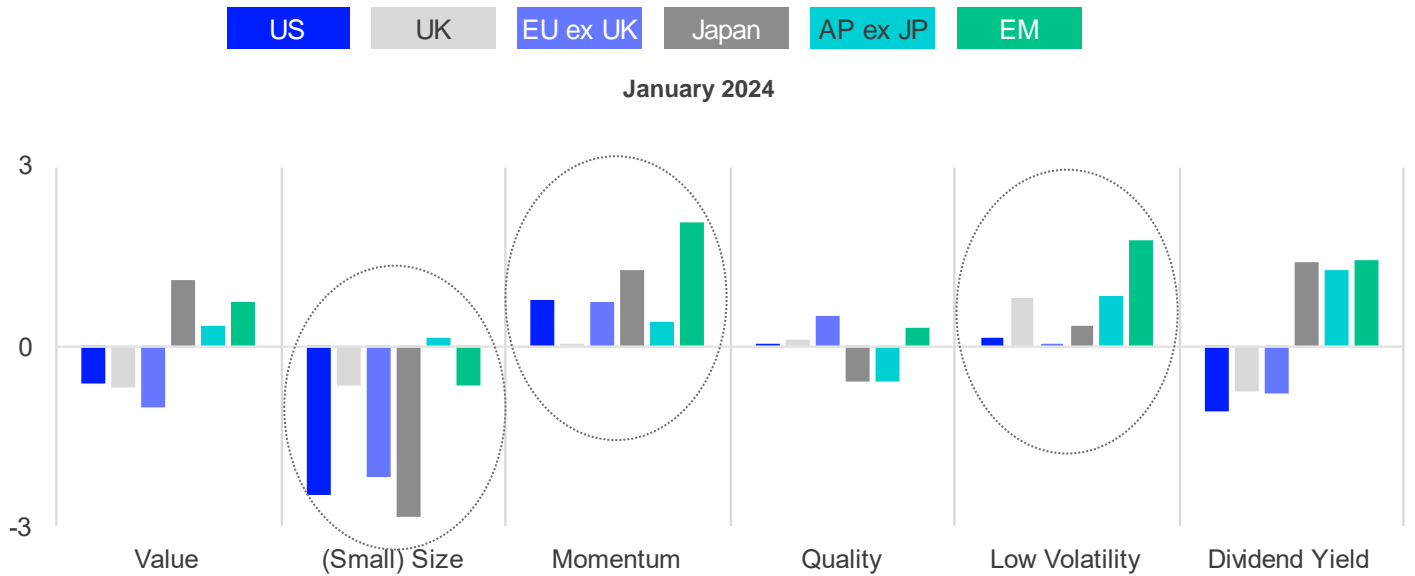
Size lagged in most regions in Jan, reflecting a more risk-off sentiment than at year-end.

Momentum outperformed in Jan, indicating the persistence of trends over the last 12 months.
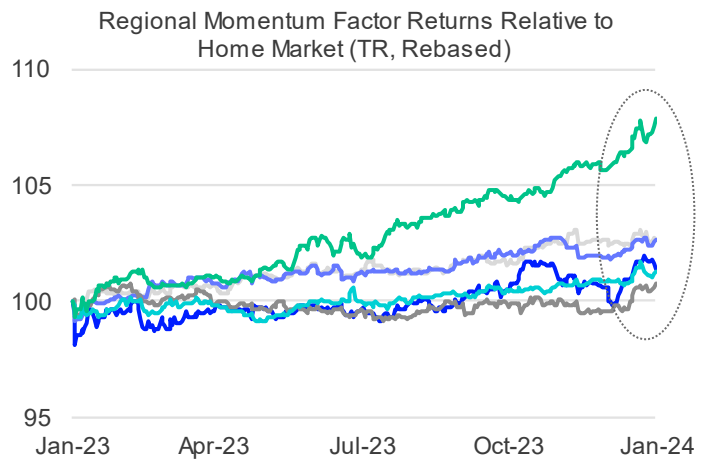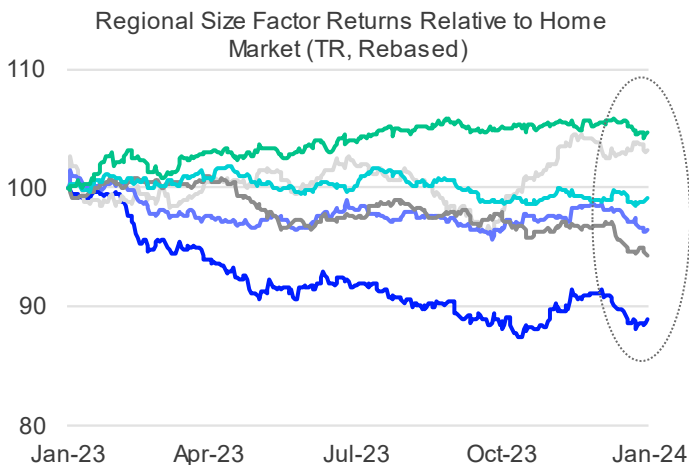
Regional Size Factor Returns Relative to Home Market (TR, Rebased)

Regional Momentum Factor Returns Relative to Home Market (TR, Rebased)

Source: FTSE Russell and LSEG. All data as of January 31, 2024. Index data based on: FTSE USA, FTSE UK, FTSE Europe ex UK, FTSE Japan and FTSE Developed Asia Pacific ex Japan indices and Industry Classification Benchmark (ICB®) industry groups. Past performance is no guarantee of future results. Please see the end for important legal disclosures.

Foreign Exchange Returns %

FX Moves vs USD– 1M

Currency	Value
Indian Rupee	0.2
Pound Sterling	-0.1
Chinese Yuan	-1.2
Singapore Dollar	-1.3
Canadian Dollar	-1.3
Mexican Peso	-1.4
Euro	-1.7
S.African Rand	-1.7
Brazilian Real	-1.7
Swiss Franc	-1.9
New Zealand Dollar	-2.8
Norwegian Krone	-2.9
Australian Dollar	-3.1
Korean Won	-3.5
Japanese Yen	-3.6

FX Moves vs USD– 3M

Currency	Value
Norwegian Krone	6.8
Swiss Franc	6.1
New Zealand Dollar	5.8
Mexican Peso	5.1
Pound Sterling	4.9
Australian Dollar	4.4
Canadian Dollar	3.9
Japanese Yen	3.6
Euro	2.8
Singapore Dollar	2.5
Brazilian Real	2.1
Chinese Yuan	1.9
Korean Won	1.2
S.African Rand	0.8
Indian Rupee	0.3

FX Moves vs USD– YTD

Currency	Value
Indian Rupee	0.2
Pound Sterling	-0.1
Chinese Yuan	-1.2
Singapore Dollar	-1.3
Canadian Dollar	-1.3
Mexican Peso	-1.4
Euro	-1.7
S.African Rand	-1.7
Brazilian Real	-1.7
Swiss Franc	-1.9
New Zealand Dollar	-2.8
Norwegian Krone	-2.9
Australian Dollar	-3.1
Korean Won	-3.5
Japanese Yen	-3.6

FX Moves vs USD– 12M

Currency	Value
Mexican Peso	9.5
Swiss Franc	7.1
Pound Sterling	3.4
Brazilian Real	3.0
Euro	0.0
Canadian Dollar	-0.1
Indian Rupee	-1.3
Singapore Dollar	-1.6
Norwegian Krone	-4.5
New Zealand Dollar	-4.8
Chinese Yuan	-5.9
Australian Dollar	-6.2
S.African Rand	-6.3
Korean Won	-7.7
Japanese Yen	-11.0

USD appreciated broadly in Jan, while 12M FX moves vs USD were mixed. JPY retreated steeply vs USD in Jan and over 12M.

FX Moves vs USD (Rebased)
Legend: EUR, GBP, JPY, CNY

Most EM currencies depreciated vs USD in Jan, except the Indian rupee. Over 12M, performance vs USD was mixed.
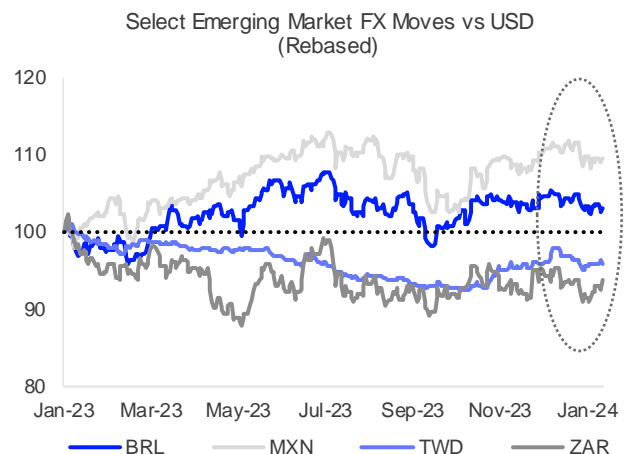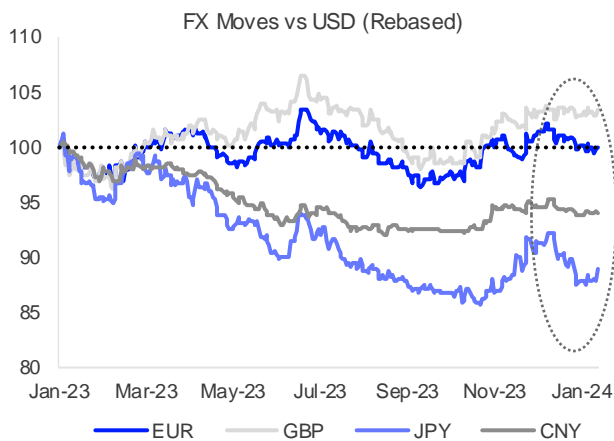
Select Emerging Market FX Moves vs USD (Rebased)
Legend: BRL, MXN, TWD, ZAR

Source: FTSE Russell and LSEG. All data as of January 31, 2024. Past performance is no guarantee of future results. Please see the end for important legal disclosures.

Asset Class Risk/Return – 1-Year and 5-Year (USD)
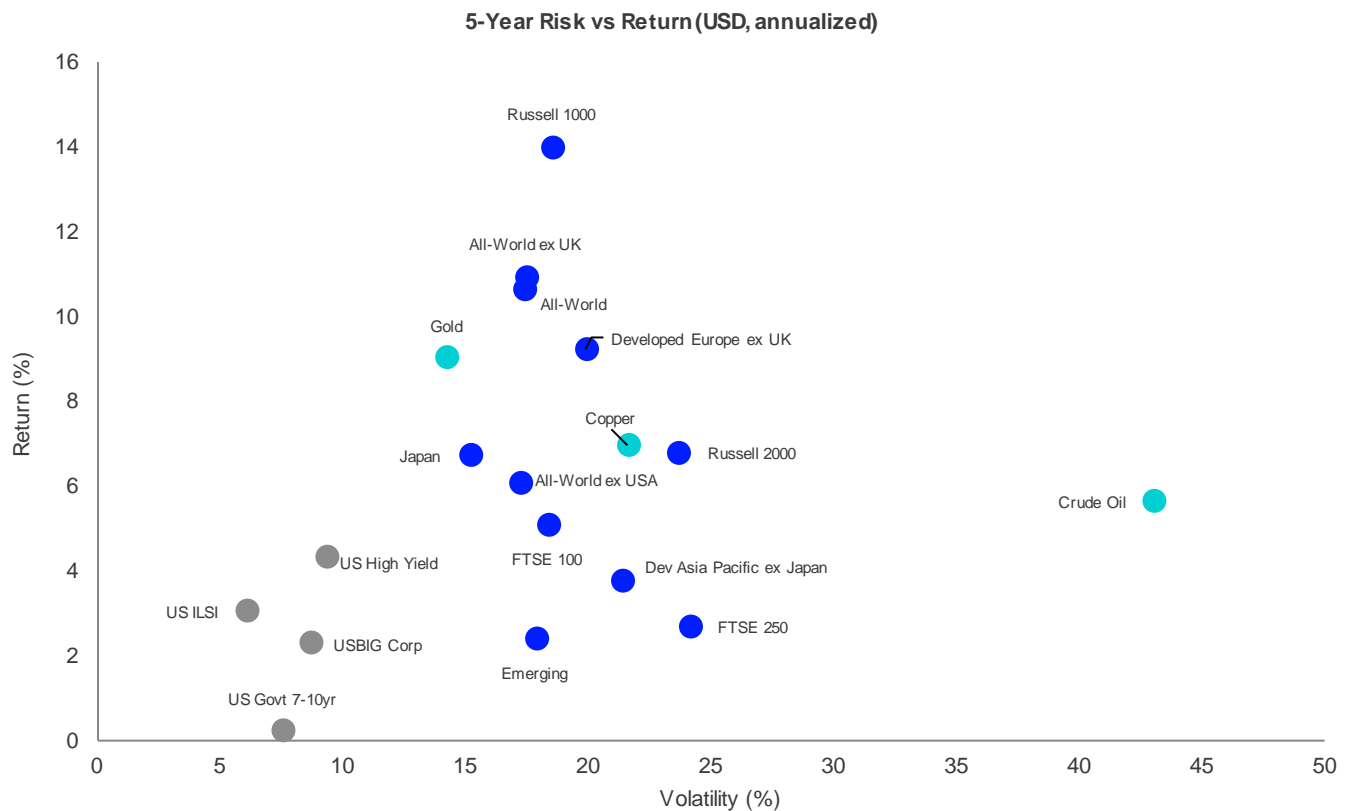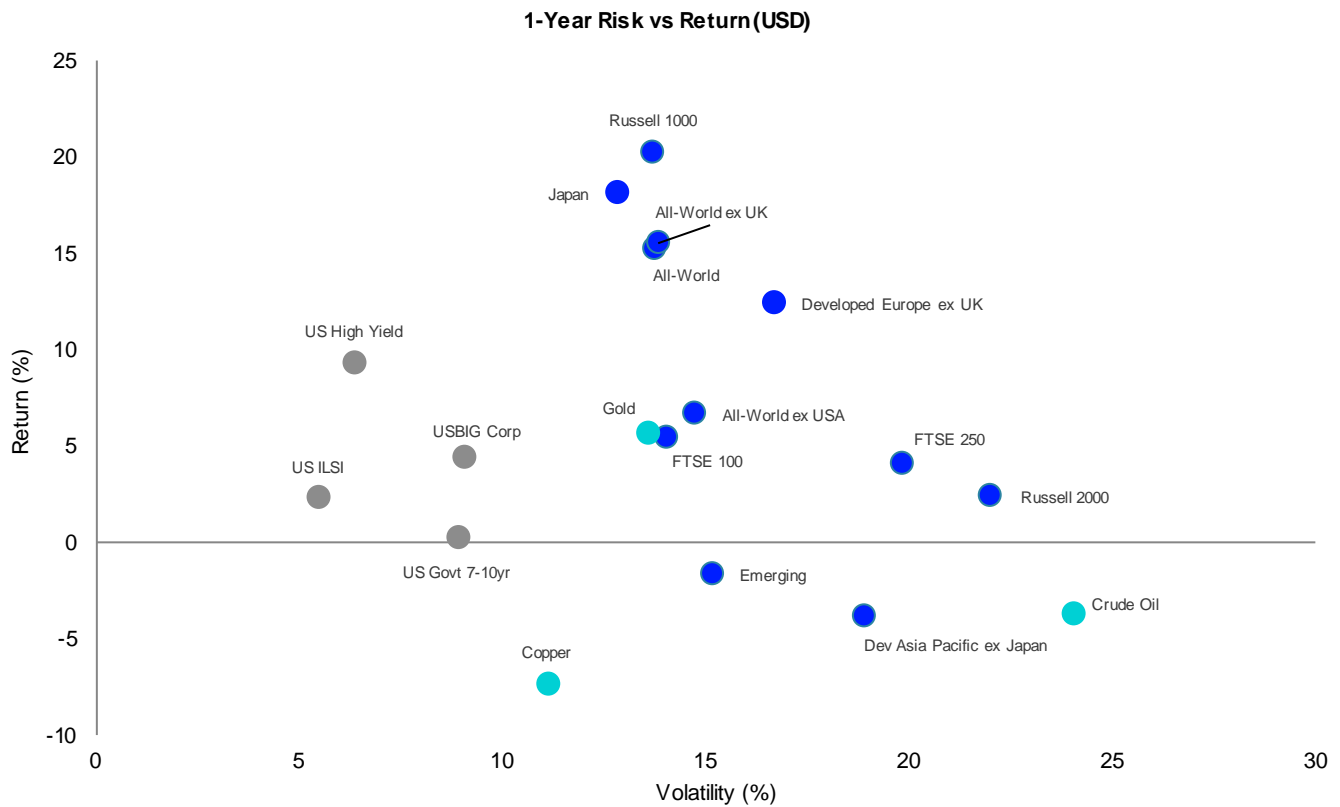
1-Year Risk vs Return (USD)

5-Year Risk vs Return (USD, annualized)

Correlations

Regional Equity Market Correlations with Russell 1000 Index (USD, Monthly Returns, Rolling 24M)

Legend: UK — Developed Europe ex UK — Japan — Developed Asia Pacific ex Japan — Emerging

*Developed Europe ex UK uses data from Europe ex UK before May 2000
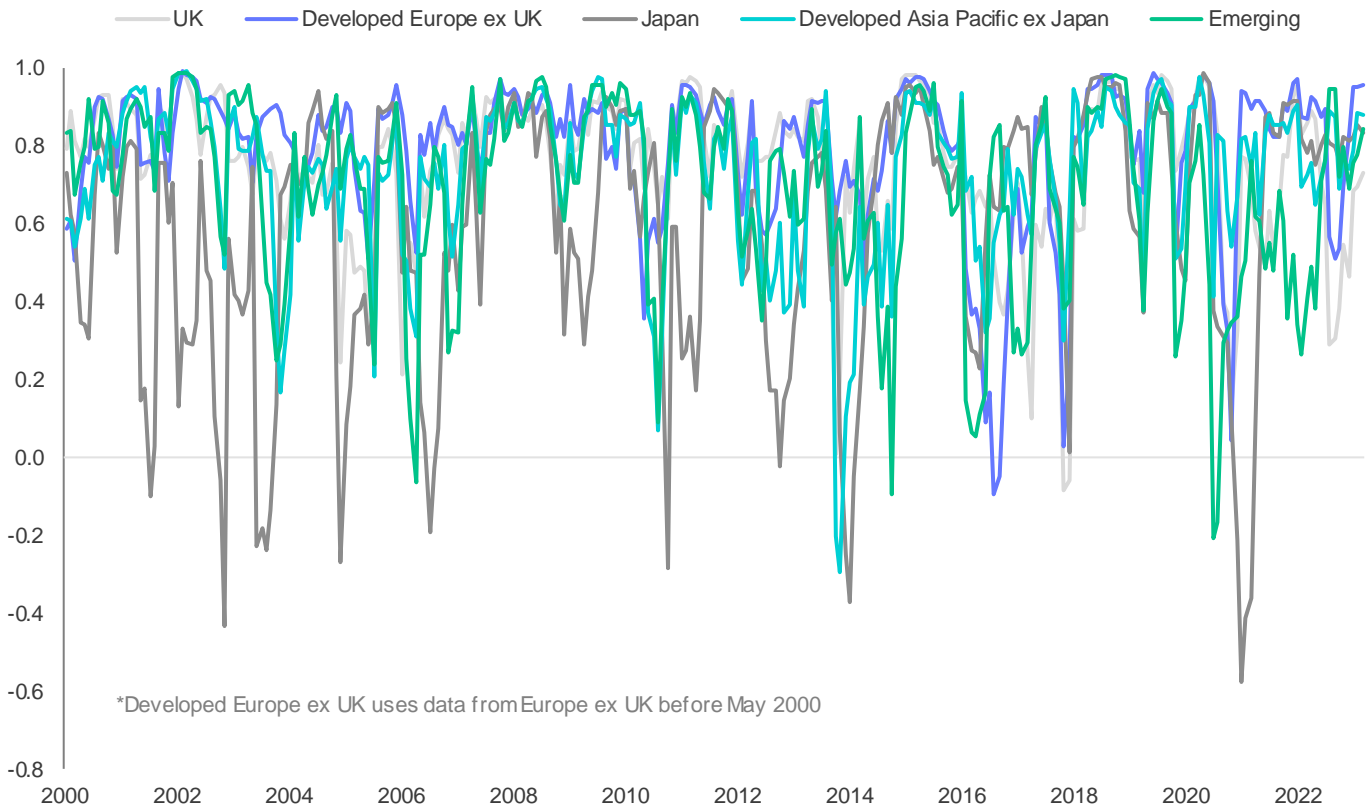
Three-Year Correlation Matrix (USD)

Name	Russell 1000	Russell 2000	All-World	All-World ex USA	UK	Developed Europe ex UK	Japan	Developed Asia Pacific ex Japan	Emerging	US Govt 7-10yr	US ILSI	US High Yield	USBIG Corp	Gold
Russell 1000	-	0.85	0.98	0.85	0.77	0.88	0.76	0.80	0.59	0.62	0.78	0.87	0.74	0.26
Russell 2000	0.85	-	0.85	0.78	0.71	0.75	0.69	0.79	0.58	0.48	0.62	0.82	0.62	0.07
All-World	0.98	0.85	-	0.94	0.86	0.94	0.83	0.88	0.72	0.67	0.78	0.88	0.80	0.35
All-World ex USA	0.85	0.78	0.94	-	0.92	0.95	0.87	0.95	0.87	0.68	0.72	0.82	0.82	0.45
UK	0.77	0.71	0.86	0.92	-	0.93	0.73	0.85	0.71	0.55	0.64	0.76	0.66	0.38
Developed Europe ex UK	0.88	0.75	0.94	0.95	0.93	-	0.79	0.87	0.70	0.66	0.73	0.83	0.78	0.44
Japan	0.76	0.69	0.83	0.87	0.73	0.79	-	0.81	0.73	0.68	0.70	0.82	0.81	0.32
Developed Asia Pacific ex Japan	0.80	0.79	0.88	0.95	0.85	0.87	0.81	-	0.84	0.61	0.69	0.77	0.75	0.46
Emerging	0.59	0.58	0.72	0.87	0.71	0.70	0.73	0.84	-	0.57	0.51	0.55	0.70	0.42
US Govt 7-10yr	0.62	0.48	0.67	0.68	0.55	0.66	0.68	0.61	0.57	-	0.85	0.68	0.95	0.50
US ILSI	0.78	0.62	0.78	0.72	0.64	0.73	0.70	0.69	0.51	0.85	-	0.80	0.83	0.47
US High Yield	0.87	0.82	0.88	0.82	0.76	0.83	0.82	0.77	0.55	0.68	0.80	-	0.79	0.21
USBIG Corp	0.74	0.62	0.80	0.82	0.66	0.78	0.81	0.75	0.70	0.95	0.83	0.79	-	0.44
Gold	0.26	0.07	0.35	0.45	0.38	0.44	0.32	0.46	0.42	0.50	0.47	0.21	0.44	-

Appendix

	Wgt (%)	Mkt Cap	1M				3M				12M			
		(USD bn)	LOCAL	USD	GBP	EUR	LOCAL	USD	GBP	EUR	LOCAL	USD	GBP	EUR
All-World	100.0	68,186	1.3	0.6	0.7	2.3	13.8	15.2	9.7	12.1	16.2	15.2	11.3	15.1
Developed	90.6	61,792	1.7	1.1	1.2	2.8	14.7	16.1	10.6	13.0	18.1	17.2	13.3	17.2
USA	61.5	41,965	1.6	1.6	1.7	3.3	16.3	16.3	10.8	13.2	21.2	21.2	17.2	21.2
Developed Europe ex UK	12.2	8,302	1.9	0.1	0.2	1.8	12.6	16.9	11.4	13.7	10.8	12.4	8.7	12.4
Emerging	9.4	6,394	-2.7	-3.5	-3.4	-1.9	5.8	6.9	1.9	4.0	0.0	-1.7	-4.9	-1.7
Japan	6.5	4,417	8.0	4.1	4.3	5.9	13.5	17.6	12.1	14.4	32.8	18.1	14.2	18.1
Developed Asia Pacific ex Japan	4.1	2,824	-2.9	-5.5	-5.4	-3.9	9.4	12.3	7.0	9.3	1.4	-3.9	-7.1	-3.9
UK	3.7	2,515	-1.2	-1.3	-1.2	0.4	5.5	10.7	5.5	7.8	3.2	6.7	3.2	6.7

Developed - Top 20 by % weight (TR)

	Wgt (%)	Mkt Cap	1M				3M				12M			
			LOCAL	USD	GBP	EUR	LOCAL	USD	GBP	EUR	LOCAL	USD	GBP	EUR
Developed	100.0	61,792	1.7	1.1	1.2	2.8	14.7	16.1	10.6	13.0	18.1	17.2	13.3	17.2
USA	67.9	41,965	1.6	1.6	1.7	3.3	16.3	16.3	10.8	13.2	21.2	21.2	17.2	21.2
Japan	7.1	4,417	8.0	4.1	4.3	5.9	13.5	17.6	12.1	14.4	32.8	18.1	14.2	18.1
UK	4.1	2,515	-1.2	-1.3	-1.2	0.4	5.5	10.7	5.5	7.8	3.2	6.7	3.2	6.7
France	3.1	1,910	1.7	0.0	0.1	1.7	11.5	14.6	9.2	11.5	10.3	10.3	6.6	10.3
Canada	2.7	1,667	0.5	-0.8	-0.7	0.9	13.1	17.6	12.0	14.4	5.9	5.7	2.2	5.7
Switzerland	2.6	1,605	1.6	-0.4	-0.3	1.3	8.3	14.9	9.5	11.8	2.1	9.4	5.7	9.3
Germany	2.3	1,391	0.8	-0.9	-0.8	0.8	14.1	17.2	11.7	14.1	9.9	9.9	6.2	9.9
Australia	2.2	1,346	1.4	-1.8	-1.7	-0.1	14.1	19.1	13.5	15.9	7.7	1.1	-2.3	1.0
Korea	1.4	849	-6.3	-9.6	-9.5	-8.1	10.8	12.1	6.8	9.1	8.1	-0.2	-3.5	-0.2
Netherlands	1.3	794	7.4	5.7	5.8	7.4	25.8	29.2	23.2	25.8	15.1	15.2	11.3	15.1
Denmark	0.9	550	6.7	4.9	5.0	6.7	14.0	17.3	11.7	14.1	35.6	35.4	30.9	35.3
Sweden	0.9	538	-1.6	-4.0	-3.9	-2.4	15.4	24.8	18.9	21.5	10.9	12.4	8.7	12.4
Italy	0.7	454	2.4	0.7	0.8	2.4	12.3	15.4	9.9	12.3	23.4	23.4	19.3	23.4
Spain	0.7	440	0.1	-1.6	-1.5	0.1	12.1	15.3	9.8	12.1	17.2	17.2	13.3	17.2
Hong Kong	0.6	361	-9.9	-10.0	-10.0	-8.5	-5.0	-4.9	-9.4	-7.5	-24.6	-24.4	-26.9	-24.4
Singapore	0.3	215	-2.9	-4.1	-4.0	-2.5	3.8	6.4	1.4	3.6	-0.2	-1.8	-5.1	-1.8
Finland	0.3	181	1.3	-0.4	-0.3	1.3	9.9	13.0	7.6	9.9	-3.7	-3.6	-6.8	-3.7
Belgium/Lux	0.3	156	-0.6	-2.3	-2.2	-0.6	5.4	8.4	3.3	5.4	0.3	0.4	-3.0	0.3
Norway	0.2	113	-2.9	-5.7	-5.6	-4.1	-1.8	4.9	0.0	2.1	7.0	2.2	-1.2	2.2
Israel	0.2	103	0.0	-1.0	-0.9	0.7	12.8	25.4	19.5	22.0	3.7	-1.5	-4.7	-1.5

Emerging - Top 10 by % weight (TR)

	Wgt (%)	Mkt Cap	1M				3M				12M			
			LOCAL	USD	GBP	EUR	LOCAL	USD	GBP	EUR	LOCAL	USD	GBP	EUR
Emerging	100.0	6,394	-2.7	-3.5	-3.4	-1.9	5.8	6.9	1.9	4.0	0.0	-1.7	-4.9	-1.7
China	27.2	1,740	-10.3	-10.4	-10.3	-8.9	-10.5	-10.4	-14.6	-12.8	-29.2	-29.0	-31.4	-29.1
India	21.9	1,402	2.3	2.5	2.6	4.3	19.1	19.4	13.8	16.2	34.2	32.4	28.0	32.3
Taiwan	18.0	1,153	0.5	-1.4	-1.3	0.3	13.7	17.9	12.3	14.7	20.5	15.6	11.7	15.5
Brazil	6.7	431	-4.0	-5.7	-5.6	-4.1	13.6	16.0	10.5	12.9	14.8	18.3	14.3	18.2
Saudi Arabia	4.8	305	-1.0	-1.0	-0.9	0.7	10.6	10.7	5.5	7.7	9.1	9.2	5.6	9.2
Mexico	3.4	219	-0.3	-1.7	-1.6	0.0	17.2	23.2	17.4	19.9	7.9	18.1	14.2	18.1
South Africa	3.4	216	-3.7	-5.3	-5.2	-3.7	7.8	8.6	3.5	5.7	-1.6	-7.8	-10.8	-7.8
Indonesia	2.2	143	0.9	-1.6	-1.5	0.1	8.6	9.3	4.1	6.4	9.8	4.3	0.9	4.3
Thailand	2.2	138	-4.6	-8.2	-8.1	-6.7	-2.5	-1.3	-5.9	-3.9	-13.5	-19.5	-22.2	-19.5
UAE	1.9	124	-0.7	-0.7	-0.6	1.0	5.3	5.3	0.3	2.5	0.2	0.2	-3.1	0.2

Global Investment Research
Market Maps

FTSE RUSSELL
An LSEG Business

ABOUT FTSE RUSSELL
FTSE Russell is a leading global provider of index and benchmark solutions, spanning diverse asset classes and investment objectives. As a trusted investment partner, we help investors make better-informed investment decisions, manage risk, and seize opportunities.

Market participants look to us for our expertise in developing and managing global index solutions across asset classes. Asset owners, asset managers, ETF providers and investment banks choose FTSE Russell solutions to benchmark their investment performance and create investment funds, ETFs, structured products, and index-based derivatives. Our clients use our solutions for asset allocation, investment strategy analysis and risk management, and value us for our robust governance process and operational integrity.

For over 35 years we have been at the forefront of driving change for the investor, always innovating to shape the next generation of benchmarks and investment solutions that open up new opportunities for the global investment community.

CONTACT US
To learn more, visit lseg.com/ftse-russell; email info@ftserussell.com; or call your regional Client Service team office:
EMEA +44 (0) 20 7866 1810   Asia-Pacific
North America +1 877 503 6437   Hong Kong +852 2164 3333
                                                              Tokyo +81 3 6441 1430
                                                              Sydney +61 (0) 2 7228 5659