

The Randomness of Global Stock Returns

DEVELOPED MARKETS

HIGH	NZL	NZL	SWE	AUT	CAN	ESP	FIN	JPN	NOR	SWE	IRL	BEL	FIN	USA	DNK	CAN	AUT	FIN	NZL	DNK
LOW A	AUS	AUT	DEU	NOR	JPN	PRT	HKG	CHE	AUS	DNK	NZL	DNK	IRL	NZL	IRL	NZL	HKG	NZL	IRL	NLD
	IRL	AUS	ESP	BEL	AUT	IRL	DEU	USA	SGP	HKG	USA	SGP	USA	DNK	BEL	NOR	SGP	USA	CHE	SWE
	AUT	NOR	AUT	IRL	DNK	SGP	NOR	ESP	SWE	SGP	GBR	DEU	DEU	HKG	JPN	AUS	DNK	HKG	NLD	USA
	BEL	ITA	NZL	SWE	NOR	NOR	CAN	FRA	HKG	CAN	CHE	NZL	ESP	BEL	AUT	AUT	NLD	NOR	USA	FIN
	ESP	JPN	CAN	NZL	FIN	SWE	SGP	CAN	BEL	JPN	NOR	HKG	NLD	SGP	ITA	USA	FRA	CHE	DNK	NZL
	NOR	CHE	AUS	ITA	CHE	DNK	AUS	DEU	CAN	USA	BEL	AUT	BEL	IRL	FIN	FRA	ITA	SGP	CAN	IRL
	USA	SGP	DNK	DNK	AUS	BEL	DNK	SGP	NZL	AUS	AUS	AUS	JPN	CAN	NLD	NLD	NOR	PRT	ITA	JPN
	GBR	CAN	NOR	AUS	SGP	AUT	PRT	DNK	ESP	CHE	NLD	SWE	CHE	CHE	PRT	PRT	DEU	AUS	FRA	PRT
	DNK	PRT	IRL	ESP	NLD	DEU	ESP	NLD	GBR	NOR	ESP	FRA	FRA	FIN	USA	DEU	ESP	FRA	PRT	CHE
	HKG	BEL	PRT	HKG	SWE	FRA	NLD	GBR	AUT	FIN	CAN	NLD	DNK	AUS	CHE	JPN	JPN	JPN	AUS	DEU
	CAN	GBR	FRA	PRT	DEU	ITA	FRA	SWE	NLD	AUT	JPN	CHE	SWE	NLD	FRA	HKG	PRT	NLD	SWE	AUS
	CHE	ESP	HKG	SGP	FRA	NLD	NZL	ITA	PRT	GBR	SWE	NOR	GBR	JPN	HKG	SGP	CHE	SWE	GBR	HKG
	PRT	DNK	ITA	CAN	BEL	AUS	GBR	AUS	DNK	DEU	DNK	USA	ITA	ESP	DEU	SWE	FIN	GBR	DEU	CAN
	NLD	HKG	SGP	GBR	HKG	GBR	ITA	HKG	FRA	NZL	HKG	GBR	AUT	GBR	SWE	GBR	GBR	DNK	BEL	FRA
	FRA	NLD	JPN	FRA	GBR	HKG	USA	PRT	ITA	NLD	FRA	FIN	NZL	SWE	NZL	ESP	USA	ESP	JPN	ITA
	DEU	FRA	BEL	DEU	USA	FIN	CHE	NZL	USA	BEL	SGP	ITA	HKG	ITA	GBR	FIN	SWE	CAN	SGP	NOR
	SGP	USA	CHE	JPN	ESP	CHE	AUT	FIN	CHE	FRA	DEU	CAN	PRT	FRA	AUS	CHE	AUS	ITA	AUT	AUT
	ITA	IRL	GBR	CHE	ITA	CAN	SWE	NOR	DEU	PRT	PRT	JPN	NOR	DEU	NOR	IRL	BEL	DEU	ESP	ESP
	SWE	FIN	USA	NLD	NZL	NZL	BEL	BEL	IRL	ITA	ITA	IRL	CAN	NOR	ESP	BEL	IRL	IRL	NOR	SGP
	JPN	SWE	NLD	USA	PRT	USA	JPN	AUT	FIN	IRL	FIN	PRT	AUS	AUT	SGP	ITA	CAN	BEL	HKG	BEL
	FIN	DEU	FIN	FIN	IRL	JPN	IRL	IRL	JPN	ESP	AUT	ESP	SGP	PRT	CAN	DNK	NZL	AUT	FIN	GBR
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020

ANNUALISED RETURNS (%) 2001–2020								
DNK	Denmark	9.8						
NZL	New Zealand	9.7						
AUS	Australia	7.5						
HKG	Hong Kong	5.6						
USA	United States	5.2						
CHE	Switzerland	5.0						
NOR	Norway	4.9						
SWE	Sweden	4.7						
SGP	Singapore	4.6						
CAN	Canada	4.4						
NLD	Netherlands	4.3						
DEU	Germany	3.0						
AUT	Austria	2.7						
FRA	France	2.2						
ESP	Spain	2.1						
JPN	Japan	2.0						
GBR	United Kingdom	1.6						
BEL	Belgium	1.4						
FIN	Finland	-0.9						
IRL	Ireland	- 1.0						
ITA	Italy	- 1.0						
PRT	Portugal	-1.0						

It is difficult to predict future returns by looking at the past, as shown by the performance of global markets since 2001.

- This table powerfully demonstrates the randomness of global equity returns. It illustrates 20 years of annual returns in 22 developed markets. Each colour represents a different country. Each column is sorted top down, from the highest-performing country to the lowest.
- The scattered colours suggest it is hard to predict which country will outperform from one year to the next. Austria, for example, posted the highest developed market return in 2017 but the lowest the next year.
- Investors holding equities from markets around the world can have a more consistent investment experience, with higher returns in one market helping offset lower returns elsewhere.

Investment opportunities exist all around the globe—and it's hard to know where next year's best returns will appear. A globally diversified portfolio can help capture a broad range of returns and deliver more reliable outcomes over time.

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.

In AUD. 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 2021, all rights reserved.

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