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WEBINARS

International investing in volatile markets

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Featured Speakers

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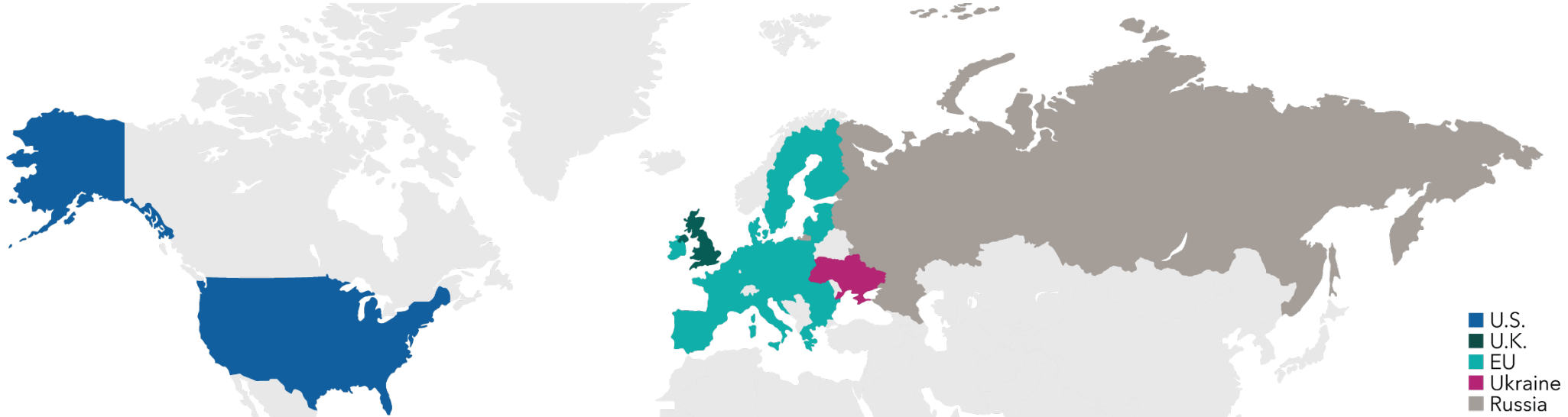
- Stay on the webinar for at least 50 minutes
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Ask a question

U.S. resources

Canadian resources

The West is united in sanctions against Russia



United States

- Targeting ~80% of all banking assets in Russia
- Blocking Russia's technology and defense imports
- Blocking 13 major companies from raising money in the U.S., spanning multiple industries
- Banned imports of Russian oil and natural gas
- Banned certain Russian banks from SWIFT

United Kingdom

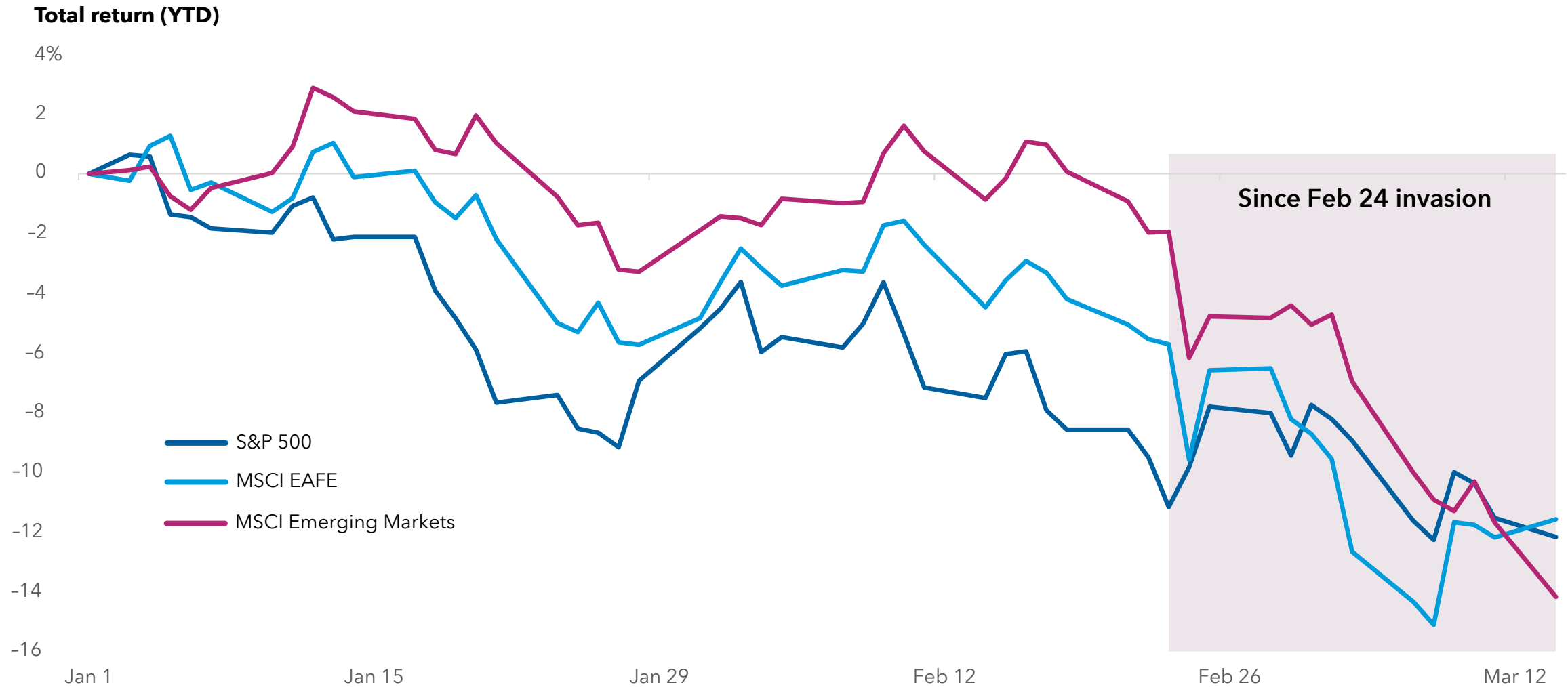
- Asset freezes on all major Russian banks
- Prohibiting all major Russian companies from raising funds
- Sanctions against more than 100 individuals, firms and subsidiaries
- Banned certain Russian banks from SWIFT

European Union

- Targeting ~70% of the Russian banking market
- Export ban on equipment and technology for energy sector
- Limiting the sale of "golden passports" to Russian elites
- Banned certain Russian banks from SWIFT

Sources: Capital Group, Council of the European Union, U.K. Foreign, Commonwealth and Development Office, U.S. Department of the Treasury, U.S. State Department. As of March 14, 2022. Note: SWIFT is the Society for Worldwide Interbank Financial Telecommunication, which runs a messaging and payment system used by more than 11,000 financial institutions. Golden passports refer to residence permits that can be made available to foreign nationals and their immediate family via certain citizenship-by-investment programs.

Markets have crossed into correction territory

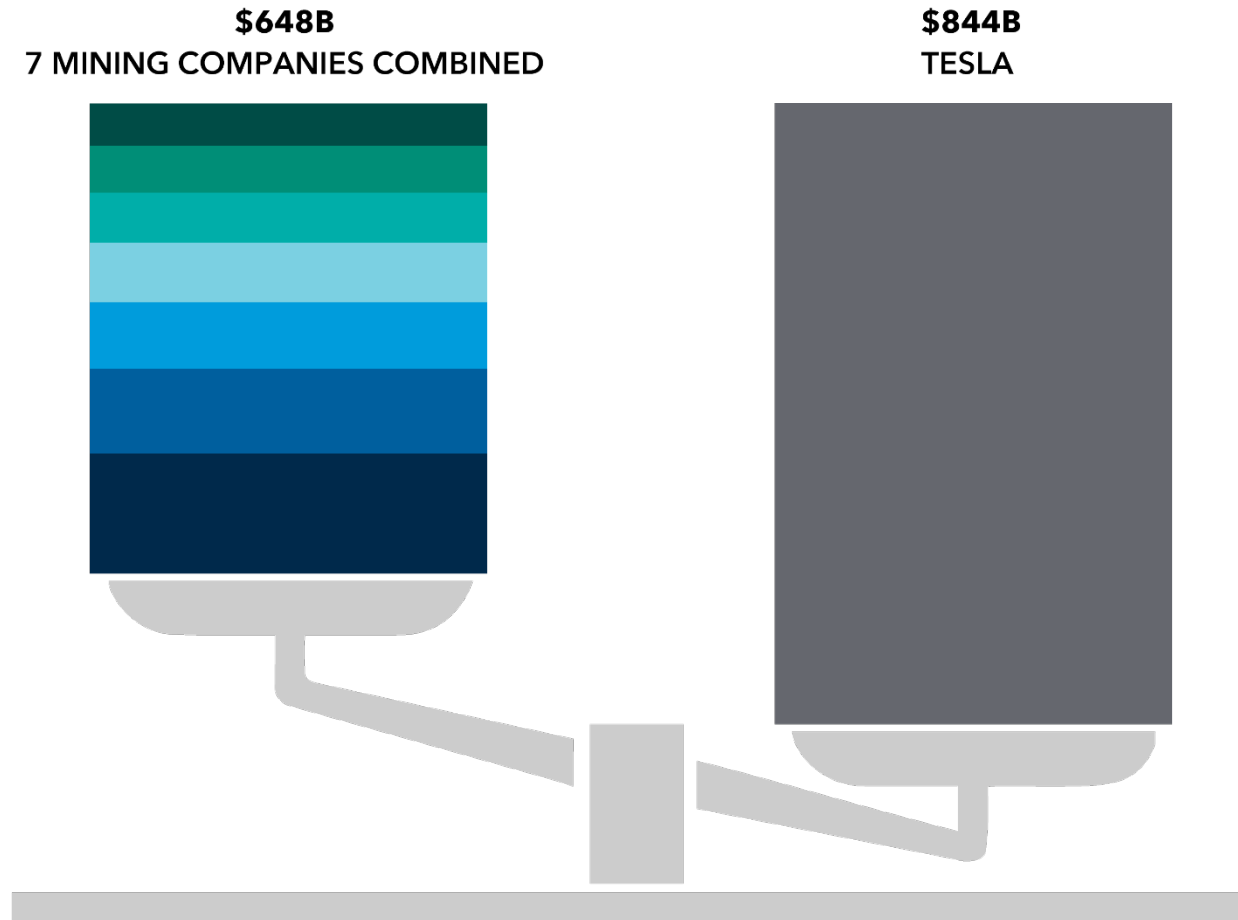


Sources: MSCI, RIMES, Standard & Poor's. As of 3/14/22.

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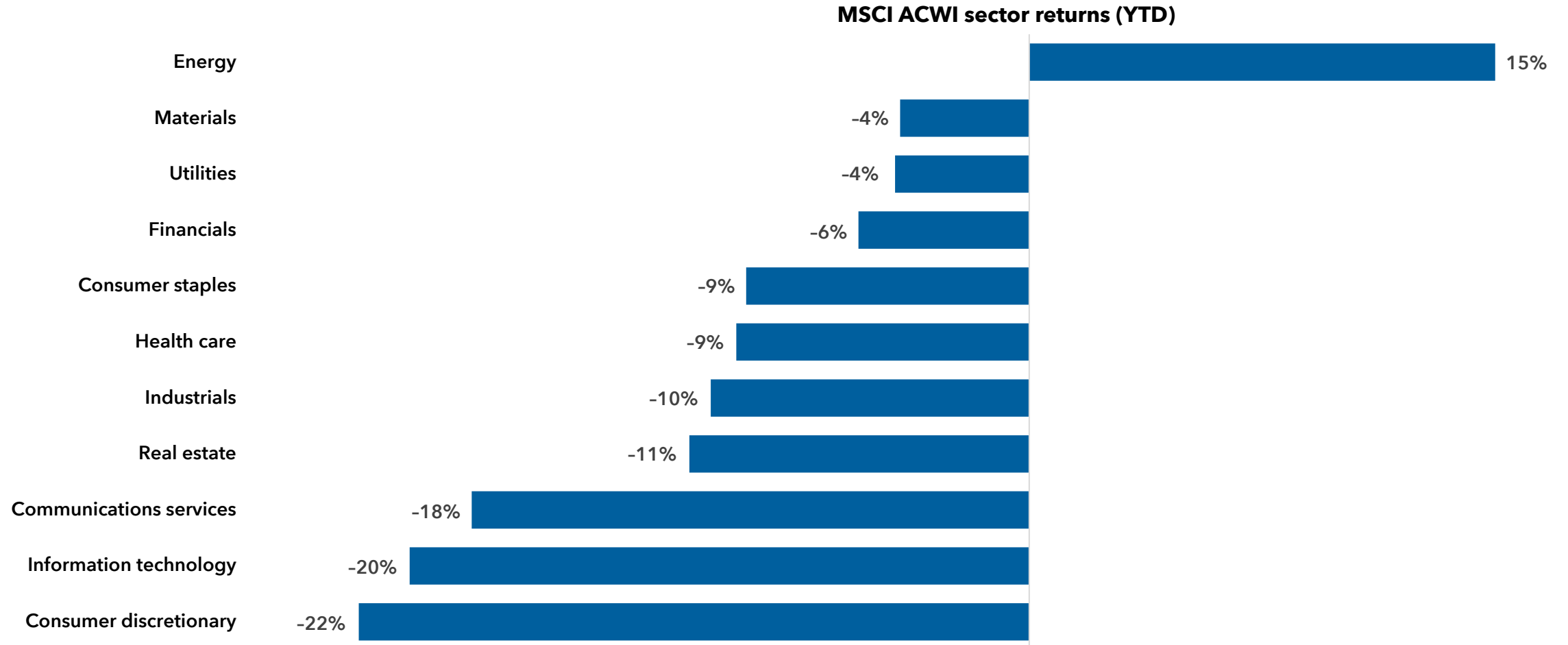
Mining companies are often overlooked by the market

Market capitalization of the world's 7 largest mining companies vs. Tesla (USD)



Source: RIMES. As of 3/16/22. Mining companies (from largest to smallest) include BHP, Rio Tinto, Vale, Glencore, Freeport, Anglo American and Newmont.

Value sectors have held up better during recent volatility



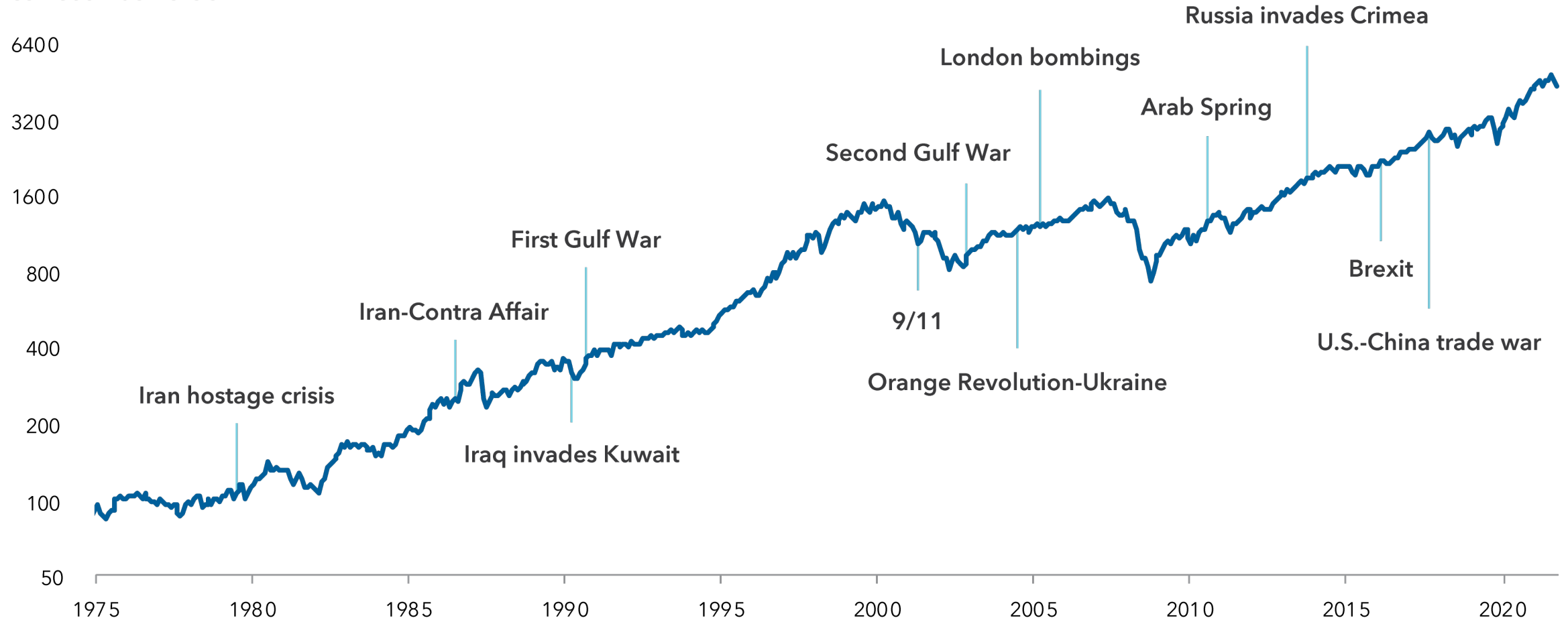
Sources: MSCI, RIMES. As of 3/14/22. Returns are in USD.

POLL QUESTION

Which market will have higher returns over the next 12 months – U.S., international, or EM?

Equity markets have historically powered through geopolitical events

S&P 500 Index levels



Sources: Capital Group, Refinitiv Datastream, Standard & Poor's. Chart shown on a logarithmic scale. Index levels reflect price returns, and do not include the impact of dividends. As of 3/14/22.






Top companies are rarely persistent across decades

	1980	1990	2000	2010	Today
Top companies at start of decade	IBM	Nippon Telegraph and Telephone	Microsoft	PetroChina	Apple
	AT&T	Sumitomo Mitsui Financial	General Electric	Exxon Mobil	Microsoft
	Exxon	Mizuho Financial	Cisco Systems	Microsoft	Saudi Arabian Oil
	Standard Oil	Exxon Mobil	Walmart	ICBC	Alphabet
	Schlumberger	Mitsubishi UFJ Financial	Exxon Mobil	Walmart	Amazon
	Royal Dutch	General Electric	Intel	China Construction Bank	Tesla
Popular belief at the time	Big oil	Japan stocks will dominate	U.S. is big tech winner	China stocks will dominate	?

- United States
- Japan
- China
- Europe and Middle East

Source: Capital Group, MSCI, Refinitiv Datastream. Companies represent top companies by full float market value as of the start of each decade. MSCI World Index used in 1980 and 1990. MSCI ACWI used in other periods. Latest column are top companies as of 2/28/22.

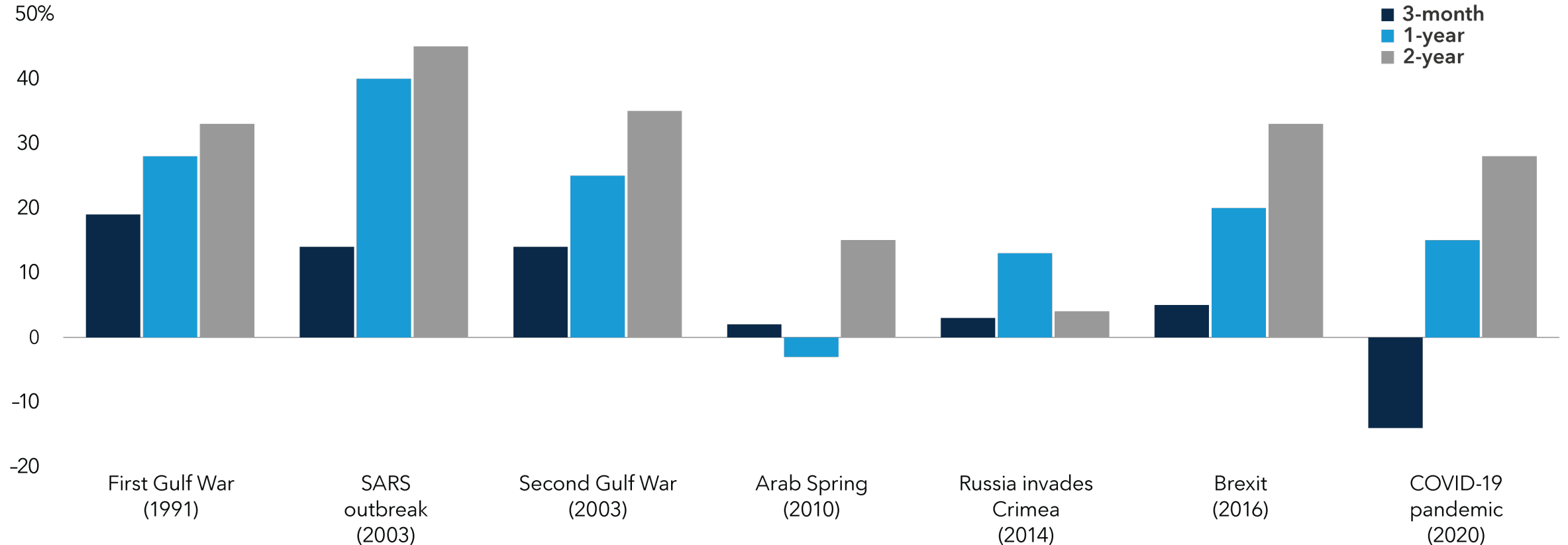
Risks in China are rising, but so are opportunities

Estimate of global production from China (%)				
1990's	2000's	2010's	2020's	
88%	53%	60%	40%	50%
				
Toys	Personal computers	Smart phones	Solar inverters	EV batteries

Sources: Capital Group, company filings, Euromonitor, SNE Research. Manufacturing examples and share of global production are based on estimates as of May 2021. EV refers to electric vehicles.

Market shocks have often been followed by market gains

S&P 500 Index returns following select market-moving events



Sources: Capital Group, Refinitiv Datastream, Standard & Poor's. Values reflect price return in the S&P 500 Index, following the closest trading day to the listed event. Starting dates used for each event are: 1/17/91 (First Gulf War), 2/11/03 (SARS outbreak), 3/20/03 (Second Gulf War), 12/17/10 (Arab Spring), 2/27/14 (Russia invades Crimea), 6/24/16 (Brexit) and 2/19/20 (COVID-19 pandemic).

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Mark Casey



Cheryl Frank

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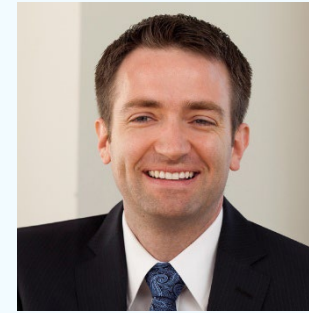
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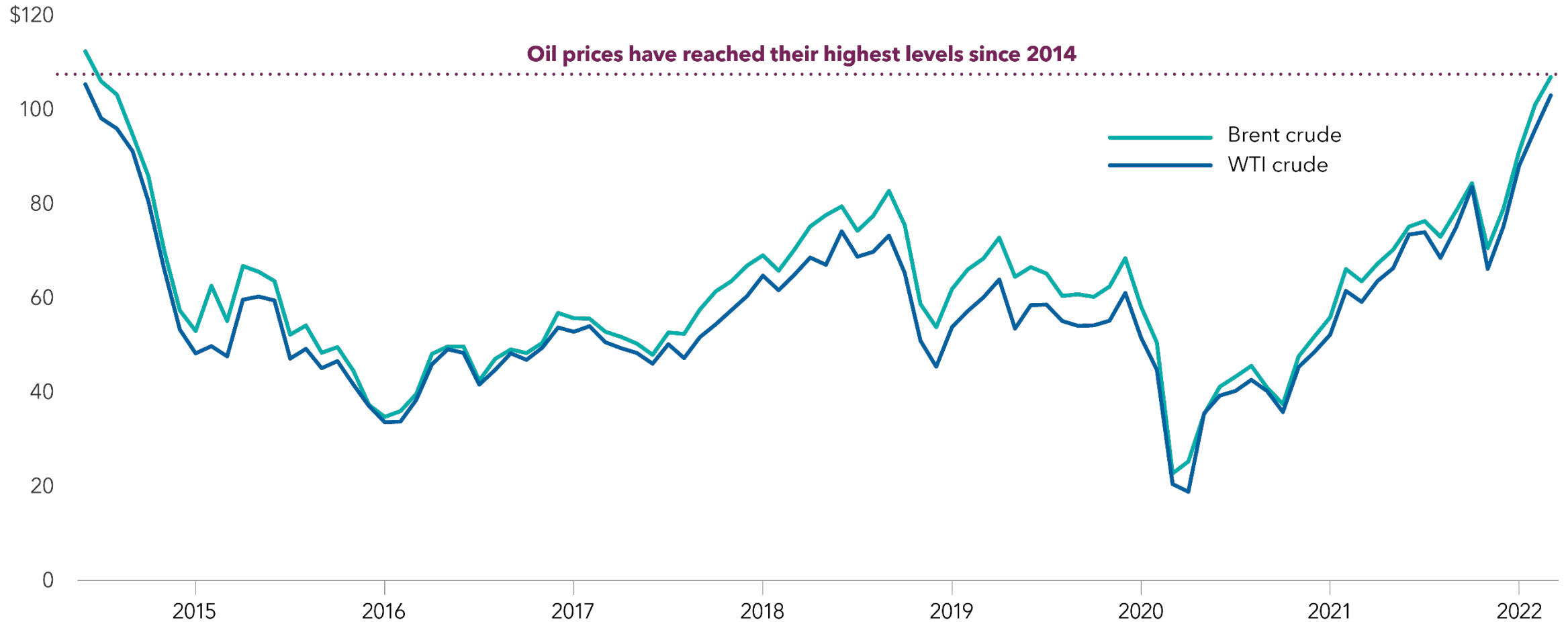
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*Source: Fund Intelligence, February 20, 2020. FUSE Research survey of nearly 600 advisors identifying the "most-read thought leaders." Marketing Support: The Advisor View, June 2020. FUSE Research survey of more than 700 advisors identifying the "most-read thought leaders." Marketing Support: The Advisor View, July 2021. FUSE Research survey of 720 financial advisors identifying the "most-read asset manager thought leaders."

Energy prices spiked amid Russia-Ukraine conflict

Oil price (USD)

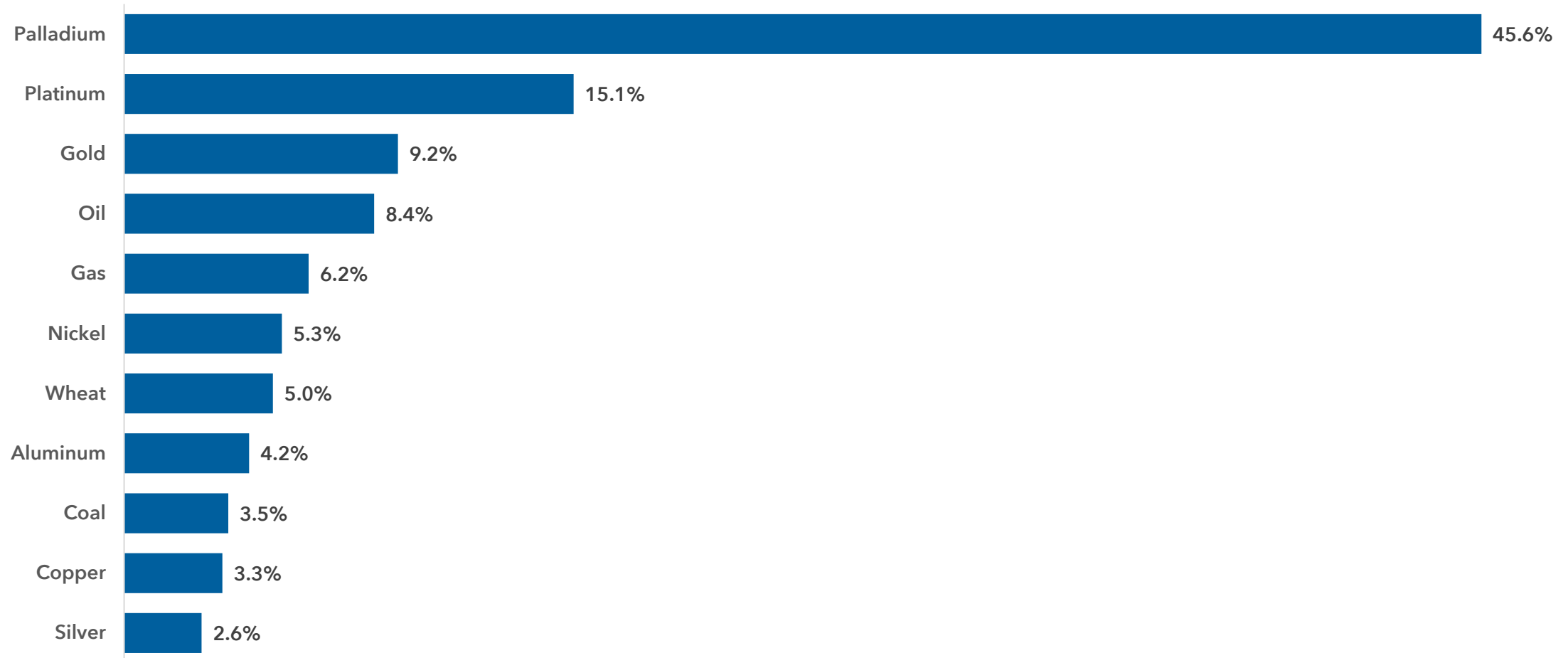


Source: Refinitiv Datastream. As of 3/14/22.

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Russia is a major supplier of key raw materials

Russia's exports as a share of global production



Sources: Bloomberg, JP Morgan. Data is for the 12 months ending 12/31/20.

Important information

The market indexes are unmanaged and, therefore, have no expenses. Investors cannot invest directly in an index.

MSCI ACWI is designed to measure results of more than 40 developed and emerging equity markets. MSCI EAFE (Europe, Australasia, Far East) Index is a free float-adjusted market capitalization-weighted index designed to measure developed equity market results, excluding the United States and Canada. MSCI Emerging Markets Index is a free float-adjusted market capitalization-weighted index designed to measure equity market results in more than 20 global emerging markets. MSCI World Index is a free float-adjusted market capitalization-weighted index designed to measure equity market results of developed markets. The index consists of more than 20 developed market country indexes, including the United States.

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