



## GLOBAL X ETFs RESEARCH

# International Report: Q1 2022

The Q1 2022 Global X International Report can be viewed [here](#). The report summarizes market and macroeconomic developments across our International Access suite of ETFs. For a closer look at China Sectors, please see the latest [China Sector Report: Q1 2022](#).

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### Related ETFs

Please click below for fund holdings and important performance information.

[ARGT – Global X MSCI Argentina ETF](#)

[ASEA – Global X FTSE Southeast Asia ETF](#)

[DAX – Global X DAX Germany ETF](#)

[GREK – The Global X MSCI Greece ETF](#)

[GXG – Global X MSCI Colombia ETF](#)

[PAK – Global X MSCI Pakistan ETF](#)

[PGAL – Global X MSCI Portugal ETF](#)

[NORW – Global X MSCI Norway ETF](#)

[NGE – Global X MSCI Nigeria ETF](#)

[VNAM – Global X MSCI Vietnam ETF](#)

## Summary

Risk-off sentiment prevailed in Q1 2022 as geopolitical tensions flared and the Omicron variant became a stumbling block for many countries. After Russia launched a war against Ukraine in late February, the potential knock-on effects of sanctions against Russia became a primary concern, particularly for European markets that depend on Russian gas for energy. Meanwhile, the threat of lower food supply from Ukraine and Russia, which collectively account for 28.3% of global wheat production, stoked concerns of food shortages and increased inflation.<sup>1</sup> The Omicron variant's spread in China led to lockdowns in the major cities of Shenzhen and Shanghai towards the end of the quarter, which compounded supply chain disruptions around the world.

The U.S.-based S&P 500 decreased by 4.6% in Q1 2022, outperforming both the MSCI Emerging Markets Index (MXEF) and MSCI All Country World Index (MXWD). The MXEF underperformed the MXWD with returns of -6.97% and -5.36% respectively, reflecting the prevailing risk-off sentiment. Despite challenges in the global economy, nine of Global X's single country and regional funds outperformed the MXWD while only two underperformed.

Country/Region (ETF Ticker)	1 month return (%)	3 month return (%)	1 mo. Return (%) 3 mo. Return (%)					
			-20.00	-10.00	0.00	10.00	20.00	30.00
MSCI Emerging Markets (MXEF)	-2.26	-6.97						
MSCI ACWI (MXWD)	2.17	-5.36						
Argentina (ARGT)	9.98	13.60						
Colombia (GXG)	9.28	21.66						
Emerging and Frontier (EMFM)	2.88	6.09						
Germany (DAX)	-1.27	-11.30						
Greece (GREK)	-1.02	1.69						
Nigeria (NGE)	-2.58	1.59						
Norway (NORW)	5.43	5.15						
Pakistan (PAK)	-3.09	-2.80						
Portugal (PGAL)	6.43	2.37						
Southeast Asia (ASEA)	2.54	8.25						
Vietnam ETF (VNAM)	-0.47	-5.43						

*Performance commentary is based on the NAVs of the ETFs. Performance shown is past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance quoted. Returns great than one year are annualized. High short-term performance of the fund is unusual and investors should not expect such performance to be repeated. Returns for periods*



greater than one year are annualized. For performance data current to the most recent month end, please click on the fund names above.

All data as of 3/31/2022	Fund Information		Performance				
	Expense Ratio		1 Year	3 Year	5 Year	10 Year	Annualized since Fund Inception
Global X DAX Germany ETF (DAX) Inception date : 10/22/14	0.20%	NAV	-9.51%	6.90%	3.50%	-	4.03%
		Market Price	-11.40%	6.13%	3.12%	-	3.73%
		DAX Index	-9.07%	7.41%	4.02%	-	4.79%
Global X MSCI Vietnam ETF (VNAM) Inception date : 12/07/21	0.50%	NAV	-	-	-	-	-1.35%
		Market Price	-	-	-	-	-2.99%
		TN30XN Index	-	-	-	-	-1.18%
Global X FTSE Southeast Asia ETF (ASEA) Inception date : 2/16/11	0.65%	NAV	11.61%	2.72%	4.96%	2.66%	3.25%
		Market Price	11.38%	2.94%	5.04%	2.65%	3.26%
		TAS40NU Index	12.51%	3.48%	5.71%	3.34%	3.92%
Global X MSCI Argentina ETF (ARGT) Inception date : 3/2/11	0.59%	NAV	23.94%	9.49%	5.58%	5.97%	2.52%
		Market Price	24.58%	9.61%	5.62%	6.02%	2.55%
		M1AAR5R Index	24.74%	10.03%	5.51%	6.56%	3.11%
Global X MSCI Colombia ETF (GXG) Inception date : 2/5/09	0.61%	NAV	22.11%	-1.02%	0.74%	-8.22%	3.53%
		Market Price	21.35%	-0.89%	0.76%	-8.24%	3.51%
		M1CXGXB Index	24.37%	-0.25%	1.44%	-5.48%	4.41%
Global X MSCI Portugal ETF (PGAL) Inception date : 11/12/13	0.58%	NAV	5.33%	4.56%	5.53%	-	-0.13%
		Market Price	3.39%	4.06%	5.11%	-	-0.31%
		M1CXGXER Index	5.43%	4.59%	5.65%	-	-0.01%

All data as of 3/31/2022	Fund Information		Performance				
	Expense Ratio		1 Year	3 Year	5 Year	10 Year	Annualized since Fund Inception
Global X MSCI Greece ETF (GREK) Inception date : 12/7/11	0.56%	NAV	4.17%	6.50%	4.77%	-3.83%	-3.38%
		Market Price	2.77%	5.80%	4.59%	-4.08%	-3.54%
		M1CXGXA Index	4.72%	7.02%	5.48%	-3.07%	-2.54%
Global X MSCI Next Emerging & Frontier ETF (EMFM) Inception date : 11/6/13	0.63%	NAV	15.09%	4.86%	3.86%	-	0.68%
		Market Price	13.92%	4.66%	3.87%	-	0.67%
		NU722163 Index	15.82%	5.71%	4.41%	-	1.42%
Global X MSCI Nigeria ETF (NGE) Inception date : 4/2/13	0.91%	NAV	13.49%	0.56%	2.89%	-	-11.38%
		Market Price	-13.94%	-11.90%	-4.88%	-	-15.03%
		M1ANI5R Index	16.88%	3.56%	5.91%	-	-9.15%
Global X MSCI Norway ETF (NORW) Inception date : 11/9/10	0.50%	NAV	13.76%	10.27%	10.16%	4.03%	3.68%
		Market Price	12.88%	9.94%	9.83%	3.91%	3.60%
		M1NOSIM Index	14.29%	10.67%	10.51%	4.57%	4.24%
Global X MSCI Pakistan ETF (PAK) Inception date : 4/22/15	0.76%	NAV	-20.33%	-8.49%	-15.32%	-	-9.01%
		Market Price	-21.51%	-9.51%	-15.55%	-	-9.31%
		MXCXP25R Index	-19.22%	-7.24%	-14.21%	-	-7.40%

## Notable Performers

The Global X MSCI Colombia ETF (GXG) was the suite's best performer, returning 21.66% over Q1 2022. GXG's performance can be explained in part by its sector breakdown, which results in positions that may benefit from certain trends. Over half of GXG's holdings are in Financials and Energy. Elevated oil prices are likely contributing to higher returns in Energy holdings like Ecopetrol, while rising interest rates are likely contributing to higher returns in Colombian Financials. The upcoming presidential election in May will have important implications for the Energy sector, as Colombia's reliance on oil revenue becomes a key point of contention.

With returns of 13.60%, the Global X MSCI Argentina ETF (ARGT) was the second-best performer. Argentina's negotiations with the International Monetary Fund (IMF) over the refinancing of \$45bn in debt made headlines in Q1. The quarter concluded with the news of Argentina successfully securing a deal with the IMF to delay payments on its \$45bn of debt to 2026, providing the country with four years of breathing room.<sup>2</sup> As inflation remains persistently high at above 50% in each month since June 2021, Argentina has economic challenges to overcome.



## Laggards

The suite's worst performer in Q1 2022 was the Global X DAX Germany ETF (DAX), which returned -11.30% in Q1 2022 as Russia's invasion of Ukraine prompted a scramble among German policymakers to decouple from Russian gas. Furthermore, many German businesses opted to cutback, suspend, or terminate operations in the Russian market. This includes DAX holdings such as Linde, Siemens, SAP, Allianz, Adidas, Bayer and more.

Meanwhile, the Global X MSCI Vietnam ETF (VNAM) only slightly underperformed the MSCI ACWI, delivering returns of -5.43%. Within VNAM's holdings, Industrials and Real Estate dragged down total returns the most with returns of -14.73% and -7.12%, respectively.<sup>3</sup> Vietnam continued to suffer from a labor shortage after COVID-19 outbreaks resulted in an exodus of workers away from urban areas. Vietnam pivoted away from the zero-COVID-19 approach in Q4 2021, and the outlook may improve as the country continues to move towards more flexible COVID-19 policies.

1. DW. (2022, March 21). Ukraine war increases global food insecurity.
2. Alcoba, N. (2022, March 18). Argentina's Senate approves IMF deal, avoiding default. *Al Jazeera*.
3. Data accessed from Bloomberg Data Management Services. (2022, April 13).

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