



GLOBAL X ETFs RESEARCH

International Report: Q1 2021

The Q1 2021 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 2021](#).

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Date: April 20, 2021
Topic: **International**



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](#)
- [CHIL – Global X MSCI China Large-Cap 50 ETF](#)
- [DAX – Global X DAX Germany ETF](#)
- [GREK – The Global X MSCI Greece ETF](#)
- [GXF – Global X FTSE Nordic Region 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](#)

Summary

After a strong performance in Q4 2020, international equities saw mixed results in Q1 2021. A strong economic recovery in China and a speedy vaccination campaign in the US have both created tailwinds for growth around the world. But despite these positive developments, vaccination campaigns around the world are moving at different paces with a surge of COVID cases seen stretching into early Q2. Mixed returns in Q1 2021 are yet another sign that the global economy is not yet out of the woods.

The US-based S&P 500 outperformed broad international equity markets in Q1, returning 6.17% versus 4.57% for the MSCI All Country World Index (ACWI). Emerging markets fared worse with only 2.29% growth, which seems to reflect the slower vaccination rollout within the developing world. Nine of Global X's single country and regional funds underperformed the ACWI, while three outperformed it.

Country/Region (ETF Ticker)	1 month return (%)	3 month return (%)	1 mo. Return (%)		3 mo. Return (%)	
			Bar Value	Label	Bar Value	Label
MSCI Emerging Markets (MXEF)	-1.51	2.29	-1.51	-1.51	2.29	2.29
MSCI ACWI (MXWD)	2.67	4.57	2.67	2.67	4.57	4.57
Argentina (ARGT)	1.47	-5.15	-5.15	-5.15	1.47	1.47
China, Large Cap (CHIL)	-7.57	-3.17	-7.57	-3.17	-3.17	-3.17
Colombia (GXG)	-1.77	-11.03	-11.03	-1.77	-1.77	-1.77
Emerging and Frontier (EMFM)	1.42	1.15	1.42	1.42	1.15	1.15
Germany (DAX)	5.37	4.96	5.37	5.37	4.96	4.96
Greece (GREK)	5.78	3.15	5.78	5.78	3.15	3.15
Nigeria (NGE)	-0.22	-7.90	-7.90	-0.22	-0.22	-0.22
Nordic Region (GXF)	2.76	3.17	2.76	2.76	3.17	3.17
Norway (NORW)	6.12	9.29	6.12	6.12	9.29	9.29
Pakistan (PAK)	-0.78	4.64	-0.78	-0.78	4.64	4.64
Portugal (PGAL)	1.75	-0.09	1.75	1.75	-0.09	-0.09
Southeast Asia (ASEA)	0.82	2.08	0.82	0.82	2.08	2.08

Source: Bloomberg as of Mar 31, 2021

One and three-month performance is based on the NAVs of the underlying sector 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, may be worth more or less than their original cost and current performance may be lower or higher than the performance quoted. For performance data current to the most recent month end, please visit globalxetfs.com.



All data as of 3/31/2021	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	60.81%	5.35%	8.47%	-	6.31%
		Market Price	61.78%	5.27%	8.58%	-	6.30%
		DAX Index	61.80%	5.84%	9.21%	-	7.12%
Global X FTSE Nordic Region ETF (GXF) Inception date : 8/17/09	0.51%	NAV	56.17%	10.68%	9.09%	6.08%	8.77%
		Market Price	57.66%	10.56%	9.31%	6.10%	8.82%
		TN30XN Index	56.74%	11.78%	9.62%	6.25%	8.97%
Global X FTSE Southeast Asia ETF (ASEA) Inception date : 2/16/11	0.65%	NAV	36.26%	-3.02%	4.32%	1.98%	2.46%
		Market Price	37.26%	-3.40%	4.34%	1.96%	2.49%
		TAS40NU Index	37.29%	-2.43%	5.07%	2.63%	3.11%
Global X MSCI Argentina ETF (ARGT) Inception date : 3/2/11	0.60%	NAV	76.12%	-6.01%	9.27%	0.50%	0.60%
		Market Price	77.92%	-6.01%	9.13%	0.50%	0.59%
		M1AAR5R Index	77.03%	-5.67%	9.16%	1.07%	1.19%
Global X MSCI China Large-Cap 50 ETF (CHIL) Inception date : 12/7/18	0.29%	NAV	48.31%	-	-	-	21.99%
		Market Price	50.27%	-	-	-	22.44%
		NU722331 Index	49.51%	-	-	-	22.67%
Global X MSCI Colombia ETF (GXG) Inception date : 2/5/09	0.62%	NAV	40.31%	-8.38%	-1.93%	-7.52%	2.13%
		Market Price	40.96%	-8.67%	-1.95%	-7.50%	2.16%
		M1CXGXB Index	39.42%	-7.97%	-1.56%	-6.93%	2.92%

All data as of 3/31/2021	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	0.58%	NAV	59.76%	-0.30%	5.48%	-	-4.15%
		Market Price	58.06%	-0.68%	5.57%	-	-4.19%
		M1CXGXA Index	60.58%	0.23%	6.25%	-	-3.29%
Global X MSCI Next Emerging & Frontier ETF (EMFM) Inception date : 11/6/13	0.70%	NAV	38.33%	-4.27%	2.46%	-	-1.12%
		Market Price	39.32%	-4.28%	2.74%	-	-1.00%
		NU722163 Index	39.80%	-3.49%	3.27%	-	-0.39%
Global X MSCI Nigeria ETF (NGE) Inception date : 4/2/13	0.89%	NAV	62.48%	-11.77%	-6.72%	-	-14.05%
		Market Price	53.60%	-15.91%	-9.59%	-	-15.17%
		M1ANI5R Index	66.87%	-9.61%	-4.19%	-	-11.97%
Global X MSCI Norway ETF (NORW) Inception date : 11/9/10	0.50%	NAV	80.22%	4.39%	10.25%	1.59%	2.76%
		Market Price	79.84%	3.75%	10.26%	1.51%	2.74%
		M1NO5IM Index	81.06%	4.73%	10.51%	2.21%	3.33%
Global X MSCI Pakistan ETF (PAK) Inception date : 4/22/15	0.90%	NAV	57.41%	-12.87%	-5.93%	-	-6.95%
		Market Price	59.80%	-13.33%	-6.10%	-	-7.14%
		MXCXP25R Index	59.60%	-12.13%	-4.32%	-	-5.25%
Global X MSCI Portugal ETF (PGAL) Inception date : 11/12/13	0.58%	NAV	36.35%	0.01%	5.33%	-	-0.85%
		Market Price	38.17%	0.20%	5.49%	-	-0.80%
		M1CXGXR Index	36.37%	0.00%	5.28%	-	-0.72%

The performance data quoted represents past performance. Past performance 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 for periods greater than one year are annualized. For performance data current to the most recent month end, please click on the fund links above.

Notable Performers

The top performing single country fund for the quarter was the Global X MSCI Norway ETF (NORW) with 9.29% returns, led by strong performance in the Materials, Energy, and Financial sectors. The Global X DAX Germany ETF (DAX) was the second-best performer with gains of



4.96%. DAX managed to deliver decent returns despite reintroduced lockdowns and vaccination delays around the Eurozone.

Despite disappointing returns in the first month of Q1, Pakistan recovered later in the quarter and offered positive returns for Q1, with the Global X MSCI Pakistan ETF (PAK) returning 4.64%. Powered by a trend of recovery in key supporting economies, remittances from overseas Pakistanis in the month of March grew 43% year-on-year, providing a boost for consumption.¹

Laggards

The worst performer of Q1 2021 was the Global X MSCI Colombia ETF (GXG), which underperformed the ACWI with -11.03% returns. This is in stark contrast to Q4 2020, during which GXG returned 38.90% amid rising oil prices. Part of Colombia's steep ascent in Q4 can be attributed to its lifting of a five-month lockdown in September. Q1 saw the return of lockdowns in major cities like Bogota that pulled back the post-lockdown momentum of Q4.

Also in Latin America, the Global X MSCI Argentina ETF (ARGT) recorded a -5.15% decline. An unexpected uptick in inflation, which moved up 4.8% in March, created consternation over Argentina's recovery prospects.² Troubles with economic recovery come ahead of crucial legislative elections in Q4 2021.

Nigeria was the second worst performer for Q1, with returns on the Global X MSCI Nigeria ETF (NGE) dipping to -7.90%. Nigeria's economic recovery in Q1 was dampened by burgeoning food inflation and a worsening unemployment crisis. Food Consumer Price Index (CPI) hit a 15-year high of 22.9% by the end of Q1 while unemployment levels reached 33.3% by the end of Q4. Banks, Food Products and Construction Materials, which collectively make up nearly 80% of holdings in NGE, all saw negative returns.

Conclusion

The long-awaited rollout of multiple vaccines in Q4 2020 set the stage for change in Q1 2021. How that change played out largely differed from country to country. External factors like a continued recovery in commodities, a new US administration with plans for accelerated vaccinations and infrastructure spending, as well as a more balanced recovery and rise in consumption in China all buoyed the global economy. Internal factors varied drastically, from India where record-high COVID cases threaten prospects of a V-shaped recovery, to South Korea where rising investments and exports are boosting confidence in the nation's recovery. Meanwhile, the dollar appreciated against most emerging market currencies during Q1, in a trend that has defied the expectations of many and presented challenges to the rebound of emerging markets. The lesson of Q1 is that vaccinations cannot drive a global recovery without cooperative efforts and wise policy decisions.



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1. Reuters, "Pakistan's overseas remittances exceed \$2 bln for 10th straight month," Apr 12, 2021.
 2. Bloomberg, "Argentina Prices Jump More Than Expected to 18-Month High," Apr 14, 2021.



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