

GLOBAL X ETFs RESEARCH

International Report: Q4 2020

The Q4 2020 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: Q4 2020](#).

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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](#)

[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

Following a global rally in Q2 which saw strong performance in the US and in international equity markets, and subsequently significant divergence in performance during Q3, international equities again had a strong performance in Q4. Positive vaccine developments helped boost global markets while foreign economies continued taking varied approaches to fiscal and monetary stimulus and containment of COVID-19, driving uneven results in GDP growth, corporate profitability, and ultimately equity returns.

From a high level, the US-based S&P 500 underperformed broad international equity markets during the quarter, returning 11.69% versus 14.68% for the MSCI All Country World Index (ACWI). Meanwhile, emerging markets (EM) again exceeded both, with the MSCI Emerging Markets Index (MXEF) rising 19.70%, driven yet again by strong growth from China, in addition to South Korea, Taiwan, India, and Brazil. Within Global X’s suite of single country and regional ETFs, nine outperformed the MSCI All World Country Index (ACWI) while only three lagged.

Country/Region (ETF Ticker)	1 month return (%)	3 month return (%)	Bar Chart (1 mo. Return (%) / 3 mo. Return (%))	
MSCI Emerging Markets (MXEF)	7.35	19.70	7.35	19.70
MSCI ACWI (MXWD)	4.64	14.68	4.64	14.68
Argentina (ARGT)	6.57	31.12	6.57	31.12
China, Large Cap (CHIL)	7.26	19.12	7.26	19.12
Colombia (GXG)	20.08	38.90	20.08	38.90
Emerging and Frontier (EMFM)	5.54	18.00	5.54	18.00
Germany (DAX)	5.54	12.09	5.54	12.09
Greece (GREK)	10.71	31.50	10.71	31.50
Nigeria (NGE)	-0.14	29.17	-0.14	29.17
Nordic Region (GXF)	3.61	12.84	3.61	12.84
Norway (NORW)	8.03	24.12	8.03	24.12
Pakistan (PAK)	4.85	10.08	4.85	10.08
Portugal (PGAL)	8.54	23.22	8.54	23.22
Southeast Asia (ASEA)	4.37	25.93	4.37	25.93

Source: Bloomberg as of Dec 31, 2020

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. High short-term performance of the fund is unusual and investors should not expect such performance to be repeated. 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 12/31/2020	Fund Information		Performance				
	Expense Ratio		1 Year	3 Year	5 Year	10 Year	Annualized since Fund Inception
Global X DAX Germany ETF (DAX)	0.46%/0.21%	NAV	12.48%	2.25%	6.82%	-	5.74%
		Market Price	12.24%	2.18%	6.90%	-	5.62%
		DAX Index	13.68%	2.85%	7.55%	-	6.65%
Global X FTSE Nordic Region ETF (GXF)	0.56%	NAV	26.53%	9.07%	8.04%	6.35%	8.67%
		Market Price	26.04%	8.99%	8.07%	6.26%	8.62%
		TN30XN Index	26.47%	10.08%	8.50%	6.51%	8.86%
Global X FTSE Southeast Asia ETF (ASEA)	0.65%	NAV	-8.05%	-2.45%	5.82%	-	2.30%
		Market Price	-7.84%	-2.62%	6.15%	-	2.35%
		TAS40NU Index	-7.48%	-1.80%	6.54%	-	2.96%
Global X MSCI Argentina ETF (ARGT)	0.60%	NAV	14.82%	-4.01%	11.90%	-	1.16%
		Market Price	14.61%	-4.04%	11.73%	-	1.13%
		M1AAR5R Index	15.41%	-3.65%	11.86%	-	1.75%
Global X MSCI China Large-Cap 50 ETF (CHIL)	0.29%	NAV	35.44%	-	-	-	26.92%
		Market Price	34.59%	-	-	-	26.60%
		NU722331 Index	35.91%	-	-	-	27.36%
Global X MSCI Colombia ETF (GXG)	0.62%	NAV	-15.36%	-3.84%	4.32%	-6.92%	3.18%
		Market Price	-14.47%	-3.72%	4.36%	-6.90%	3.19%
		M1CXGXB Index	-15.09%	-3.45%	4.78%	-6.18%	4.03%
Global X MSCI Greece ETF (GREK)	0.57%	NAV	-13.26%	-3.17%	3.48%	-	-4.59%
		Market Price	-13.99%	-3.81%	3.62%	-	-4.71%
		M1CXGXA Index	-12.73%	-2.83%	4.04%	-	-3.72%
Global X MSCI Next Emerging & Frontier ETF (EMFM)	0.66%	NAV	-3.16%	-4.89%	4.63%	-	-1.32%
		Market Price	-2.80%	-4.41%	4.98%	-	-1.22%
		NU722163 Index	-2.29%	-4.15%	5.44%	-	-0.59%
Global X MSCI Nigeria ETF (NGE)	0.89%	NAV	16.08%	-6.79%	-8.86%	-	-13.56%
		Market Price	-9.68%	-14.71%	-13.08%	-	-16.12%
		M1ANISR Index	18.91%	-4.40%	-6.27%	-	-11.45%
Global X MSCI Norway ETF (NORW)	0.50%	NAV	3.50%	2.29%	8.97%	1.38%	1.93%
		Market Price	2.78%	2.05%	8.79%	1.18%	1.82%
		M1NO5IM Index	3.85%	2.63%	9.27%	2.14%	2.50%
Global X MSCI Pakistan ETF (PAK)	0.88%	NAV	-2.65%	-12.08%	-6.72%	-	-7.98%
		Market Price	-5.71%	-13.08%	-6.77%	-	-8.17%
		MXCXP25R Index	-1.12%	-11.04%	-5.05%	-	-6.25%
Global X MSCI Portugal ETF (PGAL)	0.58%	NAV	1.84%	1.06%	5.47%	-	-0.86%
		Market Price	1.65%	1.02%	5.44%	-	-0.92%
		M1CXGXR Index	1.78%	1.05%	5.43%	-	-0.76%

(1) Fee waivers are contractual and in effect until at least March 1, 2021.

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 call 1-888-493-8631, or visit www.globalxetfs.com.

Notable Performers

The Global X MSCI Colombia ETF (GXG) was the best performing single-country ETF within the International Access family, returning 38.90% during the quarter. Towards the end of October, EM equities began outperforming developed markets as commodity prices moved higher, US elections resulted in a Biden win – helping to improve trade prospects – and positive results came



out around the Moderna and Pfizer vaccines. As a country that has arguably the strictest COVID-19 containment policies in Latin America, a major trading relationship with the US, and a high exposure to oil price movements, Colombia's equity markets benefitted from a trifecta of tailwinds during Q4.

Greece and Argentina were also among the top performing single-country ETFs for the quarter with the Global X MSCI Greece ETF (GREK) and Global X MSCI Argentina ETF (ARGT) returning 31.50% and 31.12% in Q4, respectively. In November, Greek bond yields fell below zero for the first time in history, marking a new stage in a domestic recovery interrupted by COVID-19. Negative yields, along with an upgrade from Moodys, and continued financial support from the EU, helped boost the Financials sector while developments related to the vaccine and an easing of lockdowns helped boost consumption.

In Argentina, all sectors performed positively in Q4 with e-commerce and internet service companies, alongside agricultural real estate firms leading in equity gains on the back of higher commodity prices and a breakthrough agreement with China licensing Argentine exporters to access the food-scarce market.

Laggards

While all of Global X's single country and regional ETFs performed positively in Q4, the Global X MSCI Pakistan ETF (PAK) and the Global X Germany ETF (DAX) were the worst performers during the quarter, underperforming the ACWI with returns of 10.08% and 12.09% for the quarter, respectively.

Pakistani markets pulled back in Q4 after experiencing a sharp appreciation in Q3 when Pakistan secured a deal with China to distribute their vaccine. Lastly, Health Care companies fell out of favor alongside tech in Q4 in developed countries, dragging down equity performance in Germany.

Conclusion

Throughout 2020, each country's handling of the COVID-19 pandemic played a major role in their equity returns. Results from the fourth quarter only further reflect how unevenly markets were affected globally. And while their experiences with the initial outbreak was important, their response to market swings and COVID-19 resurgences was even more critical to stabilizing their longer-term recovery. Whereas some countries aggressively expanded their monetary and fiscal packages aimed to buffer the long-term economic impact of the virus and related lockdowns, others had less discretionary power. External factors, like the recovery in commodity prices, a renewed Chinese demand for imports, and US elections favoring the prospects of trade liberalization all helped international markets recover from a sharp sell-off earlier in the year. And with higher valuations, lower rates for longer, and less appetite for increased stimulus spending in the U.S., investors seem to be turning towards emerging markets for growth. Going into 2021, such macro developments could enable a virtuous cycle for emerging markets, as a depreciating dollar makes hard currency debt cheaper to service and free up capital to empower higher-growth projects.



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