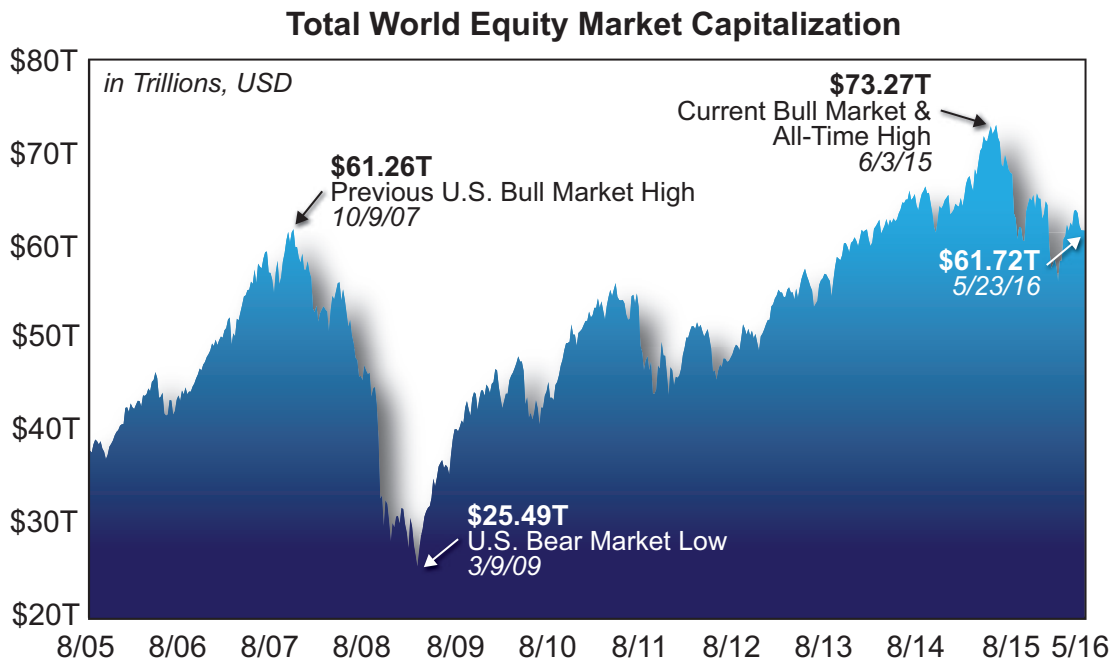


# U.S. Equities Still The Dominant Market On The Globe



## Top 10 Countries by Share

U.S	China	Japan	Hong Kong	UK	France	Canada	Germany	Switzerland	India
37.3%	9.2%	7.8%	5.9%	5.3%	3.0%	2.9%	2.8%	2.4%	2.3%

Source: Bloomberg. Data is weekly from 8/21/05 to 5/23/16.

## View from the Observation Deck

1. Today's post is an update of one we did on 8/25/15 showing the changes in total world equity market capitalization (market cap) over a 10-year period (8/21/05 thru 8/24/15). We have extended the chart through 5/23/16.
2. This snapshot is a reminder to all investors that, while stocks have the potential to build wealth over time, stock markets do not go up in a straight line.
3. As indicated above, the U.S. accounted for the largest share of total world equity market cap at 37.3% on 5/23/16. China was a distant second with a 9.2% share.
4. Despite the U.S.'s continued dominance in the global equities markets, investors have favored foreign equities over U.S. equities over the past couple of years.
5. For the 12-month period ended 4/30/16, investors funneled an estimated net \$114.90 billion into International Equity mutual funds (funds) and exchange-traded funds (ETFs), compared to estimated net outflows from U.S. Equity and Sector Equity funds and ETFs totaling \$55.80 billion, according to Morningstar. Likewise, foreign equities were heavily favored over the previous 12-month period through 4/30/15.
6. For the 12-month period ended 4/30/15, investors funneled an estimated net \$193.12 billion into International Equity funds and ETFs, compared to estimated net inflows to U.S. Equity and Sector Equity funds and ETFs totaling \$72.33 billion, according to Morningstar.

*This chart is for illustrative purposes only and not indicative of any actual investment.*