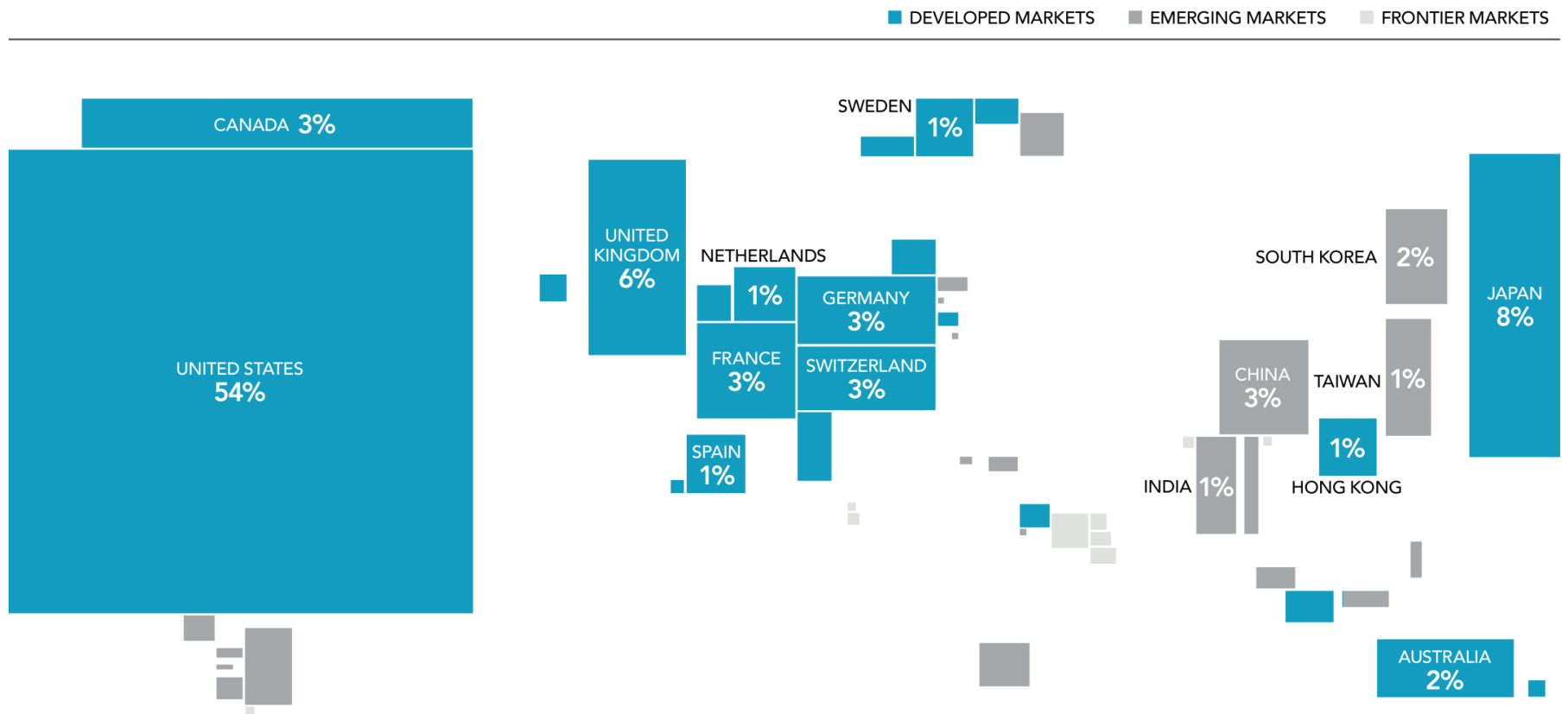


# Diversification Helps You Capture What Global Markets Offer

Percent of world market capitalization as of December 31, 2016



The global equity market is large and represents a world of investment opportunity.

# Equity Returns of Developed Markets

Annual Return (%)

Boxed Return is highest return for the year.

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Australia	-10.4	6.1	17.6	-10.0	1.7	-1.3	49.5	30.3	16.0	30.9	28.3	-50.7	76.4	14.5	-11.0	22.1	4.2	-3.4	-10.0	11.4
Austria	1.6	0.4	-9.1	-12.0	-5.6	16.5	57.0	71.5	24.6	36.5	2.2	-68.4	43.2	9.9	-36.4	25.9	13.4	-29.8	3.5	11.3
Belgium	13.6	67.7	-14.3	-16.8	-10.9	-15.0	35.3	43.5	9.0	36.7	-2.7	-66.5	57.5	-0.4	-10.6	39.6	27.6	4.1	12.1	-7.6
Canada	12.8	-6.1	53.7	5.3	-20.4	-13.2	54.6	22.2	28.3	17.8	29.6	-45.5	56.2	20.5	-12.7	9.1	5.6	1.5	-24.2	24.6
Denmark	34.5	9.0	12.1	3.4	-14.8	-16.0	49.3	30.8	24.5	38.8	25.6	-47.6	36.6	30.7	-16.0	31.3	25.2	6.2	23.4	-15.8
Finland	17.3	121.6	152.6	-14.2	-38.2	-30.3	19.4	6.1	16.7	29.9	48.7	-55.2	11.1	10.3	-31.9	14.6	46.0	-0.7	2.0	-4.7
France	11.9	41.5	29.3	-4.3	-22.4	-21.2	40.2	18.5	9.9	34.5	13.2	-43.3	31.8	-4.1	-16.9	21.3	26.3	-9.9	-0.1	4.9
Germany	24.6	29.4	20.0	-15.6	-22.4	-33.2	63.8	16.2	9.9	36.0	35.2	-45.9	25.2	8.4	-18.1	30.9	31.4	-10.4	-1.9	2.8
Hong Kong	-23.3	-2.9	59.5	-14.7	-18.6	-17.8	38.1	25.0	8.4	30.4	41.2	-51.2	60.2	23.2	-16.0	28.3	11.1	5.1	-0.5	2.3
Ireland	15.8	35.3	-12.6	-12.7	-2.8	-26.2	43.8	43.1	-2.3	46.8	-20.1	-71.9	12.3	-18.1	13.7	5.7	41.2	2.3	16.5	-7.1
Italy	35.5	52.5	-0.3	-1.3	-26.6	-7.3	37.8	32.5	1.9	32.5	6.1	-50.0	26.6	-15.0	-23.2	12.5	20.4	-9.5	2.3	-10.5
Japan	-23.7	5.1	61.5	-28.2	-29.4	-10.3	35.9	15.9	25.5	6.2	-4.2	-29.2	6.3	15.4	-14.3	8.2	27.2	-4.0	9.6	2.4
Netherlands	23.8	23.2	6.9	-4.1	-22.1	-20.8	28.1	12.2	13.9	31.4	20.6	-48.2	42.3	1.7	-12.1	20.6	31.3	-3.5	1.3	4.8
New Zealand	-14.1	-22.6	12.9	-33.5	8.4	24.2	55.4	35.2	1.7	16.6	8.9	-53.8	50.4	8.3	5.5	29.3	11.3	7.3	-6.3	18.4
Norway	6.2	-30.1	31.7	-0.9	-12.2	-7.3	48.1	53.3	24.3	45.1	31.4	-64.2	87.1	10.9	-10.0	18.7	9.4	-22.0	-15.0	13.3
Singapore	-30.0	-12.9	99.4	-27.7	-23.4	-11.0	37.6	22.3	14.4	46.7	28.4	-47.4	74.0	22.1	-17.9	31.0	1.7	3.0	-17.7	1.4
Spain	25.4	49.9	4.8	-15.9	-11.4	-15.3	58.5	28.9	4.4	49.4	24.0	-40.6	43.5	-22.0	-12.3	3.0	31.3	-4.7	-15.6	-1.0
Sweden	12.9	14.0	79.7	-21.3	-27.2	-30.5	64.5	36.3	10.3	43.4	0.6	-49.9	64.2	33.8	-16.0	22.0	24.5	-7.5	-5.0	0.6
Switzerland	44.2	23.5	-7.0	5.9	-21.4	-10.3	34.1	15.0	16.3	27.4	5.3	-30.5	25.3	11.8	-6.8	20.4	26.6	-0.1	0.4	-4.9
UK	22.6	17.8	12.5	-11.5	-14.0	-15.2	32.1	19.6	7.4	30.6	8.4	-48.3	43.3	8.8	-2.6	15.3	20.7	-5.4	-7.6	-0.1
US	33.4	30.1	21.9	-12.8	-12.4	-23.1	28.4	10.1	5.1	14.7	5.4	-37.6	26.3	14.8	1.4	15.3	31.8	12.7	0.7	10.9

In US dollars.

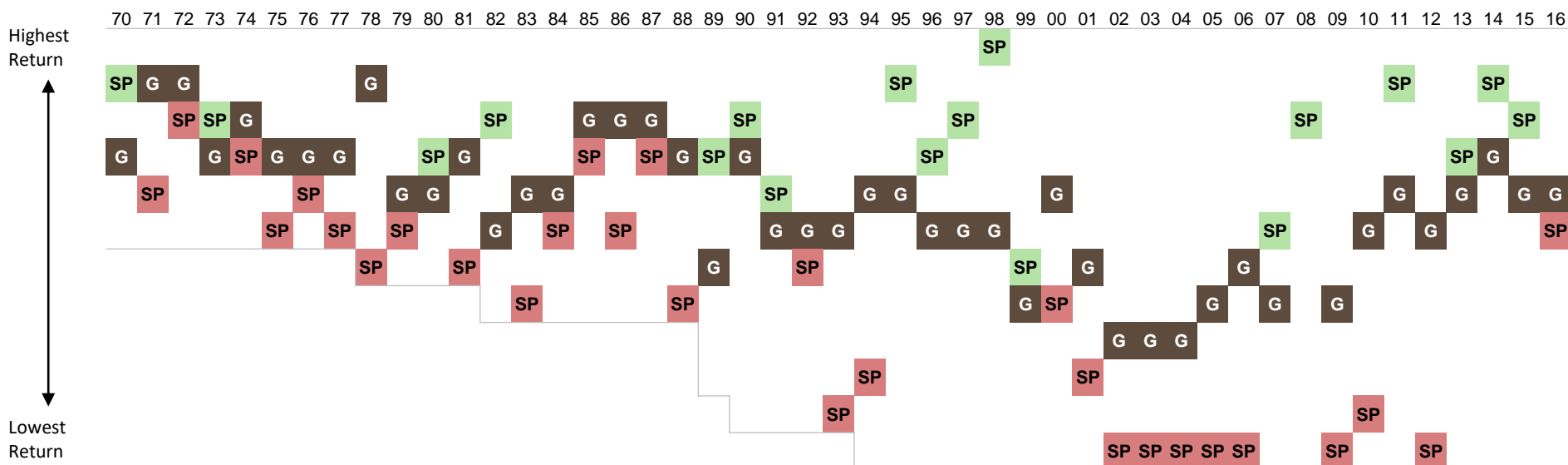
Source: MSCI developed markets country indices (net dividends). MSCI data © MSCI 2017, all rights reserved.

Indices are not available for direct investment. Index performance does not reflect expenses associated with the management of an actual portfolio.

Past performance is not a guarantee of future results.

# Global Diversification

Annual returns rankings of the Dimensional Equity Balanced Strategy Index and its component indices, 1970–2016



Dimensional  
Equity Balanced  
Strategy  
(G)

Portfolio Returns

S&P 500  
(SP)

S&P returns below  
Portfolio Returns

S&P 500  
(SP)

S&P returns above  
Portfolio Returns

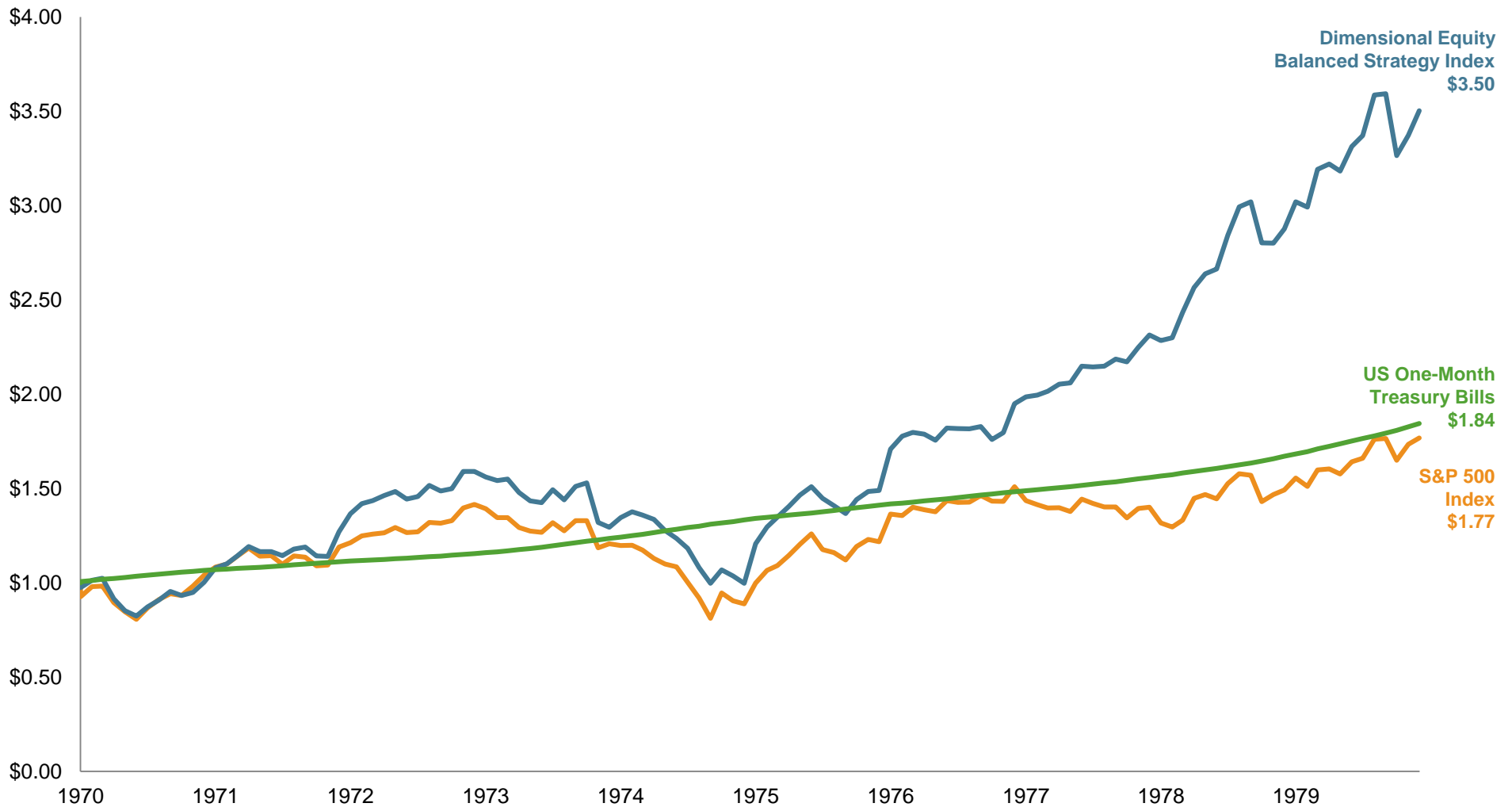
## Did diversification work?

- The S&P 500 did better than the globally diversified index 18 times.
- It did worse 29 times.

In US dollars. These indices are the current components of the Dimensional Equity Balanced Strategy Index as of 1994 –present. Indices are not available for direct investment and performance does not reflect expenses of an actual portfolio. Sources: Dimensional for Dimensional Index data. Indices are not available for direct investment and performance does not reflect expenses of an actual portfolio. Past performance is not a guarantee of future results. The S&P data is provided by Standard & Poor's Index Services Group. See Appendix for Descriptions of Dimensional Indices.

# Global Balanced Equity Strategy Index vs. S&P 500 vs. T-Bills

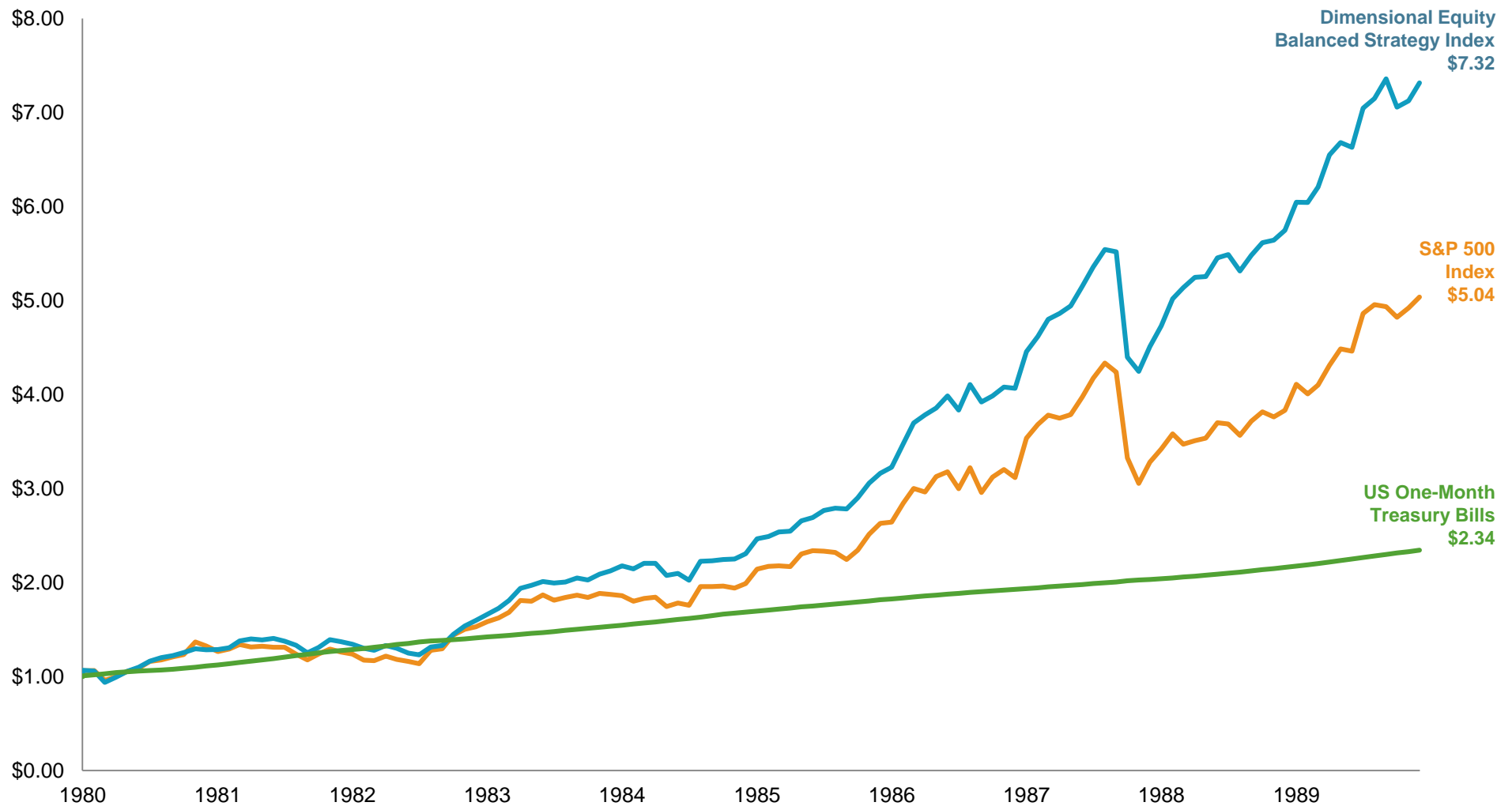
Performance: January 1970–December 1979



In US dollars. Sources: Dimensional for Dimensional Index data. See "Dimensional Equity Balanced Strategy Index Description" slide in the Appendix for more information. Indices are not available for direct investment and performance does not reflect expenses of an actual portfolio. Past performance is not a guarantee of future results. The S&P data is provided by Standard & Poor's Index Services Group.

# Global Balanced Equity Strategy Index vs. S&P 500 vs. T-Bills

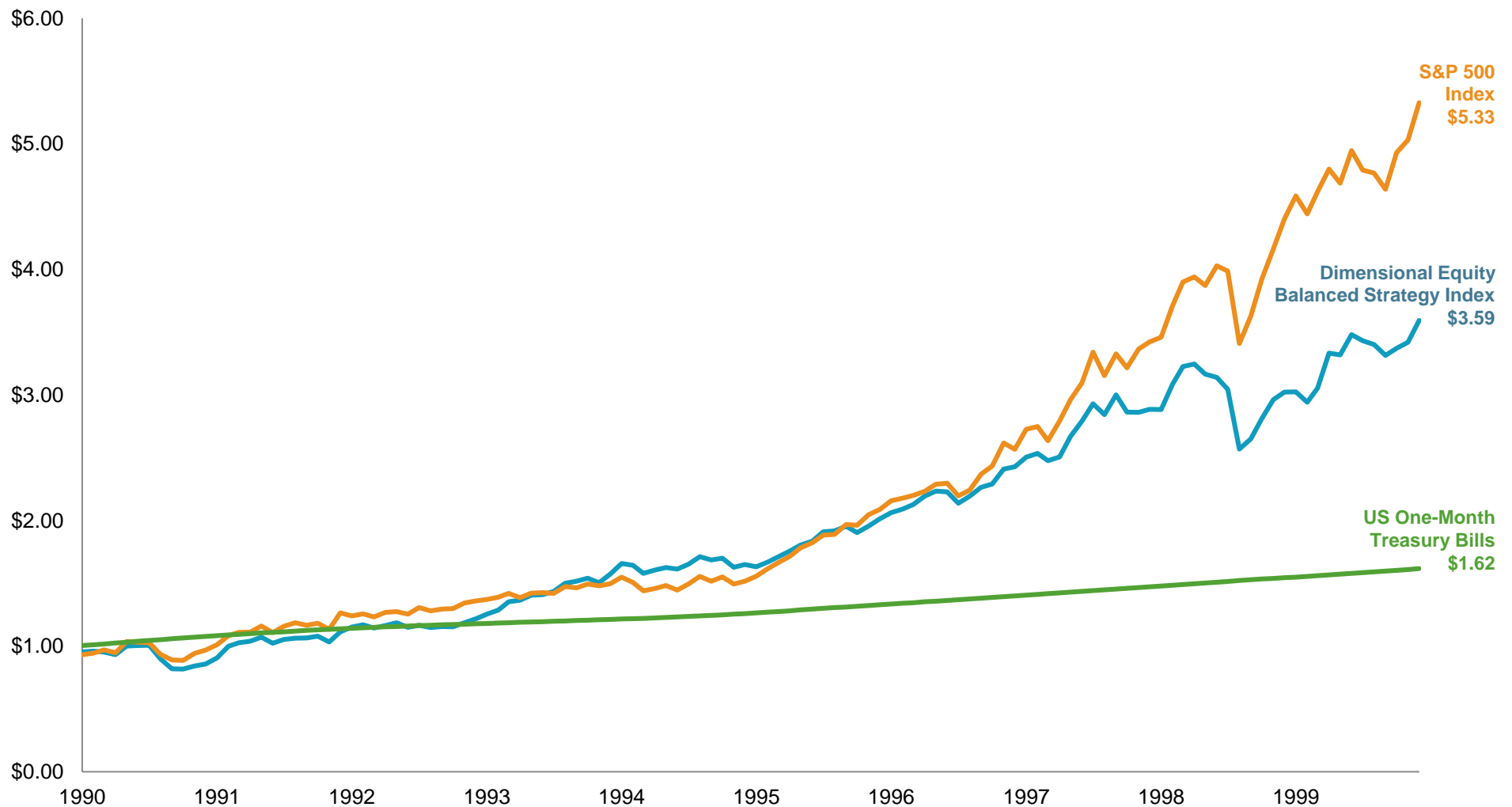
Performance: January 1980–December 1989



In US dollars. Sources: Dimensional for Dimensional Index data. See "Dimensional Equity Balanced Strategy Index Description" slide in the Appendix for more information. Indices are not available for direct investment and performance does not reflect expenses of an actual portfolio. Past performance is not a guarantee of future results. The S&P data is provided by Standard & Poor's Index Services Group.

# Global Balanced Equity Strategy Index vs. S&P 500 vs. T-Bills

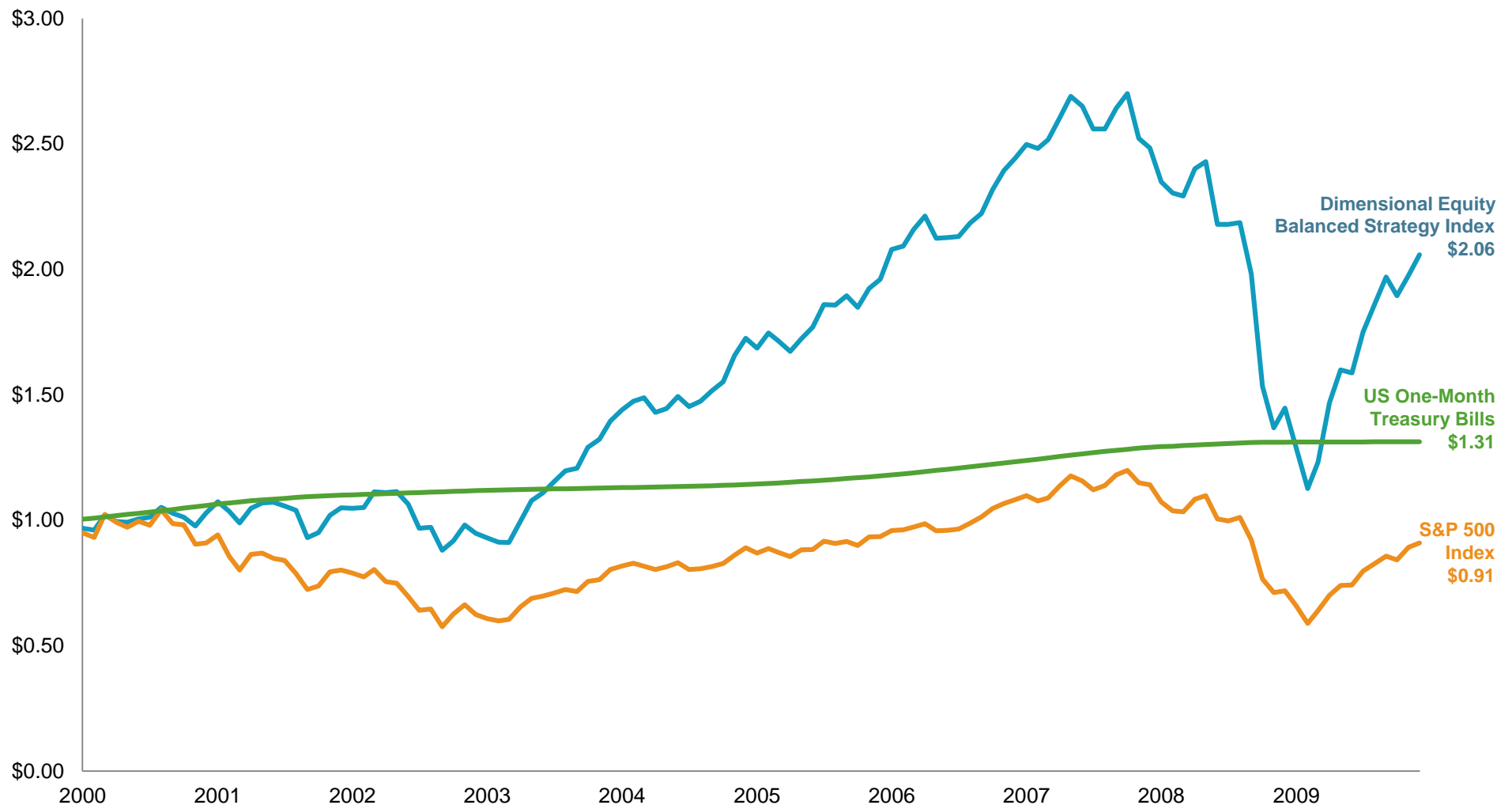
Performance: January 1990–December 1999



In US dollars. Sources: Dimensional for Dimensional Index data. See "Dimensional Equity Balanced Strategy Index Description" slide in the Appendix for more information. Indices are not available for direct investment and performance does not reflect expenses of an actual portfolio. Past performance is not a guarantee of future results. The S&P data is provided by Standard & Poor's Index Services Group.

# Global Balanced Equity Strategy Index vs. S&P 500 vs. T-Bills

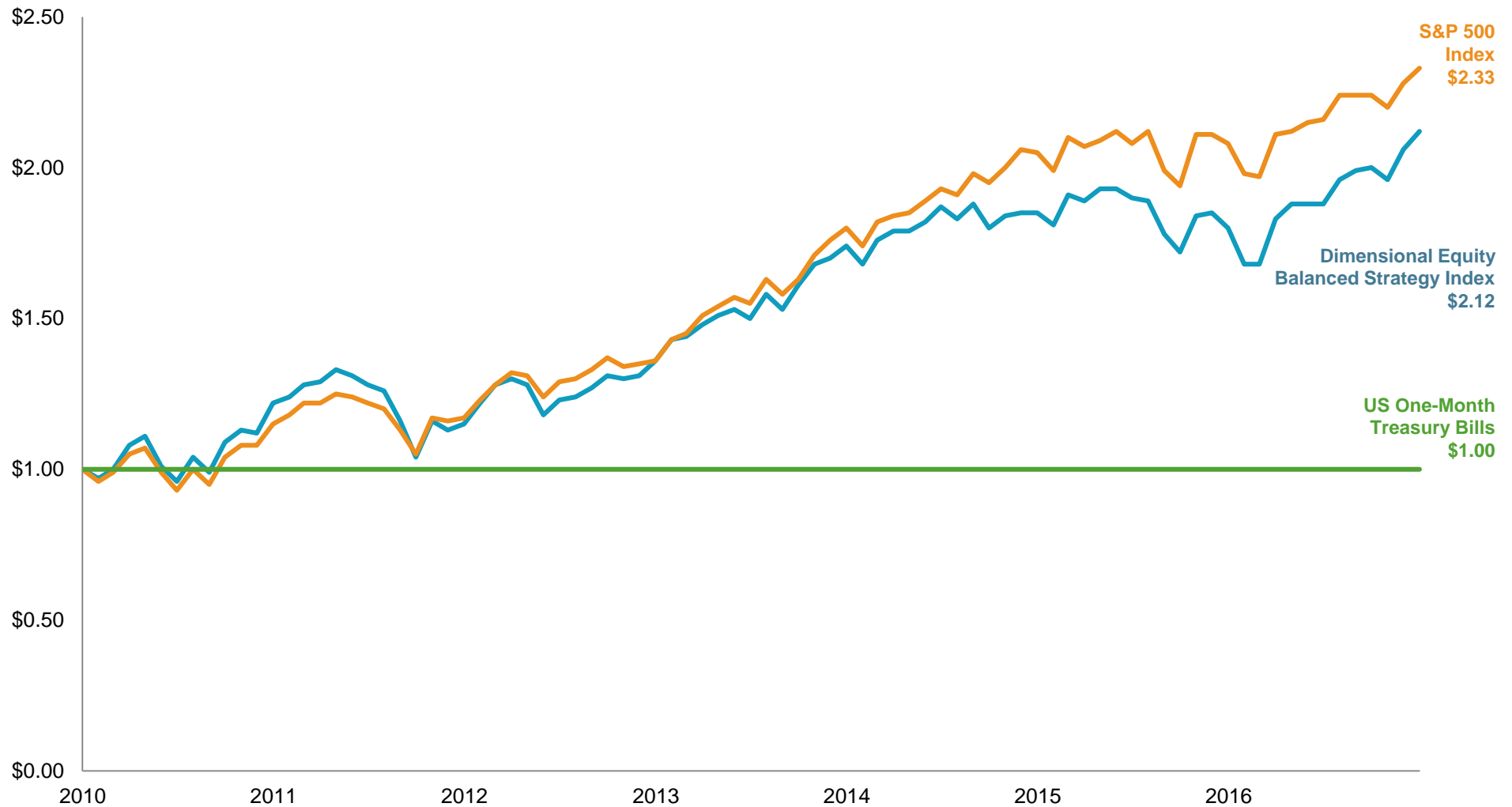
Performance: January 2000–December 2009



In US dollars. Sources: Dimensional for Dimensional Index data. See "Dimensional Equity Balanced Strategy Index Description" slide in the Appendix for more information. Indices are not available for direct investment and performance does not reflect expenses of an actual portfolio. Past performance is not a guarantee of future results. The S&P data is provided by Standard & Poor's Index Services Group.

# Global Balanced Equity Strategy Index vs. S&P 500 vs. T-Bills

Performance: January 2010–December 2016

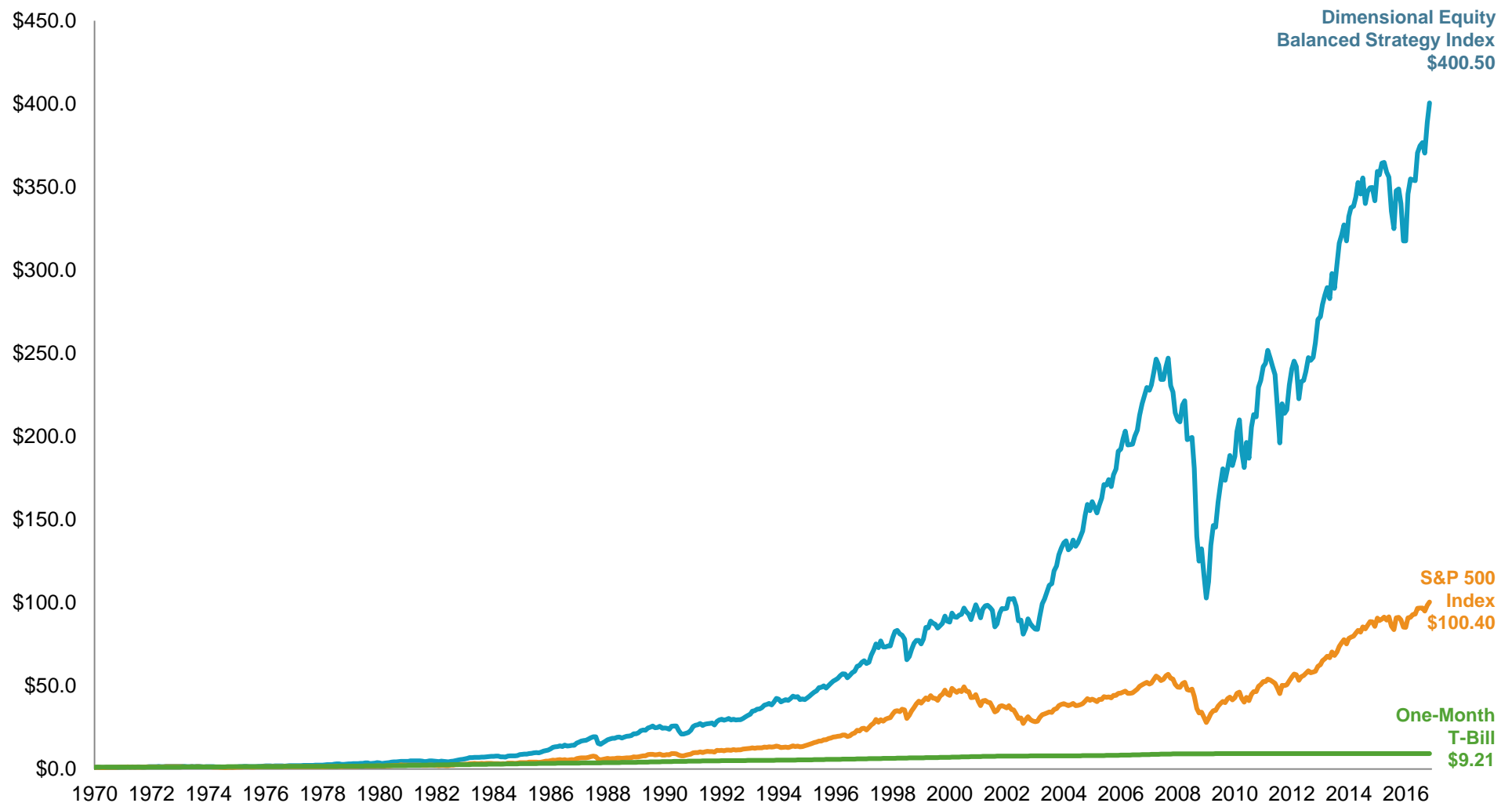


In US dollars. Sources: Dimensional for Dimensional Index data. See "Dimensional Equity Balanced Strategy Index Description" slide in the Appendix for more information. Indices are not available for direct investment and performance does not reflect expenses of an actual portfolio. Past performance is not a guarantee of future results. The S&P data is provided by Standard & Poor's Index Services Group.



# Global Balanced Equity Strategy Index vs. S&P 500 vs. T-Bills

Performance: January 1970–December 2016



In US dollars. Sources: Dimensional for Dimensional Index data. See "Dimensional Equity Balanced Strategy Index Description" slide in the Appendix for more information. Indices are not available for direct investment and performance does not reflect expenses of an actual portfolio. Past performance is not a guarantee of future results. The S&P data is provided by Standard & Poor's Index Services Group.