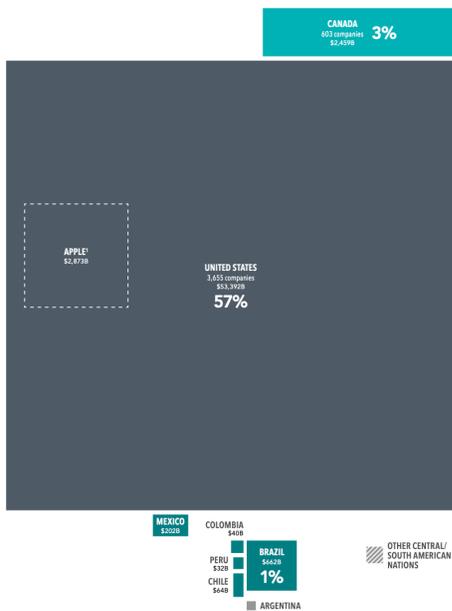




# World Equity Market Capitalization

As of December 31, 2020

WHERE DIMENSIONAL INVESTS: ■ DEVELOPED MARKETS ■ EMERGING MARKETS ■ OTHER

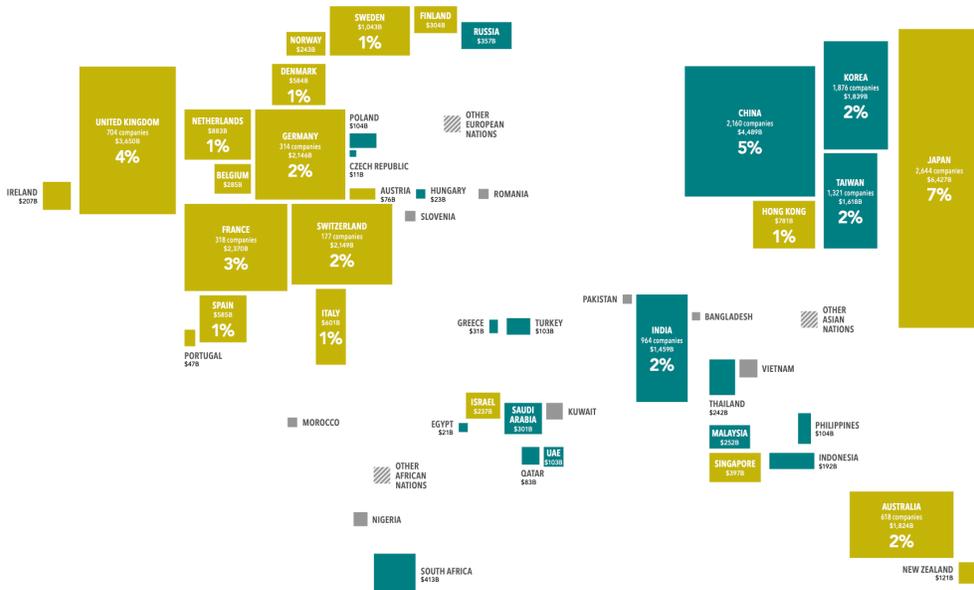


How do we measure the world? Thinking only in terms of landmass can distort investment decisions. Directly comparing the markets of nations produces more surprising results.

Measures such as population, gross domestic product, or exports do not directly indicate the size or suitability of investments in a market. This cartogram illustrates the balance of equity investment opportunities around

the world. The size of each country has been adjusted to reflect its total relative capitalization. Of course, the world is in motion—there is no fixed relationship between markets, and their proportion can change

over time. Viewing the world this way brings the scope of diversification into new light and helps clarify allocation decisions.



## BY ASSET CLASS



1. An example large cap stock provided for comparison.

In CAD, Market cap data is free float adjusted and meets minimum liquidity and listing requirements. Dimensional makes case-by-case determinations about the suitability of investing in each emerging market, making considerations that include local market accessibility, government stability, and property rights before making investments. China A-Shares that are available for foreign investors through the Hong Kong Stock Connect program are included in China.

## BY COUNTRY

Country	\$ Billion	Companies	Country	\$ Billion	Companies	Country	\$ Billion	Companies	Country	\$ Billion	Companies
United States	53,392	3,655	Hong Kong	781	286	Israel	237	260	Portugal	47	17
Japan	4,423	2,644	Brazil	662	223	India	207	31	Canada	42	18
China	4,400	2,160	France	601	189	Germany	202	70	United Kingdom	32	13
United Kingdom	3,630	704	Spain	585	106	Indonesia	192	207	China	31	41
Canada	2,429	603	Denmark	584	85	New Zealand	171	47	Nigeria	27	45
France	2,395	318	South Africa	413	125	Philippines	104	104	Mexico	25	15
Germany	2,144	314	Singapore	397	117	Malaysia	104	101	Hong Kong	33	9
India	1,499	144	Russia	357	116	UAE	103	44	Croatia	9	38
South Africa	1,169	242	Finland	324	100	Vietnam	85	128	Ukraine	8	38
Italy	1,019	177	Sweden	301	205	Other	83	41	Latvia	8	9
Spain	778	318	Poland	280	87	Other	76	39	Bangladesh	18	113
Brazil	629	662	Czech Republic	252	403	Austria	76	39	Sri Lanka	15	36
Other Central/South American Nations	648	77	Norway	243	169	Kuwait	73	98	Maldives	14	21
Other European Nations	1,018	-	Denmark	242	325	Other	44	42	Marshall	6	31
Other African Nations	418	-	Other Asian Nations	-	-	Other	-	-	Other	-	-
Other Asian Nations	1,920	-	Other	-	-	Other	-	-	Other	-	-

30% foreign ownership limit and 25% inclusion factor are applied to China A-Shares. Many nations not displayed. Totals may not equal 100% due to rounding. For educational purposes should not be used as investment advice. Data provided by Bloomberg. Diversification neither assures a profit nor guarantees against loss in a declining market.

It's much the same with the bond market too, though there the U.S. is considerably smaller at just 29% of the total debt issued by governments and corporations. Japan not surprisingly is 16% of the overall bond market, given that Japan is the most indebted First World countries with a national debt that is two and half times their gross domestic product. On a per capita basis, the most successful country after the U.S. is tiny Switzerland with a population of just 8.5 million people. Despite this, their stock market is about the size of our own, and over 300 hundred percent larger than the size of our country. Drawn to market leaders in pharmaceuticals, banking and agri-business, Switzerland attracts investors capital from around the globe. Little wonder it's currency -the Swiss Franc, is considered a "hard" currency, on par with the US Dollar, British Pound, Japanese Yen and Euro. Canada's lonely looney is sadly not part of this elite group, and our currency really only has value within the borders of our country.

Every day I write my daily blog about something I'm hoping you find interesting and informative. A map of the world by market capitalization would be a very different looking map from the one we remember from school. This is what caught by eye, because it changes the way to think about our planet. At over 17 million square kilometres, the largest country by geographic land mass (ahead of only Canada) is Russia. But seen from the standpoint of stock market capitalization, Russia would be smaller than Singapore, which measures a mere 800 square kilometres from end to end. Learning is all about seeing things a different way, and this for sure is a paradigm shifting perspective.

Be safe, be well!

Martin

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