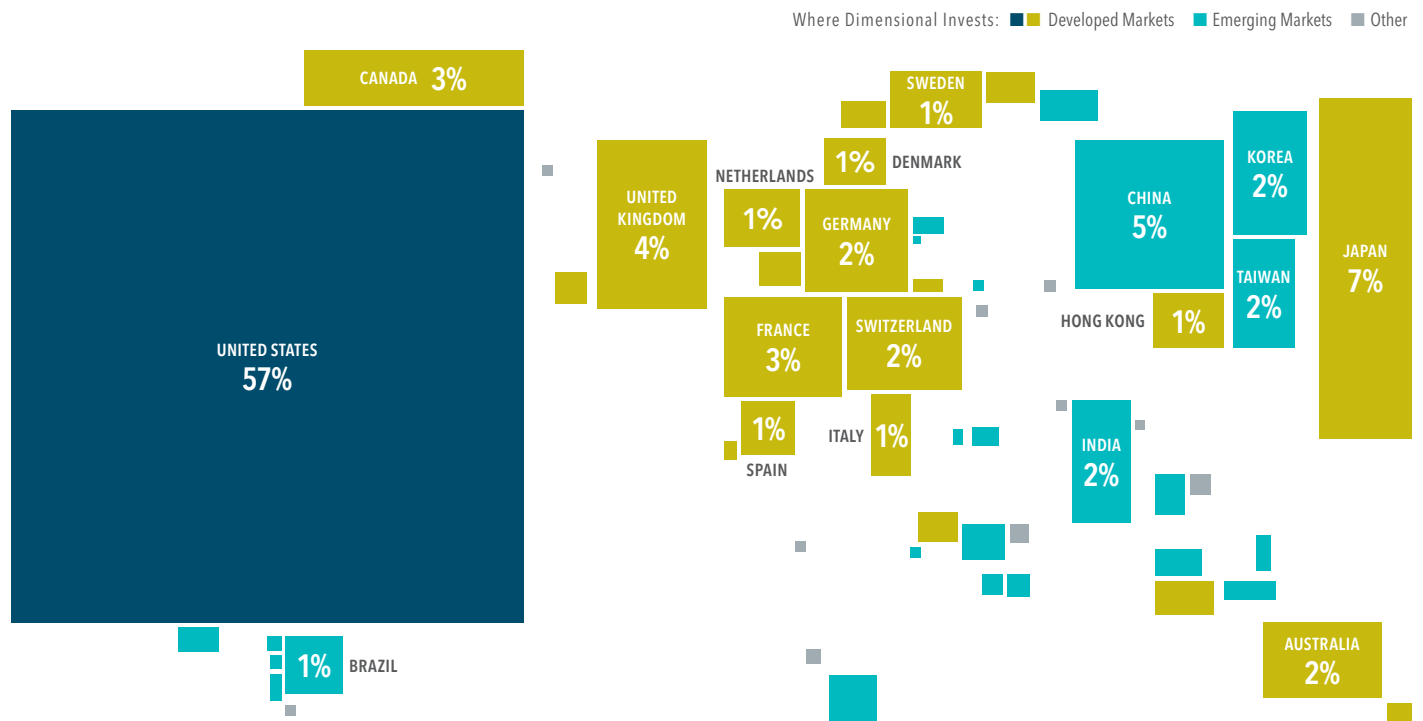


Global Diversification Can Make a World of Difference

PERCENT OF WORLD EQUITY MARKET CAPITALIZATION¹
as of December 31, 2020



BY ASSET CLASS

United States - 3,655 companies - \$42 trillion - 57% of world market cap	Developed ex US - 7,418 companies - \$22 trillion - 29% of world market cap	Emerging - 8,716 companies - \$10 trillion - 14% of world market cap	Other - 1,498 companies - \$351 billion - 0.5% of world market cap
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The US stock market is the biggest in the world,² but investors who ignore other global markets may miss out on a wealth of opportunity.

- Stocks of the roughly 17,500 companies trading outside the US represent nearly half of the world's \$74 trillion equity market.
- When determining where to invest, a country's size, population, or gross domestic product may not be a primary consideration. Japan, for instance, is relatively small in landmass but accounts for 7% of the world's equity market value, representing more than 2,600 companies, including familiar names like Toyota and Sony. Even a tiny country like Switzerland is home to publicly traded giants like Nestlé and two of the world's biggest pharmaceutical firms.
- A strategy focused on global diversification captures returns from thousands of companies around the globe and can potentially offset weak performance in one market with stronger returns elsewhere.

Investing in multiple countries can deliver more reliable outcomes over time, helping investors stay on track toward achieving their long-term goals.

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1. In USD. 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. 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.
 2. Based on the total value of shares issued by all publicly traded companies, calculated as share price times the number of shares outstanding.

This information is intended for educational purposes. Named securities may be held in accounts managed by Dimensional.

The securities identified do not represent all securities purchased or sold for client accounts. It should not be assumed that an investment in the securities identified was or would be profitable. These materials are not, and should not be construed as, a recommendation to purchase or sell the security identified or any other securities.

Past performance is not a guarantee of future results.

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Diversification does not eliminate the risk of market loss.

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