

US Markets Falter while International Stocks End Q1 Up

Equities were off to a challenging start in the first quarter of 2025 as the global equity market declined -1.6% as measured by the MSCI All Country World IMI Index. Global markets were dragged down by the US as the Russell 3000 Index returned -4.7% and the so-called Magnificent 7¹ trailed the market. Weaker US returns contrasted with the country's recent stock market dominance and the positive performance of non-US markets during the first quarter. Developed and emerging markets were both up as the MSCI World ex USA IMI Index returned 5.8%, and the MSCI Emerging Markets IMI Index returned 1.7%, highlighting the benefits of global diversification.

A new administration in Washington commanded global investors' attention, and markets quickly reacted to ongoing threats of tariffs and retaliation. Energy stocks lead in the US while tech stocks like Nvidia and Tesla saw declines. While global markets reacted to news from Washington, some countries like China and Mexico led US returns by double digits notwithstanding threats of tariffs. Global inflation remained stubborn in January and February, leaving upcoming central bank rate cuts in question. FOMC participants revised their 2025 target rate expectations higher. Globally, value stocks outperformed growth stocks, while both the small cap and profitability premiums were negative.

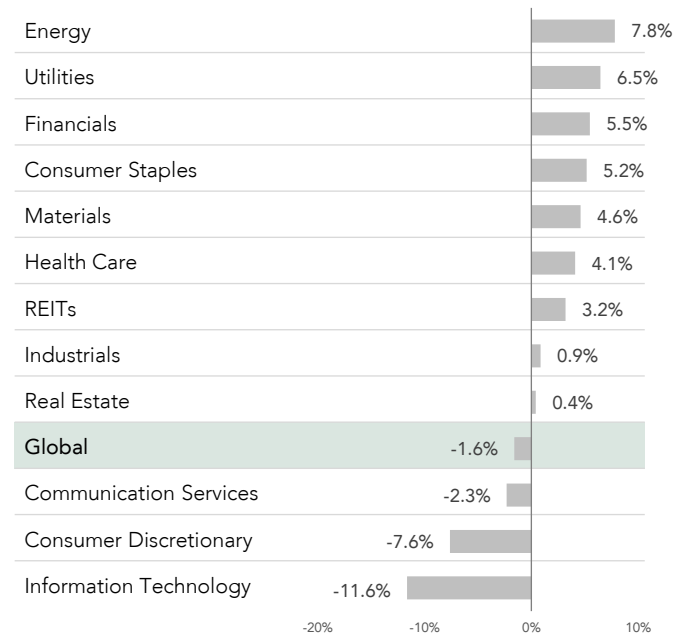
GLOBAL ASSET CLASS RETURNS Q1 2025

STOCKS	US	-4.72%
	Developed ex US	5.82%
	Emerging Markets	1.70%
BONDS	US	2.78%
	Global ex US	-0.17%

GLOBAL PREMIUM RETURNS Q1 2025

SIZE	Large	-1.8%
	Small	-3.9%
VALUE	Value	1.4%
	Growth	-5.3%
PROF	High	-2.7%
	Low	-1.4%

GLOBAL SECTOR RETURNS Q1 2025



1. The Magnificent 7 stocks include Alphabet, Amazon, Apple, Meta Platforms, Microsoft, Nvidia, and Tesla.

Past performance is no guarantee of future results. Dimensional Fund Advisors LP is an investment advisor registered with the Securities and Exchange Commission. Diversification does not eliminate the risk of market loss. Risks include loss of principal and fluctuating value. Investment value will fluctuate, and shares, when redeemed, may be worth more or less than original cost. Premium refers to a return difference between two assets or portfolios. Market segment (index representation) as follows: US Stock Market (Russell 3000 Index), Developed ex US Stocks (MSCI World ex USA IMI Index [net div.]), Emerging Markets (MSCI Emerging Markets IMI Index [net div.]), US Bond Market (Bloomberg US Aggregate Bond Index), and Global Bond Market ex US (Bloomberg Global Aggregate ex-USD Bond Index [hedged to USD]), Global Stock Market (MSCI All Country World IMI Index [net div.]). Sector returns are derived by Dimensional using constituent data from the MSCI All Country World IMI Index. Returns for specific securities are sourced from the MSCI All Country World IMI Index using daily security returns. Securities without a GICS sector are excluded. Sectors are classified according to GICS Industry code. GICS was developed by and is the exclusive property of MSCI and S&P Dow Jones Indices LLC, a division of S&P Global. S&P data © 2025 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved. Frank Russell Company is the source and owner of the trademarks, service marks, and copyrights related to the Russell Indexes. MSCI data © MSCI 2025, all rights reserved. Bloomberg data provided by Bloomberg. Indices are not available for direct investment. Index performance does not reflect the expenses associated with the management of an actual portfolio. References to specific company securities should not be construed as a recommendation or investment advice. Global Premium Returns are computed from MSCI All Country World IMI Index published security weights and Dimensional computed security returns and Dimensional classification of securities based on size, value, and profitability parameters. Within the US, Large Cap is defined as approximately the largest 90% of market capitalization in each country or region; Small Cap is approximately the smallest 10%. Within the non-US developed markets, Large Cap is defined as approximately the largest 87.5% of market capitalization in each country or region; Small Cap is approximately the smallest 12.5%. Within emerging markets, Large Cap is defined as approximately the largest 85% of market capitalization in each country or region; Small Cap is approximately the smallest 15%. Designations between value and growth are based on price-to-book ratios. Value is defined as the 50% of market cap with the lowest price-to-book ratios by size category and growth is the highest 50%. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. High profitability is defined as the 50% of market cap with the highest profitability by size category and low profitability is the lowest 50%. REITs and utilities, identified by GICS code, and stocks without size, relative price, or profitability metrics are excluded from this analysis. Countries not in the Dimensional investable universe are excluded from the analysis. Their performance does not reflect the expenses associated with the management of an actual portfolio. This information is intended for educational purposes and should not be considered a recommendation to buy or sell a particular security. Named securities may be held in accounts managed by Dimensional.