

Stock Market

Emerging Markets

Asset Class

Stock Market Asset Classes

Large-Cap Growth Funds

Small-Cap Growth Funds

Mid-Cap Growth Funds

Balanced Growth Funds

World Large Stock Funds

Emerging Market Funds

Emerging Market Economies

What Is an Emerging Market Economy?

An emerging market economy is the economy of a developing nation that is becoming more engaged with global markets as it grows. Countries classified as emerging market economies are those with some, but not all, of the characteristics of a developed market. As an emerging market economy progresses it typically becomes more integrated with the global economy, as shown by increased liquidity in local debt and equity markets, increased trade volume and foreign direct investment, and the domestic development of modern financial and regulatory institutions. Currently, some notable emerging market economies include India, Mexico, Russia, Pakistan, Saudi Arabia, China, and Brazil.

Understanding Emerging Market Economy

Investors seek out emerging markets for the prospect of high returns, as they often experience faster economic growth as measured by GDP. However, along with higher returns usually comes much greater risk. Investors' risk in emerging market economies can include political instability, domestic infrastructure problems, currency volatility, and illiquid equity, as many large companies may still be "state-run" or private.

Emerging markets generally do not have the level of development of market and regulatory institutions as found among developed nations. Market efficiency and strict standards in accounting and securities regulation are generally not on par with advanced economies (such as the United States, Europe, and Japan), but emerging markets typically have a physical financial infrastructure, including banks, a stock exchange, and a unified currency. A key aspect of emerging market economies is that over time they adopt reforms and institutions more like those of modern developed countries, which promote economic growth.

Emerging market economies tend to move away from agricultural and resource extraction focused activities toward industrial and manufacturing activities. Emerging market economies' governments usually pursue deliberate industrial and trade strategies to encourage economic growth and industrialization. They also often pursue domestic programs such as investing in educational systems, building physical infrastructure, and enacting legal reforms to secure investors property rights.

How Emerging Market Economies Are Classified

Emerging market economies are classified in different ways by different observers. Levels of income, quality of financial systems, and growth rates are all popular criteria but the exact list of emerging market economies can vary depending on who you ask.

For example, the International Monetary Fund (IMF) classifies 23 countries as emerging countries, the Standard and Poor's (S&P) classifies 23 and Russell classifies 19 countries as emerging markets, while Dow Jones classifies 22 countries as emerging markets.

Emerging Market Class Summary

Mutual Funds & Exchange Traded Funds

After several months of research of the market classes of the stock market here is a recap of our findings for the Emerging Market Class. Listed below are the suggested stocks, mutual funds and exchange traded funds that you might consider when investing in the Emerging Markets. Please understand that all of our research is based on each fund's performance over their lifetime and with a long-term investment strategy in mind.

Mutual Funds:

JFAMX	J. P.Morgan Emerging Markets Equity Fund Class A
BIEMX	William Blair Emerging Markets Growth R-6
NEWFX	American Funds New World Fund Class A
JMIEX	J.P. Morgan Emerging Markets Equity L
FEMKX	Fidelity Emerging Market Fund

Exchange Traded Funds:

ADRE	Invesco BLDRS Emerging Markets 50 ADR
XSOE	Wisdom Tree Emerging Mkts. Ex-state owned Enterprise
EMQQ	EMQQ Emerging Markets Internet % Commerce ETF

Top Stock Holdings of All Funds:

Alibaba Group, Tencent, Taiwan Semi., Samsung, Reliance Industries & Mercadot Inc.

Websites Used.

Finance.yahoo.com/screener/mutual_funds/new

[Morningstar.com/funds/xnas/\(symbol\)/performance](http://Morningstar.com/funds/xnas/(symbol)/performance)

Emerging Markets Asset Class Funds

Top Mutual Funds to Consider

(As of Feb. 02, 2021)

J. P. Morgan Emerging Markets Equity Fund Class A	(JFAMX)
William Blair Emerging Markets Growth R-6	(BIEMX)
American Funds New World Fund Class A	(NEWFX)
J.P. Morgan Emerging Markets Equity L	(JMIEX)
Fidelity Emerging Market Fund	(FEMKX)

Fund	Incept.	Assets	Exp. Ratio	(Yearly Return's)				Since Inception
				1yr	5yr	10yr	15yr	
JFAMX	2001	14 B	1.24	42%	22%	07%	08%	12.73%
BIEMX	2005	1 B	1.19	47%	20%	08%	08%	10.44%
NEWFX	1999	55 B	1.00	27%	16%	07%	08%	8.89%
JMIEX	1983	15 B	0.94	42%	22%	08%	08%	07.18%
FEMKX	1990	7 B	0.92	39%	20%	07%	07%	06.52%

Mutual Funds

Emerging Market Funds (796 Funds)

JP Morgan William Blair AmeriCenter Fdr JP Morgan Fidelity

Fund	JFAMX	BIEMX	NEWFX	JMIEX	FEMKX
Rating	5★	5★	5★	5★	5★
Assets	14B	1B	55B	15B	7B
Year	2001	2005	1999	1983	1990
Mgr. Tenure Since	2010	2005	1999	2005	1999
Exp. Ratio	1.24	1.19	1.00	0.94	0.92
Yield %	0	0.12	0.10	0.14	0.19
Yrs. Up/Dn.	+67 -50 12/7	+79 -62 11/4	+52 -50 13/8	+67 -49 16/12	+76 -61 19/11
% Yrs. Dn.	194r 36%	154r 27%	214r 38%	284r 48%	304r 37%
Price					
YTD	4.66	6.32	1.58	4.67	4.42
1yr.	42	47	27	42	39
3yr.	12	12	10	13	12
5yr.	22	20	16	22	20
10yr.	7	8	7	8	7
15yr.	8	8	8	8	7
Life Return	12.73	10.44	8.89	7.18	6.52
10 Yr. Growth 10K	\$18,928	\$20,549	\$19,699	\$19,679	\$19,513
No. Holdings	69	133	383	69	93
Top 10 %	36%	36%	18%	36%	39%
Turnover %	15%	79%	40%	15%	34%
Top 3 Sectors %	Tech 22% Cycl 22% Det 13% Comm 11%	Tech 31% Cycl 18% Comm 17% Comm Det 9%	Tech 19% Fin 16% Cycl 15% Comm 10%	Fin 23% Cycl 22% Tech 22% Comm Det 13% Comm 13%	Tech 25% Fin 16% Comm 15% Comm Cycl 15%

Emerging Markets Asset Class Funds

Top Exchange Traded Funds Funds to Consider

(As of Feb. 02, 2021)

Invesco BLDERS Emerging Markets 50 ADR (ADRE)
Wisdom Tree Emerging Markets Ex-state owned Enterprise (XSOE)
Emerging Markets Internet & Commerce ETF (EMQQ)

Fund	Incept.	Assets	Exp. Ratio	(Yearly Return's)				Since Inception
				1yr	5yr	10yr	15yr	
ADRE	2002	200 M	0.30	41%	20%	5%	6%	11.71%
XSOE	2014	4 B	0.32	39%	20%	-----	-----	11.27%
EMQQ	2014	1.5 B	0.86	96%	29%	-----	-----	18.04%

Exchange Traded Funds

Emerging Market Funds

Investco WisdomTree EMQQ

Fund	ADRE	XSOE	EMQQ
Rating	4★	4★	5★
Assets	200M	4B	1.5B
Year	2002	2014	2014
Mgr. Tenure Since	N/A	N/A	N/A
Exp. Ratio	0.30	0.32	0.86
Yield %	0.95	1.02	0.86
Yrs. Up/Dn.	+65 -49 1/6	+47 -19 4/2	+67 -29 4/2
% Yrs. Dn.	17yr 35%	6yr 50%	6yr 50%
Price			
YTD	7.68	6.68	10.81
1yr.	41	39	96
3yr.	9	8	18
5yr.	20	20	29
10yr.	5	-	-
15yr.	6	-	-
Life Return	11.71	11.27	18.04
10 Yr. Growth 10K	\$15,871	\$19,440	\$29,059
No. Holdings	49	508	103
Top 10 %	69%	34%	57%
Turnover %	18%	19%	25%
Top 3 Sectors %	Tzeway Cyl 30 Alibaba Tech 29 HDFC J.P.com Fin 13 NISO Bidy mat 6	Alibaba Tech 22 Tencent Cyl 21 Tzeway comm 16 Samsung Fin 11 Def 6 Metuan Hlln 6	Tencent Comm 42 Metuan Cyl 41 Alibaba Tech 6 JP.com Fin 4