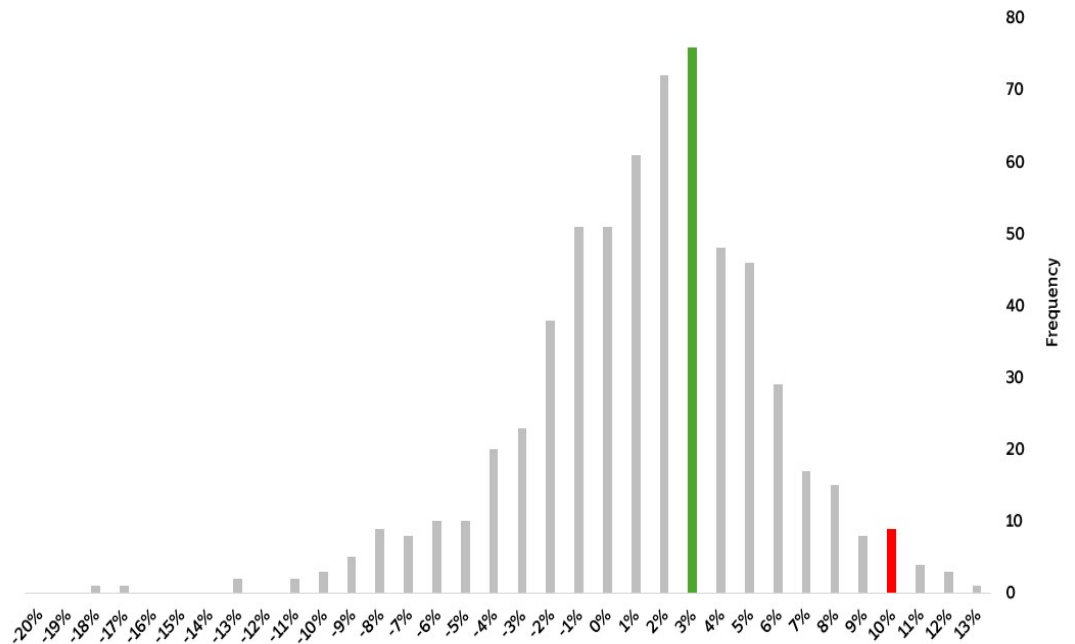


## Not normal, but welcome Alex Harvey, CFA

MSCI World - calendar month total returns (52yrs)



### What does the chart show?

The chart shows the frequency of global equity calendar month returns for the past 52 years (since my birth in May 1974). The highest frequency monthly return is a positive 2-3% which has occurred 76 times and is represented above as the green bar. The red bar shows the return in April 2026 which was 9.6% and ranks 11th in the league of calendar month returns since my inception, sitting in the 98th percentile of monthly returns. In other words, April was a very strong month.

We also see the 'skew' in the chart showing that equity returns are not 'normally' distributed. Kurtosis is the technical term for the 'tailedness' of a return distribution. The global equity returns above are leptokurtic, meaning they exhibit a fatter (left) tail than a standard, or normal, distribution and a higher, if infrequent, probability of large negative calendar month returns.

### Why this is important

The chart serves as a reminder that markets can turn sharply, especially when the Commander in Chief himself changes his strategy almost daily. Timing the markets is notoriously difficult and for most investors a buy and hold approach is best. Had you missed out on April's near 10% return – and the 10 best months ahead of it from the last 52 years – then your total return since my inception (4,000%) would be less than one third of your return from leaving it alone (12,700%). Even though the cumulative missed returns amount to only around 120 percentage points, the compounding effect results in an opportunity cost measured in thousands of percentage points (the highest calendar month return over the period occurred in January 1975 when global equities returned 14.6%).

The chart also demonstrates how periodicity is important. The reason April looked so good, was that the market bottomed on 30th March, having previously peaked near the end of February. It is only really by luck (call it Presidential fortune) that this return profile is observed, with the market turning in line with the fall of the calendar month ends. Rolling 30d returns would look very different.

The leptokurtic left tail events are a reminder that extreme negative returns can and do occur. This is what pulls the average month return (0.9%) below the most frequently observed return (+2-3%). The worst calendar month for global equities observed during my lifetime was during 'peak GFC\*' in October 2008 when global equities fell 19%, eclipsing October 1987's 17% loss following the 'Black Monday' crash.

\*GFC refers to the Global Financial Crisis.



# Global Matters Weekly

11 May 2026

For more information, please contact your adviser or alternatively contact:

Belvest Investment Services Limited  
研富投資服務有限公司  
9th Floor, Centre Mark II  
305-313 Queen's Road Central  
Sheung Wan, Hong Kong

Tel +852 2827 1199  
Fax +852 2827 0270  
belvest@bis.hk  
[www.bis.hk](http://www.bis.hk)

## Important notes

This communication is issued by Belvest Investment Services Limited and/or Belvest related companies (collectively, and individually Belvest) solely to its clients, qualified prospective clients or institutional and professional investors. Unless stated otherwise, any opinions or views expressed in this communication do not represent those of Belvest. Opinions or views of any Belvest company expressed in this communication may differ from those of other departments or companies within Belvest, including any opinions or views expressed in any research issued by Belvest. Belvest may deal as Distributor or Agent, or have interests, in any financial product referred to in this email. Belvest has policies designed to negate conflicts of interest. Unless otherwise stated, this e-mail is solely for information purposes.

This message may contain confidential information. Any use, dissemination, distribution or reproduction of this information outside the original recipients of this message is strictly prohibited. If you receive this message by mistake, please notify the sender by reply email immediately.

Unless specifically stated, neither the information nor any opinion contained herein constitutes as an advertisement, an invitation, a solicitation, a recommendation or advise to buy or sell any products, services, securities, futures, options, other financial instruments or provide any investment advice or service by Belvest.

No representation or warranty is given as to the accuracy, likelihood of achievement or reasonableness of any figures, forecasts, prospects or return (if any) contained in the message. Such figures, forecasts, prospects or returns are by their nature subject to significant uncertainties and contingencies. The assumptions and parameters used by Belvest are not the only ones that might reasonably have been selected and therefore Belvest does not guarantee the sequence, accuracy, completeness or timeliness of the information provided herein. None of Belvest, its group members or any of their employees or directors shall be held liable, in any way, for any claims, mistakes, errors or otherwise arising out of or in connection with the content of this e-mail.

This e-mail and any accompanying attachments are not encrypted and cannot be guaranteed to be secure, complete or error-free as electronic communications may be intercepted, corrupted, lost, destroyed, delayed or incomplete, and/or may contain viruses. Belvest therefore does not accept any liability for any interception, corruption, loss, destruction, incompleteness, viruses, errors, omissions or delays in relation to this electronic communication. If verification is required please request a hard-copy version. Electronic communication carried within the Belvest system may be monitored.