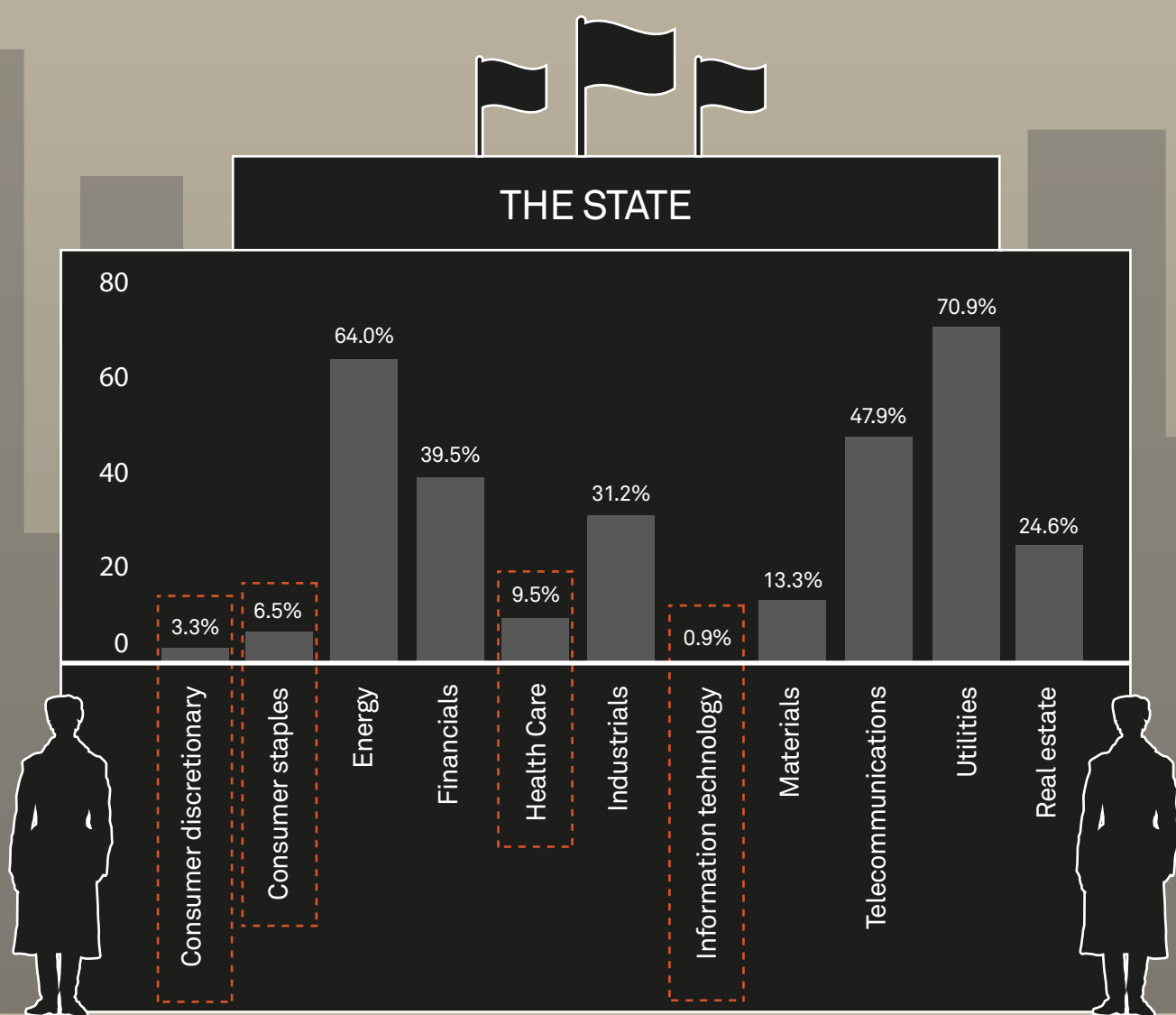


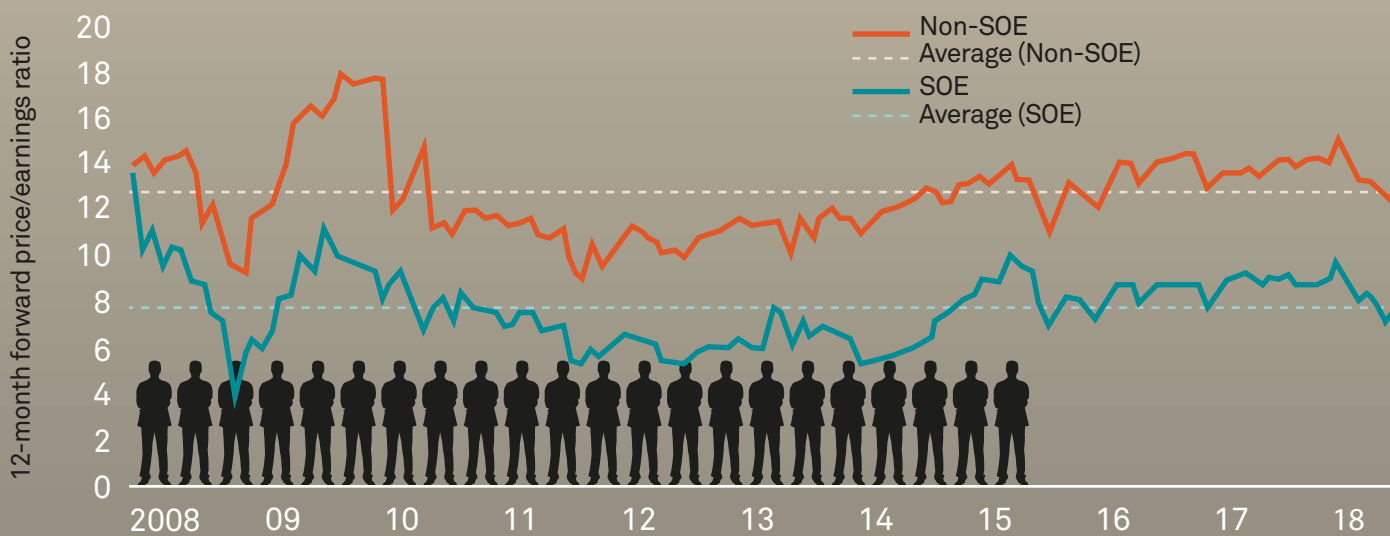
# State control in emerging markets

MSCI Emerging markets sectors - estimated state control (%)



Source: Newton, CLSA. 31 May 2018 For illustrative purposes only.

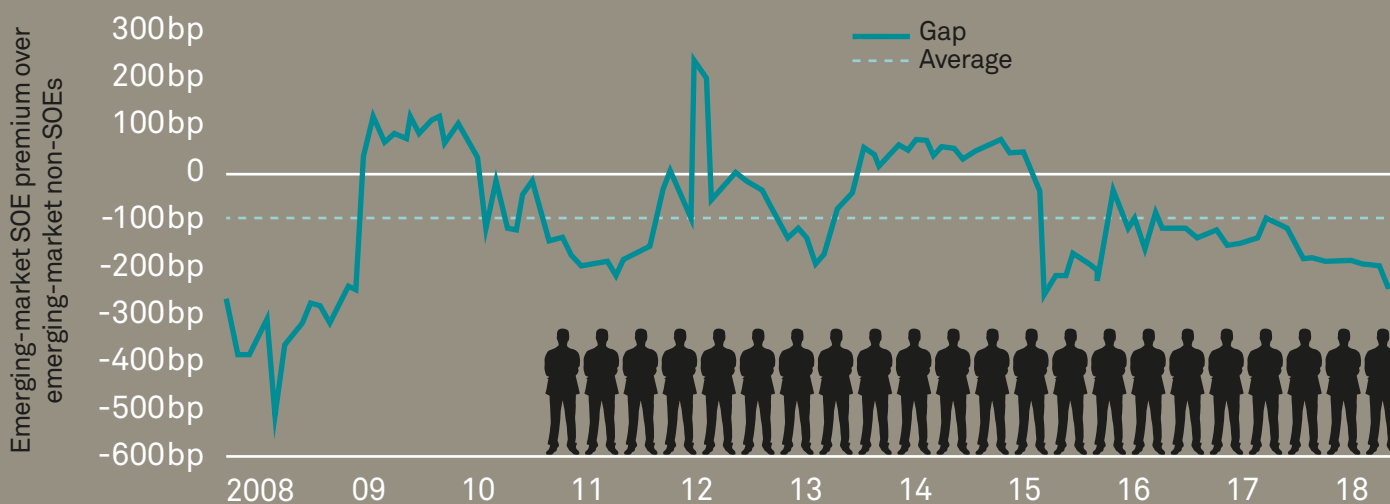
SOEs<sup>1</sup> have significantly underperformed non-SOE companies over both the long term and more recent periods...



Source: MSCI, Datastream, UBS, 31 July 2018.

<sup>1</sup> SOE = State-owned enterprise.

Mind the gap...  
Return on equity: SOEs vs. non-SOEs



Source: MSCI, Datastream, UBS, 31 July 2018.