

# The Country Ranking Model

January 2015

## Portfolio Manager Commentary

### December Comments

- The MSCI ACWI was down -1.93% in December, but finished the year in positive territory, up 4.16%. China was the only country in December with positive performance, up 1.16% in USD.
- The range of returns in 2014 from best performing country to worst was 72.86%. The United States was the 6<sup>th</sup> best performing country, and was one of only 11 countries in our investment universe to outperform the ACWI.
- USD strength was a major headwind for international investments in 2014. The MSCI ACWI EX USA Index was down -3.87% in USD, but up 6.05% in local currency.
- Russian equity markets continued to fall in December, off -23.34%. They finished the year down -46.27% in USD.

### January Rankings

- Israel was the only country to move out of the top 6 and was replaced by the US. The US remains one of the strongest places to invest, but valuations are rich compared to the rest of the universe.
- Developed Europe remains the largest underweight in the model. Austria, Spain, France, Italy, Netherlands, and Poland are all near the bottom of the rankings.

### Highest Ranked Countries



Sweden



China



Taiwan



Turkey



Singapore



United States

Chart 1 | Data is as of 12.31.14  
 Source: Accuvest Global Advisors

### Country Performance

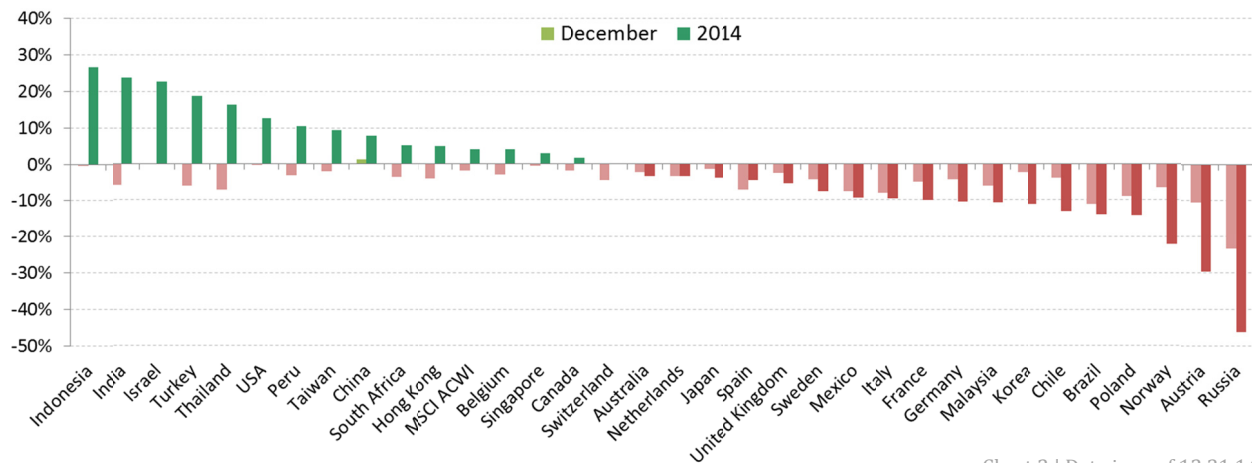


Chart 2 | Data is as of 12.31.14  
 Source: MSCI

## Country Ranking Model

	Notable Move	Fundamental	Momentum	Risk	Valuation
Overweights (Alphabetical)	China	▲	●	●	●
	Germany	▲			●
	Norway			●	●
	Singapore	▲		●	●
	Sweden	▲	●	●	●
	Taiwan	▲	●	●	●
	Turkey	▲		●	●
	United States		●		●
Neutral (Alphabetical)	Australia	▲			●
	Brazil	▼	●	●	●
	Canada				●
	Hong Kong	▲			●
	India	▼	●	●	●
	Indonesia		●	●	●
	Israel	▼			
	Japan			●	
	Korea		●	●	●
	Malaysia	▼		●	
	Mexico		●		●
	South Africa		●	●	●
	Switzerland				
	Thailand	▼	●		●
	United Kingdom		●		●
Underweight (Alphabetical)	Austria		●	●	●
	Chile	▼	●	●	●
	France		●	●	
	Italy	▼	●	●	●
	Netherlands		●	●	●
	Peru	▲			●
	Poland		●	●	
	Spain		●		

Chart 3 | Data is as of 12.31.14  
Source: Accuvest Global Advisors

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