

# The Country Ranking Model

## January 2018

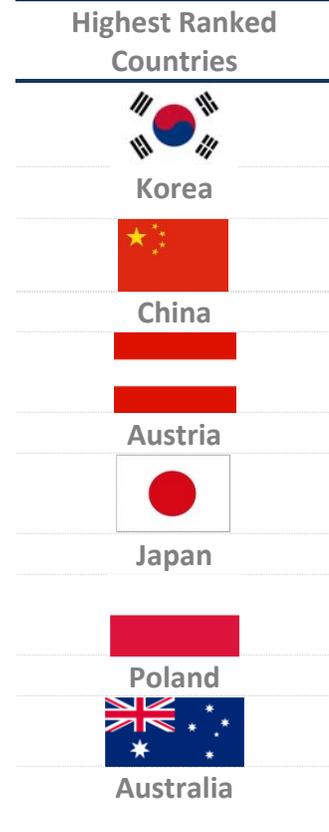
### Portfolio Manager Commentary

#### December Highlights

- Global equities climbed higher in December, with the MSCI ACWI up 1.61%. The average country was up 3.21%, and the range of returns for December, between countries, was 17.26%.
- The United States was up 1.05%. Japan was up 0.70%, as was Europe as a whole, up 1.51%. EM was up 3.59%. EM was the best performing regions during December.
- All country returns for 2017 are positive in dollar terms. The top countries are Austria (58%), China (54%), and Poland (54%). The average country is up an amazing 30.24% in 2017.

#### January Rankings

- For 2017, **Poland** consistently ranked in the top five of our rankings from a Valuation standpoint. Even despite the amazing 54% climb during 2017, Poland still is considered cheap, and we believe has more room to run. It is currently our 5<sup>th</sup> most attractive market (out of 34 countries in the MSCI ACWI). Poland has the 3<sup>rd</sup> lowest Price to Book ratio, at 1.38x vs. a country average of 2.0x. It also has the lowest Price to Cash Earnings ratio at 5.6x vs a country average of 10.7x.
- From a Fundamental and Momentum perspective, **India** looks great. India has the 4<sup>th</sup> best ROE number at 14% vs a country avg. of 10.9%, and exhibits a 16.85% long term earnings growth number vs a country avg. of 13.4%. During 2017, India was up 29.2% over the last 11 months, vs a country avg. of 22.9%.



#### Country Performance

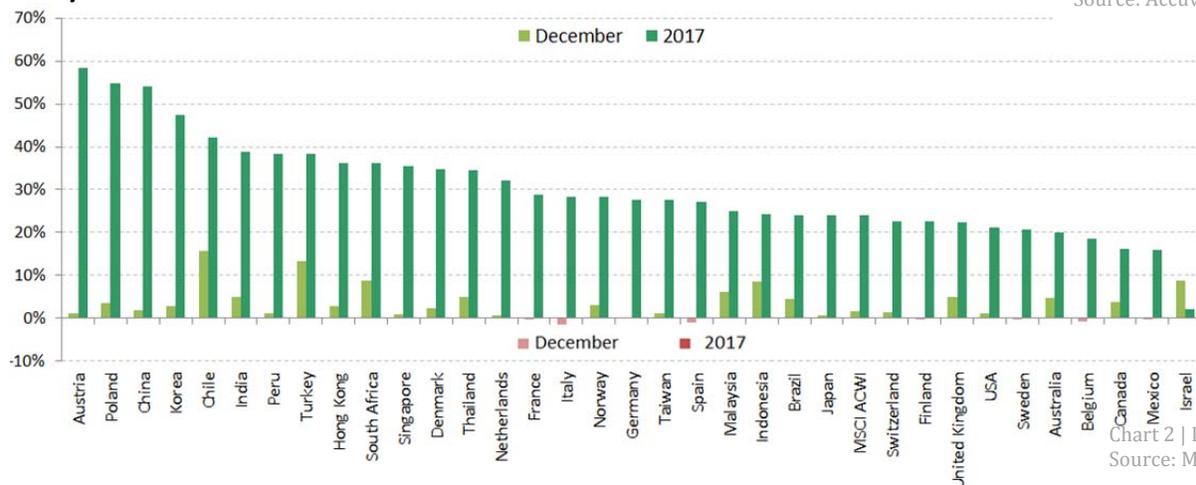


Chart 1 | Data is as of 12.31.17  
Source: Accuvest Global Advisors

Chart 2 | Data is as of 12.31.17  
Source: MSCI

## Country Ranking Model



### Disclosures

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