



# ACCUVEST GLOBAL CORE EQUITY

GLOBAL CLIENTS...GLOBAL PORTFOLIOS



# FIRM OVERVIEW

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- Founded in 2005 as a registered Independent Advisory Firm.
- We serve both institutional and high-net worth clients from all over the globe.
- Became SEC registered in 2008
- Receive our Global Investment Performance Standards (GIPS) through ACA Beacon
- Create globally equity portfolios and endowment style portfolios with enhanced diversification, transparency, and liquidity.

# THE ACCUVEST ADVANTAGE

## GLOBAL FOCUS

We do not limit our investment universe to a single type of stock, sector, country returns, or region.

## CONSISTENT, DISCIPLINED, INVESTMENT PROCESS

Our process has not changed over time and we consistently evaluate factors and influence Country Returns.

## INNOVATE STRATEGIES

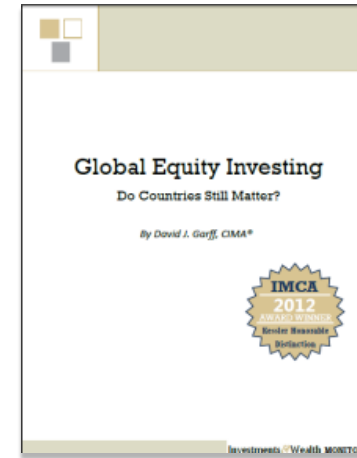
We were early adopters of top-down country investment strategies-  
country ETF'



# INVESTMENT PHILOSOPHY

## Our proprietary research has shown that:

- In the long-run, country effects dominate sector effects.\*
- Country selection offers outperformance opportunities. The highest performing country in the MSCI ACWI outperforms the lowest performing country by an average of 32% per month.\*
- Multi-factor investing across countries significantly improves absolute and risk adjusted performance.\*\*



*\*Global Equity Investing: Do Countries Still Matter?*

Award: 2012 Stephen L Kessler Honorable Distinction



*\*\*Multi-Style Global Equity Investing: A Statistical Study on Combining Fundamentals, Momentum, Risk and Valuation for Improved Performance*

Award: 2015 Edward D. Baker III J

# VALUE ADD SOURCES



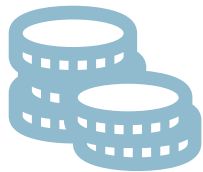
## 1. COUNTRY SELECTION

- 49 COUNTRIES HAVE A SINGLE-COUNTRY ETF



## 2. SECURITY SELECTION

- 13 COUNTRIES HAVE A NON-CAPITALIZATION WEIGHTED, SINGLE-COUNTRY ETF
- 86% OF MSCI ACWI
- 71% OF MSCI ACWI EX-US

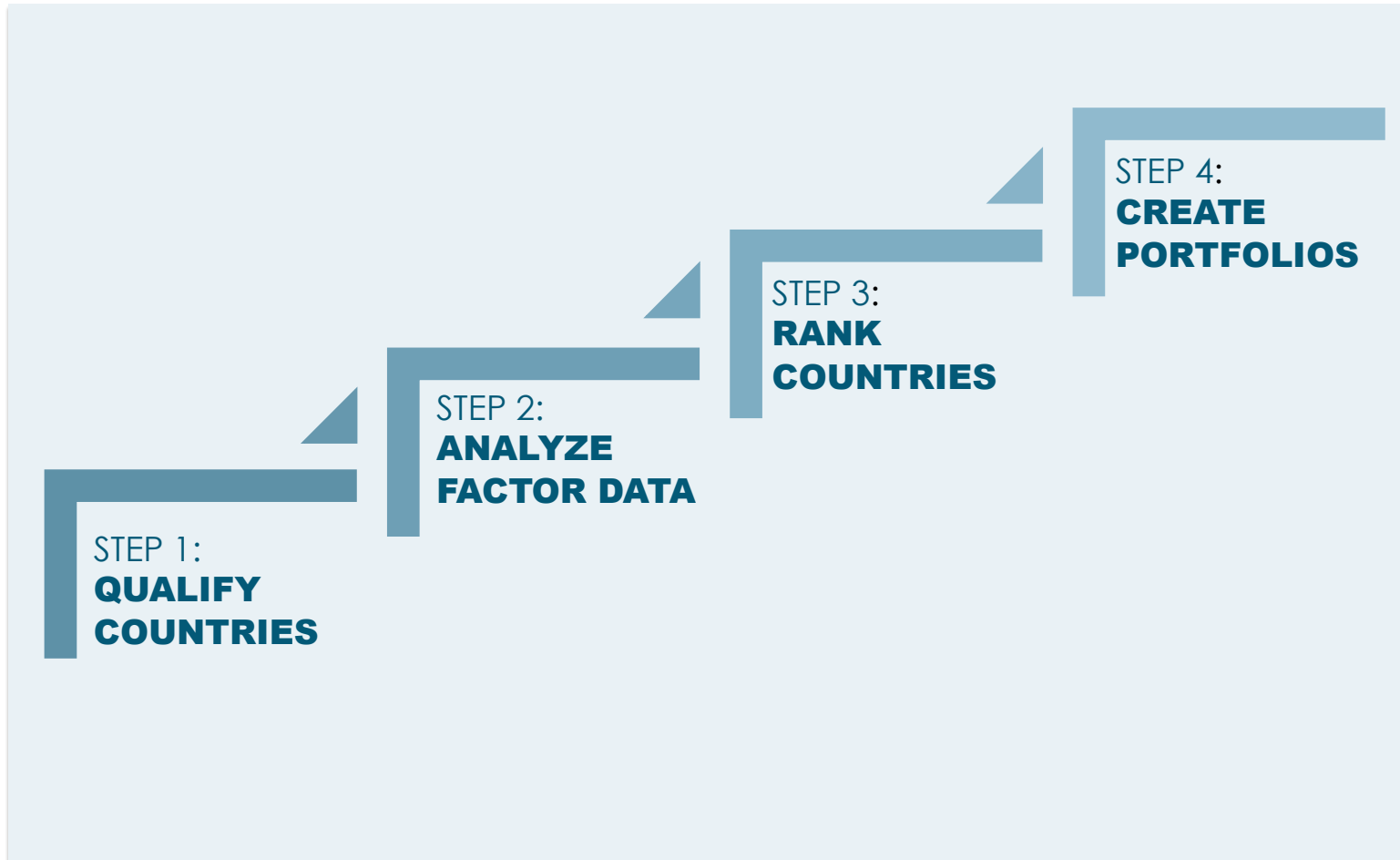


## 3. CURRENCY HEDGING

- 12 COUNTRIES HAVE A CURRENCY-HEDGED, SINGLE-COUNTRY ETF
- 82% OF MSCI ACWI
- 70% OF MSCI ACWI EX-US

# INVESTMENT PROCESS

CONSISTENT, DISCIPLINED, AND REPEATABLE



## WE ANALYZE FOUR GROUPS

- FUNDAMENTAL
- MOMENTUM
- RISK
- VALUATION

We rank countries based on relative attractiveness.

We create portfolios from our rankings, based on client constraints.

# WE QUALIFY COUNTRIES USING CONSISTENT CRITERIA

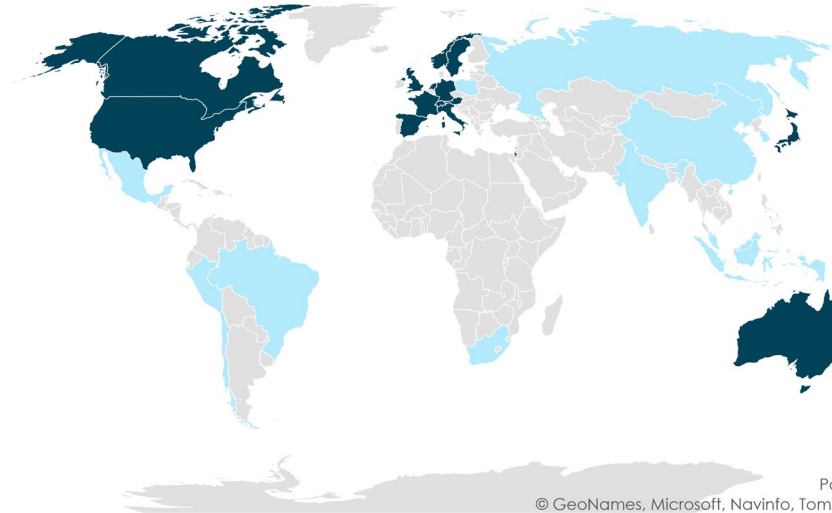
STEP 1: QUALIFY COUNTRY

STEP 2: ANALYZE FACTORS

STEP 3: RANK COUNTRIES

STEP 4: CREATE PORTFOLIOS

## DEVELOPED AND EMERGING MARKETS



### DEVELOPED

- AUSTRALIA
- AUSTRIA
- CANADA
- FRANCE
- GERMANY
- HONG KONG
- ISRAEL
- ITALY
- JAPAN
- NETHERLANDS
- NORWAY
- SINGAPORE
- SPAIN
- SWEDEN
- SWITZERLAND
- UNITED KINGDOM
- USA

### EMERGING

- BRAZIL
- CHILE
- CHINA
- INDIA
- INDONESIA
- KOREA
- MALAYSIA
- MEXICO
- PERU
- POLAND
- RUSSIA
- SOUTH AFRICA
- TAIWAN
- THAILAND
- TURKEY

We use three key criteria to qualify countries for our universe. The countries in our universe represent 34 countries and almost 99% of world market capitalization.

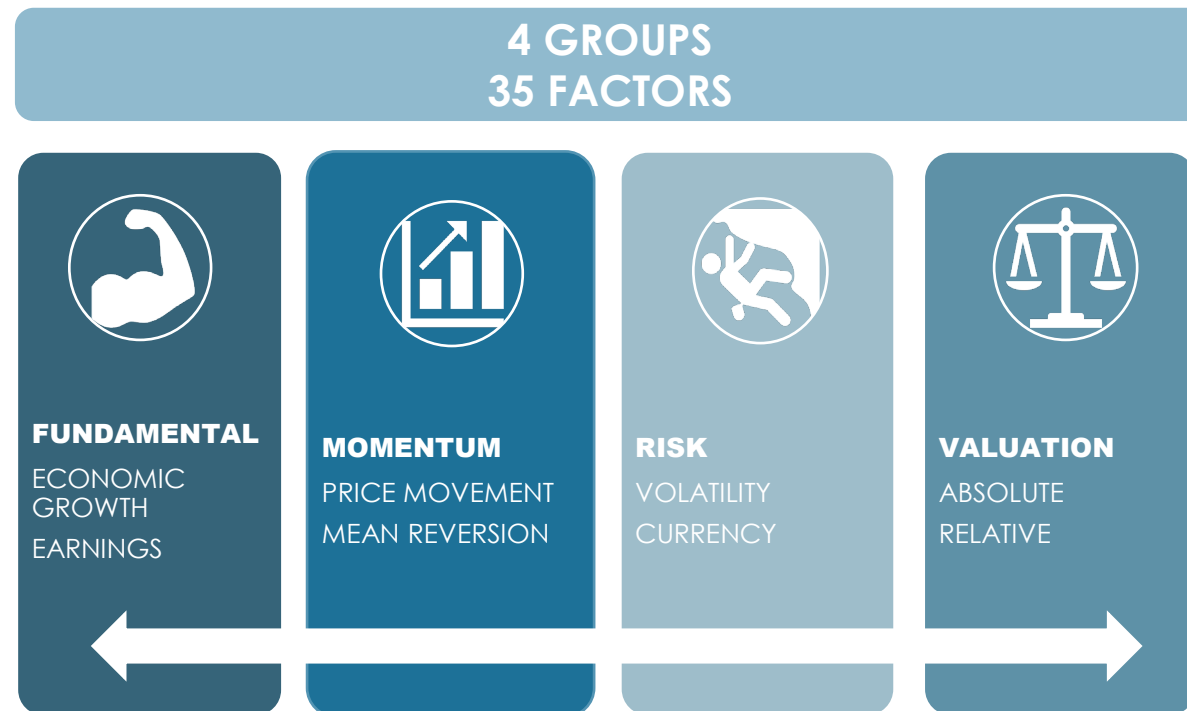
### OUR CRITERIA:

1. MSCI All Country World Index constituent
2. Liquid ETF3
3. Reliable monthly data

# WE ANALYZE FACTOR DATA EACH MONTH



Each month, we analyze 35 factors in four major groups, based on our belief that certain factors drive the relative return of equality markets. Our factors are based on historically successful investment strategies and are consistent with economic theory. This helps reduce style risk in our portfolios.





# WE RANK COUNTRIES BASED ON RELATIVE ATTRACTIVENESS



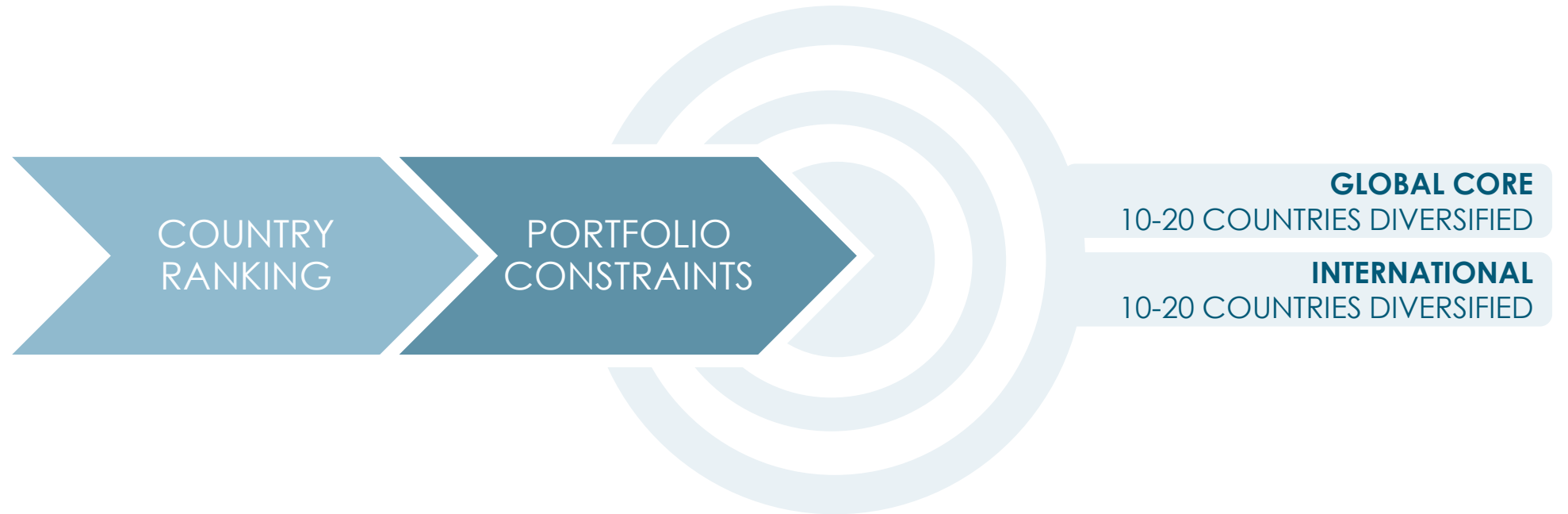
COUNTRY RANKING			
MORE ATTRACTIVE (OVERWEIGHT)		LESS ATTRACTIVE (UNDERWEIGHT)	
TAIWAN	1	INDIA	18
JAPAN	2	SWITZERLAND	19
KOREA	3	NETHERLANDS	20
SWEDEN	4	SPAIN	21
CHINA	5	SINGAPORE	22
SOUTH AFRICA	6	MALAYSIA	23
UNITED STATES	7	FRANCE	24
HONG KONG	8	FINLAND	25
GERMANY	9	INDONESIA	26
TURKEY	10	POLAND	27
ISRAEL	11	MEXICO	28
BELGIUM	12	CANADA	29
NORWAY	13	ITALY	30
DENMARK	14	CHILE	31
AUSTRIA	15	BRAZIL	32
UNITED KINGDOM	16	AUSTRALIA	33
THAILAND	17	PERU	34

We rank countries based on relative attractiveness.

Country rankings are done on a monthly basis during the first week of the month.

**\* Country ranking shown above is the actual ranking from December 2015**

# WE CREATE PORTFOLIOS FROM OUR RANKINGS



Our portfolios are created and rebalanced monthly in accordance with our new country ranking model. Our portfolios are constructed using single-country ETFs in order to minimize single-security risk and provide low cost, diversified exposure to a country's equity market.

# OUR PROCESS IS CONSISTENT, DISCIPLINED AND REPEATABLE



# BIOGRAPHIES



## **DAVID GARF** *CIMA PRESIDENT*

David serves as the President of Accuvest Global Advisors. He heads the Investment Committee and Research teams. David's responsibilities include oversight of the firm's asset allocation process, CST investment strategy, country selection model and liquid alternatives portfolios. He began his investment career in 1992 with Merrill Lynch, and then spent 10 years as a consultant with Smith Barney, serving the needs of affluent families, Foundations and Endowments. David graduated with a B.A. in Economics and Spanish Translation from Brigham Young University, and a Master's Degree in Business Administration, with a concentration in Finance, from the Haas School of Business at the University of California, Berkeley. He earned the Certified Investment Management Analyst designation as well as an Alternative Investments Certificate, both taught under the joint auspices of the Wharton School of Business, and the Investment Management Consulting Association. David is a frequent conference speaker on the subjects of global investing, ETFs and country selection. He has been featured on TV, radio and in print media with Bloomberg, CNBC, Fox Business, Wall Street Journal, Morning star and Barron's. In 2012 David was recognized with the Honorable Distinction Stephen L. Kessler Writing Award for his white paper entitled *Global Equity Investing: Do Countries Still Matter?*

# CONTACT US

FOR MORE INFORMATION

**ACCUVEST MARKETING**

**[MARKETING@ACCUVEST.COM](mailto:MARKETING@ACCUVEST.COM)**

**PHONE: 925-930-2882**

**FIND US AT [ACCUVEST.COM](http://ACCUVEST.COM)**



# GENERAL DISCLOSURES

Debt and equity investments associated with certain foreign countries may involve increased volatility and risk due to, among others, political risk, sovereign risk, economic quality and liquidity risk. Differences in the extent of these risks vary from country to country, among investment instruments, and over time. Investing in non-U.S. securities, including ADRs, may entail certain risks. The securities of non-U.S. issuers may not be registered with nor subject to the reporting requirements of the US Securities and Exchange Commission (SEC). There may be limited information available on foreign securities. Foreign companies are generally not subject to uniform audit and reporting standards, practices and requirements comparable to those of US Securities. Some foreign companies may be less liquid and their prices more volatile than securities of comparable US companies. In addition, exchange rate movements may have an adverse effect on the value of an investment in a foreign stock and its corresponding dividend payment for U.S. investors. Past performance is not indicative of future results. You should not assume that any future performance of any security or country referred to in this Report will be profitable or equal to any corresponding performance levels that might be provided. Investment risks are borne solely by the investor and not by Accuvest Global Advisors (“AGA”).

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