

**UNKNOWN UNKNOWNNS OR A DELAYED CONFIRMATION VOTE FOR PERU'S CABINET OF MINISTERS**

**Conversation with My Children:** This Sunday (October 24, 2021), I was looking at the performance table for the month of October (*see the second column in the chart below*). I told my kids, "With one week to go, I think the index of Peru is uncatchable and is likely to win the October stage." Then after a pause, I added almost automatically, "Of course, barred any major negative developments in Peru or positive developments in the countries that are pursuing Peru." I often talk to my children, an eleven-year-old boy and a six-year-old girl, about countries and stock market investing. I would like them to learn about the subjects that I am fascinated with.

**Global Stock Market Competition:** To make it interesting to them when they were younger, I came up with a comparison of each year's country stock markets performances to a global cycling competition consisting of 12 monthly stages and 52 intermediate weekly finishes. At BBIS, we use the MSCI indices for 48 foreign countries in the firm's database. The US is represented by two indices: the MSCI USA Index for consistency purposes and the S&P 500 Index as the country's most popular stock index. So, we look at the global equities performances as the competition between 50 cyclists.

**Diversifying Among and Within Countries:** I often add variations of the phrase about risks because so many seemingly unlikely events, which have seriously impacted country stock markets worldwide over the years since I have been managing money at Beyond Borders Investment Strategies, LLC (BBIS), happened (*see below for some examples*). To protect against unpredictable risks and more conventional risks that we are aware of and that can impact a country or a company, BBIS diversifies its investment portfolios AMONG and WITHIN countries. To achieve the former, we limit country positions to 10% of the portfolios' total weights. To do the latter, we use single-country equity ETFs, or fund vehicles, to protect our clients' portfolios from individual company risks.

**The Unknown Unknowns:** As an investor, I came to respect the concept of *unknown unknowns*, or risks that we do not even know exist, over the years. Donald Rumsfeld, US Secretary of Defense, popularized the concepts of the known knowns (or facts), the known unknowns (known risks), and the unknown unknowns (unknown risks).<sup>1</sup> During a news briefing in 2002, Secretary Rumsfeld stated, "*Reports that say that something hasn't happened are always interesting to me, because as we know, there are known knowns; there are things we know we know. We also know there are known unknowns; that is to say we know there are some things we do not know. But there are also unknown unknowns—the ones we don't know we don't know. And if one looks throughout the history of our country and other free countries, it is the latter category that tends to be the difficult ones.*"<sup>1</sup>

**The Unknown Unknowns in Stock Picking:** The unknown unknowns can be very dangerous not only for countries but also for investors. Over the years, a few overconfident investment managers lost a lot of their clients' money by taking concentrated positions in investments they considered could not go down. Many more investors joined the crowd started by the overconfident investors, with the same consequences for their client portfolios. Years before I founded BBIS, I thought about ways to protect investors from the unknown unknowns. To prevent one company or several companies' bankruptcies from heavily impacting client portfolios at BBIS, I decided to use single-country ETFs that consist of dozens and hundreds of stocks rather than individual stocks as the client portfolios' building blocks. I have made this decision in the wake of the Yukos Oil Company affair.

In the early 2000s, this Russian company was a superstar of not only emerging market or oil industry universes. It was the superstar of both of them. The capital was flowing into this company like a mighty river. However, everything changed after the founder and CEO of the company, Mikhail Khodorkovsky, was arrested in October 2003.

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<sup>1</sup> Wikipedia, "There Are Known Knowns." Downloaded on October 25, 2021.

While he was charged with tax evasion, outside of the official media sources, people believed that he was arrested for accusing Russian tax authorities of taking bribes and for running for the country's presidency. Within months of Mr. Khodorkovsky's arrest, Yukos' assets were transferred to Rosneft, a state-owned oil company. Yukos went bankrupt in November 2007. An investment firm where I worked during the Yukos affair lost its investment in Yukos' stocks. I thought, read, and watched videos about the loss for years. Specifically, I tried to figure out whether it was possible to predict the loss in advance. My conclusion was that unless somebody was very close to the very top of the Russian political power, it was impossible to forecast that the government would bankrupt the country's most successful company. The company and investors were hit by an unknown unknown. If you are interested in reading about the Yukos affair, please read pages 13-16 of the BBIS white paper titled "*Investment Lessons from Fishing: Building Portfolios from Single-Country Equity Exchange Traded Funds (ETFs)*."<sup>2</sup> The paper also briefly mentions some scandals that involved companies in developed markets. Below is a link to the white paper:

<http://www.bbistrategies.com/our-publications--events/archives/07-2017>

**Unpredictable Negative Countrywide and Global Risks During the Last Three Years:** I will be honest. Some of the significant countrywide and global events that happened over the last three years surprised me because they happened at all, or their magnitude totally surpassed my expectations. I believe that many other investors were surprised by these events as well. I am happy that I have developed the rules for the client portfolios' protection through diversification not only within countries but also among countries. As I mentioned above, we do not invest more than 10% of our portfolios in any one country.<sup>3</sup>

I developed the rule to protect portfolios from being negatively impacted by developments in one or several countries. From the risk management standpoint, I do not want BBIS to follow a popular strategy of "index hugging" or keeping the stock and country weights very close to the indices' weights. In my opinion, major international indices' weights of the top country positions are too high. For example, the weight of China in the MSCI Emerging Markets Value Weighted Index, which BBIS' Emerging & Frontier Country Value Equity strategy competes against, is 31.32% (as of September 30, 2021).<sup>4</sup> The weight of the 'Big Three' countries in the index (China, South Korea, and Taiwan) is 61.17%.<sup>5</sup> Suppose something happens to one or several of these countries (i.e., potential military confrontations between China and Taiwan or between North Korea and South Korea, or even threats thereof). In that case, the value of the index and funds closely following it would plunge. It would not matter what happens in the other 24 countries in the index because the average weight of their positions in the index is just 1.62% per country.

Some of the events that surprised me over the last three years include the following. Based on my observations of the Severe Acute Respiratory Syndrome (SARS), Middle East Respiratory Syndrome (MERS), Ebola, and other regional epidemics, I could predict that a deadly outbreak may impact a country or a region. But I was negatively surprised by the fact that the COVID-19 pandemic affected ALL countries worldwide.

Also, while crises often amplify existing or perceived problems, I was surprised by the recent developments in Chile, China, South Africa, and the United States. I was surprised that the most intense countrywide or multi-province demonstrations and riots happened in Chile, South Africa, and the United States. The intensity of the

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<sup>2</sup> Vitaly Veksler, Beyond Borders Investment Strategies, "Investment Lessons from Fishing: Building Portfolios from Single-Country Equity Exchange Traded Funds (ETFs)," Pages 13-16, July 31, 2017.

<sup>3</sup> We may allow a country position to grow up to 15% if it outperforms other markets quickly and dramatically over a period of time, and the catalysts for the outperformance remain, but we cut all country positions at 15%.

<sup>4</sup> MSCI Emerging Markets Value Weighted Index, Factsheet, September 30, 2021.

<sup>5</sup> Ibid.

riots made them unknown unknowns. I do not think that many investors, or any other country observers, could have forecasted in September 2019 that the three countries would experience anything close to what happened in reality. These three countries have some of the most robust economies and the highest income levels among countries in the BBIS research universe on the three continents (*see the footnotes for the GDP and GDP per Capita levels*).<sup>6 7</sup> In the United States and South Africa, protests, demonstrations, and riots started during the pandemic in 2020 and 2021, respectively. In Chile, they began before the COVID-19 pandemic in October 2019 and intermittently continued during the pandemic.

The protests, demonstrations, and especially riots impacted stock markets in these countries differently. In the United States, ironically, large companies, such as Amazon, Nike, Wayfair, and other companies that could deliver goods to people's homes, benefitted from the summer 2020 riots. While one of the banners under which the rioting was going on was erasing income inequality, the rioting actually enhanced it by strengthening these large companies' competitive positioning. Most firms, which did not recover from a double punch of lost revenues due to the US economy's closing because of the COVID-19 pandemic, and lost merchandise and vandalized workspaces due to the riots, were mainly small businesses. They included local food stores, grocery stores, clothing stores, shoe stores, furniture stores, restaurants, etc. Before the pandemic, these small businesses served as tiny but numerous competitors to Amazon and other large companies with the delivery infrastructure. In most communities across the country, there are fewer local businesses in 2021 than before the pandemic in 2019.

Also, many large companies benefitted from the Fed's Quantitative Easing (QE) policies of infusing money into the economy in its fight against the pandemic. The QE policies led to lower interest rates and consequently lower bond yields in the economy. These lower yields made stocks even more attractive compared to bonds and other fixed-income investments. During the pandemic, US stocks attracted a large portion of the Fed's more than \$4 trillion infused in the US economy in 2020-2021. As a result, the US stock markets' total returns (price appreciation plus dividends) were excellent in 2020 and 2021. For example, the S&P 500 Index' returns were 18.4% (11<sup>th</sup> place) in 2020 and 22.4% (also 11<sup>th</sup> place) in 2021 (as of October 22, 2021). To read more about the impact of the QE policies on the US stock markets, please read pages 6-17 of the recent BBIS paper titled "*Potential Change of Leadership from US and Growth Stocks to Value and International Stocks in 2021-2023.*"<sup>8</sup>

<sup>8</sup> Below is a link to the paper:

<http://bbistrategies.com/our-publications--events/report-potential-change-of-leadership-from-us-and-growth-stocks-to-international-and-value-stocks-in-2021-2023>

In South Africa, the riots that started after the imprisonment of former President Jacob Zuma were intense and deadly. In just ten days from July 9 to July 18, 2021, they resulted in more than 300 deaths and looting of more

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<sup>6</sup> According to the IMF's World Economic Outlook Database (October 2021 Edition), Chile is the fourth largest economy in terms of the 2020 GDP measured in current US Dollars in South America after much more populous Brazil, Argentina, and Colombia. South Africa is the third largest economy in Africa after much more populous Nigeria and Egypt. The United States is the largest economy in North America.

<sup>7</sup> According to the IMF's World Economic Outlook Database (October 2021 Edition), Chile has the second highest income (after Uruguay) measured as the 2020 GDP per Capita calculated in current US Dollars in South America. There are no single-country equity ETFs following performance of Uruguay's stock markets. South Africa has the fifth largest level of GDP in Africa after Seychelles, Mauritius, Equatorial Guinea, and Botswana. There are no single-country equity ETFs that track the performances of these four countries' stock markets. The United States has the highest level of income in North America.

<sup>8</sup> Vitaly Veksler, Beyond Borders Investment Strategies, "Potential Change of Leadership from US and Growth Stocks to Value and International Stocks in 2021-2023," September 28, 2021.

than 200 shopping centers in the KwaZulu Natal and Gauteng provinces.<sup>9 10</sup> The rioters ransacked shops, stealing groceries, liquor, electrical appliances, and clothes. They also robbed and burned factories and warehouses. The riots became some of the most expensive ones over the last ten years. According to the state insurance company handling the claims, the damages from the riots (\$1.7 billion) even surpassed the insurance claims from the US riots in 2020 (\$1.5 billion).<sup>11</sup> Of course, the insurance claims underestimate the total negative impact of the riots on the economy. Many business owners may decide not to rebuild their businesses that took years to build but were destroyed within days. However, the impact of the South African riots on the country's stock markets was limited. Since the riots lasted only ten days, the South African stock markets have recovered losses incurred during the riots, and now the MSCI South Africa index has total year-to-date returns of 9.2% (29<sup>th</sup> place) as of October 22, 2021.

The Chilean protests and riots against the high cost of living and inequality were sparked by a seemingly routine 3.6% increase of metro fare from \$1.12 to \$1.16 in October 2019.<sup>12</sup> The protests lasted through 2020, with some smaller aftershocks happening in 2021.<sup>13</sup> The demonstrators damaged or burnt at least 118 metro stations, burnt public buses, and looted supermarkets, warehouses, pharmacies, and shopping centers.<sup>14</sup> They also targeted banks, cash machines, gas stations, churches, government offices, and police stations across the country, especially in large cities such as Santiago, Valparaiso, and Concepcion. These protests led to 36 deaths.<sup>15</sup> They also resulted in close to \$6.0 billion in damages to the Chilean economy by November 2019.<sup>16</sup> According to Chile's Construction Chamber of Commerce, the damage to public infrastructure was \$2.3 billion, while the damage to non-residential property (i.e., shops, offices, and churches) was almost as significant - \$2.25 billion. Separately, losses to the retail sector due to looting and business closures were estimated to be \$1.4 billion.<sup>17</sup>

The protests and riots in Chile lasted longer than in South Africa or the United States. As a result of these ongoing adverse developments, the MSCI Chile Index became the second-worst market (49<sup>th</sup> place) in 2019, with a total loss of 16.0%. The index was one of just six indices that had negative returns during that year. During 2020, the MSCI Chile Index declined by an additional 4.1% (35<sup>th</sup> place) due to lower demand for copper, Chile's most important export, caused by the closures of various economies worldwide. Some of the declines can also be attributed to the higher risk of investing in Chile due to the country potentially becoming less business-friendly in the future. After massive protests and riots sparked in October 2019, several political parties agreed to write a new Constitution.<sup>18</sup> The new constitution would replace the existing neoliberal one written during the Pinochet era by the US-educated economists. That business-friendly constitution helped to make Chile the best-performing country in Latin America, a Latin American Tiger. The new constitution will be written by representatives from all sides of Chile's society, including Communists. They would be a part of the second-largest faction of authors writing the constitution.<sup>19</sup> It would most likely make the new constitution less business-friendly.

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<sup>9</sup> Wikipedia, "2021 South African Unrest." Downloaded on October 25, 2021.

<sup>10</sup> Mogomotsi Magome, AP News, "South African Riots to Cost \$1.7 Billion in Insurance Claims," September 8, 2021.

<sup>11</sup> Ibid.

<sup>12</sup> DW, "Chile Suspends Fare Hikes Amid Violent Metro Protests," October 20, 2019.

<sup>13</sup> Wikipedia, "2019–2021 Chilean Protests." Downloaded on October 25, 2021.

<sup>14</sup> Carla Selman, IHS Markit, "Protests and Terrorism in Chile: Examining the Data and What to Expect in the Coming Year," May 3, 2021.

<sup>15</sup> Wikipedia, "2019–2021 Chilean Protests." Downloaded on October 25, 2021.

<sup>16</sup> Carla Selman, IHS Markit, "Protests and Terrorism in Chile: Examining the Data and What to Expect in the Coming Year," May 3, 2021.

<sup>17</sup> Ibid.

<sup>18</sup> Wikipedia, "2021 Chilean Constitutional Convention Election." Downloaded on October 25, 2021.

<sup>19</sup> Will Freeman and Lucas Perello, Foreign Policy, "Chilean Voters Have Turned Their Backs on Traditional Coalitions. What's Next?" May 17, 2021.

In 2021, the political risk increased further due to the presidential elections on November 21, 2021. While it is unclear which of the candidates – right-wing, left-wing, or centrist – would win the election outright or go to the two-person runoff, in my opinion, the MSCI Chile Index is not going to appreciate much before the elections. The index's total year-to-date return as of October 22 was negative 12.8% (46<sup>th</sup> place). Over two years, since just before protests and riots started (October 11, 2019) to October 22, 2021, the MSCI Chile Index declined by 26.6%, hardly a performance worthy of a country that just recently was one of the most respected and admired economies not only in Latin America but around the world.

In China, the largest economy in Asia, the authorities unexpectedly started purges against tech billionaires, celebrities, and rich people in general in the middle of 2021, just several months ago.<sup>20</sup> While the socialist purges as a fact of life are not surprising to anybody who lived in socialist countries or observed them carefully, the timing of this purge surprised many people not only around the world but even in China. The timing of the purge makes it an unknown unknown. For example, the timing was a surprise to the Head of the Beijing Bureau of The Los Angeles Times, a person very informed in the current affairs in China (*see the title of her article in the footnotes*).<sup>21</sup> Over the last several decades, business people, entrepreneurs, and entertainers were celebrated in China.<sup>22</sup> But as the economy slows, the Party needs to show who is in charge. It is not surprising that the MSCI China index is one of the worst-performing indices in 2021, with a total return of negative 10.1% (*see the Year-to-Date performance as of October 22, 2021*).

From the investment standpoint, it was good that none of the BBIS investment positions in the countries impacted by crises exceeded 10% of the total portfolios' weights.

**Unpredictable Positive Countrywide and Global Risks During the Last Three Years:** During the last three years, I was also surprised by some positive developments or positive risks. The fact that BBIS invests only 10% per country as a maximum (rather than 20-30% as in some broad-based international indices) allows the firm to build sizable positions in stock markets of countries going through unpredictably positive situations.<sup>23</sup> For example, the Abraham Accords, or a series of treaties that normalized diplomatic relations between Israel on one side and the United Arab Emirates (UAE), Bahrain, Sudan, and Morocco on the other, were hardly predictable. The results of the negotiations masterminded and facilitated by the US Administration between August and December 2020 were nothing short of amazing.<sup>24</sup> Since 1947, when Israel was established, only two Arab countries established diplomatic relations with it: Egypt and Jordan. Just in several months, the US Administration was able to convince twice as many Arab countries to do it. Three of the countries mentioned above are in the BBIS research database: there are single-country ETFs tracking stock markets of Israel, UAE, and Egypt.

The development of COVID-19 vaccines under the aegis of Operation Warp Speed within less than a year after the epidemic entered the United States was another unpredictable positive surprise.<sup>25</sup> Like many business students, especially in such a Life-Sciences oriented global center as Boston, I studied business cases focusing on the development of new medicines by pharmaceutical and biotech companies that lasted for many years,

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<sup>20</sup> Alice Su, The Los Angeles Times, "China is Purging Celebrities and Tech Billionaires. But the Problem is Bigger than 'Sissy Men,'" September 14, 2021.

<sup>21</sup> Ibid.

<sup>22</sup> Ibid.

<sup>23</sup> The weight of China in the MSCI Emerging Markets Value Weighted Index that the BBIS Emerging & Frontier Market Country Value Equity portfolios compete against was 31.32% as of September 30, 2021. The weight of Japan in the MSCI ACWI ex-US Value Weighted index that the BBIS Global ex-US Country Value Equity portfolios compete against was almost 20% (19.44% to be exact) as of September 30, 2021.

<sup>24</sup> Wikipedia, Abraham Accords. Downloaded on October 26, 2021.

<sup>25</sup> Wikipedia, Operation Warp Speed. Downloaded on October 26, 2021.

sometimes decades. The development of the vaccines in such a short timeframe was a positive development for limiting the numbers of COVID cases and deaths not only in the US but worldwide.

**An Unpredictable Delay of a Key Vote in Peru:** I am glad that I added the phrase about major developments in Peru when I talked to my kids on Sunday, October 24. I thought it would be difficult for any other index to overtake the MSCI Peru Index in October. With its total appreciation of 17.6% as of October 24, the index had a very sizable lead over all other indices with just one week to go. The MSCI Peru Index led the MSCI Indonesia Index and the MSCI Egypt Index, the two closest competitors, by 6.9% and 8.4%, respectively. However, an unexpected negative development, an unknown unknown, did happen in Peru. The vote to confirm the nomination of Prime Minister Mirtha Vasquez and her cabinet scheduled for Tuesday, October 26, was postponed by more than a week.<sup>26</sup> It is now to occur next Thursday, November 4, due to Lawmaker Fernando Herrera Mamani's death from a heart condition.<sup>27</sup>

The rally in the Peruvian stock market started on October 6, before which MSCI Peru was the worst-performing stock market in BBIS' database in 2021 (*see the Year-to-Date performance as of September 30, 2021*). The rally was caused by the replacement of a Marxist Prime Minister, Guido Bellido, by Mirtha Vasquez, a moderate leftist politician. As many people following Peru may remember, Guido Bellido threatened to nationalize Peru's gas sector during his short (just two months and nine days) but tumultuous stint as Prime Minister. While entertaining, in a sad sense of this word, some people are talented in starting new conflicts instead of finding solutions to the existing ones. Judging by the rally's strength, the markets believe that Ms. Vasquez can govern and lead constructively without the use of nationalization or other threats and would be a big step-up over her predecessor.

Most investors who worked on forecasting the vote results in Peru focused on the possibilities of Mirtha Vasquez's cabinet being confirmed or not on October 26, 2021. As Philip E. Tetlock and Dan Gardner, the authors of a wonderful book on forecasting titled "*Superforecasting: The Art And Science of Prediction*," suggest in the "*Judging Judgements*" section of Chapter 3, "*Keeping Score*," forecasts have to be done with dates attached to them.<sup>28</sup> In this light, the delay in voting was an unknown unknown that heavily impacted the precision of everybody's forecasts of whether the cabinet would be confirmed on October 26, 2021. The MSCI Peru Index may still win the October stage, but the confirmation vote delay may negatively impact its October performance. What was supposed to be a sure victory for the MSCI Peru Index had the new cabinet been confirmed now may or may not happen.

Please let me know if you have any questions about BBIS, its investment strategies or would like to invest some of your funds with the firm. Thank you.

Best regards,

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<sup>26</sup> Reuters, "Peru's Congress Postpones Cabinet Confirmation Vote to Next Week," October 25, 2021.

<sup>27</sup> Ibid.

<sup>28</sup> Philip E. Tetlock and Dan Gardner, Crown Publishers, "Superforecasting: The Art and Science of Prediction," Pages 52-53, 2015.

BEYOND BORDERS INVESTMENT STRATEGIES, LLC  
 UNKNOWN UNKNOWN OR A DELAYED CONFIRMATION VOTE FOR PERU'S CABINET OF MINISTERS  
 OCTOBER 26, 2021

**PERFORMANCE TABLES**

Year-to-Date 9/30/2021			Month-to-Date 10/22/2021			Week 10/18/2021-10/22/2021			Year-to-Date 10/22/2021		
1	Saudi Arabia	38.8%	1	Peru	17.6%	1	Portugal	4.4%	1	Saudi Arabia	45.9%
2	UAE	36.1%	2	Indonesia	10.7%	2	Denmark	3.9%	2	Austria	40.3%
3	Austria	35.1%	3	Egypt	9.2%	3	China	3.7%	3	Russia	40.1%
4	Russia	31.9%	4	Canada	8.9%	4	Pakistan	3.6%	4	UAE	38.8%
5	India	26.8%	5	Portugal	8.7%	5	Chile	3.0%	5	Norway	33.9%
6	Netherlands	23.5%	6	Norway	8.5%	6	Sweden	2.9%	6	Netherlands	32.3%
7	Norway	23.4%	7	Sweden	8.0%	7	New Zealand	2.7%	7	Argentina	30.1%
8	Argentina	21.5%	8	China	7.8%	8	Israel	2.6%	8	Canada	28.7%
9	Vietnam	18.7%	9	Argentina	7.1%	9	Netherlands	2.5%	9	India	28.0%
10	Canada	18.2%	10	Netherlands	7.1%	10	Norway	2.1%	10	Sweden	25.3%
11	Taiwan	16.9%	11	Philippines	6.7%	11	Saudi Arabia	2.0%	11	USA (S&P 500)	22.4%
12	Sweden	15.9%	12	Israel	6.4%	12	Qatar	1.9%	12	USA (MSCI)	21.9%
13	USA (S&P 500)	15.9%	13	Russia	6.3%	13	Hong Kong	1.7%	13	Vietnam	21.6%
14	Mexico	15.5%	14	Denmark	6.2%	14	Australia	1.7%	14	Denmark	19.9%
15	USA (MSCI)	15.3%	15	USA (MSCI)	5.7%	15	USA (MSCI)	1.7%	15	Mexico	18.2%
16	Denmark	12.9%	16	USA (S&P 500)	5.6%	16	USA (S&P 500)	1.7%	16	Poland	17.6%
17	France	12.6%	17	Poland	5.4%	17	Egypt	1.6%	17	Taiwan	17.3%
18	Qatar	12.3%	18	Switzerland	5.3%	18	Switzerland	1.5%	18	United Kingdom	16.7%
19	Greece	12.2%	19	Singapore	5.2%	19	Canada	1.4%	19	Qatar	16.7%
20	United Kingdom	12.2%	20	Saudi Arabia	5.1%	20	Greece	1.4%	20	France	16.6%
21	Poland	11.6%	21	Australia	4.9%	21	UAE	1.1%	21	Singapore	15.1%
22	Italy	9.7%	22	Italy	4.8%	22	Italy	1.0%	22	Italy	15.0%
23	Singapore	9.4%	23	South Africa	4.3%	23	Singapore	0.9%	23	Israel	14.7%
24	Ireland	8.2%	24	Malaysia	4.0%	24	Taiwan	0.9%	24	Greece	14.3%
25	Israel	7.8%	25	United Kingdom	4.0%	25	Finland	0.8%	25	Australia	12.5%
26	Australia	7.3%	26	Pakistan	4.0%	26	Turkey	0.7%	26	Switzerland	12.3%
27	Finland	6.9%	27	Qatar	3.9%	27	Belgium	0.7%	27	Finland	11.0%
28	Switzerland	6.7%	28	Finland	3.9%	28	Philippines	0.7%	28	Ireland	9.7%
29	Japan	6.2%	29	Austria	3.8%	29	Argentina	0.6%	29	South Africa	9.2%
30	Germany	5.0%	30	Thailand	3.7%	30	France	0.5%	30	Portugal	7.9%
31	South Africa	4.7%	31	France	3.6%	31	South Korea	0.5%	31	Germany	7.4%
32	Nigeria	4.2%	32	Colombia	3.2%	32	Ireland	0.4%	32	Indonesia	6.7%
33	Spain	3.0%	33	New Zealand	2.8%	33	Germany	0.3%	33	Nigeria	5.7%
34	Belgium	0.9%	34	Spain	2.5%	34	Nigeria	0.0%	34	Spain	5.6%
35	Hong Kong	-0.4%	35	Vietnam	2.4%	35	Thailand	0.0%	35	Japan	3.0%
36	Portugal	-0.7%	36	Mexico	2.3%	36	Malaysia	-0.3%	36	Belgium	1.7%
37	Indonesia	-3.6%	37	Germany	2.3%	37	United Kingdom	-0.3%	37	Hong Kong	1.3%
38	Thailand	-4.0%	38	UAE	2.0%	38	Austria	-0.3%	38	Thailand	-0.5%
39	Chile	-6.7%	39	Greece	1.8%	39	Indonesia	-0.5%	39	Philippines	-0.7%
40	Philippines	-6.9%	40	Hong Kong	1.7%	40	Spain	-0.5%	40	Egypt	-0.8%
41	South Korea	-7.3%	41	Ireland	1.4%	41	Vietnam	-0.6%	41	Malaysia	-4.2%
42	Malaysia	-7.9%	42	Nigeria	1.4%	42	Mexico	-0.6%	42	Colombia	-8.5%
43	Egypt	-9.1%	43	India	0.9%	43	Japan	-0.6%	43	South Korea	-8.9%
44	Colombia	-11.3%	44	Belgium	0.8%	44	Russia	-0.7%	44	China	-10.1%
45	Brazil	-11.6%	45	Taiwan	0.4%	45	South Africa	-0.9%	45	New Zealand	-10.9%
46	New Zealand	-13.4%	46	South Korea	-1.8%	46	India	-1.7%	46	Chile	-12.8%
47	China	-16.6%	47	Turkey	-2.5%	47	Poland	-1.9%	47	Peru	-14.7%
48	Turkey	-18.8%	48	Japan	-3.0%	48	Peru	-2.3%	48	Brazil	-18.9%
49	Pakistan	-22.0%	49	Chile	-6.5%	49	Colombia	-2.9%	49	Pakistan	-18.9%
50	Peru	-27.4%	50	Brazil	-8.3%	50	Brazil	-11.4%	50	Turkey	-20.9%

Sources: Refinitiv, Beyond Borders Investment Strategies (BBIS). Used MSCI country index performance for 48 countries - all but the US. The US performance is represented by MSCI USA and S&P 500 indices. All performance series measure total returns of US Dollar-denominated indices.

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