

# COUNTRY DIVERSIFICATION



Country leadership changes year after year — but it's not possible to predict future winners. Diversification is the answer.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	YTD 2019*	10/1/09 – 9/30/19	10/1/08 – 9/30/19
Japan	-29.2	Brazil	India	United States	Germany	United States	India	Japan	Brazil	China	Brazil	Canada	United States	United States
United States	-37.6	India	Canada	United Kingdom	India	Germany	United States	United States	Canada	India	United States	United States	Japan	China
France	-43.3	Australia	Japan	Australia	China	Japan	China	France	Australia	France	India	Australia	Australia	Australia
Canada	-45.5	China	United States	Canada	Australia	France	Canada	Germany	United States	Germany	Australia	France	China	India
Germany	-45.9	Canada	Australia	Japan	France	United Kingdom	Australia	India	France	Brazil	France	Japan	United Kingdom	Japan
United Kingdom	-48.3	United Kingdom	United Kingdom	France	United States	Canada	Japan	United Kingdom	Germany	Japan	Japan	Brazil	Germany	France
Australia	-50.7	France	Germany	Germany	United Kingdom	Australia	United Kingdom	China	Japan	United Kingdom	United Kingdom	United Kingdom	France	United Kingdom
China	-50.8	United States	Brazil	China	Canada	China	France	Australia	China	United States	Canada	Germany	India	Germany
Brazil	-56.2	Germany	China	Brazil	Japan	India	Germany	Canada	United Kingdom	Australia	China	China	Canada	Canada
India	-64.6	Japan	France	India	Brazil	Brazil	Brazil	Brazil	India	Canada	Germany	India	Brazil	Brazil

WORST PERFORMANCE (%) | BEST

- Australia is represented by the MSCI Australia NR USD Index.
- Brazil is represented by the MSCI Brazil NR USD Index.
- Canada is represented by the MSCI Canada Index.
- China is represented by the MSCI China NR USD Index.
- France is represented by the MSCI France NR USD Index.
- Germany is represented by the MSCI Germany NR USD Index.
- India is represented by the MSCI India NR USD Index.
- Japan is represented by the MSCI Japan NR USD Index.
- United Kingdom is represented by the MSCI United Kingdom NR USD Index.
- United States is represented by the MSCI USA NR USD Index.

Indexes defined on page 2.  
**Diversification does not guarantee against a loss, and there is no guarantee that a diversified portfolio will outperform a non-diversified portfolio.**  
**Past performance is no guarantee of future results and current performance may be higher or lower than the performance shown.**

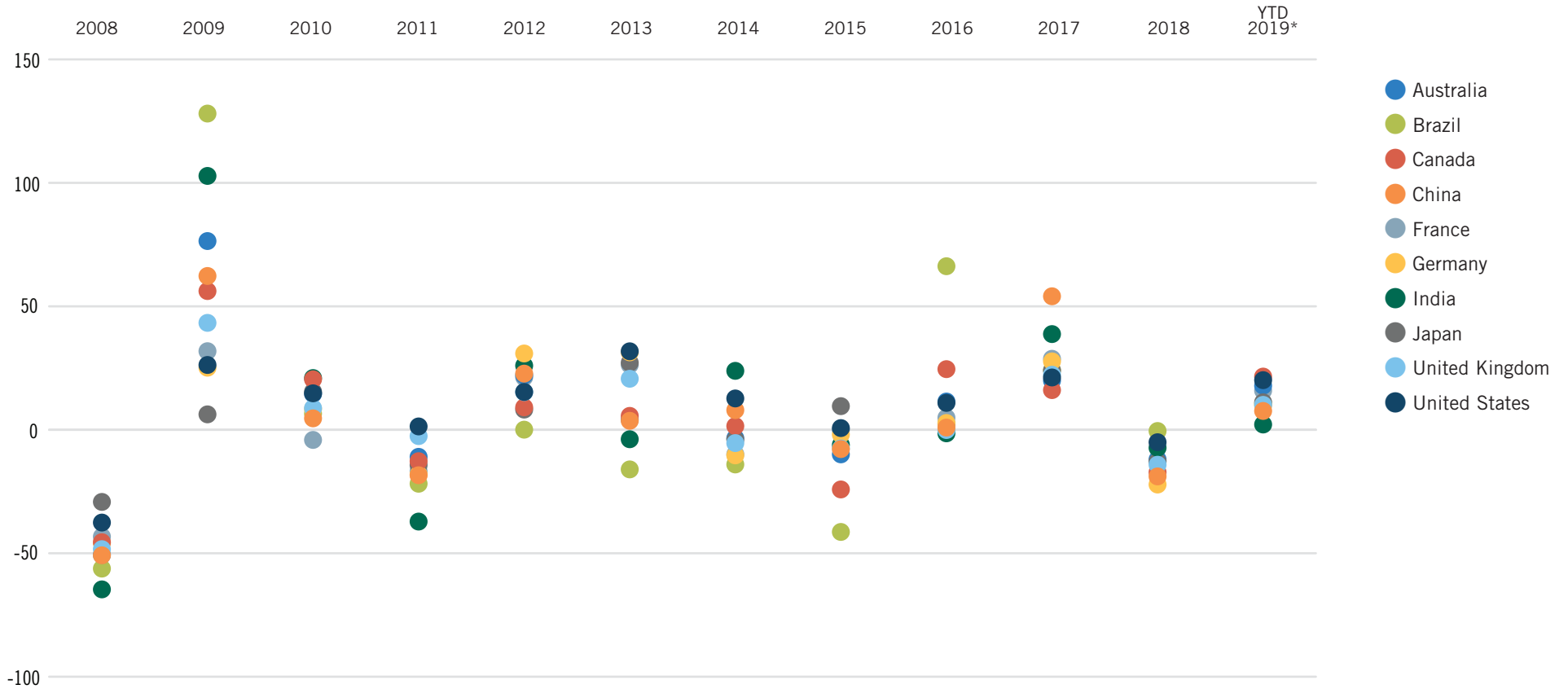
\*As of 9/30/2019

Source: Virtus Performance Analytics

**IMPORTANT RISK CONSIDERATIONS:** **Foreign & Emerging Markets:** Investing internationally, especially in emerging markets, involves additional risks such as currency, political, accounting, economic, and market risk. **Geographic Concentration:** A fund that focuses its investments in a particular geographic location will be highly sensitive to financial, economic, political, and other developments affecting the fiscal stability of that location. **Equity Securities:** The market price of equity securities may be affected by financial market, industry, or issue-specific events. Focus on a particular style or on small or medium-sized companies may enhance that risk.

The data is presented for informational purposes only and is not meant to represent the performance of any Virtus product.

The gap between leaders and laggards varies every year — the “experience” of diversification feels better or worse based on the size of that gap.



\*As of 9/30/2019

Source: Virtus Performance Analytics

The MSCI Australia Index is designed to measure the performance of the large and mid cap segments of the Australia market. The MSCI Brazil Index is designed to measure the performance of the large and mid cap segments of the Brazilian market. The MSCI Canada Index is designed to measure the performance of the large and mid cap segments of the Canada market. The MSCI China Index captures large and mid cap representation across China H shares, B shares, Red chips, P chips and foreign listings (e.g., ADRs). The MSCI France Index is designed to measure the performance of the large and mid cap segments of the French market. The MSCI Germany Index is designed to measure the performance of the large and mid cap segments of the German market. The MSCI India Index is designed to measure the performance of the large and mid cap segments of the Indian market. The MSCI Japan Index is designed to measure the performance of the large and mid cap segments of the Japanese market. The MSCI United Kingdom Index is designed to measure the performance of the large and mid cap segments of the UK market. The MSCI USA Index is designed to measure the performance of the large and mid cap segments of the U.S. market. Performance of all cited indexes is calculated on a total-return basis with dividends reinvested. The indexes are unmanaged, their returns do not reflect any fees, expenses, or sales charges, and they are not available for direct investment.

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