

## **Portfolio Appraisal and Commentary**

Following the market tumult in January, February was another difficult month for equities. Oil continued its weakness and there was talk of corporate earnings coming under pressure as labor costs rise. This in essence hurts corporate profit margins. China's slowing economy also remained on investors minds. For the month of February the fund under-performed the MSCI ACWI Ex US index, with the fund being down -2.35% and the index down -1.14%. The best performing stocks for the fund where Rio Tinto (+10.2%), Syngenta (+8.7%), and Halma (+6.10%). The largest detractors from performance where Electricite de France (-19%), SCSK (-17% ) and Mitsubishi UFJ (-15.4%). Although our exposure to Japanese stock is slightly less than the index most Japanese stocks suffered when the Bank of Japan announced it would cut key interest rates into negative territory.