

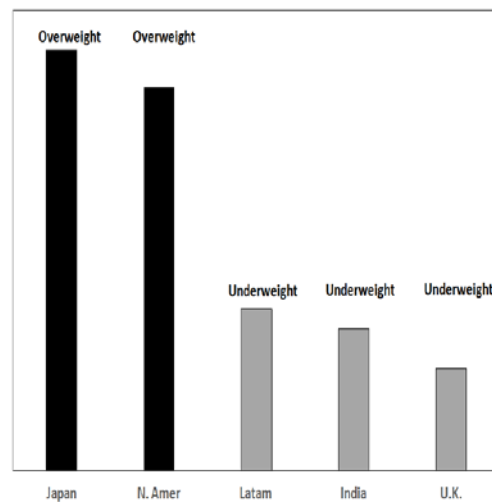
Regional and Sector Strategy: Monthly Update



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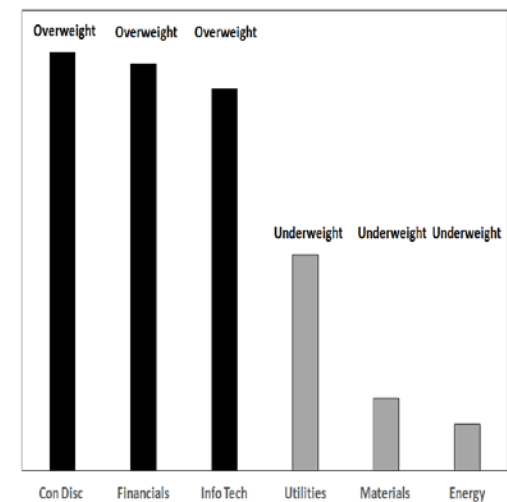
- **No Change in Regional Recommendations.** We remain Overweight Japan and North America. In Japan, Consumer Discretionary has the largest weighting; in North America, Information Technology is the largest.
- **No Change in Sector Recommendations.** We remain Overweight three sectors with exposure to global growth: Consumer Discretionary, Information Technology, Financials.
- **Still Selectively Cyclical.** We continue to avoid regions with heavy exposure to commodities, most notably Latin America (Underweight), South Africa and Russia (both ranked Neutral). We remain Neutral on two sectors that are considered defensive — Consumer Staples and Health Care — and we are Underweight Utilities.

Figure 1: Regional Over- and Underweights



Source: Cornerstone Capital Group

Figure 2: Sector Over- and Underweights



Source: Cornerstone Capital Group

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