

We have increased our allocation to emerging markets in the International and Global ICON Tactical Allocation Portfolios (ITAPs). A year ago many countries in the MSCI Emerging Market Index had value-to-price (V/P) ratios below 1.00 according to our valuation methodology and/or were in the bottom half of our country rankings. For example the V/P ratios for China, Czech Republic and Brazil were .92, .97 and .87 respectively. Over the past year, from June 30, 2015 through June 30, 2016, the MSCI Emerging Market Index is down 11.72%.

Now, one year later, those same three country V/Ps have increased to 1.17, 1.18 and 1.00, respectively. The overall valuation readings we see in emerging markets don't suggest to us an overwhelming potential to lead all global markets, but do suggest the emerging markets have the potential to participate in any global stock price advance.

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**Past performance does not guarantee future results.**

Opinions and forecasts regarding sectors, industries, companies, countries and/or themes, and portfolio composition and holdings, are all subject to change at any time, based on market and other conditions, and should not be construed as a recommendation of any specific security, industry, or sector.

Investing in securities involves inherent risks, including the risk that you can lose the value of your investment. Investments in international securities may entail unique risks, including political, market, regulatory and currency risks. In general, there is less governmental supervision of foreign stock exchanges and securities brokers and issuers. The risks of investing in international securities are greater for investments in emerging markets. Emerging market countries may experience greater social, economic, regulatory, and potential volatility and uncertainty than more developed countries.

ICON's value-based investing model is an analytical, quantitative approach to investing that employs various factors, including projected earnings growth estimates and bond yields, in an effort to determine whether securities are over- or underpriced relative to ICON's estimates of their intrinsic value. ICON's value approach involves forward-looking statements and assumptions based on judgments and projections that are neither predictive nor guarantees of future results. Value readings are contingent on several variables including, without limitation, earnings, growth estimates, interest rates and overall market conditions. Although valuation readings serve as guidelines for our investment decisions, we retain the discretion to buy and sell securities that fall beyond these guidelines as needed. Value investing involves risks and uncertainties and does not guarantee better performance or lower costs than other investment methodologies.

ICON's value-to-price ratio is a ratio of the intrinsic value, as calculated using ICON's proprietary valuation methodology, of a broad range of domestic and international securities within ICON's system as compared to the current market price of those securities.

The Morgan Stanley Capital International (MSCI) Emerging Markets Index is a free float adjusted market capitalization index that is designed to measure equity market performance of emerging markets. As of June 2, 2014, the MSCI Emerging Markets Index consisted of the following 23 emerging market country indexes: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Russia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates. Total return for the unmanaged index includes the reinvestment of dividends and capital gain distributions but do not reflect deductions for commissions, management fees, and expenses. The Portfolios' composition may differ significantly from the indexes. Individuals cannot invest directly in an index.

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