

### Vista House View – Offshore share and ETF portfolios

Logo	Code	Share Name	Reasoning
	AMZN	Amazon.com Inc	Very well diversified business across products and regions through its online retail business. Products include merchandise and content that it purchases for resale from vendors and those offered by third-party sellers. Through its subsidiary, Whole Foods Market, Amazon also offers healthy and organic food and staples across its stores. Originally developed as a side business, Amazon decided to lease out its own server space to other companies and individuals. While not a core part of the company's strategy, Amazon found itself managing a large number of servers and internet services, and it was a fairly small effort to manage those services for others. Lastly, Amazon also manufactures and distributes the family of Kindle tablets.
	BABA	Alibaba Group Holding Ltd	<p>The business model of Alibaba is different from other players like eBay and Amazon. It focused more on trade between businesses. Unlike the usual b2c approach, Alibaba focuses on being a platform for suppliers to sell products in bulk at wholesale prices to small or medium-sized businesses worldwide, who then resell them for a profit in their domestic markets. Although Alibaba focuses on business to business trade it also supports other trade through e-commerce web portals.</p> <p>Alibaba Group Holding Ltd and Foxconn Technology recently have led a funding round in Chinese electric car maker Xiaopeng Motors as competition escalates in the new energy vehicle market. China's new energy vehicle sales</p>

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			are expected to grow by 40 percent in 2018, according to an industry body, even as the country's traditional automotive market slowed sharply in 2017.
	JD	JD.com Inc (ADR)	This American depositary receipt (ADR) traded on Nasdaq is also known as Jingdong. A chinese e-commerce company headquartered in Beijing. It is one of the two largest B2C online retailers in China by transaction volume and revenue, a member of the Fortune Global 500 and a major competitor to Alibaba-run Tmall
	MELI	Mercadolibre Inc	Listed and traded on the NASDAQ stock exchange, this is one of the largest online commerce ecosystems in Latin America, a region with a population of over 610 million people and one of the fastest-growing internet penetration rates in the world.
	AAPL	Apple Inc	The world's largest consumer electronic company with a cult following, a huge cash pile and one that has proven to stay innovative. The company sells over 200 million iPhones a year. At an 18 P/E, we feel the stock still has legs in the current market environment, as well as being a company that, due to its strong following, should be resilient in even tougher market conditions.
	FB	Facebook	A social media company that is on our list because it has redefined the way companies advertise. Using user-input data such as interests and likes, the company is able to offer advertisers the ability to directly reach their target market in a more effective way than arguably any of the current internet giants. With a quarter of the world's population already signed up, we see the company's ability to successfully monetise their user base as a very attractive feature.

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	GOO GL	Alphabet	<p>Google controls a massive share of the global internet search market. Google consistently takes over 90% of global search traffic. Those searches not only provide high-value advertising space, but also provide great ad-targeting data for use across Google's portfolio of apps including YouTube, GMail, and Maps - all of which have over 1 billion users.</p> <p>YouTube, in particular, presents a massive opportunity for Google. Advertisers look to shift spending from traditional TV to digital media, YouTube presents the best analog to television advertising.</p>
	BAC	Bank of America Corp	<p>The US banking sector was one of the market's best performers of 2017 and could be poised to have another great year in 2018. Tax reform could boost profits by billions, rising interest rates could result in wider profit margins, and continuously evolving banking technologies could lead to better efficiency.</p> <p>Thanks to investment in technology and reduction in its branch count, the bank's efficiency continues to get better, and now rivals even the most solid big U.S. banks. And it's worth mentioning that Warren Buffett's Berkshire Hathaway recently became the bank's biggest investor.</p>
	JPM	JPMorgan Chase	<p>Its return on equity (ROE) and return on assets (ROA) are significantly above industry benchmarks, and its recent growth has been among the most impressive in the industry. Its consumer-banking business saw revenue rise by 10% over the past year, fueled by margin expansion and strong growth in its auto loan portfolio.</p> <p>The bank ranked No. 1 in global investment banking fees for 2017, and its commercial-banking division produced its highest revenue ever. Finally, JPMorgan's asset and wealth management business saw massive inflows,</p>

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			significantly outpacing most peers.
 BNY MELLON	BK	Bank of New York Mellon Corp	A diversified financial company with \$30 trillion assets under custody and \$1.6 trillion under management makes it one of the more established players in the market. Currently trading at a low P/E of 15. Management is of the opinion that a rising rate scenario will positively impact margins.
 <b>HONDA</b> The Power of Dreams	HMC	Honda Motor Co Ltd (ADR)	Honda develops, manufactures and markets motorcycles, automobiles and power products across the world. The new Honda Urban EV electric car was a hit at the Frankfurt Motor Show 2017. Honda has never had a full year loss.
 <b>KONE</b>	KNYJY	Kone OYJ (ADR)	Founded in 1910 and headquartered in Espoo near Helsinki, Finland. The firm is the 4th largest manufacturer of elevators and escalators worldwide, and also provides maintenance services and modernization. Almost a monopoly in lifts.
 <b>JOHN DEERE</b>	DE	Deere & Company	John Deere is the brand name of Deere & Company, an American corporation that manufactures agricultural, construction, and forestry machinery, diesel engines, drivetrains (axles, transmissions, gearboxes) used in heavy equipment, and lawn care equipment. DE also has a financial services segment which primarily finances sales and leases by the Company dealers of new and used agriculture and turf equipment and construction and forestry equipment.
 <b>Nintendo</b>	TYO:7974	Nintendo Co. Ltd	Japanese multinational consumer electronics and video game company headquartered in Kyoto. Nintendo is one of the world's largest video game companies by market capitalization, creating some of the best-known and top-selling video game franchises, such as Mario, The Legend of Zelda, and Pokémon.

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	HEINY	Heineken	Heineken is a Dutch brewing company, founded in 1864. As of 2017, Heineken owns over 165 breweries in more than 70 countries. It produces 250 international, regional, local and speciality beers and ciders and employs approximately 73,000. Since the merger between the two largest brewing empires in the world, Anheuser-Busch InBev and SABMiller, in October 2016, Heineken has been the second largest brewer in the world.
	PG	Procter & Gamble	The company provides branded consumer goods in its widest description through brands such as Old Spice, Head & Shoulders, Pantene, Mach3 & Dawn, to name a few. With a presence in approximately 180 countries and territories and its well established distribution networks, the company is a global player in the every-day product market, which is why it's on our list.
	JNJ	Johnson & Johnson	J&J is a holding company, which is engaged in the research and development, manufacture and sale of a range of products in the healthcare field. It operates through three segments: Consumer, Pharmaceutical and Medical Devices.  J&J shares can currently be had for a relative bargain price compared to the market as a whole. J&J's forward price-to-earnings ratio of 18.5 is less than that of the S&P 500, which is trading at a forward P/E of nearly 19. Thus, we currently have the opportunity to buy a high-quality, competitively advantaged business at a price that's less than that of the average S&P 500 stock.
	FRE	Fresenius Kabi	Fresenius Kabi is a global health care company that specializes in lifesaving medicines and technologies for infusion, transfusion and clinical nutrition. Their products and services are used to help care for critically and chronically ill patients. The share's primary listing is on the Frankfurt stock exchange in

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			Germany.
	SNY	Sanofi	A healthcare company involved in research, development, manufacture and marketing of therapeutic and rare-disease solutions. The company is also involved in speciality care, consumer healthcare and generic vaccines. We like the company because of its well diversified structure, ensuring a stable revenue stream, but also because it works on finding cures for rare diseases which are both profitable and in the human survivals' best interest.
	SEPL	Seplat Petroleum Development Company Plc	Listed and traded on the London Stock Exchange, this indigenous oil and gas company, explores, develops, and produces oil and gas in Nigeria. It operates a portfolio of assets in the Niger Delta region. Its business model includes the acquiring, exploring, developing, production and sales of oil and gas.
	SYK	Stryker Corporation	Stryker's medical products include implants used in joint replacement and trauma surgeries; surgical equipment and surgical navigation systems; endoscopic and communications systems; patient handling and emergency medical equipment; neurosurgical, neurovascular and spinal devices. People live longer these days and as a result will need Stryker's products more.
	BA	Boeing	The Boeing Company is an American multinational corporation that designs, manufactures, and sells airplanes, rotorcraft, rockets, and satellites worldwide. The company also provides leasing and product support services.  The company is a major beneficiary of Trump's "let's make America great again" campaign and from the recently passed tax-reform legislation.
	TXN	Texas Instruments Inc	Probably best known in South Africa for their legendary calculators allowed by CFA institute and CA SA. TXN is however much more than just a calculator manufacturer, they make and sell semiconductors to electronics designers

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			<p>and manufacturers across the world. The company's semiconductor applications are focused in the fast-growing areas of automotive and industrials markets. Chip demand will continue to be strong as driver assistance/self-driving technologies come online and the Internet of Things demands more processing connections. Texas Instruments is a shareholder-friendly company and management has a clear policy of returning all free cash flow (cash from operations minus capital expenditures) back to shareholders in the form of dividends and share repurchases.</p>
	V	Visa Inc	<p>Visa is a payments technology company. People are using less cash and cash is still involved in 85% of transactions. As the developing world transitions from cash transaction to digital transactions, Visa has both the capital and experience to capture that growth. It offers investors low volatility with emerging market growth.</p>

## 2. Offshore Exchange Traded Funds (ETFs)

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NOBL	ProShares S&P 500 Dividend Aristocrats ETF	The S&P 500 Dividend Aristocrat index was launched by Standard and Poors in May 2005 and has historically outperformed the S&P 500 index with lower volatility over longer investment time frames. For example, over the past 10 years through the period ending December 31, 2017, the S&P 500 Dividend Aristocrat index has returned 12.14% on an average annual basis, compared to the S&P 500 index which has returned only 8.50% annually during that same period. The risk factor commonly called the standard deviation of the S&P 500 during this same 10 year period was 15.08% while the Dividend Aristocrat risk factor or standard deviation was 14.02% or 7.03% lower than the S&P 500.
IBB	iShares NASDAQ Biotechnology Index (ETF)	The iShares Nasdaq Biotechnology is the oldest biotech ETF and the largest in terms of net assets. This ETF was launched in 2001. It tries to track the investment results of an index composed of biotechnology and pharmaceutical equities listed on the Nasdaq stock exchange. Since inception, the iShares Nasdaq Biotechnology ETF has achieved an average annual return of 7.66%. Over the past five years, the ETF has generated an average annual return of 18.71%. The ETF currently owns shares of 159 biotech companies. Top holdings include Celgene, Biogen, Amgen, and Gilead Sciences.
XLP	Consumer Staples Select Sector SPDR Fund	Consumer staples are goods that people are unable or unwilling to cut out of their budgets regardless of their financial situation. Consumer staples are considered to be non-cyclical, meaning that they are always in demand, no matter how well the economy is performing. This ETF offers exposure to the consumer staples sector, making it an appealing option for investors looking to implement a sector rotation strategy or tilt exposure towards corners of the U.S. market that may perform well during a downturn. Examples of companies and their weightings: Procter & Gamble 11.55%; Coca-Cola 9.44%; Philip Morris 9.21%; PepsiCo 8.72%; Walmart 7.60%
IGM	iShares North American Tech ETF	This ETF offers low cost exposure to the U.S. tech sector, making it one of many options available to investors seeking to access an industry that is capable of remarkable rallies and steep declines over short periods of time. Given the sector-specific focus, IGM is probably too granular for those building a long-term, buy-and-

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		hold portfolio, but can be useful for investors putting on a tactical tilt or looking to beef up tech sector exposure. IGM's primary appeal is its wide scope in holdings, the fund has more than 250 securities in total and does a decent job of spreading assets around among these companies. However, it should be noted that typical tech giants such as Apple, IBM, and Microsoft dominate the top of the list of holdings and may already be found in large quantities in other parts of an investor's portfolio.
XPH	SPDR S&P Pharmaceuticals (ETF)	XPH offers equal-weighted exposure to roughly 30 US pharmaceutical companies, stretching across all market-cap sizes. XPH's weighting scheme causes it to be far less concentrated than the industry, which is dominated by a handful of mega-cap names like J&J, Pfizer and Merck. It also introduces a heavy tilt to mid- and small-caps, which makes for a rather volatile fund relative to the industry. XPH sees significant daily trading volume with small spreads, and underlying liquidity is excellent for block trades. Overall, XPH is a solid way to capture a less concentrated version of the pharma market.
VFH	Vanguard Financials ETF	This ETF delivers targeted exposure to the U.S. financial sector, making it one option for investors seeking to tile their portfolios towards U.S. banks. VFH offers considerably greater depth of exposure than other US Bank ETF options, including about 500 individual securities in the underlying portfolio. While the top ten still accounts for a meaningful portion of total assets, VFH features much lower concentration compared to other US Bank ETFs. For investors looking to dig deep with their exposure to financial ETFs, VFH is likely the best option available. Examples of companies and their weightings: JPMorgan 9.57%; Bank of America 7.63%; Wells Fargo 6.54%; Berkshire Hathaway 6.22%; CITI 4.74%
VHT	Vanguard Healthcare ETF	Health Care Select Sector SPDR Fund (the Fund) seeks to closely match the returns and characteristics of the S&P Health Care Select Sector Index (the Index). The companies included in the Index are selected on the basis of general industry classification from a universe of companies defined by the S&P 500 Composite Stock Index. The Health Care Select Sector Index includes companies from the industries, such as pharmaceuticals, healthcare providers and services, healthcare equipment and supplies, biotechnology, life sciences tools and services, and healthcare technology. Examples of companies and their weightings: Johnson & Johnson 10.90%; UnitedHealth Group Inc 6.91%; Pfizer Inc 6.64%; AbbVie Inc 5.82%; Merck & Co Inc 4.61%; Amgen Inc 4.16%

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IHI	iShares U.S. Medical Devices ETF	This ETF focuses on the medical device maker sector. Companies in this segment tend to have more stable revenue streams, less issues with patent pipelines, and are often much smaller than their counterparts in big pharma. While the industry may not have the same patent issues as pharma or the volatility of the biotech industry, it does have incredibly high levels of competition. This is because any commodity type products are easy to replicate while any patented products are often not crucial to a hospital and instead just make life a lot easier or more efficient for medical personnel, making these goods more 'luxury' in nature. Examples of companies and their weightings: Abbott 9.36%; Medtronic 9.19%; Thermo Fisher 8.07%; Stryker 5.68%
ITA	iShares U.S. Aerospace & Defense ETF	This fund provides exposure to an interesting segment of the industrials industry, the aerospace and defense sector. Companies in this sector tend to be rather large, slow growing, but remarkably stable due to the widespread use of long-term government contracts for most of their services. However, this focus on the government could also present a downside especially if defense spending declines sharply in the years ahead or if budget concerns force drastic cuts to more 'discretionary' defense programs. Examples of companies and their weightings: Boeing Co 11.51%; United Technologies Corp 7.55%; Lockheed Martin Corp 7.35%; Raytheon Co 6.28%; Northrop Grumman Corp 6.16%; General Dynamics Corp 5.99%
VXUS	Vanguard Total International Stock ETF	This fund offers investors a low cost way to gain equity exposure to both developed and emerging international economies. The fund tracks stock markets all over the globe, with the exception of the United States. Because it invests in non-U.S. stocks, including those in developed and emerging markets, the fund can be more volatile than a domestic fund. Long-term investors who want to add a diversified international equity position to their portfolio might want to consider this fund as an option
OAKIX	Oakmark International Fund	Oakmark International invests in a diversified portfolio of common stocks of non-U.S. companies. The fund generally focuses on mid- and large-cap companies, though small-cap companies are also eligible for investment.
EWJ	iShares MSCI Japan ETF	This ETF offers exposure to large cap Japanese stocks, making EWJ an opportunity to bet on one of the largest economies in the world that has been stuck in a low growth environment for several decades. EWJ is by far the most popular ETF option for exposure to Japanese stocks, and is by far the oldest focusing on this market. EWJ is very well diversified for an international equity ETF, holding hundreds of individual stocks and generally avoiding significant concentrations in any big names. Exposure is

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		balanced from a sector perspective as well; besides a decent allocation to industrials-- close to one-quarter of the total-- the portfolio is spread relatively evenly across the Japanese economy. It should be noted that EWJ consists primarily of large and mega cap stocks

### 3. Contact details

If you would like more information or to **open a trading account** with us, please contact Vista Wealth Management on the details below:

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