

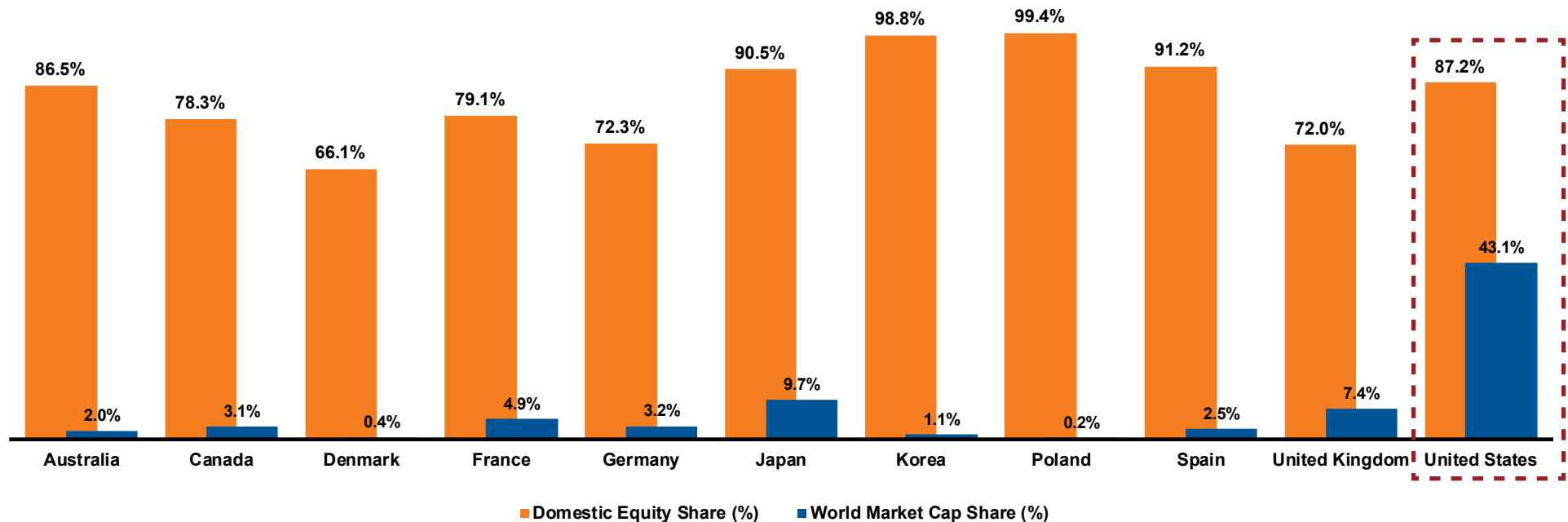
# HOME-COUNTRY BIAS



Why investors should diversify beyond their country's borders.

If you are like most investors, the bulk of your assets are concentrated in the country where you live. But having a bias toward investments based predominantly in your country could limit growth opportunities in foreign markets, and cause an overrepresentation of select sectors in your investment portfolio.

Market weight of country's stock market compared to world market cap share of domestic equity in the country's equity portfolio



Source: From Figure 8.3 of "Familiarity Breeds Investment" by J.R. Nofsinger, 2014, The Psychology of Investing, p. 89, Copyright 2014 by Taylor & Francis.

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