

International Investor

Issue No. 122

www.stockmarket.co.nz

February 7, 2006

Inside International Investor

| | | | |
|--------------------------------|---|------------------------------|---------|
| The Japanese Stockmarket | 2 | Investment Fund Survey | 6, 7, 8 |
| Worst Managed Funds | 5 | | |

Editor and Research Director: James R Cornell (B.Com.)

World Stockmarket Forecasts

| Stockmarket | One-Year Forecast | Fundamental Indicators | Technical Indicators | Monetary Indicators | Economic Indicators | Historical Performance (in US\$) | | | Share Index |
|-------------|-------------------|------------------------|----------------------|---------------------|---------------------|----------------------------------|--------|---------|-------------|
| | | | | | | 3 mths | 6 mths | 12 mths | |
| Australia | 65% | Bullish | Bullish | Neutral | Neutral | +10.5% | +8.6% | +12.6% | 4,832.10 |
| Austria | 58% | Bearish | Bullish | Bullish | Bearish | +19.7% | +20.8% | +42.9% | 3,953.47 |
| Belgium | 76% | Neutral | Bullish | Bullish | Bullish | +15.7% | +12.8% | +13.9% | 3,766.43 |
| Canada | 60% | Bearish | Bullish | Neutral | Neutral | +14.7% | +20.1% | +38.8% | 11,937.62 |
| Denmark | 59% | Bearish | Bullish | Neutral | Neutral | +10.8% | +6.9% | +24.0% | 398.38 |
| Finland | 81% | Neutral | Bullish | Bullish | Neutral | +12.3% | +13.3% | +21.0% | 8,510.16 |
| France | 64% | Bearish | Bullish | Bullish | Neutral | +12.2% | +9.7% | +17.3% | 3,468.23 |
| Germany | 62% | Bearish | Bullish | Bullish | Bearish | +15.1% | +14.0% | +20.9% | 5,657.12 |
| Ireland | 63% | Neutral | Bullish | Neutral | Neutral | +16.6% | +10.5% | +7.5% | 7,654.02 |
| Italy | 71% | Neutral | Bullish | Bullish | Bullish | +10.4% | +5.5% | +4.8% | 27,710.00 |
| Japan | 52% | Bearish | Bullish | Neutral | Bearish | +17.5% | +33.2% | +27.6% | 16,659.64 |
| Netherlands | 61% | Neutral | Bullish | Neutral | Neutral | +14.7% | +12.2% | +13.9% | 451.27 |
| New Zealand | 52% | Bullish | Bearish | Bullish | Bullish | -2.1% | -5.9% | -12.9% | 2,255.84 |
| Norway | 68% | Neutral | Bullish | Bullish | Neutral | +12.2% | +12.4% | +31.8% | 1,187.35 |
| Spain | 71% | Bullish | Bullish | Bullish | Neutral | +9.3% | +8.3% | +11.5% | 1,207.96 |
| Sweden | 62% | Neutral | Bullish | Bullish | Bearish | +15.4% | +12.5% | +19.2% | 307.77 |
| Switzerland | 51% | Bearish | Bullish | Neutral | Bearish | +9.7% | +15.9% | +24.7% | 7,840.79 |
| Un. Kingdom | 75% | Bullish | Bullish | Bullish | Neutral | +6.8% | +7.5% | +8.8% | 5,759.30 |
| USA | 44% | Neutral | Bullish | Bearish | Bearish | +3.6% | +3.1% | +5.1% | 1,264.03 |
| Argentina | 57% | Bearish | Bullish | Bullish | Bearish | +10.2% | +20.8% | +58.1% | 5,355.72 |
| Brazil | 79% | Bearish | Bullish | Bullish | Bullish | +21.1% | +44.6% | +68.8% | 37,261.73 |
| Czech Rep. | 67% | Bearish | Bullish | Bullish | Bearish | +12.4% | +21.4% | +34.1% | 1,519.40 |
| Chile | 36% | Bearish | Neutral | Bearish | Bearish | +1.0% | -1.5% | +16.1% | 9,495.23 |
| China | 55% | Bearish | Bullish | Bullish | Bearish | +43.9% | +34.5% | +14.4% | 86.52 |
| Greece | 78% | Bearish | Bullish | Bullish | Neutral | +20.4% | +20.2% | +29.0% | 4,048.72 |
| Egypt | 55% | Bearish | Bullish | Neutral | Neutral | +32.5% | +49.4% | +82.5% | 2,611.41 |
| Hong Kong | 50% | Neutral | Bullish | Neutral | Bearish | +5.7% | +2.7% | +14.2% | 15,429.73 |
| Hungary | 69% | Bearish | Bullish | Bullish | Bearish | +2.7% | +0.8% | +25.1% | 22,216.35 |
| India | 34% | Bearish | Bullish | Bearish | Bearish | +24.4% | +23.6% | +44.7% | 9,742.58 |
| Indonesia | 52% | Bullish | Bullish | Bearish | Bearish | +26.2% | +10.9% | +17.2% | 1,244.13 |
| Israel | 36% | Bearish | Bullish | Bearish | Bearish | +8.9% | +13.5% | +16.2% | 849.11 |
| Korea | 55% | Bearish | Bullish | Neutral | Bearish | +21.4% | +31.9% | +55.9% | 1,374.44 |
| Malaysia | 65% | Bullish | Bullish | Bullish | Bearish | +2.3% | -1.5% | +3.7% | 927.85 |
| Mexico | 71% | Bearish | Bullish | Bullish | Bearish | +21.4% | +31.5% | +48.8% | 18,862.18 |
| Philippines | 66% | Neutral | Bullish | Bullish | Bearish | +11.8% | +16.6% | +12.9% | 2,138.71 |
| Poland | 68% | Bearish | Bullish | Bullish | Neutral | +18.7% | +24.6% | +34.5% | 37,221.99 |
| Portugal | 72% | Bullish | Bullish | Bullish | Neutral | +12.4% | +11.2% | +4.4% | 2,661.34 |
| Russia | 74% | Bearish | Bullish | Bullish | Bearish | +37.2% | +76.3% | +107.1% | 16,812.28 |
| Singapore | 52% | Bullish | Bullish | Bearish | Bearish | +11.6% | +5.1% | +14.9% | 2,431.72 |
| Sth Africa | 59% | Bearish | Bullish | Bullish | Bearish | +26.6% | +33.6% | +50.5% | 19,505.99 |
| Taiwan | 66% | Bullish | Bullish | Bullish | Bearish | +17.0% | +1.3% | +7.7% | 6,594.60 |
| Thailand | 68% | Bullish | Bullish | Neutral | Neutral | +9.7% | +13.4% | +0.6% | 747.09 |
| Turkey | 75% | Bearish | Bullish | Bullish | Bearish | +35.7% | +46.3% | +56.9% | 44,228.02 |
| Venezuela | 66% | Bullish | Bullish | Bullish | Bearish | +43.3% | +46.1% | -7.6% | 26,883.80 |

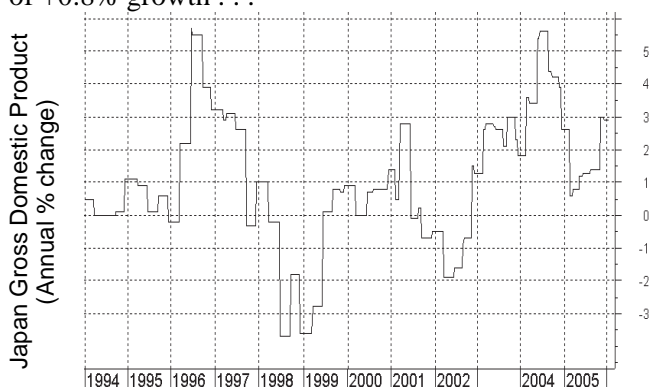
One Year Forecasts predict the probability that a stock-market will rise over the next year. Investors should seek to invest in markets with forecasts of 60-100%, while avoiding markets with forecasts of 0-40%. Bullish = Favourable. Bearish = Unfavourable.

The Japanese Stockmarket

The Japanese stockmarket peaked in 1989 at just under 40,000 and lost 80% of its value over the next 14 years to 2003. Over the last three years the stockmarket has started to recover and has *doubled* in value to above 16,000 . . .



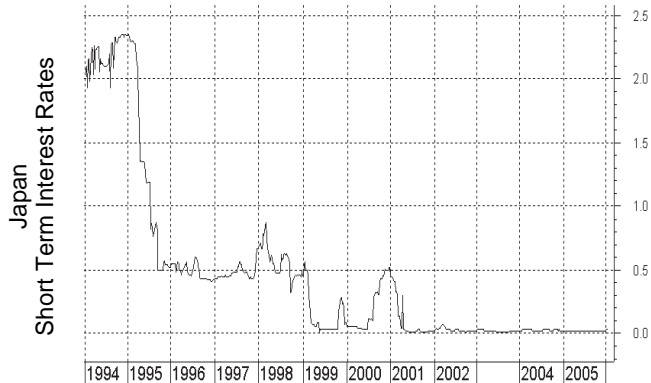
The period of poor stockmarket performance has coincided with a long period of stagnant economic growth. The economy, however, has managed *positive* (nominal) economic growth continuously over the last three years, with the early 2005 slowdown hitting a low of +0.8% growth . . .



Inflation remains *negative* - partly owing to high property values which have declined since the 1980's boom and partly owing to lower prices as high cost domestic production has been replaced by lower cost production in other parts of Asia . . .



Falling prices, however, discourage domestic consumption and erodes the profitability of businesses. To encourage expenditure and investment, the central bank has adopted a zero interest rate policy over much of the last decade . . .



. . . and will continue this until inflation has moved consistently above zero.

Retail spending has remained depressed for the last two decades but has shown some increase recently . . .



Twenty years ago the Japanese stockmarket was dominated by cross-shareholdings between group companies but the level of these cross-shareholdings has fallen from over 50% to a more normal level of around 20% at the present time. Share valuations have improved, with Price/Earnings ratios falling from three-digit numbers to a more internationally normal 28 . . .



Average Dividend Yields remain fairly low, around 0.9%, although have improved slightly.

Summary and Recommendation

The Japanese stockmarket and economy have been depressed for the last two decades since their asset price boom in the 1980's. Both the stockmarket and economy are now starting to show signs of recovery from this long period of stagnation and we believe this stockmarket could continue to produce strong investment gains over the next several years.

Recommended International Investment Funds

Schroder Asia Pacific Warrants

We did nothing with our **Schroder Asia Pacific warrants** so the trustee will have exercised them and should be selling the resulting shares over the next few days. Later in the month we should receive details and the net payment. The payment will depend upon the actual price received on the sale of the shares, less the 100 pence per share borrowed to exercise the warrants, less brokerage and other costs. The shares currently trade around 123 pence - and at that price we should receive a little under 23 pence!

Fund Reports

Private Equity Investor plc has improved its financial position significantly over the last year owing to three very successful company sales by one of its venture capital fund investments plus its own sale of three more recent venture capital investments. At September 30,

the trust had US\$31.3 million in future capital commitments and cash of \$22.8 million - but this has since improved to a net \$7.0 million in excess cash at the present time.

Through its 4.7% investment in **DFH ePlanet**, Private Equity Investor has received US\$13.8 million in cash from its original US\$395,000 investment in **Skype**.

DFH ePlanet also holds 7,883,687 shares in **Baidu** which are currently valued at US\$429.0 million. The first 25% of these shares can be sold on 1 February, with another 25% becoming tradeable every 180 days. Private Equity Investor's share of this investment is worth around US\$20.2 million.

DFH ePlanet also successfully listed **Focus Media** on the NASDAQ market in an Initial Public Offering at US\$17, with the shares now trading around US\$52. The venture capital fund owns *(Continued on Page 4)*

| Current Advice | Investment Fund | EPIC Code | Initial Recommendation --- Date --- | Offer Price | | Prem/ Disc to Net Assets | Recent Price | | Gain or Loss % | |
|-----------------------|------------------------------------|-----------|--|-------------|-------------|-----------------------------------|---------------------------|-------------|-------------------------|--|
| | | | | Foreign | NZ Cents | | Bid-Offer or Last Sale | NZ Cents | | |
| Europe | | | | | | | | | | |
| BUY | Fidelity European Values plc | FEV | 13/05/03 | 463.5p | 1291.1 | +0% | 1142.0p | 2940.3 | +128 | |
| BUY | JFM Fleming Euro Fledgeling IT plc | JFF | 15/01/02 | 226.5p | 765.8 | -9% | 575.0p | 1480.4 | +93 | |
| United Kingdom | | | | | | | | | | |
| BUY | Aberforth Smaller Cos Trt plc | ASL | 15/07/03 | 375.5p | 1042.0 | -4% | 679.5p | 1749.5 | +68 | |
| BUY | Invesco English & Int'l Trust | IEI | 10/01/06 | 273.5p | 700.6 | -15% | 294.25p | 757.6 | +8 | |
| Asian Regional | | | | | | | | | | |
| BUY | Aberdeen Asian Sm Co WARRANTS | SAASW | 09/09/03 | 75.3p | 209.1 | | 190.75p | 491.1 | +135 | |
| HOLD | Gartmore Pacific Growth Fund | * | 29/10/85 | 41.4p | 105.4 | | 260.5p | 670.7 | +537 | |
| HOLD | HSBC Asian Fund | * | 10/11/98 | 34.4p | 106.3 | | 58.22p | 149.9 | +41 | |
| HOLD | HSBC Greater China Fund | * | 07/04/98 | 159.4p | 481.6 | | 203.1p | 522.9 | +9 | |
| HOLD | Henderson Pacific Capital | * | 08/08/00 | 342.2p | 1122.6 | | 382.9p | 985.8 | -12 | |
| BUY | Scot Oriental Sm Cos WARRANTS | SSTW | 11/11/03 | 78.0p | 211.5 | | 140.5p | 361.7 | +71 | |
| SELL | Schroder Asia Pacific WARRANTS | SDPW | 13/07/99 | 25.5p | 75.8 | | 23.0p | 59.2 | -22 | |
| Japan | | | | | | | | | | |
| BUY | Baillie Gifford Shin Nippon plc | BGS | 11/01/94 | 156.0p | 440.3 | +8% | 297.5p | 766.0 | +74 | |
| BUY | Fidelity Japan Values plc | FJV | 10/01/06 | 126.0p | 322.7 | +4% | 121.0p | 311.5 | -3 | |
| BUY | Invesco Japan Discovery Trust | IJD | 13/07/99 | 95.5p | 284.0 | +5% | 166.75p | 429.3 | +51 | |
| Korea | | | | | | | | | | |
| HOLD | Baring Korea Trust | * | 12/04/94 | 81.1p | 209.4 | | 179.0-189.9p | 474.9 | +127 | |
| International | | | | | | | | | | |
| BUY | Aberdeen Emerging Markets | * | 13/08/91 | 61.7p | 184.0 | | 232.4p | 598.4 | +225 | |
| BUY | Herald Investment Trust | HRI | 12/10/04 | 310.8p | 820.1 | -6% | 393.25p | 1012.5 | +23 | |
| BUY | Private Equity Investor plc | PEQ | 11/12/01 | 122.5p | 420.2 | +1% | 158.75p | 408.7 | -3 | |

* United Kingdom based Unit Trust

The average Gains/Losses of all current investments from initial recommendation is +85.5%. This is equal to an average annual rate of +14.1%, based upon the length of time each position has been held. The average annual rate of gain of ALL recommendations (both the 18 current and 44 closed out) is +13.2%.

Other Shares and Warrants

Alternative investments in the UK listed investment trust shares and warrants recommended above include **Aberdeen Asian Smaller Companies** shares at 285 pence (trading at a 3% *premium* to net asset value) and **Scottish Oriental Smaller Companies** shares at 239 pence (a 4% *discount*)

Recommended Funds (Continued from Page 3)

1,442,800 shares, worth US\$75 million, so Private Equity Investor's share is about US\$3.5 million.

Aberforth Smaller Companies Trust plc rose 24.9% for the year to December 2005, but underperformed the UK smaller companies index which was up 27.8%. The trust will pay a final 7.85 pence dividend on 7 March, with the shares traded ex-dividend from 10 February. This will make an annual dividend of 11.85 pence, so the income yield is around 1.8%.

The Fund Manager believes the UK economy could be "faltering", although "cheap and abundant debt is causing asset prices to rise". UK companies, however, have "strong balance sheets, good cashflows and are earning a high real return on capital".

Share Issues and Buy-Backs

Invesco English & International Trust plc received redemption requests for 16,812,546 shares (21.5% of its capital) which it redeemed on 18 January at 289.12 pence. This was around a 13% discount to net asset

International Investor value which *increases* the net asset value of the remaining shares by around 2-2½%. The company also re-purchased 100,000 shares on-market at 291 pence. The issued capital is now 61,451,441 shares.

The trust plans to redeem tendered shares on a quarterly basis and to re-purchase shares on-market. This can help boost our investment returns - even though we do not plan to redeem any of our shares. Repurchasing shares at a discount increases the net asset value of the remaining shares (i.e. our shares) and these re-purchases will also help to boost the share price up towards their net asset value.

Aberdeen Asian Smaller Companies Investment Trust plc issued 125,000 new shares on 4 January at 294 pence (a 6.4% premium to net assets on the day) and 100,000 shares on 30 January at 293 pence (a 4.0% premium).

JPMorgan European Fledgling Investment Trust plc re-purchased 300,000 shares on-market on 23 January at a 10.7% discount to net asset value.

Schroder Asia Pacific



JPMorgan European Fledgling



Aberdeen Asian Smaller Companies



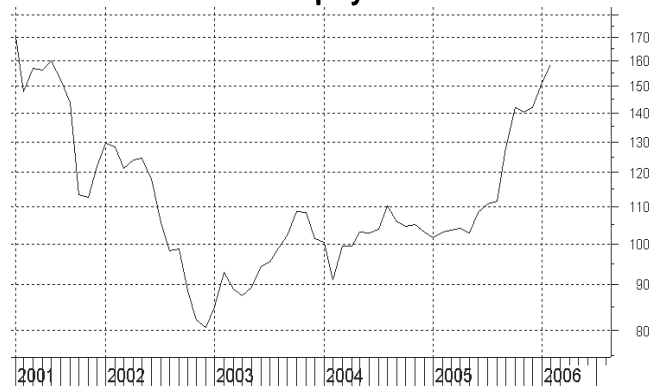
Baring Korea Fund



Aberdeen Emerging Markets



Private Equity Investor



Worst Managed Funds

This month we are looking at some of the *worst* performing listed investment trusts to see what went wrong.

Asset Management Investment Company plc

This trust had the potential to be an attractive investment and was reviewed by us as a *Best Managed Fund* - and *possible* future investment - in April 2001.

Asset Management Investment Company invested in listed and unlisted Investment Management companies. This is both a cyclical and growth business, so these businesses should have performed very well over recent years as the stockmarket recovered. In fact, many of the trust's investee companies are currently reporting assets under management at all time highs - so profits and the value of these investments should be booming.

Unfortunately a number of negative factors have worked together to fail to create the expected increase in shareholder wealth. Firstly, Asset Management Investment Company is a very highly *leveraged* split capital trust. In October this year it will need £27.23 million to repay its zero dividend preference shareholders (£16.23 million) and bank debt (£11.0 million). Secondly, *most* of the trust's £45.8 million of assets are in *unlisted* companies - so these are illiquid investments that cannot be easily sold. Thirdly, *half* of its investments are concentrated in just one holding, **FX Concepts**. This is a *foreign currency trading* business - so has failed to experience the recent cyclical increase in value of businesses that manage *share portfolios*. Fourthly, given that its portfolio is both *unlisted* and *undiversified*, Asset Management Investment Company is not in a position where it can re-finance its bank debt or zero dividend preference shares on acceptable terms.

So Asset Management Investment Company is being forced to try to find buyers for its illiquid investments to significantly increase its cash holding which is currently only £5.0 million. Obtaining a good price for its investments is not likely under these conditions and the company may be forced to further write down the value of investments and sell them at a discount to its current valuations. Failure to raise the required money to repay debt by October could see more aggressive fire sale liquidations by the bank or representatives of the Zero dividend shares, either of which would destroy further value for the ordinary shareholders.

Amerindo Internet Fund plc

Amerindo Internet Fund plc raised £400 million (US\$635 million) in March 2000 - about the peak of the Technology boom - to invest in listed and unlisted internet stocks. Not surprisingly the trust lost significant value over the next several years.

There was some suggestion of conflict of interest over the valuation of unlisted technology investments, where a person associated with the trust was also a director of the investee company.

In May 2005, the two principals of the California based Fund Manager, **Amerindo Investment Advisers**

Inc, were arrested on charges of "misuse of investor's funds" contributed by other clients. Two months later the directors of Amerindo Internet Fund cancelled the fund management contract and began liquidating the trust.

In December 2005 the trust had US\$20.46 million in cash from the sale of its listed investments and around US\$10.8 million in *unlisted* technology shares which it will seek to realise when possible.

Second London American Trust plc

This trust resulted from the re-organisation of **London American Growth Trust plc** in 1996 with the task of liquidating its unlisted venture capital investments. The trust has progressively sold off assets and distributed the proceeds to shareholders but after ten years still has two remaining investments that it hopes to be able to sell over the next year or two.

The original trust was managed by **Hambrecht & Quist**, a respected venture capital investor. Unfortunately the late 1980's and early 1990's was an unfavourable period for venture capital investments and the original trust also appears to have suffered owing to debt in its capital structure.

Even with some favourable liquidations during the Technology boom, investors have lost money on these venture capital investments over the last 20 years.

Summary

All of these trusts have suffered owing to large holdings in *unlisted* companies which, of course, can be very difficult to sell.

Asset Management Investment Company compounded this financial risk with high debt levels in its financial structure and a poorly diversified portfolio which is concentrated in a few large positions. Its major problem is a fire sale of assets to meet its debt repayment.

Amerindo Internet Fund demonstrates the risk of popular investment sectors and booms, plus the risk in venture capital investments and other start-up companies. Also the conflict of interest risks between investors and the people running a business or managing your money.

Second London American Trust (and London American Growth) again demonstrates the risks of venture capital investments, unlisted investments and the use of debt in these situations.

Most investment trusts invest all, or most (i.e. over 80%), of their portfolio in *listed* shares which will prevent the liquidity problems. Most will also have no debt or moderate debt levels. Debt levels up to 15-20% of assets is usually manageable and can help to slightly improve long term returns.

Investors seeking exposure to funds with unlisted investments - for example, specialist venture capital funds or private equity funds - should look for a trust with little or no debt in its capital structure. Even then these trusts can be very risky and may at times trade at significant discounts to net assets owing to uncertainty valuing the investments and/or the lack of marketability of the trust's investments.

Investment Fund Survey

| Current Advice | Investment Fund | Risk Rating | Superiority Rating | Market Correlation | Performance | | |
|----------------|-----------------|-------------|--------------------|--------------------|-------------|--------|-------|
| | | | | | 36 mth | 12 mth | 3 mth |

| Current Advice | Investment Fund | Risk Rating | Superiority Rating | Market Correlation | Performance | | |
|----------------|-----------------|-------------|--------------------|--------------------|-------------|--------|-------|
| | | | | | 36 mth | 12 mth | 3 mth |

NEW ZEALAND

NEW ZEALAND BASED UNIT TRUSTS

| | | | | | | | |
|-----|--------------------------|----------|-----|------|----|----|----|
| | AMP NZ Share | Very Low | -1% | 0.72 | 34 | 3 | 1 |
| | AMP Passive NZ Shares | Medium | -1% | 0.79 | 43 | 2 | 1 |
| | ASB NZ Shares | Very Low | -1% | 0.47 | 43 | 4 | 0 |
| | BNZ Equities Discovery | Very Low | -0% | 0.40 | 43 | 0 | -1 |
| | Fisher Fledgling Fund | Low | -1% | 0.34 | 4 | 5 | |
| | Fisher NZ Growth Fund | Very Low | -1% | 0.39 | 4 | 3 | |
| | ING NZ Share | Low | -2% | 0.43 | 35 | 1 | 1 |
| | NZ Guardian NZGT 30 | Low | -3% | 0.74 | 38 | 1 | 1 |
| Buy | NZ Guardian Small Coys | Very Low | +8% | 0.25 | 91 | 13 | 4 |
| | Thoroughbred NZ Equity | Very Low | -1% | 0.68 | 38 | 3 | 0 |
| | Tower New Zealand Equity | Very Low | -1% | 0.67 | 38 | 4 | 0 |

NEW ZEALAND LISTED INVESTMENT TRUSTS

| | | | | | | | |
|-------|---------------|--------|-----|------|----|----|----|
| Avoid | Mid-Cap Index | Low | -8% | 0.54 | 17 | -6 | -2 |
| | TeNZ | Medium | -5% | 0.78 | 40 | 1 | 0 |

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

| | | | | | | | |
|-----|---------------------|----------|-----|------|----|---|---|
| Buy | NZ Investment Trust | Very Low | +7% | 0.20 | 87 | 9 | 5 |
|-----|---------------------|----------|-----|------|----|---|---|

AUSTRALIA

AUSTRALIAN BASED UNIT TRUSTS

| | | | | | | | |
|-------|---------------------------|----------|-----|------|----|-----|----|
| | AMP Blue Chip Trust | Low | -2% | 0.32 | 48 | 11 | 11 |
| | AMP Equity Trust | Medium | -1% | 0.43 | 57 | 14 | 13 |
| | AMP FLI Aust | Medium | -2% | 0.54 | 55 | 18 | 11 |
| | AMP FLI Small Companies | Low | -0% | 0.18 | 57 | 7 | 6 |
| | ANZ Equity Imputation Trt | Low | -5% | 0.36 | 34 | 5 | 11 |
| | ANZ Equity Trust No 1 | Medium | -0% | 0.48 | 57 | 14 | 13 |
| | ANZ ING Aust Shares | Medium | -0% | 0.45 | 58 | 14 | 13 |
| | ANZ ING Blue Chip | Low | -1% | 0.41 | 49 | 13 | 11 |
| | AXA Australia Industrial | Very Low | -4% | 0.15 | 35 | 0 | 10 |
| | Advance Imputation Fund | Very Low | -4% | 0.33 | 35 | 7 | 11 |
| | Allianz Australian Gth | Low | -1% | 0.40 | 59 | 16 | 13 |
| | Aust Ethical Equities | Very Low | -4% | 0.08 | 29 | -9 | 8 |
| | BT Australia | Low | -2% | 0.34 | 53 | 20 | 15 |
| | BT Smaller Companies | Low | +0% | 0.13 | 63 | 7 | 10 |
| | BT Split Trust Growth | Very Low | -4% | 0.36 | 43 | 18 | 14 |
| | Challenger Aust Shares | Medium | -3% | 0.37 | 47 | 11 | 17 |
| | Col First State Aust Sh. | Low | -2% | 0.52 | 51 | 9 | 9 |
| | Col First State Dev. Coys | Very Low | -6% | 0.10 | 33 | -9 | 4 |
| | Col First State Future Ld | Low | -2% | 0.24 | 49 | 5 | 6 |
| | Col First State Imput'n | Medium | -5% | 0.52 | 36 | 8 | 8 |
| | Commonwealth Aust Share | Medium | -6% | 0.65 | 39 | 6 | 12 |
| | Commonwealth Share Income | Medium | -5% | 0.61 | 39 | 7 | 12 |
| | Gold Sachs Emerging Lead. | Very Low | -2% | 0.04 | 43 | -14 | 4 |
| | Gold Sachs Leaders Trust | Low | +0% | 0.31 | 61 | 14 | 12 |
| | Hunter Hall Value Growth | Medium | -4% | 0.39 | 46 | 8 | 11 |
| | ING Australia Share | Low | -6% | 0.17 | 33 | -0 | 13 |
| | ING Blue Chip | Very Low | -4% | 0.21 | 33 | 4 | 11 |
| | ING Emerging Companies | Very Low | +1% | 0.06 | 65 | -12 | 6 |
| | Inv Mutual Aust Share | Very Low | +1% | 0.35 | 51 | 12 | 9 |
| | Inv Mutual Aust Small | Very Low | -2% | 0.21 | 44 | -3 | 4 |
| | JB Were Investment | Very Low | -2% | 0.25 | 53 | 9 | 12 |
| | MLC Aust Tr - Aust Share | Very Low | -4% | 0.27 | 38 | 5 | 12 |
| | MLC Aust Trust - Index | Medium | -1% | 0.70 | 65 | 20 | 12 |
| | Macquarie Active Aust Equ | Medium | -1% | 0.67 | 63 | 22 | 14 |
| Avoid | NAFM In Trt - Equities | Very Low | -7% | 0.11 | 31 | -6 | 11 |
| | NAFM Inv Trust - Div Imp | Low | -3% | 0.38 | 39 | 9 | 11 |
| | Parker Enhanced Leaders | Low | -4% | 0.32 | 33 | 7 | 4 |
| | Perpetual ICSav - Aust | Low | +3% | 0.54 | 75 | 16 | 11 |
| | Perpetual ICSav - Sm Coys | Low | -1% | 0.28 | 57 | -7 | 2 |
| Avoid | Perpetual ICSav - Indust. | Very Low | -9% | 0.02 | 13 | -22 | 8 |
| Avoid | Portfolio Ptnrs Emerging | Medium | -8% | 0.12 | 29 | -17 | 5 |

NEW ZEALAND BASED UNIT TRUSTS

| | | | | | | | |
|--|--------------------------|----------|-----|------|----|----|----|
| | AMP Australian Shares | Very Low | -1% | 0.26 | 46 | 17 | 11 |
| | ANZ TranzEquity | Very Low | -4% | 0.45 | | -4 | 0 |
| | ING Australian Share | Very Low | +2% | 0.17 | 56 | 15 | 10 |
| | NZ Guardian Trans-Tasman | Very Low | -0% | 0.48 | | 11 | 9 |
| | Thoroughbred Aust Equity | Medium | -0% | 0.42 | 60 | 18 | 15 |
| | Thoroughbred Trans Tas. | Very Low | +3% | 0.19 | 45 | 12 | 7 |

UNITED KINGDOM BASED UNIT TRUSTS

| | | | | | | | |
|--|----------------------------|--------|-----|------|--|----|----|
| | Martin Currie Australasian | Medium | +0% | 0.67 | | 18 | 10 |
|--|----------------------------|--------|-----|------|--|----|----|

AUSTRALIAN LISTED INVESTMENT TRUSTS

| | | | | | | | |
|-----|-------------------------|----------|-----|------|----|----|----|
| | Argo Investments | Very Low | +1% | 0.29 | 54 | 22 | 10 |
| | Australian Foundation | Low | -2% | 0.36 | 44 | 24 | 18 |
| Buy | Choiseul Plantation | Very Low | +7% | 0.11 | 74 | 14 | 17 |
| | Diversified United Inv. | Low | +6% | 0.21 | 90 | 39 | 22 |
| | Huntley Investment Coy | Very Low | -1% | 0.33 | 49 | 5 | 10 |

NEW ZEALAND LISTED INVESTMENT TRUSTS

| | | | | | | | |
|--|-------------|--------|-----|------|----|----|----|
| | Ozzy Tortis | Medium | -2% | 0.37 | 60 | 26 | 14 |
|--|-------------|--------|-----|------|----|----|----|

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

| | | | | | | | |
|-----|--------------------|----------|------|------|-----|----|---|
| Buy | Stocks Convertible | Very Low | +31% | 0.00 | 179 | 30 | 6 |
|-----|--------------------|----------|------|------|-----|----|---|

GOLD & MINING

AUSTRALIAN BASED UNIT TRUSTS

| | | | | | | | |
|-------|--------------------------|----------|-----|------|-----|----|----|
| | BT Natural Resources | Medium | -0% | 0.53 | 96 | 33 | 25 |
| Avoid | Col First State Glb Res. | High | -9% | 0.76 | 69 | 38 | 28 |
| Buy | Gold Sachs Resources | Medium | +7% | 0.81 | 145 | 51 | 23 |
| | ING Resources | High | -6% | 0.60 | 93 | 11 | 29 |
| | Lowell Aust Resources | Very Low | -0% | 0.15 | 40 | -3 | 4 |

UNITED KINGDOM BASED UNIT TRUSTS

| | | | | | | | |
|-----|------------------------------|-----------|-----|------|----|----|----|
| Buy | First State Global Resources | Medium | +8% | 0.82 | | 57 | 31 |
| | JPM Natural Resources | High | +2% | 0.91 | | 61 | 36 |
| | Merrill Gold & General | Very High | -6% | 0.71 | 76 | 70 | 48 |

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

| | | | | | | | |
|-----|------------------------|--------|------|------|-----|----|----|
| Buy | City Nat Res High Yld | Low | -2% | 0.78 | | 25 | 23 |
| | Merrill World Mining | Medium | +12% | 0.61 | 177 | 81 | 40 |
| | Resources Invest Trust | High | -6% | 0.79 | | 43 | 42 |

EMERGING MARKETS

AUSTRALIAN BASED UNIT TRUSTS

| | | | | | | | |
|--|------------------------|--------|-----|------|-----|----|----|
| | Macquarie S/M Emerging | Medium | +1% | 0.76 | 135 | 55 | 26 |
|--|------------------------|--------|-----|------|-----|----|----|

UNITED KINGDOM BASED UNIT TRUSTS

| | | | | | | | |
|-------|--------------------------------|-----------|-----|------|-----|----|----|
| | Aberdeen Emerging Markets | Medium | +1% | 0.90 | 132 | 57 | 31 |
| | BG Emerging Markets | High | -2% | 0.91 | 139 | 61 | 35 |
| | CS MM Emerging Markets | Low | -4% | 0.89 | 40 | 24 | |
| | Dimensional Emerging Markets | Medium | -1% | 0.96 | 49 | 30 | |
| Avoid | F & C Emerging Markets | High | -7% | 0.96 | 105 | 50 | 35 |
| | First State Global E/M Leaders | Medium | -1% | 0.97 | 50 | 29 | |
| | First State Global Emerg Mkts | Medium | -3% | 0.95 | 105 | 51 | 30 |
| | Framlington Emerging Markets | Medium | +1% | 0.91 | 140 | 57 | 37 |
| | Frank Tem Glb E/Markets | Medium | -1% | 0.98 | 48 | 32 | |
| | Gartmore Emerging Markets Opps | High | -1% | 0.98 | 57 | 37 | |
| | Gartmore PP E/Markets Opps | High | -1% | 0.98 | 57 | 37 | |
| Avoid | Henderson Emerging Markets | High | -7% | 0.92 | 116 | 51 | 39 |
| | Invesco Perp Emerging Country | Medium | -4% | 0.95 | 120 | 60 | 35 |
| | JPMF Emerging Markets | High | +1% | 0.95 | 159 | 67 | 36 |
| | Lazard Emerging Markets | Medium | -0% | 0.96 | 140 | 52 | 30 |
| | Lincoln Emerging Markets | Medium | -1% | 0.96 | 39 | 24 | |
| | Lloyd George E/Markets | High | -1% | 0.96 | 51 | 32 | |
| Avoid | Martin Currie Emerging Mkts | Very High | -7% | 0.95 | 135 | 57 | 40 |
| | Merrill Emerging Markets | High | -5% | 0.95 | 122 | 55 | 39 |
| | SG Global Emerging Markets | High | -1% | 0.96 | 50 | 32 | |
| | SWIP Emerging Markets | High | +2% | 0.94 | 65 | 38 | |
| | Schroder Gbl Emerging Mkts | High | -5% | 0.97 | 120 | 53 | 34 |
| | Scot Wid. Emerging Markets | Medium | -3% | 0.93 | 122 | 49 | 31 |
| | UBS Global Emerging Markets | High | -3% | 0.97 | 57 | 34 | |

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

| | | | | | | | |
|-----|-------------------------|-----------|------|------|-----|----|-----|
| | Advance Developing Mkts | Medium | +3% | 0.85 | 163 | 63 | 34 |
| | F & C Emerging Markets | Medium | -1% | 0.88 | 151 | 59 | 33 |
| Buy | Genesis Emerging Mkts | Low | +13% | 0.73 | 215 | 65 | 33 |
| Buy | JPMF Emerging Mkts | Very High | +7% | 0.84 | 231 | 87 | 48 |
| Buy | Tea Plantations | Very Low | +27% | 0.00 | 107 | 38 | -12 |
| | Templeton Emerging Mkts | High | +1% | 0.89 | 161 | 68 | 33 |

LATIN AMERICA

UNITED KINGDOM BASED UNIT TRUSTS

| | | | | | | | |
|--|-----------------------------|--------|-----|------|-----|----|----|
| | F & C Latin American Equity | Medium | +2% | 0.94 | | 75 | 37 |
| | Invesco Perp Latin America | High | -0% | 0.97 | 273 | 85 | 39 |
| | Scot Wid. Latin America | High | -3% | 0.97 | 233 | 85 | 40 |
| | Threadneedle Latin America | High | -3% | 0.97 | 237 | 84 | 39 |

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

| | | | | | | | |
|-----|---------------------|-----|-----|------|-----|----|----|
| Buy | F & C Latin America | Low | +7% | 0.84 | 291 | 75 | 34 |
|-----|---------------------|-----|-----|------|-----|----|----|

Mexico



| Current Advice | Investment Fund | Risk Rating | Superiority Rating | Market Correlation | Performance 36 mth | 12 mth | 3 mth |
|----------------|-----------------|-------------|--------------------|--------------------|--------------------|--------|-------|
|----------------|-----------------|-------------|--------------------|--------------------|--------------------|--------|-------|

| Current Advice | Investment Fund | Risk Rating | Superiority Rating | Market Correlation | Performance 36 mth | 12 mth | 3 mth |
|----------------|-----------------|-------------|--------------------|--------------------|--------------------|--------|-------|
|----------------|-----------------|-------------|--------------------|--------------------|--------------------|--------|-------|

FAR EASTERN / PACIFIC (EXCL JAPAN)

AUSTRALIAN BASED UNIT TRUSTS

| | | | | | | | |
|-------|------------------------|----------|-----|------|----|----|----|
| Avoid | Allianz Taipan Trust | Medium | -3% | 0.85 | 61 | 36 | 26 |
| | Perpetual Fid. SE Asia | Very Low | -8% | 0.52 | 22 | -0 | 4 |

NEW ZEALAND BASED UNIT TRUSTS

| | | | | | | | |
|--|-------------------------|----------|-----|------|----|----|----|
| | AMP Asian Shares | Low | -1% | 0.69 | 45 | 19 | 13 |
| | ING Asia Pacific Shares | Very Low | +1% | 0.43 | | 23 | 22 |
| | Tower Spotlight Asia | Low | -1% | 0.77 | 46 | 21 | 14 |

UNITED KINGDOM BASED UNIT TRUSTS

| | | | | | | | |
|--|------------------------------|--------|-----|------|-----|----|----|
| | AXA Pacific Growth | Low | +3% | 0.90 | 69 | 24 | 20 |
| | Aberdeen Far East Emerging | Medium | +6% | 0.92 | 97 | 38 | 25 |
| | Allianz Dres Tiger | High | -3% | 0.96 | 68 | 40 | 31 |
| | BG Developing Asia Pacific | Low | +5% | 0.82 | 69 | 31 | 19 |
| | BG Pacific | Medium | -0% | 0.92 | 66 | 30 | 22 |
| | Baring East | High | -3% | 0.92 | 60 | 36 | 31 |
| | Britannic Pacific Growth | Medium | +1% | 0.94 | 79 | 36 | 27 |
| | CS MM Asia Pacific | Medium | -2% | 0.95 | | 26 | 20 |
| | CS Orient | High | -5% | 0.94 | 55 | 23 | 28 |
| | F&C Pacific Growth | Medium | +0% | 0.99 | | 34 | 25 |
| | Fidelity South East Asian | High | +0% | 0.94 | 85 | 49 | 34 |
| | First State Asia Pac Leaders | Medium | +0% | 0.98 | | 34 | 23 |
| | First State Asia Pacific | Medium | +5% | 0.96 | 84 | 39 | 25 |
| | Gartmore Pacific | High | -2% | 0.97 | 75 | 34 | 29 |
| | HSBC Asia Growth | High | -2% | 0.97 | 68 | 35 | 28 |
| | HSBC Pacific Index | Medium | +1% | 0.93 | 62 | 29 | 23 |
| | Halifax Far Eastern | Low | +1% | 0.91 | | 32 | 22 |
| | Henderson Pacific | High | -1% | 0.99 | | 29 | 25 |
| | Henderson Pacific Capital | High | -1% | 0.91 | 67 | 31 | 27 |
| | Inscape Pacific Basin | Medium | +3% | 0.98 | | 34 | 25 |
| | Insight Asia Pacific Equity | Low | +0% | 0.97 | 60 | 27 | 19 |
| | Invesco Perp Asian | Medium | +2% | 0.99 | | 39 | 26 |
| | Invesco Perp Pacific | Low | +2% | 0.90 | 70 | 39 | 27 |
| | JPM Asia | High | +0% | 0.97 | | 38 | 27 |
| | L & G Pacific Growth | Medium | +1% | 0.93 | 78 | 32 | 30 |
| | L & G Pacific Index | Medium | +1% | 0.93 | 63 | 30 | 23 |
| | Legg Mason Asia Pacific | High | +1% | 0.94 | | 43 | 32 |
| | Lloyd George Developed Asia | Medium | -1% | 0.86 | | 21 | 15 |
| | Lloyd George Eastern Opps | High | -1% | 0.90 | | 30 | 33 |
| | M & G South East Asian | Medium | +2% | 0.97 | 84 | 34 | 25 |
| | Martin Currie Asian Pacific | Medium | +5% | 0.93 | 102 | 33 | 29 |
| | New Star Asia Portfolio | Medium | -3% | 0.94 | | 34 | 25 |
| | New Star Pacific Growth | Medium | +1% | 0.99 | | 30 | 25 |
| | Newton Oriental | Medium | +2% | 0.95 | 75 | 34 | 25 |
| | Old Mutual Asian Select | Medium | -1% | 0.93 | 70 | 28 | 27 |
| | Prudential Pacific Markets | Medium | +1% | 0.93 | 73 | 29 | 24 |
| | Royal London Far East Gth | Medium | -1% | 0.97 | 68 | 31 | 25 |
| | SWIP Asian Pacific | Medium | +4% | 0.95 | | 31 | 26 |
| | Schroder Pacific Growth | High | -0% | 0.97 | 73 | 39 | 29 |
| | Scot Mutual Far Eastern | Medium | -1% | 0.96 | 58 | 30 | 26 |
| | Scot Wid. Pacific | Medium | +2% | 0.94 | 76 | 31 | 25 |
| | Sing & Fried Pacific Growth | Medium | -0% | 0.96 | | 32 | 24 |
| | Stan Life Asian Pacific | Medium | -1% | 0.93 | 59 | 29 | 20 |
| | Threadneedle Asia Growth | Medium | +1% | 0.97 | 76 | 36 | 27 |
| | UBS Developed Asia Equity | Low | +1% | 0.94 | | 29 | 19 |

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

| | | | | | | | |
|-------|-------------------------|-----------|------|------|-----|----|----|
| Buy | Aberdeen Asian Small Co | Medium | +13% | 0.77 | 134 | 32 | 18 |
| Buy | Aberdeen New Dawn | Very High | +10% | 0.88 | 142 | 43 | 25 |
| | Edinburgh Dragon Trust | Very High | +4% | 0.93 | 125 | 56 | 39 |
| | Fidelity Asian Values | Very High | +2% | 0.88 | 101 | 42 | 28 |
| Avoid | Henderson TR Pacific | Very High | -7% | 0.91 | 63 | 34 | 35 |
| | Invesco Asia | High | +0% | 0.85 | 96 | 45 | 29 |
| | JPMF Asian | Very High | -3% | 0.95 | 86 | 43 | 31 |
| | Pacific Assets | Very High | -2% | 0.84 | 93 | 34 | 39 |
| Buy | Pacific Horizons | Medium | +7% | 0.61 | 102 | 29 | 18 |
| | Premier Pacific Income | Low | +6% | 0.30 | | 31 | 20 |
| | Schroder Asia Pacific | High | +2% | 0.86 | 104 | 23 | 23 |
| Buy | Scottish Oriental Sm Co | Low | +9% | 0.61 | 89 | 28 | 12 |

FAR EASTERN / PACIFIC (INCL JAPAN)

| | | | | | | | |
|--|-------------------------|--------|-----|------|-----|----|----|
| Australian based Unit Trusts | | | | | | | |
| | BT Asian | High | -5% | 0.86 | 68 | 32 | 26 |
| | Invesco Asian Growth | High | -4% | 0.75 | 68 | 45 | 25 |
| United Kingdom based Unit Trusts | | | | | | | |
| | Aberdeen Asia Pacific | Medium | +3% | 0.92 | 87 | 36 | 23 |
| | Jupiter Far Eastern | Medium | -3% | 0.76 | 56 | 33 | 26 |
| | L & G Far East | Medium | +1% | 0.92 | 83 | 40 | 27 |
| | Lincoln Far East | Medium | +0% | 0.79 | 64 | 19 | 17 |
| | S & W Far Eastern | Medium | -0% | 0.91 | 74 | 43 | 30 |
| | Schroder Far Eastern | Medium | -3% | 0.94 | 60 | 32 | 21 |
| United Kingdom based Listed Investment Trusts | | | | | | | |
| | Henderson Far East Inc. | Medium | -1% | 0.73 | 48 | 10 | 15 |
| | Martin Currie Pacific | High | +4% | 0.87 | 136 | 46 | 31 |

HONG KONG / CHINA REGION

UNITED KINGDOM BASED UNIT TRUSTS

| | | | | | | | |
|-----|------------------------------|-----------|-----|------|-----|----|----|
| Buy | First State Gtr China Growth | Medium | +3% | 0.76 | | 36 | 26 |
| | Gartmore China Growth | Very High | +9% | 0.71 | 103 | 25 | 30 |
| | HSBC Greater China | Medium | +2% | 0.88 | 48 | 24 | 23 |
| | Invesco Perp HK and China | High | +5% | 0.81 | 65 | 29 | 24 |

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

| | | | | | | | |
|-----|--------------|-----------|-----|------|----|----|----|
| Buy | JPMF Chinese | Very High | +7% | 0.63 | 81 | 40 | 34 |
|-----|--------------|-----------|-----|------|----|----|----|

Hong Kong



China



KOREA

| | | | | | | | |
|---|---------------|------|-----|------|----|----|----|
| UNITED KINGDOM BASED UNIT TRUSTS | | | | | | | |
| | Baring Korean | High | -1% | 0.83 | 95 | 49 | 26 |

Korea



THAILAND

| | | | | | | | |
|--|----------------------|-----|------|------|-----|----|----|
| UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS | | | | | | | |
| Buy | Aberdeen New Thai IT | Low | +14% | 0.60 | 154 | 35 | 32 |

Thailand



| Current Advice | Investment Fund | Risk Rating | Superiority Rating | Market Correlation | Performance 36 mth | 12 mth | 3 mth |
|----------------|-----------------|-------------|--------------------|--------------------|--------------------|--------|-------|
|----------------|-----------------|-------------|--------------------|--------------------|--------------------|--------|-------|

INDIA

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

| | | | | | | | |
|-----|-------------|--------|------|------|-----|----|----|
| Buy | JPMF Indian | Medium | +17% | 0.75 | 328 | 84 | 46 |
|-----|-------------|--------|------|------|-----|----|----|

India



JAPAN

AUSTRALIAN BASED UNIT TRUSTS

| | | | | | | | |
|-----|----------------------|----------|------|------|----|----|----|
| | Allianz Japan Growth | High | +1% | 0.73 | 63 | 43 | 24 |
| | Perpetual Fid. Japan | Very Low | +1% | 0.24 | 38 | 1 | 4 |
| Buy | Platinum Japan | Low | +11% | 0.52 | 82 | 37 | 14 |

UNITED KINGDOM BASED UNIT TRUSTS

| | | | | | | | |
|-----|------------------------------|----------|------|------|-----|----|----|
| | AXA Japan Growth | Very Low | +5% | 0.61 | 65 | 32 | 17 |
| | Aberdeen Japan Growth | Very Low | +1% | 0.67 | 40 | 23 | 17 |
| | Allianz Dres Japan | Medium | +4% | 0.74 | 73 | 50 | 28 |
| Buy | BG Japan | Low | +7% | 0.73 | 91 | 37 | 22 |
| Buy | Baring Japan Growth | Medium | +8% | 0.68 | 97 | 41 | 27 |
| | Britannic Japan | Medium | +1% | 0.82 | 67 | 36 | 24 |
| | CS MM Japan Portfolio | Low | +6% | 0.53 | 33 | 18 | |
| | CS New Japan | Low | +3% | 0.68 | 60 | 38 | 27 |
| | F & C Japan Growth | Medium | +4% | 0.74 | 42 | 26 | |
| | Fidelity Japan | Medium | +3% | 0.81 | 81 | 42 | 26 |
| Buy | Framlington Japan & General | Low | +23% | 0.43 | 213 | 42 | 27 |
| | Gartmore Japan Opportunities | Medium | +3% | 0.69 | 39 | 24 | |
| | HSBC Japan Index | Medium | +2% | 0.79 | 62 | 37 | 22 |
| | Halifax Japanese | Low | +2% | 0.70 | 37 | 21 | |
| | Henderson Japan | Medium | +0% | 0.71 | 32 | 23 | |
| | Inscape Japan Equities | Low | +4% | 0.77 | 36 | 20 | |
| | Insight Japan | Low | +2% | 0.53 | 38 | 26 | |
| | Insight Japan Equity | Low | +4% | 0.64 | 39 | 22 | |
| | Invesco Perp Japan | Very Low | +2% | 0.69 | 29 | 25 | |
| | JPMF Japan Growth | Low | +6% | 0.60 | 74 | 45 | 26 |
| | L & G Japan Index | Low | +3% | 0.79 | 65 | 37 | 22 |
| | L & G Japanese | Medium | +4% | 0.66 | 73 | 41 | 22 |
| Buy | Legg Mason Japan Equity | Very Low | +7% | 0.02 | 43 | 35 | |
| | Lincoln Japan | Low | +2% | 0.68 | 46 | 35 | 19 |
| | M & G Japan & General | Low | +2% | 0.79 | 62 | 37 | 24 |
| | Martin Currie Japan | Low | +3% | 0.78 | 63 | 41 | 23 |
| | Merrill Japan | Low | +3% | 0.74 | 59 | 38 | 24 |
| | New Star Japan A | Low | +0% | 0.70 | 39 | 32 | 21 |
| | Newton Japan Growth | Low | +2% | 0.69 | 59 | 25 | 16 |
| | Old Mutual Japanese Select | Medium | +5% | 0.78 | 79 | 37 | 23 |
| | Prudential Japanese | Low | -0% | 0.69 | 51 | 33 | 24 |
| | Royal London Japan Growth | Low | +3% | 0.70 | 58 | 36 | 23 |
| | SWIP Japanese | Medium | +1% | 0.70 | 33 | 22 | |
| Buy | Schroder Japan Alpha Plus | Very Low | +10% | 0.61 | 89 | 34 | 20 |
| | Schroder Tokyo | Very Low | +3% | 0.67 | 50 | 27 | 15 |
| | Scot Mutual Japanese | Low | +3% | 0.78 | 62 | 36 | 20 |
| | Scot Wid. Japan Growth | Medium | +0% | 0.69 | 34 | 23 | |
| | Scot Wid. Japan Select | Medium | -1% | 0.74 | 45 | 31 | 21 |
| | Stan Life Japanese | Low | +3% | 0.63 | 63 | 43 | 24 |
| | Threadneedle Japan Growth | Medium | +0% | 0.79 | 54 | 33 | 23 |

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

| | | | | | | | |
|-----|------------------------|-----------|------|------|-----|----|----|
| Buy | JPMF Japanese | Very High | +9% | 0.79 | 120 | 67 | 38 |
| Buy | Merrill Japan Enhanced | Medium | +12% | 0.72 | 68 | 33 | |
| Buy | Perpetual Japan | Medium | +7% | 0.62 | 85 | 46 | 36 |
| Buy | Schroder Japan Growth | Medium | +9% | 0.65 | 99 | 47 | 19 |

| Current Advice | Investment Fund | Risk Rating | Superiority Rating | Market Correlation | Performance 36 mth | 12 mth | 3 mth |
|----------------|-----------------|-------------|--------------------|--------------------|--------------------|--------|-------|
|----------------|-----------------|-------------|--------------------|--------------------|--------------------|--------|-------|

JAPAN SMALLER COS

UNITED KINGDOM BASED UNIT TRUSTS

| | | | | | | | |
|-----|-------------------------------|----------|------|------|-----|----|----|
| Buy | BG Japan Small | Low | +11% | 0.50 | 120 | 49 | 27 |
| Buy | Fidelity Japan Sp Sits | Low | +11% | 0.35 | 110 | 47 | 32 |
| | Henderson Japan Capital Gth | Low | +4% | 0.38 | 72 | 36 | 10 |
| Buy | Invesco Perp Japan Small Coys | Very Low | +14% | 0.15 | 125 | 38 | 33 |
| Buy | M & G Jap Small Cos | Very Low | +18% | 0.23 | 147 | 36 | 22 |
| Buy | SWIP Japan Small Coys | Low | +16% | 0.36 | 60 | 32 | |
| | Threadneedle Japan Small Cos | Low | +4% | 0.39 | 68 | 34 | 27 |

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

| | | | | | | | |
|-----|-----------------------|-----------|------|------|-----|----|----|
| Buy | Atlantis Japan Growth | Medium | +26% | 0.38 | 269 | 71 | 44 |
| Buy | B Gifford Shin Nippon | Very High | +18% | 0.49 | 227 | 80 | 46 |
| Buy | Baillie Gifford Japan | Very High | +13% | 0.74 | 201 | 76 | 37 |
| Buy | Fidelity Japan Values | Very High | +18% | 0.49 | 209 | 85 | 48 |
| Buy | Invesco Japan | Medium | +19% | 0.27 | 207 | 70 | 53 |
| Buy | JPMF Japan Small | Very High | +14% | 0.39 | 186 | 86 | 59 |

SOUTH AFRICA

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

| | | | | | | | |
|-----|-------------------------|------|------|------|-----|----|----|
| Buy | Old Mutual South Africa | High | +12% | 0.44 | 194 | 60 | 40 |
|-----|-------------------------|------|------|------|-----|----|----|

TECHNOLOGY

AUSTRALIAN BASED UNIT TRUSTS

| | | | | | | | |
|--|---------------------------|--------|-----|------|----|----|----|
| | CFS Global Health Biotech | Low | -1% | 0.42 | 26 | 20 | 14 |
| | CFS Tech & Comms | Medium | -2% | 0.76 | 35 | 24 | 17 |
| | Platinum Intl Technology | Medium | -2% | 0.65 | 47 | 24 | 27 |

UNITED KINGDOM BASED UNIT TRUSTS

| | | | | | | | |
|-------|--------------------------------|-----------|-----|------|----|----|----|
| | Abbey Nat'l Technology | Medium | -6% | 0.57 | 12 | 12 | 11 |
| | Aegon Technology | High | -6% | 0.73 | 20 | 17 | 14 |
| | Framlington Biotech | Very High | -4% | 0.69 | 47 | 17 | 18 |
| | Framlington Health | Medium | -1% | 0.80 | 40 | 17 | 14 |
| | Framlington NASDAQ | High | +2% | 0.79 | 63 | 27 | 22 |
| | Framlington Netnet | High | +2% | 0.78 | 69 | 33 | 27 |
| | Franklin Biotech | Medium | -1% | 0.59 | 39 | 18 | 15 |
| | Henderson Global Technology | Medium | -4% | 0.76 | 30 | 24 | 19 |
| | Investec Global Technology | Very High | -1% | 0.82 | 20 | 20 | |
| Avoid | Jupiter Global Technology | Low | -9% | 0.67 | 16 | 9 | 17 |
| | L & G Global Technology | Medium | -5% | 0.80 | 27 | 22 | 19 |
| | Lincoln Internet Tollkeeper | Low | -2% | 0.63 | 32 | 18 | 15 |
| | M & G Global Technology | Medium | +3% | 0.84 | 57 | 37 | 23 |
| | New Star Technology | Very High | -5% | 0.84 | 26 | 25 | |
| | Newton Global Innovation | Medium | -3% | 0.89 | 32 | 21 | 20 |
| | Old Mutual Global Technology | High | -5% | 0.78 | 34 | 27 | 23 |
| | SG Technology | High | -4% | 0.66 | 30 | 30 | 22 |
| | Schroder Medical Discovery | Very Low | -2% | 0.31 | 8 | 17 | 11 |
| | Threadneedle Global Healthcare | Very Low | +1% | 0.72 | 21 | 10 | |

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

| | | | | | | | |
|-----|-------------------------|-----------|------|------|-----|-----|-----|
| | Amerindo Internet Fund | Very Low | -4% | 0.02 | -66 | -72 | -73 |
| Buy | Close Fin Eurotech | Very High | +12% | 0.44 | 122 | 13 | 7 |
| | Finsbury Technology | Very High | -2% | 0.64 | 48 | 11 | 12 |
| | Finsbury W/wide Pharm. | Medium | +1% | 0.65 | 48 | 25 | 17 |
| | Herald Investment Trust | Very High | +6% | 0.61 | 105 | 12 | 26 |
| | International Biotech | High | +1% | 0.55 | 83 | 7 | 19 |
| Buy | Merrill New Energy Tech | Very High | +18% | 0.36 | 189 | 91 | 41 |
| Buy | Polar Cap Technology | High | +7% | 0.75 | 100 | 51 | 38 |
| Buy | Private Equity Investor | Very Low | +13% | 0.01 | 47 | 51 | 17 |

Next Issue

The next issue of *International Investor* will be posted in five weeks time on Tuesday March 14, 2006 (and delivered in most areas on Wednesday 15).

Subscribers who have updated their account online with an e-mail address will also receive the Electronic version in their e-mail Tuesday morning.

INTERNATIONAL INVESTOR is published 12 times per year by Securities Research Company Limited, P.O. Box 34-162, Auckland. (66 Stanaway Street. Telephone 64-9-4199 427 Facsimile 64-9-4199 428 Internet: www.stockmarket.co.nz or www.australia-stockmarket.com Email: james@stockmarket.co.nz). Subscription Rate NZ\$180 (including GST) per year.

Readers are advised that they should not assume that every recommendation made in the future will be profitable or equal the performance of recommendations made in the past. The entire contents are copyright. Reproduction in whole or part is strictly forbidden.