

# International Investor

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## Inside International Investor

Market recovery likely in coming months ..... 2

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NZ, Australia, Gold, Emerging Markets, Latin America,  
Far Eastern, Japan, Technology

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## World Stockmarket Forecasts

| Stockmarket       | One-Year<br>Forecast | Fundamental<br>Indicators | Technical<br>Indicators | Monetary<br>Indicators | Economic<br>Indicators | Historical Performance (in US\$) |        |         | Share<br>Index |
|-------------------|----------------------|---------------------------|-------------------------|------------------------|------------------------|----------------------------------|--------|---------|----------------|
|                   |                      |                           |                         |                        |                        | 3 mths                           | 6 mths | 12 mths |                |
| Australia _____   | 63%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -15.6%                           | -48.9% | -55.3%  | 3,407.50       |
| Austria _____     | 55%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -16.5%                           | -59.0% | -58.8%  | 1,733.95       |
| Belgium _____     | 68%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -10.3%                           | -46.2% | -52.7%  | 1,916.88       |
| Canada _____      | 63%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -9.1%                            | -41.0% | -43.2%  | 9,008.02       |
| Denmark _____     | 58%                  | Neutral                   | Bearish                 | Bullish                | Bullish                | -2.4%                            | -43.6% | -40.8%  | 270.70         |
| Finland _____     | 68%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -11.7%                           | -45.7% | -54.1%  | 5,379.18       |
| France _____      | 68%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -8.3%                            | -40.3% | -41.1%  | 2,197.25       |
| Germany _____     | 62%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -5.0%                            | -39.0% | -38.8%  | 4,644.63       |
| Ireland _____     | 61%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -12.0%                           | -53.0% | -66.4%  | 2,462.69       |
| Italy _____       | 71%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -12.6%                           | -43.2% | -48.2%  | 14,673.00      |
| Japan _____       | 59%                  | Neutral                   | Bearish                 | Bullish                | Bullish                | +0.6%                            | -26.5% | -27.5%  | 8,076.62       |
| Netherlands _____ | 61%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -0.7%                            | -44.9% | -46.1%  | 261.35         |
| New Zealand _____ | 57%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -18.0%                           | -44.8% | -58.7%  | 1,329.14       |
| Norway _____      | 61%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -4.1%                            | -53.7% | -49.2%  | 209.04         |
| Spain _____       | 65%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -8.7%                            | -38.6% | -42.6%  | 905.67         |
| Sweden _____      | 69%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -5.3%                            | -43.7% | -45.0%  | 206.76         |
| Switzerland _____ | 62%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -13.5%                           | -34.3% | -34.6%  | 5,123.09       |
| Un. Kingdom _____ | 67%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -7.2%                            | -39.8% | -43.7%  | 4,291.87       |
| USA _____         | 71%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -6.7%                            | -33.0% | -34.8%  | 868.60         |
| Argentina _____   | 65%                  | Neutral                   | Bearish                 | Bullish                | Bullish                | -5.9%                            | -43.7% | -48.2%  | 4,197.60       |
| Brazil _____      | 60%                  | Bearish                   | Bearish                 | Bullish                | Neutral                | +8.8%                            | -47.3% | -44.7%  | 42,755.50      |
| Czech Rep. _____  | 59%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -26.3%                           | -62.6% | -60.3%  | 733.80         |
| Chile _____       | 73%                  | Neutral                   | Bullish                 | Bullish                | Bullish                | +7.3%                            | -24.2% | -22.9%  | 12,624.69      |
| China _____       | 72%                  | Bearish                   | Neutral                 | Bullish                | Bullish                | +48.2%                           | -24.9% | -54.9%  | 136.18         |
| Greece _____      | 63%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -15.6%                           | -54.5% | -63.6%  | 1,761.69       |
| Egypt _____       | 43%                  | Bullish                   | Bearish                 | Neutral                | Neutral                | -35.4%                           | -63.5% | -62.6%  | 3,389.31       |
| Hong Kong _____   | 62%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -4.2%                            | -37.2% | -41.5%  | 13,655.04      |
| Hungary _____     | 42%                  | Neutral                   | Bearish                 | Neutral                | Bullish                | -15.9%                           | -60.7% | -57.8%  | 11,824.23      |
| India _____       | 49%                  | Neutral                   | Bearish                 | Bullish                | Bullish                | -9.1%                            | -47.0% | -56.8%  | 9,300.86       |
| Indonesia _____   | 47%                  | Bullish                   | Bearish                 | Neutral                | Bullish                | -3.5%                            | -51.3% | -59.2%  | 1,350.64       |
| Israel _____      | 57%                  | Neutral                   | Bearish                 | Bullish                | Neutral                | -10.8%                           | -40.1% | -42.9%  | 623.38         |
| Korea _____       | 72%                  | Neutral                   | Bearish                 | Bullish                | Bullish                | +3.2%                            | -42.0% | -51.0%  | 1,210.26       |
| Malaysia _____    | 70%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -0.8%                            | -26.2% | -42.9%  | 896.64         |
| Mexico _____      | 57%                  | Neutral                   | Bearish                 | Bullish                | Bullish                | -7.1%                            | -46.0% | -45.0%  | 20,438.13      |
| Philippines _____ | 73%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | +4.4%                            | -32.2% | -48.4%  | 1,942.48       |
| Poland _____      | 58%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -31.4%                           | -63.4% | -64.2%  | 23,914.36      |
| Portugal _____    | 55%                  | Bearish                   | Bearish                 | Bullish                | Bullish                | -1.3%                            | -34.0% | -46.1%  | 2,142.67       |
| Russia _____      | 46%                  | Bearish                   | Bearish                 | Bullish                | Bullish                | -47.7%                           | -76.7% | -76.7%  | 881.70         |
| Singapore _____   | 68%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -8.5%                            | -43.0% | -45.0%  | 1,715.35       |
| Sth Africa _____  | 57%                  | Bullish                   | Bearish                 | Neutral                | Bullish                | +11.6%                           | -36.3% | -38.5%  | 21,435.91      |
| Taiwan _____      | 76%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -8.0%                            | -42.3% | -44.6%  | 4,471.25       |
| Thailand _____    | 77%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -3.5%                            | -37.7% | -50.2%  | 444.39         |
| Turkey _____      | 64%                  | Bullish                   | Bearish                 | Bullish                | Bullish                | -4.2%                            | -52.1% | -52.0%  | 26,735.21      |
| Venezuela _____   | 60%                  | Bullish                   | Bearish                 | Neutral                | Bullish                | +0.9%                            | -10.2% | -1.4%   | 35,259.02      |

**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.

# World Stockmarket Outlook

Despite all the doom and gloom there are some signs that things are getting better . . . or will start to get better in the near future.

There is growing potential for a “buying panic” on the stockmarket, which could send prices sharply higher, as investors start to focus upon the stockmarket recovery that will eventually *lead* an upturn in the real economy. Media reports have started to include comments about “stockmarket conditions bordering on the surreal”, that “the efficient market model no longer functions” as *all* shares have been “dumped wholesale” and talk of current prices at “depression-era doom valuations”.

Yet the global economy is only in a recession, not a depression. Governments took over *five years* before taking any action to combat the Great Depression. Today, governments have been much faster to act.

Buying or underwriting the value of “bad” bank assets will help to reduce uncertainty. Investors only want to invest in “riskless” US Treasury bills at low interest rates, but capital is needed elsewhere. So the correct action is to issue Treasury bills and for the US government to re-invest where the capital is required. This is often described as a “taxpayer funded bailout” or “massive increase in government debt, to be repaid by future generations”, but both statements ignore the high income producing assets acquired at low valuations! There may be another *billion* dollars of government debt issued at an interest rate of 2%, but there is also a *billion* dollars of discounted “bad” assets acquired which - held to maturity and *after* bad debts - will likely yield a net return of 6-10% per annum. Of course, as always, some money may be wasted propping up inefficient industries.

Governments around the world are also increasing spending, which again is the correct response to a decline in personal consumption and private investment. If individuals choose to reduce consumption and increase their savings, then government's should borrow that money and spend on public assets, such as new and upgraded infrastructure assets.

The fear of a depression leads individuals and companies to avoid consumption or investment. A continuation of the government policies discussed above will steadily remove the fear of a depression and encourage economic activity to recover in the private sector. And some time before then, anticipating the economic upturn, world stockmarkets will have started to recover in value! Picking the bottom of the decline is impossible, but we would rather be fully invested in equities now than sitting on the sidelines with cash when the market turns.

### United States Stockmarket



### United Kingdom Stockmarket



### Germany Stockmarket



### France Stockmarket



# Recommended International Investment Funds

## Fund Reports

**Aberforth Smaller Companies Trust plc** suffered a 39.6% *decline* over the year to 31 December 2008, slightly outperforming its benchmark smaller company index which was down 40.8%. 2008 was the second *worst* year for UK smaller company shares over the last 50 years!

A final 13.0 pence dividend (ex-dividend 6 February, payable 27 February) will lift the annual dividend 25.0% to 19.0 pence.

The Fund Manager believes that corporate profits could fall 40% this year, with a “trough in profitability some time in 2010”. Current valuations, however, are *already* very low compared with historical levels. The FTSE All-Share index trades at a P/E of 7.3 and Dividend Yield of 4.5%, while smaller UK shares have an average P/E of 6.4 and Yield of 5.9%. The Manager states that “profits could halve and equities would still look reasonably valued”, that “the stockmarket will anticipate a pick-up before profits themselves start to

grow” and “sentiment can turn remarkably swiftly once there is the whiff of recovery in the air”. Accurately timing the change is impossible, so “it is necessary to start positioning the portfolio early”.

The trust slightly leveraged its portfolio in 2008, to about 10% of assets, and this is likely to “increase slowly”. The portfolio, however, is invested fairly conservatively in financially strong companies. 34% of the portfolio is in companies with net cash in their balance sheets, with just 9% in companies with a debt to EBITDA ratio of greater than three. The Manager currently avoids businesses with high “operational and financial gearing”.

## Share Buy-Backs

**Fidelity European Values plc** continues to actively repurchase its own shares on-market. Over the last four weeks it acquired 290,139 shares in ten transactions, returning £2.8 million to investors.

**Invesco English & International plc** received redemption requests for 1,081,973 shares, which were bought back at 158.21 pence per share.

| Current Advice        | Investment Fund                    | EPIC Code | Initial Recommendation |             | Prem/ Disc to Net Assets | Recent Price           |              | Gain or Loss % |      |
|-----------------------|------------------------------------|-----------|------------------------|-------------|--------------------------|------------------------|--------------|----------------|------|
|                       |                                    |           | --- Date ---           | Offer Price |                          | Bid-Offer or Last Sale | NZ Cents     |                |      |
| <b>Europe</b>         |                                    |           |                        |             |                          |                        |              |                |      |
| HOLD                  | Fidelity European Values plc       | FEV       | 13/05/03               | 463.5p      | 1291.1                   | -4%                    | 971.0p       | 2696.5         | +109 |
| BUY                   | JFM Fleming Euro Fledgeling IT plc | JFF       | 15/01/02               | 226.5p      | 765.8                    | -19%                   | 460.25p      | 1278.1         | +67  |
| <b>United Kingdom</b> |                                    |           |                        |             |                          |                        |              |                |      |
| BUY                   | Aberforth Smaller Cos Trt plc      | ASL       | 15/07/03               | 375.5p      | 1042.0                   | -7%                    | 390.0p       | 1083.0         | +4   |
| HOLD                  | Invesco English & Int'l Trust      | IEI       | 10/01/06               | 273.5p      | 700.6                    | -20%                   | 142.75p      | 396.4          | -43  |
| <b>Asian Regional</b> |                                    |           |                        |             |                          |                        |              |                |      |
| BUY                   | Aberdeen Asian Sm Co WARRANTS AASW | *         | 09/09/03               | 75.3p       | 209.1                    |                        | 136.5p       | 379.1          | +81  |
| BUY                   | Gartmore China Opportunities       | *         | 09/07/07               | 548.9p      | 1410.4                   |                        | 406.96p      | 1130.1         | -20  |
| HOLD                  | Gartmore Pacific Growth Fund       | *         | 29/10/85               | 41.4p       | 105.4                    |                        | 241.76p      | 671.4          | +537 |
| HOLD                  | HSBC Asian Fund                    | *         | 10/11/98               | 34.4p       | 106.3                    |                        | 56.17p       | 156.0          | +47  |
| BUY                   | Henderson Asia Pac Capital         | *         | 08/08/00               | 342.2p      | 1122.6                   |                        | 340.2p       | 944.7          | -16  |
| BUY                   | Scot Oriental Smaller Coy          | SST       | 11/11/03               | 121.9p      | 330.5                    | -10%                   | 216.5p       | 601.2          | +82  |
| <b>Japan</b>          |                                    |           |                        |             |                          |                        |              |                |      |
| BUY                   | Baillie Gifford Shin Nippon plc    | BGS       | 11/01/94               | 156.0p      | 440.3                    | -14%                   | 96.75p       | 268.7          | -39  |
| BUY                   | Fidelity Japan Values plc          | FJV       | 10/01/06               | 126.0p      | 322.7                    | -22%                   | 37.75p       | 104.8          | -68  |
| HOLD                  | Invesco Perp Japan Small Coys      | *         | 13/07/99               | 61.3p       | 182.3                    |                        | 44.38p       | 123.2          | -32  |
| <b>Korea</b>          |                                    |           |                        |             |                          |                        |              |                |      |
| HOLD                  | Baring Korea Trust                 | *         | 12/04/94               | 81.1p       | 209.4                    |                        | 133.1-140.6p | 380.0          | +82  |
| <b>International</b>  |                                    |           |                        |             |                          |                        |              |                |      |
| HOLD                  | Aberdeen Emerging Markets          | *         | 13/08/91               | 61.7p       | 184.0                    |                        | 248.03p      | 688.8          | +274 |
| BUY                   | Herald Investment Trust            | HRI       | 12/10/04               | 310.8p      | 820.1                    | -25%                   | 191.75p      | 532.5          | -35  |
| HOLD                  | Private Equity Investor plc        | PEQ       | 11/12/01               | 122.5p      | 420.2                    | -44%                   | 129.5p       | 359.6          | -14  |

\* United Kingdom based Unit Trust

The average Gains/Losses of all current investments from initial recommendation is +59.7%. This is equal to an average annual rate of +6.9%, based upon the length of time each position has been held. The average annual rate of gain of ALL recommendations (both the 17 current and 46 closed out) is +9.8%.

## Other Shares and Warrants

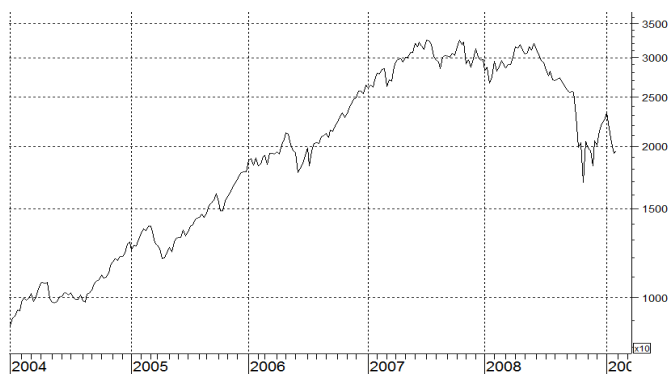
Alternative investments in the UK listed investment trust warrants recommended above include **Aberdeen Asian Smaller Companies** shares at 240¼ pence (trading at an 11% discount to net asset value).



### Brazil



### Mexico



### Chile



### Argentina



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

### UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

|       |                      |          |     |      |     |     |    |
|-------|----------------------|----------|-----|------|-----|-----|----|
| Avoid | AberdeenAsianIncome  | Low      | -6% | 0.87 | 2   | 19  |    |
|       | AberdeenAsianSmallCo | Low      | -9% | 0.82 | -8  | -3  | 22 |
|       | AberdeenNewDawn      | Medium   | -3% | 0.92 | -13 | -13 | 15 |
|       | EdinburghDragonTrust | Medium   | +1% | 0.91 | 3   | -5  | 19 |
|       | FidelityAsianValues  | High     | -0% | 0.95 | 0   | -18 | 13 |
|       | HendersonTRPacific   | VeryHigh | +4% | 0.92 | -7  | -23 | 21 |
|       | InvescoAsia          | Medium   | +1% | 0.95 | 2   | -11 | 17 |
|       | JPMFAsian            | VeryHigh | +3% | 0.95 | 0   | -22 | 24 |
|       | PacificAssets        | VeryHigh | +2% | 0.96 | -13 | -33 | 22 |
| Buy   | PacificHorizons      | VeryHigh | +7% | 0.91 | -3  | -35 | 21 |
|       | SchroderAsiaPacific  | High     | +1% | 0.97 | -3  | -21 | 16 |
|       | SchroderOrientalInc. | High     | -4% | 0.93 | -27 | 23  |    |
|       | ScottishOrientalSmCo | Medium   | -3% | 0.84 | -1  | -9  | 20 |

### FAR EASTERN / PACIFIC (INCL JAPAN)

#### AUSTRALIAN BASED UNIT TRUSTS

|  |                    |        |     |      |     |     |    |
|--|--------------------|--------|-----|------|-----|-----|----|
|  | BTAsian            | High   | +3% | 0.94 | -15 | -29 | 15 |
|  | InvescoAsianGrowth | Medium | -4% | 0.90 | -27 | -14 | 13 |

#### UNITED KINGDOM BASED UNIT TRUSTS

|  |                    |        |     |      |    |     |    |
|--|--------------------|--------|-----|------|----|-----|----|
|  | LincolnFarEast     | Medium | -1% | 0.98 | -1 | -10 | 12 |
|  | SchroderFarEastern | Medium | +3% | 0.97 | 4  | -10 | 13 |

### UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

|  |                      |        |     |      |     |     |    |
|--|----------------------|--------|-----|------|-----|-----|----|
|  | AberdeenAllAsia      | Low    | -5% | 0.80 | -11 | 19  |    |
|  | HendersonFarEastInc. | Medium | +4% | 0.84 | -2  | -4  | 22 |
|  | MartinCurriePacific  | High   | +2% | 0.92 | -18 | -20 | 10 |
|  | WitanPacific         | Medium | -2% | 0.91 | -20 | -16 | 8  |

### Singapore



### Malaysia



### HONG KONG / CHINA REGION

#### UNITED KINGDOM BASED UNIT TRUSTS

|       |                          |        |     |      |     |     |    |
|-------|--------------------------|--------|-----|------|-----|-----|----|
| Buy   | FirstStateGtrChinaGrowth | Medium | +8% | 0.80 | 45  | -4  | 16 |
| Buy   | GartmoreChinaGrowth      | High   | +9% | 0.84 | 49  | -19 | 16 |
|       | HSBCGreaterChina         | Medium | -4% | 0.87 | 4   | -13 | 13 |
|       | InvescoPerpHKandChina    | High   | +6% | 0.88 | 37  | -15 | 19 |
| Avoid | JupiterChina             | Medium | -7% | 0.48 | -37 | 28  |    |
|       | NeptuneChina             | High   | +5% | 0.87 | 24  | -19 | 19 |

### UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

|  |             |          |     |      |    |     |    |
|--|-------------|----------|-----|------|----|-----|----|
|  | JPMFChinese | VeryHigh | +5% | 0.81 | 11 | -14 | 24 |
|--|-------------|----------|-----|------|----|-----|----|

Current Investment Fund Advice

Risk Rating Superiority Rating Market Correlation Performance 36 mth 12 mth 3 mth

### Hong Kong



### China



### Taiwan



### KOREA

UNITED KINGDOM BASED UNIT TRUSTS  
Baring Korean High -0% 0.94 -15 -29 11

### Korea



Current Investment Fund Advice

Risk Rating Superiority Rating Market Correlation Performance 36 mth 12 mth 3 mth

### THAILAND

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS  
AberdeenNewThaiIT Medium +4% 0.69 -8 -9 24

### Thailand



### INDIA

UNITED KINGDOM BASED UNIT TRUSTS  
NeptuneIndia VeryLow -6% 0.62 -40 13  
UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS  
JPMF Indian Medium -2% 0.86 -6 -36 6  
Avoid NewIndia VeryLow -7% 0.51 -9 -13 8

### India



### JAPAN

AUSTRALIAN BASED UNIT TRUSTS  
PlatinumJapan Medium -5% 0.82 -17 17 26  
UNITED KINGDOM BASED UNIT TRUSTS  
AXA Framlington Japan & Gen. Medium -5% 0.93 -22 12 17  
AXA Japan Growth Medium -2% 0.94 -15 11 18  
Avoid Aberdeen Japan Growth Low -10% 0.81 -22 11 9  
BG Japan Medium -2% 0.93 -18 14 14  
Baring Japan Growth Medium -6% 0.90 -33 1 11  
Avoid Blackrock Japan Medium -10% 0.90 -32 -1 12  
CF Canlife Japanese Growth Medium -4% 0.94 -18 24 21  
F & C Japan Growth Medium -5% 0.94 -29 11 15  
Fidelity Japan Medium -5% 0.86 -29 -3 7  
Gartmore Japan Opportunities Medium -2% 0.94 -16 13 17  
HSBC Japan Index Medium -2% 0.95 -16 10 14  
Halifax Japanese Medium -1% 0.94 -13 10 14  
Invesco Perp Japan Low -1% 0.74 -3 19 13  
Avoid JPM Japan Growth Low -15% 0.84 -38 10 20  
L & G Japan Index Medium -1% 0.95 -16 10 14  
Avoid L & G Japanese Medium -11% 0.94 -37 1 14  
Avoid Legg Mason Japan Equity Low -32% 0.47 -68 12 37  
Lincoln Japan Medium -4% 0.95 -19 13 18  
Liv Victoria Japan Growth Medium -3% 0.94 -26 3 16  
M & G Japan & General Medium -2% 0.93 -17 16 17  
Martin Currie Japan Medium -4% 0.95 -23 12 15  
Martin Currie Japan Alpha High +1% 0.94 -26 4 11  
Avoid Neptune Japan Opportunities VeryLow -7% 0.04 39 108 34  
Newton Japan Growth High -5% 0.91 -34 0 18  
Old Mutual Japanese Select Medium -4% 0.95 -23 13 16  
Prudential Japanese Medium -2% 0.93 -18 16 15  
Royal London Japan Growth Medium -3% 0.94 -19 18 17  
SWIP Japanese Medium -5% 0.92 -24 10 15  
Schroder Japan Alpha Plus Medium -5% 0.88 -27 6 19

| Current Investment Fund Advice | Risk Rating | Superiority Rating | Market Correlation | Performance |        |       |
|--------------------------------|-------------|--------------------|--------------------|-------------|--------|-------|
|                                |             |                    |                    | 36 mth      | 12 mth | 3 mth |
| Schroder Tokyo                 | Medium      | -3%                | 0.92               | -8          | 18     | 19    |
| ScotWid. Japan Growth          | Medium      | -4%                | 0.92               | -22         | 11     | 14    |
| ScotWid. Japan Select          | Medium      | -6%                | 0.89               | -27         | 8      | 13    |
| Skandia. Japanese Equity       | Medium      | -5%                | 0.91               | -24         | 10     | 20    |
| StanLife. Japanese             | Medium      | -4%                | 0.79               | -28         | 2      | 17    |
| Threadneedle Japan Growth      | Medium      | -6%                | 0.90               | -28         | 12     | 12    |

**UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS**

|       |                         |           |      |      |     |     |    |
|-------|-------------------------|-----------|------|------|-----|-----|----|
| Avoid | JPMF Japanese           | Medium    | -16% | 0.73 | -53 | -8  | 10 |
|       | Japanese Accelerated    | Very High | -6%  | 0.65 |     | -36 | -7 |
| Avoid | Melchior Japan Inv Trt  | Very Low  | -47% | 0.21 |     | -39 | -4 |
|       | Morant Wright Japan Inc | Very High | -3%  | 0.75 |     | -49 | 2  |
| Avoid | Schroder Japan Growth   | Medium    | -9%  | 0.84 | -42 | -6  | 11 |

**JAPAN SMALLER COS**

**UNITED KINGDOM BASED UNIT TRUSTS**

|       |                               |        |      |      |     |    |    |
|-------|-------------------------------|--------|------|------|-----|----|----|
| Avoid | BG Japan Small                | Medium | -11% | 0.85 | -42 | 11 | 22 |
| Avoid | Fidelity Japan Sp Sits        | Low    | -7%  | 0.70 | -31 | 31 | 24 |
|       | Henderson Japan Capital Gth   | Medium | +0%  | 0.96 | -13 | 17 | 17 |
| Avoid | Invesco Perp Japan Small Coys | Low    | -12% | 0.66 | -42 | 23 | 31 |
| Avoid | M & G Jap Small Cos           | Medium | -14% | 0.79 | -43 | 19 | 24 |
| Avoid | SWIP Japan Small Coys         | Low    | -12% | 0.69 | -36 | 22 | 27 |
|       | Threadneedle Japan Small Cos  | Medium | -6%  | 0.82 | -35 | 20 | 24 |

**UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS**

|       |                         |           |      |      |     |     |    |
|-------|-------------------------|-----------|------|------|-----|-----|----|
| Avoid | B Gifford Shin Nippon   | High      | -13% | 0.70 | -65 | -15 | 11 |
|       | Baillie Gifford Japan   | Very High | -1%  | 0.88 | -50 | -6  | 16 |
| Avoid | Fidelity Japan Values   | Very High | -8%  | 0.87 | -69 | -17 | -2 |
| Avoid | JPM Flem Japan Small Co | Medium    | -17% | 0.77 |     | -13 | 13 |

**Japan**



**TECHNOLOGY**

**AUSTRALIAN BASED UNIT TRUSTS**

|                           |           |     |      |     |     |    |
|---------------------------|-----------|-----|------|-----|-----|----|
| CFS Global Health Biotech | Medium    | +2% | 0.78 | 8   | 15  | 16 |
| CFS Tech & Comms          | Very High | +0% | 0.95 | -18 | -15 | 6  |
| Platinum Int'l Technology | Medium    | -1% | 0.72 | -7  | -1  | 12 |

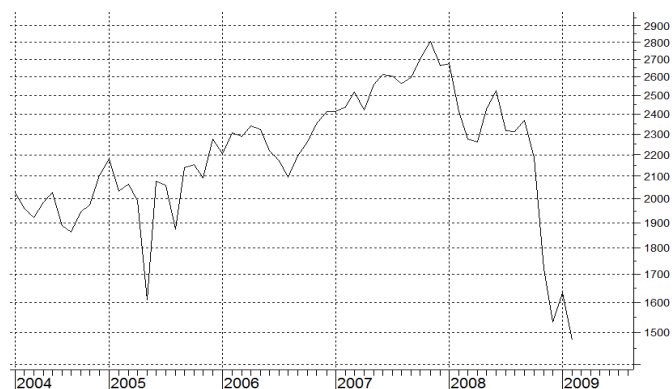
**UNITED KINGDOM BASED UNIT TRUSTS**

|                              |           |     |      |     |    |    |
|------------------------------|-----------|-----|------|-----|----|----|
| AXA Framlington Biotech      | Low       | +3% | 0.62 | 21  | 45 | 21 |
| AXA Framlington Glb Tech.    | High      | +0% | 0.87 | -14 | -1 | 5  |
| AXA Framlington Health       | Medium    | -2% | 0.91 | -2  | 16 | 15 |
| Frank Temp Biotech           | Low       | +2% | 0.57 | 24  | 48 | 18 |
| Henderson Global Technology  | Medium    | +3% | 0.90 | -1  | 1  | 6  |
| Jupiter Global Technology    | Medium    | -3% | 0.85 | -9  | 4  | 12 |
| L & G Global Health & Pharm. | Very Low  | -2% | 0.74 | 19  | 26 | 13 |
| L & G Global Technology      | High      | -1% | 0.89 | -12 | -3 | 5  |
| Lincoln Internet Tollkeeper  | High      | +3% | 0.88 | -6  | 2  | 5  |
| M & G Global Technology      | High      | -2% | 0.95 | -17 | -2 | 11 |
| New Star Technology          | Medium    | -0% | 0.89 | -13 | -5 | 5  |
| SG Technology                | Very High | -1% | 0.88 | -19 | -1 | 5  |
| Schroder Medical Discovery   | Very Low  | -2% | 0.75 | 16  | 23 | 11 |

**UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS**

|       |                         |           |      |      |     |     |    |
|-------|-------------------------|-----------|------|------|-----|-----|----|
| Buy   | Blackrock New Energy    | Very High | +25% | 0.81 | -14 | -24 | 30 |
|       | Finsbury W/wide Pharm.  | Low       | -1%  | 0.68 | 10  | 40  | 23 |
| Avoid | Herald Investment Trust | Very High | -13% | 0.80 | -48 | -26 | -6 |
|       | Polar Cap Technology    | Very High | -5%  | 0.85 | -40 | -7  | 3  |
|       | Private Equity Investor | Very Low  | -6%  | 0.19 | -10 | 6   | 11 |
| Avoid | RCM Technology Trust    | Medium    | -8%  | 0.79 |     | -5  | 8  |
|       | The Biotech Growth Trt  | Low       | +4%  | 0.55 |     | 38  | 22 |

**Technology**



**Next Issue:**

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