

# International Investor

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## Inside International Investor

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## 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	68%	Bullish	Bullish	Neutral	Neutral	+10.1%	+13.9%	+10.1%	7,798.90
Austria	64%	Bullish	Bullish	Bearish	Bullish	+3.5%	+9.8%	+0.6%	3,378.54
Belgium	57%	Bullish	Bullish	Bearish	Neutral	+2.9%	+4.3%	+2.3%	3,733.40
Canada	64%	Neutral	Bullish	Neutral	Neutral	+7.9%	+9.5%	+12.6%	21,737.53
Denmark	56%	Bearish	Bullish	Neutral	Neutral	+26.8%	+26.4%	+45.5%	2,718.42
Finland	67%	Bullish	Neutral	Bullish	Bullish	+0.7%	+3.3%	-8.2%	9,834.88
France	60%	Neutral	Bullish	Bearish	Neutral	+8.3%	+12.2%	+12.4%	5,930.90
Germany	63%	Bullish	Bullish	Bearish	Neutral	+8.2%	+15.6%	+18.5%	17,810.75
Ireland	61%	Neutral	Bullish	Bearish	Bullish	+15.8%	+14.6%	+18.5%	9,678.32
Italy	72%	Bullish	Bullish	Bearish	Neutral	+11.7%	+20.2%	+23.7%	35,537.23
Japan	57%	Bearish	Bullish	Neutral	Bearish	+21.0%	+22.2%	+29.4%	39,699.00
Netherlands	53%	Neutral	Bullish	Bearish	Neutral	+12.2%	+19.1%	+19.1%	861.96
New Zealand	36%	Bullish	Bearish	Bearish	Bullish	-0.7%	-0.6%	-11.8%	1,248.70
Norway	54%	Bullish	Bullish	Bearish	Neutral	+3.1%	+3.7%	+8.5%	1,482.10
Spain	67%	Bullish	Bullish	Bearish	Neutral	+2.4%	+11.9%	+13.1%	1,017.39
Sweden	75%	Bullish	Bullish	Bullish	Neutral	+10.1%	+24.6%	+11.4%	1,433.46
Switzerland	62%	Bullish	Bullish	Bearish	Neutral	+5.7%	+8.3%	+13.7%	11,647.14
Un. Kingdom	46%	Bullish	Bullish	Bearish	Neutral	+3.9%	+5.5%	+5.5%	7,659.74
USA	43%	Bearish	Bullish	Bearish	Neutral	+11.3%	+14.9%	+32.7%	5,123.69
Argentina	42%	Bearish	Bearish	Neutral	Bullish	-54.3%	-22.2%	+0.5%	1,002,336
Brazil	71%	Bullish	Bullish	Bullish	Neutral	-0.9%	+10.2%	+27.8%	127,071.00
Czech Rep.	77%	Bullish	Bullish	Bullish	Neutral	+1.9%	+7.5%	+1.8%	1,463.23
Chile	69%	Bullish	Bullish	Bullish	Neutral	-3.3%	+0.0%	-4.7%	32,130.16
China	52%	Bullish	Neutral	Bearish	Neutral	+2.3%	-0.2%	-9.3%	3,046.02
Greece	53%	Neutral	Bullish	Bearish	Neutral	+13.9%	+15.7%	+38.7%	1,427.02
Egypt	51%	Bearish	Bullish	Neutral	Neutral	-20.7%	+1.1%	+19.0%	31,300.54
Hong Kong	35%	Bullish	Bearish	Bearish	Bearish	+0.0%	-9.9%	-15.1%	16,353.39
Hungary	77%	Bullish	Bullish	Bullish	Neutral	+10.8%	+16.2%	+52.7%	66,093.62
India	61%	Bearish	Bullish	Neutral	Neutral	+7.0%	+11.7%	+24.1%	74,119.40
Indonesia	70%	Bullish	Bullish	Neutral	Neutral	+3.5%	+5.6%	+8.8%	7,394.31
Israel	56%	Neutral	Bullish	Bearish	Bullish	+11.6%	+14.4%	+10.8%	1,970.77
Korea	47%	Neutral	Bullish	Bearish	Bearish	+6.6%	+6.7%	+11.9%	2,680.35
Malaysia	66%	Bullish	Bullish	Neutral	Neutral	+6.3%	+5.6%	+3.6%	1,539.86
Mexico	55%	Bullish	Bullish	Bearish	Neutral	+4.4%	+9.4%	+13.6%	54,935.99
Philippines	77%	Bullish	Bullish	Bullish	Bearish	+11.3%	+13.8%	+4.4%	6,942.21
Poland	82%	Bullish	Bullish	Bullish	Neutral	+6.7%	+32.1%	+50.3%	80,199.54
Portugal	30%	Bullish	Bearish	Bearish	Neutral	-8.1%	-2.7%	-1.7%	4,264.09
Russia	56%	Bullish	Bullish	Bearish	Bearish	+10.5%	+22.6%	+2.2%	1,151.88
Singapore	54%	Bullish	Bearish	Neutral	Neutral	+1.5%	+1.3%	+0.6%	333.37
Sth Africa	49%	Bullish	Bearish	Neutral	Bearish	+0.8%	+1.0%	-7.1%	67,297.57
Taiwan	61%	Neutral	Bullish	Neutral	Bearish	+14.1%	+21.9%	+24.7%	19,785.32
Thailand	49%	Bullish	Bearish	Bullish	Neutral	+0.8%	-9.8%	-14.9%	1,386.42
Turkey	49%	Bearish	Bullish	Bearish	Bullish	+4.9%	-7.6%	+0.9%	9,155.32
Venezuela	56%	Bullish	Bearish	Bullish	Neutral	-13.0%	+21.8%	+17.2%	50,438.99

**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

Our average Dividend Yield indicator shows the United States stockmarket with a very low yield. This shows that stock prices are *very expensive* relative to historical norms.

Other stockmarkets offer better value, but several have declined from high yields (i.e. under-valued) to historically normal yields (i.e. fairly valued) over the last year. Among the major stockmarkets in this group are Australia, Canada and Japan.

The United Kingdom market remains fairly valued.

Economic problems in China - combined with lower share prices - have lifted Dividend Yields to historical highs which now makes that market look under-valued.

Many European and South American stockmarkets are trading at historically high yields - indicating under-valuation. In some cases, however, these markets are small and market average Dividend Yields can be more heavily influenced by just one or two companies.

## Summary and Recommendation

The United States stockmarket continues to trade at historically high valuations. Perhaps “things are different this time” but all previous booms ended in a bust. Buying and owning shares at these high valuations usually produces *negative* returns (or very low, single digit returns) over the medium to long term. So we shall continue to avoid or significantly underweight this market in our portfolio.

Other stockmarkets offer reasonable valuations so we shall continue to remain invested there.

The Gold and Commodities sector is also out-of-favour and trades at historically low valuations, so our portfolio will remain over-weighted in these unloved and unwanted shares.

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## Recommended Funds Geographic Portfolio Spread

FundName	Size (Mil)	Leverage (%debt)	Top10 Hldgs(%)	Portfolio invested in (%):															
				Cash	HK	Australia	Malay	Taiwan	Korea	Sing.	Thail'd	Phil.	China	India	Indo				
abrdn Asia Focus	£532	10	34.0	3.4	3.2		6.3	11.1	6.9	3.1	5.7	4.4	10.0	19.1	Indo	11.8			
India Capital Growth	£151	Nil	42.2	4.7										95.3					
Scottish Oriental Sm Coys	£360	8	44.2		4.8			7.4	4.9	2.0	1.5	9.1	13.3	44.4	Indo	15.3			
				Cash	USA	UK	Europe	Japan	Canada	Aust	Russia	China	Sth Afr	Mexico	Brazil				
Aberforth Small Cos Trust	£1353	9	26.3			100.0													
Baillie Gifford Shin Nippon	£544	19	22.6	0.8				99.2											
Fidelity Japan Trust plc	£252	23	44.7	0.0				100.0											
Herald Investment Trust	£1262	Nil	21.3	9.2	29.5	39.5	10.7	11.1											
iShares Oil & Gas Exp	£259	Nil	62.1	0.7	66.1		1.4	2.3	20.5	7.8									
iShares S&P500 Utilities	£156	Nil	58.9	0.9	99.1														
VanEck Gold Miners	£633	Nil	64.7	0.2	17.5	6.0			41.0	11.9		5.8	10.4						6.6
VanEck Junior Gold Miners	£300	Nil	43.7	0.1	4.0	3.3	2.9		52.6	19.2		1.5	3.2	4.4					
				Cash	Nth Amer	Lat Am	Global	Euro	Asia	Africa	Aust								
CQS Natural Resources	£144	8	41.5		46.2	7.9	12.6	2.2	9.4	9.4	12.4								
				Cash	US	UK	China/HK	Korea	Taiwan	Brazil	India	Mexico	Sth Afr	Thai					
Templeton Emerging Mkts	£1888	Nil	46.2		3.5		24.1	20.1	16.3	10.2	14.3	2.5							

# Recommended International Investment Funds

## Fund Report

**Herald Investment Trust plc** lifted net assets +5.7% over the year to 31 December 2023. One of its two benchmark indices was *unchanged* and the other rose +20.7%. The share price was up +7.9%. No dividend was paid.

Larger companies - with market capitalisations over US\$3000 million - performed well while smaller companies performed poorly. The Fund Manager believes this is owing to “positive cash flows into index tracking funds” and the “withdrawal of investors from smaller company markets”.

“When companies grow into the radar screen” (i.e. for inclusion in the indices) “they benefit from a re-rating. This has always been the case, but this effect seems more extreme now”.

## Share Purchases and Sales

**Aberforth Smaller Companies Trust** made five on-market purchases over the last four weeks to repurchase

150,000 of its own shares for £1,929,450.

**abrdn Asia Focus** bought back a total of 315,000 shares in 13 trades, returning £823,194 to investors.

**Scottish Oriental Smaller Companies** made six trades to buy back 72,000 shares for £973,595.

**India Capital Growth** sold a total of 2,348,500 shares on-market at a slight premium to net asset value. This raised £4,318,278 in cash for investment.

**Baillie Gifford Shin Nippon** repurchased 2,450,000 of its own shares, in 13 trades, returning £3,057,045 to investors.

**Fidelity Japan Trust** made 20 on-market trades, buying back a total of 1,579,690 of its own shares for £2,835,261.

**Herald Investment Trust** repurchased 406,502 shares on-market, in 14 trades, at a cost of £8,434,086.

**Templeton Emerging Markets** made 12 trades, repurchasing 3,764,486 shares for £5,646,133.

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>United States</b>								
HOLD	iShares S&P500 Utilities	IUSU	13/08/18	422.3p	819.4		579.75p	1206.8	+47
	<b>United Kingdom</b>								
BUY	Aberforth Smaller Cos Trt plc	ASL	15/07/03	375.5p	1042.0	-9%	1366.0p	2843.5	+173
	<b>Gold &amp; Mining</b>								
BUY	VanEck V. Gold Miners	GDGB	14/01/19	1731.0p	3253.8		2560.0p	5328.9	+64
BUY	VanEck V. Junior Gold Miners	GJGB	14/01/19	2011.0p	3780.1		2447.0p	5093.7	+35
BUY	CQS Natural Resources G&I	CYN	11/01/21	136.8p	256.1	-20%	157.0p	326.8	+28
	<b>Asian Regional</b>								
HOLD	abrdn Asia Focus	AAS	09/09/03	17.8p	49.6	-16%	259.0p	539.1	+988
HOLD	Scot Oriental Smaller Coy	SST	11/11/03	121.9p	330.5	-14%	131.0p	272.7	-17
	<b>India</b>								
HOLD	India Capital Growth plc	IGC	07/11/16	80.5p	137.6	+0%	182.0p	378.9	+175
	<b>Japan</b>								
HOLD	Baillie Gifford Shin Nippon plc	BGS	11/01/94	31.2p	88.1	-15%	124.8p	259.8	+195
HOLD	Fidelity Japan Trust plc	FJV	10/01/06	126.0p	322.7	-12%	184.0p	383.0	+19
	<b>International</b>								
HOLD	Herald Investment Trust	HRI	12/10/04	310.8p	820.1	-11%	2145.0p	4465.0	+444
BUY	iShares Oil & Gas Exp & Prod	SPOG	08/04/19	1287.0p	2491.8		2046.75p	4260.5	+71
HOLD	Templeton Emerging Markets	TEM	11/01/21	199.2p	373.0	-14%	151.8p	316.0	-15

The average Gains/Losses of all current investments from initial recommendation is +169.7%. This is equal to an average annual rate of +13.5%, based upon the length of time each position has been held. The average annual rate of gain of ALL recommendations (both the 13 current and 59 closed out) is +12.1%.

# World Stockmarket Valuations

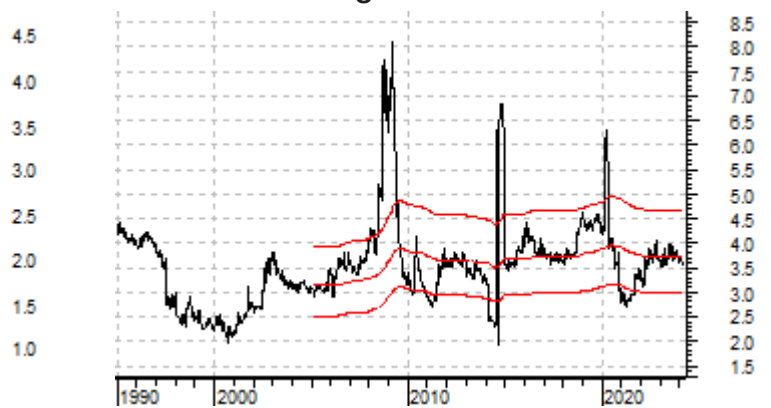
Country	Dividend Yield	Price/Earn. Ratio
Australia	3.8	18.3
Austria	5.8	6.2
Belgium	3.0	19.1
Canada	3.1	16.5
Denmark	1.2	32.4
Finland	5.0	13.4
France	2.8	17.3
Germany	3.1	15.1
Ireland	1.9	12.7
Italy	4.6	8.8
Japan	2.1	16.3
Netherlands	1.9	23.4
New Zealand	3.0	24.4
Norway	5.7	11.9
Spain	4.4	9.5
Sweden	2.9	14.2
Switzerland	2.9	18.1
Un. Kingdom	4.0	12.4
USA	1.4	26.1
Argentina	1.2	7.8
Brazil	7.5	7.9
Czech Rep.	13.6	8.4

Country	Dividend Yield	Price/Earn. Ratio
Chile	6.6	8.7
China	2.7	12.8
Greece	2.5	7.8
Egypt	1.9	12.1
Hong Kong	3.5	11.4
Hungary	1.9	10.8
India	1.0	27.2
Indonesia	4.6	15.7
Israel	2.3	17.1
Korea	2.0	23.6
Malaysia	3.6	19.7
Mexico	3.3	16.0
Philippines	2.7	13.2
Poland	3.3	9.8
Portugal	4.0	15.3
Russia	10.9	4.1
Singapore	4.8	13.1
Sth Africa	3.9	11.0
Taiwan	2.9	21.7
Thailand	3.2	18.5
Turkey	1.6	7.7

United States Dividend Yields



United Kingdom Dividend Yields



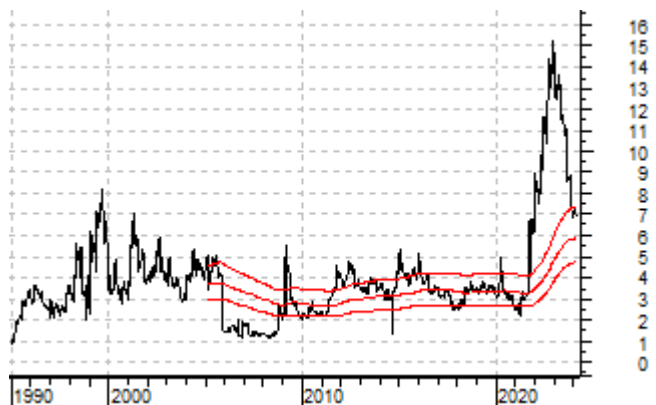
Japan Dividend Yields



Canada Dividend Yields



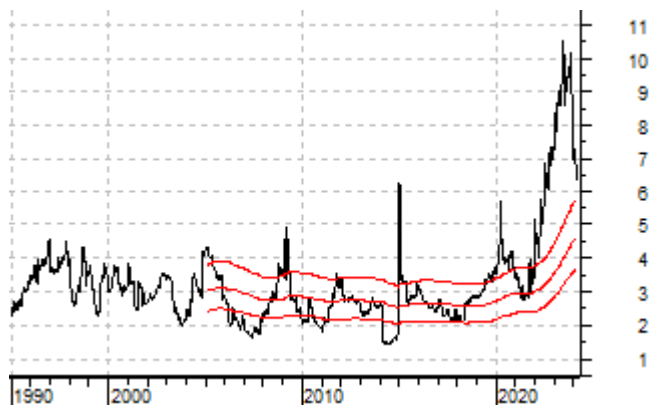
**Brazil Dividend Yields**



**China Dividend Yields**



**Chile Dividend Yields**



**Malaysia Dividend Yields**



**Australia Dividend Yields**



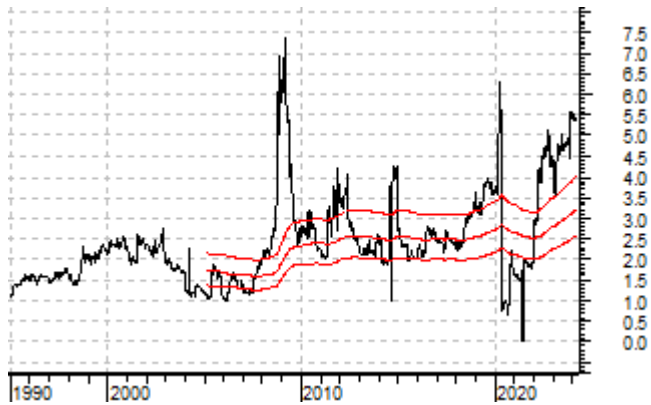
**South Korea Dividend Yields**



**Germany Dividend Yields**



**Austria Dividend Yields**



# World Stockmarket Capitalisations

Country	Market Capitalisation (US\$ Billions)	Percentage of Total	Country	Market Capitalisation (US\$ Billions)	Percentage of Total
United States	49,450	43.14	Kazakhstan	63	0.05
China	10,532	9.19	Luxembourg	51	0.04
Japan	6,519	5.69	Oman	51	0.04
India	4,682	4.08	Hungary	44	0.04
France	3,979	3.47	Bangladesh	41	0.04
Hong Kong	3,838	3.35	Nigeria	35	0.03
Canada	3,110	2.71	Croatia	26	0.02
Saudi Arabia	2,984	2.60	Jordan	24	0.02
United Kingdom	2,496	2.18	Bahrain	21	0.02
Germany	2,183	1.90	Iceland	20	0.02
South Korea	1,918	1.67	Lebanon	18	0.02
Taiwan	1,906	1.66	Panama	16	0.01
Switzerland	1,758	1.53	Sri Lanka	14	0.01
Australia	1,748	1.52	Ivory Coast	13	0.01
Iran	1,743	1.52	Uzbekistan	13	0.01
Netherlands	1,606	1.40	Argentina	11	0.01
Spain	1,305	1.14	Slovenia	11	0.01
South Africa	1,230	1.07	Czech Republic	10	0.01
Sweden	1,031	0.90	Kenya	10	0.01
Brazil	929	0.81	Tunisia	8	0.01
Denmark	785	0.68	Bulgaria	7	0.01
Italy	747	0.65	Ghana	6	0.01
Indonesia	745	0.65	Mauritius	6	0.01
Belgium	676	0.59	Malawi	6	0.01
Mexico	605	0.53	Estonia	6	0.01
Singapore	579	0.51	Lithuania	5	0.00
Thailand	559	0.49	Malta	5	0.00
Norway	405	0.35	Bosnia & Herzegovina	5	0.00
Turkey	402	0.35	Palestine	4	0.00
Malaysia	371	0.32	Ukraine	4	0.00
Poland	357	0.31	North Macedonia	4	0.00
Philippines	317	0.28	Serbia	4	0.00
Finland	285	0.25	Cyprus	4	0.00
Israel	281	0.25	Botswana	4	0.00
Vietnam	211	0.18	Mozambique	3	0.00
UAE	193	0.17	Mongolia	3	0.00
Peru	177	0.15	Costa Rica	2	0.00
Chile	168	0.15	Slovakia	2	0.00
Qatar	166	0.14	Georgia	2	0.00
Ireland	158	0.14	Syria	1	0.00
Kuwait	142	0.12	Latvia	1	0.00
Austria	131	0.11	Sudan	0	0.00
Greece	106	0.09			
New Zealand	102	0.09			
Portugal	99	0.09			
Colombia	81	0.07			
Morocco	67	0.06			
Romania	65	0.06			
Egypt	65	0.06			
Russia	63	0.05			
			TOTAL	\$114,638	100.00%

## Next Issue:

The next issue of *International Investor* will be emailed in five weeks time on Monday April 15, 2024.

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