

# International Investor

Issue No. 109

www.stockmarket.co.nz

January 11, 2005

## Inside International Investor

Volatile International Investments grow more steadily in value ..... 2 - 4  
 Investment Fund Survey ..... 5 - 8

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	67%	Bullish	Bullish	Neutral	Neutral	+13.3%	+19.9%	+19.7%	4,062.80
Austria	64%	Bearish	Bullish	Bullish	Bearish	+22.8%	+28.4%	+54.5%	2,475.13
Belgium	75%	Neutral	Bullish	Bullish	Bearish	+14.4%	+28.7%	+31.7%	3,002.65
Canada	54%	Bearish	Bullish	Neutral	Bearish	+3.6%	+13.9%	+11.2%	9,006.22
Denmark	73%	Bearish	Bullish	Bullish	Bullish	+8.4%	+15.1%	+15.1%	291.44
Finland	80%	Bullish	Bullish	Bullish	Neutral	+11.4%	+14.3%	-3.2%	6,293.83
France	78%	Bullish	Bullish	Bullish	Neutral	+9.9%	+12.3%	+11.3%	2,670.39
Germany	64%	Bearish	Bullish	Bullish	Neutral	+13.0%	+15.8%	+9.2%	4,316.40
Ireland	75%	Neutral	Bullish	Bullish	Neutral	+19.1%	+23.2%	+27.2%	6,373.05
Italy	78%	Bullish	Bullish	Bullish	Neutral	+15.8%	+19.3%	+18.8%	23,792.00
Japan	57%	Bearish	Bullish	Bullish	Bearish	+5.4%	+3.3%	+5.9%	11,433.24
Netherlands	76%	Bullish	Bullish	Bullish	Bullish	+11.2%	+11.1%	+0.7%	354.46
New Zealand	51%	Neutral	Bullish	Bearish	Bearish	+11.1%	+21.4%	+26.0%	2,459.58
Norway	81%	Bearish	Bullish	Bullish	Neutral	+8.4%	+24.2%	+34.6%	821.79
Spain	79%	Neutral	Bullish	Bullish	Bullish	+14.5%	+18.9%	+17.7%	958.63
Sweden	55%	Bearish	Bullish	Bullish	Bearish	+10.8%	+18.7%	+18.8%	230.42
Switzerland	57%	Bearish	Bullish	Bullish	Neutral	+9.6%	+6.8%	+5.7%	5,735.20
Un. Kingdom	56%	Bullish	Bullish	Neutral	Bearish	+7.5%	+11.3%	+9.9%	4,854.10
USA	59%	Neutral	Bullish	Bullish	Bearish	+5.7%	+6.6%	+5.7%	1,186.19
Argentina	65%	Bearish	Bullish	Bullish	Bearish	+3.4%	+23.4%	-0.3%	2,948.29
Brazil	57%	Bullish	Bullish	Bearish	Bearish	+7.3%	+32.4%	+7.9%	24,747.22
Czech Rep.	81%	Bullish	Bullish	Bullish	Bullish	+31.6%	+48.9%	+75.6%	1,071.10
Chile	43%	Neutral	Bullish	Bearish	Bearish	+6.4%	+28.7%	+18.8%	8,804.18
China	37%	Neutral	Bearish	Bullish	Neutral	-17.1%	-11.5%	-30.6%	78.55
Greece	79%	Bearish	Bullish	Bullish	Neutral	+24.3%	+28.7%	+20.4%	2,849.31
Egypt	60%	Bearish	Bullish	Neutral	Bullish	+22.5%	+45.2%	+59.2%	1,264.37
Hong Kong	61%	Neutral	Bullish	Bullish	Bearish	+2.5%	+11.4%	+1.0%	13,574.86
Hungary	80%	Neutral	Bullish	Bullish	Bullish	+18.0%	+36.5%	+68.3%	14,717.40
India	41%	Bearish	Bullish	Bearish	Bearish	+16.4%	+35.6%	+9.1%	6,420.46
Indonesia	71%	Bullish	Bullish	Neutral	Neutral	+18.1%	+30.3%	+22.9%	1,032.52
Israel	62%	Bearish	Bullish	Bullish	Bearish	+14.3%	+9.8%	+15.1%	642.84
Korea	79%	Neutral	Bullish	Bullish	Bullish	+7.9%	+27.4%	+15.8%	870.84
Malaysia	69%	Bullish	Bullish	Bullish	Neutral	+6.4%	+7.3%	+11.0%	916.28
Mexico	60%	Neutral	Bullish	Neutral	Bearish	+12.7%	+25.6%	+30.3%	12,453.33
Philippines	65%	Bearish	Bullish	Bullish	Bearish	+1.1%	+15.6%	+19.3%	1,851.78
Poland	68%	Bearish	Bullish	Bullish	Neutral	+13.5%	+26.5%	+37.6%	25,931.41
Portugal	73%	Bearish	Bullish	Bullish	Neutral	+9.9%	+13.8%	+19.9%	2,277.21
Russia	58%	Bearish	Bullish	Bullish	Neutral	-10.1%	+10.6%	+12.8%	7,600.40
Singapore	69%	Bullish	Bullish	Bullish	Neutral	+6.1%	+15.6%	+15.5%	2,085.58
Sth Africa	68%	Neutral	Bullish	Bullish	Bearish	+12.7%	+26.4%	+33.1%	12,714.89
Taiwan	54%	Bullish	Neutral	Bullish	Bearish	+2.5%	+7.7%	+0.4%	5,935.99
Thailand	67%	Bullish	Bullish	Bullish	Bearish	+8.8%	+8.9%	-11.3%	697.84
Turkey	76%	Bearish	Bullish	Bullish	Bearish	+18.1%	+43.1%	+27.8%	25,308.25
Venezuela	58%	Neutral	Bullish	Bullish	Bearish	-11.7%	+11.5%	+24.4%	29,864.10

**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.

# Stockmarket Outlook

Our One-Year Stockmarket Forecasts are Bullish (i.e. favourable) for almost every country, except Chile, China and India. Most stockmarkets are now in established uptrends and have risen strongly - at least in US dollar terms. In this situation the market will "climb a wall of worry". Stockmarkets will continue to appreciate over the next year (or several years), while investors and the media will worry about rising interest rates, economic growth, balance of payments deficits, inflation *and* deflation, etc.

World stockmarkets are in a recovery phase, so remain fully invested in the recommended international investment funds.

## Recommended International Investment Funds

### **"International Investor" Rides the Roller Coaster**

The roller coaster ride of volatile international returns may have ended as our *Recommended International Funds* recorded a moderate gain over the last twelve months: up +4.4%. Fidelity European (+28%), JFM Fleming Euro Fledgling (+29%), Aberforth Smaller Companies (+30%), BG Shin Nippon (+24%) and Invesco Japan Discovery (+39%) all made strong gains but our Asian investments were flat overall. We suffered large losses on two warrants, Schroder Asia Pacific (-40%) and Templeton Emerging Markets (-62%), owing to the loss of "time value" as they approach their final exercise/ expiry date.

Our annual return for 2004 assumes *equal dollar* investments in all of the funds and warrants starting

from January 2004. In fact, most investors *should* have been underweighted in the two warrants that have dragged down the 2004 return. Firstly, we recommend investing less capital in the volatile warrants - about 50-75% of the amount that would normally be invested in an unleveraged fund. Secondly, both of the warrants started 2004 already down significantly on our initial purchase price.

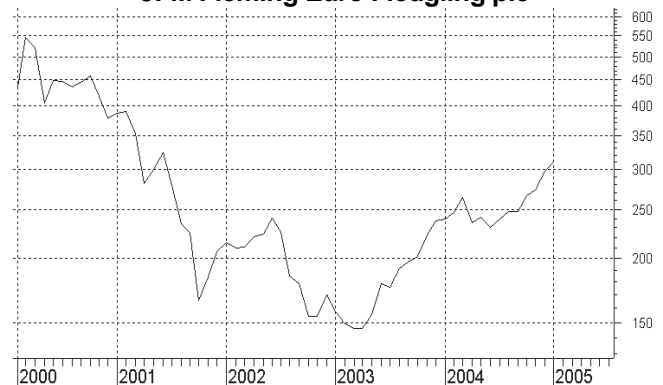
We do aim to invest fairly aggressively with our *Recommended International Funds*, seeking maximum long term capital appreciation. With world stockmarkets declining from 2000-2002 - and gyrating wildly - this strategy has resulted in some extremely volatile returns over recent years.

Our portfolio more than *doubled* in 1999 with a gain of +118.9%. In 2000 it *fell* 27.9%, was *down* another

**Fidelity European Values plc**



**JFM Fleming Euro Fledgling plc**



**Baring Korea Fund**



**Aberdeen Emerging Markets Fund**



10.1% in 2001 and from those depressed levels fell a further 43.4% in 2002! These returns measure the performance of our *equity* positions and do not reflect the benefit of the 30-40% cash reserve we built up in the first half of 2000. Unfortunately we re-invested this too early in 2001 - when markets were showing signs of recovery - and got caught in the sharp 2002 decline!

In 2003 our *Recommended International Funds* recovered strongly: up +73.7%.

These returns over recent years (in NZ dollar terms) have also been depressed by the appreciating NZ dollar relative to the foreign currencies in which our international investments are valued.

Losses from 2000 to 2002 have dragged down our long term returns from international investment to just 10% per annum. That is a better return than money in the bank, but not an acceptable return. Of course, historical returns always look bad at the bottom of a market decline - and look good at the end of a boom.

That is the reason many suffer poor investment returns. People tend to buy shares at the end of a boom when shares look like a sure way to make easy money,

and give up and sell at the bottom of a decline. From the current low base, we would hope to lift overall returns in future years.

One thing is certain: our future returns should be less volatile than over the last half a dozen years. We have *increased* the portfolio's geographic diversification and *reduced* our exposure to warrants to just three holdings. While the **Schroder Asia Pacific** warrants are still extremely volatile (i.e. 5.5 times more volatile than the shares), the **Scottish Oriental Smaller Companies** warrants have only moderate leverage (i.e. 2.1 times) and the **Aberdeen Asian Smaller Companies** warrants have very low leverage (i.e. just 1.6 times).

Of course, the individual investment funds *can* be volatile at times. An individual share or fund can often *lose* 30-50% of its value over a twelve month period - or gain 50-150%.

Our objective - to invest aggressively, seeking maximum long term capital appreciation - will not change. So the *International Portfolio* is most suitable for investors seeking

(Continued on Page 4)

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>									
BUY	Fidelity European Values plc	FEV	13/05/03	463.5p	1291.1	-4%	782.5p	2098.4	+63
BUY	JFM Fleming Euro Fledgeling IT plc	JFF	15/01/02	226.5p	765.8	-18%	313.0p	839.4	+10
<b>United Kingdom</b>									
BUY	Aberforth Smaller Cos Trt plc	ASL	15/07/03	375.5p	1042.0	-4%	526.5p	1411.9	+35
HOLD	Eaglet Investment Trust plc	EIN	13/11/01	334.0p	1160.7	-19%	298.5p	800.5	-31
<b>Asian Regional</b>									
BUY	Aberdeen Asian Sm Co WARRANTS	AASW	09/09/03	75.3p	209.1		104.25p	279.6	+34
HOLD	Gartmore Pacific Opportunities Fund	*	29/10/85	41.4p	105.4		189.01p	506.9	+381
HOLD	HSBC Asian Fund	*	10/11/98	34.4p	106.3		41.55p	111.4	+5
HOLD	HSBC Hong Kong Growth Fund	*	07/04/98	159.4p	481.6		161.1p	432.0	-10
HOLD	Henderson Pacific Capital	*	08/08/00	342.2p	1122.6		283.6p	760.5	-32
BUY	Scot Oriental Sm Cos WARRANTS	SSTW	11/11/03	78.0p	211.5		76.0p	203.8	-4
HOLD	Schroder Asia Pacific WARRANTS	SDPW	13/07/99	25.5p	75.8		7.25p	19.4	-74
<b>Japan</b>									
BUY	Baillie Gifford Shin Nippon plc	BGS	11/01/94	156.0p	440.3	-12%	155.5p	417.0	-5
BUY	Invesco Japan Discovery Trust	JD	13/07/99	95.5p	284.0	-11%	94.25p	252.7	-11
<b>Korea</b>									
HOLD	Baring Korea Trust	*	12/04/94	81.1p	209.4		102.00-108.30p	282.0	+35
<b>International</b>									
BUY	Aberdeen Prolific Emerging Markets	*	13/08/91	61.7p	184.0		143.2p	384.0	+109
BUY	Herald Investment Trust	HRI	12/10/04	310.8p	820.1	-16%	326.0p	874.2	+7
HOLD	Private Equity Investor plc	PEQ	11/12/01	122.5p	420.2	-16%	103.0p	276.2	-34

\* United Kingdom based Unit Trust

The average Gains/Losses of all current investments from initial recommendation is +27.9%. This is equal to an average annual rate of +4.9%, 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 43 closed out) is +10.0%.

## Other Shares and Warrants

Alternative investments in the UK listed investment trust shares and warrants recommended above include **Aberdeen Asian Smaller Companies** shares at 196 (-6%, i.e. 6% *below* net asset value), **Schroder Asia Pacific** shares at 83 pence (-5%), **Scottish Oriental Smaller Companies** shares at 167¼ pence (-11%) and **Baillie Gifford Shin Nippon** warrants at 2 pence.

**International Investment Funds** (Cont'd from Page 3) capital growth to *buildup* capital for retirement, not for retired investors requiring *current income*. International investments should make up just 10-30% of a more widely diversified investment portfolio.

**Current Investments**

**Private Equity Investor plc** suffered a £2.5 million drop in net assets to £61.4 million (122.9 pence per share) for the six months to 30 September 2004. Most of this decline was in the value of *listed* shares held by one of the 21 venture capital partnerships in which it invests. Through these partnerships the company has investments in 518 private companies and 48 listed companies.

During the six month period, another six portfolio companies made initial public offerings and listed on stockmarkets. The partnerships are generally required to retain these shares for a year before selling. Private

Equity Investor reports that most of these IPOs were “strong, reasonably priced companies which have shown good after market performance”. Distributions from partnerships (i.e. from previous IPOs where the shares have since been sold on-market) were US\$3.4 million. These investments had an initial cost of US\$750,000. So *successful* venture capital investments are yielding significant gains, but other investments have been unsuccessful and previously written down or written off. Most of the many hundreds of investments are recorded at cost - so there are probably large unrealised gains that are not yet recognised in the partnership valuations and, therefore, the reported net asset value of the company. Generally these investments will only be written up in value after an IPO, or recorded as a gain if the company is sold to another business.

**Eaglet Investment Trust plc** re-purchased a further 130,000 shares on 9 December at £2.94.

**Aberforth Smaller Companies Trust plc**



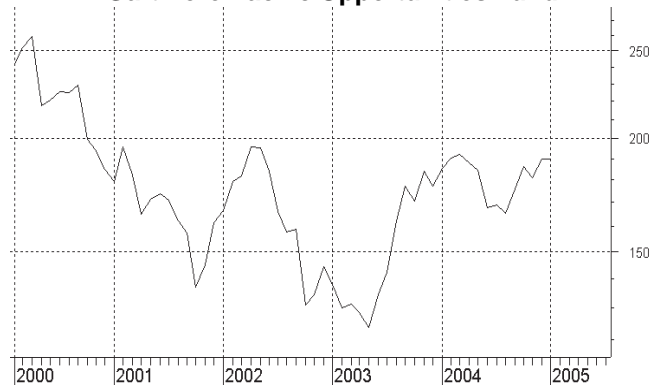
**Eaglet Investment Trust plc**



**Aberdeen Asian Smaller Companies plc**



**Gartmore Pacific Opportunities Fund**



**Scot Oriental Smaller Companies plc**



**Schroder Asia Pacific plc**



**Baillie Gifford Shin Nippon plc**



**Invesco Japan Discovery Trust plc**



# Investment Fund Survey

Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance			Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance		
					36 mth	12 mth	3 mth						36 mth	12 mth	3 mth
<b>INTERNATIONAL</b>															
<b>AUSTRALIAN BASED UNIT TRUSTS</b>															
	AMP FI International	High	-0%	0.73	-32	3	4								
	ANZ ING Global	Medium	-2%	0.54	-33	4	5								
	Advance International	High	+1%	0.66	-29	6	4								
	Advance Int'l Share MB	Medium	-2%	0.72	-33	5	6								
	BT Global	Medium	-2%	0.63	-32	5	5								
	BT International	High	-1%	0.66	-34	2	4								
	Challenger Global Shares	Medium	-1%	0.69	-29	6	3								
	Commonwealth Int'l Share	High	-1%	0.63	-33	5	5								
	Dresdner Global	Medium	-6%	0.63	-42	-4	3								
	Dresdner International	Medium	-6%	0.65	-41	-4	3								
	HSBC International	Medium	-0%	0.73	-32	2	6								
	Invesco Global Matrix	Very High	+1%	0.73	-25	3	10								
	JB Were International	High	-1%	0.75	-35	4	4								
Buy	MLC Aust - Platinum Gbl	High	+10%	0.62	-4	3	6								
	MLC MKey Global Share	Medium	-0%	0.66	-32	3	4								
	NAFM Inv Trt - Global	High	+0%	0.74	-29	5	4								
	Perpetual Fid. Internl	High	-1%	0.72	-31	7	8								
	Perpetual ICSav - Int'l	High	-1%	0.71	-31	7	8								
Buy	Platinum International	High	+10%	0.61	-5	1	5								
<b>NEW ZEALAND BASED UNIT TRUSTS</b>															
	AMP International Share	Very High	+4%	0.66	-22	9	5								
	AMP Passive Int'l Share	Medium	-2%	0.71	-35	5	3								
Buy	ANZ World Equity Trust	Medium	+8%	0.65	-9	7	5								
Buy	ASB World Shares	Medium	+8%	0.83	-10	8	5								
Buy	BNZ International Equity	Medium	+7%	0.72	-13	6	4								
	BTIS International Share	Low	+5%	0.69	-14	5	3								
	ING International Share	Medium	+1%	0.74	-26	8	4								
	NZ Guardian Global	High	+3%	0.73	-26	4	3								
	Thoroughbred Int'l Equ.	Medium	-2%	0.73	-32	2	2								
	Tower Global Equity	Medium	-3%	0.77	-36	4	5								
	Tower Tortis Internl	Medium	-2%	0.75	-34	3	3								
	Westpac International	Medium	+0%	0.79	-31	7	4								
<b>AUSTRALIAN LISTED INVESTMENT TRUSTS</b>															
	BT Global	Medium	-9%	0.33	-53	-5	1								
Avoid	Platinum Capital	Low	+12%	0.18	-9	-9	-9								
Buy	Templeton Global	Low	-1%	0.25	-36	-1	2								
<b>NEW ZEALAND LISTED INVESTMENT TRUSTS</b>															
	World Index Fund	Medium	-2%	0.78	-37	-3	2								
<b>UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS</b>															
	Alliance Trust	Medium	-0%	0.77	-27	1	5								
	Anglo & Overseas Trust	Very High	-2%	0.78	-40	17	7								
	Bankers Investment	High	+1%	0.80	-29	2	8								
	Brit Empire Securities	Medium	+19%	0.65	26	33	14								
	Brunner Invest. Trust	Medium	-5%	0.88	-40	6	5								
Buy	Caledonia	Very High	+11%	0.59	40	23									
Buy	Capital Gearing Trust	Very Low	+17%	0.31	-22	19	11								
	Edinburgh Investment	Very High	-4%	0.78	-39	4	4								
	Edinburgh Worldwide	High	-4%	0.68	-41	4	6								
Buy	Establishment IT	Very Low	+16%	0.23	10	8									
	Foreign & Colonial	High	-2%	0.77	-33	1	7								
	Gartmore Global	Medium	-1%	0.58	6	0									
	Henderson Electric & G.	Very High	+4%	0.76	24	10									
	Henderson Strata Inv	Very High	+4%	0.56	-27	27	12								
	JPMF Overseas	Very High	-2%	0.89	-36	7	7								
	Jupiter Global Green	Very High	-4%	0.51	27	14									
	Jupiter Primadona	Very High	+1%	0.54	-29	24	12								
	Law Debuture Corp.	High	+5%	0.66	-24	3	6								
	Majedie Investment	High	-1%	0.64	-33	6	5								
	Martin Currie Portfolio	Medium	+5%	0.78	-22	5	5								
	Merrill Asset All (Bal)	Very Low	+1%	0.12	5	4									
	Merrill Asset All (Gth)	Very Low	-0%	0.47	-28	7	6								







Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance			Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance		
					36 mth	12 mth	3 mth						36 mth	12 mth	3 mth
Buy	Framlington Innovation	Medium	+11%	0.75	15	40	20	Buy	SG European	Very High	+11%	0.34	1	43	9
Buy	Gartmore Fledgling Indx	Medium	+22%	0.53	69	44	19		Schroder European	Medium	+5%	0.88	-10	17	10
Buy	Gartmore Small Coys	High	+9%	0.65	7	25	10		Scot Amic European	Medium	+1%	0.85	-24	10	11
Buy	Henderson Smaller Cos	Very High	+9%	0.85	33	13			Scot Life European	Medium	+1%	0.85	-19	8	8
	I & S UK Smaller Coys	Very High	+6%	0.75	-1	35	11		Scot Mutual European	High	+1%	0.87	-26	7	10
Buy	Intrinsic Value plc	Low	+17%	0.34	9	29	0		Scot Wid. Euroland	Medium	-0%	0.84	-23	13	12
Buy	Invesco England	Very High	+13%	0.70	4	45	15		Scot Wid. European Growth	Low	+1%	0.78	-15	12	12
	Invesco Perp UK Smaller	Medium	+2%	0.74	31	16			Sovereign European Gth	High	+1%	0.88	-25	10	9
	JPMF Smaller Cos	High	+5%	0.69	-8	25	14		St James's Gtr Euro Prog.	Medium	+3%	0.83	-13	8	10
	Montanaro UK Small Coys	Medium	+1%	0.72	-15	42	15		Stan Life Euro Equity Gth	Medium	+1%	0.78	-19	9	12
	Osprey Small Cos Income	High	-2%	0.51	15	10			Threadneedle Euro Growth	Medium	+4%	0.83	-17	9	9
Buy	Platinum Trust	Very Low	+13%	0.29	15	3			Threadneedle Euro Sel Growth	Medium	+4%	0.84	-17	7	9
	Shires Smaller Coys	Medium	+1%	0.53	-12	20	18		Threadneedle Pan Euro Gth	Medium	+1%	0.88	-22	4	5
Buy	Throgmorton Trust	Very High	+9%	0.81	12	41	22		Tilney European Growth	Medium	+3%	0.87	-18	15	12

## UNITED KINGDOM BASED INVESTMENT TRUSTS - SPLIT CAPITAL

Buy	BFS Small Companies	Medium	+14%	0.35	19	21	16
-----	---------------------	--------	------	------	----	----	----

**EUROPE**

## AUSTRALIAN BASED UNIT TRUSTS

	BT Europe Growth	Medium	-2%	0.55	-23	7	7
	Dresdner Europe Growth	Low	-3%	0.52	-24	7	7
	Perpetual Fid. Europe	Low	-1%	0.51	-18	12	9
Buy	Platinum Europe	Medium	+10%	0.63	2	6	9

## NEW ZEALAND BASED UNIT TRUSTS

	BTIS European Share	Very Low	-3%	0.65	-16	5	4
	Tower Spotlight Europe	Low	-3%	0.57	-22	7	5

## UNITED KINGDOM BASED UNIT TRUSTS

	AXA European Growth	Medium	+1%	0.74	-20	10	9
	Aberdeen European Opps	Low	+2%	0.78	11	7	
	Aberdeen European Growth	High	+3%	0.87	-21	10	7
	Aegon European	Medium	-1%	0.84	-22	8	10
	Allchurches Euro Growth	Low	+2%	0.84	-16	8	7
	Allianz Dres Euro Index	Medium	+1%	0.84	-21	8	9
	Allianz Dres European	Medium	+1%	0.85	8	7	
Buy	Artemis European Growth	Low	+12%	0.81	19	18	10
	BG Europe	Medium	-2%	0.82	-27	11	10
	BGI European	Low	+2%	0.50	13	11	
Buy	Baring Euro Sel.	Medium	+10%	0.72	19	18	13
	Baring European Growth	High	-1%	0.87	-28	7	8
	Britannic European	Medium	+1%	0.86	-20	9	12
	CIS European	Medium	-2%	0.87	-26	7	9
Buy	CS Euro Frontiers	Very Low	+20%	0.12	24	8	
	CS European	High	-1%	0.87	-30	6	9
	CS MM European Portfolio	Low	+2%	0.60	14	11	
	Cazenove European Portfolio	High	+2%	0.92	-18	12	11
	DWS European Growth	Medium	-1%	0.84	-23	10	10
	DWS European Opportunities	Low	+1%	0.44	11	11	
	F & C European 1	High	+3%	0.87	-19	7	9
Buy	Fidelity European	Low	+10%	0.86	18	20	11
Buy	Fidelity European Opps	Very High	+8%	0.87	-12	14	12
	Framlington European	Medium	+3%	0.86	-16	13	12
	Gartmore European	Medium	-1%	0.66	-28	11	10
	Gartmore European Focus	Medium	+4%	0.75	17	10	
	Gartmore European Sel Opps	Medium	+1%	0.86	-22	10	9
	HSBC Eurotrack 100	High	+1%	0.89	-24	8	10
	HSBC Splst European	High	+3%	0.87	-18	6	10
	Halifax IFM European	Medium	+2%	0.67	10	10	
	Henderson Euro Cap Gth	Medium	+2%	0.85	-20	7	9
	Inscape Europe	Medium	+2%	0.75	13	10	
	Insight Euro Discretionary	Medium	+2%	0.68	11	10	
	Insight European Dynamic	Low	+2%	0.60	13	12	
	Insight European	Medium	+1%	0.82	-21	13	12
	Insight Pan Euro Sel Opps	Low	+0%	0.76	8	8	
	Invesco Perp Euro Growth	Medium	-3%	0.86	-27	13	11
	Invesco Perp European Equity	High	+5%	0.84	-14	16	10
	Investec European	Medium	+0%	0.79	8	8	
	JPMF European Growth	Medium	+1%	0.88	-13	9	9
Buy	JPMF New Europe	Very Low	+22%	0.29	50	21	3
	Jupiter European	Low	+5%	0.79	-2	16	7
	L & G (A & L) European	Medium	-2%	0.85	-28	6	7
	L & G Euro Index	High	+1%	0.89	-23	9	9
	L & G European	High	-3%	0.91	-28	8	9
	Lazard European Growth	Medium	+3%	0.88	-11	13	10
	Lincoln European	Medium	+1%	0.81	-21	12	9
	M & G European	High	+1%	0.88	-25	12	10
	M & G European Index Tracker	High	+0%	0.88	-23	8	10
	MGM European Growth	High	+3%	0.85	-22	11	10
	Martin Currie European	Very High	+4%	0.86	-21	10	11
	New Star European Portfolio	Very Low	+3%	0.56	16	9	
	Newton Continental European	Medium	+1%	0.89	-16	11	10
	Newton Pan-European	Medium	-1%	0.89	-21	9	8
	Premier European Growth	Low	+4%	0.81	-3	17	10
	Prudential European	High	+0%	0.89	-25	10	10
	Prudential Euro Index	Medium	-1%	0.88	-25	7	8
	Royal London European Gth	Medium	+2%	0.85	-19	8	8
	S & W European	High	+3%	0.90	-22	6	8

## UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Buy	Artemis Alpha	Very High	+11%	0.41	52	24	
Buy	Baring Emerging Europe	Very Low	+18%	0.23	26	8	
	Blue Planet Gth & Inc	Very Low	-6%	0.06	-23	-5	0
	Charter Pan European	High	+4%	0.86	-15	15	11
Buy	Eastern European	Low	+28%	0.32	77	40	7
Buy	European Assets	High	+7%	0.54	-21	13	17
	F & C European	Very High	+2%	0.83	-28	9	9
	Gartmore European	High	-0%	0.74	-24	15	9
Buy	Gartmore Irish Small	Low	+30%	0.31	94	48	22
	Henderson Eurotrust	High	+2%	0.42	16	7	
Buy	Invesco Perp European	Very High	+10%	0.76	25	13	
Buy	JPMF Russia	Very Low	+26%	0.01	7	-10	
Buy	Jupiter European Opps	Medium	+14%	0.51	26	8	
Buy	Martin Currie European	Very High	+10%	0.80	-17	21	10
	SR Europe	Low	+6%	0.40	15	16	

## UNITED KINGDOM BASED INVESTMENT TRUSTS - SPLIT CAPITAL

	European Utilities	Very High	+4%	0.14	28	7	
Avoid	Govett Euro Enhanced	Very High	-100%	0.16	-100	-98	0
Avoid	Morley Absolute Growth	Very High	-19%	0.28	1	0	

**EUROPE SMALLER COS**

## UNITED KINGDOM BASED UNIT TRUSTS

Buy	BG Euro Small Coys	High	+7%	0.70	-9	21	11
	DWS European Smaller Cos	High	+6%	0.79	-12	18	12
	Fidelity Euro V.	Medium	+14%	0.62	10	28	10
Buy	First State European Small	Medium	+8%	0.84	-5	18	10
Buy	Henderson European Small Cos	Medium	+9%	0.73	2	26	14
Buy	Insight European Small Cap	Very Low	+4%	0.30	25	12	
	Invesco Perp Euro Smaller Cos	Medium	+2%	0.74	-13	20	12
Buy	JPMF European Smaller Coys	Low	+10%	0.75	17	27	14
Buy	Jupiter Euro Spec Sits	Medium	+8%	0.79	1	23	12
Buy	M & G European Smaller Coys	Medium	+7%	0.78	4	20	13
Buy	Schroder Euro Small Coys	Medium	+9%	0.76	-3	28	15
Buy	Threadneedle Euro Small Cos	Low	+16%	0.72	33	26	15

## UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Buy	F & C Smaller Companies	Medium	+10%	0.51	-1	32	12
Buy	Henderson Euro Micro	Medium	+10%	0.37	-0	22	1
Buy	JPMF Euro Fledgling	High	+15%	0.61	10	27	17
Buy	TR European	Very High	+12%	0.74	18	39	15

**GERMANY**

## UNITED KINGDOM BASED UNIT TRUSTS

	Baring German Growth	Low	-1%	0.85	-24	10	11
--	----------------------	-----	-----	------	-----	----	----

**Next Issue**

The next issue of *International Investor* will be posted in four weeks time on Tuesday February 8, 2005 (and delivered in most areas on Wednesday 9).

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](http://www.stockmarket.co.nz) or [www.australia-stockmarket.com](http://www.australia-stockmarket.com) Email: [james@stockmarket.co.nz](mailto: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.