International Investor

Issue No. 118 www.stockmarket.co.nz October 11, 2005

Inside International Investor

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

World Stockmarket Forecasts

Stockmarket	One-Year	Fundamental	Technical	Monetary	Economic		l Performance		Share
	Forecast	Indicators	Indicators	Indicators	Indicators	3 mths	6 mths	12 mths	Index
Australia	_ 65%	Bullish	Bullish	Neutral	Bullish	+6.9%	+4.4%	+22.6%	4,399.90
Austria	66%	Bearish	Bullish	Bullish	Neutral	+9.4%	+16.1%	+53.7%	3,336.70
Belgium	76%	Neutral	Bullish	Bullish	Neutral	+8.8%	-1.3%	+17.7%	3,329.62
Canada	51%	Bearish	Bullish	Neutral	Neutral	+8.3%	+15.5%	+28.3%	10,612.15
Denmark	64%	Bearish	Bullish	Bullish	Bullish	+6.3%	+4.5%	+26.1%	366.21
Finland	75 %	Neutral	Bullish	Bullish	Bullish	+5.3%	+8.6%	+26.2%	7,675.81
France		Neutral	Bullish	Bullish	Neutral	+7.5%	+4.5%	+20.9%	3,165.33
Germany	68 %	Bearish	Bullish	Bullish	Neutral	+10.6%	+7.3%	+21.7%	5,007.77
Ireland		Bearish	Bullish	Bullish	Bullish	+6.2%	+4.6%	+18.4%	6,823.29
Italy	67%	Neutral	Bullish	Bullish	Bullish	+5.2%	-2.3%	+17.4%	25,966.00
Japan	56 %	Bearish	Bullish	Neutral	Neutral		+6.3%	+12.4%	13,227.74
Japan Netherlands New Zealand _	64%	Neutral	Bullish	Bullish	Neutral	+4.2%	+0.6%	+16.2%	398.66
New Zealand	57%	Bullish	Neutral	Neutral	Bullish	+6.6%	-0.0%	+8.2%	2,399.96
Norway	52 %	Neutral	Bullish	Neutral	Bearish	+4.5%	+10.5%	+32.1%	1,034.97
Spain		Neutral	Bullish	Bullish	Neutral		+8.2%	+28.4%	1,157.24
Spain Sweden Switzerland	65%	Bearish	Bullish	Bullish	Bearish	+9.9%	+4.1%	+19.9%	277.27
Switzerland	67%	Bearish	Bullish	Bullish	Neutral		+8.8%	+23.2%	6,946.95
Un. Kingdom_	63%	Neutral	Bullish	Bullish	Bullish		+1.0%	+11.9%	5,362.30
USA	41%	Neutral	Bearish	Neutral	Bearish		+1.2%	+6.6%	1,195.90
USA Argentina	70%	Bearish	Bullish	Bullish	Bearish		+41.1%	+71.5%	4,852.54
Brazil	71%	Neutral	Bullish	Bullish	Neutral		+33.0%	+56.1%	29,972.99
Czech Rep.	59%	Bearish	Bullish	Neutral	Bearish		+11.7%	+63.3%	1,397.50
Chile	42%	Neutral	Bullish	Bearish	Bearish		+16.3%	+31.7%	10,080.32
China	54%	Neutral	Bearish	Bullish	Bearish		-16.9%	-27.0%	67.65
Greece	80%	Neutral	Bullish	Bullish	Neutral	+9.9%	+5.6%	+35.9%	3,353.84
Egynt	_ 72%	Bearish	Bullish	Bullish	Neutral		+23.6%	+99.6%	1,991.10
Egypt Hong Kong	- 59%	Neutral	Bullish	Neutral	Neutral	+6.6%	+9.3%	+12.6%	14,847.79
Hungary	_ 75%	Bearish	Bullish	Bullish	Bearish		+17.9%	+63.9%	22,199.60
India	- 54%	Bearish	Bullish	Bearish	Bearish		+29.4%	+51.7%	8,491.56
Indonesia	_ 42 %	Bullish	Neutral	Bearish	Neutral	-3.8%	-6.8%	+15.8%	1,094.65
Israel	41%	Bearish	Bullish	Bearish	Bearish		+7.2%	+29.1%	757.58
Korea	- 72%	Neutral	Bullish	Bullish	Neutral		+18.4%	+50.8%	1,201.01
Malaysia	53%	Neutral	Bullish	Neutral	Neutral	+3.2%	+7.9%	+8.3%	925.21
Mexico	_ 62%	Bearish	Bullish	Neutral	Neutral			+47.2%	
Philippines	- 65%	Bearish		Bullish	Bullish				1,952.28
Poland	_ 69%	Bearish	Bullish	Bullish	Bullish	+19.6%	+18.6%	+39.1%	32,700.71
Portugal		Bullish	Bullish	Bullish	Neutral	+9.3%	-0.0%	+9.8%	2,448.93
Russia	_ 73% _ 71%	Bearish	Bullish	Bullish	Neutral	+33.6%	+37.0%	+37.3%	11,918.25
Singapore	52%	Bullish	Bullish	Bearish	Neutral	+5.0%	+4.0%	+14.8%	2,305.24
Sth Africa		Bearish	Bullish	Bullish	Bearish	+17.7%	+14.3%	+32.9%	16,136.26
Taiwan	_ 44%	Bullish	Bearish	Bearish	Bearish	-5.3%	-4.0%	+1.1%	6,081.84
Thailand	_ 48%	Bullish	Neutral	Bearish	Neutral	+13.5%	+0.9%	+6.0%	708.98
Turkey	_ 70%	Neutral	Bullish	Bullish	Bearish	+19.7%	+29.9%	+61.3%	33,413.61
Venezuela	$\frac{10\%}{23\%}$	Bullish	Bearish	Bearish	Bearish	-14.6%	-29.0%	-43.1%	20,078.65
Venezuela	_ ~0/0	Dunisn	Dour 1311	Dour 1911	Dearish	11.0/0	₩U.U/U	10.170	20,070.00

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.

Page 2 International Investor

Stockmarket Outlook

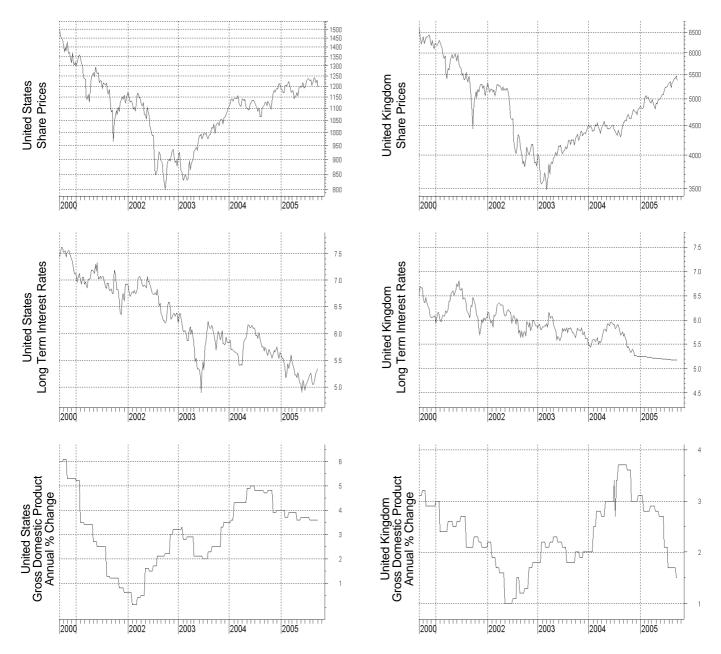
The United States stockmarket reached a four year high in early September but has since dipped to a three month low. This increases investor fears of a reversal in the long term uptrend - and most other world stockmarkets followed the US lower last week.

Over the last three year uptrend, however, the US stockmarket has recovered only slightly more than half of its decline of the previous three years (i.e. from 2000 to 2002). Valuations have improved from the over-valued levels in 2000, although are not cheap. The economy has recovered from the depth of the 2001-2 recession, but is not so buoyant that there is a serious risk of decline. Short term interest rates have risen from the extremely low 1% in 2003 and early 2004 to a more normal 4%, but this is not a good measure of market interest rates. Corporate Bond rates have trended down over the last five years, from around 8% to 5%, although rose to almost 5%% over the last six months.

The United States stockmarket therefore appears to be at about mid-point in a cycle. The market *could* drift lower for a few months but is unlikely to be at a major peak or at the start of a major long term decline. So overall the outlook for the US stockmarket remains relatively Neutral.

Over recent years we have considered the US stockmarket one of the less attractive markets - and, in fact, it has under-performed most other stockmarkets. So if the US market can continue to recover slowly over future years then we should be able to continue to enjoy better returns from other world markets that offer better value and where economies and currencies are more attractive for investment.

While our World Stockmarket Forecasts remain generally Neutral to moderately Bullish we shall continue to remain fully invested in Asian, Japanese, United Kingdom and European shares.



Copyright © Securities Research Company Ltd

October 11, 2005. Page 3

Recommended International Investment Funds

Venture Capital Investment Gains

Private Equity Investors plc will realise a further massive capital gain following plans by **eBay Inc** to acquire internet telephone company **Skype Technologies SA** for US\$2,600 million (in cash and shares) plus up to a further US\$1,500 million over the next three years based upon Skype achieving performance targets.

Private Equity Investor owns an interest in Skype through **Draper Fisher Jurvetson ePlanet Ventures** - the same venture capital partnership that owns **Baidu.com**. If the takeover is completed then Private Equity investor will receive "in excess of US\$13 million", prior to the venture capital fund manager's 25% profit share.

We don't know the cost price of this investment in Skype - except that it was <u>not</u> one of the company's top 25 investments, so was worth less than £590,000. After the 25% profit share, Private Equity Investor will receive

around US\$10 million initially. That adds a further US\$0.20 or 11 pence to the company's net asset value.

If Skype achieves its performance targets then the company could receive up to US\$7.5 million, or US\$5.6 million after the 25% profit share, over the next three years. That will add another US\$0.11 or 6 pence to net assets!

Fund Report

Eaglet Investment Trust plc performed very poorly for the year to 30 June, with net assets falling 5.7% despite a 14.8% gain by the UK smaller companies index. The company will pay a 0.5 pence dividend (down from 1.8 pence last year) on 17 November, with the shares trading ex-dividend from 7 October.

The shares trade at a significant discount to net asset value - so its re-purchase of 800,000 of its own shares on-market at 285½ pence during September is the safest and best investment for the trust.

Curren	t	EPIC	Initial Red Date	ommen Offer		Prem/ Disc	Recent F	<u>Price</u>	Gain or
Advice	Investment Fund	Code		Foreign	NZ	to Net	Bid-Offer or	NZ	Loss
	Europe				Cents	Assets	Last Sale	Cents	%
BUY	Fidelity European Values plc	FEV	13/05/03	463.5p	1201 1	-3%	998.0p	2524.3	+96
BUY	JFM Fleming Euro Fledgeling IT plc United Kingdom	JFF	15/01/02	226.5p	765.8	-14%	492.0p	1244.4	+62
BUY	Aberforth Smaller Cos Trt plc	ASL	15/07/03	275 En	1042.0	-8%	567.5p	1435.4	+38
HOLD	•	EIN	13/11/01			-5 <i>%</i> -15%	•	710.7	-39
HOLD	Eaglet Investment Trust plc Asian Regional	CIIN	13/11/01	334.Up	1160.7	-13%	281.0p	710.7	-39
BUY	Aberdeen Asian Sm Co WARRANTS	AASW	09/09/03	75.3p	209.1		161.5p	408.5	+95
HOLD	Gartmore Pacific Growth Fund	*	29/10/85	•	105.4		228.12p	577.0	+448
HOLD		*	10/11/98	41.4p					
	HSBC Asian Fund	*		34.4p	106.3		51.05p	129.1	+21
HOLD	HSBC Greater China Fund	*	07/04/98	159.4p	481.6		187.2p	473.5	-2
HOLD	Henderson Pacific Capital		08/08/00		1122.6		337.9p	854.7	-24
BUY	Scot Oriental Sm Cos WARRANTS	SSTW	11/11/03	78.0p	211.5		118.5p	299.7	+42
HOLD	Schroder Asia Pacific WARRANTS	SDPW	13/07/99	25.5p	75.8		9.375p	23.7	-69
DUN	Japan	DOG	44 /04 /04	457.0	4.40.0	407	005.5	E40.0	40
BUY	Baillie Gifford Shin Nippon plc	BGS	11/01/94	156.0p	440.3	-4%	205.5p	519.8	+18
BUY	Invesco Japan Discovery Trust	ND	13/07/99	95.5p	284.0	-7%	113.0p	285.8	+1
	Korea								
HOLD	Baring Korea Trust	*	12/04/94	81.1p	209.4		146.2-155.2p	381.2	+82
	International								
BUY	Aberdeen Emerging Markets	*	13/08/91	61.7p	184.0		194.2p	491.2	
BUY	Herald Investment Trust	HRI	12/10/04	310.8p	820.1	-11%	345.5p	873.9	+7
BUY	Private Equity Investor plc	PEQ	11/12/01	122.5p	420.2	+14%	141.75p	358.5	-15
* United	d Kingdom based Unit Trust								

The average Gains/Losses of all current investments from initial recommendation is +54.6%. This is equal to an average annual rate of +8.4%, 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 +11.1%.

Other Shares and Warrants

Alternative investments in the UK listed investment trust shares and warrants recommended above include **Aberdeen Asian Smaller Companies** shares at 261 pence (trading at a 1% *discount* to net asset value), **Schroder Asia Pacific** shares at 109 pence (an 8% *discount* to net asset value) and **Scottish Oriental Smaller Companies** shares at 219 pence (a 5% *discount* to net assets)

Investment Fund Survey

Current Advice	Investment Fund	Risk Rating	Superi- ority Rating	Market Correla- tion	Perf 36 mth	12	nce 3 mth	Current Advice	Investment Fund	Risk Rating	Superi- ority Rating	Market Correla- tion	Perfo 36 mth	orma 12 mth	3 mth
	INTERN	ΔΤΙΩΝ	ΙΔΙ		SPFM Global Growth	High	+1%	0.45		23	9				
									SPFM International Growth SPFM Worldwide	Medium Low	+1% -5%	0.46 0.38		16 -0	6 -1
	Australian ba								SWIP Global	Medium	-3%	0.38		12	5
	AMP FLI International ANZ ING Global	High Medium	-1% -3%	0.63 0.62	11 -6	17 13	8 7		Scot Mutual International	Medium	-0%	0.86	17	16	7
	Advance Int'l Share MB	Medium	-3%	0.02	2	14	5		Scot Wid. Global Growth Scot Wid. Global Select Gth	Medium Medium	-3% -3%	0.77 0.81		12 12	6 5
	Advance International	High	-3%	0.66	-2	11	4		Scot Wid. Global Select Giff Scot Wid. Int Equity Tracker	Medium	-3% +0%	0.80		20	8
Avoid	Allianz Global	Medium	-8% -8%	0.64	-14	8	6		Singer & Freidlander Global	Medium	-3%	0.85	12	18	8
Avoid	Allianz Global Analysts BT Global	Medium Medium	-8% -2%	0.62 0.51	-12 7	8 15	5 6		Sovereign Int'l Growth	Medium	+1%	0.58	19	19	5
	BT International	Medium	-3%	0.58	-0	13	6		St James's International	High	+5%	0.91	33	21	7
	Challenger Global Shares	Medium	-2%	0.51	-2	7	0		AUSTRALIAN LISTED				7	0	15
	Commonwealth Int'l Share Gold Sachs International	High High	-3% -2%	0.59 0.62	-2 9	13 15	7 8		Platinum Capital Templeton Global	Low Medium	-2% -2%	0.14 0.22	-7 4	-8 22	15 20
	Invesco Global Matrix	High	+2%	0.55	27	16	-1		New Zealand Lister						20
	MLC Aust - Platinum Gbl	High	+2%	0.59	21	12	12		World Index Fund	Medium	-3%	0.72	6	14	10
	MLC MKey Global Share NAFM Inv Trt - Global	Medium Medium	-2% -1%	0.64 0.65	6 13	15 14	9		UNITED KINGDOM BASED L						
	Perpetual Fid. Intern'l	High	-3%	0.60	0	10	3		Alliance Trust	Medium	-6%	0.75	10	15	6
	Perpetual ICSav - Int'l	High	-3%	0.72	0	10	3		Anglo & Overseas Trust	High	-4%	0.73	8	8	-3
	Platinum International	Medium	+2% T	0.45	17	11	6		Bankers Investment	High	-1%	0.75	7	19	8
	New Zealand B	-	_					Buy	Brit Empire Securities Brunner Invest, Trust	High Medium	+19% -4%	0.68 0.83	89 8	43 21	12 11
	AMP International Share AMP Passive Int'l Share	High Low	+3% -2%	0.47 0.62	34 9	21 12	17 7	Buy	Caledonia	Very High	+10%	0.65	U	42	11
	ANZ World Equity Trust	Low	+5%	0.62	30	16	7	Buy	Capital Gearing Trust	High	+10%	0.45	35	16	8
	ASB World Shares	Medium	+4%	0.80	33	16	6	Buy	EP Global Opportunities Edinburgh Investment	Medium High	+9% -4%	0.71 0.66	10	38 13	11 5
	BNZ International Equity ING International Share	Medium Low	+5% +4%	0.68 0.63	20 29	21 23	7 7		Edinburgh Worldwide	Medium	+2%	0.45	33	42	18
	NZ Guardian Global	Medium	+1%	0.67	19	12	5		Establishment IT	Medium	+5%	0.39	11	9	8
	Thoroughbred Int'l Equ.	Medium	-3%	0.69	5	13	9		Foreign & Colonial Gartmore Global	High Medium	-2% +0%	0.75 0.39	8 26	22 27	9 18
	Tower Global Equity Tower Tortis Intern'l	Medium Medium	-3% -3%	0.62 0.72	1 7	18 11	8 7		JPMF Overseas	High	-0%	0.39	25	28	12
	Westpac International	Medium	-3%	0.72	11	14	3		Jupiter Global Green	High	-0%	0.38	20	32	12
	UNITED KINGDOM	BASED U	NIT TR						Jupiter Primadona	Very High	+2%	0.45	24	24	9
	AXA Global Growth	Medium	+1%	0.81	19	20	9		Law Debenture Corp. Majedie Investment	Medium High	+2% +0%	0.57 0.46	13 21	21 28	4 11
	Abbey Nat'l International	Medium	-1%	0.83	15	17	7		Martin Currie Portfolio	Medium	+4%	0.74	26	18	7
	Aberdeen World Equity	Medium	+2% -6%	0.84	2	25	13		Merrill Asset All (Bal)	Very Low	-1%	0.21	-15	8	3
	Aegon Worldwide Tactical Allcurches Int'l Growth	Medium Medium	-0% +1%	0.84 0.90	22	15 15	7 7		Merrill Asset All (Gth) Mid Wynd Invest Trust	Low Medium	-1% +3%	0.40 0.49	2 26	15 26	10 12
	Allianz Dres Global Equity	Medium	-4%	0.87	3	18	8		Monks Investment	High	+3%	0.81	33	32	14
	Artemis Global Growth	Medium	+3%	0.73	32	40	11		Murray International	High	+5%	0.70	41	31	10
	BG International BG Phoenix Global Growth	Low Medium	+3% +1%	0.74 0.67	22	27 20	10 7	Buy Buy	New Star Pantheon International	Very High Medium	+12% +9%	0.39	56 26	64 25	14 2
Avoid	Bank Ireland British & Oversea	Medium	-7%	0.78		4	2	Duy	Personal Assets Trust	Low	+1%	0.60	-1	9	4
	Bank Ireland Worldwide Opps	Medium	-6%	0.72		3	1	Buy	RIT Capital Partners	Very High	+15%	0.52	72	27	8
	Baring Global Growth Britannic Global Growth	Medium Medium	-1% -2%	0.78 0.80	11 14	13 17	7 8		Scottish American Inv. Scottish Invest. Trust	High Medium	-0% -1%	0.75 0.72	21 12	22 22	7 4
	CS Worldwide Growth	Medium	-1%	0.93	14	14	5		Scottish Mortgage & Trt	High	+3%	0.72	31	31	14
	Cavendish Worldwide	Medium	+2%	0.82	14	17	7		Second Alliance	Medium	-1%	0.71	10	14	6
	Cazenove Global Opps Cazenove MM Univ International	Medium Medium	-6% -2%	0.81 0.92		9 15	5 6		Secs Trust of Scotland Witan Investment Coy	High High	-3% -2%	0.56 0.75	2	13 20	3 6
	F & C Global Growth	Medium	-2%	0.92		14	6	Buy	World Trust Fund	High	+11%	0.75	o	45	16
	Fidelity International	Medium	+1%	0.93	21	21	7		TED KINGDOM BASED INVES		T RUSTS	- SPL	т С	APIT	AL
	Fidelity Managed Int'l First State Global Growth	Medium Medium	-3% -4%	0.89 0.83	9 -0	19 13	8	Avoid	Asset Management	Very Low	-12%	0.01	-56	6	2
	First State Global Opps	Very High	+6%	0.68	59	46	20		· ·	,					
	Framlington Financial	Medium	-0%	0.86		18	6		INTERNATIONA	L SM/	ALLE	ER CO	os		
	Gartmore Global Focus Henderson Independent Port.	High Low	-0% +2%	0.80 0.59	19	28 20	13 9		UNITED KINGDOM E	ASED I	Іліт Тр	LICTO			
	Henderson International	Medium	-2%	0.39	12	18	7		Invesco Perp Global Small Cos	Medium	+0%	1.00	34	23	6
	Invesco Perp Int'l Equity	Medium	-0%	0.80	16	14	4		ilivesco Fei p Giobai Siriali Cos	Medium	+0/6	1.00	34	23	U
	Invesco Perp International Invesco Perp World Growth	Medium Medium	-4% +3%	0.71 0.87	2	12 18	5 5		<u>UNITED</u>	STAT	TFS				
Buy	Investec Global Free Enter.	High	+7%	0.87		28	10								
,	Investec International Equity	Medium	-1%	0.78		15	7		AUSTRALIAN BAS						
	Jupiter Ecology L & G (Barclays) Worldwide	Very High Medium	-1% +2%	0.70 0.89	11 19	28 16	7 5		BT American Growth Perpetual Fid. America	Medium Medium	+1% +2%	0.42 0.44	-2 -5	11 10	3 0
	L & G Global Growth	Medium	+2% -0%	0.89	9	13	5 5		UNITED KINGDOM E				-5	10	J
	L & G Worldwide	Medium	+1%	0.92	13	16	6		ACM American Growth	High	-2%	0.62	-5	15	7
	Lazard International Equity	Low Medium	-2% -2%	0.75 0.79	5 7	12 12	7 7		AXA American	Medium	+1%	0.69	-1	12	3
	Lincoln Global M & G Global Leaders	High	-2% +5%	0.79	47	35	12		Aberdeen North American	Medium	-1%	0.72	-4	8	2
Buy	M & G International Gth	High	+7%	0.81	55	29	11		Aegon American	Medium Low	-3% -3%	0.74 0.73	-10 -12	5 9	1 4
	MLC Global Equity	Medium	-3%	0.77		13	6		Allianz Dres North American Artemis North American Growth	Medium	-3% -2%	0.73	-12	7	5
	MSDW Global Brands MSDW Global Value	Low Low	+0% -2%	0.65 0.86		19 12	3 4		BG American	Very Low	+3%	0.67	4	16	3
	Martin Currie International	Medium	-3%	0.88	13	14	7		BGI American Growth	Low	+1%	0.40		13	5
	Merrill Global Titans	Medium	-1%	0.90		15	6		Baring American Gth Britannic American	Medium Medium	-0% -1%	0.69 0.80	1 -2	14 9	6 2
	NFU Mutual Global Growth NatWest International Growth	Medium Medium	-5% -3%	0.81 0.88		11 14	8 6		CIS US Growth	Medium	-1%	0.77	-2	8	2
	New Star Global Equity Ret A	Medium	-2%	0.56	6	12	4		CS MM North America	Medium	+2%	0.69	-	12	2
Buy	New Star Global Financial	Very High	+11%	0.85		44	12		CS Transatlantic DWS American Growth	Medium Medium	-2% -0%	0.73 0.79	-7 1	7 13	2 5
	Newton Falcon Newton International	Medium High	+3% +3%	0.92 0.92	30	21 21	8 9		F & C North American 1	Medium	-3%	0.80	-9	8	3
	Norwich International Index	Medium	+3%	0.92	14	15	6		Fidelity American	High	+1%	0.77	2	13	6
	Norwich World Leaders	High	-3%	0.89		14	6		Framlington American Gth GAM North America	High Medium	+0% +4%	0.74 0.63	1 3	9 13	3
	Old Mutual Global Equity Old Mutual Worldwide	Medium Medium	+0% -3%	0.77 0.83	7	18 16	6 6		HSBC American Index	Low	+4%	0.66	-2	7	2
	Prudential Global Growth	ivieaium High	-3% -3%	0.83	6	7	4		HSBC American Growth	Low	-1%	0.69	-3	7	3
_	Prudential Int'l Growth	Medium	-4%	0.82	4	6	4		Inscape US Equities Insight US Equity	High Medium	+0% -2%	0.92 0.75	-5	9 5	4 2
Buy	Rathbone Global Companies SPFM Global Equity	High High	+8% +2%	0.65 0.63	43	26 16	12 7		Insignt us Equity Invesco Perp US Aggressive	Very High	-2% -3%	0.75	-5 -4	4	-1
	or rivi Giobai Equity	riigii	+2%	U.63	@ C.	10	••	. D	l. C I +.l	, ,					

October 11, 2005.										Page 5					
Current Advice	Investment Fund	Risk Rating	Superi- ority Rating	Market Correla- tion		orma 12 mth	ance 3 mth	Current Advice	Investment Fund	Risk Rating	Superi- ority Rating	Market Correla- tion		orma 12 mth	ance 3 mth
	Invesco Perp US Equity	High	-5%	0.73	-13	4	0		F & C FTSE 100 Tracker	Medium	+3%	0.40	27	30	20
	Investec American JPMF United States Growth	Medium Medium	+1% +2%	0.82 0.72	6	13 15	4		F & C FTSE All Share F & C UK Equity 1	Medium Medium	+1% +2%	0.84 0.91	16	14 16	6 5
	Jupiter North America	High	+0%	0.82	8	12	4	Buy	Fidelity Special Situations	Low	+12%	0.55	54	23	7
	L & G (Barclays) America L & G North American	Medium Low	-1% -2%	0.75 0.79	0 -5	7 6	2	Buy	Fidelity UK Aggressive Fidelity UK Growth	Low High	+8% +4%	0.73 0.87	22	21 18	6 6
	L & G US Index	Medium	+0%	0.79	1	8	2		First State British Opps	High	+4%	0.76	18	16	6
	Lincoln North American	Medium	+0%	0.81	0	9	2		Framlington Blue Chip	Medium	-2%	0.85	40	16	7
	M & G American & General MFS US Growth Equity	Medium Very High	+1%	0.75 0.71	8	17 6	6 1	Buy	Framlington UK Growth GAM UK Diversified	Medium Low	+0% +7%	0.78 0.38	13 35	18 18	8 6
	MSDW UK Equity	Low	+6%	0.41		16	5		Gartmore UK Focus	High	-1%	0.63		17	7
	Martin Currie North American Merrill American	Low High	+3% +2%	0.70 0.72	12 6	16 17	4 5		Gartmore UK Growth Gartmore UK Index	High High	+1% +5%	0.84 0.75	28	19 14	6 6
	New Star American Portfolio	Medium	+2%	0.82	U	13	3		Gartmore UK Tracker	Medium	+1%	0.73	20	16	5
	New Star North America Ret A	Medium	-3% +1%	0.77 0.76	-6	4 15	-0 3		HSBC British	Medium	+1% +0%	0.82 0.79	10 11	12 13	5 5
	Newton American Old Mutual North American	Medium High	+1%	0.76	6 13	16	4	Buy	HSBC FTSE 100 Index HSBC FTSE 250 Index	Medium Low	+0%	0.79	36	20	6
	Prudential North American	High	+1%	0.71	-1	3	1	,	HSBC FTSE All Share Index	Medium	+0%	0.88	40	14	5
	Royal London North American S & W American	Low Medium	-2% +4%	0.74 0.72	-5 12	9 13	4 4		HSBC Household Names HSBC UK Growth	Medium Medium	+3% +2%	0.80 0.77	18 14	16 14	6 3
	SG American Growth	Medium	-1%	0.69	3	6	3		HSBC UK Gth & Inc	Medium	+2%	0.80	13	14	4
	SWIP North American Scot Life America	High Low	+1% -2%	0.82 0.75	-5	9	1 4		Henderson UK Capital Growth Hill Samuel Capital	Medium Medium	+3% +1%	0.55 0.75	15 13	16 17	7 5
	Scot Mutual North American	Medium	+0%	0.73	2	9	2		Inscape UK Equities	Medium	+1%	0.75	13	18	6
	Scot Wid. American	Medium	-1%	0.73	-4	7	2		Insight UK Discretionary	Medium	+4%	0.67		17	4
	Scot Wid. American Sel Gth Sing & Fried Amer Growth	High Very High	+1% +2%	0.84 0.83		9 11	1 5		Insight UK Dynamic Managed Insight UK Equity	Very Low Medium	+6% +0%	0.49 0.87		21 14	8 4
	St James's North America	Medium	+1%	0.69	1	10	-1	Buy	Invesco Perp UK Aggressive	Medium	+17%	0.33	99	19	7
	Stan Life America Threadneedle American Gth	Medium Very Low	+2% +2%	0.70 0.21	-0	8 12	2 4		Invesco Perp UK Equity Invesco Perp UK Growth	Medium Medium	+1% +5%	0.70 0.50	12 30	21 14	4
	UBS US Equity	Medium	+3%	0.83	o	12	2		Invesco Perp UK Key Trends	Medium	+4%	0.62	25	21	4
	UNITED KINGDOM BASED	LISTED I	NVESTM	IENT T	RUST	ΓS			Investec UK Blue Chip Investec UK Opportunities	Medium Medium	+2% +4%	0.89 0.82		17 20	7 7
Buy	American Opportunity	Very Low	+11%	0.06	2	29	12		Invested UK Value	Low	+4%	0.62		17	4
	Edinburgh US Tracker JPMF American	Medium High	-1% +0%	0.83 0.71	-2 1	7 8	2 5	Buy	JPMF UK Dynamic	Medium	+8%	0.68	35	23	7
Avoid	Second London American	Very Low	-23%	0.07	-60	-22	-20		Jupiter Environmental Jupiter UK Growth	Medium High	+6% +5%	0.47 0.71	24 30	24 19	5 9
									Jupiter UK Special Situations	Low	+4%	0.31	19	13	7
	<u>UNITED STATE</u>	<u>:S SM/</u>	<u> ALLE</u>	<u>:R C</u>	<u>05</u>			Buy	Jupiter Undervalued Assets L & G (A & L) Capital Growth	Low Medium	+8% +3%	0.67 0.86	30 20	17 16	5 6
	United Kingdom	BASED L	JNIT TR	RUSTS					L & G (A & L) UK 100 Index	Medium	+1%	0.85	18	16	6
	F & C US Smaller Coys	Low	+5%	0.58	23	12	0		L & G (Barclays) 500	Medium Medium	+2% +1%	0.57 0.86	15 15	16 14	5 5
Avoid	Fidelity American Spec Sits Invesco Perp US Smaller Coys	Medium Medium	-4% -7%	0.79 0.72	6 -8	13 1	10 2		L & G (Barclays) Capital L & G UK Index	Medium	+1%	0.86	15	14	6
Avoiu	Merrill American Opps	High	+1%	0.72	21	21	8		L & G UK Index	Medium	+2%	0.83	20	19	9
Buy	Old Mutual UK Select Small Cos	Very Low	+14%	0.17		31	8		Lincoln Growth M & G Blue Chip	Medium High	-0% -1%	0.83 0.85	10 8	12 12	3 5
	SWIP North American Small Cos Schroder US Smaller Coys	Medium Low	+4% +5%	0.75 0.73	26	29 14	8		M & G British Opportunities	Low	+5%	0.58	29	23	7
	Scot Wid. American Small Cos	Medium	+5%	0.74		29	8	Buy Buy	M & G Index Tracker M & G Recovery	Very Low Low	+8% +7%	0.26 0.60	36 32	35 23	6 10
	Threadneedle Amer Small Cos	Medium	+1%	0.76 T	13	19	8	buy	M & G UK Growth	High	+2%	0.82	21	20	8
	UNITED KINGDOM BASED F & C US Smaller Coys	LISTED II	46% +6%	1 ENII 0.44	31	21	-1		MFS UK Equity	Medium	+2%	0.79		20	7 5
Buy	JPMF US Discovery	Low	+9%	0.44	50	25	11		MLC UK Equity MSDW UK Index Linked	Low Very Low	+0% +0%	0.77 0.03		15 3	-O
Buy	Nth Atlantic Smaller	Very Low	+17%	0.20	67	30	16		Martin Currie UK Growth	Medium	+4%	0.75	20	15	6
Buy	Renaissance U.S.	Very Low	+19%	0.03	82	29	8		Merrill Growth Portfolio Merrill UK	Medium High	+0% +6%	0.89 0.76		14 21	6 8
	UNITED	KING	DOM	,				Buy	Merrill UK Dynamic	Medium	+9%	0.57		23	7
	UNITED KINGDOM							Buy	Merrill UK Spec Sits Morley UK Focus	Medium Low	+7% +2%	0.72 0.39	33	28 21	10 4
	AXA Ethical B	Medium	או וואינ +1%	0.46		9	2		NFU Mutual UK Growth	Medium	+0%	0.87		13	4
	AXA UK Equity Income	Very Low	-0%	0.40		9	2		NPI UK Equity Tracker NatWest Growth	Medium Medium	+0% +0%	0.91 0.92		15 16	4 5
	AXA UK Growth	Medium	+1%	0.89	11	14	5		New Star Select Opportunities	Low	+3%	0.72		17	4
	AXA UK Opportunities AXA UK Tracker	High Medium	+5% +1%	0.75 0.89	31 13	12 14	5 5		New Star UK Alpha New Star UK Growth	Medium Medium	+4%	0.47		18 18	6
	Abbey Nat'l N & P UK Growth	Medium	+0%	0.77	12	15	4		Newton Growth	Low	+4% +1%	0.57 0.81		15	2 4
	Abbey Nat'l Stockmarket 100 Abbey Nat'l UK Growth	Medium Medium	+3% -1%	0.88 0.76	20 10	16 15	6 6		Newton UK Oportunities	Very Low	+4%	0.60		18	3
	Aberdeen UK Growth	Medium	+2%	0.85	19	16	4		Norwich Blue Chip Tracking Norwich UK Equity	Medium Medium	+0% -0%	0.88 0.91	11	13 14	5 5
Buy	Aberdeen UK Mid-Cap Aegon UK Equity Growth	Medium Medium	+8% +2%	0.57 0.86	31 20	18 19	2 8		Norwich UK Ethical	Medium	+1%	0.57		15	5
	Allianz Dres UK Equity	Medium	+0%	0.92		17	6		Norwich UK Growth Norwich UK Index	Medium Medium	+2% +1%	0.56 0.88	20 13	18 14	6 5
	Allianz Dres UK Growth	Medium	+4% +0%	0.83	27 15	20 15	6 5		Old Mutual Equity Income	Low	+2%	0.58	15	14	2
Buy	Allianz Dres UK Index Artemis UK Growth	Medium Very Low	+0%	0.86	40	12	9		Old Mutual Ethical Old Mutual UK Equity	Medium High	+4% +0%	0.47 0.86		19 16	3 6
Buy	Artemis UK Special Sits	Low	+12%	0.41	54	22	9		Old Mutual UK Select Equity	Medium	+0%	0.80		18	6
	BG British 350 BGI Growth & Income	Medium Medium	+2% +1%	0.81 0.78	12	12 16	4 6		Old Mutual UK Select Large Cap	Medium	-1%	0.86	_	15	5
	BGI UK Growth	Medium	+1%	0.75		16	6		Prudential UK Growth Prudential UK Index	Medium High	-1% +4%	0.66 0.62	5 24	8 28	4 5
	Baring UK Growth Britannic UK Focus	Medium Medium	+2% -1%	0.80 0.76	19	17 16	7 5		Rathbone Capital	Medium	+5%	0.56	30	17	8
	Britannic UK General	Medium	-1%	0.70	7	12	5	Buy	Rathbone Spec Situations Royal London UK Equity	Very Low Medium	+13% +2%	0.26 0.88	54 18	17 17	6 5
	CIS UK FTSE-4-GOOD Tracker	Medium	+0%	0.88	11	13	4		Royal London UK Growth	Medium	+1%	0.89	16	16	5
	CIS UK Growth CS FTSE 100 Tracker	Medium Medium	+1% +1%	0.83 0.87	11 11	14 13	4	Deni	Ruffer Equity & General	Very Low	-1%	0.02	45	18	16
	CS MM UK Growth	Low	+5%	0.66		19	6	Buy	SG UK Growth SG UK Special Opps	High Very High	+8% -3%	0.48 0.54	45	21 18	5 5
	Cazenove MM Univ Growth Port. Cazenove MM Univ UK Growth	Low Low	+2% +4%	0.75 0.64		16 18	5 6		SVM UK 100 Select	Very High	-0%	0.91		13	4
	Cazenove Managed UK Equity	Low	+3%	0.82		16	4		SVM UK Opportunities SWIP UK Opportunities	Medium Medium	+5% +3%	0.36 0.63		22 23	5 11
	Cazenove UK Growth & Income	Medium	+0%	0.84		14	5		Schroder UK Equity	Medium	+2%	0.83	17	16	4
	DWS Capital Growth DWS UK Blue Chip	High Medium	+2% +0%	0.79 0.87	14	21 16	8	Buy	Schroder UK Mid 250 Scot Life UK Equity	Medium Medium	+12% +1%	0.48 0.89	48 18	22 17	4 5
В	DWS UK Growth	Medium	+0%	0.84	15	16	5		Scot Life UK Equity Scot Mutual Growth	Low	+1%	0.89	18 15	14	4
Buy	DWS UK Opportunities Direct Line FTSE 100 Tracker	Low Medium	+8% +1%	0.31 0.91	18	26 16	10 5		Scot Mutual Opportunity	Medium	+3%	0.81	21	19	7
	Direct Line FTSE-4-GOOD Track.	Low	+1%	0.95	.0	14	4		Scot Mutual UK All Share Index Scot Mutual UK Equity	Medium Medium	+6% -1%	0.91 0.86	32 11	18 14	6 6
	Eagle Star UK Index Tracker F & C Blue	Medium Very Low	+2% +0%	0.95 0.24		17 4	6 1		Scot Wid. UK All Share Track	Medium	+4%	0.86		19	6
		,			@ G			ъ	Scot Wid. UK Growth	Low	+3%	0.68	14	20	7

Page	a 6										Intern	nation	al Ir	VAS	tor
Ü		-	Superi-	Market	Perf						Superi-	Market	Perf	orma	nce
Curren Advice		Risk Rating	ority Rating	Correla- tion	36 mth	12 mth	3 mth	Current Advice	Investment Fund	Risk Rating	ority Rating	Correla- tion	36 mth	12 mth	3 mth
	Scot Wid. UK Index	Very Low	-2%	0.00	-10	2	-0	Buy	Framlington UK Smaller Coys	Medium	+15%	0.80	104	42	10
	Scot Wid. UK Tracker	Medium	+1%	0.79		16	6	Suj	Gartmore UK & Irish Small Cos	Very High	+4%	0.82		20	9
	Sing & Fried UK Growth Retail Skandia Equity	Medium Medium	+1% -1%	0.82 0.80		17 12	6 5		HSBC UK Smaller Companies Henderson UK Small Coys	Medium Medium	+1% +3%	0.81 0.90	32 56	16 18	5 5
	Solus UK Special Situations	Medium	-1%	0.60	5	18	5		Insight UK Small Cap	Low	+4%	0.86	40	19	6
	Sovereign FTSE 100	Medium	-1%	0.90	12	14	5	Buy	Invesco Perp UK Small Coys	High	+7%	0.76	58	26	8
	Sovereign UK Growth St James's Recovery	Medium Medium	+4% +6%	0.72 0.48	24 31	17 17	6 8	Buy	Invesco Perp UK Small Cos Equ. Investec UK Smaller Cos	Low Low	+4% +10%	0.81 0.83	35	28 30	5 7
	St James's Tracker	Medium	+4%	0.89	22	17	5	Buy	JPMF UK Smaller Companies	Medium	+7%	0.91	63	29	9
	St James's UK & Gen Prog. Stan Life UK Equity Gth	Medium Medium	+1% +4%	0.73 0.75	7 26	11 20	2 8	Buy	Jupiter UK Small Cos L & G UK Small Coys	Medium Medium	+7% +3%	0.70 0.79	57 49	26 24	9 6
Buy	Stan Life UK Opportnities	Very Low	+8%	0.39	20	23	7		Lazard UK Small Coy	Low	+6%	0.85	43	22	7
	TU British Threadneedle UK Growth	Medium	+0% +4%	0.80 0.82	14	14 15	5 4	Buy Buy	M & G Smaller Companies	Low	+9% +18%	0.86 0.73	64 132	31 29	7 6
	Tilney UK Equity	Medium Medium	+4%	0.82	10	13	4	Buy	Marlborough Special Situations Merrill UK Small Companies	Medium Medium	+10%	0.73	85	39	8
	UBS UK Select	Medium	+1%	0.82		14	3	Dini	Norwich UK Smaller Cos	Low	+3% +7%	0.93	33	14 24	4 7
	UNITED KINGDOM BASI							Buy	Old Mutual UK Select Mid Cap Premier UK Smaller Coys	Medium Medium	+7%	0.69 0.59	41	32	6
Buy	3i Group Advance UK	Very High Low	+4% +11%	0.26 0.43	29 55	31 22	13 9	Buy	Prudential Smaller Companies	Low	+8%	0.72	58 72	26 23	7
-	Albany	Medium	+4%	0.40	18	21	7	Buy	Rathbone Smaller Coys S & W Smaller Securities	Low Medium	+8% +2%	0.84 0.63	38	23	6 5
Buy	Aurora Invest Trust British American IT	High Very Low	+14% +6%	0.23	53 8	9 30	1 16		SWIP UK Smaller Companies	Medium	+5%	0.80		20	3
	British Assets	High	-3%	0.76	6	17	5		Schroder UK Smaller Coys Scot Mutual UK Small Coys	Medium Medium	+5% -2%	0.91 0.90	42 21	21 21	5 8
	British Portfolio Trt	Medium	+3%	0.72 0.07	22 -3	20 2	7 -1		Scot Wid. UK Smaller Coys	Medium	+1%	0.84		16	5
	City Merchants High Yld City of London	Very Low High	-2%	0.53	-s 2	13	-1		Stan Life UK Smaller Cos Threadneedle UK Smaller Cos	Low Medium	+6% +1%	0.78 0.80	48 32	26 19	7 7
	Deutche Equity Income	Low	-1%	0.44	2	5	3	Buy	UBS UK Smaller Companies	High	+7%	0.62	32	26	9
Buy	Edinburgh UK Tracker F & C Capital & Income	Medium Very Low	-1% +7%	0.74 0.11	5	15 17	4 6	Avoid	Unicorn UK Smaller Coys	High	-10%	0.75		8	7
Buy	Falcon Investment Trust	Low	+8%	0.18	41	33	8		United Kingdom based						
Buy Buy	Fidelity Special Values Finsbury Growth	Low Medium	+13% +13%	0.31 0.44	61 55	19 25	7 1	Buy	Aberforth Smaller Coys Acorn Income Fund	Medium High	+7% -1%	0.68 0.44	44 19	29 21	6 5
Buy	Gartmore Growth Opps	Very Low	+22%	0.05	122	26	10	Buy	Active Capital Trust	Very High	+8%	0.64	17	18	11
Dent	Glasgow Income Trust	Very High	+2%	0.46	7	20	4	Buy	Chelverton Growth Trust	Medium	+9%	0.20	45	21	3
Buy	Hansa Trust ISIS UK Select	Very Low High	+28% +2%	0.02 0.59	106 18	56 16	7 11	Avoid	Eaglet Investment Trust Edinburgh Smaller Coys	Very High Very High	-13% -1%	0.71 0.56	16 52	-5 32	5 9
Buy	Independent Invest Trt	High	+7%	0.29	24	14	7	Buy	Framlington Innovation	Medium	+10%	0.64	79	30	8
Buy	Invesco City & Commer. Invesco Income Growth	Medium Medium	+12% +2%	0.08	59 15	49 18	12 -0	Buy Buy	Gartmore Fledgling Indx Gartmore Small Coys	Medium Very High	+15% +9%	0.45 0.56	92 100	18 27	1 14
	JPMF Claverhouse	Very High	+0%	0.82		20	9	Duy	Henderson Smaller Cos	Very High	+4%	0.83	73	23	6
Buy	JPMF Mid Cap Keystone Inv Trust	Very High High	+7% +3%	0.44 0.50	45	26 22	11 10	Buy Buy	Henderson Strata Inv I & S UK Smaller Coys	Very High High	+10% +13%	0.44 0.71	67 127	30 39	8 5
	Life Offices Opport.	Very Low	-4%	0.01	-16	14	4	Buy	Invesco England	Very High	+12%	0.60	119	42	14
D	London & St Lawrence	Very Low	+3%	0.22	9	15	6		Invesco Perp UK Smaller	Medium	+6%	0.64	56	37	7
Buy	Lowland Investment Co Merchants Trust	Medium Very High	+10%	0.30 0.56	40 7	26 18	6 2	Buy	JPMF Mercantile JPMF Smaller Cos	High Very High	-1% +9%	0.74 0.67	36 90	18 43	6 16
_	Murray Income Trust	High	+2%	0.67	19	23	5	,	Montanaro UK Small Coys	Medium	+4%	0.62	43	31	10
Buy	Perpetual Income & Gth Schroder Income & Grwth	Medium Very Low	+9% +2%	0.40 0.20	31 9	24 13	2 5	Buy	Osprey Small Cos Income Platinum Trust	High Very Low	-6% +12%	0.48 0.26	8	11 21	8 15
	Schroder UK Growth	Medium	+1%	0.40	17	15	4	Buy	Schroder UK Mid & Small	High	+7%	0.60		35	10
	Shires Income Temple Bar Inv. Trust	Very High Medium	-1% +6%	0.22 0.54	-10 25	18 23	0 5	Buy	Shires Smaller Coys Throgmorton Trust	Medium Very High	+2% +11%	0.47 0.70	26 101	33 47	13 15
	Value & Income Trust	Very Low	+6%	0.29	18	19	3		TED KINGDOM BASED INVE						
Uni	TED K INGDOM BASED I N	VESTMENT -	F RUSTS	: - Spl	лт С	APIT	AL			Very High	+26%	0.37	110	86	10
Buy	Allianz Dres Income Gth	Very High	+20%	0.10	2.4	70	13	Buy	Small Cos Value Trt (c)	Very High	+24%	0.27		88	27
Avoid Avoid	Blue Chip Value & Inc Danae - Capital	Very High Very Low	-10% -20%	0.27	-34 -66	45 -36	7 -2		EII	DADE					
Buy	Ecofin Water & Power(c)	Very Low	+61%	0.00	230	218	18			<u>ROPE</u>					
Buy	Equity Partnership Framlington I & C - Cap	Very Low Very High	-3% +33%	0.00 0.28	-33 187	17 78	1 15		Australian ba	_		-			
-	Gartmore High Income	Very High	-5%	0.18	-16	31	19		Allianz Europe Growth BT Europe Growth	Medium Low	-0% +1%	0.55 0.44	17 10	25 19	13 7
Avoid	Gartmore SNT Henderson High Income	Very Low High	-40% +4%	0.00 0.22	-95 16	-49 36	-2 12		Perpetual Fid. Europe	Very Low	+0%	0.36	6	10	ó
Buy	Invesco Recovery 2005	High	+12%	0.10	12	43	6		Platinum Europe	Medium	+5%	0.51	29	13	1
Buy	Investec High Income JPMF Income & Capital	Low Medium	+16% +6%	0.05 0.18	60 14	58 38	9 10		New Zealand e						_
Buy	JPMF Income & Gth (cap)	Very High	+20%	0.32	131	63	13		Tower Spotlight Europe	Very Low	-1% Ivuz To	0.42	16	14	7
Buy Buy	Jupiter Dividend & Gth M & G Equity Trust -Cap	Very High Low	+24% +10%	0.19 0.07	127 37	136 73	26 11		UNITED KINGDOM AXA European Growth	High	JNIT TR +2%	0.88	38	23	10
Buy	M & G High Income - Cap	Low	+10%	0.06	95	129	23		Aberdeen European Growth	High	+2%	0.85	29	15	6
Buy	M & G Income	Very Low	+7%	0.03	28	32	1		Aberdeen European Opps	Medium	+3% +0%	0.90 0.88	32	15 20	6 7
	M & G Recovery Merrill FTSE100 G&I (c)	Very Low Very Low	+0% +5%	0.14 0.28	-3 15	30 7	7 0		Aegon European Allchurches Euro Growth	High Medium	+0%	0.88	32 22	15	5
Buy	Rights & Issues	Very Low	+16%	0.02	42	34	6		Allianz Dres Euro Index	High	+1%	0.91	32	20	7
Buy	Schroder Split Invest.	Medium	+13%	0.13	63	41	3	Buy	Allianz Dres Cont. Euro. Artemis European Growth	High High	+1% +11%	0.90 0.89	30 72	18 33	6 12
	UNITED KING	DOM SM	ΙΔΙΙ.	FR (:05	3		20,	BG Europe	Medium	+1%	0.80	25	22	8
						_		Buy	BGI European Baring Euro Sel.	Low Medium	+5% +14%	0.52 0.66	96	21 43	6 12
	UNITED KINGDO	OM BASED U Medium	NIT TR +2%	0.96	39	23	7	buy	Baring European Growth	High	+0%	0.86	28	23	8
	Abbey Nat'l Smaller Cos	Medium	-2%	0.98	25	22	7		Britannic European CIS European	High High	+1% -1%	0.78 0.88	27 25	18 19	6 7
D	Aberdeen UK Emerging	Medium	-3%	0.73	16	5	2	Buy	CS Euro Frontiers	High	+22%	0.30	146	59	30
Buy	Aberforth UK Small Coys Allianz Dres UK Mid-Cap	Low Low	+12% +6%	0.81 0.79	58 49	24 24	4 7	D. n.	CS European	High Modium	-1%	0.86	21	17	6
-	Artemis New Enterprises	Very High	+2%	0.85	71	9	-0	Buy	CS MM European Portfolio Cazenove European Portfolio	Medium Medium	+8% +4%	0.73 0.89	46	28 24	11 7
Buy Buy	Artemis UK Smaller Coys BG British Smaller Coys	Low Low	+11% +8%	0.63 0.55	68 58	26 22	11 9	-	DWS European Growth	Medium	+1%	0.88	28	21	8
Duy	BGI Smaller Companies	Medium	+1%	0.85		18	4	Buy	DWS European Opportunities F & C European 1	Medium High	+8% +3%	0.62 0.90	38	32 20	11 7
	Baring UK Small Coys Britannic Smaller Companies	Low Low	+0% +5%	0.80 0.50	27 48	17 36	4 7	Buy	Fidelity European	Medium	+12%	0.87	71	32	9
	CS Smaller Companies	Low Medium	+3%	0.80		36 20	5	Buy	Fidelity European Opps Framlington European	High High	+9% +5%	0.88	66 49	32 31	9 10
	CS UK Mid 250	Low	+1%	0.72	35	17	5		Gartmore European	Medium	+1%	0.50	27	21	6
	Cavendish Opportunities Cazenove UK Smaller Coys	High Medium	+6% +0%	0.76 0.82	51 30	26 22	5 4	Buy	Gartmore European Focus Gartmore European Sel Opps	Medium	+8% +1%	0.82	28	26 23	9 8
	F & C AIM Growth	Low	+4%	0.63	34	15	4		HSBC Eurotrack 100	High Medium	+1% +1%	0.86 0.86	30	23 19	7
Buy	F & C UK Smaller Companies First State British Small Cos	Low Medium	+4% +13%	0.88 0.56	44 85	24 20	7 1		HSBC European Growth	High	+2%	0.87	31	21	7
Juj	St State Strain ornal 603	Wicalani	1 1 3 70	0.50	00	20			Henderson Euro Cap Gth	High	+2%	0.83	33	22	8

Octo	October 11, 2005. Page 7															
Currer Advice		Risk Rating	Superi- ority Rating	Market Correla- tion		orma 12 mth	ance 3 mth	Curren Advice		Risk Rating	Superi- ority Rating	Market Correla- tion		orma 12 mth	nce 3 mth	
	Inscape Europe Insight Euro Discretionary Insight European	Medium Medium	+4% +4% +2%	0.85 0.80 0.56	31	23 23 21	8 8 8		Threadneedle Euro Growth Threadneedle Euro Sel Growth Threadneedle Pan Curv Oth	High High Medium	+4% +4% +1%	0.88 0.86 0.90	39 37 24 33	25 23 17	8 8 7	
	Insight Pan Euro Sel Opps Invesco Perp Euro Growth	Low Medium	+2% +0%	0.84 0.80	23	18 21	6 6		Tilney European Growth UNITED KINGDOM BASED	Medium	+3%	0.84		19	6	
	Invesco Perp European Equity	High	+5%	0.78	37	21	5	Buy	ACM European Enhanced	Very High	_	0.00	KUSI	2	6	
	Investec European JPMF European Growth	Medium	+4% +5%	0.84 0.89	44	22 30	9 11	Buy	Artemis Alpha	Hiah	+19%	0.00		36	5	
Buy	JPMF New Europe	High High	+21%	0.89	130	55	33	Buy	Baring Emerging Europe	Very High	+25%	0.32	180	86	49	
Duy	Jupiter European	Medium	+5%	0.73	39	19	5		Blue Planet Gth & Inc	Very Low	+5%	0.01	28	46	36	
	L & G (A & L) European	High	-2%	0.80	20	17	6	_	Charter Pan European	High	+4%	0.79	45	25	10	
	L & G Euro Index	High	+1%	0.87	31	19	5	Buy Buy	Eastern European European Assets	Very High Very High	+29% +12%	0.29 0.66	199 91	82 41	39 9	
	L & G European	High	-2%	0.88	22	19	6	ьuy	F & C European	Very High	+12%	0.81	44	27	12	
	Lazard European Growth Lincoln European	Medium Hiah	+3% +1%	0.85 0.87	36 28	24 19	5		Gartmore European	High	+3%	0.80	28	29	11	
	M & G European	Very High	+1%	0.87	37	20	7	Buy	Gartmore Irish Small	High	+26%	0.28	136	29	2	
	M & G European Index Tracker	Medium	+4%	0.73	41	29	7	Buy	Henderson Eurotrust	High	+9%	0.39		40	18	
	MFS Continental European	Low	+6%	0.80		21	8	Buy	Invesco Perp European JPMF Cont. Euro.	Medium	+12% +6%	0.48 0.76	81	29 32	2 12	
	MSDW Europe (ex-UK)	High	-2%	0.86		18	8	Buv	JPMF Cont. Euro. JPMF Russia	Very High Medium	+6%	0.76		32 59	50	
	Martin Currie European	Very High	+2% +2%	0.89	38	20 26	9 8	Buy	Jupiter European Opps	High	+14%	0.40	82	30	6	
Buy	Merrill Continental Euro Merrill European Dynamic	High Verv High	+2%	0.84 0.84		26 35	8 10	Buy	SR Europe	Medium	+13%	0.37	81	59	24	
Buy	New Star European Growth	Low	+8%	0.62		23	6	,								
Duy	New Star European Leaders	Medium	+3%	0.91		20	5		EUROPE SMALLER COS							
Buy	New Star European Portfolio	Medium	+9%	0.73		29	11									
	Newton Continental European	Medium	+2%	0.87	30	20	6		UNITED KINGDON	1 BASED L	JNIT I R	USTS				
	Newton Pan-European	Medium	+1%	0.88	29	19	6 9	Buy	BG Euro Small Coys	Medium	+11%	0.57	86	38	14	
Buy	Old Mutual European Equity Premier European Growth	High Medium	+0% +8%	0.89 0.75	60	23 37	9 15	Buy	DWS European Smaller Cos	Medium	+9%	0.74	77	37	12	
buy	Prudential Euro Index	High	+2%	0.75	33	27	7	Buy	Henderson European Small Cos	Low	+13%	0.69	87	39	12	
	Prudential European	High	+0%	0.80	25	15	7	Buy Buy	Insight European Small Cap Invesco Perp Euro Smaller Cos	Low Medium	+12% +10%	0.54 0.67	69	33 49	10 14	
	Royal London European Gth	High	+2%	0.87	37	21	9	Buy	JPMF European Smaller Coys	Medium	+16%	0.07	96	49	14	
Buy	Ruffer European	Very Low	+11%	0.17		27	9	Buy	Jupiter Euro Spec Sits	Medium	+9%	0.75	59	30	9	
_	S & W European	High	+2%	0.89	30	15	6	Buy	M & G European Smaller Coys	Medium	+12%	0.70	83	30	8	
Buy	SG European SVM Continental European	High Medium	+13%	0.30 0.46	77	21 35	7 14	Buy	SWIP Pan-Euro Small Companies	Very High	+7%	0.66		39	13	
Buy	SWIP European	Low	+6%	0.46		28	10	Buy	Schroder Euro Small Coys	Medium	+12%	0.68	87	42	13	
	SWIP Pan Euro Equity	Low	+3%	0.68		20	9	Buy	Threadneedle Euro Small Cos	Medium	+17%	0.71	94	43	12	
	Schroder European	Medium	+5%	0.83	46	18	5		United Kingdom based	LISTED I	NVESTN	ENT I	RUST	S		
	Scot Life European	High	+1%	0.86	38	21	9	Buy	F & C Smaller Companies	High	+12%	0.51	88	42	15	
	Scot Mutual European	High	+1%	0.88	28	21	7	Buy	Fidelity Euro V.	Very High	+15%	0.59	88	41	13	
	Scot Wid. Euro Select Gth	Low	+6%	0.63	24	28	10	Buy	JPMF Euro Fledgling	Very High	+23%	0.55	156	84 51	28 16	
	Scot Wid. Euroland Scot Wid. European Growth	Medium Medium	+3% +4%	0.72 0.74	31 33	27 30	10 11	Buy	TR European	Medium	+22%	0.52	162	51	10	
Buy	Sing & Fried European Growth	Medium	+7%	0.80	33	30	10		6 E I		/					
,	Skandia Continental European	Medium	+1%	0.90		18	6		<u>GEI</u>	<u>RMAN'</u>	<u> </u>					
	Sovereign European Gth	High	+1%	0.89	33	20	7		UNITED KINGDON	BASED L	JNIT TR	USTS				
	St James's Gtr Euro Prog.	Medium	+3%	0.81	33	22	6		Baring German Growth	Medium	+4%	0.82	55	27	7	
	Stan Life Euro Equity Gth TU European	High Medium	+4% +2%	0.80 0.82	32	29 19	10 7		paing actual grown	iviculuiTI	± 4 70	0.02	55	21	,	

Best Managed Funds

The Russian and Eastern European stockmarkets have performed strongly over the last 3-5 years. Emerging stockmarkets can yield above average long term returns - but can also be volatile - so it can be difficult to know whether this strong performance will ontinue or reverse! Nevertheless, investors with diversified portfolios may wish to have a small investment in this region.

Many Russian companies offer good value in terms of assets, but turning assets into profits and shareholder value will partially depend upon the country's long term success developing a market economy. Another problem is that many listed securities are inactively traded, often with a large spread between bid and offer prices.

Three funds that have performed well and are worth consideration include **CS European Frontiers Fund** (an unlisted OEIC), **Eastern European Trust plc** (a

listed investment trust) and **JPM Russian Securities plc** (a listed trust).



(Continued on Page 8)

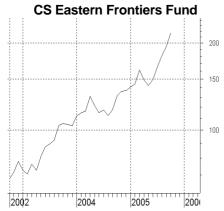
CS Eastern Frontiers Fund is a £27.9 million unlisted opened ended investment company (i.e. similar to the old unit trusts) managed by Credit Suisse Asset Management.

The trust currently has its largest investments in Russia (38.3% of its portfolio), with smaller holdings in Hungary (16.5%), Poland (16.1%), Turkey (15.8%), Czech Republic (7.7%) and cash (5.6%). The ten largest holdings make up 49.3% of the portfolio.

The minimum investment is £1000, with the minimum additional investment £500. There is the usual 6% spread between the sales and redemption prices, which includes a 54% sales commission. A brokerlike Fastrade will rebate most of this commission (in the form of a lower buying price) but charges an additional £40 handling fee. The annual management fee is 1.5%.

The fund seeks long term capital growth and at this time there is no net income available for distribution.

CS Eastern Frontiers Fund rates as *High* risk in our *Investment Fund Survey* but has a Superiority Rating of +22%.

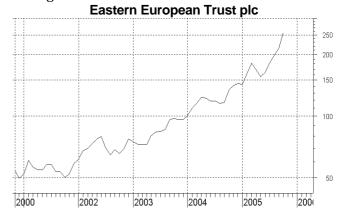


Eastern European Trust plc (code EST) has a £151.6 million portfolio invested in Russia (42.9% of assets), Turkey (22.5%), Hungary (15.4%), Poland (7.6%), Ukraine (3.9%), Czech Republic (3.2%), Croatia (1.9%), Romania (1.2%) and other CIS (1.4%). The ten largest investments account for 41.7% of the portfolio.

The portfolio is slightly leveraged, with about 4% funded by debt. The shares also trade at a small 6% discount to net assets. Issued capital is 59,183,000 shares.

The annual management charge includes a performance fee, so can vary from 0.5% to 2.6%. The investment objective is long term capital appreciation and there is no income (after the management fee and operating expenses) available for the payment of dividends.

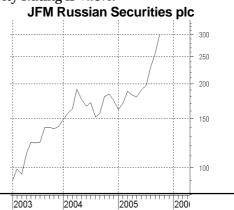
In our *Investment Fund Survey*, Eastern European Trust rates as *Very High* risk, but with a Superiority Rating of +29%.



JFM Russian Securities plc (code JFR) has total assets of £181.8 million which is all invested in Russian shares. The portfolio is very concentrated, with 91.7% invested in just the ten largest holdings.

Debt funds around 9% of the portfolio - and the company can borrow up to 15%. The shares currently trade at a 5% discount to net asset value. The trust seeks capital appreciation and again there is no income for distribution to investors. The annual management fee is 1.5% of net assets. The capital consists of 56,162,812 shares.

Despite its more concentrated portfolio, JFM Russian Securities is rated as just *Medium* risk based upon its historic volatility by our *Investment Fund Survey*. The Superiority Rating is +23%.



Next Issue

The next issue of *International Investor* will be posted in four weeks time on Tuesday November 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 or www.australia-stockmarket.co.nz (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.