International Investor

Issue No. 121 www.stockmarket.co.nz January 10, 2006

Inside International Investor

Recommended Fund Portfolio up 52% in 2005 ... 2 Fund Recommendations:

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

World Stockmarket Forecasts

Stockmarket	One-Year	Fundamental	Technical	Monetary	Economic		Performance		Share
	Forecast	Indicators	Indicators	Indicators	Indicators	3 mths	6 mths	12 mths	Index
Australia	70%	Bullish	Bullish	Neutral	Bullish	+6.9%	+14.2%	+15.6%	4,736.40
Austria		Bearish	Bullish	Bullish	Bearish		+24.0%	+41.9%	3,772.48
Belgium		Neutral	Bullish	Bullish	Bullish	+9.7%	+19.4%	+13.0%	3,643.74
Canada	61%	Neutral	Bullish	Neutral	Neutral		+19.4%	+36.4%	11,620.46
Denmark	 59%	Bearish	Bullish	Neutral	Neutral	+7.1%	+13.9%	+24.6%	391.10
Finland	75%	Neutral	Bullish	Bullish	Neutral		+16.0%	+24.7%	8,432.44
France	61%	Bearish	Bullish	Neutral	Neutral	+7.9%	+15.9%	+18.7%	3,405.68
Germany	62%	Bearish	Bullish	Bullish	Bearish	+10.8%	+22.6%	+19.4%	5,536.32
Ireland	71%	Bearish	Bullish	Bullish	Neutral	+10.0%	+16.8%	+9.3%	7,486.22
Italy	67%	Bullish	Bullish	Neutral	Bullish	+5.8%	+11.3%	+7.2%	27,405.00
Japan	57 %	Bearish	Bullish	Bullish	Bearish	+23.3%	+38.9%	+31.4%	16,428.21
Netherlands_	63%	Neutral	Bullish	Neutral	Neutral	+12.2%	+16.8%	+17.2%	446.11
New Zealand	44%	Bullish	Bearish	Bearish	Bullish	-6.9%	-0.7%	-9.3%	2,256.47
Norway	69%	Neutral	Bullish	Bullish	Neutral	+9.6%	+14.6%	+33.7%	1,134.32
Spain	71%	Bullish	Bullish	Bullish	Neutral	+2.0%	+13.1%	+14.3%	1,177.35
Sweden	54%	Neutral	Bullish	Bearish	Bearish		+22.1%	+20.3%	306.47
Switzerland _	53%	Bearish	Bullish	Neutral	Bearish	+12.0%	+25.4%	+25.8%	7,718.47
Un. Kingdom		Bullish	Bullish	Bullish	Neutral	+7.6%	+11.8%	+12.0%	5,731.80
USA	60%	Neutral	Bullish	Neutral	Bearish		+6.1%	+8.4%	1,285.45
Argentina	64%	Bearish	Bullish	Bullish	Bearish	-3.1%	+24.4%	+60.7%	4,882.05
Brazil	76%	Bearish	Bullish	Bullish	Bullish	+17.5%	+50.2%	+71.0%	35,475.02
Czech Rep	52%	Bearish	Bullish	Neutral	Bearish	+11.1%	+30.9%	+37.9%	1,509.40
Chile	35%	Bearish	Neutral	Bearish	Bearish	-4.5%	+12.1%	+18.1%	9,473.55
China	50%	Bearish	Neutral	Bullish	Bearish	-0.7%	+12.8%	-12.5%	66.97
Greece	78%	Bearish	Bullish	Bullish	Neutral		+23.8%	+23.1%	3,767.91
Egypt Hong Kong	52%	Bearish	Bullish	Bearish	Neutral		+32.2%	+90.8%	2,327.77
Hong Kong	54%	Neutral	Bullish	Bearish	Bearish		+10.2%	+13.6%	15,344.44
Hungary	69%	Bearish	Bullish	Bullish	Bearish	-1.1%	+13.1%	+37.4%	21,886.06
India	44%	Bearish	Bullish	Bearish	Bearish		+31.4%	+47.9%	9,640.29
Indonesia	60%	Bullish	Bullish	Bearish	Neutral		+12.9%	+15.0%	1,222.25
Israel	44%	Bearish	Bullish	Bearish	Neutral	+7.9%	+25.8%	+21.9%	822.76
Korea	/1%	Bullish	Bullish	Bullish	Bearish		+47.5%	+72.6%	1,412.78
Malaysia	5/%	Bullish	Neutral	Bullish	Bearish		+2.2%	+0.8%	911.67
Mexico	/4%	Bearish	Bullish	Bullish	Bearish		+37.1%	+61.7%	
Philippines		Bullish	Bullish	Bullish	Neutral		+21.4%	+23.2%	2,133.79
Poland		Bearish	Bullish	Bullish	Neutral		+42.8%	+46.4%	37,921.06
Portugal	74%	Bullish	Bullish	Bullish	Neutral	+8.9%	+19.0%	+8.7%	2,659.18
Russia	/3%	Bearish	Bullish	Bullish	Bearish		+64.1%	+87.6%	14,723.18
Singapore	32% 71%	Bullish	Bullish	Bearish	Bearish	+7.9%	+13.4%	+16.8%	2,420.74
Sth Africa		Bearish	Bullish	Bullish	Bearish	+22.9%	+44.6%	+44.9%	18,414.85
Taiwan Thailand	65% 67%	Bullish Bullish	Bullish	Bullish	Bearish Neutral	+13.6%	+7.6% +22.5%	+12.1%	6,694.82
			Bullish Bullish	Neutral		+7.9%		+5.1%	747.34
Turkey Venezuela	76% 67%	Bearish		Bullish	Bearish		+52.2%	+73.6%	41,905.41
venezuera	0/%	Bullish	Bearish	Bullish	Bearish	+14.3%	-2.3%	-26.2%	20,755.33

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

Recommended International Investment Funds

Our portfolio of "Recommended International Investment Funds" performed strongly over the last year-rising +51.8% (all figures in NZ dollar terms). Over the last three years the portfolio has recovered and grown +175% in value!

The top performer over the last year was the Schroder Asia Pacific warrants, up +147% - just in time to recover some value ahead of their expiry at the end of this month! Baring Korea Trust rose +96%, Baillie Gifford Shin Nippon +78%, Aberdeen Asian warrants +75%, Scottish Oriental warrants +73% and JPMorgan Euro Fledgling +65%. Eaglet was the only fund to decline, falling 5%, with our other UK funds, Aberforth Smaller Companies (up +19%) and Herald (i.e. UK technology shares, up +16%) as well as HSBC Greater China (up +20%) under-performing the strong gains from our Japanese, Asian and European investments.

Update and Changes to Our Recommended Funds Portfolio

We are making a couple of changes to our portfolio this month. The **Schroder Asia Pacific** warrants expire at the end of this month, so investors should sell on-market or do nothing and allow the trustee to realise their value and distribute the net proceeds next month. We have a large investment in the Asian stockmarkets and will replace these warrants with a third Japanese fund, listed **Fidelity Japanese Values plc**. Japan is the second largest world stockmarket and is starting to recover after two decades of under-performance. Adding a third Japanese fund will increase our exposure to this market to around 15-20% of our portfolio.

We shall also take this opportunity to sell our under-performing **Eaglet Investment Trust plc** shares and invest in another better performing, better diversified, UK smaller companies trust, **Invesco English & International Trust plc**. This trust has performed more consistently and also trades at a large discount to net asset value.

Current		EPIC	Initial Red Date			Prem/ Disc	Recent	Drico	Gain or		
Advice		Code	Date	Foreign	NZ	to Net	Bid-Offer or	NZ	Loss		
7101100	investment i diid	0040		i or orgin	Cents	Assets	Last Sale	Cents	%		
	Europe										
BUY	Fidelity European Values plc	FEV	13/05/03	463.5p		+4%	1169.00p	2994.4	+132		
BUY	JPMorgan Euro Fledgeling IT plc	JFF	15/01/02	226.5p	765.8	-11%	539.75p	1382.6	+81		
	United KIngdom										
BUY	Aberforth Smaller Cos Trt plc	ASL	15/07/03	375.5p	1042.0	-5%	656.0p	1680.3	+61		
SELL	Eaglet Investment Trust plc	EIN	13/11/01	334.0p	1160.7	-17%	296.5p	759.5	-35		
BUY	Invesco English & Int'l Trust	IEI	10/01/06	273.5p	700.6	-14%	273.5p	700.6			
	Asian Regional										
BUY	Aberdeen Asian Sm Co WARRANTS	AASW	09/09/03	75.3p	209.1		191.5p	490.5	+135		
HOLD	Gartmore Pacific Growth Fund	*	29/10/85	41.4p	105.4		257.36p	659.2	+526		
HOLD	HSBC Asian Fund	*	10/11/98	34.4p	106.3		58.42p	149.6	+41		
HOLD	HSBC Greater China Fund	*	07/04/98	159.4p	481.6		202.5p	518.7	+8		
HOLD	Henderson Pacific Capital	*	08/08/00	342.2p	1122.6		381.3p	976.7	-13		
BUY	Scot Oriental Sm Cos WARRANTS	SSTW	11/11/03	78.0p	211.5		137.5p	352.2	+67		
SELL	Schroder Asia Pacific WARRANTS	SDPW	13/07/99	25.5p	75.8		18.75p	48.0	-37		
	Japan			•			•				
BUY	Baillie Gifford Shin Nippon plc	BGS	11/01/94	156.0p	440.3	+0%	290.5p	744.1	+69		
BUY	Fidelity Japanese Values plc	FJV	10/01/06	126.0p	322.7	+3%	126.0p	322.7			
BUY	Invesco Japan Discovery Trust	IJD	13/07/99	95.5p	284.0	-4%	165.75p	424.6	+50		
	Korea			•			·				
HOLD	Baring Korea Trust	*	12/04/94	81.1p	209.4		187.6-199.1p	495.3	+137		
	International						•				
BUY	Aberdeen Emerging Markets	*	13/08/91	61.7p	184.0		224.0p	573.8	+212		
BUY	Herald Investment Trust	HRI	12/10/04	310.8p	820.1	-6%	396.0p	1014.3	+24		
BUY	Private Equity Investor plc	PEQ	11/12/01	122.5p	420.2	-3%	155.0p	397.0	-6		
* United	d Kingdom based Unit Trust			•			•				

The average Gains/Losses of all current investments from initial recommendation is +76.3%. This is equal to an average annual rate of +12.6%, based upon the length of time each position has been held. The average annual rate of gain of ALL recommendations (both the 19 current and 43 closed out) is +12.7%.

Other Shares and Warrants

Alternative investments in the UK listed investment trust shares and warrants recommended above include **Aberdeen Asian Smaller Companies** shares at 296½ pence (trading at a 7% *premium* to net asset value), **Schroder Asia Pacific** shares at 119 pence (a 9% *discount* to net asset value) and **Scottish Oriental Smaller Companies** shares at 236¾ pence (a 5% *discount*)

January 10, 2006. Page 3

Fund Recommendations: Realise Schroder Asia Pacific warrants

The final exercise/expiry date for our **Schroder Asia Pacific** warrants is 31 January 2006. Investors can either (1) pay £1.00 to buy the shares, (2) sell the warrants on-market or (3) do nothing, in which case the warrants will be exercised by a Trustee, the shares sold on-market and the net proceeds will be distributed to the warrantholders.

While we are happy with Schroder Asia Pacific shares as an investment, we already have large investments in the Asian region so will use this opportunity to slightly reduce this large Asian investment. Therefore we favour either selling the warrants on-market or taking no action and allowing the Trustee to realise the value of the warrants and distribute the proceeds.

Selling some or all of the warrants on-market will realise a known price (i.e. the market value on the day you place an order) while leaving the warrants to be realised by the Trustee involves risk of price fluctuation - either up or down over the remainder of January and until the new shares are sold in early February. As the shares are trading only slightly above the 100 pence exercise price, any rise or fall in the share price could have a major impact on the value of the warrants. This, of course, is the same high risk/high return situation we have faced over the last several months.

Overall we would favour leaving the warrants to the Trustee as (1) we get another 2-3 weeks for the shares and warrants to appreciate in value and (2) no direct brokerage fees (and the Trustee will sell in a large transaction so the cost will be very low per warrant).

Despite recovering strongly over the last year, these warrants are still trading below our initial purchase price of $25\frac{1}{2}$ pence in July 1999. The exchange rate has also moved against us by about 16% owing to the strong NZ dollar. At that time the shares traded at $86\frac{1}{2}$ pence and the warrants had a Break-Even rate of only 5.9%.

Unfortunately, we timed that initial purchase badly and the shares fell to 45 pence over the next two years, depressing the warrants to around only 7 pence in late 2001. With the shares trading around 50 pence in early 2003 the warrants were worth only $3\frac{1}{2}$ pence.

Fortunately, Asian markets have finally started to realise some of their value and over the last three years the share price has more than doubled to above the 100 pence price of the warrants.

Summary and Recommendation

Either sell these warrants on-market or do nothing and allow the Trustee to realise their value and distribute the net proceeds next month.

Exercising the warrants and remaining a *share*-holder in this trust is not unattractive - but we already have a large investment in the Asian stockmarkets so will realise these warrants and slightly reduce that exposure.

In our *Recommended Portfolio* we shall record the sale of these warrants in February 2006 at the value received from their sale by the Trustee. Depending upon fluctuations over the next month that value may be higher or lower than the current market price of 18¾ pence.



Buy Fidelity Japan Values plc

BUY Fidelity Japanese Values plc (code FJV).

We are recommending a third Japanese fund, Fidelity Japanese Values plc, to increase our exposure to the Japanese stockmarket to around 15-20% of our international portfolio.

Fidelity Japanese Values plc is a £139 million fund that seeks long term capital appreciation from an "actively managed portfolio" - focusing upon individual share selection - of mainly smaller and medium sized Japanese company shares. The portfolio is well diversified, with the ten largest holdings currently making up only 21.7% of the portfolio.

The portfolio is leveraged with five year Yen loans totalling Y3179 million (about £15.6 million) at an average interest rate fixed at 1.45%. This results in a

relatively low 13% leverage. This is not too risky, but these low interest loans should help improve the long term returns to investors.

In our quarterly *Investment Fund Survey*, Fidelity Japanese Values rates as *Very High* risk and has a *Superiority Rating* of +17%.

The shares currently trade at a small 3% *premium* to net asset value. Historically, this fund has traded at up to a 20% discount to net asset values as have other Japanese trusts. Now that the Japanese economy and stockmarket are recovering these trusts are trading around net asset values.

The issued capital consists of 98,207,453 ordinary shares. The annual management fee is just 1.0% per annum, but the yield on *(Continued on Page 4)*

Copyright © Securities Research Company Ltd

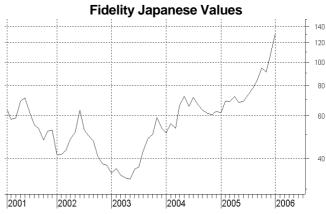
Page 4 International Investor

Fund Recommendations (Continued from Page 3) Japanese shares is also low so there is no net income available for the payment of dividends.

The shares are actively traded, with a bid/offer spread of around 4.6%. The "normal market" size is 5000 shares, so there is no problem buying up to several multiples of this volume in any single transaction.

Summary and Recommendation

We already have two long term investments in trusts that invest in smaller Japanese company shares, but now that the economy and stockmarket are recovering we want to increase our exposure to this market. Fidelity Japanese Values plc is a very well managed trust that should be an attractive addition to our portfolio.



Sell Eaglet Investment Trust plc

SELL Eaglet Investment Trust plc (code EIN).

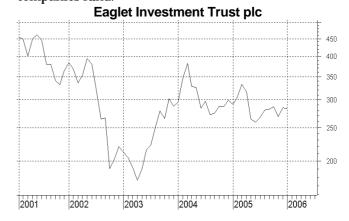
We are recommending the sale of Eaglet Investment Trust plc, which is continuing to under-perform, and re-investing in another UK smaller companies trust, Invesco English & International Trust plc.

We initially recommended this listed investment trust in November 2001 but for various reasons it has never been a successful investment for us.

With the aid of hindsight it is clear we underestimated the length of the stockmarket decline and bought these shares too early. The UK stockmarket continued to decline for another 16 months. The Fund Manager compounded this timing error, increasing the trust's borrowings to buy further shares which initially declined sharply in value.

From its low in March 2003 until early 2004 the trust recovered very strongly! Over the last two years, however, the trust has under-performed badly, slipping steadily in value while the UK stockmarket has moved steadily higher.

As a result of this under-performance over the last two years the shares now rate a very unfavourable *Superiority Rating* of -17% in our quarterly *Investment Fund Survey*. As a result we are recommending that investors cut losses on this fund and we shall seek to re-invest in another, better performing, UK smaller companies fund.



Buy Invesco English & International Trust plc

BUY Invesco English and International Trust plc (code IEI).

Invesco English & International Trust plc invests in mainly UK smaller listed companies, but can invest a small amount of its portfolio in *unlisted* UK companies and listed or unlisted US companies. The trust follows a "relatively risk averse stock selection strategy", investing in shares that offer "particular value" and diversifying widely to "maximise investment opportunities" while minimising "stock-specific risk".

The trust holds a £286.1 million portfolio which is extremely well diversified and invested in over 200 different smaller UK companies. The ten largest investments make up only 14.8% of the portfolio, with the 100 largest holdings making up 76.5% of the portfolio. Just 2.3% of the portfolio is invested in unlisted companies.

The trust is moderately leveraged - with up to 20%

debt - which should help improve returns over the longer term.

The trust's excellent diversification helps reduce risk and also ensures that performance will follow the general smaller UK companies index. Leverage increases risk and volatility but should also improve longer term returns. Share selection - even within a well diversified portfolio - can still determine long term performance. In our quarterly *Investment Trust Survey*, Invesco English & International earns a *Very High* risk rating - so the portfolio can be volatile despite its diversification. It also earns a high +11% *Superiority Rating* - and has generated very strong returns over the last three years. So wide diversification has not prevented above average returns from good share selection.

The shares currently trade at a 14% discount to net asset value. This is an attractive discount at which to be buying, especially as the company has recently

January 10, 2006. Page 5

restructured to allow it to reduce this discount. This should result in the share price rising relative to the next asset value over the net year and the shares trading closer to net asset value in future.

The recent restructuring will allow existing shareholders to redeem some or all of their shares on a quarterly basis. The quarterly redemption will be at a discount to net asset value. The redemption value will be the estimated realisation value of the portfolio (i.e. shares valued at the bid price), less sales costs less an exit fee which will initially be 4% but reducing to 2% from 2007. The exit fee will be retained by the trust to increase the net asset value of the remaining shares. The trust will also be able to issue new shares at each quarterly redemption date, at or above the realisation price. In addition, the trust will be able to re-purchase its own shares on-market, hold these as treasury stock and re-sell them on-market at any time. These actions should act to match supply and demand for the shares and result in the shares trading close to their net asset value in the future. Purchasing the shares on-market at a 14% discount now should result in around a 10% additional gain over the next year or so if the shares appreciate to trade around a 5% discount in future.

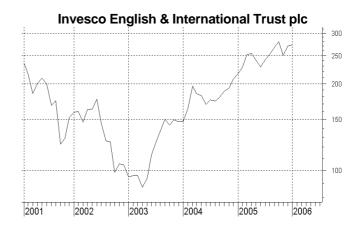
The issued capital currently consists of 78,063,398 ordinary shares. The annual management fee is 0.8% per annum - which is a low fee, especially considering the extra work managing such a widely diversified portfolio. An interim dividend is usually paid in January and a final dividend in July, but the annual dividend

rate was 1.3 pence, so the income yield is only about 0.5%.

Invesco English & International Trust plc shares are actively traded, although the current bid/offer spread is fairly wide at 3.9%. The "normal market" size is 5000, which means there is no problem buying up to this quantity of shares - or several multiples of this volume - in a single trade.

Summary and Recommendation

We recommend buying shares in Invesco English & International Trust as we believe its well diversified, well managed, portfolio offers a good exposure to the UK smaller company sector. The current discount to net asset value should narrow over the next 6-18 months which would provide an additional boost to the shares' short to medium term performance.



Market Performance

Investment Fund Survey

Market Performance

rrent vice	Investment Fund	Risk Rating	ority Rating	Correla- tion	36 mth	12 mth	3	Current Advice	Investment Fund	Risk Rating	ority Rating	Correla- tion	36 mth	12 mth	3 mth
	INTERN	ATION	VAL						BG Phoenix Global Growth	Medium	+1%	0.69		18	5
								Avoid	Bank Ireland British & Oversea	Low	-7%	0.76		5 5	6
	Australian bas	SED U NIT	· I RUS	TS					Bank Ireland Worldwide Opps Baring Global Growth	Low Medium	-6% -1%	0.71 0.81	21	5 17	6 7
	AMP FLI International	High	-1%	0.66	30	18	5		Britannic Global Growth	Medium	-1%	0.84	28	18	5
	ANZ ING Global	Medium	-3%	0.67	21	13	5		CS Worldwide Growth	Medium	-1%	0.64	20	14	5
	Advance Int'l Share MB	Medium	-3%	0.70	19	13	4		Cavendish Worldwide	High	+1%	0.90	32	18	5
	Advance International	Medium	-3%	0.63	19	10	3		Cazenove MM Univ International	підп Medium	-2%	0.90	32	16	6
	Allianz Global	Medium	-6%	0.59	10	14	8		F & C Global Growth	High	-2%	0.93		17	7
	Allianz Global Analysts	Medium	-6%	0.57	11	14	9		Fidelity International	Medium	+1%	0.88	33	20	5
	BT Global	Medium	-2%	0.53	17	13	3		Fidelity Managed Int'l	Medium	-3%	0.89	21	20	6
	BT International	High	-4%	0.72	21	12	3		First State Global Growth	Medium	-3%	0.85	9	16	7
	Challenger Global Shares	Very Low	-3%	0.32	7	1	-3	Buy	First State Global Opps	Verv High	+8%	0.83	85	48	8
	Commonwealth Int'l Share	High	-4%	0.60	15	10	3	buy	Framlington Financial	High	+0%	0.74	00	20	10
	Gold Sachs International	Medium	-2%	0.63	25	15	4		Gartmore Global Focus	Very High	+0%	0.86		26	5
	Invesco Global Matrix	High	+2%	0.54	46	10	4		Henderson Independent Port.	Medium	+2%	0.65	34	25	4
	MLC Aust - Platinum Gbl	High	+2%	0.60	47	13	7		Henderson International	Medium	-2%	0.03	24	18	6
	MLC MKey Global Share	Medium	-2%	0.66	27	17	6		Invesco Perp Int'l Equity	High	-1%	0.78	28	13	6
	NAFM Inv Trt - Global	Medium	-1%	0.67	24	14	4		Invesco Perp International	Medium	-4%	0.73	11	12	4
	Perpetual Fid. Intern'l	Medium	-3%	0.59	24	10	7		Invesco Perp World Growth	Medium	+2%	0.70		16	6
	Perpetual ICSav - Int'l	High	-3%	0.72	24	10	7		Investec Global Free Enter.	Very High	+6%	0.92		22	3
	Platinum International	Medium	+2%	0.45	35	13	7		Jupiter Ecology	High	-3%	0.65	20	8	-4
	New Zealand BA	ASED LIN	IT TRU	STS					L & G (Barclays) Worldwide	Medium	+1%	0.92	26	15	5
		-	_		07	0.4	_		L & G Global Growth	Medium	-1%	0.91	21	16	6
	AMP International Share	Medium	+3%	0.55 0.66	27 17	21 14	5 5		L & G Worldwide	Medium	-0%	0.93	25	16	5
	AMP Passive Int'l Share	Low					3		Lazard International Equity	Medium	-2%	0.78	11	13	5
	ANZ World Equity Trust ASB World Shares	Low Medium	+5% +3%	0.54 0.79	33 36	14 15	3 5		Lincoln Global	Medium	-2%	0.82	18	16	7
			+3%	0.79	30	18	5 1		M & G Global Leaders	Very High	+5%	0.90	55	27	4
	BNZ International Equity ING International Share	Low Very Low	+4%	0.49	35	23	4		M & G International Gth	High	+4%	0.81	56	17	-1
	NZ Guardian Global	Medium	+5%	0.42	31	23 17	8		MLC Global Equity	Medium	-3%	0.84		14	6
	Thoroughbred Int'l Equ.	Medium	-3%	0.62	11	14	3		MSDW Global Brands	Low	+0%	0.64		17	4
	Thoroughbred intriequ. Tower Global Equity	Low	-3%	0.64	17	17	4		MSDW Global Value	Medium	-3%	0.91		10	3
	Tower Global Equity Tower Tortis Intern'l	Medium	-3%	0.76	13	12	4		Martin Currie International	High	-3%	0.90	24	15	5
					13	12	4		Merrill Global Titans	Medium	-2%	0.92		14	4
	United Kingdom I	BASED ${\sf U}$	NIT I R	USTS					NFU Mutual Global Growth	Medium	-5%	0.85		13	5
	AXA Global Growth	Medium	+1%	0.84	30	16	5		NatWest International Growth	Medium	-3%	0.89		17	7
	Abbey Nat'l International	Medium	-1%	0.85	25	17	5		New Star Global Equity Ret A	Medium	-2%	0.60	15	11	3
	Aberdeen World Equity	High	+2%	0.90		23	5	Buy	New Star Global Financial	Very High	+11%	0.89		38	10
	Aegon Worldwide Tactical	Medium	-5%	0.85	16	17	8	.,	Newton Falcon	Medium	+3%	0.93		19	3
	Allcurches Int'l Growth	Medium	+1%	0.90	29	15	3		Newton International	High	+2%	0.93	39	16	3
	Allianz Dres Global Equity	Medium	-3%	0.88	21	20	7		Norwich International Index	Medium	+1%	0.84	24	17	5
	Artemis Global Growth	High	+3%	0.75	47	34	6		Norwich World Leaders	High	-3%	0.89		13	6
	BG International	Medium	+3%	0.83	39	29	7		Old Mutual Global Equity	Medium	-0%	0.83		16	4
					@ C			ъ	1.0					-	

Copyright © Securities Research Company Ltd

Page	2.6										Interr	nation	al Ir	ives	tor
Current		Risk	Superi- ority	Market Correla-		orma 12	ince 3	Current	Investment Fund	Risk	Superi- ority	Market Correla-			
Advice	investment i dila	Rating	Rating	tion	mth	mth	mth	Advice	invocation i una	Rating	Rating	tion	mth	mth	mth
	Old Mutual Worldwide	Medium	-3%	0.85	23	16	4		L & G (Barclays) America	Medium	-1%	0.78	6	10	4
	Prudential Global Growth Prudential Int'l Growth	Medium Medium	-4% -5%	0.84 0.84	13 12	6 6	3 4		L & G North American L & G US Index	Medium Medium	-2% +0%	0.80 0.84	1 7	9 11	4 4
	Rathbone Global Companies	Very High	+6%	0.69	64	28	7		Lincoln North American	High	+0%	0.82	8	10	3
	SWIP Global Scot Mutual International	Medium Medium	-4% +0%	0.84 0.88	27	11 18	5 6		M & G American & General MFS US Growth Equity	High Vory High	+2% -3%	0.76 0.79	17	17 6	5 4
	Scot Wid. Global Growth	Medium	-3%	0.83	21	12	5		MSDW UK Equity	Very High Low	+5%	0.79		11	2
	Scot Wid. Global Select Gth	Medium	-3%	0.86		10	5		Martin Currie North American	High	+3%	0.79	20	20	5
	Scot Wid. Int Equity Tracker Singer & Freidlander Global	Medium Medium	+0% -2%	0.87 0.86	24	18 20	6 7		Merrill American New Star American Portfolio	Very High High	+2% +2%	0.74 0.84	13	17 13	4 5
	Sovereign Int'l Growth	Medium	+1%	0.69	33	17	4		New Star North America Ret A	High	-3%	0.83	-1	5	3
	Australian Listed								Newton American Old Mutual North American	Medium High	+1% +4%	0.76 0.78	13 20	14 14	2
	Platinum Capital Templeton Global	Medium Medium	-6% -1%	0.24 0.25	1 21	-1 25	-3 4		Prudential North American	High	-1%	0.75	3	4	2
	New Zealand Liste					23	4		Royal London North American S & W American	Medium Medium	-2% +4%	0.78 0.75	0 20	11 14	3 4
	World Index Fund	Medium	-3%	0.76	18	17	5		SG American Growth	High	-1%	0.76	6	11	5
	UNITED KINGDOM BASED L						-		SWIP North American Scot Mutual North American	Very High	+1% +0%	0.86 0.79	7	9 11	2 4
	Alliance Trust	High	-4%	0.81	20	18	8		Scot Wid. American	High Medium	+0% -1%	0.79	.1	7	2
	Anglo & Overseas Trust	Low	-4%	0.37	11	-3	-4		Scot Wid. American Sel Gth	Very High	+1%	0.88		8	2
Buy	Bankers Investment Brit Empire Securities	High Very High	-1% +19%	0.76 0.73	25 132	19 42	9 13		Sing & Fried Amer Growth Stan Life America	Very High Medium	+2% +1%	0.87 0.75	6	13 8	5 3
,	Brunner Invest. Trust	Medium	-2%	0.84	28	24	8		Threadneedle American Gth	Very Low	+2%	0.26	9	14	4
Buy	Caledonia Capital Gearing Trust	Very High High	+10% +5%	0.68 0.54	43	33 6	15 1		UBS US Equity	Medium	+3%	0.87		14	6
Buy	EP Global Opportunities	Medium	+9%	0.71		32	4	Dent	UNITED KINGDOM BASED I	LISTED II Very Low	411% +11%	0.06	34	S 18	0
	Edinburgh Investment Edinburgh Worldwide	Very High High	-4% +6%	0.72 0.49	20 59	14 51	4 12	Buy	American Opportunity Edinburgh US Tracker	High	-1%	0.08	7	11	5
	Establishment IT	Low	+1%	0.30	24	3	1		JPMF American	Very High	+0%	0.71	9	9	4
	Foreign & Colonial	Very High	-1% +2%	0.77	32 33	26 28	10 1	Avoid	Second London American	Very Low	-24%	0.03	-53	-23	-1
	Gartmore Global JPMF Overseas	Medium Medium	+2%	0.40 0.77	47	33	11		UNITED STATE	S SM	4 <i>1 I F</i>	R CO	2.5		
	Jupiter Global Green	Medium	+2%	0.28	44	20	4	United K	ingdom based Unit Trusts	<u> </u>					
	Jupiter Primadona Law Debenture Corp.	High Medium	+3% +1%	0.40 0.57	46 23	19 17	8 2	Offica ic	F & C US Smaller Coys	Low	+5%	0.66	38	13	6
	Majedie Investment	Very High	-0%	0.58	37	24	2	Avoid	Fidelity American Spec Sits Invesco Perp US Smaller Coys	Medium Medium	-3% -9%	0.81 0.74	13 -3	16 -3	6 3
	Martin Currie Portfolio Merrill Asset All (Bal)	High Very Low	+4% -3%	0.81 0.31	42 -7	20 5	6 1	Avoid	Merrill American Opps	High	+1%	0.74	36	19	5
	Merrill Asset All (Gth)	Low	-2%	0.43	9	13	3	Buy	Old Mutual UK Select Small Cos	Very Low	+14%	0.23		27 19	7 4
	Mid Wynd Invest Trust Monks Investment	High Very High	+4% +4%	0.61 0.83	48 56	30 37	11 11		SWIP North American Small Cos Schroder US Smaller Coys	Medium Medium	+4% +4%	0.83 0.79	36	11	4
	Murray International	High	+4%	0.63	56	23	3		Scot Wid. American Small Cos	Medium	+5%	0.82		19	4
Buy	New Star	Medium	+13%	0.20	74	36	-7 10		Threadneedle Amer Small Cos UNITED KINGDOM BASED I	Medium	+1%	0.80	24	14	2
Buy	Pantheon International Personal Assets Trust	Medium Very Low	+7% -2%	0.36 0.52	34 9	36 4	10 -0	Buy	F & C US Smaller Coys	_ISTED II Medium	48% +8%	0.55	47	S 25	9
Buy	RIT Capital Partners	Very High	+12%	0.62	97	21	7	Buy	JPMF US Discovery	Medium	+9%	0.33	49	21	6
	Scottish American Inv. Scottish Invest. Trust	High Medium	+0% +2%	0.72 0.72	36 36	24 26	7 9	Buy	Nth Atlantic Smaller	Very Low	+16%	0.23	64	19	-1
	Scottish Mortgage & Trt	Very High	+4%	0.79	58	37	11	Buy	Renaissance U.S.	Very Low	+20%	0.01	87	22	2
	Second Alliance Secs Trust of Scotland	Medium Medium	-1% -3%	0.74 0.52	20 15	20 12	9 6		UNITED	KING	DOM				
	Witan Investment Coy	High	-2%	0.75	29	20	6		UNITED KINGDOM			пете			
Buy	World Trust Fund	High	+13%	0.52	лт С	46	14		AXA Ethical B	Medium	+1% +1%	0.65		6	7
Avoid	FED KINGDOM BASED INVES	Very Low	-13%	0.00		-16			AXA UK Equity Income	Low	-0%	0.73		5	2
Avoiu	Asset Management	very Low	-13%	0.00	-01	-10	-23		AXA UK Growth AXA UK Opportunities	Medium Verv Hiah	+1% +2%	0.90 0.76	20 36	12 11	3
	INTERNATIONA	L SM	ALLE	RC	os				AXA UK Tracker	Medium	+1%	0.91	21	11	2
	United Kingdom								Abbey Nat'l N & P UK Growth Abbey Nat'l Stockmarket 100	High Medium	+0% +3%	0.79 0.91	21 26	11 12	3 2
	Invesco Perp Global Small Cos	Medium	+0%	1.00	53	18	6		Abbey Nat'l UK Growth	High	-1%	0.79	17	11	2
	UNITED KINGDOM BASED L						Ü	Buy	Aberdeen UK Mid-Cap	High	+8%	0.60	54	11	4
Buy	F & C Global Small Cos	High	+15%	0.50	112	35	6		Aegon UK Equity Growth Allianz Dres UK Equity	High High	+2% +0%	0.88 0.94	30	18 14	4 2
,		9							Allianz Dres UK Growth	Medium	+4%	0.85	33	16	2
	<u>UNITED</u>	STAT	TES					Buy	Allianz Dres UK Index Artemis UK Growth	Medium Medium	+0% +8%	0.86 0.33	23 52	12 7	2 1
	Australian bas	SED UNIT	r Trus	TS				Buy	Artemis UK Special Sits	Medium	+10%	0.54	62	17	1
	BT American Growth	High	+1%	0.53	18	12	6		BG British 350 BGI Growth & Income	Medium Medium	+2% +1%	0.84 0.87	21	8 11	3 2
	Perpetual Fid. America	Very Low	+2% 	0.30	7	-1	-3		BGI UK Growth	Medium	+1%	0.85		11	3
	UNITED KINGDOM I	-	NIT I R +1%	USTS 0.64	10	20	9		Baring UK Growth Britannic UK Focus	High High	+2% -1%	0.81 0.85	27	17 14	4 5
	AXA American Growth	Very High Medium	+1%	0.64	12 8	20 16	5		Britannic UK General	Medium	-1%	0.81	16	11	3
	Aberdeen North American	Medium	-1%	0.73	6	8	3		CIS UK FTSE-4-GOOD Tracker CIS UK Growth	Medium Medium	-0% +1%	0.93 0.86	21	9 11	1 4
	Aegon American Allianz Dres North American	High Medium	-3% -2%	0.77 0.75	-2 -0	7 15	5 7		CS FTSE 100 Tracker	Medium	-0%	0.89	16	10	2
	Artemis North American Growth	High	-2%	0.81		10	2		CS MM UK Growth	Medium	+5% +3%	0.79		16 21	4
	BG American BGI American Growth	Low Medium	+3% +1%	0.72 0.53	16	19 12	6 4		Cazenove MM Univ Growth Port. Cazenove Managed UK Equity	Medium Medium	+3%	0.69 0.88		14	11 4
	Baring American Gth	Medium	+0%	0.73	8	15	4		Cazenove UK Growth & Income	Medium	+0%	0.91	25	11	3
	Britannic American CIS US Growth	High Medium	-1% -1%	0.78 0.79	8	11 9	5 3		Direct Line FTSE 100 Tracker Direct Line FTSE-4-GOOD Track.	Medium Medium	+1% +1%	0.94 0.97	25	13 11	2 1
	CS MM North America	Medium	+2%	0.79		13	5		Eagle Star UK Index Tracker	Medium	+2%	0.97		14	3
	CS Transatlantic	Medium	-2%	0.75	-2 1	8	4		F & C Blue F & C FTSE 100 Tracker	Very Low Medium	+0% +6%	0.50 0.37	33	2 27	1 1
	F & C North American 1 Fidelity American	Medium Very High	-3% +1%	0.79 0.80	-1 8	11 15	4 6		F & C FTSE All Share	Medium	+1%	0.86	22	11	1
	Framlington American Gth	Very High	+0%	0.77	12	10	4	Buy	F & C UK Equity 1 Fidelity Special Situations	High High	+2% +11%	0.95 0.66	68	13 21	2 4
	GAM North America HSBC American Growth	Medium Medium	+4% -1%	0.66 0.80	23 6	20 9	9 5	Buy	Fidelity UK Aggressive	High	+8%	0.83		15	2
	HSBC American Index	Medium	+1%	0.74	5	9	4		Fidelity UK Growth	High	+4%	0.87	32	13	2
	Inscape US Equities Insight US Equity	Very High Medium	+1% -2%	0.91 0.79	1	13 8	5 4		First State British Opps Framlington Blue Chip	Very High Medium	+2% -2%	0.78 0.91	31	16 12	6 1
	Invesco Perp US Aggressive	Very High	-4%	0.70	-1	-2	0	D	Framlington UK Growth	Medium	+1%	0.78	24	16	3
	Invesco Perp US Equity Investec American	High High	-5% +1%	0.77 0.87	-9	-1 14	1 3	Buy	GAM UK Diversified Gartmore UK Focus	High Very High	+7% -1%	0.49 0.78	54	16 16	7 4
	JPMF United States Growth	High	+2%	0.87	12	16	4		Gartmore UK Growth	High	+1%	0.90		16	4
	Jupiter North America	Medium	+0%	0.62	15	10	2		Gartmore UK Index	High	+5%	0.75	35	11	2

January 10, 2006.												I	Page	e 7	
Curren Advice		Risk Rating	Superi- ority Rating	Market Correla- tion		orma 12 mth	nce 3 mth	Current Advice	Investment Fund	Risk Rating	Superi- ority Rating	Market Correla- tion	Perfo 36 mth	orma 12 mth	nce 3 mth
	Gartmore UK Tracker	Medium	+1%	0.98		12	1		British Assets	Very High	-3%	0.78	15	15	4
	HSBC British HSBC FTSE 100 Index	High Medium	-0% +0%	0.90 0.88	16 16	11 10	3 1		British Portfolio Trt City Merchants High Yld	High Very Low	+2% -4%	0.79 0.11	23 -12	11 -7	-1 -5
Buy	HSBC FTSE 250 Index	Very High	+7%	0.61	62	19	10		City of London	Very High	-1%	0.61	16	12	6
	HSBC FTSE All Share Index HSBC Household Names	Medium High	+0% +3%	0.93 0.90	27	11 14	2		Deutche Equity Income Edinburgh UK Tracker	Medium Medium	-1% -1%	0.50 0.77	13 14	9 13	4 2
	HSBC UK Growth	Medium	+2%	0.83	21	10	1		F & C Capital & Income	Low	+5%	0.27		5	1
	HSBC UK Gth & Inc Henderson UK Capital Growth	High High	+2% +3%	0.90 0.56	21 39	12 18	3 10	Buy Buy	Falcon Investment Trust Fidelity Special Values	High Very High	+9% +11%	0.24 0.49	58 78	21 14	2 4
	Hill Samuel Capital	Medium	+1%	0.77	23	14	4	Buy	Finsbury Growth	Medium	+13%	0.42	74	18	5
	Inscape UK Equities Insight UK Discretionary	High Medium	+3% +4%	0.93 0.80		16 12	4 2	Buy	Gartmore Growth Opps Glasgow Income Trust	Very Low High	+21% +1%	0.05 0.43	105 23	6 8	-4 3
	Insight UK Dynamic Managed	Medium	+6%	0.69		18	4	Buy	Hansa Trust	Low	+29%	0.18	165	42	10
Buy	Insight UK Equity Invesco Perp UK Aggressive	Medium Very High	+0% +16%	0.91 0.46	107	12 21	4 9	Buy	ISIS UK Select Independent Invest Trt	Medium Very High	+2% +8%	0.51 0.40	33 66	15 21	5 17
Day	Invesco Perp UK Equity	Medium	+1%	0.69	24	15	6	Buy	Invesco City & Commer.	Low	+20%	0.05	144	29	9
	Invesco Perp UK Growth Invesco Perp UK Key Trends	High Medium	+5% +4%	0.54 0.59	46 36	13 10	7 4		Invesco Income Growth JPMF Claverhouse	Medium Very High	+2% +1%	0.34 0.87	22	14 16	3 5
	Investec UK Blue Chip	High	+2%	0.93		15	3	Buy	JPMF Mid Cap	Very High	+9%	0.52	88	32	15
Buy	Investec UK Value JPMF UK Dynamic	Medium High	+2% +8%	0.83 0.71	55	10 23	1 7		Keystone Inv Trust Life Offices Opport.	Very High Very Low	+3% -1%	0.74 0.01	-6	12 8	5 2
,	Jupiter Environmental	Low	+5%	0.34	38	11	3		London & St Lawrence	Very Low	+3%	0.47	19	13	2
	Jupiter UK Growth Jupiter UK Special Situations	Very High Medium	+5% +4%	0.72 0.43	49 31	19 7	9 1	Buy	Lowland Investment Co Merchants Trust	Very High Very High	+9% -0%	0.49 0.60	61 22	21 11	8 4
Buy	Jupiter Undervalued Assets	Medium	+7%	0.70	43	11	3		Murray Income Trust	Very High	+2%	0.75	30	17	3
	L & G (A & L) Capital Growth L & G (A & L) UK 100 Index	Medium Medium	+3% +1%	0.88 0.88	28 23	14 13	2 1	Buy	Perpetual Income & Gth Schroder Income & Grwth	High Very Low	+8% +2%	0.48 0.32	58 16	11 7	7 -0
	L & G (Barclays) 500	Medium	+2%	0.56	27	14	6		Schroder UK Growth	High	+1%	0.47	30	13	3
	L & G UK Index Lincoln Growth	High High	+2% +0%	0.85 0.85	26 20	16 11	1 3		Shires Income Temple Bar Inv. Trust	Very High Medium	-0% +6%	0.27 0.49	22 36	4 11	3 -1
	M & G Blue Chip	Medium	-1%	0.88	12	10	2		Value & Income Trust	Medium	+6%	0.36	26	12	0
Buy	M & G British Opportunities M & G Index Tracker	High Very Low	+5% +11%	0.72 0.20	35 47	17 34	2 4	Unit	FED K INGDOM BASED I NVES	STMENT	TRUSTS	- Spl	іт С	APIT	AL
Buy	M & G Recovery	High	+7%	0.68	44	18	2	Buy	Allianz Dres Income Gth Blue Chip Value & Inc	Very High Very High	+17% -5%	0.40 0.26	-5	34 25	6 -1
	M & G UK Growth MFS UK Equity	High Medium	+2% +2%	0.82 0.88	31	20 15	5 3	Avoid	Danae - Capital	Very Low	-19%	0.20	-81	-28	-25
	MLC UK Equity	Medium	+0%	0.87		12	4	Buy	Ecofin Water & Power(c) Equity Partnership	Very Low Very Low	+72% -2%	0.00 0.01	743 -21	113 12	14 5
	MSDW UK Index Linked Martin Currie UK Growth	Very Low High	+0% +4%	0.02 0.83	34	2 13	1 1	Buy	Framlington I & C - Cap	Very High	+35%	0.01	264	33	4
	Merrill Growth Portfolio	High	-0%	0.93	34	12	3	Dung	Gartmore High Income	Very High	-0% +23%	0.23 0.04	28 119	27 43	8 4
Buy	Merrill UK Merrill UK Dynamic	Very High Very High	+6% +8%	0.88 0.77		16 15	4 4	Buy Buy	Investec High Income JPMF Income & Capital	Low Very High	+23%	0.40	139	29	11
Buy	Merrill UK Spec Sits	Medium	+7%	0.74	46	23	4	Buy	JPMF Income & Gth (cap)	Very High	+22% +11%	0.38 0.14	155 34	36 34	1 -2
	NFU Mutual UK Growth NatWest Growth	Medium Medium	+0% +0%	0.92 0.96		11 13	4 3	Buy Buy	M & G Equity Trust -Cap M & G High Income - Cap	Very High Very High	+11%	0.14	82	45	-2 -8
	New Star Select Opportunities	Medium	-0%	0.49		2	-3	Buy	M & G Income	Very Low	+10% +4%	0.09 0.16	59 33	17 11	3 4
	New Star UK Alpha New Star UK Growth	High Very High	+4% +4%	0.68 0.73		16 17	8 10		M & G Recovery Merrill FTSE100 G&I (c)	Very Low Very Low	+4%	0.13	27	1	-0
	Newton Growth	Medium	+1%	0.91		9	2	Buy	Rights & Issues	Very Low	+16% +10%	0.00 0.49	55 51	12 19	-0 5
	Newton UK Oportunities Norwich Blue Chip Tracking	Medium High	+4% -0%	0.78 0.90	16	14 10	5 0	Buy	Schroder Split Invest.	Very High	+10%	0.49	31	19	3
	Norwich UK Equity	High	-0%	0.95	10	9	0		UNITED KINGDO	OM SN	IALL	ER C	OS	;	
	Norwich UK Ethical Norwich UK Growth	High Medium	+1% +3%	0.76 0.52	27	9 18	5 4		UNITED KINGDOM						
	Norwich UK Index	Medium	+1%	0.89	22	11	2		Abbey Nat'l Smaller Cos	Medium	-1%	0.86	47	18	6
	Old Mutual Equity Income Old Mutual Ethical	Medium High	+2% +4%	0.79 0.69		9 15	3 9	Deni	Aberdeen UK Emerging Aberforth UK Small Coys	Medium	-3%	0.77	39	1	6
	Old Mutual UK Equity	High	+0%	0.92		14	3	Buy Buy	Allianz Dres UK Mid-Cap	Low Medium	+11% +7%	0.86 0.79	80 76	20 25	7 9
	Old Mutual UK Select Equity Old Mutual UK Select Large Cap	High High	+1% -1%	0.94 0.91		16 12	4 2	Dom	Artemis New Enterprises	Very High	-1%	0.85	65	-3	-1
	Prudential UK Growth	Medium	-1%	0.69	11	5	2	Buy Buy	Artemis UK Smaller Coys BG British Smaller Coys	Medium Medium	+8% +8%	0.66 0.65	73 82	14 29	-0 8
	Prudential UK Index Rathbone Capital	High Very High	+4% +4%	0.62 0.65	29 36	24 14	2 1	-	BGI Smaller Companies	Medium	+1%	0.87	44	13	5
Buy	Rathbone Spec Situations	Medium	+11%	0.35	62	9	1		Baring UK Small Coys Britannic Smaller Companies	Medium Medium	+0% +5%	0.85 0.63	44 67	10 28	2 6
	Royal London UK Equity Royal London UK Growth	High Medium	+2% +1%	0.90 0.91	26 23	14 13	3 2		CS Smaller Companies	Medium	+3%	0.87		16	6
Buy	SG UK Growth	High	+8%	0.45	52	15	4		CS UK Mid 250 Cavendish Opportunities	Medium High	+3% +6%	0.71 0.85	65 81	22 15	10 2
	SG UK Special Opps SVM UK 100 Select	Very High Very High	-3% +0%	0.67 0.93		15 14	6 5		Cazenove UK Smaller Coys F & C AIM Growth	Medium Medium	+0% +1%	0.79 0.61	49 37	14 -3	5 -8
	SVM UK Opportunities	Very High	+5%	0.62		19	7		F & C UK Smaller Companies	Medium	+1%	0.92	76	19	-o 5
	SWIP UK Opportunities Schroder UK Equity	High Medium	+4% +2%	0.79 0.83	24	23 11	6 2	Buy Buy	First State British Small Cos Framlington UK Smaller Coys	Medium Medium	+10% +13%	0.63 0.80	95 113	7 21	1 -0
Buy	Schroder UK Mid 250	Very High	+12%	0.58	82	22	12	buy	Gartmore UK & Irish Small Cos	Very High	+1%	0.82	113	8	-2
	Scot Mutual Growth Scot Mutual Opportunity	Medium High	+3% +3%	0.86 0.82	24 33	12 17	3 5		HSBC UK Smaller Companies	Medium	+1%	0.81 0.90	45 81	11 13	3 7
	Scot Mutual UK All Share Index	Medium	+6%	0.92	40	15	3		Henderson UK Small Coys Insight UK Small Cap	Medium Low	+3% +4%	0.90	55	10	3
	Scot Mutual UK Equity Scot Wid. UK All Share Track	Medium Medium	-1% +4%	0.87 0.93	18	12 15	2		Invesco Perp UK Small Coys Invesco Perp UK Small Cos Equ.	High Medium	+4% +5%	0.78 0.82	72 65	9 24	-3 8
	Scot Wid. UK Growth	Medium	+3%	0.75	29	16	5	Buy	Investec UK Smaller Cos	Low	+10%	0.82	00	20	4
	Scot Wid. UK Index Scot Wid. UK Tracker	Very Low Medium	-2% +1%	0.10 0.89	-3	1 10	1 1	Buy	JPMF UK Smaller Companies	Medium	+7% +4%	0.93 0.75	80 68	25 4	7 -5
	Sing & Fried UK Growth Retail	Medium	+1%	0.89		14	2		Jupiter UK Small Cos L & G UK Small Coys	High Medium	+4%	0.75	68	19	-5 5
	Skandia Equity Solus UK Special Situations	Medium Very High	-1% -1%	0.88 0.68	23	9 11	4 1	Buy	M & G Smaller Companies	Low	+9%	0.90	81	23	7
	Sovereign FTSE 100	High	-1%	0.93	17	11	1	Buy Buy	Marlborough Special Situations Merrill UK Small Companies	High Medium	+15% +12%	0.78 0.78	140 113	10 23	-1 4
	Sovereign UK Growth St James's UK & Gen Prog.	High Medium	+4% -0%	0.75 0.76	37 20	15 6	4 3	Buy	Norwich UK Smaller Cos Old Mutual UK Select Mid Cap	Low High	+3% +8%	0.94 0.80	46	9 24	2 11
Б	Stan Life UK Equity Gth	High	+5%	0.79	43	19	6		Premier UK Smaller Coys	Medium	+3%	0.60	51	11	-7
Buy	Stan Life UK Opportnities TU British	Medium Medium	+8% +0%	0.64 0.89		18 12	7 4	Buy	Prudential Smaller Companies	Low Medium	+8% +8%	0.78 0.84	74 84	14 13	6 0
	Threadneedle UK Growth	High	+2%	0.84	23	12	3	Buy	Rathbone Smaller Coys S & W Smaller Securities	High	+8%	0.84	84 54	6	-3
	Tilney UK Equity UBS UK Select	Medium Medium	+1% +1%	0.85 0.91	18	8 9	2 1		SWIP UK Smaller Companies Schroder UK Smaller Coys	Medium Medium	+4% +4%	0.88 0.92	58	11 12	3 3
	UNITED KINGDOM BASED L				RUST	s			Scot Mutual UK Small Coys	Medium	+4% -2%	0.92	42	16	5
	3i Group	Very High	+3%	0.31	31	21	8	Buy	Scot Wid. UK Smaller Coys Stan Life UK Smaller Cos	Medium Low	+2% +7%	0.90 0.81	71	16 23	8 8
Buy	Advance UK Albany	Medium Low	+11% +5%	0.55 0.33	68 30	22 17	7 4	ьиу	Threadneedle UK Smaller Cos	Medium	+1%	0.82	59	16	8
Buy	Aurora Invest Trust	Very High	+10%	0.40	80	-0	1	Avoid	UBS UK Smaller Companies Unicorn UK Smaller Coys	High High	+6% -12%	0.65 0.86		15 3	0 -1
Buy	British American IT	Low	+7%	0.06	31	17	4		ola Commoner I td	riigii	*1∠70	0.00		3	*1

Page	e 8			International Investo						tor					
Current Advice		Risk Rating	Superi- ority Rating	Market Correla- tion	Perfo 36 mth	orma 12 mth	nce 3 mth	Current Advice	Investment Fund	Risk Rating	Superi- ority Rating	Market Correla- tion		orma 12 mth	nce 3 mth
	UNITED KINGDOM BASED I	ISTED I	NIVESTN	IENIT T	PLIST	۰ς			Newton Continental European	Medium	+2%	0.88	40	14	4
	Aberforth Smaller Coys	Medium	+5%	0.73	61	16	5		Newton Pan-European	Medium	+1%	0.89	33	12	1
	Acorn Income Fund	Medium	+2%	0.41	61	15	5	Buy	Old Mutual European Equity Premier European Growth	High Medium	+0% +9%	0.94 0.73	67	18 28	5 2
D	Active Capital Trust	Very High	+3%	0.70	11/	-0	-5	,	Prudential Euro Index	High	+2%	0.80	39	22	4
Buy	Chelverton Growth Trust Dunedin Smaller Coys IT	High Medium	+10% +5%	0.26 0.64	116 78	28 23	8 13		Prudential European	Medium	+0%	0.79	32	10	5
Avoid	Eaglet Investment Trust	Very High	-17%	0.73	9	-8	-2		Royal London European Gth S & W European	High High	+2% +1%	0.89 0.90	42 33	17 12	5 5
D	Edinburgh Smaller Coys	Very High	+2%	0.66	92	29 8	7	Buy	SG European	High	+12%	0.27	87	15	4
Buy Buy	Framlington Innovation Gartmore Fledgling Indx	Medium High	+8% +10%	0.64 0.57	81 96	-0	0 1	Buy	SVM Continental European	High	+8%	0.65		28	2
Buy	Gartmore Small Coys	Very High	+7%	0.65	93	13	-3		SWIP European SWIP Pan Euro Equity	Low Low	+6% +4%	0.76 0.82		18 19	4 9
D	Henderson Smaller Cos	Very High	+4%	0.81	116	20	11		Schroder European	Medium	+5%	0.83	51	12	4
Buy Buy	Henderson Strata Inv Invesco England	High Very High	+7% +11%	0.61 0.70	72 137	8 19	-6 -3		Scot Life European	High	+1% +1%	0.88	43 33	17 15	5
.,	Invesco Perp UK Smaller	Medium	+6%	0.71	75	26	7		Scot Mutual European Scot Wid. Euro Select Gth	High Medium	+1%	0.88	33	20	4 5
Buy	JPMF Mercantile JPMF Smaller Cos	Very High Very High	-1% +9%	0.76 0.73	67 101	25 35	17 8		Scot Wid. Euroland	Medium	+3%	0.70	42	17	4
buy	Montanaro UK Small Coys	Medium	+6%	0.73	80	28	13	Buy	Scot Wid. European Growth Sing & Fried European Growth	Medium Medium	+4% +7%	0.76 0.87	44	20 22	4 2
Avoid	Osprey Small Cos Income	Very High	-7%	0.62	22	1	1	buy	Skandia Continental European	Medium	+2%	0.87		17	7
Buy Buy	Platinum Trust Schroder UK Mid & Small	Very Low Very High	+12% +7%	0.33		17 22	-0 3		Sovereign European Gth	High	+1%	0.89	36	15	4
Duy	Shires Smaller Coys	Very High	-0%	0.61	47	6	-6		St James's Gtr Euro Prog. Stan Life Euro Equity Gth	Medium High	+3% +4%	0.75 0.79	38 49	13 22	1 5
Buy	Throgmorton Trust	Very High	+10%	0.75	114	18	-2		TU European	Medium	+2%	0.77	47	12	1
Uni	TED K INGDOM BASED I NVES	STMENT	TRUSTS	: - Spi	LIT C	APIT	AL		Threadneedle Euro Growth	High	+4%	0.89	41	16	2
Buy	Aberforth Geared (cap)	Very High	+23%	0.46	150	39	6		Threadneedle Euro Sel Growth Threadneedle Pan Euro Gth	High High	+4% +1%	0.87 0.92	40 29	16 14	3 3
Buy	Small Cos Value Trt (c)	High	+27%	0.20		44	5		Tilney European Growth	Medium	+3%	0.84	42	14	7
	FIII	ROPE							UNITED KINGDOM BASED	LISTED I	NVESTM	ENT T	RUST	S	
					Artemis Alpha	Low	+17%	0.10		7	-3				
	Australian ba							Buy	Baring Emerging Europe Blue Planet Gth & Inc	Very High Medium	+25% +10%	0.42 0.16	167 45	67 52	-3 4
	Allianz Europe Growth BT Europe Growth	Low Low	+3% +1%	0.37 0.46	37 33	20 17	2 5	Buy	Charter Pan European	Verv Hiah	+10%	0.16	59	22	8
	Perpetual Fid. Europe	Very Low	+1%	0.46	33 17	-1	-3	Buy	Eastern European	Very High	+27%	0.46	185	72	1
	Platinum Europe	Low	+5%	0.41	41	5	2	Buy	European Assets	High	+12% +4%	0.52 0.71	91 59	23 29	2 11
	New Zealand B	ASED U N	NT TRU	STS					F & C European Gartmore European	Very High High	+4%	0.71	57 57	29	8
	Tower Spotlight Europe	Very Low	+0%	0.39	19	8	-0	Buy	Gartmore Irish Small	Very High	+22%	0.34	182	14	9
	United Kingdom	based L	Jnit Tr	USTS				Buy Buy	Henderson Eurotrust Invesco Perp European	High Very Low	+9% +12%	0.44 0.25	59 73	30 15	-1 -0
	AXA European Growth	High	+2%	0.89	47	18	5	Buy	JPMF Cont. Euro.	High	+8%	0.83	75	29	7
	Aegon European Allchurches Euro Growth	High Medium	+0% +1%	0.87 0.85	42 29	17 12	7 5	Buy	JPMF Russia	Very High	+25%	0.32		89	7
	Allianz Dres Cont. Euro.	Medium	+1%	0.89	38	15	5	Buy Buy	Jupiter European Opps SR Europe	Low High	+15% +17%	0.29 0.42	101 127	28 46	7 6
D	Allianz Dres Euro Index	High	+1%	0.91	38	15	5	Duy	3K Europe	riigii	1 1770	0.42	127	-10	O
Buy	Artemis European Growth BG Europe	Very High Medium	+11% +1%	0.91 0.80	91 35	26 15	4 4		EUROPE SI	MALL	ER C	os			
_	BGI European	Low	+5%	0.73		15	6		UNITED KINGDOM						
Buy	Baring Euro Sel. Baring European Growth	High High	+15% +1%	0.74 0.84	102 39	29 22	2 7	Buy	BG Euro Small Coys	Medium	+12%	0.59	93	29	3
	Britannic European	High	+1%	0.77	35	9	4	Buy	Henderson European Small Cos	Medium	+14%	0.65	93	24	2
	CIS European	High	-1%	0.90	31	13	3	Buy	Insight European Small Cap	Low	+11%	0.61	70	18	-1
Buy	CS Euro Frontiers CS European	Very High High	+22% -1%	0.43 0.87	155 24	52 11	3	Buy Buy	Invesco Perp Euro Smaller Cos JPMF European Smaller Coys	Very High High	+11% +16%	0.72 0.74	73 107	31 32	-1 1
Buy	CS MM European Portfolio	Medium	+8%	0.81		20	4	Buy	Jupiter Euro Spec Sits	Medium	+8%	0.52	66	18	1
	Cazenove European Portfolio F & C European 1	Medium	+4% +3%	0.88 0.91	54 42	17 16	4 5	Buy Buy	M & G European Smaller Coys SWIP Pan-Euro Small Companies	High	+12% +7%	0.76 0.76	96	20 30	4
Buy	Fidelity European	High High	+11%	0.91	73	22	3	Buy	Schroder Euro Small Companies	Very High Medium	+13%	0.76	95	23	4 0
Buy	Fidelity European Opps	High	+8%	0.85	62	21	3	Buy	Threadneedle Euro Small Cos	High	+15%	0.69	101	25	1
	Framlington European Gartmore European	Very High High	+5% +1%	0.89 0.57	53 33	19 15	1 5		United Kingdom based	Listed I	NVESTM	ENT T	RUST	S	
Buy	Gartmore European Focus	Medium	+8%	0.88	33	19	4	Buy	Fidelity Euro V.	Very High	+14%	0.72	119	38	7
	Gartmore European Sel Opps	High	+1%	0.92	35	18	5	Buy Buy	JPMF Euro Fledgling TR European	Very High Very High	+23% +21%	0.55 0.62	161 159	53 36	-3 3
	HSBC European Growth HSBC Eurotrack 100	Very High High	+2% +1%	0.89 0.89	38 35	15 13	4 5	Duy	TR European	voryrngn	12170	0.02	107	50	3
	Henderson Euro Cap Gth	High	+2%	0.82	43	18	5		GER	MAN	Y				
	Inscape Europe Insight Euro Discretionary	High Madium	+4% +4%	0.92 0.90		19 15	6 3		UNITED KINGDOM		_	LICTO			
	Insight European	Medium Very Low	+4%	0.90	39	12	4		Baring German Growth	Medium	+4%	0.82	73	20	5
	Insight Pan Euro Sel Opps	Medium	+2%	0.90		12	2		baring German Growth	Medium	T470	0.02	73	20	5
	Invesco Perp Euro Growth Invesco Perp European Equity	Medium High	+0% +5%	0.85 0.77	32 44	15 15	5 5								
	Investec European	Medium	+4%	0.77	44	19	5								
	JPMF European Growth	High	+5%	0.92	52	23	4								
Buy	JPMF New Europe Jupiter European	Very High Very Low	+19% +6%	0.49 0.41	132 52	53 16	1 4		7 . <i>T</i>	, T					
	L & G (A & L) European	High	-2%	0.81	28	15	5		Nex	T ISS	<i>ue</i>				
	L & G Euro Index L & G European	High High	+1% -2%	0.88	37 33	14 16	5 6	Th	e next issue of <i>Internat</i>	ional In	vestor	willh	e no	sted	lin
	Lazard European Growth	High	-2% +3%	0.89	43	17	4		r weeks time on Tue						
	Lincoln European	High	+1%	0.88	37	14	4						~UU(, (d	пu
	M & G European M & G European Index Tracker	High Medium	+1% +5%	0.89 0.71	44 48	15 23	5 5	del	ivered in most areas o					_	
	MFS Continental European	Medium	+6%	0.90	-10	17	6		Subscribers who have						
	MSDW Europe (ex-UK)	Medium Von High	-1%	0.90	47	15	6	wit	th an e-mail address w	ill also	receiv	e the	Elec	tro	nic
	Martin Currie European Merrill Continental Euro	Very High High	+2% +2%	0.90 0.90	47	15 20	6 6	ver	rsion in their e-mail Tu	iesday i	mornii	าฮ.			

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

version in their e-mail Tuesday morning.

High Very High

Medium

Merrill Continental Euro Merrill European Dynamic

New Star European Growth New Star European Leaders

New Star European Portfolio

Buy

Buy

+2%

+3%

0.90 0.90 0.79 0.95

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.