

International Investor

Issue No. 179

www.stockmarket.co.nz

November 8, 2010

Inside International Investor

Federal Reserve adds US\$600 Billion
to financial markets 2

Founder: James R Cornell (B.Com.)

Investment Fund Survey: 4 - 7

New Zealand, Australia, Gold & Mining, Emerging Markets,
Latin America, Far Eastern / Pacific, Hong Kong / China,
Korea, Thailand, India, Japan, Technology.

World Stockmarket Forecasts

Stockmarket	One-Year Forecast	Fundamental Indicators	Technical Indicators	Monetary Indicators	Economic Indicators	Historical Performance (in US\$)			Share Index
						3 mths	6 mths	12 mths	
Australia _____	59%	Bearish	Bullish	Neutral	Neutral	+17.4%	+23.5%	+16.9%	4,872.90
Austria _____	55%	Bearish	Bullish	Neutral	Bearish	+15.2%	+29.5%	+0.4%	2,719.89
Belgium _____	55%	Bearish	Bullish	Neutral	Neutral	+11.4%	+28.7%	+4.4%	2,686.09
Canada _____	55%	Bearish	Bullish	Bullish	Bearish	+12.5%	+15.3%	+23.5%	12,925.11
Denmark _____	56%	Bearish	Bullish	Bullish	Bearish	+8.7%	+28.0%	+23.9%	431.32
Finland _____	47%	Neutral	Bullish	Bearish	Bearish	+14.2%	+28.8%	+14.0%	7,331.06
France _____	51%	Bearish	Bullish	Neutral	Bearish	+12.5%	+27.5%	+2.1%	2,856.83
Germany _____	51%	Bearish	Bullish	Neutral	Bearish	+14.2%	+30.0%	+16.3%	6,754.20
Ireland _____	35%	Bearish	Bearish	Neutral	Bullish	-2.6%	-0.3%	-14.1%	2,701.51
Italy _____	42%	Bearish	Neutral	Neutral	Bearish	+7.0%	+23.1%	-10.4%	21,816.10
Japan _____	46%	Bearish	Neutral	Bullish	Bearish	+5.1%	+4.6%	+8.8%	9,625.99
Netherlands _____	50%	Bearish	Bullish	Neutral	Bearish	+10.8%	+22.2%	+6.8%	346.90
New Zealand _____	52%	Neutral	Bullish	Neutral	Bearish	+12.6%	+11.4%	+5.0%	1,388.16
Norway _____	70%	Bearish	Bullish	Bullish	Bullish	+13.7%	+28.3%	+23.3%	377.57
Spain _____	49%	Bullish	Neutral	Neutral	Neutral	+2.5%	+25.8%	-16.5%	1,068.19
Sweden _____	52%	Bearish	Bullish	Neutral	Bearish	+11.6%	+35.1%	+25.2%	346.77
Switzerland _____	59%	Bearish	Bullish	Bullish	Bearish	+12.6%	+22.3%	+10.7%	6,587.72
Un. Kingdom _____	63%	Bearish	Bullish	Bullish	Bearish	+11.8%	+25.4%	+11.3%	5,875.35
USA _____	53%	Bearish	Bullish	Bullish	Bearish	+9.3%	+10.3%	+14.6%	1,225.85
Argentina _____	77%	Bearish	Bullish	Bullish	Bullish	+27.0%	+42.5%	+40.3%	11,178.09
Brazil _____	59%	Bearish	Bullish	Neutral	Bearish	+11.8%	+26.6%	+15.4%	72,606.58
Czech Rep. _____	56%	Bullish	Bullish	Neutral	Neutral	+3.9%	+17.7%	+1.5%	1,166.20
Chile _____	54%	Bearish	Bullish	Bearish	Bullish	+18.8%	+45.1%	+58.2%	22,992.55
China _____	49%	Bearish	Bullish	Bearish	Bearish	+29.1%	+42.2%	+44.0%	309.20
Greece _____	43%	Neutral	Bearish	Neutral	Bullish	-6.9%	+1.8%	-47.2%	1,507.79
Egypt _____	65%	Bullish	Neutral	Bullish	Bullish	+4.8%	-3.4%	-1.2%	6,764.61
Hong Kong _____	62%	Bearish	Bullish	Bullish	Bearish	+14.9%	+25.4%	+13.9%	24,876.82
Hungary _____	53%	Bearish	Bullish	Neutral	Bullish	+9.4%	+22.5%	+9.3%	23,205.45
India _____	52%	Bearish	Bullish	Neutral	Bearish	+21.1%	+29.9%	+38.5%	21,004.96
Indonesia _____	64%	Bearish	Bullish	Neutral	Bullish	+19.9%	+38.7%	+62.0%	3,655.30
Israel _____	52%	Bearish	Bullish	Neutral	Neutral	+15.5%	+15.0%	+28.5%	1,168.15
Korea _____	65%	Bearish	Bullish	Bullish	Neutral	+13.7%	+22.5%	+29.8%	1,938.96
Malaysia _____	53%	Bearish	Bullish	Neutral	Bearish	+13.4%	+20.4%	+32.4%	1,511.74
Mexico _____	51%	Bearish	Bullish	Neutral	Bearish	+14.8%	+21.6%	+33.7%	36,317.51
Philippines _____	83%	Bearish	Bullish	Bullish	Bullish	+30.0%	+48.2%	+65.5%	4,349.11
Poland _____	55%	Bearish	Bullish	Bearish	Bullish	+17.0%	+38.5%	+25.4%	47,232.31
Portugal _____	54%	Neutral	Bullish	Neutral	Bearish	+12.9%	+32.9%	-7.6%	2,811.94
Russia _____	49%	Bearish	Bullish	Bearish	Bearish	+2.0%	+17.0%	+8.2%	2,264.87
Singapore _____	78%	Bearish	Bullish	Bullish	Bullish	+13.4%	+24.8%	+32.1%	3,240.31
Sth Africa _____	51%	Bearish	Bullish	Bearish	Bearish	+18.5%	+34.8%	+35.3%	31,456.46
Taiwan _____	66%	Bearish	Bullish	Bullish	Bearish	+11.3%	+17.1%	+21.9%	8,449.34
Thailand _____	60%	Bearish	Bullish	Bullish	Bearish	+29.0%	+48.1%	+68.5%	1,040.45
Turkey _____	52%	Bearish	Bullish	Neutral	Bearish	+26.7%	+51.2%	+60.6%	70,779.15
Venezuela _____	59%	Neutral	Bullish	Neutral	Bullish	+4.5%	+9.5%	-33.3%	67,626.25

One Year Forecasts predict the probability that a stock-market will rise over the next year. Investors should seek to invest in markets with forecasts of 60-100%, while avoiding markets with forecasts of 0-40%. Bullish = Favourable. Bearish = Unfavourable.

World Stockmarket Outlook

The US Federal Reserve has announced plans to create US\$600 billion of new money which it will use to buy Treasury Bonds at the rate of around \$75 billion per month over the next eight months. It will also re-invest the \$250-300 billion of interest and bond repayments expected over that period.

The primary objective of this quantitative easing is to boost economic activity and employment.

Creating new money and promising to keep interest rates “extremely low” for an “extended period” will help supply companies with low cost debt capital. It will also boost share prices and depress the exchange rate - which are also both deliberate and intended objectives. Higher share prices make it easier and cheaper for companies to raise new equity capital. The low US dollar exchange rate will make US exports more competitive on world markets.

As investors, this policy should help to directly boost share prices. So being fully invested in equities is an appropriate response to the Federal Reserve's determination to do “whatever is necessary”.

Boosting economic activity and encouraging the economic recovery should also help improve corporate profitability - which is also favourable for stockmarkets.

The current quantitative easing, however, is not without problems and longer term risks.

Last month at a G20 Summit Meeting, Finance Ministers called for countries to “refrain” from currency devaluations - so the US policy which will immediately start to depreciate the US dollar could re-start recent “Currency Wars”. A range of competitive devaluations could be very harmful to the global economy and likely lead to protectionist policies which will harm international trade and future global economic growth rates.

Over 40 countries worldwide either directly link their currencies to the US dollar or maintain what economists call a “dirty float” where the currency trades within a managed range linked to the US dollar. In the past this often created stability in smaller, emerging countries.

Linking exchange rates *also* links monetary policy. If the United States runs a low interest rate policy, then all countries that link their currency to the US dollar will import that same low interest rate environment. If this were not the case, an arbitrage investor could simply borrow cheaply in US dollars and, with no exchange rate risk, lend in the second country at higher interest rates. So linking currencies also links interest rates and money supply growth.

Low interest rates and expanding money supply is probably the appropriate monetary policy for the United States with its slow growth and high unemployment. It is not the appropriate monetary policy for many emerging markets, where easy money and low interest rates could ignite property or stockmarket booms or general inflation.

In most cases, a tighter monetary policy and higher interest rates would be more appropriate to maintain steadier, sustainable growth rather than risk unsustainable booms.

Countries are reluctant to float their currencies - which would appreciate strongly (at least against the depreciating US dollar) and hurt their export competitiveness - so the most common response is probably going to be the imposition of capital controls to try (probably unsuccessfully) to prevent US liquidity flowing into their countries.

Capital controls would impact heavily on the operation of open ended investment vehicles, such as unlisted unit trusts and listed *exchange traded funds*, which would be unable to create new units or redeem existing units as required. Capital controls could effectively lock out new investors from participating in the growth of economies and stockmarkets in many countries.

The removal of capital controls (and the compliance costs for repatriating capital) was also one of the great improvements of globalisation. Unfortunately, the United States economy is now significantly different and out of balance with many smaller countries that still link their own currencies to the US dollar.

Summary and Recommendation

Further quantitative easing in the United States will keep interest rates low, further depress the US dollar exchange rate and boost share prices. While there are other risks involved, this action should be favourable for stockmarket investors.

This US monetary policy is inappropriate for many of the over forty smaller countries that link their currencies to the US dollar - risking igniting an economic and/or stockmarket boom in emerging markets. That may not be the best *long term* outcome, but a stockmarket boom would generate significant medium term gains for investors.

Remain fully invested in the recommended funds.

United States Stockmarket



Recommended International Investment Funds

Warrant Exercise

Our **Aberdeen Asian Smaller Companies Investment Trust plc** warrants reach their final exercise/expiry date on 30 November 2010.

If your warrants are held in a brokers' nominee account, then your broker will have contacted you with details of how to instruct them to exercise the warrants by 24 November. Warrants that are not exercised will be exercised by a trustee and the shares sold on-market. The net proceeds will then be distributed to investors.

We recommend investors exercise the warrants and continue this investment in the shares of Aberdeen Asian Smaller Companies. Investors may exercise all of their warrants or just some of the warrants.

Investors not wishing to exercise their warrants (or exercising only some of their warrants) can leave the remainder to the trustee to exercise and liquidate. This is the easiest and cheapest way to realise the value in the warrants.

Some investors *may* need to liquidate around 20% of their warrants to raise funds to exercise the remaining 80%. There must be cash in your brokerage account *before* the broker can exercise the warrants, so in this situation the investor needs to sell some warrants on-

market over the next two weeks - and then instruct the broker to exercise the remaining warrants.

Fund Report

Scottish Oriental Smaller Companies Trust plc's net assets rose 47.3% over the year to 31 August, outperforming its benchmark index which rose just 24.2%.

While the trust seeks "long term capital growth" rather than income, its net income rose 39% - partly owing to dividend growth from investments and partly to tax changes that now exempt foreign dividends from UK income taxes. The annual dividend will rise 41.7% to 8.5 pence, which is a yield of about 1.5%.

The Fund Manager writes "Scottish Oriental's investment philosophy is well suited for the current uncertainty given its focus on well managed, financially sound companies. In addition, the trust is well positioned to benefit from growth in domestic consumption in the region". Nevertheless, they "have found it increasingly difficult to identify new investments at suitable prices and over 5% of the portfolio is in cash" and "no new investments have been made for a number of months".

The trust is very well diversified and holds shares in 87 different companies. The top ten investments make up only 17.8% of its portfolio.

Current Advice	Investment Fund	EPIC Code	Initial Recommendation		Prem/ Disc to Net Assets	Recent Price		Gain or Loss %	
			--- Date ---	Offer Price		Bid-Offer or Last Sale	NZ Cents		
Europe									
HOLD	Fidelity European Values plc	FEV	13/05/03	463.5p	1291.1	-16%	1095.0p	2238.3	+73
BUY	JPM European Smaller Cos	JESC	15/01/02	226.5p	765.8	-15%	810.5p	1656.8	+116
United Kingdom									
BUY	Aberforth Smaller Cos Trt plc	ASL	15/07/03	375.5p	1042.0	-13%	595.0p	1216.3	+17
Asian Regional									
BUY	Aberdeen Asian Sm Co WARRANTS	AASW	09/09/03	75.3p	209.1		544.5p	1113.0	+432
BUY	Gartmore China Opportunities	*	09/07/07	548.9p	1410.4		772.91p	1579.9	+12
HOLD	Gartmore Pacific Growth Fund	*	29/10/85	41.4p	105.4		452.3p	924.6	+777
HOLD	HSBC Asian Fund	*	10/11/98	34.4p	106.3		101.5p	207.5	+95
BUY	Henderson Asia Pac Capital	*	08/08/00	342.2p	1122.6		705.2p	1441.5	+28
BUY	Scot Oriental Smaller Coy	SST	11/11/03	121.9p	330.5	-4%	585.5p	1196.9	+262
Japan									
BUY	Baillie Gifford Shin Nippon plc	BGS	11/01/94	156.0p	440.3	-15%	126.25p	258.1	-41
BUY	Fidelity Japan Values plc	FJV	10/01/06	126.0p	322.7	-16%	49.0p	100.2	-69
HOLD	Invesco Perp Japan Small Coys	*	13/07/99	61.3p	182.3		44.9p	91.8	-50
Korea									
HOLD	Baring Korea Trust	*	12/04/94	81.1p	209.4		251.6-266.5p	529.5	+153
International									
HOLD	Aberdeen Emerging Markets	*	13/08/91	61.7p	184.0		526.47p	1076.2	+485
BUY	Herald Investment Trust	HRI	12/10/04	310.8p	820.1	-17%	462.0p	944.4	+15
BUY	Private Equity Investor plc	PEQ	11/12/01	122.5p	420.2	-36%	140.0p	286.2	-32

* United Kingdom based Unit Trust

The average Gains/Losses of all current investments from initial recommendation is +142.2%. This is equal to an average annual rate of +13.2%, based upon the length of time each position has been held. The average annual rate of gain of ALL recommendations (both the 16 current and 47 closed out) is +12.3%.

Other Shares and Warrants

Alternative investments to those recommended above include **Aberdeen Asian Smaller Companies** shares at 645½ pence (trading at net asset value!) and **Fidelity Japanese Values** subscription shares (i.e. warrants) at 8.625 pence.

Investment Fund Survey

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

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

NEW ZEALAND

NEW ZEALAND BASED UNIT TRUSTS

	AMPNZ Share	Medium	-1%	0.80	-23	2	10
	Fisher Fledgling Fund	Medium	-1%	0.62	-28	2	8
	Fisher NZ Growth Fund	Medium	-1%	0.60	-34	3	9
	INGNZ Share	Medium	-2%	0.86	-32	2	7
Buy	NZ Guardian Small Coys	Medium	+8%	0.45	-10	9	14
	Tower New Zealand Equity	Medium	+2%	0.88	-20	3	8

NEW ZEALAND LISTED INVESTMENT TRUSTS

	Mid-Cap Index	Medium	-6%	0.72	-31	3	12
	TeNZ	Low	-6%	0.79	-35	-2	5

New Zealand



AUSTRALIA

AUSTRALIAN BASED UNIT TRUSTS

	AMP Blue Chip Trust	Medium	+1%	0.84	-26	0	5
	AMP Equity Trust	Medium	-1%	0.82	-30	1	6
Buy	AMP FLI Aust	Medium	+0%	0.91	-20	4	8
Avoid	AMP FLI Small Companies	Very High	+8%	0.72	-18	23	18
	ANZ Equity Imputation Trt	Medium	-9%	0.67	-42	0	6
	ANZ Equity Trust No 1	Medium	-6%	0.67	-38	4	8
	AXA Australia Industrial	Medium	-4%	0.77	-28	1	5
	Advance Imputation Fund	Medium	-4%	0.78	-28	2	6
	Aust Ethical Equities	Low	+1%	0.60	5	2	10
	BT Australia	Medium	-1%	0.80	-26	4	6
	BT Smaller Companies	Very High	+5%	0.72	-25	19	17
	BT Split Trust Growth	Very Low	-6%	0.67	-24	7	5
	Col First State Aust Sh.	Medium	+1%	0.90	-17	5	7
Buy	Col First State Dev. Coys	High	+8%	0.74	-8	17	23
	Col First State Future Ld	High	+5%	0.80	-15	9	13
	Col First State Imput'n	Medium	+1%	0.90	-19	4	6
	Commonwealth Aust Share	Low	+3%	0.46	-19	1	6
	Commonwealth Share Income	Low	-0%	0.50	-18	1	6
	Gold Sachs Emerging Lead.	High	-2%	0.74	-29	6	11
	Gold Sachs Leaders Trust	Medium	-3%	0.60	-31	-5	6
	Hunter Hall Value Growth	Low	-2%	0.56	-24	3	10
Avoid	ING Australia Share	Medium	-3%	0.81	-28	2	7
	ING Blue Chip	Medium	-8%	0.67	-40	-1	5
	MLC Aust Tr - Aust Share	Medium	-1%	0.82	-29	4	8
	MLC Aust Trust - Index	Medium	-4%	0.74	-36	5	7
	Macquarie Active Aust Equ	High	-3%	0.78	-36	2	9
Avoid	NAFM In Trt - Equities	Very Low	-9%	0.04	7	0	3
	NAFM Inv Trust - Div Imp	Medium	-3%	0.77	-29	3	6
	Parker Enhanced Leaders	High	-1%	0.83	-38	-2	5
	Perpetual ICSav - Aust	Medium	+3%	0.86	-14	5	6
	Perpetual ICSav - Sm Coys	High	+4%	0.76	-22	11	17
	Perpetual ICSav - Indust.	Low	+3%	0.77	-24	-2	3

NEW ZEALAND BASED UNIT TRUSTS

Buy	AMP Australian Shares	Medium	+5%	0.57	-13	6	15
	Fisher Australian Growth	Low	+6%	0.30	-8	18	24
	ING Australian Share	Medium	+8%	0.79	-3	5	9

AUSTRALIAN LISTED INVESTMENT TRUSTS

	Argo Investments	Very Low	-6%	0.62	-22	-10	4
	Australian Foundation	Very Low	-3%	0.48	-16	-6	1
	Choiseul Plantation	Very Low	-5%	0.45	-22	-2	8
	Diversified United Inv.	Medium	+0%	0.71	-28	-6	-1

NEW ZEALAND LISTED INVESTMENT TRUSTS

	Ozzy Tortis	Low	+2%	0.58	-13	4	9
--	-------------	-----	-----	------	-----	---	---

Australia



GOLD & MINING

AUSTRALIAN BASED UNIT TRUSTS

	BT Natural Resources	High	-2%	0.91	-20	19	22
Avoid	Col First State Glb Res.	High	-7%	0.95	-28	27	16
	Gold Sachs Resources	High	-0%	0.88	-14	19	13
Avoid	ING Resources	Very High	-7%	0.86	-35	27	25

UNITED KINGDOM BASED UNIT TRUSTS

Buy	Blackrock Gold & General	Low	+9%	0.57	12	27	15
	First State Global Resources	Medium	+3%	0.88	-6	23	15
	Investec Global Gold	Very Low	+3%	0.33		35	19
	JPM Natural Resources	Medium	+3%	0.93	-12	26	17
Buy	Smith & Williamson Global Gold	Low	+8%	0.40		47	24

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

	Blackrock Commodities	Low	-6%	0.63	-29	10	9
Buy	Blackrock World Mining	High	-1%	0.92	-24	28	14
	City Nat Res High Yld	Medium	+7%	0.77	14	62	39
	Close Enhanced Comm II	Very Low	-4%	0.43	-13	21	26

EMERGING MARKETS

UNITED KINGDOM BASED UNIT TRUSTS

	AXA Framlington Emerging Mkts	Medium	+1%	0.94	-9	22	8
	Aberdeen Emerging Markets	Medium	+6%	0.97	19	23	7
	Allianz RCM BRIC Stars	Medium	-3%	0.81		9	4
	BG Emerging Markets	High	+3%	0.99	-3	15	6
	BG Emerging Mkts Large Cap	High	-0%	0.97	-12	14	5
	Blackrock Emerging Markets	High	-0%	0.97	-9	13	8
	Dimensional Emerging Markets	Medium	+4%	0.99	4	20	7
	F & C Emerging Markets	Medium	-2%	0.97	-17	9	4
	Fidelity Emerging E/M/E & A	Medium	+3%	0.91		18	6
	First State Global E/M Leaders	Low	+3%	0.92	13	17	5
	First State Global Emerg Mkts	Low	+3%	0.98	14	19	5
	Frank Tem Glb E/Markets	High	-2%	0.96	-21	10	4
	Gartmore Emerging Markets Opps	Medium	-4%	0.98	-25	16	7
	Henderson Emerging Markets	Medium	-0%	0.99	-12	12	4
	Invesco Perp Emerging Country	Medium	-2%	0.98	-11	15	7
	Invesco Perp Emerging Euro.	Very High	-3%	0.87		12	3
	Investec Africa & Middle East	Very Low	-3%	0.73		10	-0
	JPME/Markets Infrastructure	Medium	-1%	0.96		18	10
	JPM Emerging Markets	Medium	+0%	0.98	-5	16	6
Avoid	Jessop Emerging Markets	High	-7%	0.94		16	7
	Lazard Emerging Markets	Medium	+1%	0.97	-3	15	3
Avoid	Martin Currie Emerging Mkts	Medium	-8%	0.98	-27	15	8
Buy	Mclnroy & Wood E/Markets	Low	+9%	0.66	16	23	8
	Neptune Emerging Markets	Medium	+3%	0.95		18	9
	SWIP Emerging Markets	High	-2%	0.99	-16	11	5
	Schroder Gbl Emerging Mkts	Medium	-1%	0.99	-13	9	4
	Scot Wid. Emerging Markets	Medium	-2%	0.98	-16	11	5
	Threadneedle Global E/Markets	Medium	+0%	0.98		18	5
	UBS Global Emerging Markets	High	-1%	0.99	-11	15	6

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

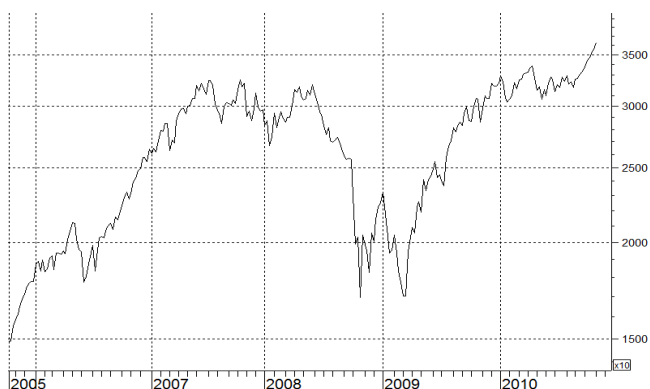
	Advance Developing Mkts	Medium	-6%	0.88	-21	15	7
Buy	JPM Emerging Markets	Medium	+1%	0.95	-4	24	12
	Templeton Emerging Mkts	High	+7%	0.96	7	30	13

Current Investment Fund Risk Superi- Market Performance
Advice Fund Rating Rating Correl- tion 36 12 3
 mth mth mth

Brazil



Mexico



Chile



Argentina



LATIN AMERICA

UNITED KINGDOM BASED UNIT TRUSTS

Invesco Perp Latin America	Medium	-1%	0.94	7	21	7
Neptune Latin America	Medium	-3%	0.90			11
Scot Wid. Latin America	Medium	+2%	0.96	9	17	6
Threadneedle Latin America	Medium	+0%	0.95	8	20	7

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Blackrock Latin Amer.	High	+2%	0.90	5	21	10
-----------------------	------	-----	------	---	----	----

FAR EASTERN / PACIFIC (EXCL JAPAN)

NEW ZEALAND BASED UNIT TRUSTS

AMP Asian Shares	Medium	-3%	0.83	-12	10	4
------------------	--------	-----	------	-----	----	---

UNITED KINGDOM BASED UNIT TRUSTS

Aberdeen Asia Pacific	Medium	+1%	0.80			23
Allianz Dres Tot Ret Asian Eq	Medium	-2%	0.98	-20	19	10
BG Developing Asia Pacific	Medium	-7%	0.94	-29	6	5
BG Pacific	High	+2%	0.97	-23	18	8
Baring East	Medium	-4%	0.98	-28	14	10
CF Canlife Far East	Medium	+4%	0.97	-4	21	11
F & C Pacific Growth	Medium	-6%	0.99	-30	7	4
Fidelity South East Asian	Medium	+2%	0.98	-12	17	9
First State Asia Pac Leaders	Low	+1%	0.96	3	13	6
First State Asia Pacific	Low	+2%	0.97	5	17	7
Gartmore Pacific	Medium	-0%	0.98	-16	14	8
HSBC Asia Growth	Medium	-2%	0.98	-19	18	8
HSBC Pacific Index	Medium	-4%	0.97	-19	10	7
Halifax Far Eastern	Medium	-2%	0.99	-12	14	7
Henderson Asia Pacific Capital	High	+4%	0.97	-8	16	7
Ignis Asset Pacific Growth	Medium	-1%	0.96			14
Invesco Perp Asian	Medium	+2%	0.99	-5	15	7
Invesco Perp Pacific	Medium	-1%	0.96	-3	6	2
Investec Asia	Medium	+2%	0.98	-10	22	11
JPM Asia	Medium	+1%	0.98	-16	16	9
Jessop Pacific Opps.	Medium	-0%	0.95			15
Jupiter Asian	Medium	-1%	0.99			18
L & G Asian Income	Medium	-0%	0.88			5
L & G Pacific Growth	Medium	-2%	0.98	-17	18	5
L & G Pacific Index	Medium	-3%	0.97	-18	10	5
Legg Mason Asia Pacific	Medium	-3%	0.99	-28	17	7
Lloyd George Eastern Opps	High	-1%	0.96	-26	13	3
M & G Asian	Medium	+3%	0.97			16
Marlborough Far East Growth	Medium	-3%	0.94	-9	3	4
Martin Currie Asian Pacific	Medium	-5%	0.99	-24	14	9
Melchior Asian Opportunities	Very High	-2%	0.94			10
Neptune Asia Pacific Opp	Medium	-3%	0.98			15
Newton Oriental	Medium	+0%	0.94	-6	18	9
Old Mutual Asian Select	Medium	-2%	0.97	-22	9	6
Prudential Pacific Markets	Medium	-0%	0.98	-13	10	7
Royal London Far East Gth	Medium	-0%	0.98	-12	11	7
SJP Far East	Medium	-1%	0.96	0	19	5
SSGA Asia Pacific Eq Tracker	Medium	+2%	0.92			16
SWIP Asian Pacific	Medium	-2%	0.94	-15	8	8
Santander Premium Pac Basin	Medium	-4%	0.97			17
Schroder Pacific Growth	Medium	-2%	0.99	-18	11	5
Scot Wid. Pacific	Medium	-0%	0.98	-14	12	7
Smith & Williamson Far Eastern	Medium	-1%	0.99			14
StanLife Asian Pacific	Medium	+1%	0.98	-15	15	6
StanLife TM Pacific Basin	Medium	+3%	0.97			15
Threadneedle Asia Growth	Medium	-2%	0.99	-20	11	6
UBS Asian Equity	Medium	+1%	0.98			13

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Aberdeen Asian Income	Low	+0%	0.83	10	15	6
Aberdeen Asian Small Co	Medium	+12%	0.82	58	70	24
Aberdeen New Dawn	High	+10%	0.91	22	40	13
Edinburgh Dragon Trust	Medium	+8%	0.92	19	31	10
Fidelity Asian Values	High	+5%	0.96	-8	18	9
Henderson TR Pacific	Very High	+5%	0.94	-12	16	10
Invesco Asia	Medium	+3%	0.95	1	16	13
JPM Asian	High	-0%	0.94	-18	25	16
Pacific Assets	High	-3%	0.92	-37	15	12
Pacific Horizons	Very High	-0%	0.91	-36	13	7
Schroder Asia Pacific	High	+2%	0.96	-16	14	4
Schroder Oriental Inc.	High	+3%	0.92	-14	19	11
Scottish Oriental Sm Co	High	+15%	0.90	41	47	16

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

FAR EASTERN / PACIFIC (INCL JAPAN)

AUSTRALIAN BASED UNIT TRUSTS

BTAsian	High	+5%	0.94	-15	15	7
Avoid InvescoAsianGrowth	Medium	-11%	0.90	-37	2	3

UNITED KINGDOM BASED UNIT TRUSTS

AberdeenAsianPacific&Japan	Medium	+5%	0.85		21	6
----------------------------	--------	-----	------	--	----	---

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

AberdeenAllAsia	Medium	+5%	0.86	-4	16	7
HendersonFarEastInc.	Medium	+3%	0.91	-8	8	5
MartinCurriePacific	Medium	-6%	0.89	-33	12	9
WitanPacific	High	+1%	0.93	-14	20	10

HONG KONG / CHINA REGION

UNITED KINGDOM BASED UNIT TRUSTS

Buy BGGreaterChina	High	+10%	0.79		9	5
Buy BaringChinaGrowth	High	+7%	0.84		11	7
Buy FirstStateGtrChinaGrowth	Medium	+10%	0.83	3	19	5
GartmoreChinaGrowth	High	+5%	0.86	-23	18	9
InvescoPerpHKandChina	High	+3%	0.89	-24	11	9
Buy JupiterChina	Medium	+7%	0.66	-18	13	6
Buy NeptuneChina	High	+7%	0.86	-18	22	10
PremierChinaEnterprose	VeryHigh	+2%	0.58		8	7

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Buy JPMChinese	VeryHigh	+7%	0.86	-14	11	13
----------------	----------	-----	------	-----	----	----

Hong Kong



China



Taiwan



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

KOREA

UNITED KINGDOM BASED UNIT TRUSTS

BaringKorean	High	-1%	0.87	-32	23	9
--------------	------	-----	------	-----	----	---

Korea



THAILAND

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

AberdeenNewThaiIT	Medium	-0%	0.66	19	52	18
-------------------	--------	-----	------	----	----	----

Thailand



INDIA

UNITED KINGDOM BASED UNIT TRUSTS

Buy JupiterIndia	Low	+10%	0.89		28	7
NeptuneIndia	Low	+3%	0.80	2	27	8

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Buy JPMIndian	Medium	-3%	0.86	-13	30	17
NewIndia	Low	+8%	0.63	29	39	17

India



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

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

JAPAN

AUSTRALIAN BASED UNIT TRUSTS

	Platinum Japan	Medium	+4%	0.75	-10	-6	-4
--	----------------	--------	-----	------	-----	----	----

UNITED KINGDOM BASED UNIT TRUSTS

Avoid	AXA Framlington Japan & Gen.	Low	-10%	0.84	-32	-2	-2
	Aberdeen Japan Growth	Low	-4%	0.86	-17	7	1
	Allianz RCM Japan	Medium	-5%	0.93	-2	-2	-2
	BG Japan	Medium	-3%	0.93	-21	1	-1
Avoid	Baring Japan Growth	Medium	-8%	0.92	-36	-0	-2
	CF Canlife Japanese Growth	Medium	-3%	0.94	-17	-5	-6
	Fidelity Japan	Medium	-4%	0.90	-28	1	-2
Avoid	Gartmore Japan Opportunities	Low	-8%	0.92	-30	-1	-2
Avoid	HSBC FSAVC Japan Growth	Medium	-7%	0.92	-1	-1	-4
Avoid	HSBC Japan Index	Medium	-7%	0.95	-28	-2	-2
Avoid	HSBC PPUT Japan Growth	Medium	-7%	0.92	-1	-1	-4
	Halifax Japanese	Medium	-6%	0.95	-27	-1	-2
	Ignis Asset Japan	Medium	-6%	0.94	-1	-1	-3
	Invesco Perp Japan	Medium	+5%	0.81	-1	-6	-6
	JPM Japan Growth	Medium	-6%	0.78	-38	-8	-8
	Jessop Japan	Low	-6%	0.83	-0	-2	-2
	Jupiter Japan Income	Low	-4%	0.90	-2	-2	-2
	L & G Japan Index	Medium	-6%	0.95	-27	-1	-3
Avoid	Legg Mason Japan Equity	Low	-16%	0.53	-45	-17	-8
	Liv Victoria Japan Growth	Medium	-3%	0.92	-26	4	0
	M & G Japan & General	Medium	+3%	0.92	-10	2	-3
	Martin Currie Japan	Medium	-5%	0.94	-25	-0	-3
	Martin Currie Japan Alpha	High	+3%	0.91	-24	1	-6
	Neptune Japan Opportunities	VeryLow	+4%	0.32	-25	-17	-6
Avoid	Newton Japan Growth	High	-9%	0.90	-44	-12	-3
	Old Mutual Japanese Select	Medium	-2%	0.93	-24	3	-1
	Prudential Japanese	Medium	+0%	0.93	-16	2	-3
	Royal London Japan Growth	Medium	-3%	0.93	-17	-2	-2
	SSGA Japan Equity Tracker	Medium	-5%	0.90	1	-3	-3
	SWIP Japanese	Medium	-6%	0.93	-30	-3	-4
	Santander Premium Japan	Medium	-3%	0.94	-1	-1	-2
	Schroder Japan Alpha Plus	Medium	+1%	0.90	-22	6	-1
	Schroder Tokyo	Low	-4%	0.92	-19	1	-3
	Scot Wid. Japan Growth	Medium	-6%	0.93	-30	-4	-4
	Scot Wid. Japan Select	Medium	-6%	0.92	-30	-2	-3
Avoid	StanLife Japanese	Medium	-7%	0.83	-33	1	-2
	StanLife TTM Japan	Medium	-2%	0.89	5	-1	-1
Avoid	Threadneedle Japan Growth	Medium	-8%	0.92	-30	-3	-2

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Avoid	JPM Japanese	Medium	-6%	0.80	-41	3	0
	Melchior Japan Inv Trt	Medium	-11%	0.45	-47	2	8
	Morant Wright Japan Inc	VeryHigh	+2%	0.70	-56	-12	-9
	Schroder Japan Growth	High	-2%	0.86	-33	4	-1

JAPAN SMALLER COS

UNITED KINGDOM BASED UNIT TRUSTS

Buy	AXA Framlington Japn Sm Coys	High	+8%	0.54	-20	-11	-11
	BG Japan Small	Medium	+3%	0.85	-25	-0	-3
	Henderson Japan Capital Gth	Medium	+1%	0.95	-24	-1	-5
	Invesco Perp Japan Small Coys	Medium	-4%	0.74	-33	-11	-7
Buy	M & G Jap Small Cos	High	+13%	0.82	-5	-3	-11
	SWIP Japan Small Coys	Medium	-1%	0.75	-31	-7	-10
	Threadneedle Japan Small Cos	High	+1%	0.86	-30	-7	-7

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Buy	B Gifford Shin Nippon	VeryHigh	+8%	0.62	-41	1	-9
Buy	Baillie Gifford Japan	VeryHigh	+11%	0.91	-37	2	-4
Buy	Fidelity Japan Values	VeryHigh	+11%	0.84	-40	0	-5
	JPM Flem Japan Small Co	VeryHigh	-3%	0.74	-53	-7	-7

Japan



TECHNOLOGY

AUSTRALIAN BASED UNIT TRUSTS

	CFS Global Health Biotech	Low	-1%	0.73	-8	9	4
	CFS Tech & Comms	High	-1%	0.87	-19	13	5
	Platinum Intl Technology	Medium	+3%	0.73	5	5	7

UNITED KINGDOM BASED UNIT TRUSTS

Buy	AXA Framlington Biotech	Low	-4%	0.58	-7	1	6
	AXA Framlington Glb Tech.	High	+7%	0.88	5	20	8
	AXA Framlington Health	Low	-2%	0.77	-11	10	5
	Frank Temp Biotech	Low	-0%	0.63	-0	12	5
	Henderson Global Technology	High	+4%	0.89	-3	16	6
	L & G Global Health & Pharm.	VeryLow	-3%	0.74	-7	3	4
	L & G Global Technology	High	+1%	0.89	-13	8	4
	Schroder Medical Discovery	Low	-2%	0.79	-3	3	6

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Buy	Herald Investment Trust	VeryHigh	+4%	0.75	-6	29	11
Avoid	Polar Cap Technology	VeryHigh	+12%	0.83	9	40	8
	Private Equity Investor	VeryLow	-13%	0.15	-30	-2	7
	RCM Technology Trust	High	+2%	0.84	-7	20	3
	The Biotech Growth Trt	Low	+6%	0.63	11	16	5

Technology



Next Issue:

The next issue of *International Investor* will be emailed in five weeks time on Monday December 13, 2010.

The print version will be delivered later that week, depending upon printing and postal delivery times.

INTERNATIONAL INVESTOR is published 12 times per year by Securities Research Company Limited, P.O. Box 34-162, Auckland. Subscribe online at www.stockmarket.co.nz or www.australia-stockmarket.com or email james@stockmarket.co.nz.

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.

www.stockmarket.co.nz

This page is intentionally blank.