

# International Investor

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## World Stockmarket Forecasts

Stockmarket	One-Year Forecast	Fundamental Indicators	Technical Indicators	Monetary Indicators	Economic Indicators	Historical Performance (in US\$)			Share Index
						3 mths	6 mths	12 mths	
Australia	65%	Bullish	Bearish	Bullish	Bullish	-3.1%	-10.8%	-8.5%	4,264.10
Austria	38%	Bullish	Bearish	Neutral	Bearish	-11.2%	-36.2%	-33.8%	1,852.67
Belgium	34%	Neutral	Bearish	Neutral	Bearish	-3.8%	-24.7%	-20.0%	2,078.46
Canada	49%	Neutral	Bearish	Bullish	Bearish	-4.6%	-11.2%	-9.6%	12,034.80
Denmark	46%	Bearish	Bearish	Bullish	Bearish	+7.4%	-19.0%	-13.9%	380.19
Finland	40%	Bullish	Bearish	Neutral	Bearish	-2.6%	-26.3%	-26.8%	5,342.31
France	45%	Bullish	Bearish	Bullish	Bearish	+2.5%	-22.4%	-15.9%	2,347.77
Germany	48%	Bullish	Bearish	Bullish	Bearish	+13.1%	-21.0%	-13.5%	5,986.71
Ireland	52%	Bearish	Bullish	Neutral	Neutral	+9.9%	-11.3%	-2.0%	2,741.29
Italy	38%	Bullish	Bearish	Neutral	Bearish	+6.7%	-27.5%	-22.5%	16,229.50
Japan	51%	Neutral	Bearish	Bullish	Neutral	-2.4%	-7.2%	-9.7%	8,536.46
Netherlands	54%	Neutral	Bearish	Bullish	Neutral	+8.1%	-14.9%	-12.0%	304.58
New Zealand	53%	Bullish	Bearish	Bullish	Bearish	-6.5%	-16.4%	-7.4%	1,181.31
Norway	42%	Bullish	Bearish	Bearish	Bearish	+2.4%	-13.3%	-4.3%	351.41
Spain	55%	Bullish	Bearish	Neutral	Neutral	+6.5%	-20.1%	-14.9%	867.25
Sweden	45%	Bullish	Bearish	Neutral	Bearish	+3.2%	-19.5%	-14.8%	298.22
Switzerland	62%	Bullish	Neutral	Bullish	Neutral	+2.1%	-14.6%	-5.6%	5,793.57
Un. Kingdom	50%	Neutral	Neutral	Neutral	Bearish	+4.6%	-7.4%	-5.7%	5,529.21
USA	78%	Bullish	Bullish	Bullish	Bearish	+8.7%	-1.2%	+1.2%	1,255.19
Argentina	35%	Bearish	Bearish	Neutral	Bullish	-5.4%	-20.9%	-26.9%	8,931.76
Brazil	71%	Bullish	Neutral	Bullish	Neutral	-3.3%	-17.9%	-19.5%	58,236.50
Czech Rep.	42%	Bullish	Bearish	Neutral	Bearish	-16.5%	-36.3%	-25.9%	873.30
Chile	27%	Bullish	Bearish	Bearish	Neutral	-5.8%	-17.6%	-18.2%	20,157.00
China	59%	Bullish	Bearish	Bullish	Neutral	-11.7%	-8.5%	-21.4%	223.59
Greece	35%	Bullish	Bearish	Bearish	Bullish	-25.3%	-49.7%	-54.6%	675.80
Egypt	47%	Bullish	Bearish	Bullish	Bullish	-16.9%	-28.6%	-44.3%	3,970.05
Hong Kong	38%	Neutral	Bearish	Bullish	Bearish	-6.2%	-17.0%	-19.8%	18,586.20
Hungary	11%	Bearish	Bearish	Bearish	Bearish	-9.2%	-39.4%	-26.1%	17,036.00
India	40%	Neutral	Bearish	Neutral	Bullish	-13.9%	-23.5%	-28.0%	16,213.50
Indonesia	44%	Bearish	Neutral	Bearish	Bullish	-10.9%	-6.5%	+0.1%	3,759.61
Israel	38%	Bearish	Bearish	Bullish	Bearish	-0.1%	-20.5%	-22.1%	973.56
Korea	48%	Bearish	Bearish	Bullish	Neutral	-2.7%	-13.2%	-5.6%	1,874.75
Malaysia	49%	Neutral	Neutral	Bullish	Bearish	-5.1%	-10.0%	-3.5%	1,460.13
Mexico	39%	Bearish	Bullish	Bearish	Bearish	+3.0%	-6.7%	-9.3%	37,227.20
Philippines	59%	Neutral	Bullish	Neutral	Bullish	-3.3%	+1.2%	+4.4%	4,292.50
Poland	31%	Bullish	Bearish	Bearish	Bearish	-6.9%	-35.9%	-26.5%	38,637.20
Portugal	48%	Bullish	Bearish	Neutral	Bullish	-9.5%	-26.3%	-22.8%	2,164.32
Russia	45%	Neutral	Bearish	Bullish	Bearish	-15.9%	-34.2%	-17.8%	1,989.37
Singapore	45%	Bullish	Bearish	Neutral	Neutral	-9.3%	-16.2%	-14.4%	2,694.60
Sth Africa	53%	Bullish	Bullish	Neutral	Bearish	-4.1%	-12.6%	-12.7%	32,632.90
Taiwan	43%	Bullish	Bearish	Neutral	Neutral	-12.4%	-25.7%	-21.3%	6,893.30
Thailand	65%	Neutral	Bullish	Bullish	Bullish	-5.2%	-0.1%	-2.7%	1,034.00
Turkey	15%	Neutral	Bearish	Bearish	Bearish	-6.3%	-27.7%	-32.1%	53,834.90
Venezuela	66%	Neutral	Bullish	Bullish	Neutral	+16.8%	+43.6%	+78.2%	116,424.00

**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.

# Recommended International Investment Funds

## Fund Reports

**JPMorgan European Smaller Companies Trust plc's** net assets fell 23.6% over the six months to 30 September 2011, but its European benchmark index was down 27.2%.

The fund will pay a 6.0 pence interim dividend on 16 January (to shareholders registered on 23 December). Gross dividends received rose 16.4%, but the higher net income available for distribution reflects an accounting change. Previously the fund deducted all of its management fees and interest costs from revenues - but will now allocate only 30% against revenues and 70% will be capitalised and deducted from capital gains. This change will raise the yield from the annual income distribution to around 1.8%.

The Fund Manager reports that "Against a gloomy macro-economic backdrop, the current market environment is very challenging", but also notes that "European companies have become adept at adjusting promptly their cost bases and working capital to the

prevailing economic mood". Unlike governments, in the corporate sector debt to equity ratios are "at the lowest level in over ten years" and "equity valuations remain attractive", with a "prospective P/E ratio for European equities for 2012 at just 9.0".

**Private Equity Investor plc** "will continue its policy of buying back shares and anticipates that it will make a distribution in the near future".

At 30 September the fund held investments in 24 Limited Partnerships valued at US\$75.9 million (£48.7 million) and cash of US\$25.2 million (£16.2 million). Outstanding commitments to contribute additional equity to the Limited Partnerships is US\$8.8 million (£5.6 million). That leaves the company with at least £10.6 million in surplus cash to be distributed via a share repurchase.

Over the six months, the fund contributed US\$2.0 million to the Limited Partnerships and received US\$9.4 million in distributions (i.e. US\$4.7 million in cash and \$4.7 million in shares - which are usually quickly sold).

## Recommended Funds Geographic Portfolio Spread

Fund Name	Size (Mil)	Leverage (%debt)	Top 10 Hldgs (%)	Portfolio invested in (%):												
				Cash	HK	Australia	Malay	Taiwan	Korea	Sing.	Thail'd	Phil.	China	India		
Aberdeen Asian Sm Coy	£222	5	31.9		16	2.0	18.0		-	1.0	12.0	12.0	6.0	-	14.0	Indo 8.0
First State Indian Sub-Cont	£233	Nil	42.6	8.9											89.9	Sri Lanka 1.2
Henderson China Opps	£592	Nil	40.6	1.1	83.5						0.3		7.9			US 7.2
HSBC Asian Fund	£42	Nil	31.7	6.5	19.2		2.8	18.2	24.0	5.2	2.3		20.2			Indo 3.3
Hend Asian Pacific Cap	£228	Nil	34.7	1.7	42.8		4.3	10.1	17.2	1.0	4.7				5.7	Indo 6.3
Scottish Oriental Sm Coys	£199	12	17.8	12.0	9.0		8.0	11.0	12.0	14.0	6.0	4.0	15.0	1.0		Indo 5.0
				Cash	USA	UK	Europe	Japan	Other							
Aberforth Small Cos Trust	£679	12	28.0			100.0										
Baillie Gifford Shin Nippon	£63	18	31.8	2.5					97.5							
Fidelity European Small Co	£592	10	28.4	9.0			91.0									
Fidelity Japan Values plc	£62	Nil	26.5	4.5					95.5							
Herald Investment Trust	£501	11	24.9	5.0	22.0	64.0	2.0		7.0							
JPMorgan Euro Small Coys	£377	12	26.0	1.0			99.0									
Invesco Perp Japan Small	£46	Nil	38.0	4.6					95.4							
Private Equity Investor plc	£65	Nil	-	25.0	75.0											
				Cash	Asia	Latin Amer	Africa	Europe & Middle East								
Aberdeen E/Markets	£2800	Nil	34.8	3.4	51.4		29.3	4.8	11.0							

**Fidelity European Values plc's** largest country investments are in Switzerland (17% of the portfolio), France (17%) and Germany (13%), with smaller holdings in Belgium (6%), Denmark (6%), Sweden (6%), UK (5%), Norway (5%), Netherlands (4%), Italy (3%), Ireland (2%), Spain (2%), Turkey (1%), Czech Republic (1%), Portugal (1%), Luxembourg (1%), Brazil (1%) and Finland (1%).

**JPMorgan European Smaller Companies** has its largest investments in France (20% of the portfolio), Germany (19%) and Italy (14%). It also has smaller holdings in Netherlands (11%), Switzerland (8%), Denmark (8%), Sweden (6%), Austria (3%), Finland (3%), Ireland (3%), Spain (2%), Belgium (1%) and Greece (1%).

At 30 September the fund held £48.7 million (74.6% of its assets) in the Limited Partnerships and £16.6 million in cash (25.3%).

In the past the company has repurchased shares - either on-market or through off-market tender offers - which distributed £12.5 million in 2007, £17.5 million in 2008 and £12.0 million in February 2011. We have sought to use these share repurchases to increase our equity ownership in the fund, rather than realise cash. So we would probably choose not to participate in an on-market share repurchase (which would increase our percentage ownership in the fund and increase our equity ownership in the underlying venture capital investments). On-market tender offers are usually made at a premium to market values, so to gain maximum value we have tendered shares to the company, then re-invested the cash proceeds on-market to buy a *greater* number of shares than tendered. The reduction in the issued capital *and* increase in the number of shares held further increases our indirect ownership of the underlying venture capital investments.

As long as the shares continue to trade at a significant discount to net asset value (which itself probably

understates the real value of the unlisted venture capital investments) then cash distributions (which we re-invest in further shares) will help contribute to the value of this investment.

### **Fund News**

**Fidelity European Values plc** has repaid its •7.5 million revolving credit facility at maturity on 18 November. This leaves the company with a •65.0 million loan maturing on 15 December. In future the company will use *Contracts for Difference* for gearing purposes, as authorised by shareholders earlier this year.

### **Share Buy-Backs**

**Fidelity European Values plc** made 10 on-market share repurchases over the last month, acquiring 572,050 shares and returning £5.6 million to investors. Repurchasing these shares at a 12-14% discount to net assets will also have increased the net assets of the remaining shares by around £800,000 (about 1.9 pence per share).

**JPMorgan European Smaller Companies Trust plc** has repurchased 74,000 shares on-market over the last month, while **Aberforth Smaller Companies Trust** repurchased 47,000 shares.

Current Advice	Investment Fund	EPIC Code	Initial Recommendation		Prem/Disc to Net Assets	Recent Price		Gain or Loss %	
			--- Date ---	Offer Price		Bid-Offer or Last Sale	NZ Cents		
<b>Europe</b>									
BUY	Fidelity European Values plc	FEV	13/05/03	463.5p	1291.1	-14%	996.5p	2014.4	+56
BUY	JPM European Smaller Cos	JESC	15/01/02	226.5p	765.8	-18%	665.5p	1345.3	+76
<b>United Kingdom</b>									
BUY	Aberforth Smaller Cos Trt plc	ASL	15/07/03	375.5p	1042.0	-16%	511.5p	1034.0	-1
<b>Asian Regional</b>									
BUY	Aberdeen Asian Small Coys	AAS	09/09/03	89.2p	247.8	-3%	581.0p	1174.4	+374
HOLD	HSBC Asian Fund	*	10/11/98	34.4p	106.3		82.8p	167.4	+57
BUY	Henderson Asia Pac Capital	*	08/08/00	342.2p	1122.6		565.3p	1142.7	+2
BUY	Scot Oriental Smaller Coy	SST	11/11/03	121.9p	330.5	-8%	530.0p	1071.4	+224
<b>China</b>									
BUY	Gartmore China Opportunities	*	09/07/07	548.9p	1410.4		595.54p	1203.8	-15
<b>India</b>									
BUY	First State Indian Sub-Cont.	*	13/12/10	209.2p	442.0		176.48p	356.7	-19
<b>Japan</b>									
BUY	Baillie Gifford Shin Nippon plc	BGS	11/01/94	156.0p	440.3	-8%	158.5p	320.4	-27
HOLD	Fidelity Japan Values plc	FJV	10/01/06	126.0p	322.7	-16%	53.0p	107.1	-67
HOLD	Invesco Perp Japan Small Coys	*	13/07/99	61.3p	182.3		47.84p	96.7	-47
<b>Korea</b>									
HOLD	Baring Korea Trust	*	12/04/94	81.1p	209.4		241.8-256.4p	503.5	+141
<b>International</b>									
HOLD	Aberdeen Emerging Markets	*	13/08/91	61.7p	184.0		475.85p	961.9	+423
BUY	Herald Investment Trust	HRI	12/10/04	310.8p	820.1	-21%	445.7p	901.0	+10
BUY	Private Equity Investor plc	PEQ	11/12/01	122.5p	420.2	-38%	150.5p	304.2	-28

\* United Kingdom based Unit Trust

The average Gains/Losses of all current investments from initial recommendation is +72.4%. This is equal to an average annual rate of +7.0%, 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 48 closed out) is +10.5%.

## *Other Shares and Warrants*

An alternative investment to those recommended above includes **Fidelity Japanese Values** subscription shares (i.e. warrants) at 5¾ pence.

# World Stockmarket Valuations

Country	Dividend Yield	Price/Earn. Ratio
Australia	4.5	13.0
Austria	3.4	12.2
Belgium	3.3	13.6
Canada	2.5	20.3
Denmark	1.4	13.0
Finland	5.8	11.5
France	4.1	12.1
Germany	3.7	10.1
Ireland	2.1	56.5
Italy	4.7	10.4
Japan	2.1	16.0
Netherlands	3.3	12.0
New Zealand	5.7	22.4
Norway	4.6	14.0
Spain	6.3	8.5
Sweden	4.0	9.0
Switzerland	3.3	14.4
Un. Kingdom	3.5	14.2
USA	3.2	17.9
Argentina	1.3	14.8
Brazil	4.1	6.9
Czech Rep.	7.9	9.7

Country	Dividend Yield	Price/Earn. Ratio
Chile	3.1	16.4
China	2.9	3.8
Greece	4.2	15.3
Egypt	4.2	12.8
Hong Kong	2.8	9.3
Hungary	2.4	11.4
India	1.6	14.4
Indonesia	2.2	21.1
Israel	1.0	43.8
Korea	1.3	8.7
Malaysia	3.2	15.5
Mexico	1.3	21.9
Philippines	2.7	13.6
Poland	4.9	12.0
Portugal	6.2	10.2
Russia	2.3	4.9
Singapore	4.5	11.0
Sth Africa	3.3	17.9
Taiwan	4.9	12.5
Thailand	3.3	15.0
Turkey	3.0	10.2
Venezuela	3.5	0.0

**United States Dividend Yield**



**United Kingdom Dividend Yield**



**Japan Dividend Yield**



**Canada Dividend Yield**



**France Dividend Yield**



**China Dividend Yield**



**Switzerland Dividend Yield**



**Brazil Dividend Yield**



**Australia Dividend Yield**



**South Korea Dividend Yield**



**Germany Dividend Yield**



**India Dividend Yield**



# Listed Investment Trust

## Warrant Analysis

### New Warrants/Subscription Shares

We have added some new warrants and “subscription” shares to our *Listed Investment Trust Warrant Analysis* - some of which are included in the table twice.

We have included warrants twice where they have variable exercise dates. In several cases the warrants can be exercised at a fixed price until a point in time, after which the exercise price is raised until their final expiry date.

For example, the **JPMorgan Asian** subscription shares can be exercised until 31 Mar 2012 to buy an ordinary share for 176 pence. After that date the exercise price rises to 203 pence but the final exercise date is extended until 31 March 2014. Increasing the exercise price *lowers* the value of the warrants, while extending the final exercise date *increases* their value!

So the best way to evaluate these warrants is to consider the value of each option contract which in this example is the option to buy a share at 176 pence until March 2012 *or* the option to buy a share at 203 pence in 2014.

The *fair value* of the 2012 option is 16.7 pence, while the *fair value* of the 2014 option is 23.7 pence. If the stockmarket prices these subscription shares correctly, then they should trade near the *higher* of these values - which it is doing at 24½ pence.

At March 2012, most investors would choose not to exercise the warrants to buy shares at 176 pence (which would realise 9½ pence in value) but to hold for the option to buy the shares at 203 pence in 2014 (which has a value of about 24 pence). An investor wanting to liquidate this holding would sell on-market (at 24 pence) rather than exercise the subscription share and sell the ordinary shares (realising 9½ pence).

What investors do in this situation will vary from case to case. For example, with the **JPMorgan Emerging Markets** subscription shares it is less clear what investors will do on 31 July 2012. At that date they *could* exercise the subscription shares to buy ordinary shares at 460 pence (i.e. realising 71½ pence in value - depending, of course, on fluctuations in the ordinary share price over the next seven months) *or* retain the subscription shares with the option of buying ordinary shares at 543 pence in July 2014.

Our *Warrant Analysis* shows the *fair value* of the 2014 contract at 91.6 pence, but if the subscription shares continue to trade at a discount, investors may prefer to liquidate them earlier.

A moderate increase in the share price would also raise the value of the 2012 option faster than the 2014 option - and lead to the earlier liquidation. A drop in the share price would erode the value of the 2012 option faster than the 2014 option - favouring retaining the subscription shares for longer.

### Review of Existing Warrants

**Aberdeen Asian Income** shares dipped 2.1% to 167 pence over the last three months, with the warrants (code AAIW) down 10.1% to 47½ pence.

These warrants continue to offer a high leverage and low *Break-Even* rate, so remain an attractive speculation. The final exercise/expiry date is 31 May 2013 - giving another 17 months for Asian stockmarkets to rally and create value in these warrants. “Hold”.

#### Aberdeen Asian Income



**RCM Technology** shares fell 5.6% to 302 pence over the last three months. The subscription shares (code RTTS) are down 21.4% to 44 pence.

The final exercise/expiry date is 10 April 2012 - just four months away - when investors can buy ordinary shares for 267 pence.

The ordinary shares trade above the exercise price - creating an *intrinsic value* of 35 pence.

The very short period until the final exercise date lifts the *Warrant Leverage* which is now 7.5. So a 1% fluctuation in the share price will result in an approximate 7.5% fluctuation in the value of the subscription shares.

Investors should hold these subscription shares for now, with the option to either sell on-market in late March (to realise their value) or to exercise them to buy ordinary shares.

#### RCM Technology





Warrant	Current Share Price	Warrant Exercise Prices	Years & Months to Expiry	Current Warrant Price	Black-Scholes Value	Warrant Over/Under Valued (%)	Share Volatility	Warrant Leverage	Warrant Share Price 5%pa	Warrant Share Price 10%pa	Warrant Share Price 20%pa	Return(%p.a.) from appreciation of:	Break-Even Rate
<b><u>GOLD &amp; MINING</u></b>													
BlackRock New Energy	28.5p	50.0p	1-7	0.75p	0.03p	+2289	0.239	21.8	-100.0	-100.0	-100.0	+78%	
BlackRock New Energy	28.5p	59.0p	2-7	0.75p	0.20p	+267	0.239	9.3	-100.0	-100.0	-100.0	+33%	
<b><u>INTERNATIONAL</u></b>													
Henderson International	91.3p	100.0p	2-8	6.00p	9.46p	-37	0.200	5.3	-14.7	+49.9	+118.8	+6%	
JPMorgan Emerging Mkts	531.5p	460.0p	0-7	69.25p	87.75p	-21	0.267	5.2	+47.4	+93.9	+198.8	-1%	
JPMorgan Emerging Mkts	531.5p	543.0p	2-7	69.25p	91.64p	-24	0.267	3.7	-5.5	+30.2	+78.2	+6%	
<b><u>LATIN AMERICA</u></b>													
Aberdeen Latin American	96.5p	120.0p	4-0	8.25p	8.95p	-8	0.199	4.9	-100.0	+26.7	+76.5	+7%	
JPMorgan Brazil	87.0p	100.0p	1-6	16.88p	10.65p	+58	0.350	4.2	-100.0	-92.2	-10.2	+22%	
<b><u>UNITED KINGDOM</u></b>													
Artemis Alpha	248.0p	345.0p	6-0	40.50p	30.12p	+34	0.221	3.7	-100.0	+15.1	+46.2	+8%	
Dunedin Smaller Comys	121.0p	170.0p	0-2	1.20p	0.00p	+999	0.241	301.8	-100.0	-100.0	-100.0	+703%	
Henderson Opportunities	356.0p	936.0p	2-2	1.51p	3.58p	-58	0.350	6.7	-100.0	-100.0	-100.0	+58%	
Perpetual Income & Gth	250.0p	218.9p	1-8	33.00p	38.12p	-13	0.121	6.0	+31.7	+62.5	+116.8	+0%	
Schroder UK Growth	115.3p	129.0p	0-7	6.25p	5.04p	+24	0.277	9.9	-100.0	-100.0	-100.0	+32%	
<b><u>EUROPE</u></b>													
BlackRock Greater Europe	170.0p	183.0p	0-10	6.50p	10.34p	-37	0.241	8.5	-100.0	-88.7	+170.5	+14%	
<b><u>FAR EASTERN</u></b>													
Aberdeen Asian Income	167.0p	120.0p	1-5	45.25p	49.48p	-9	0.182	3.3	+20.5	+37.6	+70.3	-1%	
Fidelity Asian Values	172.0p	191.0p	1-5	10.25p	16.40p	-37	0.278	5.4	-100.0	-32.6	+121.8	+12%	
Fidelity Japan Values	53.0p	55.0p	1-2	5.75p	5.73p	+0	0.277	5.5	-75.7	-23.1	+68.4	+12%	
JPMorgan Asian	185.5p	176.0p	0-3	24.50p	16.74p	+46	0.307	8.5	-94.7	-89.4	-69.9	+36%	
JPMorgan Asian	185.5p	203.0p	2-3	24.50p	23.71p	+3	0.260	4.4	-55.2	+4.2	+65.9	+9%	
Schroder AsiaPacific	205.3p	245.0p	1-0	3.30p	9.60p	-66	0.267	8.1	-100.0	-100.0	-60.6	+21%	
<b><u>HONG KONG / CHINA REGION</u></b>													
JPMorgan Chinese	122.0p	168.0p	1-5	6.50p	6.90p	-6	0.330	5.7	-100.0	-100.0	-100.0	+29%	
<b><u>THAILAND</u></b>													
Aberdeen New Thai	273.0p	200.0p	1-1	73.00p	79.63p	-8	0.276	3.2	+18.6	+37.0	+73.5	+0%	
<b><u>INDIA</u></b>													
JPMorgan Indian	333.5p	291.0p	2-0	81.50p	80.91p	+1	0.308	3.1	-3.0	+17.5	+52.4	+6%	
<b><u>TECHNOLOGY</u></b>													
RCM Technology	302.0p	267.0p	0-4	44.00p	37.98p	+16	0.194	7.5	-25.1	+5.2	+84.1	+9%	

# World Stockmarket Capitalisations

The world's total stockmarket capitalisation fell a further US\$5,180 billion - or 9.1% over the three months to the end of October 2011.

The United States fell just 3.9%, lifting its share of the world's total from 28.98% to 30.64%. China slipped 6.5%, so its share of the total *rose* from 7.21% to 7.41%.

Country	Market Capitalisation (US\$ Billions)	Percentage of Total	Country	Market Capitalisation (US\$ Billions)	Percentage of Total
United States .....	15,809	30.64	Turkey .....	232	0.45
China .....	3,824	7.41	Belgium <sup>2</sup> .....	217	0.42
Japan .....	3,644	7.06	Colombia .....	200	0.39
United Kingdom <sup>1</sup> .....	2,921	5.66	Israel .....	173	0.34
India .....	2,535	4.91	Philippines .....	165	0.32
Hong Kong .....	2,375	4.60	Poland .....	162	0.31
Canada .....	2,005	3.89	Ireland .....	136	0.26
France <sup>2</sup> .....	1,847	3.58	Austria .....	96	0.19
Brazil .....	1,350	2.62	Peru .....	80	0.16
Germany .....	1,320	2.56	Luxembourg .....	76	0.15
Australia .....	1,339	2.60	Morocco .....	65	0.13
Switzerland .....	1,163	2.25	Portugal <sup>2</sup> .....	64	0.12
Spain .....	1,141	2.21	Egypt .....	56	0.11
South Korea .....	1,068	2.07	Argentina .....	50	0.10
Nordic Exchanges <sup>3</sup> .....	906	1.76	Czech Republic .....	43	0.08
Russia .....	854	1.66	New Zealand .....	43	0.08
South Africa .....	809	1.57	Greece .....	41	0.08
Taiwan .....	683	1.32	Jordan .....	27	0.05
Singapore .....	592	1.15	Hungary .....	21	0.04
Netherlands <sup>2</sup> .....	545	1.06	Sri Lanka .....	20	0.04
Italy <sup>1</sup> .....	509	0.99	Romania .....	16	0.03
Mexico .....	419	0.81	Bulgaria .....	9	0.02
Malaysia .....	405	0.79	Mauritius .....	8	0.02
Indonesia .....	388	0.75	Slovenia .....	7	0.01
Saudi Arabia .....	330	0.64	Slovakia .....	6	0.01
Chile .....	296	0.57	Cyprus .....	4	0.01
Thailand .....	261	0.51	Malta .....	4	0.01
Norway .....	239	0.46			
			TOTAL .....	\$51,598	100.00%

#### Notes:

1. Estimated split of LSE data between United Kingdom and Italy.
2. Estimated split of EuroNext data between France, Netherlands, Belgium and Portugal.
3. Mainly Denmark, Sweden and Finland.

### Next Issue:

The next issue of *International Investor* will be emailed in four weeks time on Monday January 9, 2012.

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

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