

International Investor

Issue No. 209

www.stockmarket.co.nz

May 13, 2013

Inside International Investor

Charles Stanley Direct transfers units trust and OEICs to new "clean" units 3

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

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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 _____	76%	Bullish	Bullish	Bullish	Neutral	+1.3%	+12.0%	+19.9%	5,164.81
Austria _____	64%	Bearish	Bullish	Bullish	Neutral	-1.2%	+14.4%	+20.5%	2,444.58
Belgium _____	75%	Bearish	Bullish	Bullish	Neutral	+5.9%	+18.3%	+25.7%	2,729.77
Canada _____	52%	Bullish	Neutral	Bullish	Bearish	-2.5%	+2.3%	+6.6%	12,589.09
Denmark _____	66%	Bearish	Bullish	Bullish	Neutral	-4.7%	+13.9%	+20.7%	546.03
Finland _____	79%	Bullish	Bullish	Bullish	Neutral	+0.5%	+19.3%	+16.7%	6,404.74
France _____	74%	Neutral	Bullish	Bullish	Neutral	+4.5%	+17.9%	+26.1%	2,968.12
Germany _____	76%	Neutral	Bullish	Bullish	Neutral	+5.2%	+18.1%	+26.5%	8,278.59
Ireland _____	73%	Bearish	Bullish	Bullish	Neutral	+6.9%	+23.0%	+26.3%	3,964.79
Italy _____	70%	Neutral	Bullish	Bullish	Neutral	+1.5%	+16.5%	+22.2%	18,347.80
Japan _____	68%	Bearish	Bullish	Bullish	Neutral	+19.5%	+30.5%	+28.4%	14,607.54
Netherlands _____	72%	Bearish	Bullish	Bullish	Bullish	+1.7%	+11.2%	+19.0%	361.17
New Zealand _____	59%	Bullish	Bullish	Neutral	Bearish	+0.3%	+12.6%	+23.4%	1,481.11
Norway _____	65%	Bullish	Bullish	Neutral	Neutral	-2.5%	+8.8%	+19.0%	530.99
Spain _____	73%	Bearish	Bullish	Bullish	Bullish	+0.8%	+14.5%	+22.2%	860.60
Sweden _____	68%	Bullish	Bullish	Neutral	Neutral	-0.8%	+16.2%	+21.2%	603.67
Switzerland _____	65%	Bearish	Bullish	Bullish	Bearish	+6.2%	+20.7%	+33.5%	8,177.85
Un. Kingdom _____	76%	Neutral	Bullish	Bullish	Bearish	+2.8%	+10.9%	+13.6%	6,624.98
USA _____	64%	Bearish	Bullish	Bullish	Bearish	+7.6%	+18.4%	+20.7%	1,633.70
Argentina _____	72%	Bearish	Bullish	Bullish	Bullish	+10.4%	+41.8%	+36.6%	3,712.51
Brazil _____	45%	Bullish	Bearish	Neutral	Bullish	-8.0%	-2.7%	-9.8%	55,107.80
Czech Rep. _____	60%	Bullish	Bearish	Bullish	Neutral	-7.6%	-0.9%	+4.1%	966.09
Chile _____	52%	Bearish	Neutral	Bullish	Neutral	-5.1%	+3.5%	+0.9%	21,185.52
China _____	68%	Bullish	Bullish	Neutral	Bullish	-5.5%	+22.5%	+11.5%	2,246.83
Greece _____	64%	Bearish	Bullish	Neutral	Bullish	-1.7%	+31.8%	+70.0%	1,034.39
Egypt _____	30%	Neutral	Bearish	Bearish	Neutral	-8.5%	-15.4%	-6.5%	5,404.29
Hong Kong _____	63%	Bearish	Bullish	Bullish	Bearish	+0.4%	+8.9%	+16.9%	23,321.22
Hungary _____	49%	Neutral	Bearish	Bullish	Bearish	-6.2%	-4.0%	+6.1%	18,503.07
India _____	70%	Bearish	Bullish	Bullish	Bullish	+1.1%	+7.6%	+21.0%	20,142.90
Indonesia _____	52%	Bearish	Bullish	Bullish	Bearish	+12.9%	+16.4%	+17.1%	5,105.94
Israel _____	63%	Bearish	Bullish	Bullish	Neutral	+2.8%	+9.6%	+10.5%	1,076.17
Korea _____	46%	Bearish	Bearish	Bullish	Neutral	-1.2%	+0.7%	+5.1%	1,944.75
Malaysia _____	64%	Neutral	Bullish	Bullish	Bearish	+13.2%	+10.7%	+15.1%	1,772.38
Mexico _____	34%	Bearish	Neutral	Bearish	Bearish	-2.6%	+12.0%	+19.9%	41,741.54
Philippines _____	84%	Bearish	Bullish	Bullish	Bullish	+11.2%	+32.9%	+45.7%	7,262.38
Poland _____	70%	Bullish	Neutral	Bullish	Bullish	-6.5%	+6.6%	+18.2%	44,895.35
Portugal _____	82%	Bullish	Bullish	Bullish	Bullish	+1.7%	+22.6%	+26.3%	2,628.22
Russia _____	44%	Bullish	Bearish	Bearish	Bearish	-11.5%	+3.6%	-5.8%	1,426.84
Singapore _____	79%	Neutral	Bullish	Bullish	Bullish	+5.3%	+13.2%	+20.8%	3,443.77
Sth Africa _____	65%	Bullish	Bullish	Bullish	Bearish	-4.0%	+3.1%	+5.2%	40,232.05
Taiwan _____	79%	Neutral	Bullish	Bullish	Bullish	+5.0%	+11.1%	+10.9%	8,280.26
Thailand _____	70%	Bearish	Bullish	Bullish	Bearish	+8.4%	+29.3%	+42.5%	1,622.48
Turkey _____	67%	Bearish	Bullish	Bullish	Neutral	+11.8%	+24.0%	+51.1%	89,568.88
Venezuela _____	47%	Bearish	Bullish	Bearish	Bearish	-15.7%	+29.8%	+83.9%	698,861.60

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.

Fastrade / Charles Stanley Direct

In May 1998 (*International Investor*, issue No 29) this newsletter recommended “Fastrade, a new internet service offered by stockbroker Torrie & Co” which “offered the lowest prices and best range of services”.

We transferred our own UK brokerage account to Fastrade - as did most subscribers to this newsletter - and have had no problems for 15 years. Torrie & Co was taken over by Charles Stanley in 2002.

In December 2012 the company announced that *Fastrade* clients would be moved to a new *Charles Stanley Direct* site during December and January. Our account was eventually transferred in April - so we have only just had a chance to look into this and there will be a few problems and changes.

Higher Account Fees

Fastrade used to charge account fees of £5.10 per quarter - or just £20.40 annually - but with *Charles Stanley Direct* there will be fees of 0.25% per annum (minimum £20 and maximum £150) on the value of shares and listed investment trusts. It requires only £60,000 of investments to hit that maximum £150 annual account fee - an increase of 635%.

There are also fees on unlisted unit trusts and OEICs (at 0.25% per annum) but these will be offset by lower fund management fees under “clean” pricing. See our explanation on Page 8.

While this is a significant increase in the account fees (although off of a very low base), there are a couple factors to remember. Firstly, dealing through a NZ (or Australian) based broker is likely to be many times more expensive. Secondly, over the last 15 years it has become significantly more difficult to open accounts with brokers outside of your country of residence. So although some UK brokers may have lower account fees, most will not open accounts for non-UK residents. The only other UK broker that will accept non-residents has a 40% higher 0.35% platform fee!

Global brokers like Interactive Brokers don't charge any account fees (other than a minimum of US\$10 per month, if you haven't spent that on commissions) but you can not buy and hold unlisted unit trusts or OEICs, and their system does not cover some listed UK securities like AASC and BGS).

Changes and Problems

When looking at our account with *Charles Stanley Direct* we have identified at least three potential problems and/or changes: (1) Aberdeen Asian Smaller Companies convertible notes, (2) Funds not supported by the new service (i.e. First State Indian Sub-Continent and HSBC Asian Growth) and (3) the migration to so-called “clean” funds. Let's look at these in detail.

Aberdeen Asian Smaller Companies Convertible Notes (code AASC)

Our portfolio with *Charles Stanley Direct* shows our investment in these convertible notes, together with “Buy” and “Sell” buttons should we choose to make a trade. But click on the Buy or Sell buttons and the website hits an error. AASC is not in the services database as a security that we can trade.

We have pointed this out to the company, which had promised to fix this problem last week (it is still not working) - but in the meantime if you want to trade in AASC you can do so by telephone (but only be charged the internet brokerage fee).

Unsupported Funds:

First State Indian Sub-Continent and HSBC Asian Growth Fund

The *Charles Stanley Direct* site does not offer these funds at this time. We can continue to hold these funds in our account (and will not be charged the new 0.25% platform fee on these funds) and we can redeem these funds at any time in the future, but we can not invest additional amounts in these funds through *Charles Stanley Direct*.

Migration to “Clean” Funds:

This should not be a problem (but may cause some confusion) and results from more transparent pricing on UK funds which we should explain. Unfortunately, Charles Stanley Direct has migrated four of our funds (i.e. Henderson Asia Pacific Capital, Henderson China, Invesco Perpetual Japanese Smaller Companies and Aberdeen Emerging Markets) without any notification of the actual details and will migrate Baring Korea in the near future.

Historically, unit trusts and OEICs (i.e. open ended investment companies) have charged investors an initial fee (often 5%) and ongoing annual management fees (often 1.0-1.5%). The Fund Manager paid a portion of these fees to intermediaries (i.e. stockbrokers), and *Fastrade* rebated most of that initial charge back to investors (in the form of a lower purchase price, so more units for your investment). Brokers like *Fastrade* continued to receive a small trailing commission - usually about 0.25% - from the Fund Manager.

Now there is a move to so-called “clean” funds with more transparent pricing. Fund Managers are offering new fund units with lower annual fees that can only be held by intermediaries (i.e. by brokers' nominee accounts on behalf of investors like us). Annual fees are typically about 0.25% lower, but because the broker is no longer receiving a trailing commission from the Fund Manager they have introduced “platform fees” of about 0.25-0.35% per annum which they will charge their investors.

Charles Stanley Direct will charge a 0.25% platform fee on the value of these “clean” funds that we hold in their nominee account, but the “hidden” fund management fee will drop by a similar 0.25% on most of these funds. So overall, as investors, we are probably no better or worse off. (Although brokers tell a slightly different story, see Page 8).

In all cases, the unit price of “clean” funds will vary from that of the “retail” funds (which some are now being calling “dirty” funds) which you will find published on most websites. In many cases, Fund Managers have started “clean” units with the same price as the retail units, but as the annual fees are around 0.5% lower per annum, the value of a “clean” unit will grow about 0.5% per annum faster than a (Continued on Page 8)

Recommended International Investment Funds

“Clean” Funds

Unit trusts and OEICs held with *Charles Stanley Direct* (formerly *Fastrade*) have been changed from old retail units into new “clean” units (which we explain elsewhere in this newsletter).

Unfortunately, the “clean” units have different prices than the old retail units and *Charles Stanley Direct* has made these changes without any notification of the specific details. From what we can estimate (to varying degrees of accuracy or inaccuracy, to be updated next month once we obtain the correct information from the broker):

1. Every 100 units of Henderson Asia Pacific Capital has become about 93.9 “clean” units.
2. Every 100 units of Henderson China Opportunities has become about 728 “clean” units.
3. Every 100 units of Invesco Perpetual Japan Smaller Companies has become exactly 39.75818 “clean” units.
4. Every 100 units of Aberdeen Emerging Markets has become about 95 “clean” units.

5. Baring Korea has yet to be changed but every 100 units should convert to about 99.7 “clean” units.

Tender Offer

Private Equity Investor plc is making an off-market tender offer to return £8.65million of cash to investors at net asset value. This will repurchase around 16.5% of the company's shares.

As the shares trade at a significant discount to net asset value, investors should tender all (i.e. 100%) of their shares to realise the maximum value.

The company will repurchase in full the “basic entitlement” (i.e. approximately 16.5% of each investor's shares) and, if there is a small shortfall in shares tendered will pro-rata acquire these shares from excess shares tendered.

As in previous tenders, we wish to maintain the maximum investment in Private Equity shares, but as the company will acquire the shares at net asset value (i.e. *above* market value) we shall tender our shares and use the proceeds to

(Continued on Page 8)

Current Advice	Investment Fund	EPIC Code	Initial Recommendation			Prem/ Disc to Net Assets	Recent Price		Gain or Loss %
			--- Date ---	Offer Price Foreign	NZ Cents		Bid-Offer or Last Sale	NZ Cents	
Europe									
BUY	Fidelity European Values plc	FEV	13/05/03	463.5p	1291.1	-8%	1500.0p	2775.2	+115
BUY	JPM European Smaller Cos	JESC	15/01/02	226.5p	765.8	-15%	853.5p	1579.1	+106
United Kingdom									
BUY	Aberforth Smaller Cos Trt plc	ASL	15/07/03	375.5p	1042.0	-12%	826.0p	1528.2	+47
Asian Regional									
BUY	Aberdeen Asian Small Coys	AAS	09/09/03	89.2p	247.8	+5%	1114.0p	2061.1	+732
HOLD	HSBC Asian Fund	*	10/11/98	34.4p	106.3		96.07p	177.7	+67
BUY	Henderson Asia Pac Capital	*	08/08/00	342.2p	1122.6		726.9p	1344.9	+20
BUY	Scot Oriental Smaller Coy	SST	11/11/03	121.9p	330.5	+1%	912.0p	1687.3	+411
China									
BUY	Henderson China Opportunities	*	09/07/07	548.9p	1410.4		696.66p	1288.9	-9
India									
HOLD	First State Indian Sub-Cont.	*	13/12/10	209.2p	442.0		227.05p	420.1	-5
Japan									
BUY	Baillie Gifford Shin Nippon plc	BGS	11/01/94	156.0p	440.3	+6%	332.0p	614.2	+40
BUY	Fidelity Japan Values plc	FJV	10/01/06	126.0p	322.7	-13%	75.25p	139.2	-57
HOLD	Invesco Perp Japan Small Coys	*	13/07/99	61.3p	182.3		68.47p	126.7	-31
Korea									
HOLD	Baring Korea Trust	*	12/04/94	81.1p	209.4		259.3-274.6p	493.9	+136
International									
HOLD	Aberdeen Emerging Markets	*	13/08/91	61.7p	184.0		617.31p	1142.1	+521
BUY	Herald Investment Trust	HRI	12/10/04	310.8p	820.1	-18%	549.5p	1016.7	+24
BUY	Private Equity Investor plc	PEQ	11/12/01	122.5p	420.2	-15%	191.5p	354.3	-16

* United Kingdom based Unit Trust

The average Gains/Losses of all current investments from initial recommendation is +131.2%. This is equal to an average annual rate of +11.2%, 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 48 closed out) is +12.2%.

Other Shares and Warrants

An alternative investment to those recommended above includes **Aberdeen Asian Smaller Companies Trust** 2019 convertible notes at 131 pence. The new “clean” unit prices are: Henderson Asia Pacific 768.9 pence, Henderson China 94.32 pence, Invesco Japanese Smaller Companies 172.73 pence and Aberdeen Emerging Markets 651.43 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

AMP NZ Share	Medium	-1%	0.58	29	22	4
Fisher NZ Growth Fund	Very Low	+5%	0.51	52	29	6
One Path NZ Shares	Low	+0%	0.74	36	27	7

NEW ZEALAND LISTED INVESTMENT TRUSTS

Mid-Cap Index	Very Low	-1%	0.50	24	28	8
TeNZ	Very Low	-3%	0.55	26	17	4

New Zealand



Australia



GOLD & MINING

AUSTRALIAN BASED UNIT TRUSTS

Avoid	BT Natural Resources	High	-10%	0.77	-46	-36	-24
Avoid	Col First State Glb Res.	Medium	-8%	0.85	-39	-26	-18
	Gold Sachs Resources	Medium	-5%	0.70	-34	-22	-16
Buy	One Path Resources	Very Low	+11%	0.46	18	-5	-3

UNITED KINGDOM BASED UNIT TRUSTS

Buy	Artemis Global Energy	Medium	+8%	0.76		-14	-8
Avoid	Blackrock Gold & General	Medium	-7%	0.63	-40	-33	-27
	First State Global Resources	High	-4%	0.90	-33	-25	-16
	Investec Global Gold	Medium	-6%	0.55	-38	-30	-26
Avoid	JPM Natural Resources	Very High	-7%	0.94	-41	-32	-21
	Smith & Williamson Global Gold	Very High	-5%	0.68	-41	-35	-28

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

	Blackrock Commodities	Medium	-4%	0.76	-28	-16	-14
	Blackrock World Mining	High	-2%	0.82	-29	-31	-20
	City Nat Res High Yld	Very High	-1%	0.79	-29	-39	-29
Buy	Close Enhanced Comm II	Very Low	+14%	0.31	21	5	-6

EMERGING MARKETS

UNITED KINGDOM BASED UNIT TRUSTS

	AXA Framlington Emerging Mkts	Medium	+0%	0.66	-7	2	-4
	Aberdeen Emerging Markets	Medium	+6%	0.97	12	6	-3
Avoid	Allianz BRIC Stars	High	-7%	0.95	-28	-5	-8
	BG Emerging Markets	High	-2%	0.96	-15	-8	-5
	BG Emerging Mkts Large Cap	High	-2%	0.97	-15	-6	-4
	Blackrock CIF Emerging Markets	High	-0%	0.99	0	0	-5
	Blackrock Emerging Markets	Medium	+0%	0.91	-6	1	-4
	Dimensional Emerging Markets	Medium	+1%	0.95	-6	3	-4
	F & C Emerging Markets	Medium	-2%	0.98	-12	1	-5
	Fidelity Emerging E M/E & A	High	+2%	0.90	-3	2	-3
Buy	First State Glb E/Markets Sust	Low	+8%	0.92	15	1	-1
	First State Global E/M Leaders	Low	+6%	0.92	18	8	-2
	First State Global Emerg Mkts	Low	+6%	0.94	19	10	-2
	Henderson Emerging Markets Opp	High	-3%	0.99	-11	0	-4
	Invesco Perp Emerging Country	High	-0%	0.98	-7	6	-0
	Invesco Perp Emerging Euro.	Very High	-0%	0.90	-16	-2	-10
	JOHCM Emerging Markets	Medium	-2%	0.97	2	0	0
	JPM E/Markets Infrastructure	Medium	-2%	0.97	-13	-5	-5
	JPM Emerging Markets	Medium	-0%	0.97	-7	1	-2
	Jupiter Global E/Markets	Medium	-2%	0.98	2	-3	-3
	L & G Global E/Markets Index	Medium	-1%	0.99	-0	-5	-5
	Lazard Developing Markets	High	-4%	0.97	-8	-7	-7
	M & G Global E/Markets	Medium	+1%	0.98	5	-3	-3
	Marlborough E/Markets	High	-4%	0.95	-7	-10	-10
	Martin Currie Emerging Mkts	Medium	-0%	0.91	-6	-3	-7
	McInroy & Wood E/Markets	Low	+5%	0.72	9	9	-2
	Neptune Africa	High	+6%	0.79	-1	-4	-4
	Neptune Emerging Markets	Medium	-5%	0.91	-23	-7	-8
	SJP Global E/Markets	Low	+6%	0.93	6	-3	-3
	SWIP Emerging Markets	Medium	-2%	0.99	-13	-2	-6
	Schroder Gbl Emerging Mkts	Medium	-2%	0.97	-12	-3	-4
	Scot Wid Emerging Markets	Medium	-2%	0.99	-12	-2	-6
	Scot Wid HIFML E/Markets	High	+1%	0.98	-3	-6	-6
	Somerset E/Markets Dividend	Very Low	+5%	0.65	6	1	1
	Somerset Global E/Markets	Medium	+1%	0.97	1	-5	-5
	Templeton BRIC	High	-4%	0.87	-10	-12	-12
Avoid	Templeton Global E/Markets	Very High	-8%	0.96	-31	-13	-12
	Threadneedle Global E/Markets	Medium	+0%	0.98	-7	4	-2
	UBS E/Markets Equity Income	Medium	-3%	0.88	-12	-6	-6
	UBS Global Emerging Markets	High	-2%	0.99	-16	-5	-6

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

	Advance Developing Mkts	Medium	-2%	0.90	-5	-1	-3
	Advance Frontier Mkts	Very Low	-0%	0.59	9	0	0
	JPM Emerging Markets	Medium	+1%	0.93	1	4	-5
	Templeton Emerging Mkts	High	+0%	0.95	-6	1	-5

AUSTRALIAN BASED UNIT TRUSTS

	AMP Blue Chip Trust	Very Low	-2%	0.54	-6	19	5
	AMP Equity Trust	Very Low	-1%	0.63	-1	18	4
	AMP FLI Aust	Very Low	-1%	0.67	2	12	4
	AMP FLI Small Companies	Low	-3%	0.45	-11	-7	-6
	ANZ Equity Imputation Trt	Very Low	-1%	0.58	2	18	7
	ANZ Equity Trust No 1	Very Low	-0%	0.50	6	15	5
	AXA Australia Industrial	Very Low	-5%	0.37	-13	-5	-3
	Advance Imputation Fund	Very Low	-0%	0.60	1	19	6
	Aust Ethical Equities	Very Low	-0%	0.42	1	6	-2
	BT Australia	Very Low	-1%	0.56	2	13	5
	BT Smaller Companies	Very Low	+6%	0.40	16	6	2
	BT Split Trust Growth	Very Low	-1%	0.36	5	10	2
	Col First State Aust Sh.	Very Low	+0%	0.61	3	14	3
	Col First State Dev. Coys	Very Low	-1%	0.23	-8	-5	-6
	Col First State Future Ld	Very Low	+0%	0.34	-3	0	-4
	Col First State Impu'tn	Very Low	-0%	0.61	3	15	4
	Commonwealth Aust Share	Very Low	-1%	0.00	2	9	5
	Commonwealth Share Income	Very Low	-1%	0.00	2	9	5
	Gold Sachs Emerging Lead.	Very Low	+0%	0.47	1	5	3
	Gold Sachs Leaders Trust	Very Low	-6%	0.38	-18	10	6
	Hunter Hall Value Growth	Very Low	-4%	0.18	-8	2	-5
	MLC Aust Tr - Aust Share	Very Low	-2%	0.55	-3	14	4
	MLC Aust Trust - Index	Very Low	-1%	0.53	-0	12	3
	Macquarie Active Aust Equ	Very Low	-6%	0.53	-15	-4	-3
	NAFM Inv Trust - Div Imp	Very Low	-0%	0.14	-4	18	5
	One Path Australia Share	Very Low	-0%	0.52	2	12	4
	One Path Blue Chip	Very Low	-1%	0.57	-0	15	5
Avoid	Parker Enhanced Leaders	Very Low	-12%	0.26	-22	-22	-3
	Perpetual ICSav - Aust	Very Low	+3%	0.61	11	18	3
	Perpetual ICSav - Sm Coys	Very Low	+2%	0.34	13	3	-1
	Perpetual ICSav - Indust.	Very Low	+4%	0.54	15	25	7

NEW ZEALAND BASED UNIT TRUSTS

Buy	AMP Australian Shares	Very Low	+2%	0.45	4	13	2
	Fisher Australian Growth	Very Low	+7%	0.34	21	15	1
	One Path Australian	Low	+3%	0.62	13	17	6

AUSTRALIAN LISTED INVESTMENT TRUSTS

	Argo Investments	Low	-0%	0.58	-1	20	-3
	Australian Foundation	Low	+1%	0.51	2	21	-2
	Diversified United Inv.	Medium	+0%	0.66	-10	18	-2

NEW ZEALAND LISTED INVESTMENT TRUSTS

	Ozzy Tortis	Low	+1%	0.71	2	14	1
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Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance		
					36 mth	12 mth	3 mth

LATIN AMERICA

UNITED KINGDOM BASED UNIT TRUSTS

Buy	Aberdeen Latin American	Medium	+7%	0.97	7	-2
	Allianz Brazil	High	-3%	0.97	-6	-3
	BNY Mellon Brazil Equity	High	-3%	0.92	-9	-3
Buy	First State Latin America	Low	+8%	0.94	12	-0
	Invesco Perp Latin America	Medium	+2%	0.98	-5	5
	Martin Currie Latin America	Medium	-0%	0.99	-2	-6
	Neptune Latin America	Medium	+3%	0.95	-7	-1
	Scot Wid Latin America	Medium	-0%	0.99	-17	-6
	Templeton Latin America	Medium	-2%	0.96	-9	-8
	Threadneedle Latin America	High	-0%	0.98	-13	-2

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

	Aberdeen Latin America	Medium	+4%	0.82	8	2
	Blackrock Latin Amer.	High	-5%	0.95	-26	-11
Avoid	JPMorgan Brazil IT	Medium	-8%	0.92	-12	-3

Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance		
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Argentina



Brazil



Mexico



Chile



FAR EASTERN / PACIFIC (EXCL JAPAN)

NEW ZEALAND BASED UNIT TRUSTS

	AMP Asian Shares	Medium	-1%	0.81	1	3	-3
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UNITED KINGDOM BASED UNIT TRUSTS

	Aberdeen Asia Pacific	Medium	+3%	0.96	11	6	-0
	Allianz Tot Ret Asian	Medium	-2%	0.98	2	1	-2
	BG Developing Asia Pacific	Medium	-1%	0.85	6	9	6
	BG Pacific	Medium	+4%	0.94	11	8	1
	Baring East	High	-3%	0.96	-4	4	-2
	Blackrock CIF Pacific (ex Jap)	Medium	+1%	0.98		9	0
	F & C Pacific Growth	High	-6%	0.98	-12	3	-1
	Fidelity South East Asian	High	-1%	0.97	0	4	-1
	First State Asia Pac Leaders	Low	+3%	0.95	19	11	-1
Buy	First State Asia Pacific Sust.	Low	+8%	0.94		17	1
	First State Asia Pacific	Low	+4%	0.96	21	12	-1
	HSBC Asia Growth	High	-6%	0.97	-11	-2	-2
	HSBC Pacific Index	High	-2%	0.96	-0	6	0
	Henderson Asia Pacific Capital	High	-3%	0.96	-4	2	-3
	Henderson Asian Dividend	Medium	+0%	0.96		10	1
	Ignis Asset Pacific Growth	High	-1%	0.92	0	6	0
	Invesco Perp Asian	Medium	+1%	0.98	5	5	-1
	Invesco Perp Pacific	Medium	-2%	0.83	3	11	8
	Investec Asia	Medium	+2%	0.98	10	6	-2
	JPM Asia	High	-3%	0.98	-2	8	-2
Buy	Jupiter Asian	Medium	-2%	0.96	-3	1	-3
	L & G Asian Income	Medium	+7%	0.70	17	34	3
	L & G Pacific Growth	High	-3%	0.97	-4	6	-2
	L & G Pacific Index	Medium	-2%	0.95	-0	7	-1
	Legg Mason Asia Pacific	High	-4%	0.96	-8	5	-1
	M & G Asian	High	+1%	0.97	8	10	-2
	Marlborough Far East Growth	High	-6%	0.93	-15	-1	-6
	Martin Currie Asian Pacific	Medium	-0%	0.98	8	4	-2
	Melchior Asian Opportunities	High	-0%	0.92	3	17	4
	Newton Oriental	Medium	-2%	0.95	-0	4	0
	Old Mutual Asian Select	High	+1%	0.97	12	17	3
	Prudential Pacific Markets	High	-4%	0.97	-6	0	-5
	Royal London Far East Gth	High	-3%	0.98	-1	7	-0
	SJP Far East	Low	+1%	0.95	11	7	1
	SSGA Asia Pacific Eq Tracker	High	+2%	0.96	9	8	0
	Santander Premium Pac Basin	Medium	-2%	0.98	1	6	-1
	Schroder Asian Income	Medium	+5%	0.96	12	3	
	Schroder Asian Income Max.	Medium	+6%	0.98		12	2
	Scot Wid HIFML Far Eastern	Medium	+4%	0.96		8	-2
	Scot Wid Pacific	Medium	-1%	0.98	-0	6	-2
	Smith & Williamson Far Eastern	Medium	-0%	0.86	7	16	10
	Smith & Williamson Oriental	Medium	-3%	0.97		11	2
	Stan Life Asian Pacific	Medium	+0%	0.96	8	11	1
	Stan Life TM Pacific Basin	Medium	-1%	0.96	3	8	0
	Templeton Asian Growth	Medium	-2%	0.89		2	-4
	Threadneedle Asia Growth	High	-2%	0.98	-2	6	-1
	UBS Asian Consumption	Low	+1%	0.91		2	-1

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Buy	Aberdeen Asian Income	Low	+10%	0.67	39	18	3
Buy	Aberdeen Asian Small Co	Medium	+23%	0.74	113	36	10
	Aberdeen New Dawn	Medium	+3%	0.84	18	13	-0
	Edinburgh Dragon Trust	Medium	+4%	0.91	21	12	0
	Fidelity Asian Values	Medium	-3%	0.88	-4	0	-1
Avoid	Impax Asian Environ.	Very High	-38%	0.15		-94	-94
	Invesco Asia	Medium	-3%	0.84	1	0	-2
	JPM Asian	High	-6%	0.90	-10	3	-4
	Pacific Assets	Low	+3%	0.79	11	17	3
	Pacific Horizons	Medium	-5%	0.91	-9	-5	-5
	Schroder Asia Pacific	Medium	+4%	0.91	16	3	-4
Buy	Schroder Oriental Inc.	Low	+7%	0.89	32	20	4
Buy	Scottish Oriental Sm Co	Very High	+14%	0.87	65	30	5

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FAR EASTERN / PACIFIC (INCL JAPAN)

AUSTRALIAN BASED UNIT TRUSTS

BT Asian	Medium	-1%	0.89	1	-0	-5
Invesco Asian Growth	Very Low	-2%	0.77	-5	-5	-3

UNITED KINGDOM BASED UNIT TRUSTS

Aberdeen Asian Pacific & Japan	Medium	+4%	0.93	15	9	2
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UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Aberdeen All Asia	High	+4%	0.90	19	11	1
Henderson Far East Inc.	Medium	-1%	0.89	4	15	2
Martin Currie Pacific	High	-3%	0.90	3	7	3
Witan Pacific	High	+1%	0.93	13	16	5

HONG KONG / CHINA REGION

UNITED KINGDOM BASED UNIT TRUSTS

Aberdeen Global Chinese Equity	Very Low	-1%	0.82	1	-4	
BG Greater China	High	-0%	0.88	-15	1	-5
Baring China Growth	High	-2%	0.90	-19	-0	-7
Baring Hong Kong China	Medium	-2%	0.88	-4	-8	
Fidelity China Consumer	Low	+0%	0.91	7	-4	
Buy First State Gtr China Growth	Low	+7%	0.84	14	13	-0
HSBC Chinese Equity	High	-2%	0.94	0	-8	
Henderson China Growth	High	-2%	0.91	-14	2	-3
Invesco Perp HK and China	Medium	+3%	0.89	-1	15	1
Jupiter China	High	-3%	0.86	-24	3	-5
Martin Currie China	Medium	-3%	0.91	6	-4	
Neptune China	High	+0%	0.92	-12	2	-7
Neptune China Max Alpha	High	-2%	0.62	6	-5	
Neptune Greater China Income	Very Low	+1%	0.84	12	-1	
Pictet Greater China	Low	+0%	0.75	6	-1	
Premier China Enterprose	High	-0%	0.69	-17	3	-6
Schroder ISF Greater China	Medium	-2%	0.86	-2	-8	
Templeton China	Medium	-4%	0.72	-6	-9	
Threadneedle China Opp.	High	-1%	0.84	3	-5	

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Avoid China Growth Opps	Very Low	-86%	0.00	-38	-4	
Fidelity China Spec Sit	Medium	-5%	0.65	6	-10	
JPM Chinese	Very High	+0%	0.84	-10	5	-10

Hong Kong



China



Taiwan



KOREA

Buy Baring Korean	Medium	+1%	0.87	-4	-2	-4
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Korea



THAILAND

Buy Aberdeen New Thai IT	Very Low	+13%	0.35	163	70	26
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Thailand



INDIA

Buy Aberdeen Global Indian Equity	Very Low	+2%	0.77	7	-4	
Blackrock Global India	Medium	-0%	0.92	6	-8	
First State India Subcontinent	Very Low	+10%	0.71	2	9	-5
Jupiter India	Medium	-0%	0.79	-25	-3	-10
Neptune India	Medium	-2%	0.88	-27	4	-8
Pictet Indian Equities	Medium	+0%	0.94	5	-7	
Avoid India Capital Growth	Very Low	-6%	0.04	-46	-5	-16
Infrastructure India	Very Low	-57%	0.04	-61	-2	
JPM Indian	Medium	-0%	0.79	-20	7	-6
New India	Very Low	+5%	0.66	-9	7	-4

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

India



JAPAN

AUSTRALIAN BASED UNIT TRUSTS

Platinum Japan	High	+5%	0.92	15	31	23
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UNITED KINGDOM BASED UNIT TRUSTS

AXA Framlington Japan & Gen.	Medium	-1%	0.93	1	16	19
Aberdeen Japan Growth	Low	+5%	0.93	21	21	15
Allianz Japan	Medium	-1%	0.94	3	17	15
BG Japan	Medium	+4%	0.91	17	26	23
Baring Japan Growth	Medium	+1%	0.92	12	20	19
Blackrock CIF Japan Tracker	Medium	-0%	0.95		17	15
CF Canlife Japanese Growth	Medium	-0%	0.90	5	21	19
Cavendish Japan	High	+0%	0.93		24	21
Fidelity Japan	Medium	-2%	0.90	-11	12	11
GLG Japan Core Alpha	Very High	-3%	0.85		15	15
HSBC FSAVC Japan Growth	Medium	-4%	0.91	-5	10	15
HSBC Japan Index	Medium	-4%	0.94	-4	14	16
HSBC PPUT Japan Growth	Medium	-4%	0.89	-6	6	14
Ignis Asset Japan	Medium	-4%	0.93	-5	14	15
Invesco Perp Japan	Very High	-3%	0.87	-10	20	19
JOHCM Japan	Medium	+4%	0.88		25	19
JPM Japan Growth	Medium	-2%	0.83	-4	14	22
Jupiter Japan Income	Medium	-1%	0.92	2	16	15
L & G Japan Index	Medium	-4%	0.93	-4	14	16
Buy Legg Mason Japan Equity	Medium	+21%	0.44	107	70	37
M & G Japan & General	High	+1%	0.86	5	19	17
Martin Currie Japan	Medium	-2%	0.90	-4	13	14
Martin Currie Japan Alpha	Medium	-0%	0.92	1	17	19
Neptune Japan Opportunities	Very High	-3%	0.88	-9	25	20
Old Mutual Japanese Select	Medium	+3%	0.90	14	19	19
Royal London Japan Growth	Medium	-2%	0.94	-0	15	15
SSGA Japan Equity Tracker	Medium	-2%	0.89	-0	16	17
Santander Premium Japan	Medium	-2%	0.94	-2	12	15
Schroder Japan Alpha Plus	Medium	-4%	0.83	-13	-3	6
Schroder Tokyo	Medium	-0%	0.92	2	10	13
Avoid Scot Wid HIFML Japanese	Medium	-13%	0.68		16	16
Scot Wid Japan Growth	Medium	-3%	0.94	-5	15	15
Stan Life Japanese	Medium	+1%	0.90	11	19	21
Stan Life Japanese	Medium	-3%	0.96		16	16
Stan Life TM Japan	Medium	+0%	0.92	6	14	19
Threadneedle Japan Growth	Medium	-3%	0.93	-2	16	17

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Buy Atlantis Japan Growth	Medium	+8%	0.82		24	16
JPM Japanese	High	+1%	0.86	8	21	28
Schroder Japan Growth	High	+5%	0.80	18	24	24

Japan



JAPAN SMALLER COS

UNITED KINGDOM BASED UNIT TRUSTS

Buy Aberdeen Global Japan Sm Coys	Low	+10%	0.79		24	18
Buy BG Japan Small	Medium	+12%	0.79	37	34	28
Fidelity Japan Small Coys	Medium	+2%	0.91		17	17
Henderson Japan Capital Gth	Medium	+3%	0.93	1	12	17
Invesco Perp Japan Small Coys	Medium	+1%	0.73	11	23	31
Buy M & G Jap Small Cos	Medium	+9%	0.84	17	19	19
Threadneedle Japan Small Cos	Medium	+4%	0.86	3	13	17

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Buy B Gifford Shin Nippon	Very High	+22%	0.65	83	50	37
Buy Baillie Gifford Japan	Very High	+16%	0.81	57	54	40
Fidelity Japan Values	Very High	+4%	0.80	15	24	29
JPM Flem Japan Small Co	Medium	+5%	0.70	11	30	29

TECHNOLOGY

AUSTRALIAN BASED UNIT TRUSTS

CFS Global Health Biotech	Low	+4%	0.65	32	23	11
CFS Tech & Comms	High	-1%	0.86	16	8	2
Avoid Platinum Intl Technology	Low	-7%	0.70	-8	1	1

UNITED KINGDOM BASED UNIT TRUSTS

Buy AXA Framlington Biotech	Medium	+8%	0.57	52	32	16
AXA Framlington Gilb Tech.	Very High	-5%	0.83	2	-10	-5
AXA Framlington Health	Low	+2%	0.80	26	17	4
Aberdeen Global Technology	Medium	-4%	0.73		-1	-2
Cavendish Technology	High	-5%	0.82		-4	-2
GLG Technology Equity	High	-5%	0.81		-4	-2
Henderson Global Technology	High	-4%	0.89	4	-4	-1
L & G Global Health & Pharm.	Low	+3%	0.73	32	24	10
L & G Global Technology	High	-6%	0.88	-2	-6	-1

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Avoid Blackrock New Energy	Very High	-15%	0.76	-24	14	2
Herald Investment Trust	High	+1%	0.72	24	-3	-2
Buy International Biotech	Medium	+11%	0.59		24	15
Polar Cap Technology	Very High	-2%	0.82	12	-7	1
Polar Global Healthcare	Medium	+4%	0.63		20	10
Private Equity Investor	Very Low	+3%	0.32	26	-11	-3
RCM Technology Trust	Medium	-4%	0.65	5	3	3
Buy The Biotech Growth Trt	Medium	+18%	0.62	102	43	19
Buy World Healthcare Trust	Low	+7%	0.63		23	13

Technology



(Continued from Page 2)

retail unit. In all other respects the units are identical, but the “clean” units grow to own a slightly larger share of the portfolio owing to the lower fees deducted each month.

In some cases the value of “clean” units are significantly different to the retail units - but they are just larger (or smaller) initial shares in the fund portfolio.

Charles Stanley Direct plans to “migrate” our retail units in Baring Korean into “clean” units over the next several weeks and this will change the *number of units* (but not the value) that we hold in these funds.

Baring Korean started their “clean” units at the same price as its retail units but this is now about 0.3% higher (owing to the lower fees to date), so switching to the “clean” units will result in about a 0.3% decline in the number of units we shall own.

“Clean” Fund Pricing

Overall we believe “clean” fund pricing will have little impact on investors, but simply offers more transparency in fees and costs. Annual fund management fees (taken out of your assets in the fund) will fall by around 0.25%, as fund managers stop paying trailing commissions to brokers, while the brokers will directly charge us a 0.25% (or higher) “platform fee” to hold our investments in their nominee account.

We will not be significantly better or worse off, but there is more transparency in the actual fees incurred and who is receiving them.

The brokers, of course, tell a slightly different story:

One broker - who will charge a 0.35% annual platform fee - has an example on their website that would appear to suggest that the fund management fees might drop (significantly) from around 1.5% to 0.75%! Even with

some dubious maths (i.e. the figures in their hypothetical example don't add up), this 0.75% drop in fees only results in a 0.25% saving to investors.

Although we never asked about actual fees, in an email *Charles Stanley Direct's* helpdesk points out the benefits of the changes by suggesting the fees for Invesco Japanese Smaller Companies will drop from 1.5% to 0.75%, which after their 0.25% platform fee will leave us better off by 0.5% annually.

That doesn't quite agree with the Fund Manager's disclosure documents. These show total fees of 1.26% for the retail fund and 1.01% with the “clean” fund. Switching to the “clean” fund will therefore save 0.25% per annum - exactly the amount needed to pay the new broker platform fees.

Recommended International Investment Funds

(Continued from Page 3)

re-purchase a larger number of shares on-market.

For example, a person with 1000 shares should have around 165 shares repurchased, realising about £383. This can be re-invested on-market at about 191½ pence to purchase 200 shares. That would increase the shareholding 3.5% to 1035 shares with no additional net cash investment.

The actual outcome is, of course, subject to small changes based upon the actual net asset value determined by the company for the tender offer and the market price at which we can re-invest that cash.

Interest Payment

Aberdeen Asian Smaller Companies Investment Trust plc convertible notes will trade ex-entitlement to their six-monthly interest (of about 1.75 pence) on 14 May. Payment will be on 31 May.

Share Issues

Scottish Oriental Smaller Companies Trust plc will hold a shareholders General Meeting on 23 May to seek

approval to issue shares up to a “nominal value of £400,000” for cash.

The “nominal value” of the shares is 25 pence, so this is 1.6 million shares, which at the current market price of £9.12 would raise an additional £14.6 million or about 5% of assets.

Share Repurchases

Fidelity European Values plc made seven on-market purchases of its own shares over the last month, buying back 282,223 shares and returning just under £3.9 million to investors.

JPMorgan European Smaller Companies plc made one on-market repurchase of 135,000 shares for just under £1.1 million.

Next Issue:

The next issue of *International Investor* will be emailed in four weeks time on Monday June 10, 2013.

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