

International Investor

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Inside International Investor

Higher Inflation would help
global economic recovery 2

Investment Fund Survey: 4 - 8
International, United States, United Kingdom,
Europe and Germany

Founder: James R Cornell (B.Com.)

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 _____	55%	Bullish	Bearish	Bullish	Neutral	-14.1%	-11.7%	+2.3%	4,800.27
Austria _____	39%	Bearish	Bearish	Neutral	Neutral	-4.1%	-11.1%	+19.9%	2,247.52
Belgium _____	51%	Neutral	Neutral	Neutral	Neutral	-0.9%	-0.9%	+19.9%	2,539.40
Canada _____	40%	Bullish	Bearish	Neutral	Bearish	-5.6%	-9.6%	+0.3%	12,134.91
Denmark _____	43%	Bearish	Neutral	Neutral	Bearish	-1.4%	+0.7%	+19.2%	526.64
Finland _____	60%	Bullish	Neutral	Bullish	Neutral	-1.4%	-3.0%	+23.3%	6,020.66
France _____	56%	Bullish	Neutral	Bullish	Neutral	+1.8%	-0.4%	+24.3%	2,836.37
Germany _____	51%	Bullish	Neutral	Neutral	Bearish	+1.2%	-1.5%	+27.2%	7,806.00
Ireland _____	68%	Bearish	Bullish	Bullish	Neutral	+4.3%	+12.3%	+31.7%	4,001.02
Italy _____	50%	Neutral	Bearish	Bullish	Neutral	+0.7%	-9.3%	+17.4%	16,532.24
Japan _____	59%	Bearish	Bullish	Neutral	Bearish	+7.5%	+16.6%	+24.9%	14,309.97
Netherlands _____	57%	Bearish	Bullish	Bullish	Neutral	+2.7%	-1.6%	+18.8%	352.53
New Zealand _____	40%	Bullish	Bearish	Bearish	Bearish	-10.6%	-7.9%	+11.5%	1,415.77
Norway _____	50%	Bullish	Neutral	Bearish	Neutral	-6.0%	-7.3%	+14.0%	522.15
Spain _____	37%	Bearish	Bearish	Bullish	Neutral	+0.0%	-8.9%	+21.2%	792.46
Sweden _____	54%	Bullish	Bullish	Neutral	Bearish	-3.4%	+1.6%	+21.2%	577.29
Switzerland _____	53%	Bearish	Bullish	Bullish	Bearish	-0.6%	+5.7%	+27.6%	7,781.98
Un. Kingdom _____	61%	Neutral	Neutral	Bullish	Bearish	-0.2%	-2.9%	+8.3%	6,375.52
USA _____	56%	Bearish	Bullish	Bullish	Bearish	+5.1%	+11.3%	+20.5%	1,631.89
Argentina _____	53%	Bearish	Bearish	Bullish	Bullish	-12.0%	-3.2%	+6.0%	3,063.69
Brazil _____	41%	Bullish	Bearish	Bearish	Neutral	-28.1%	-35.1%	-27.0%	45,210.49
Czech Rep. _____	44%	Bullish	Bearish	Neutral	Neutral	-9.7%	-21.2%	-1.6%	873.39
Chile _____	34%	Neutral	Bearish	Neutral	Neutral	-16.3%	-17.3%	-11.5%	19,019.50
China _____	40%	Bullish	Bearish	Bearish	Bullish	-8.7%	-2.2%	+5.6%	2,007.20
Greece _____	42%	Bearish	Bearish	Neutral	Bullish	+1.4%	-14.4%	+37.4%	840.92
Egypt _____	40%	Neutral	Neutral	Bearish	Neutral	+4.1%	-15.0%	-7.1%	5,334.54
Hong Kong _____	40%	Neutral	Bearish	Bullish	Bearish	-3.9%	-10.7%	+5.3%	20,854.67
Hungary _____	46%	Neutral	Neutral	Neutral	Bearish	+4.3%	-2.6%	+12.9%	18,893.81
India _____	63%	Neutral	Bearish	Bullish	Bullish	-3.9%	-9.9%	+2.4%	19,495.82
Indonesia _____	31%	Bearish	Bearish	Neutral	Bearish	-8.4%	+1.4%	+7.3%	4,602.81
Israel _____	53%	Bearish	Neutral	Bullish	Bullish	-2.5%	+3.6%	+17.2%	1,075.51
Korea _____	28%	Bearish	Bearish	Neutral	Neutral	-5.9%	-15.4%	-1.8%	1,833.31
Malaysia _____	56%	Neutral	Bullish	Neutral	Bearish	+0.7%	+0.0%	+8.9%	1,772.27
Mexico _____	29%	Bearish	Bearish	Neutral	Bearish	-12.5%	-11.2%	+4.4%	40,623.09
Philippines _____	58%	Bearish	Neutral	Bullish	Bullish	-8.5%	+2.4%	+16.5%	6,500.48
Poland _____	57%	Bullish	Bearish	Neutral	Bullish	-2.5%	-11.6%	+13.9%	45,110.89
Portugal _____	64%	Bullish	Bearish	Bullish	Bullish	-0.2%	-3.3%	+26.5%	2,384.79
Russia _____	46%	Bullish	Bearish	Neutral	Bearish	-8.3%	-19.0%	-2.9%	1,344.98
Singapore _____	56%	Bullish	Bearish	Bullish	Neutral	-7.0%	-5.9%	+5.6%	3,169.73
Sth Africa _____	45%	Bullish	Bearish	Bullish	Bearish	-8.6%	-18.2%	-7.5%	39,169.83
Taiwan _____	56%	Neutral	Neutral	Neutral	Bullish	+0.2%	-1.2%	+7.8%	8,001.82
Thailand _____	54%	Neutral	Neutral	Bullish	Neutral	-9.2%	-0.6%	+22.1%	1,441.33
Turkey _____	30%	Neutral	Bearish	Bearish	Bearish	-18.5%	-16.4%	+8.0%	73,111.81
Venezuela _____	51%	Bearish	Bullish	Bearish	Neutral	+94.3%	+78.4%	+238.6%	1,229,487.00

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.

World Stockmarket Outlook

This newsletter has long argued that *Quantitative Easing*, low interest rates and other easy monetary conditions would eventually lead to higher consumer price inflation (as well as financial asset price inflation).

Consumer price inflation (and expectations of *future* inflation, however, remain low . . .

US Inflation Rate



UK Inflation Rate



Germany Inflation Rate



Moderately higher inflation would actually have many economic benefits in the current situation.

Central Banks are supplying cheap liquidity, but little is being used in the real economy. Corporate investment (in new fixed assets) remains depressed. A little more inflation would stimulate economic activity, which cheap money has been unable to do alone.

Higher inflation (and/or higher inflation *expectations*) would encourage individuals to spend on consumer goods and companies to invest in fixed assets *now*, in the expectation that prices would be higher in the future. This would “kick start” the global economic recovery.

The government sector would also benefit from higher inflation eroding the real value of debt levels and raising nominal GDP and tax revenues.

We are not suggesting a return to the double digit inflation rates of the 1970's but mid-single digit inflation (i.e. 3-7%) over several years would help solve a lot of the world's current economic stagnation.

Meanwhile, Central Banks will likely continue to keep interest rates low. The US Federal Reserve talked about “slowing and halting asset purchases by the mid-2014” - triggering the stockmarket panic selloff in May (and a series of additional explanations to calm the markets) - but that is subject to continued economic growth and the unemployment rate dropping from 7.6% to *at least* 6.0%.

The European Central Bank has indicated that interest rates will “remain at present or *lower levels* for an *extended period of time*”. The Bank of England will also adapt this new *Forward Guidance* policy and is expected to make similar statements about future monetary policy.

Share prices remain fairly attractively valued - and would benefit significantly from improved economic activity and/or a slight increase in inflation rates. Companies also remain the economic entity best able to adapt to changes - whether economic, political or technological. Shares therefore remain the most attractive investments in periods of uncertainty. Remain fully invested in the recommended international funds.

Recommended International Investment Funds

Correction

We made a small error last month with **Private Equity Investor**. We wrote "An investor with 1000 shares will have had 174 shares repurchased for a total of £400.48. The shares are quoted on-market at 184-188 pence, so the cash would purchase 231 shares at 188 pence.

Participation in this tender offer, and re-investing the proceeds on-market, could therefore lift an investors shareholding 5.7% from 1000 shares to 1057 shares at no net cash outlay."

At 188 pence the £400.48 would have purchased only 213 shares. So (theoretically) increased shareholdings 3.9% to 1039 shares.

With the recent market weakness, when we went to re-invest this cash we were able to purchase the shares at 178 pence, so managed to increase our own shareholding by 5.1%.

Aberdeen Asian Smaller Companies Convertible Notes

As discussed previously, these convertible notes offer (1) a higher annual income, (2) better capital protection in a market decline (as they can be redeemed at 100 pence in cash), (3) fully participate in the capital appreciation of the ordinary shares (as 8.3 notes can be converted to one ordinary share) and (4) NZ resident investors will pay lower income tax (i.e. tax on the actual interest received - a yield of 2.86% - rather than the Fair Dividend Rate assessed income at 5%).

The notes are also a cheaper entry than the ordinary shares. Last Friday the shares were quoted at 1028-1045 pence and the notes at 119½-122½ pence.

At those prices an investor could sell 100 ordinary shares to realise £1028 and buy 830 notes (which, in the future, can be converted *(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		Bid-Offer or Last Sale	NZ Cents		
Europe									
BUY	Fidelity European Values plc	FEV	13/05/03	463.5p	1291.1	-9%	1435.0p	2772.4	+115
BUY	JPM European Smaller Cos	JESC	15/01/02	226.5p	765.8	-16%	859.0p	1659.6	+117
United Kingdom									
BUY	Aberforth Smaller Cos Trt plc	ASL	15/07/03	375.5p	1042.0	-8%	854.5p	1650.9	+58
Asian Regional									
BUY	Aberdeen Asian Small Coys	AAS	09/09/03	89.2p	247.8	+4%	1045.0p	2018.9	+715
HOLD	HSBC Asian Fund	*	10/11/98	34.4p	106.3		87.99p	170.0	+60
BUY	Henderson Asia Pac Capital	*	08/08/00	342.2p	1122.6		682.0p	1317.6	+17
BUY	Scot Oriental Smaller Coy	SST	11/11/03	121.9p	330.5	+3%	867.0p	1675.0	+407
China									
BUY	Henderson China Opportunities	*	09/07/07	548.9p	1410.4		658.8p	1272.8	-10
India									
HOLD	First State Indian Sub-Cont.	*	13/12/10	209.2p	442.0		212.41p	410.4	-7
Japan									
BUY	Baillie Gifford Shin Nippon plc	BGS	11/01/94	156.0p	440.3	+3%	300.0p	579.6	+32
BUY	Fidelity Japan Values plc	FJV	10/01/06	126.0p	322.7	-15%	74.75p	144.4	-55
HOLD	Invesco Perp Japan Small Coys	*	13/07/99	61.3p	182.3		67.73p	130.9	-28
Korea									
HOLD	Baring Korea Trust	*	12/04/94	81.1p	209.4		241.0-255.3p	479.4	+129
International									
HOLD	Aberdeen Emerging Markets	*	13/08/91	61.7p	184.0		554.39p	1071.1	+482
BUY	Herald Investment Trust	HRI	12/10/04	310.8p	820.1	-20%	555.5p	1073.2	+31
BUY	Private Equity Investor plc	PEQ	11/12/01	117.9p	404.5	-24%	177.0p	342.0	-15

* United Kingdom based Unit Trust

The average Gains/Losses of all current investments from initial recommendation is +127.9%. This is equal to an average annual rate of +10.8%, 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 +11.90%.

Other Shares

An alternative investment to those recommended above includes **Aberdeen Asian Smaller Companies Trust 2019** convertible notes at 121 pence.

"Clean" unit prices are: Henderson Asia Pacific Capital 727.3 pence, Henderson China Opportunities 90.59 pence, Invesco Perpetual Japanese Smaller Companies 170.51 pence and Aberdeen Emerging Markets 588 pence.

Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance		
					36 mth	12 mth	3 mth
Avoid	Henderson US Growth	Medium	-0%	0.83	40	22	12
	Ignis Asset American Gth	Medium	+1%	0.87	38	23	9
	Invesco Perp US Equity	Medium	-1%	0.87	35	30	12
	Investec American	Very High	-8%	0.86	11	24	8
	JPM US Select	Medium	+1%	0.89	45	31	12
	JPM United States Growth	Medium	+1%	0.87	45	26	11
	Jupiter North America	Medium	+0%	0.83	36	26	11
	L & G North American	Medium	-0%	0.90	29	20	10
	L & G US Index	Medium	+0%	0.93	38	23	10
	Legg Mason US Equity	Medium	-2%	0.82	31	30	12
	M & G American	Medium	-0%	0.88	36	25	10
	M & G North American Value	High	-1%	0.88	37	29	13
	Marlborough North American	Low	+1%	0.84		28	12
	Martin Currie North American	Medium	-2%	0.84	29	26	10
	Melchior North America Opps	High	+0%	0.77	41	26	9
	Neptune US Income	Low	+1%	0.85		22	10
	Neptune US Opportunities	Medium	-1%	0.72	28	27	10
	Old Mutual North American	Medium	+4%	0.84	57	31	13
	PSigma American Growth	Medium	-1%	0.85	28	16	7
	SJP North American	Medium	+1%	0.85	37	31	9
	SSGA North America Eq Tracker	Medium	+0%	0.92	39	25	10
	SWIP North American	Medium	+3%	0.80	48	22	10
	Santander Premium US Equities	Medium	+2%	0.89	48	27	12
	Scot Wid American	Medium	+2%	0.88	42	25	11
	Scot Wid HIFML US Focus	Medium	-2%	0.86		26	10
	Scot Wid HIFML US Strategic	Medium	-0%	0.85		33	14
	Smith & Williamson North Amer.	Medium	+0%	0.86	37	26	12
	Stan Life America	High	-1%	0.88	36	26	12
	Stan Life TM North American	Medium	+0%	0.91	37	24	12
	Threadneedle American Gth	Medium	+2%	0.89	44	23	10
	Threadneedle American Select	Medium	+0%	0.86	39	21	8
	UBS US Equity	Medium	-1%	0.85	36	31	13
	UBS US Growth	Medium	+2%	0.82	44	22	9
Vanguard US Equity Index	Medium	+1%	0.93		27	11	

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Buy	JPF American	High	+0%	0.83	37	24	11
	North Atlantic Small Co	Very Low	+7%	0.13		33	8

United States



UNITED STATES SMALLER COS

UNITED KINGDOM BASED UNIT TRUSTS

Buy	F & C US Smaller Coys	Medium	+1%	0.80	47	31	7
	Fidelity American Spec Sits	Low	+1%	0.86	50	32	14
	JPM US Smaller Companies	High	-1%	0.88	51	34	14
	Legg Mason US Smaller Coys	Medium	-5%	0.89	27	25	8
	Schroder US Small & Mid Cap	Low	-3%	0.88	29	21	11
	Schroder US Smaller Coys	Medium	-3%	0.89	30	25	12
	Threadneedle Amer Small Cos	Medium	-1%	0.87	42	30	11

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Buy	F & C US Smaller Coys	Medium	+7%	0.66	65	39	6
	JPM US Smaller Coys	Low	+5%	0.65	57	40	14

UNITED KINGDOM

UNITED KINGDOM BASED UNIT TRUSTS

Buy	AXA Framlington Blue Chip	Medium	+5%	0.95		20	8
	AXA Framlington Equity Income	Very Low	+2%	0.79		18	8
	AXA Framlington UK Growth	Medium	+5%	0.92	31	18	6
	AXA Framlington UK Select Opps	Medium	+8%	0.89	42	20	8
	AXA General	Medium	+5%	0.96	27	17	7
	Aberdeen Responsible UK Equity	Medium	+6%	0.92	31	18	6
	Aberdeen UK Equity	Medium	+3%	0.95		18	7
	Aberdeen UK Mid-Cap	Medium	+9%	0.81	46	31	8
	Allianz UK Equity Income	Low	+1%	0.85	19	21	11
	Allianz UK Growth	Medium	+2%	0.91	21	20	8
Buy	Allianz UK Index	Medium	+4%	0.95	28	18	6
	Allianz UK Unconstrained	Low	+8%	0.87		30	11
	Artemis Capital	High	+10%	0.84	48	43	9
	Artemis UK Growth	Medium	+7%	0.84	46	29	12
	Artemis UK Special Sits	Low	+5%	0.80	32	25	7
	Aviva Blue Chip Tracking	Medium	+0%	0.92		12	4
	Aviva UK Absolute Return	Very Low	-7%	0.22		11	10
	Aviva UK Equity	Very Low	+1%	0.51		15	7
	Aviva UK Equity Income	Very High	+19%	0.52		17	7
	Aviva UK Growth	Medium	+2%	0.80		22	7

Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance		
					36 mth	12 mth	3 mth
Avoid	Aviva UK Income & Growth	Medium	+1%	0.91		13	7
	Aviva UK Index Tracking	Medium	+0%	0.97		14	5
	Aviva UK Special Situations	High	+4%	0.87		31	9
	BG UK Equity Alpha	Medium	+5%	0.87		20	7
	Baring UK Growth	High	+2%	0.92	19	18	4
	Blackrock CIF UK Equity Track.	Medium	+3%	0.96		19	6
	Blackrock Growth & Recovery	Medium	+9%	0.68		29	8
	Blackrock UK	Medium	+1%	0.90	19	17	7
	Blackrock UK Absolute Alpha	Very Low	-8%	0.30	-14	-3	8
	Blackrock UK Dynamic	Medium	-1%	0.92	11	10	5
	Blackrock UK Special Sits	Medium	+8%	0.88	41	23	7
	Blackrock UK Specialist	Medium	+1%	0.77	10	13	2
	Blackrock US Opportunites	Medium	+5%	0.64	30	26	11
	CF Canlife Growth	Medium	+1%	0.92	20	16	6
	CIS Sustainable Leaders Trust	Low	+2%	0.80	25	20	11
	CIS UK FTSE-4-GOOD Tracker	Medium	+2%	0.94	26	19	7
	CIS UK Growth	Medium	+2%	0.91	23	19	8
	Cavendish North American	Medium	+1%	0.71		20	8
	Cavendish UK Select	High	+7%	0.87		30	8
	Cazenove Absolute UK Dynamic	Very Low	+3%	0.02		16	15
	Cazenove MM UK Growth	Low	+6%	0.85	32	27	9
	Cazenove UK Absolute Target	Very Low	+0%	0.00		10	11
	Cazenove UK Equity Income	Medium	+6%	0.87	39	23	9
	Cazenove UK Growth & Income	High	+4%	0.93	27	24	8
	Cazenove UK Opportunities	Medium	+15%	0.84	70	40	12
	Cler Med FTSE 100	Medium	+3%	0.95	25	16	6
	Dimension UK Value	High	+5%	0.83	29	27	8
	Dimensional UK Core Equity	Medium	+5%	0.89	33	21	7
	F & C FTSE All Share	Medium	+1%	0.94	17	15	5
	F & C UK Equity 1	Medium	+1%	0.83	14	11	2
	F & C UK Equity Income	Medium	+2%	0.94		16	5
	Fidelity Special Situations	Medium	+7%	0.81	32	36	12
	Fidelity UK Growth	High	+2%	0.86	25	22	6
GAM UK Diversified	Low	+7%	0.75	38	28	10	
GLG UK Select	High	+4%	0.88		27	11	
HSBC FSAVC British	Medium	+4%	0.84	27	24	8	
HSBC FTSE 100 Index	Medium	+3%	0.95	27	17	6	
HSBC FTSE 250 Index	Medium	+6%	0.82	32	28	6	
HSBC FTSE All Share Index	Medium	+0%	0.93	19	16	6	
HSBC PPUT British	Medium	+3%	0.88	27	24	8	
HSBC UK Freestyle	Medium	+4%	0.85	30	25	8	
HSBC UK Gth & Inc	Medium	+1%	0.87	19	21	8	
Halifax UK All-Share Index	Medium	+3%	0.85	26	22	6	
Halifax UK FTSE 100 Index	Medium	+2%	0.94	23	16	6	
Halifax UK Growth	Medium	+2%	0.94	26	18	6	
Henderson Global Care UK	Medium	+4%	0.82		22	7	
Henderson UK Absolute Return	Very Low	-1%	0.54		13	11	
Henderson UK Alpha	Medium	-9%	0.73		10	8	
Henderson UK Equity Income	Medium	+6%	0.79		26	9	
Henderson UK Strategic Income	Very Low	-1%	0.27		15	7	
Henderson UK Tracker	Medium	+3%	0.95	24	15	5	
Ignis Asset Cart UK Opps	Medium	+3%	0.88	24	16	5	
Ignis Asset UK Focus	Medium	-6%	0.64	-3	3	7	
Invesco Perp High Income	Very Low	+3%	0.63	27	17	10	
Invesco Perp Income	Very Low	+2%	0.62	24	17	9	
Invesco Perp Income & Growth	Low	+6%	0.89	39	21	8	
Invesco Perp UK Aggressive	Medium	+11%	0.73	47	46	13	
Invesco Perp UK Growth	Medium	+10%	0.86	49	34	11	
Investec UK Alpha	High	+7%	0.86	41	33	9	
Investec UK Blue Chip	High	+4%	0.94	33	23	7	
Investec UK Spec Sits	Low	+5%	0.81		23	10	
JOHCM UK Dynamic	Medium	+10%	0.84		34	9	
JOHCM UK Equity Income	Medium	+10%	0.91		31	10	
JOHCM UK Growth	Medium	+7%	0.78		34	10	
JOHCM UK Opportunities	Low	+6%	0.86		18	9	
JPM MultiManager Growth	Low	+1%	0.76	14	19	6	
JPM UK Active 350	Medium	+3%	0.95	32	19	7	
JPM UK Dynamic	Medium	+8%	0.89	42	33	10	
JPM UK Focus	Very High	+2%	0.83	15	10	-6	
JPM UK Managed Equity	Medium	+3%	0.95	28	21	7	
JPM UK Strategic Equity Income	Medium	+5%	0.95		24	9	
JPM UK Strategic Growth	Medium	+6%	0.93		26	9	
JPM US Equity Income	Very Low	+9%	0.58	51	27	13	
Jupiter Growth & Income	Medium	+5%	0.89	40	23	8	
Jupiter UK Alpha	Medium	+6%	0.84	39	25	10	
Jupiter UK Growth	High	+9%	0.79	46	37	11	
Jupiter UK Special Situations	Low	+5%	0.81	35	23	9	
Jupiter Undervalued Assets	Medium	+6%	0.73	29	33	10	
L & G (Barclays) Mkt Tracker	Medium	+1%	0.61	22	-1	6	
L & G Equity	Medium	-0%	0.89		11	4	
L & G Ethical	Medium	+3%	0.90		23	6	
L & G Growth	Medium	-0%	0.78	2	6	1	
L & G UK 100 Index	Medium	+4%	0.93	25	16	6	
L & G UK Absolute	Very Low	+3%	0.03		8	5	
L & G UK Active Opportunities	Medium	-0%	0.92	10	11	2	
L & G UK Alpha	Medium	+5%	0.47	27	25	6	
L & G UK Equity Income	Low	+5%	0.92		19	7	
L & G UK Index	Medium	+1%	0.87	18	15	5	
L & G UK Spec Sits	Medium	+2%	0.81	20	24	7	
Lazard UK Income	Medium	+2%	0.87	24	17	7	
Lazard UK Omega	High	+6%	0.87	32	22	7	
Legg Mason UK Equity	Medium	+2%	0.91	29	19	6	
Liontrust Special Situations	Low	+10%	0.82		22	7	
Liontrust UK Growth	Low	+5%	0.82		16	7	
M & G Dividend	Medium	+5%	0.88		15	6	
M & G Index Tracker	Medium	+3%	0.94	28	18	5	
M & G Recovery	Medium	+2%	0.82	21	11	7	
M & G UK Growth	Medium	+3%	0.89	31	19	9	
Majedie UK Equity	Medium	+6%	0.75	35	29	10	

Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance		
					36 mth	12 mth	3 mth
Buy	Majedie UK Focus	Medium	+7%	0.79	43	33	11
	Marlborough UK Income & Growth	Low	-6%	0.92		8	5
Buy	Marlborough UK Leading Cos	High	+8%	0.84	46	24	7
	Marlborough UK Primary Opps	Medium	-6%	0.80		14	7
	Neptune UK Equity	Medium	+1%	0.92	22	18	8
Buy	Neptune UK Spec Sits	Medium	+7%	0.88	45	27	10
	Newton UK Smaller Companies	Low	+5%	0.51		13	3
	Old Mutual UK Select Equity	Very High	+6%	0.90	40	26	9
	PSigma UK Growth Inc	Medium	-0%	0.91	12	11	5
	R & M UK Equity Income	Medium	+3%	0.84		24	8
	R&M UK Equity	Medium	+2%	0.71	16	28	8
Buy	R&M UK Equity Long Term Rec.	Very High	+8%	0.76	41	42	13
	Rathbone Blue Chip	Very Low	+0%	0.68		14	9
	Rathbone Recovery	Low	-2%	0.69		16	7
	Royal B of S Equity Income	Low	+2%	0.87	25	18	7
	Royal B of S FTSE 100 Tracker	Medium	+1%	0.96	23	16	6
	Royal B of S Growth	Medium	+5%	0.88	33	18	8
	Royal London FTSE 350 Tracker	Medium	+4%	0.91		19	6
	Royal London UK Equity	High	+2%	0.92	19	16	7
	Royal London UK Growth	High	+2%	0.89	23	16	7
	Royal London UK Opportunities	High	+2%	0.92		19	9
	SJP Equity Income	Low	+4%	0.78	29	25	8
	SJP Ethical	Medium	+2%	0.77	21	19	6
	SJP UK & General Progressive	Low	+4%	0.92	26	17	8
	SJP UK Growth	High	+4%	0.79	30	25	10
	SJP UK High Income	Very Low	+4%	0.75	28	18	8
	SSGA UK Equity Tracker	Low	+4%	0.70	30	20	7
Buy	SVM UK Growth	Medium	+7%	0.82		28	10
Buy	SVM UK Opportunities	Medium	+7%	0.79	38	30	13
	SWIP Financial	Medium	-0%	0.78	9	25	10
	SWIP MM UK Equity Focus	Medium	+2%	0.91	25	19	6
	SWIP MM UK Equity Growth	Medium	+4%	0.94	30	21	7
	SWIP MM UK Equity Income	Low	+3%	0.91	29	17	8
	SWIP UK Income	Medium	-2%	0.81	8	14	7
	SWIP UK Opportunities	Medium	-1%	0.76	9	17	7
	Santander Equity Income	Low	-3%	0.88	-8	10	7
	Santander N&P UK Growth	Medium	-0%	0.92		11	6
	Santander Premium UK Equities	Medium	+3%	0.96	25	16	6
	Santander Stockmarket 100	Medium	+3%	0.95	26	16	6
	Santander UK Growth	Medium	+3%	0.95	25	15	6
	Schroder Income	Medium	+5%	0.76	28	30	11
	Schroder Recovery Income	Medium	+6%	0.70	35	38	12
Buy	Schroder Specialist Value UK	Low	+10%	0.44	42	34	12
	Schroder UK Alpha Plus	Medium	+5%	0.84	32	27	10
	Schroder UK Equity Acc	Medium	+4%	0.89	27	20	8
Buy	Schroder UK Mid 250	High	+13%	0.71	60	40	11
	Scot Wid Adventurous Solution	Low	+3%	0.85	20	18	6
Buy	Scot Wid HIFML UK Focus	Medium	+8%	0.87	31	10	
	Scot Wid HIFML UK High Income	Medium	+1%	0.92		20	8
Buy	Scot Wid HIFML UK Strategic	High	+7%	0.90		30	8
	Scot Wid UK All Share Track	Medium	+4%	0.89	30	21	7
	Scot Wid UK Growth	Medium	+1%	0.94	20	20	7
	Smith & Williamson UK Equ Gth	Low	+0%	0.84	16	16	8
	Smith & Williamson UK Equ Inc	Low	-2%	0.83	7	17	10
	Stan Life TM UK Equity General	Medium	+3%	0.91	28	23	8
	Stan Life UK Equity	Medium	+3%	0.78		9	-1
	Stan Life UK Equity Gth	High	+2%	0.89	25	25	9
Buy	Stan Life UK Equity High Alpha	Very High	+11%	0.79	57	41	9
	Stan Life UK Equity High Inc	Medium	+4%	0.90	33	23	9
Buy	Stan Life UK Equity Recovery	Very High	+10%	0.72		49	9
Buy	Stan Life UK Ethical Trust	Medium	+9%	0.84	53	33	9
	Stan Life UK Opporntities	Medium	+1%	0.61	10	32	8
	TU British	Medium	-1%	0.78	13	20	9
	Templeton Growth	High	+4%	0.77	25	37	13
Buy	Threadneedle American Ex Alpha	Low	+9%	0.58	48	21	9
	Threadneedle UK	Medium	+5%	0.92	34	21	7
	Threadneedle UK Equity Alpha	Medium	+4%	0.85	31	23	9
	Threadneedle UK Equity Income	Low	+2%	0.85	26	19	9
	Threadneedle UK Growth & Inc	Low	+4%	0.86	31	21	10
	Threadneedle UK Property	Very Low	-5%	0.03	-9	1	9
	Threadneedle UK Select	Medium	+3%	0.88	30	20	9
	UBS UK Equity Income	Low	+3%	0.89	29	19	10
Buy	Unicom Outstanding British	Low	+9%	0.72		28	8
Buy	Unicom UK Income	Very Low	+11%	0.36	48	35	12
Buy	Vanguard FTSE UK Equity Index	Low	+7%	0.94		20	7
	Vanguard FTSE UK Equity Index	Medium	+3%	0.98		18	6
	Virgin UK Index Tracking	Medium	+1%	0.96	17	14	6

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Buy	3i Group	Very High	+7%	0.43	16	77	16
Avoid	Aurora Invest Trust	Medium	-12%	0.51	-29	-6	-2
	British American IT	Very Low	-6%	0.06	-16	10	6
	British Assets	Medium	-1%	0.83	6	11	4
	City Merchants High Yld	Very Low	-3%	0.31	-11	9	7
	City of London	Medium	+5%	0.87	28	17	7
	Dunedin Income Growth	Medium	+5%	0.78	31	19	7
	F & C Capital & Income	Low	+1%	0.79	18	15	7
	F & C Managed Port Gth	Very Low	+5%	0.42	20	22	4
	Fidelity Special Values	Medium	+6%	0.62	31	50	18
Buy	Finisbury Growth	Low	+13%	0.68	51	32	7
	Hansa Trust	Medium	-6%	0.36	-5	0	-2
	Henderson High Income	Low	+6%	0.58	34	28	10
	Independent Invest Trt	Very Low	+5%	0.39	27	29	9
	Invesco Income Growth	Very Low	+6%	0.80	31	16	8
Buy	Invesco Perp Sel UK	Low	+12%	0.36		44	11
	JPM Claverhouse	High	+3%	0.86	22	28	11
Buy	JPM Mid Cap	Medium	+9%	0.70	50	56	14
	London & St Lawrence	Very Low	+5%	0.42	20	26	9
Buy	Lowland Investment Co	Medium	+15%	0.60	74	37	11
	Manchester & London	Medium	-6%	0.59	-18	-1	-12

Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance		
					36 mth	12 mth	3 mth
	Merchants Trust	Medium	+3%	0.75	26	25	16
	Murray Income Trust	Medium	+3%	0.87	24	16	8
	Schroder Income & Grwth	Medium	+3%	0.78	23	24	8
Buy	Schroder UK Growth	Medium	+7%	0.66	35	33	14
	Shires Income	Very Low	+5%	0.56	12	17	3
	Standard Life Eq Inc	Low	+4%	0.57	27	32	12
Buy	Strategic Equity Cap.	Very Low	+17%	0.12	82	28	8
Buy	Temple Bar Inv. Trust	Low	+7%	0.80	38	27	12
	Value & Income Trust	Low	+4%	0.59	33	26	12

UNITED KINGDOM BASED INVESTMENT TRUSTS - SPLIT CAPITAL

Buy	Rights & Issues	Very Low	+15%	0.19	60	28	9
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United Kingdom



UNITED KINGDOM SMALLER COS

UNITED KINGDOM BASED UNIT TRUSTS

Buy	AXA Framlington UK Small Coys	Medium	+9%	0.82	64	29	8
	Aberdeen UK Smaller Coys	Medium	+4%	0.85		30	10
	Aberforth UK Small Coys	High	+5%	0.89	48	35	9
	Allianz UK Mid-Cap	High	+4%	0.80	42	32	6
Buy	Artemis UK Smaller Coys	Very Low	+7%	0.74	46	22	6
Buy	Aviva UK Smaller Companies	Medium	+7%	0.89		30	11
Buy	BG British Smaller Coys	Medium	+9%	0.75	71	27	11
	Blackrock UK Smaller Coys	High	+6%	0.84	60	31	10
	Cavendish AIM	Low	-0%	0.68	20	14	9
	Cavendish Opportunities	High	+6%	0.80	51	28	8
Buy	Cazenove UK Smaller Coys	Low	+16%	0.69	98	41	16
Buy	Dimensional UK Smaller Coys	Medium	+7%	0.82	54	36	10
Buy	F & C UK Mid-Cap	Medium	+7%	0.77	59	32	7
Buy	F & C UK Smaller Companies	Medium	+8%	0.86	60	33	9
	Henderson UK & Irish Sm Coys	Medium	+2%	0.83	38	33	8
Buy	Henderson UK Small Coys	High	+8%	0.89	69	34	8
	Ignis Asset Smaller Companies	Very High	-4%	0.62	19	31	8
	Invesco Perp UK Small Cos Equ.	Medium	+4%	0.86	44	29	10
Buy	Investec UK Smaller Cos	Medium	+7%	0.81	61	25	9
	JPM UK Smaller Companies	High	+5%	0.83	58	33	10
	Jupiter UK Small Cos	High	+2%	0.85	38	20	6
	L & G UK Small Coys	Medium	+4%	0.78	48	23	10
	Lazard UK Smaller Companies	High	+3%	0.87	45	26	8
Buy	Liontrust UK Small Coys	Very Low	+9%	0.44		27	9
	M & G Smaller Companies	High	+5%	0.78	60	32	10
Buy	Marlborough Special Situations	Medium	+8%	0.84	59	25	8
Buy	Marlborough UK Micro Cap Gth	Low	+10%	0.68	71	23	8
Buy	Neptune UK Mid Cap	Low	+12%	0.68	74	32	9
Buy	Old Mutual UK Select Mid Cap	High	+10%	0.73	75	40	11
Buy	Old Mutual UK Select Small Cos	Medium	+7%	0.81	65	32	11
Buy	R & M UK Equity Small Coys	High	+8%	0.86		47	9
	Royal London UK Mid-Cap	High	+6%	0.80		33	9
	Royal London UK Smaller Coys	Medium	+4%	0.87	42	29	10
Buy	SWIP UK Smaller Companies	Medium	+9%	0.84	71	38	11
	Schroder UK Smaller Coys	Low	+6%	0.71	53	33	15
	Scot Wid HIFML UK Small Coys	Medium	+4%	0.88		35	11
Buy	Scot Wid UK Smaller Coys	Medium	+8%	0.82	67	38	12
Buy	Stan Life UK Smaller Cos	Medium	+7%	0.76	56	31	12
	Threadneedle UK Mid 250	High	+5%	0.82	48	29	8
	Threadneedle UK Smaller Cos	High	+3%	0.79	50	22	7
	UBS UK Smaller Companies	High	-8%	0.78	2	10	-1
Avoid	Unicom UK Smaller Coys	Low	+7%	0.72	57	38	16

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Buy	Aberdeen Sm Coy High In	High	+11%	0.70		58	10
	Aberforth Smaller Coys	Very High	+3%	0.81	41	41	10
Buy	Blackrock Smaller Coys	Very High	+9%	0.79	78	34	10
Buy	Chelverton Growth Trust	Low	+16%	0.19	85	33	7
Buy	Dunedin Smaller Coys IT	Medium	+10%	0.54	63	50	8
	Henderson Opportunities	Very High	+6%	0.56	53	49	11
Buy	Henderson Smaller Cos	Very High	+11%	0.86	76	42	5
	Invesco Perp UK Smaller	Medium	+6%	0.82	51	32	7
	JPM Smaller Coys	Very High	+6%	0.82	63	38	9
Buy	Montanaro UK Small Coys	Medium	+8%	0.66	54	22	2
Avoid	SVM UK Emerging Fund	Very Low	-17%	0.11	-21	-11	12
Buy	Schroder UK Mid & Small	Very High	+8%	0.80	66	48	8
Buy	Std Life UK Small Coys	Medium	+11%	0.50	83	39	19
	The Mercantile IT plc	High	-0%	0.77	29	30	6

EUROPE

Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance		
					36 mth	12 mth	3 mth
AUSTRALIAN BASED UNIT TRUSTS							
	BT Europe Growth	Low	+5%	0.77	25	25	9
	Platinum Europe	Very Low	+2%	0.37	19	5	7
UNITED KINGDOM BASED UNIT TRUSTS							
Buy	AXA Framlington European	Medium	+8%	0.90	37	34	10
	AXA Rosenberg European	High	+0%	0.93	28	7	7
	Aberdeen European Frontiers	High	-0%	0.81	17	2	
	Aberdeen European Growth	Medium	+4%	0.87	23	25	6
Buy	Alliance European Equity	Medium	+7%	0.91	37	10	
Buy	Allianz Cont European	Medium	+8%	0.83	39	27	6
	Allianz European Equity Income	Low	+3%	0.87	27	11	
	Artemis European Growth	High	+6%	0.88	28	43	10
	Aviva European	Medium	+5%	0.92	34	9	
Buy	BG Europe	Medium	+8%	0.89	38	37	9
Buy	Baring Euro Sel.	Medium	+8%	0.84	39	34	9
	Baring European Growth	High	+3%	0.91	22	31	9
	Blackrock CIF Cont European	High	+3%	0.94	30	9	
Buy	Blackrock Cont'l Europe	High	+8%	0.86	32	33	11
	Blackrock European Absolute	Very Low	+4%	0.01	6	10	
Buy	Blackrock European Dynamic	High	+10%	0.83	42	35	11
	CF Canlife European	High	+2%	0.91	12	26	9
	CIS European	High	-0%	0.92	2	23	4
	Cavendish Asia Pacific	Low	+2%	0.73	11	-1	

Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance		
					36 mth	12 mth	3 mth
	Cavendish European	High	+2%	0.92		33	9
	Cazenove European Portfolio	Medium	+2%	0.84	14	34	12
	F & C European 1	Medium	+6%	0.88	29	38	9
	Fidelity European	Medium	+5%	0.91	27	26	8
	Fidelity European Opps	High	+2%	0.87	12	26	6
	GLG Esprit Cont Europe	High	+5%	0.92		33	9
	HSBC European Growth	High	+1%	0.81	12	30	12
	HSBC Eurotrack 100	High	-0%	0.92	9	28	7
	HSBC FSAVC European Growth	High	-0%	0.78	7	40	13
	HSBC PPUT European	High	+1%	0.78	7	40	14
Buy	Henderson European Focus	Medium	+8%	0.85	39	33	8
	Henderson European Growth	Medium	+6%	0.88		33	9
	Henderson European Sel Opps	Medium	+6%	0.88	30	36	9
Buy	Henderson European Spec Sits	Medium	+7%	0.89		35	8
	Ignis Asset European Growth	High	+3%	0.91	23	35	11
	Invesco Perp Euro Equity Inc.	Medium	+5%	0.86	25	40	15
Buy	Invesco Perp Euro Opp.	Medium	+8%	0.74	37	37	8
	Invesco Perp European Equity	High	+4%	0.90		39	15
	JOHCM Cont European	High	+4%	0.91		33	10
	JOHCM European Return	Medium	+2%	0.91		30	10
	JOHCM European Select Value	Low	+6%	0.87		31	8
	JPM Europe	High	+4%	0.91	22	33	9
	JPM European Dynamic	High	+6%	0.88	31	34	12
	JPM New Europe	High	-1%	0.63	-7	11	-1

Netherlands



Denmark



Finland



Norway



Belgium



Ireland



Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance		
					36 mth	12 mth	3 mth
Buy	Jupiter Emerging European	Medium	-4%	0.63	-15	10	-1
	Jupiter European	Medium	+9%	0.84	38	30	8
	Jupiter European Income	Medium	+3%	0.86	22	31	11
	L & G Euro Index	High	+0%	0.92	9	27	9
	L & G European	High	+2%	0.86	12	33	10
	Lazard European Growth	High	+3%	0.88	18	30	9
	Legg Mason Cont European	Medium	+2%	0.90	16	29	8
	Liontrust European Absolute	Very Low	-6%	0.13	0	11	
	Liontrust European Growth	Medium	-1%	0.87	17	-1	
	M & G European	Medium	+3%	0.91	26	30	8
	M & G European Index Tracker	High	+2%	0.91	17	30	9
	M & G European Strategic Val.	Medium	+2%	0.91	19	28	11
	M & G Pan European	Medium	+1%	0.88	13	22	7
	M & G Pan European Dividend	Medium	+3%	0.86	22	28	8
	Marlborough European	Medium	+1%	0.85	25	7	
	Martin Currie European	High	+3%	0.87	22	32	10
	Morgan Stanley Euro (ex UK)	High	+3%	0.91	18	32	9
	Neptune European Income	Low	+6%	0.78	26	6	
	Neptune European Opps	Low	+0%	0.63	5	25	10
	Neptune Russia & Gtr Russia	Medium	-4%	0.44	-7	9	3
	Newton Continental European	Medium	-0%	0.89	11	24	9
	Old Mutual European Equity	High	+5%	0.90	26	32	10
	Royal London European Gth	High	+3%	0.91	21	33	9
	Royal London European Income	High	-1%	0.88	8	26	9
	SJP Continental European	High	+4%	0.84	21	27	12
Buy	SJP Greater European Prog.	Medium	+9%	0.87	38	31	9
	SSGA Europe Equity Tracker	Medium	+3%	0.84	17	35	10
Buy	SVM All Europe	Low	+8%	0.78	35	25	9
	SVM Continental European	Medium	+4%	0.80	22	28	11
	SWIP European	Medium	+5%	0.79	28	34	12
	Santander Premium Europe	High	+3%	0.93	35	11	
	Schroder European Alpha	Medium	+5%	0.82	19	25	7
	Scot Wid Euro Select Gth	Medium	+4%	0.82	23	35	12
	Scot Wid European Growth	Medium	+2%	0.87	14	32	10
Buy	Scot Wid HIFML European Strat.	High	+12%	0.93	47	13	
	Scot Wid HIFML European SS	Medium	+5%	0.90	28	10	
Buy	Scot Wid HIFML European Focus	Medium	+9%	0.84	37	9	
	Smith & Williamson European	High	+3%	0.83	14	31	9
	Stan Life Euro Equity Gth	Medium	+6%	0.81	28	36	9
	Stan Life European Equity Inc	Medium	+2%	0.79	27	6	
	Stan Life European Ethical	Medium	+3%	0.83	16	37	10
	Stan Life TM European	Medium	+5%	0.83	24	35	10
	Stan Life TM Pan European	Medium	+5%	0.85	29	34	8
	Templeton Europe	High	+4%	0.89	20	37	11
	Threadneedle Euro Growth	Medium	+5%	0.90	24	31	8
Buy	Threadneedle Euro Sel Growth	Low	+10%	0.78	45	33	7
	Threadneedle Pan Euro Gth	Medium	+6%	0.41	16	14	-3
	UBS European Equity	High	+2%	0.86	8	25	5
	Vanguard FTSE Dev Europe Index	High	+3%	0.82	36	20	

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

	3i Infrastructure	Very Low	+2%	0.00	8	11	10
	Artemis Alpha	Very Low	+1%	0.05	6	5	-1
	Aurora Russia	Very Low	+1%	0.04	27	-7	
	Baring Emerging Europe	High	-3%	0.67	-11	11	0
	Blackrock Greater Euro.	Low	+5%	0.70	24	32	5
Buy	European Assets	Low	+10%	0.44	46	50	9
Buy	Henderson Eurotrust	Low	+7%	0.75	31	42	11
	JPM European IT	High	+3%	0.85	12	28	4
	JPM Russia	High	-4%	0.44	-13	4	-1
	JPMorgan European IT	Medium	+2%	0.72	23	5	
Buy	Jupiter European Opps	Medium	+20%	0.64	79	45	7
	The European IT	Medium	+0%	0.78	28	9	

Next Issue:

The next issue of *International Investor* will be emailed in five weeks time on **Monday August 12, 2013**.

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

Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance		
					36 mth	12 mth	3 mth
EUROPE SMALLER COS							
UNITED KINGDOM BASED UNIT TRUSTS							
Buy	Aberdeen European Small Coys	Low	+7%	0.76	32	26	7
	Henderson European Small Cos	Medium	+4%	0.71	27	24	9
Buy	Ignis Asset European Small Coy	Medium	+10%	0.73	49	42	15
	Invesco Perp Euro Smaller Cos	High	+6%	0.75	31	30	7
	JPM European Smaller Coys	Medium	+1%	0.79	15	35	12
	Jupiter Euro Spec Sits	Medium	+5%	0.85	29	32	10
Buy	M & G European Smaller Coys	Medium	+8%	0.77	39	32	10
	Schroder Euro Small Coys	Medium	+4%	0.77	23	30	13
Buy	Threadneedle Euro Small Cos	Low	+12%	0.68	51	33	8
Buy	Threadneedle Pan Euro Sm Coys	Low	+11%	0.71	47	29	7
UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS							
Buy	Fidelity Euro V.	Medium	+7%	0.78	34	33	9
	JPM Euro Fledgling	Medium	+4%	0.48	19	39	6
	Montanaro European SC	Low	+4%	0.48	30	-1	
	TR European	High	+1%	0.61	8	45	12

GERMANY

UNITED KINGDOM BASED UNIT TRUSTS

Buy	Baring German Growth	Medium	+3%	0.93	35	39	11
Germany							



Recommended International Funds

(Continued from Page 3)

in to 100 ordinary shares) for just £1017.

Please note that brokers impose a maximum limit of around £5000 on purchasing these notes, so larger investors may need to make a series of trades to complete this type of switch.

Invesco Perpetual Japanese Smaller Companies

In April, Charles Stanley Direct converted our Invesco Perpetual Japanese Smaller Companies units into new "clean" units. Every 100 units converted into 39.75828 new units. Now the broker has discovered a better class of units and will automatically be making another switch at some stage in the near future. This will again change the number of units held - although the value of this investment will remain unchanged.

Share Repurchases and Sales

Fidelity European Values plc repurchased 70,686 shares for £1,009,064 and 29,755 shares for £415,469 on-market over the last four weeks.

Baillie Gifford Shin Nippon plc allotted 225,000 new shares which were sold on-market at a small premium to net assets to raise £630,000.