

# International Investor

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## Inside International Investor

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International, United States, United Kingdom,  
Europe and Germany

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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	53%	Bullish	Bearish	Bullish	Neutral	-12.5%	-11.6%	-9.1%	5,134.89
Austria	48%	Bullish	Bearish	Bullish	Neutral	-18.9%	-24.3%	-22.8%	2,078.98
Belgium	58%	Bullish	Bearish	Bullish	Bearish	-8.6%	-9.6%	+0.2%	3,041.99
Canada	37%	Bearish	Bearish	Neutral	Bearish	-9.9%	-2.2%	+2.0%	14,227.36
Denmark	53%	Bearish	Bearish	Bullish	Neutral	-10.4%	-5.5%	+15.4%	703.44
Finland	51%	Bullish	Bearish	Bullish	Neutral	-10.4%	-9.5%	-1.9%	7,220.77
France	48%	Neutral	Bearish	Bullish	Neutral	-13.1%	-15.8%	-9.3%	3,101.10
Germany	43%	Neutral	Bearish	Bullish	Neutral	-15.6%	-14.2%	-6.0%	8,788.81
Ireland	45%	Bullish	Bearish	Bullish	Bearish	-10.5%	-17.3%	-1.5%	4,490.04
Italy	41%	Neutral	Bearish	Bullish	Bearish	-14.1%	-18.6%	-5.1%	20,273.41
Japan	54%	Bearish	Bearish	Bullish	Neutral	-5.1%	+3.5%	-2.7%	15,300.55
Netherlands	45%	Neutral	Bearish	Bullish	Bearish	-9.0%	-9.0%	-1.9%	395.68
New Zealand	40%	Neutral	Neutral	Neutral	Bearish	-8.0%	-5.8%	-0.9%	1,555.22
Norway	40%	Bullish	Bearish	Neutral	Bearish	-14.3%	-6.9%	+2.0%	615.08
Spain	41%	Bullish	Bearish	Bullish	Bearish	-10.7%	-9.8%	-2.1%	1,036.16
Sweden	53%	Bullish	Bearish	Bullish	Bearish	-11.6%	-12.2%	-4.8%	666.44
Switzerland	48%	Bullish	Bearish	Bullish	Bearish	-7.9%	-7.7%	+0.5%	8,374.59
Un. Kingdom	39%	Bullish	Bearish	Neutral	Bearish	-11.0%	-7.2%	-1.5%	6,339.97
USA	59%	Bullish	Neutral	Bullish	Bearish	-3.1%	+5.0%	+11.9%	1,906.13
Argentina	61%	Bearish	Bullish	Bullish	Bullish	+9.4%	+46.6%	+31.9%	10,040.24
Brazil	63%	Bullish	Neutral	Neutral	Bullish	-7.6%	-2.9%	-6.8%	55,311.59
Czech Rep.	45%	Bullish	Bearish	Bullish	Bearish	-8.3%	-13.0%	-14.6%	951.60
Chile	47%	Bearish	Bearish	Bullish	Bullish	-9.1%	-8.2%	-16.3%	18,811.48
China	67%	Neutral	Bullish	Bearish	Bullish	+17.3%	+12.9%	+6.3%	2,374.54
Greece	39%	Bullish	Bearish	Neutral	Bearish	-19.2%	-26.9%	-15.5%	1,004.88
Egypt	45%	Bearish	Bullish	Bearish	Bearish	+13.0%	+18.0%	+55.2%	9,552.01
Hong Kong	71%	Bullish	Neutral	Bullish	Neutral	-0.7%	+0.3%	-0.6%	23,088.54
Hungary	44%	Bullish	Bearish	Neutral	Bearish	-6.8%	-10.1%	-14.5%	17,701.05
India	55%	Bearish	Bullish	Bearish	Bullish	+3.0%	+14.3%	+27.7%	26,297.38
Indonesia	33%	Bearish	Bearish	Bearish	Bullish	-6.1%	-3.8%	+2.1%	4,962.96
Israel	61%	Bearish	Bullish	Bullish	Bullish	-2.2%	-5.2%	+6.9%	1,311.07
Korea	56%	Bullish	Bearish	Bullish	Neutral	-7.2%	-6.2%	-4.2%	1,940.92
Malaysia	48%	Bullish	Bearish	Neutral	Neutral	-6.0%	-2.9%	-1.2%	1,808.88
Mexico	43%	Neutral	Neutral	Neutral	Bearish	-3.7%	+4.1%	+2.1%	43,435.73
Philippines	51%	Bearish	Bullish	Neutral	Neutral	+1.0%	+7.8%	+6.1%	7,167.35
Poland	55%	Bullish	Bearish	Bullish	Neutral	-5.3%	-8.6%	-5.8%	52,734.24
Portugal	38%	Bullish	Bearish	Bullish	Bearish	-18.9%	-29.2%	-15.9%	2,341.67
Russia	13%	Bearish	Bearish	Bearish	Neutral	-23.1%	-11.8%	-27.9%	1,364.24
Singapore	60%	Bullish	Bearish	Neutral	Bullish	-4.8%	-1.4%	-1.0%	3,223.87
Sth Africa	41%	Bearish	Bearish	Neutral	Bullish	-11.4%	-7.5%	-3.8%	47,092.24
Taiwan	48%	Bearish	Neutral	Neutral	Bullish	-7.0%	-0.6%	+3.9%	8,966.44
Thailand	69%	Bearish	Bullish	Bullish	Bullish	+1.3%	+11.1%	+2.7%	1,552.72
Turkey	30%	Neutral	Bearish	Bearish	Bullish	-14.0%	-6.5%	-16.4%	73,494.06
Venezuela	51%	Bearish	Bullish	Bearish	Neutral	+33.3%	+12.7%	+54.4%	2,824.30

**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:

## Short term risks . . . and long term rewards.

Current stockmarket weakness probably reflects slower growth in Europe, conflict in the Ukraine (and with Russia), the threat of Ebola and/or ISIS terrorists. In other words “business as normal”. The world has always faced similar problems and threats . . . and the stockmarket has always been the best place to invest to build capital.

Risks from terrorists (if you live in a developed, western country) are far more emotional than real. A person is 18,000 times more likely to die from heart disease than from an act of terrorism. 12,000 times more likely to die from cancer. 1000 times more likely to die in a car accident, 900 times more likely to die from suicide, 14 times more likely to be killed in a fireworks accident and eight times more likely to be killed by a Police Officer!

If a person lives for 75 years, that is a total life expectancy of around 657,000 hours. Most people have little memory of their first 43,800 hours (i.e. the first five years) and we spend another one-third of the time asleep, so perhaps a “life” is about 400,000 hours of “productive” waking time.

We, as a society, already allow terrorists to take too much of that away from us. People make 3000 million flights annually and - thanks to the terrorists - all spend perhaps an extra hour in airport security queues. Under guard by men with sub-machine guns, we are made to pack and unpack laptops, remove and replace watches, coins, keys and belts while stressing about missing flights. One dares not complain about the inefficiency and inconsistency of this security for fear of being dragged off for random body searches or other punishment! Even if we ignore the deaths from heart attacks while shuffling through this stressful gauntlet (i.e. perhaps 500 per year?), let's look at the waste of time and lives involved.

3000 million people wasting one extra hour of their lives per flight is 3000 million man-hours - or the equivalent of 7500 full human lives. Terrorist don't kill people on planes. They get our governments to slowly

drain away our lives in security queues!

The “cure” is worse than the disease. [What we need, of course, is “smart” security. Scanning people onto planes - with ever changing rules - is more about being seen to be doing something, rather than actually making planes safer.]

Terrorism - and the fear of war - can have the same emotional impact on investing, which far exceeds reality. When it comes to something as serious as managing your wealth, you need to take a more *appropriate* response to terrorism than the people who determine airport security! You need to weigh up the real risks and returns to come up with an appropriate investment strategy.

Stockmarkets can weaken owing to the risk of terrorism or war - but there is nothing new about human conflict and somehow this ability to kill each other has not prevented the development of the arts, literature, medicine, technology, trade and commerce.

Over the medium to long term, shares have been the best investments regardless of terrorism, wars or other conflicts. But owing to short term volatility, it is unwise to have a highly leveraged portfolio (i.e. to use large margin loans). A diversified share portfolio can survive any short term volatility - *if* you avoid margin loans, options or derivatives!

The main impact of terrorism or war is the *short term disruption* of international trade. In the *medium term* it can add to the overhead cost of international business (i.e. the time wasted in those airport queues, the additional government compliance requirements, etc.).

Stockmarket investing, however, is about the longer term. Over-anticipated fears about short term problems can prevent people from focusing on the long term trends. Ebola may reach Europe and cause short term disruption to travel plans. ISIS terrorists may release more execution videos. These are terrible things but a lot of very terrible things have happened over the last hundred years. None lasted forever. The world still advanced. (Continued on Page 8)

China



India



# Recommended International Investment Funds

## Fund Report

**Baillie Gifford Shin Nippon plc's** net assets rose by 1.2% in its half year to 31 July 2014, but slightly under-performed its benchmark index which rose 4.3%.

The Fund Manager reports that "Many of our holdings are leaders in niche markets that are capable of expanding irrespective of what is happening in the broader economy. Others are gaining share from sleepy, larger incumbents by adopting new, disruptive business models that present end customers with a more compelling value proposition".

## Share Repurchases

**Aberforth Smaller Companies Trust plc** has made one on-market share repurchase, acquiring 20,000 shares at 1068.116 pence.

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	46.4p 129.1	-9%	143.1p	294.4	+128
BUY	JPM European Smaller Cos	JESC	15/01/02	45.3p 153.2	-10%	181.5p	373.5	+144
	<b>United Kingdom</b>							
BUY	Aberforth Smaller Cos Trt plc	ASL	15/07/03	375.5p 1042.0	-6%	1012.0p	2082.3	+100
	<b>Asian Regional</b>							
BUY	Aberdeen Asian Small Coys	AAS	09/09/03	89.2p 247.8	-2%	953.50p	1961.9	+692
HOLD	HSBC Asian Fund	*	10/11/98	34.4p 106.3		87.97p	181.0	+70
BUY	Henderson Asia Pac Capital	*	08/08/00	342.2p 1122.6		711.4p	1463.8	+30
BUY	Scot Oriental Smaller Coy	SST	11/11/03	121.9p 330.5	-2%	854.0p	1757.2	+432
	<b>China</b>							
BUY	Henderson China Opportunities	*	09/07/07	548.9p 1410.4		758.9p	1561.5	+11
	<b>India</b>							
HOLD	First State Indian Sub-Cont.	*	13/12/10	209.2p 442.0		303.45p	624.4	+41
	<b>Japan</b>							
BUY	Baillie Gifford Shin Nippon plc	BGS	11/01/94	156.0p 440.3	+4%	302.75p	622.9	+41
BUY	Fidelity Japan Values plc	FJV	10/01/06	126.0p 322.7	-9%	68.75p	141.5	-56
HOLD	Invesco Perp Japan Small Coys	*	13/07/99	61.3p 182.3		62.34p	128.3	-30
	<b>Korea</b>							
HOLD	Baring Korea Trust	*	12/04/94	81.1p 209.4		258.3-273.5p	547.1	+161
	<b>International</b>							
HOLD	Aberdeen Emerging Markets	*	13/08/91	61.7p 184.0		541.79p	1114.8	+506
BUY	Herald Investment Trust	HRI	12/10/04	310.8p 820.1	-15%	627.75p	1291.7	+57
BUY	Private Equity Investor plc	PEQ	11/12/01	117.9p 404.5	-17%	187.5p	385.8	-5

\* United Kingdom based Unit Trust

The average Gains/Losses of all current investments from initial recommendation is +145.2%. This is equal to an average annual rate of +11.1%, 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 +12.0%.

## Other Shares

An alternative investment to those recommended above includes **Aberdeen Asian Smaller Companies Trust 2019** convertible notes at 115¾ pence. **Fidelity Japanese Values** subscription shares are 4 pence.

"Clean" unit prices are: Henderson Asia Pacific Capital 766.9 pence, Henderson China Opportunities 105.5 pence, First State Indian Sub-Continent 149.42 pence, Invesco Perpetual Japanese Smaller Companies 185.91 pence and Aberdeen Emerging Markets 580.04 pence.





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

**UNITED STATES**

**UNITED KINGDOM**

**AUSTRALIAN BASED UNIT TRUSTS**

**UNITED KINGDOM BASED UNIT TRUSTS**

	BT American Growth	Medium	-0%	0.90	70	20	11
<b>UNITED KINGDOM BASED UNIT TRUSTS</b>							
	AXA Framlington American Gth	Medium	+1%	0.67	44	12	6
	AXA Rosenberg American	Low	+6%	0.64	24	12	
	Allianz US Equity	Medium	-2%	0.88	53	20	12
	Aviva US Equity Income	Medium	+0%	0.81	16	11	
	BG American	Medium	-2%	0.84	53	13	7
	Barclays US Alpha	High	-0%	0.85	20	10	
	Blackrock CIF Nth American	Medium	+2%	0.86	70	22	12
	Blackrock US Dynamic	High	-1%	0.89	67	21	12
	Blackrock US Equity Tracker	Medium	+1%	0.88	22	12	
	CF Canlife North American	Medium	-2%	0.75	54	16	12
	CIS US Growth	Medium	-0%	0.84	67	21	10
	F & C North American 1	Medium	+0%	0.91	71	27	14
	Fidelity American	Medium	-2%	0.83	61	18	9
	Franklin US Opportunities	Medium	+1%	0.71	64	17	11
	GAM North America	Very Low	+3%	0.60	59	12	4
	GLG American Growth	High	-1%	0.82	59	16	9
Buy	HSBC American Index	Medium	-0%	0.91	67	21	12
	Halifax North American	High	+7%	0.45	24	12	
	Henderson US Growth	Medium	-0%	0.80	63	20	13
	Ignis American Growth	Medium	+0%	0.84	63	17	10
Avoid	Invesco Perp US Equity	Medium	+1%	0.85	71	21	14
	Investec American	Very High	-8%	0.86	42	19	10
	JPM US Select	Medium	+3%	0.83	80	24	12
	JPM United States Growth	Medium	+1%	0.90	70	23	13
	Jupiter North America	Low	-0%	0.83	53	17	11
	Kames American Equity	Medium	-0%	0.84	21	11	
	L & G US Index	Medium	-0%	0.95	67	22	12
	Legg Mason US Equity	Medium	+1%	0.82	69	22	12
	Legg Mason US Equity Income	Very Low	-0%	0.64	16	10	
	M & G American	Medium	-1%	0.89	58	16	9
	M & G North American Value	High	+2%	0.88	80	27	9
	Martin Currie North American	Medium	-1%	0.86	59	20	11
	Neptune US Income	Medium	+1%	0.85	53	20	11
	Neptune US Opportunities	Medium	+1%	0.62	61	11	8
	Old Mutual North American	Medium	+5%	0.73	78	24	13
	PSigma American Growth	Medium	-2%	0.75	46	14	11
	Polar North American	Low	+4%	0.63	17	9	
	SJP North American	Medium	+2%	0.86	70	21	10
	SSGA North America Eq Tracker	Medium	+1%	0.82	67	22	11
	SWIP North American	Medium	+2%	0.81	64	19	10
	Santander Premium US Equities	Medium	+4%	0.80	75	24	11
	Scot Wid American	Medium	+1%	0.91	64	20	11
	Scot Wid HIFML US Focus	Medium	-1%	0.86	60	20	11
	Scot Wid HIFML US Strategic	Medium	+1%	0.80	69	23	10
	Smith & Williamson North Amer.	Medium	-1%	0.87	50	15	9
	Stan Life America	High	-0%	0.83	70	20	11
	Stan Life TM North American	Medium	+1%	0.82	71	22	11
	Threadneedle American Gth	Medium	+2%	0.91	66	22	12
	Threadneedle American Select	High	+0%	0.86	64	19	11
	UBS US Equity	Medium	-0%	0.84	66	21	10
	UBS US Growth	Medium	+2%	0.72	68	20	12
	Vanguard US Equity Index	Medium	+1%	0.93	75	22	12

	AXA Framlington Blue Chip	Medium	+5%	0.84	49	9	1
	AXA Framlington Equity Income	Very Low	+5%	0.64	44	8	2
	AXA Framlington UK Growth	High	+5%	0.81	47	7	-0
	AXA Framlington UK Select Opps	Medium	+6%	0.77	46	5	1
	AXA General	High	+5%	0.93	47	12	7
	Aberdeen Global UK Equity	Medium	+1%	0.84	5	3	
	Aberdeen Responsible UK Equity	Medium	+3%	0.91	39	7	4
	Aberdeen UK Equity	Medium	+2%	0.92	37	5	2
	Aberdeen UK Equity Income	Medium	+3%	0.86	9	3	
	Aberdeen UK Mid-Cap	Medium	+6%	0.79	57	4	1
	Allianz UK Equity Income	Medium	+2%	0.86	34	5	1
	Allianz UK Growth	Low	+5%	0.82	51	12	4
	Allianz UK Index	Medium	+4%	0.95	47	11	6
Buy	Allianz UK Unconstrained	Very Low	+9%	0.73	65	11	4
Buy	Artemis Capital	Buy	+10%	0.76	72	14	5
Buy	Artemis UK Growth	Low	+9%	0.71	64	12	6
Buy	Artemis UK Special Sits	Low	+7%	0.75	58	13	9
	Aviva UK Equity	Medium	+2%	0.75	6	4	
Buy	Aviva UK Equity Income	Low	+8%	0.79	83	5	5
	Aviva UK Growth	Medium	+2%	0.85	37	7	6
	Aviva UK Income & Growth	Medium	+1%	0.87	31	7	5
	Aviva UK Index Tracking	Medium	+0%	0.94	34	8	5
	BG UK Equity Alpha	Medium	+1%	0.73	32	-7	-2
Buy	Barclays UK Alpha	Low	+9%	0.83	13	6	
Buy	Barclays UK Alpha S2	Low	+9%	0.82	12	6	
	Barclays UK Core	Medium	+3%	0.92	7	4	
	Barclays UK Equity Income	Low	+5%	0.89	13	8	
Buy	Barclays UK Equity Income S2	Low	+7%	0.88	14	8	
	Barclays UK Opportunities	Low	+6%	0.77	9	4	
	Baring UK Growth	High	+2%	0.91	40	8	6
	Blackrock 100 UK Tracker	Medium	+2%	0.94	11	6	
Buy	Blackrock Growth & Recovery	Very Low	+10%	0.42	69	11	5
	Blackrock UK	Medium	+3%	0.82	45	12	6
	Blackrock UK Absolute Alpha	Very Low	-4%	0.00	7	18	11
	Blackrock UK Focus	Low	+4%	0.76	12	7	
	Blackrock UK Income	Medium	+2%	0.87	17	8	
	Blackrock UK Special Sits	Medium	+4%	0.84	44	4	4
	Blackrock UK Specialist	Low	-0%	0.52	30	10	4
	Blackrock US Opportunities	Low	+6%	0.65	65	19	9
	CIS UK FTSE-4-GOOD Tracker	Medium	+3%	0.92	47	11	6
	CIS UK Growth	Medium	+4%	0.82	48	9	5
	Cavendish North American	Very Low	+3%	0.57	44	19	13
Buy	Cavendish UK Select	High	+7%	0.79	60	6	2
	Cler Med FTSE 100	Medium	+3%	0.87	42	11	5
	Dimensional UK Value	Medium	+6%	0.68	57	6	4
	Dimensional UK Core Equity	Low	+5%	0.73	54	12	5
	F & C FTSE All Share	High	+1%	0.94	35	8	6
	F & C UK Equity 1	Medium	-2%	0.77	24	4	4
	F & C UK Equity Income	Medium	+2%	0.93	36	9	6
Buy	Fidelity Special Situations	Medium	+9%	0.81	71	8	7
	Fidelity UK Growth	High	+4%	0.82	50	9	6
Buy	GAM UK Diversified	Low	+9%	0.76	66	14	8
Buy	GLG UK Select	High	+8%	0.74	70	17	8
	HSBC FTSE 100 Index	Medium	+3%	0.84	46	12	6
Buy	HSBC FTSE 250 Index	Medium	+7%	0.77	58	9	5
	HSBC FTSE All Share Index	Medium	+1%	0.93	36	8	6
	HSBC UK Freestyle	Medium	+4%	0.84	46	8	6
	HSBC UK Gth & Inc	Medium	+1%	0.84	34	6	4
	Halifax Ethical	Very Low	+5%	0.58	15	10	
	Halifax Special Situations	Medium	-1%	0.86	3	3	
	Halifax UK All-Share Index	Medium	+3%	0.44	47	12	19
	Halifax UK Equity Income	Medium	+4%	0.87	11	7	
	Halifax UK FTSE 100 Index	Medium	+2%	0.93	42	12	6
	Halifax UK Growth	Medium	+2%	0.95	48	12	6
	Henderson Global Care UK	Medium	+5%	0.83	49	11	7
	Henderson UK Absolute Return	Very Low	+1%	0.46	26	11	8
	Henderson UK Alpha	Low	+1%	0.55	34	14	8
Buy	Henderson UK Equity Income	Very Low	+8%	0.63	62	11	5
	Henderson UK Strategic Income	Very Low	-1%	0.10	21	2	5
	Henderson UK Tracker	Medium	+3%	0.79	41	11	6
	Invesco Perp High Income	Very Low	+3%	0.61	40	13	6
	Invesco Perp Income	Very Low	+4%	0.61	40	13	8
Buy	Invesco Perp Income & Growth	Low	+7%	0.86	56	12	5
Buy	Invesco Perp UK Aggressive	Medium	+13%	0.76	91	12	5
Buy	Invesco Perp UK Growth	Medium	+11%	0.85	77	12	6
Buy	Investec UK Alpha	Medium	+12%	0.82	88	20	7
	Investec UK Spec Sits	Low	+4%	0.83	44	8	6
Buy	JOHCM UK Dynamic	Medium	+10%	0.81	80	15	8
Buy	JOHCM UK Equity Income	Medium	+10%	0.88	74	14	6
Buy	JOHCM UK Growth	Medium	+10%	0.77	78	18	9
	JOHCM UK Opportunities	Low	+6%	0.83	49	13	4
	JPM MultiManager Growth	Very Low	+1%	0.80	37	12	8
	JPM UK Active 350	Medium	+5%	0.82	54	13	6
Buy	JPM UK Dynamic	Medium	+8%	0.85	61	12	5
	JPM UK Focus	Very High	+1%	0.82	32	6	4
	JPM UK Managed Equity	Medium	+4%	0.95	53	13	6
	JPM UK Strategic Equity Income	Medium	+6%	0.92	58	12	6
Buy	JPM UK Strategic Growth	Medium	+9%	0.85	63	14	5
Buy	JPM US Equity Income	Very Low	+7%	0.50	64	19	10
	Jupiter Growth & Income	Medium	+6%	0.90	53	10	7
Buy	Jupiter UK Alpha	Low	+7%	0.73	62	14	7
Buy	Jupiter UK Growth	High	+10%	0.75	76	12	7
	Jupiter UK Special Situations	Low	+6%	0.82	52	12	5
Buy	Jupiter Undervalued Assets	Medium	+8%	0.73	67	14	9
	Kames UK Equity	Medium	+3%	0.80	10	8	
	Kames UK Opportunities	Medium	+5%	0.67	7	8	

**UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS**

Buy	JPF American	High	-0%	0.86	65	25	11
	North Atlantic Small Co	Low	+9%	0.25	63	19	1

**UNITED STATES SMALLER COS**

**UNITED KINGDOM BASED UNIT TRUSTS**

Buy	AXA Framlington UK Mid Cap	Very Low	+13%	0.33	15	6	
	F & C US Smaller Coys	Low	+1%	0.83	62	10	4
	Fidelity American Spec Sits	Very Low	+5%	0.76	82	24	14
	JPM US Smaller Companies	Medium	-3%	0.77	57	1	6
	Legg Mason US Smaller Coys	Medium	-4%	0.81	46	11	4
	Schroder US Small & Mid Cap	Low	-1%	0.87	56	17	9
	Schroder US Smaller Coys	Low	-2%	0.90	55	11	7
	Threadneedle Amer Small Cos	Low	+2%	0.86	73	21	9

**UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS**

	JPM US Smaller Coys	Medium	+4%	0.62	89	4	4
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**United States**



Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance		
					36 mth	12 mth	3 mth
	L & G Equity	Medium	+1%	0.86	35	9	5
	L & G Ethical	Medium	+5%	0.86	49	9	6
	L & G Growth	Medium	+1%	0.72	29	11	5
	L & G UK 100 Index	Medium	+4%	0.92	42	11	6
	L & G UK Active Opportunities	Medium	+0%	0.66	32	7	8
Buy	L & G UK Alpha	Very Low	+7%	0.23	49	17	7
	L & G UK Equity Income	Medium	+5%	0.84	46	8	3
	L & G UK Index	Medium	+1%	0.87	34	8	6
Buy	L & G UK Spec Sits	Medium	+8%	0.53	65	8	11
	Lazard UK Alpha	Medium	+4%	0.86	7	5	
Buy	Lazard UK Omega	High	+8%	0.86	72	14	7
	Legg Mason UK Equity	Medium	+3%	0.90	45	10	4
Buy	Liontrust Special Situations	Low	+7%	0.75	55	10	5
	Liontrust UK Growth	Low	+5%	0.79	42	10	5
	M & G Dividend	Medium	+4%	0.84	49	11	7
	M & G Index Tracker	Medium	+3%	0.94	47	10	6
	M & G Recovery	Medium	+0%	0.78	26	2	1
	M & G UK Growth	Medium	+5%	0.89	57	14	7
Buy	Majedie UK Equity	Medium	+7%	0.69	51	12	4
Buy	Majedie UK Focus	Medium	+11%	0.78	75	16	5
	NFU Mutual UK Equity Inc.	Very Low	-0%	0.65	29	6	4
	NFU Mutual UK Growth	Low	+1%	0.78	35	6	4
Buy	Neptune UK Opportunities	Medium	+9%	0.81	68	13	6
Buy	Old Mutual UK Equity	High	+9%	0.78	75	14	6
	R & M UK Equity Income	Low	+4%	0.63	43	7	5
Buy	R&M UK Equity	Low	+7%	0.56	48	12	4
Buy	R&M UK Equity High Alpha	Very Low	+13%	0.26	14	6	
Buy	R&M UK Equity Long Term Rec.	Medium	+16%	0.44	100	17	2
	Rathbone Blue Chip	Low	+0%	0.66	31	9	3
	Rathbone Recovery	Very Low	+4%	0.42	43	7	3
	Royal B of S Equity Income	Low	+2%	0.65	36	5	3
	Royal B of S FTSE 100 Tracker	Medium	+2%	0.78	41	11	6
	Royal B of S Growth	Low	+5%	0.67	48	9	4
	Royal London FTSE 350 Tracker	Low	+4%	0.70	49	12	6
	Royal London UK Equity	Medium	+4%	0.76	49	14	6
	Royal London UK Growth	Low	+4%	0.57	52	15	7
	Royal London UK Opportunities	Low	+6%	0.57	57	14	8
	SJP Equity Income	Low	+5%	0.80	55	11	5
	SJP Ethical	Low	+0%	0.73	36	10	6
	SJP UK & General Progressive	Low	+4%	0.89	42	11	5
	SJP UK Growth	Medium	+6%	0.80	52	9	5
Buy	SJP UK High Income	Low	+7%	0.75	53	18	7
	SSGA UK Equity Tracker	Low	+4%	0.74	47	11	6
Buy	SVM UK Growth	Medium	+8%	0.67	62	9	6
Buy	SVM UK Opportunities	Medium	+8%	0.82	60	9	6
	SWIP Financial	Medium	+0%	0.76	39	9	7
	SWIP MM UK Equity Focus	Medium	+4%	0.90	46	10	5
	SWIP MM UK Equity Growth	Medium	+5%	0.94	54	13	6
	SWIP MM UK Equity Income	Medium	+4%	0.92	48	14	6
	SWIP UK Income	Medium	-2%	0.81	24	6	4
	SWIP UK Opportunities	Medium	-3%	0.80	16	2	3
	Santander Equity Income	Very Low	-1%	0.60	25	10	3
	Santander Premium UK Equities	Low	+3%	0.67	42	10	6
	Santander Stockmarket 100	Low	+4%	0.71	44	11	6
Buy	Schroder Income	High	+8%	0.81	65	13	7
Buy	Schroder Recovery Income	High	+10%	0.70	74	12	5
Buy	Schroder Specialist Value UK	Low	+11%	0.41	77	11	6
	Schroder UK Alpha Plus	Very High	+4%	0.40	32	-5	2
	Schroder UK Equity Acc	Medium	+5%	0.87	52	14	7
Buy	Schroder UK Mid 250	High	+15%	0.65	111	13	5
Buy	Scot Wid HIFML UK Focus	High	+8%	0.86	62	11	6
	Scot Wid HIFML UK High Income	Medium	+2%	0.92	42	11	6
Buy	Scot Wid HIFML UK Strategic	Medium	+11%	0.84	79	18	7
	Scot Wid UK All Share Track	Low	+4%	0.71	47	11	6
	Scot Wid UK Growth	Medium	+1%	0.95	38	8	5
	Smith & Williamson UK Equ Gth	Low	+5%	0.77	53	19	8
	Smith & Williamson UK Equ Inc	Medium	+2%	0.82	34	9	4
	Stan Life TM UK Equity General	Medium	+4%	0.74	47	8	5
	Stan Life UK Equity Gth	High	+4%	0.86	46	7	5
Buy	Stan Life UK Equity High Alpha	High	+10%	0.69	80	10	6
	Stan Life UK Equity High Inc	Medium	+6%	0.89	56	13	7
Buy	Stan Life UK Equity Recovery	Very High	+12%	0.58	84	8	4
Buy	Stan Life UK Ethical Trust	Medium	+7%	0.75	60	7	5
	Stan Life UK Opportnities	Low	+6%	0.49	57	8	9
	TU British	Medium	-1%	0.84	22	3	1
Buy	Templeton Growth	Medium	+7%	0.75	64	16	8
Buy	Threadneedle American Ex Alpha	Low	+7%	0.62	68	19	13
Buy	Threadneedle UK	Medium	+7%	0.53	52	11	4
	Threadneedle UK Equity Alpha	Medium	+6%	0.82	51	9	7
Buy	Threadneedle UK Equity Income	Low	+11%	0.19	45	10	-14
	Threadneedle UK Growth & Inc	Medium	+5%	0.85	48	8	3
	Threadneedle UK Property	Very Low	-2%	0.05	14	19	11
	Threadneedle UK Select	Medium	+5%	0.90	53	15	5
	UBS UK Equity Income	Low	+5%	0.88	44	10	5
	UBS UK Opportunities	Medium	+6%	0.83	9	5	
	Unicom Outstanding British	Very Low	+5%	0.47	48	4	3
Buy	Unicom UK Income	Very Low	+8%	0.30	58	4	3
	Vanguard FTSE UK All Share	Medium	+4%	0.97	12	6	
Buy	Vanguard FTSE UK Equity Index	Medium	+7%	0.94	51	12	5
	Vanguard FTSE UK Equity Index	Medium	+3%	0.98	50	12	6
	Virgin UK Index Tracking	Medium	+1%	0.95	35	8	4

**UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS**

Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	36 mth	12 mth	3 mth
Buy	3i Group	Very High	+13%	0.43	107	11	1
	Aurora Invest Trust	Very Low	-6%	0.16	7	19	8
	British American IT	Very Low	+4%	0.13	23	2	-6
	British Assets	Medium	-2%	0.79	19	5	5
	City Merchants High Yld	Very Low	-0%	0.27	24	18	4
	Dunedin Income Growth	Medium	+1%	0.79	36	7	3
	F & C Capital & Income	Medium	+1%	0.80	27	6	5

Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance		
					36 mth	12 mth	3 mth
	F & C Managed Port Gth	Very Low	+5%	0.19	47	16	8
Buy	Fidelity Special Values	Medium	+12%	0.54	90	8	3
Buy	Finsbury Growth	Low	+9%	0.62	67	12	6
	Hansa Trust	Very Low	+0%	0.24	11	29	8
	Henderson High Income	Very Low	+5%	0.56	52	11	6
	Independent Invest Trt	Very Low	+5%	0.30	50	15	10
	Invesco Income Growth	Low	+6%	0.73	47	9	5
Buy	Invesco Perp Sel UK	Very Low	+10%	0.20	65	12	5
	JPM Claverhouse	Medium	+6%	0.81	57	7	5
Buy	JPM Mid Cap	High	+15%	0.57	102	15	7
Buy	London & St Lawrence	Very Low	+7%	0.27	50	10	-2
Buy	Lowland Investment Co	Medium	+11%	0.52	79	6	1
Avoid	Manchester & London	Medium	-17%	0.55	-20	-13	3
	Merchants Trust	High	+2%	0.86	33	4	3
	Murray Income Trust	Medium	+1%	0.88	31	5	4
	Schroder Income & Grwth	High	+5%	0.84	47	12	6
	Schroder UK Growth	High	+4%	0.63	42	-5	2
	Shires Income	Medium	+4%	0.74	39	10	2
	Standard Life Eq Inc	Low	+5%	0.61	44	7	3
Buy	Strategic Equity Cap.	Very Low	+21%	0.04	128	37	12
	Temple Bar Inv. Trust	Medium	+5%	0.87	48	8	5
	Value & Income Trust	Very Low	+6%	0.33	48	7	5

**UNITED KINGDOM BASED INVESTMENT TRUSTS - SPLIT CAPITAL**

Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	36 mth	12 mth	3 mth
Buy	Rights & Issues	Very Low	+17%	0.02	90	19	-5

**United Kingdom**



**UNITED KINGDOM SMALLER COS**

**UNITED KINGDOM BASED UNIT TRUSTS**

Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	36 mth	12 mth	3 mth
Buy	AXA Framlington UK Small Coys	Low	+9%	0.69	84	20	7
	Aberdeen UK Smaller Coys	Medium	+3%	0.78	61	8	3
Buy	Aberforth UK Small Coys	Medium	+8%	0.78	94	20	8
	Allianz UK Mid-Cap	High	+0%	0.73	60	7	6
	Artemis UK Smaller Coys	Very Low	+4%	0.67	54	12	3
	Aviva UK Smaller Companies	Medium	+5%	0.76	76	9	5
	BG British Smaller Coys	Medium	+3%	0.66	67	4	6
Buy	Barclays UK Lower Cap	Medium	+8%	0.67	17	8	
	Blackrock Mid Cap UK Tracker	Low	+5%	0.39	11	5	
	Blackrock UK Smaller Coys	High	+2%	0.76	62	9	5
	Cavendish AIM	Very Low	+5%	0.46	53	18	4
	Cavendish Opportunities	High	+3%	0.78	65	8	3
	Dimensional UK Smaller Coys	Medium	+6%	0.63	82	12	5
	F & C UK Smaller Companies	Medium	+5%	0.69	76	16	7
Buy	F & C UK Smaller Companies	Medium	+7%	0.81	87	17	7
Buy	Fidelity UK Smaller Companies	Low	+11%	0.70	16	6	
	Halifax Smaller Companies	Medium	+3%	0.56	6	2	
	Henderson UK & Irish Sm Coys	Low	+4%	0.64	64	13	5
	Henderson UK Small Coys	Medium	+6%	0.72	90	13	7
	Ignis Smaller Companies	Medium	-1%	0.52	48	8	7
	Invesco Perp UK Small Cos Equ.	Medium	+4%	0.78	67	13	5
Buy	Investec UK Smaller Cos	Medium	+9%	0.60	83	19	4
	JPM UK Smaller Companies	High	+3%	0.84	69	7	5
	Jupiter UK Small Cos	Medium	+3%	0.73	62	12	5
	Kames UK Smaller Companies	Very Low	-0%	0.07	7	5	
	L & G UK Small Coys	Low	+5%	0.64	63	14	8
Buy	Lazard UK Smaller Companies	High	+3%	0.79	68	13	6
	Liontrust UK Small Coys	Very Low	+12%	0.24	80	18	2
	M & G Smaller Companies	High	+1%	0.77	67	7	5
Buy	Marlborough Special Situations	Low	+7%	0.76	69	19	7
Buy	Marlborough UK Micro Cap Gth	Very Low	+11%	0.44	82	22	5
Buy	Neptune UK Mid Cap	Low	+9%	0.62	101	14	6
Buy	Old Mutual UK Mid Cap	Medium	+8%	0.49	111	15	10
	Old Mutual UK Smaller Coys	Low	+6%	0.55	80	13	8
Buy	R & M UK Equity Small Coys	Medium	+16%	0.53	125	27	7
	Royal London UK Mid-Cap	Medium	+6%	0.47	84	14	7
Buy	Royal London UK Smaller Coys	Very Low	+7%	0.45	79	13	8
Buy	Schroder UK Smaller Coys	Very Low	+7%	0.57	67	11	5
	Scot Wid HIFML UK Small Coys	High	+1%	0.80	56	6	1
	Scot Wid UK Smaller Coys	Medium	+4%	0.76	74	6	2
	Stan Life UK Smaller Cos	Medium	+0%	0.61	45	6	5
	Threadneedle UK Mid 250	High	+2%	0.73	69	9	7
	Threadneedle UK Smaller Cos	Medium	+4%	0.69	75	19	7
Buy	Unicom UK Smaller Coys	Very Low	+9%	0.54	73	17	3
	Aberdeen Sm Coy High In	Medium	+4%	0.37	79	-4	-3

Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance		
					36 mth	12 mth	3 mth
Buy	Aberforth Smaller Coys	Very High	+8%	0.64	102	14	11
	Blackrock Smaller Coys	High	+5%	0.56	79	7	5
Buy	Chelverton Growth Trust	Very Low	+14%	0.11	97	21	9
	Dunedin Smaller Coys IT	Medium	-1%	0.47	46	-9	-1
Buy	Henderson Opportunities	Very High	+15%	0.51	155	34	10
	Henderson Smaller Cos	Very High	+6%	0.66	107	8	9
Avoid	Invesco Perp UK Smaller	Medium	+4%	0.70	74	9	6
	JPM Smaller Coys	Very High	+2%	0.70	76	1	3
	Montanaro UK Small Coys	Medium	-3%	0.59	39	-2	4
	SVM UK Emerging Fund	Very Low	-7%	0.02	-1	-2	6
	Schroder UK Mid & Small	Very High	+6%	0.75	108	11	7
	Std Life UK Small Coys	High	-3%	0.45	39	-3	4
	The Mercantile IT plc	Very High	-0%	0.74	61	9	2

**EUROPE**

**AUSTRALIAN BASED UNIT TRUSTS**

BT Europe Growth	Very Low	+3%	0.73	49	5	3
Platinum Europe	Very Low	+2%	0.29	30	5	1

**UNITED KINGDOM BASED UNIT TRUSTS**

Buy	AXA Framlington European	Medium	+5%	0.71	60	7	4
	AXA Rosenberg European	Very High	+1%	0.94	48	10	3
Avoid	Aberdeen European Growth	Medium	+1%	0.80	38	5	2
	Aberdeen Global European	Medium	-0%	0.60	5	2	
	Allianz Cont European	Medium	+3%	0.75	48	2	3
	Allianz Europe Equity Growth	Low	-0%	0.59	6	3	
	Allianz European Equity Income	Medium	+5%	0.82	49	15	2
	Artemis European Growth	Very High	+7%	0.88	66	12	1
	Artemis European Opportunities	Low	+5%	0.76	8	4	
	Aviva European	Medium	+5%	0.89	52	7	4
	BG Europe	Medium	+5%	0.82	53	3	-0
	Barclays Europe (ex-UK) Alpha	Medium	+6%	0.71	10	2	
Avoid	Baring Eastern Europe	Very High	-21%	0.38	-13	-4	
	Baring Euro Sel.	Medium	+6%	0.83	58	6	1
Avoid	Baring European Growth	Very High	+2%	0.93	53	9	5
	Blackrock CIF Cont European	High	+3%	0.86	52	11	4
	Blackrock Cont European Income	Medium	+6%	0.75	16	5	
	Blackrock Cont'l Europe	Very High	+3%	0.86	55	6	2
	Blackrock European Absolute	Very Low	+2%	0.02	13	6	7
	Blackrock European Dynamic	High	+6%	0.85	64	11	4
	Blackrock Global Emerg Europe	Very High	-19%	0.38	-10	-4	
	Blackrock Global Euro Value	High	+6%	0.86	11	2	
	CF Canlife European	High	-0%	0.86	41	4	-1
	CIS European	High	-1%	0.88	32	5	4
Buy	Cavendish Asia Pacific	Very Low	-2%	0.49	25	10	11
	Cavendish European	High	-1%	0.82	36	-1	-5
	F & C European 1	High	+6%	0.85	63	10	5
	Fidelity European	Medium	+3%	0.88	51	9	5
	Fidelity European Opps	High	+2%	0.84	47	8	3
	GAM Star Cont European	Very Low	+2%	0.53	2	2	
	GAM Star European Equity	Low	+2%	0.59	4	3	
	GLG Cont Europe	High	+5%	0.90	59	11	3
	HSBC European Growth	High	-3%	0.79	25	0	1
	HSBC Eurotrack 100	High	+0%	0.87	42	9	4
Buy	Halifax European	High	+3%	0.87	13	4	
	Henderson European Focus	Medium	+8%	0.86	72	18	6
	Henderson European Growth	Medium	+5%	0.82	50	8	3
	Henderson European Sel Opps	High	+6%	0.88	66	16	6
	Henderson European Spec Sits	Medium	+5%	0.82	53	5	3
	Ignis European Growth	Medium	+4%	0.88	54	8	3
	Invesco Perp Euro Equity Inc.	High	+9%	0.91	72	15	4
	Invesco Perp Euro Opp.	Medium	+8%	0.72	64	13	-1
	Invesco Perp European Equity	Very High	+8%	0.90	70	18	4
	JOHCM All Europe Dynamic Gth	Medium	+1%	0.74	7	6	
Avoid	JOHCM Cont European	High	+5%	0.89	55	13	5
	JOHCM European Select Value	Low	+6%	0.84	52	8	4
	JPM Europe	High	+4%	0.94	60	14	4
	JPM European Dynamic	High	+8%	0.87	71	16	3
	JPM New Europe	High	-13%	0.46	2	-13	-4
	Jupiter Emerging European	High	-15%	0.48	-5	-12	-3
	Jupiter European	Low	+5%	0.78	57	9	5
	Jupiter European Growth	Low	+2%	0.63	8	4	
	Jupiter European Income	Medium	+3%	0.85	49	7	2
	Jupiter European Opportunities	Medium	+3%	0.72	8	4	
Avoid	Jupiter New Europe	Very High	-19%	0.41	-12	-4	
	Kames European Equity	High	+1%	0.77	6	3	
	L & G Euro Index	High	+0%	0.91	40	8	1
	L & G European	High	+4%	0.83	51	9	4
	Lazard European Growth	High	+3%	0.90	49	10	5
	Liontrust European Growth	High	-0%	0.83	33	9	2
	M & G European	Medium	+3%	0.89	45	6	3
	M & G European Index Tracker	High	+3%	0.93	52	11	4
	M & G European Strategic Val.	Medium	+3%	0.92	49	13	4
	M & G Pan European	Medium	-1%	0.82	28	1	-2
Avoid	M & G Pan European Dividend	Medium	+3%	0.84	44	8	4
	Marlborough European	Low	+3%	0.67	44	10	-1
	Martin Currie European	Medium	+4%	0.89	52	7	2
	Neptune European Income	Medium	+5%	0.77	43	11	4
	Neptune European Opps	Medium	+3%	0.61	34	7	-1
	Neptune Russia & Gtr Russia	Medium	-15%	0.30	-11	-15	-6
	Newton Continental European	High	+1%	0.91	45	9	4
	Old Mutual European Equity	High	+5%	0.89	55	13	5
	Pictet Eastern Europe	Very High	-18%	0.34	-14	-5	
	Pictet Russian Equities	Very High	-19%	0.18	-16	-6	
Avoid	Royal London European Gth	High	+3%	0.82	51	11	5
	Royal London European Income	Medium	-1%	0.79	41	12	5
	SJP Continental European	High	+3%	0.81	50	6	-0
SJP Greater European Prog.	Medium	+6%	0.87	55	7	2	

**France**



**Switzerland**



**Spain**



**Netherlands**





Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance		
					36 mth	12 mth	3 mth
Buy	SSGA Europe Equity Tracker	Medium	+4%	0.71	45	9	3
	SVM All Europe	Medium	+7%	0.79	49	9	3
Buy	SVM Continental European	High	+5%	0.82	50	10	3
	SWIP European	Low	+2%	0.73	38	1	2
Buy	Santander Premium Europe	Medium	+4%	0.72	56	10	4
	Schroder European	Low	+7%	0.46	10	5	
Avoid	Schroder European Alpha	Medium	-0%	0.72	32	3	2
	Schroder ISF Emerging Europe	High	-16%	0.25	-11	-1	
Buy	Schroder ISF European Equity	Medium	+2%	0.68	8	5	
	Scot Wid Euro Select Gth	Medium	+2%	0.77	40	2	2
Buy	Scot Wid European Growth	Medium	+2%	0.85	42	8	3
	Scot Wid HIFML European Strat.	High	+9%	0.89	78	15	3
Buy	Scot Wid HIFML European SS	Low	+3%	0.49	56	12	12
	Scot Wid HIFML European Focus	Low	+7%	0.74	66	11	5
Buy	Smith & Williamson European	Very High	+5%	0.76	54	8	-0
	Stan Life Euro Equity Gth	Medium	+5%	0.77	52	6	3
Buy	Stan Life European Equity Inc	Low	+1%	0.71	33	5	4
	Stan Life European Ethical	Medium	+4%	0.77	48	6	2
Buy	Stan Life TM European	Medium	+4%	0.71	52	8	5
	Stan Life TM Pan European	Low	+5%	0.73	55	10	5
Buy	Threadneedle Euro (Ex UK) Gth	Medium	+1%	0.80	6	4	
	Threadneedle Euro Growth	Medium	+2%	0.87	46	6	4
Buy	Threadneedle Euro Sel Growth	Medium	+5%	0.75	55	8	4
	Threadneedle Pan Euro Gth	Low	+1%	0.29	50	8	-7
Buy	Vanguard FTSE Dev Europe Index	Medium	+6%	0.50	57	11	4

#### UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Avoid	3i Infrastructure	Very Low	+2%	0.00	17	11	9
	Artemis Alpha	Very Low	+0%	0.01	8	5	7
Avoid	Aurora Russia	Low	-39%	0.06	-64	-55	-12
Buy	Baring Emerging Europe	Very High	-13%	0.52	-2	-13	-3
	Blackrock Greater Euro.	Low	+2%	0.63	39	3	1
Buy	European Assets	Very Low	+10%	0.25	70	6	2
Buy	Henderson Eurotrust	Low	+9%	0.53	73	11	2
	JPM European IT	Medium	+5%	0.54	61	10	-0
Buy	JPM European IT	Low	+7%	0.48	54	16	-2
Avoid	JPM Russia	High	-16%	0.33	-4	-18	-8
Buy	Jupiter European Opps	Medium	+11%	0.52	92	6	2
Buy	The European IT	Low	+7%	0.54	63	14	2

### EUROPE SMALLER COS

#### UNITED KINGDOM BASED UNIT TRUSTS

Buy	Aberdeen European Small Coys	Low	+2%	0.69	35	1	0
	Henderson European Small Cos	Medium	+5%	0.67	47	8	-5
Buy	Ignis European Small Coy	Medium	+11%	0.62	82	10	-4
	Invesco Perp Euro Smaller Cos	Medium	+8%	0.71	65	16	-3
Buy	JPM European Smaller Coys	Medium	+3%	0.74	38	4	-3
	Jupiter Euro Spec Sits	Medium	+4%	0.82	51	7	3
Buy	M & G European Smaller Coys	Medium	+6%	0.72	54	3	-3
	Schroder Euro Small Coys	Medium	+8%	0.58	55	12	-1
Buy	Threadneedle Euro Small Cos	Low	+6%	0.65	51	4	0
	Threadneedle Pan Euro Sm Coys	Low	+6%	0.72	52	7	3

#### UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Buy	Fidelity Euro V.	Medium	+3%	0.71	63	8	4
	JPM Euro Small Coys	Medium	+7%	0.31	37	1	-7
Buy	Montanaro European SC	Very Low	+2%	0.30	34	2	-1
	TR European	Low	+11%	0.35	77	15	-2

### GERMANY

#### UNITED KINGDOM BASED UNIT TRUSTS

Buy	Baring German Growth	Medium	+3%	0.92	61	7	-2
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#### Germany



### World Stockmarket Outlook

(Continued from Page 2)

A couple of long term trends that could be important for investors involve the transformation in the global economy. In the past, emerging markets have often won business on the basis of cheap labour and cheap land. This is a process to industrialise an agricultural economy, but it doesn't create high incomes or improve the environment.

Now economies like China are moving from cheap export driven growth to a consumer economy. India is improving infrastructure, which should improve its inefficient economy and boost manufacturing and exports.

At an industry and company level, business and global trade are also changing. In the past, individual western manufacturers would outsource some production to companies in emerging markets. Now it is more likely that just a few companies in emerging markets will specialise in the production of just one specific component for the whole global industry. With 30-80% global market share these few businesses can become very efficient, offering their global customers the best quality and lowest prices, while enjoying economies of scale and efficiencies that enable them to be very profitable and earn a high return on capital. This is specialist manufacturing, requiring skilled, efficient, highly paid employees.

This is a very important, sustainable development that creates real wealth for all parties - the shareholders of both the emerging and developed economy companies, the employees *and* the ultimate customers. This is "real" economic growth - and it is this real growth that can create significant wealth for shareholders!

### Next Issue:

The next issue of *International Investor* will be emailed in four weeks time on Monday November 10, 2014.

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