

International Investor

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Inside International Investor

BUY India Capital Growth Fund plc 2, 8

Investment Fund Survey: 4 - 7

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

World Stockmarket Forecasts

Stockmarket	One-Year Forecast	Fundamental Indicators	Technical Indicators	Monetary Indicators	Economic Indicators	Historical Performance (in US\$)			Share Index
						3 mths	6 mths	12 mths	
Australia	61%	Bullish	Bearish	Bullish	Neutral	-5.1%	+2.1%	+8.5%	5,146.86
Austria	68%	Bullish	Bullish	Bullish	Bearish	+8.7%	+5.1%	+0.3%	2,412.85
Belgium	63%	Bullish	Neutral	Bullish	Neutral	-0.3%	+0.9%	-2.3%	3,439.50
Canada	59%	Bullish	Neutral	Neutral	Neutral	-2.7%	+2.0%	+6.3%	14,509.25
Denmark	43%	Bullish	Bearish	Bullish	Bearish	-12.8%	-14.7%	-12.9%	821.29
Finland	68%	Bullish	Bearish	Bullish	Bullish	-2.2%	+2.9%	-2.7%	8,111.67
France	59%	Bullish	Neutral	Bullish	Bearish	-0.4%	-1.1%	-7.5%	3,406.94
Germany	61%	Bullish	Neutral	Bullish	Bearish	-0.6%	+1.4%	-3.2%	10,259.13
Ireland	53%	Neutral	Bearish	Bullish	Bullish	+1.5%	-4.4%	-7.0%	5,919.05
Italy	42%	Bullish	Bearish	Bullish	Bearish	-1.4%	-10.3%	-23.2%	17,939.77
Japan	66%	Bullish	Bullish	Neutral	Bullish	+2.7%	+9.1%	+4.9%	16,905.36
Netherlands	57%	Bullish	Neutral	Bullish	Bearish	-1.2%	-0.3%	-2.8%	440.51
New Zealand	54%	Bullish	Bearish	Bullish	Neutral	-5.9%	-2.8%	+12.0%	1,547.69
Norway	67%	Bullish	Bullish	Bearish	Neutral	+6.9%	+6.6%	+9.3%	688.68
Spain	60%	Bullish	Neutral	Bullish	Bearish	+3.9%	-1.4%	-12.9%	887.04
Sweden	69%	Bullish	Bearish	Bullish	Neutral	-3.6%	-2.9%	-5.5%	814.84
Switzerland	56%	Bullish	Bearish	Bullish	Neutral	-6.1%	-1.4%	-14.2%	7,593.20
Un. Kingdom	63%	Bullish	Bearish	Bullish	Neutral	-5.7%	-5.2%	-12.4%	6,693.26
USA	56%	Bullish	Neutral	Neutral	Bullish	-4.5%	+1.4%	-0.7%	2,085.18
Argentina	76%	Neutral	Bullish	Bullish	Bullish	+7.2%	+17.5%	-18.6%	16,754.93
Brazil	80%	Bullish	Bullish	Bullish	Bullish	+4.7%	+29.2%	+52.6%	61,598.39
Czech Rep.	51%	Bullish	Neutral	Neutral	Bearish	+5.7%	+0.5%	-6.2%	893.82
Chile	58%	Neutral	Neutral	Bullish	Bullish	+3.5%	+8.8%	+18.5%	21,073.75
China	56%	Neutral	Neutral	Bearish	Bullish	+3.4%	+3.1%	-21.3%	3,125.32
Greece	35%	Bearish	Bearish	Neutral	Bearish	+2.4%	-7.5%	-12.1%	573.92
Egypt	40%	Bearish	Bullish	Bearish	Neutral	-39.2%	-33.4%	-39.8%	8,810.51
Hong Kong	74%	Bullish	Bullish	Bullish	Neutral	+2.2%	+12.7%	-1.1%	22,642.62
Hungary	58%	Bearish	Bullish	Neutral	Bearish	+12.0%	+15.0%	+43.6%	30,017.23
India	52%	Bearish	Neutral	Bullish	Bearish	-2.7%	+7.9%	+2.8%	27,274.15
Indonesia	72%	Neutral	Bullish	Bullish	Bullish	-0.5%	+12.9%	+21.4%	5,362.66
Israel	47%	Bullish	Bearish	Bullish	Neutral	-3.6%	-0.7%	-8.0%	1,214.27
Korea	57%	Bullish	Neutral	Bullish	Neutral	-4.1%	+2.7%	-2.0%	1,982.02
Malaysia	47%	Bullish	Bearish	Neutral	Neutral	-5.1%	-5.1%	+1.2%	1,648.24
Mexico	31%	Neutral	Bearish	Bearish	Neutral	-2.4%	-3.0%	-8.8%	46,694.81
Philippines	43%	Neutral	Bearish	Bullish	Bearish	-12.3%	+0.3%	-1.4%	7,227.37
Poland	47%	Neutral	Neutral	Neutral	Bearish	-0.6%	+1.9%	-1.8%	47,610.85
Portugal	51%	Bullish	Bearish	Bullish	Neutral	-3.1%	-5.5%	-2.0%	2,408.06
Russia	67%	Bullish	Bullish	Bearish	Neutral	+2.8%	+5.7%	+11.8%	1,962.71
Singapore	46%	Bullish	Bearish	Neutral	Bearish	-4.0%	+0.5%	-4.9%	2,788.80
Sth Africa	52%	Bullish	Bearish	Bearish	Bullish	-4.3%	+5.7%	+9.0%	49,686.10
Taiwan	81%	Bullish	Bullish	Bullish	Bullish	+0.0%	+14.7%	+8.4%	9,068.15
Thailand	63%	Bullish	Bullish	Neutral	Neutral	-1.9%	+7.3%	+7.7%	1,485.70
Turkey	44%	Bullish	Bearish	Bearish	Bullish	-7.3%	-12.1%	-16.2%	74,267.19
Venezuela	61%	Bearish	Bullish	Bullish	Bullish	+35.3%	+8.2%	-11.8%	16,680.50

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.

Fund Recommendation:

Buy UK Listed India Capital Growth Fund plc

BUY UK listed India Capital Growth Fund plc (code IGC).

We recommend buying shares in UK listed investment trust India Capital Growth Fund plc. The shares trade at a 20% discount to net asset value, offering a discounted entry into Indian equities, despite a good performance. The fund rates a +11% *Superiority Rating* in our *Investment Fund Survey* and a *Very Low* risk rating (relative to the Indian stockmarket), so this is a well managed Indian fund.

The very low risk rating reflects a very low *Market Correlation*, which shows fluctuations in the fund's value are not closely tied to fluctuations in the general Indian stockmarket. This probably reflects the trust's "bottom up" approach of finding attractive individual company investments, rather than seeking to match any index or match index sector weightings. A low market correlation offers investors lower exposure to general market fluctuation risk.

India is an attractive stockmarket for investment, with important economic reforms that should support long term growth. For example, it is currently in the process of introducing a national Goods and Services tax (with online tax returns), which will replace a complicated system of national and state taxes. Among other benefits, this will encourage trade between states (i.e. by removing double taxation) and also speed up transportation across state borders (which in turn strengthens supply lines and will enable lower investments in stocks and warehousing).

India Capital Growth Fund plc is a listed investment trust formed in December 2005. The issued capital consists of 112,502,173 shares, following a recent capital raising from the exercise of 37,500,710 "subscription" shares in August 2016.

The fund has assets of £111.1 million, and no debt, giving a net asset value per share of 98.8 pence. The shares currently trade on-market at 80¼ pence, a large discount of 19% (i.e. so a £1000 investment in India Capital Growth shares buys a £1230 investment in the trust's underlying Indian shares).

The trust seeks "long term capital appreciation" from "investing predominantly in mid and small cap Indian companies" but may also invest in larger companies. A small amount may be invested in unlisted shares, in companies incorporated outside of India but with "significant operations or markets in India", or bonds or other securities . . . although none of these securities are currently held. The trust may borrow for short term liquidity or longer term up to 25% of its capital, but is debt-free at present.

The Fund Manager seeks "companies that are well placed to benefit from the structural growth potential of the Indian economy, combined with the highest quality

of management best able to exploit this opportunity".

The Fund Manager focuses upon "Economic Profit Analysis", an investment method to assess "shareholder value creation". Companies must also have "sound financials, a competitive advantage and evidence of pricing power".

The portfolio is well diversified, seeking to invest in about 40 different companies. The largest ten holdings make up 37.1% of the portfolio.

The ten largest holdings are: Yes Bank (5.1% of the portfolio), Federal Bank (4.4%), Dewan Housing (4.4%), Jyothy Laboratories (4.0%), Kajaria Ceramics (3.7%), Mothersome Sumi Systems (3.5%), Dish TV India (3.3%), PI Industries (3.1%), Indusind Bank (2.9%) and Sobha Developers (2.9%).

The trust seeks to invest in the best individual companies, rather than match any index, and the current portfolio covers the following industries: Financials (27.1% of the portfolio), Materials (17.3%), Consumer Discretionary (16.4%), Industrials (11.6%), Consumer Staples (8.6%), Healthcare (7.3%) and Information Technology (4.6%).

59% of the portfolio was invested in "small" Indian companies (i.e. with a market capitalisation under US\$2 billion), 22% in medium sized companies (i.e. market capitalisation between US\$2 billion and US\$7 billion), 12% in larger companies and 7% in cash.

The annual management fee is 1.5% and there is no performance fee. The dividend yield is 0.84%.

India Capital Growth Fund is currently exempt from Indian capital gains taxes, but this will change from April 2017. The good news is that the long term capital gains tax rate (on shares held for greater than one year) is 0% (i.e. nil) while the short term capital gains tax rate will be 15%. Of course, short term losses can be offset against any realised short term gains, so the net impact is likely to be little or no capital gain tax payable. The fund also notes that owing to "the long term nature of the investment process and the relatively low level of portfolio turnover", the trust's gains are likely to be long term gains (on which no tax is payable) with little or no taxable short term gains.

Buying or Selling India Growth Fund shares

India Capital Growth Fund shares are listed on the AIM market so can be bought or sold through UK brokers (and other brokers with UK partners). **Interactive Brokers** does not trade AIM shares, but the shares can be purchased through **Charles Stanley & Company**. The AIM market does not offer immediate electronic trading, so it is seldom possible to trade immediately "at market". A "limit order" should be placed and the broker will seek to fill this with a market-maker . . . which can take about 5-30 minutes!

(Continued on Page 8)

Recommended International Investment Funds

Fund Reports

Aberdeen Asian Smaller Companies Investment Trust plc lifted net assets 18.4% over the year to 31 July, while the share price rose 19.4%. The trust's two benchmark indices rose 17.6% and 19.1%. Much of these gains (reported in Pounds Sterling) actually reflect the fall in the value of the Pound, rather than gains in Asian equities.

The trust will pay a steady ordinary dividend of 10.5 pence on 2 December (ex-dividend 4 November).

Shareholders will be asked to approve two minor changes to update the investment policy at the AGM. Firstly, to allow up to 10% of assets to be invested in unquoted equities. This will allow the Manager to invest in "unquoted companies in the period leading up to an IPO". Secondly, to formally allow the trust to invest in shares in Cambodia, Laos, Myanmar and Vietnam, "although there is no current intention to invest directly into any of these countries" and the current investment policy allows such investments with

the approval of the directors.

Scottish Oriental Smaller Companies Trust plc lifted net assets 31.5% over the year to 31 August, with the share price rising 27.3%. Its benchmark indices rose 28.9% and 33.0%.

A steady dividend of 11.5 pence will be paid.

The Fund Manager believes the outlook for Asian markets "remains uncertain" and is "finding it difficult to identify good quality companies at suitable valuations". The fund is "heavily invested in businesses with defensible franchises". The trust is permitted to borrow up to 50% of its net assets, but currently holds net cash of 8.4%.

Nevertheless, "within Asia, smaller companies offer exposure to domestic consumption which is growing strongly, given the region's superior demographic profile and developing middle class". The trust is over-weighted in India - 23.6% of the portfolio - where the Fund Manager sees "both growth and some of the best management teams in Asia". (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	46.4p	129.1	-13%	179.3p	306.4	+137
BUY	JPM European Smaller Cos	JESC	15/01/02	45.3p	153.2	-17%	291.5p	498.2	+225
United Kingdom									
BUY	Aberforth Smaller Cos Trt plc	ASL	15/07/03	375.5p	1042.0	-16%	996.5p	1703.1	+63
Asian Regional									
BUY	Aberdeen Asian Small Coys	AAS	09/09/03	89.2p	247.8	-15%	957.25p	1636.0	+560
HOLD	HSBC Asian Fund	*	10/11/98	34.4p	106.3		112.0p	191.4	+80
HOLD	Henderson Asia Pac Capital	*	08/08/00	342.2p	1122.6		912.9p	1560.2	+39
BUY	Scot Oriental Smaller Coy	SST	11/11/03	121.9p	330.5	-13%	951.25p	1625.8	+392
China									
BUY	Henderson China Opportunities	*	09/07/07	548.9p	1410.4		1087.0p	1857.8	+32
India									
BUY	India Capital Growth plc	IGC	07/11/16	80.5p	137.6	-19%	80.25p	137.2	-0
HOLD	Stewart Ivory Indian Sub-Cont	*	13/12/10	209.2p	442.0		433.14p	740.3	+67
Japan									
BUY	Baillie Gifford Shin Nippon plc	BGS	11/01/94	156.0p	440.3	-3%	577.0p	986.2	+124
BUY	Fidelity Japan Values plc	FJV	10/01/06	126.0p	322.7	-18%	102.75p	175.6	-46
HOLD	Invesco Perp Japan Small Coys	*	13/07/99	61.3p	182.3		102.15p	174.6	-4
Korea									
HOLD	Baring Korea Trust	*	12/04/94	81.1p	209.4		295.1-312.7p	519.4	+148
International									
HOLD	Aberdeen Emerging Markets	*	13/08/91	61.7p	184.0		653.0p	1116.0	+507
BUY	Herald Investment Trust	HRI	12/10/04	310.8p	820.1	-21%	803.5p	1373.3	+67

* United Kingdom based Unit Trust

The average Gains/Losses of all current investments from initial recommendation is +82.8%. This is equal to an average annual rate of +10.5%, 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 49 closed out) is +11.3%.

Other Shares

An alternative investment to those recommended above includes **Aberdeen Asian Smaller Companies Trust 2019** convertible notes at 118¾ pence.

"Clean" unit prices are: HSBC Asian Fund 126.3 pence, Henderson Asia Pacific Capital 1002 pence, Henderson China Opportunities 153.9 pence, Stewart Investors Indian Sub-Continent 216.27 pence, Invesco Perpetual Japanese Smaller Companies 309.72 pence, Baring Korea 303.5-306.2 pence and Aberdeen Emerging Markets 709.92 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						
(NZ\$)	Fisher NZ Growth Fund	Very Low	+1%	0.72	37	15 -2
NEW ZEALAND LISTED INVESTMENT TRUSTS						
	Mid-Cap Index	Low	-0%	0.71	38	8 -5
	TeNZ	Medium	-5%	0.88	22	15 -7

New Zealand



AUSTRALIA

AUSTRALIAN BASED UNIT TRUSTS						
Avoid	AMP Blue Chip Trust	Very Low	-9%	0.31	-27	-3 -3
Avoid	AMP Equity Trust	Very Low	-7%	0.46	-19	-2 -3
	AMP FLI Aust	Low	-2%	0.59	-10	2 -1
Buy	AMP FLI Small Companies	Very Low	+12%	0.33	28	20 -4
	ANZ Equity Imputation Tr	Low	-5%	0.60	-19	-3 -1
	ANZ Equity Trust No 1	Low	-2%	0.64	-13	-2 -2
	Aust Ethical Equities	Very Low	+2%	0.15	4	2 1
	BT Australia	Very Low	-6%	0.34	-19	-8 -3
	BT Smaller Companies	Very Low	-4%	0.14	-21	-2 -4
	BT Split Trust Growth	Very Low	+0%	0.21	6	-6 -0
	Col First State Aust Sh.	Very Low	-6%	0.41	-22	-8 -7
	Col First State Dev. Coys	Very Low	+2%	0.05	5	18 10
	Col First State Future Ld	Very Low	-3%	0.21	-17	-3 -6
	Col First State Imput'n	Very Low	-5%	0.56	-18	-7 -6
Avoid	Commonwealth Aust Share	Very Low	-9%	0.17	-16	4 9
Avoid	Commonwealth Share Income	Very Low	-9%	0.17	-14	4 9
Buy	Gold Sachs Emerging Lead.	Very Low	+12%	0.52	24	8 9
Avoid	Gold Sachs Leaders Trust	Very Low	-9%	0.32	-28	-3 -4
Buy	Hunter Hall Value Growth	Very Low	+9%	0.25	28	-3 -6
	MLC Aust Tr - Aust Share	Low	-1%	0.80	-13	-1 -3
	MLC Aust Trust - Index	Medium	-2%	0.83	-15	-0 -4
Avoid	NAFM Inv Trust - Div Imp	Very Low	-10%	0.20	-30	-8 -1
	One Path Australia Share	Low	-2%	0.65	-12	-2 -2
	One Path Blue Chip	Low	-5%	0.63	-18	-3 -1
Avoid	Perpetual ICSav - Aust	Very Low	-12%	0.17	-36	-5 -0
Avoid	Perpetual ICSav - Sm Coys	Very Low	-8%	0.04	-30	-1 -1
Avoid	Perpetual ICSav - Indust.	Very Low	-16%	0.05	-44	-11 -2

NEW ZEALAND BASED UNIT TRUSTS						
(NZ\$)	Fisher Australian Growth	Very Low	+5%	0.36	9	10 -6
AUSTRALIAN LISTED INVESTMENT TRUSTS						
	Argo Investments	Very Low	-4%	0.46	-8	-5 -3
	Australian Foundation	Very Low	-5%	0.50	-14	-2 -4
	Diversified United Inv.	Low	-3%	0.65	-13	-3 -6

NEW ZEALAND LISTED INVESTMENT TRUSTS						
	Ozzy Tortis	Medium	-4%	0.87	-16	-3 -4

Australia



GOLD & MINING

AUSTRALIAN BASED UNIT TRUSTS						
	BT Natural Resources	Very Low	+3%	0.09	-8	27 -3
	Col First State Glb Res.	Very Low	-2%	0.09	-17	10 -1
UNITED KINGDOM BASED UNIT TRUSTS						
Avoid	Artemis Global Energy	Very Low	-12%	0.02	-38	2 11
	Baring Global Resources	Very Low	-2%	0.03	-8	-1 3
	Blackrock Natural Resources	Very Low	+5%	0.02	6	2 2
Buy	CF Carlife Global Resources	Very Low	+8%	0.01	10	0 0
	CF Eclectica Agriculture	Very Low	+1%	0.01	7	-6 -1
Buy	CF Ruffer Gold	Very Low	+27%	0.01	41	51 -13
	Guinness Global Energy	Very Low	-3%	0.00	-20	0 7
	Guinness Alternative Energy	Very Low	-1%	0.00	-25	-15 0
	Investec Enhanced Nat Res	Very Low	-1%	0.06	-3	9 3
	JPM Natural Resources	Very Low	-1%	0.01	-22	18 3
Buy	MFM Junior Gold	Very Low	+28%	0.07	29	85 -17
Avoid	MFM Junior Oils	Very Low	-17%	0.00	-52	-11 17
Avoid	Marlborough ETF Commodity	Very Low	-14%	0.19	-27	-7 7
Buy	Old Mutual Blackrock Gold	Very Low	+33%	0.06	43	-17
Buy	Old Mutual JPM Nat Resources	Very Low	+9%	0.01	19	4
Buy	Pictet Water	Very Low	+16%	0.01	44	11 -4
UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS						
Avoid	Blackrock Commodities	Very Low	-9%	0.02	-35	-4 11
Avoid	Blackrock World Mining	Very Low	-9%	0.02	-41	9 3
Avoid	City Nat Res High Yld	Very Low	-7%	0.02	-24	2 1

EMERGING MARKETS

UNITED KINGDOM BASED UNIT TRUSTS						
	AXA Framlington Emerging Mkts	Medium	-0%	0.93	4	2 2
	Aberdeen Emerging Markets	Medium	+0%	0.96	10	5 3
	Aberdeen Global Em Mkts Sm Cos	Medium	-1%	0.83	6	4 0
	Aberdeen Global Emerging Mkts	Medium	+0%	0.93	10	6 3
	Artemis Global E/Mkts	Medium	-1%	0.97	5	6
	BG Emerging Markets	High	+2%	0.87	18	1 7
	BG Emerging Mkts Leading Cos	High	+2%	0.89	16	5 7
	Baring Emerging Markets	Medium	-0%	0.90	-1	5
	Baring Global Emerging Mkts	High	+3%	0.88	17	9 5
	Blackrock Aquila E/Mkts	High	+0%	0.66	4	6
	Blackrock Emerging Markets	Medium	-1%	0.95	7	7 5
	Blackrock Emerging Mkts Track.	Medium	+1%	0.95	16	7 5
	Cap Int Emerging Markets	Very High	+2%	0.91	9	11 4
	Dimensional Emerging Markets	Medium	+1%	0.98	13	5 4
	F & C Emerging Markets	Low	-0%	0.88	11	4 1
	Fidelity Emerging E/M/E & A	High	-3%	0.83	-5	-11 -3
	Fidelity Emerging Markets	Medium	-1%	0.92	-2	1
	Fidelity Index E/Markets	High	-1%	0.99	3	5
	Henderson Emerging Markets Opp	Medium	+0%	0.93	17	4 2
	Invesco Perp Emerging Euro.	Medium	-3%	0.61	-13	4 6
	Investec Emerging Markets	Medium	-3%	0.97	1	5
	JPM Emerging Markets	Medium	-0%	0.93	6	3
	Jupiter Global E/Markets	High	+4%	0.94	22	10 5
	L & G Global E/Markets Index	Medium	+1%	0.97	14	4 4
	Lazard Developing Markets	High	+2%	0.93	7	7 7
	Legg Mason Martin Emerging Mkt	High	-1%	0.94	4	6 5
	M & G Global E/Markets	High	+0%	0.95	5	6 6
	Neptune Emerging Markets	Medium	+0%	0.78	19	6 4
	Newton Emerging Income	Low	-0%	0.93	2	1
	Old Mutual Global E/Markets	Medium	-5%	0.78	-5	4
	Old Mutual JPM E/Markets	Medium	+2%	0.97	6	3
	SJP Emerging Markets	Low	-2%	0.90	-3	-2
	SJP Global E/Markets	Medium	-0%	0.92	7	-1 -1
	Schroder Gbl Emerging Mkts	Medium	-1%	0.98	9	4 6
	Schroder QEP Global E/Markets	Medium	-1%	0.97	4	3
	Scot Wid Emerging Markets	High	-1%	0.98	8	3 5
	Stewart Gbl E/Markets Sust	Low	+1%	0.91	20	4 3
	Stewart Global E/M Leaders	Low	+1%	0.91	14	-1 1
	Stewart Global Emerg Mkts	Low	-0%	0.90	12	1 2
	Templeton Global E/Markets	High	-3%	0.93	-7	10 5
	Threadneedle Global E/Markets	Medium	-0%	0.96	7	1 1
	UBS E/Markets Equity Income	Medium	-0%	0.61	15	-10 2
	UBS Global Emerging Markets	Medium	+2%	0.96	18	8 7
	Vanguard Emerging Markets	Very High	+1%	0.95	8	3 4
UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS						
	JPM Emerging Markets	Medium	+0%	0.90	13	2 2
	Templeton Emerging Mkts	High	-2%	0.91	-8	8 3

LATIN AMERICA

UNITED KINGDOM BASED UNIT TRUSTS						
	Aberdeen Latin American	Medium	+4%	0.97	-5	32 10
	BNY Mellon Brazil Equity	Very High	-1%	0.81	-21	33 23
	Invesco Perp Latin America	Medium	-1%	0.96	-13	20 12
	Neptune Latin America	Medium	+0%	0.92	-2	21 14
	Scot Wid Latin America	Medium	+3%	0.91	-4	28 10
	Stewart Latin America	Low	+3%	0.89	8	25 7
	Threadneedle Latin America	Medium	-1%	0.98	-13	21 11

Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance		
					36 mth	12 mth	3 mth
UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS							
Avoid	Aberdeen Latin America	Medium	-8%	0.93	-26	21	10
	Blackrock Latin Amer.	Medium	-1%	0.93	-16	16	11
	JPM Brazil Inv Trt	Very High	+2%	0.74	-22	38	1

Brazil



Mexico



Chile



Argentina



FAR EASTERN / PACIFIC (EXCL JAPAN)

Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance		
					36 mth	12 mth	3 mth
UNITED KINGDOM BASED UNIT TRUSTS							
	AXA Rosenberg Asia Pacific	High	-1%	0.78	11	1	2
	Aberdeen Asia Pacific	Medium	-4%	0.95	6	-4	2
	Aberdeen Global Asia Pacific	Medium	-4%	0.95	6	-3	2
	Aberdeen Global Asian Sm Coys	Medium	-5%	0.90	2	-2	1
	Allianz Tot Ret Asian	Medium	+1%	0.89	22	-4	3
	BG Developing Asia Pacific	Medium	+4%	0.87	35	3	2
	BG Pacific	High	+2%	0.91	23	-3	4
	Baring ASEAN Frontiers	Low	-1%	0.79	12	12	2
	Baring East	Medium	+3%	0.84	34	3	4
	Blackrock Asia	High	+1%	0.98		3	4
	Blackrock Asia Spec Sits	High	+3%	0.95		3	2
	Blackrock Pacific Tracker	Medium	-1%	0.96	15	7	1
Avoid	CF Canlife Asia Pacific	Medium	-7%	0.86	4	-7	2
	F & C Pacific Growth	Medium	+1%	0.96	25	4	3
Buy	Fidelity Asia Pacific Opps	Medium	+7%	0.92		9	-2
	Fidelity Asian Dividend	Medium	+1%	0.99		3	1
	Fidelity Asian Spec Sits	Medium	+4%	0.97	34	6	4
	Fidelity Emerging Asia	High	+6%	0.88	44	3	3
	Fidelity Index Pacific	Medium	+0%	0.93		4	-0
	GAM Star Asian Equity	High	-1%	0.79	13	-3	6
	Guinness Asian Equity Income	Very High	-5%	0.79		-14	1
	HSBC Asia Growth	Medium	+3%	0.79	29	14	4
	Halifax Far Eastern	Medium	+0%	0.97	16	3	3
	Henderson Asia Pacific Capital	Medium	+0%	0.94	18	4	2
	Invesco Perp Asian	High	+4%	0.97	33	10	7
	Invesco Perp Asian Equity Inc	Medium	-1%	0.95	18	3	2
	Invesco Perp Pacific	Medium	+3%	0.93	26	2	6
	Investec Asia	High	+1%	0.95	24	0	6
	JPM Asia	Medium	+1%	0.97	26	5	6
	Jupiter Asian	High	+2%	0.92	27	1	5
	Legg Mason Martin Asian Pac.	Medium	-2%	0.96	14	2	4
	M & G Asian	High	-2%	0.94	14	-3	6
	Marlborough Far East Growth	High	+1%	0.93	20	-3	5
	Matthews Asia Asia Dividend	Low	-1%	0.97		2	2
	Matthews Asia Pacific Tiger	Medium	+2%	0.93		2	2
	Newton Asia Income	Low	+0%	0.84		2	-4
	Old Mutual Aberdeen Asia Pac	Medium	-2%	0.95		-3	1
	Old Mutual Asia Pacific	Medium	+2%	0.97		8	5
Buy	Old Mutual Invesco Asian	High	+7%	0.97		9	6
	Royal London Asia Pac Tracker	Medium	+0%	0.99		4	2
	SSGA Asia Pacific Eq Tracker	High	-0%	0.92	8	3	-0
	Santander Pacific Basin	Medium	+1%	0.98	26	3	3
	Schroder Asian Alpha	Medium	+0%	0.96	25	2	6
	Schroder Asian Income	Medium	+1%	0.96	21	1	2
	Schroder Asian Income Max.	Low	-0%	0.92	15	1	1
	Soot Wid Pacific	Medium	-1%	0.97	14	2	3
	Smith & Williamson Oriental	Medium	-2%	0.44	2	-18	-23
	Stan Life Asian Pacific	Very High	+6%	0.87	30	15	2
	Stan Life TM Pacific Basin	Very High	+1%	0.95	12	-0	3
Buy	Stewart Asia Pacific	Low	+8%	0.70	55	14	2
	Stewart Asia Pacific Leaders	Low	+2%	0.92	30	-3	-0
	Threadneedle Asia Growth	Medium	+0%	0.98	21	2	3
	Threadneedle Pacific Gth	Medium	-2%	0.97		0	3
	Vanguard Pacific (ex Jap)	High	-1%	0.89	8	3	-1
UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS							
Avoid	Aberdeen Asian Income	High	-11%	0.80	-16	-6	-1
	Aberdeen Asian Small Co	Medium	-7%	0.76	-12	3	1
Avoid	Aberdeen New Dawn	High	-8%	0.87	-5	-5	0
	Edinburgh Dragon Trust	High	-5%	0.93	4	-1	1
Buy	Fidelity Asian Values	Medium	+7%	0.85	45	15	5
	Invesco Asia	High	+2%	0.95	31	3	5
	JPM Asian	High	+0%	0.94	21	1	7
	Pacific Assets	High	+5%	0.81	43	-0	4
	Pacific Horizons	High	+1%	0.81	27	3	10
	Schroder Asia Pacific	High	+1%	0.90	27	2	3
	Schroder Oriental Inc.	Medium	-2%	0.75	10	-4	-3
	Scottish Oriental Sm Co	Medium	-4%	0.80	3	-3	5

FAR EASTERN / PACIFIC (INCL JAPAN)

AUSTRALIAN BASED UNIT TRUSTS							
	BT Asian	Medium	+2%	0.86	15	-3	3
UNITED KINGDOM BASED UNIT TRUSTS							
	Aberdeen Asian Pacific & Japan	Medium	+0%	0.95	12	-2	2
UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS							
	Henderson Far East Inc.	Very High	-2%	0.90	-6	-7	-2
	Witan Pacific	High	+2%	0.89	11	-0	1

(Continued on Page 6)

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

HONG KONG / CHINA REGION

UNITED KINGDOM BASED UNIT TRUSTS

	Aberdeen Global Chinese Equity	Medium	-4%	0.83	8	-2	6
Buy	BG Greater China	Medium	+8%	0.77	42	8	9
Buy	Fidelity China Consumer	Medium	+7%	0.87	30	1	8
Buy	Henderson China Growth	High	+7%	0.88	42	5	9
	Invesco Perp HK and China	High	+5%	0.86	26	-5	3
	Jupiter China	High	+2%	0.83	18	-9	7
	Legg Mason Martin China	High	+4%	0.91	33	2	9
	Neptune China	High	+1%	0.85	9	-5	8
	Old Mutual China	High	+3%	0.92	0	0	5
Buy	Old Mutual Hend China Opps	High	+8%	0.94	4	10	5
Buy	Pictet Greater China	High	+10%	0.75	45	13	5
	Threadneedle China Opp.	High	+5%	0.87	29	-5	8

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Buy	Fidelity China Spec Sit	Very High	+16%	0.77	61	6	11
	JPM Chinese	Very High	+4%	0.79	21	-8	8

Hong Kong



China



Taiwan



KOREA

UNITED KINGDOM BASED UNIT TRUSTS

Baring Korean	Low	-2%	0.42	6	-12	-5
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Korea



THAILAND

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Aberdeen New Thai IT	Medium	-1%	0.60	3	-0	-0
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Thailand



INDIA

UNITED KINGDOM BASED UNIT TRUSTS

Buy	Aberdeen Global Indian Equity	Medium	+5%	0.86	64	-0	-3
	Jupiter India	High	+10%	0.72	117	12	8
	Matthews Asia India	Low	-1%	0.74		-4	2
	Neptune India	Medium	+6%	0.94	83	5	3
Buy	Pictet Indian Equities	Medium	+10%	0.67	99	13	5
Buy	Stewart India Subcontinent	Low	+9%	0.71	90	1	4

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Buy	India Capital Growth	Very Low	+11%	0.13	112	5	16
Avoid	Infrastructure India	Very Low	-25%	0.01	-58	-56	-23
	JPM Indian	High	+5%	0.81	79	-1	1
	New India	Medium	+5%	0.71	68	-4	-0

India



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

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

JAPAN

AUSTRALIAN BASED UNIT TRUSTS

Platinum Japan	Very Low	-0%	0.53	29	1	7
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UNITED KINGDOM BASED UNIT TRUSTS

AXA Framlington Japan & Gen.	Low	+5%	0.74	43	9	1
AXA Rosenberg Japan	Medium	+1%	0.72	36	-2	4
Aberdeen Global Japanese	Low	+3%	0.87	43	5	3
Aberdeen Japan Growth	Low	+3%	0.88	43	5	3
Allianz Japann	Medium	+3%	0.87	-1	4	
BG Japan	Medium	+1%	0.87	37	4	8
Baring Japan Growth	Medium	-2%	0.90	20	-2	3
Blackrock Japan Tracker	Medium	+1%	0.81	37	1	6
CF Canlife Japanese Growth	Medium	-4%	0.87	12	-4	4
Capital Group Japan Equity	Low	-2%	0.84	24	-1	6
Fidelity Index Japan	Low	-3%	0.91	-2	6	
Fidelity Japan	Medium	-2%	0.89	22	-5	3
GAM Star Japan Equity	Medium	+4%	0.87	44	10	4
HSBC Japan Index	Medium	+4%	0.66	47	12	5
Halifax Japanese	Medium	-1%	0.92	28	-2	5
Invesco Perp Japan	Low	-2%	0.79	24	-5	4
JPM Japan Growth	Low	+6%	0.73	42	4	-2
Jupiter Japan Income	Medium	+1%	0.83	36	-2	2
L & G Japan Index	Medium	+3%	0.85	44	10	5
Buy Legg Mason Japan Equity	Very Low	+22%	0.25	83	39	-5
Legg Mason Martin Japan Alpha	Medium	-4%	0.88	16	1	5
M & G Japan & General	Medium	+0%	0.87	38	-2	10
Avoid Neptune Japan Opportunities	Very High	-8%	0.85	-8	-31	2
Old Mutual Schroder Tokyo	Medium	-3%	0.94	-1	6	
Pictet Japanese Equity Opps	High	+4%	0.88	42	7	6
Royal London Japan Growth	Medium	+1%	0.92	32	-3	5
SSGA Japan Equity Tracker	Medium	-0%	0.90	28	-2	7
Santander Japan	Medium	-1%	0.93	26	-5	5
Schroder Tokyo	Medium	+0%	0.89	35	-1	6
Scot Wid Japan Growth	Medium	-1%	0.93	27	-2	5
Stan Life Japanese	Medium	-1%	0.93	16	-3	3
Stan Life TM Japan	Medium	+1%	0.92	23	-1	4
Threadneedle Japan Growth	Medium	-1%	0.88	26	-3	4
Threadneedle Japan Return	Medium	-2%	0.88	21	-4	5
Vanguard Japan Stock Index	Medium	-0%	0.91	26	-2	7

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Atlantis Japan Growth	Medium	-2%	0.69	20	-11	-1
JPM Japanese	Medium	+2%	0.75	28	-3	-2
Schroder Japan Growth	High	-1%	0.77	30	-12	4

Japan



JAPAN SMALLER COS

UNITED KINGDOM BASED UNIT TRUSTS

Buy Aberdeen Global Japan Sm Coys	Medium	+6%	0.81	51	7	6
BG Japan Small	Medium	+12%	0.66	55	16	2
Fidelity Japan Small Coys	Medium	+6%	0.90	43	4	2
Henderson Japan Opportunities	High	+4%	0.90	45	3	8
Buy Invesco Perp Japan Small Coys	Low	+7%	0.43	28	22	-4
M & G Jap Small Cos	Medium	+6%	0.86	54	9	10

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Buy B Gifford Shin Nippon	High	+17%	0.57	64	17	-4
Baillie Gifford Japan	High	+6%	0.88	40	-4	8
Fidelity Japan Values	Medium	+3%	0.77	29	-4	-1
JPM Japan Small Co	Low	+5%	0.57	36	-0	-2

TECHNOLOGY

AUSTRALIAN BASED UNIT TRUSTS

CFS Global Health Biotech	Low	+3%	0.64	57	-11	-9
CFS Tech & Comms	Low	+4%	0.67	54	-1	2
Avoid Platinum Intl Technology	Very Low	-11%	0.23	-3	-12	3

UNITED KINGDOM BASED UNIT TRUSTS

AXA Framlington Biotech	Very High	-2%	0.85	32	-26	-6
AXA Framlington Glb Tech.	Medium	+4%	0.78	54	3	5
AXA Framlington Health	Medium	+0%	0.86	37	-13	-8
Aberdeen Global Technology	Very Low	-1%	0.56	32	-5	-1
Henderson Global Technology	Low	+3%	0.69	53	0	6
L & G Global Health & Pharm.	Low	+1%	0.73	43	-16	-9
L & G Global Technology	Low	+5%	0.48	68	-1	5
MFM Techninvest Spec Sits	Very Low	+2%	0.27	-18	-1	
MFM Techninvest Technology	High	-2%	0.69	-13	-0	
Schroder Global Healthcare	Low	-1%	0.84	-12	-9	

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Herald Investment Trust	Medium	-5%	0.74	11	-14	2
International Biotech	Very High	+6%	0.78	58	-21	-7
Polar Cap Technology	Very High	+4%	0.79	50	2	2
Polar Global Healthcare	Medium	-5%	0.58	21	-11	-2
The Biotech Growth Trt	Very High	+1%	0.77	34	-25	-13
World Healthcare Trust	Medium	+4%	0.66	48	-16	-2

Technology



BUY India Capital Growth Fund*(Continued from Page 2)*

The “Exchange Market Size” (or EMS) is 5000 shares, which means that the market-maker will quote prices to buy or sell up to 5000 shares (worth about £4025). Investors may buy or sell smaller quantities. It may be possible to buy larger quantities in one transaction or a larger order may need to be broken down to a series of 5000 share trades.

The shares were recently quoted at 80-80½ pence (i.e. can be sold at 80 pence or bought at 80½ pence), a low 0.6% spread (which can vary up to 2%).

The shares are actively traded although five other Fund Managers own 63% of the shares: Lazard Asset Management (with a 22.5% shareholding), Gramercy Funds Management (22.1%), Milton Group (6.6%), Aberdeen Asset Managers (6.4%) and LIM Asia Multi-Strategy Fund (5.5%). Directors and employees of the Fund Manager own 983,713 Indian Capital Growth shares (0.87% of the company).

There is no stamp duty payable on the purchase of India Capital Growth Fund plc shares. Stamp duty was abolished on AIM listed shares in April 2014.

Summary and Recommendation

India is an attractive country for long term investment, but with 7800 listed companies this is also a market where stock-picking high quality growth company shares trading at a reasonable value could yield above average long term returns and with below average market risks.

India Capital Growth Fund has a sound investment strategy and has produced good “risk-adjusted” returns. We therefore believe that it should be a good fund for long term investment in smaller and medium sized Indian growth shares. “Buy”.

India Capital Growth***Next Issue:***

The next issue of *International Investor* will be emailed in five weeks time on **Monday December 12, 2016**.

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

Recommended Funds*(Continued from Page 3)***Investment Trust Discounts**

With the exception of **Ballie Gifford Shin Nippon** which trades at around net asset value, our other eight UK listed investment trusts trade at large discounts of 13-21% to net assets. This is a favourable situation for several reasons:

Firstly, in part these large discounts reflect general pessimism by investors - which is a positive sign for the future. Investors tend to be most pessimistic near a market low. So large discounts on listed investment trusts shows high pessimism, which suggests that the market is at or near its lows!

Secondly, it is better to buy into a listed trust at a discount than at a premium to net assets. If you buy a trust at a 20% discount, then every \$1000 invested gives you an interest in \$1250 of its portfolio investments! If you buy at a 5% premium, that \$1000 investment buys you just \$952 worth of portfolio shares.

Thirdly, there are many potential ways to realise some or all of the discount:

Dividend yields will be slightly higher (if you buy at a discount, rather than at net asset value or at a premium) and cash dividends reflect full value. Most of our trusts focus on *capital growth*, so (after management fees) the yields are zero or just 1-2% (or 3.6% for Aberforth Smaller Companies).

Listed trusts can repurchase shares on-market at a discount to net asset value . . . and that increases the net asset value of the remaining shares. If a trust repurchases 5% of its shares at a 20% discount, then the net assets of the remaining shares will increase 1.1%. This is a “riskless” additional return that can be repeated year after year after year.

Listed trusts can also restructure, perhaps liquidate or convert to an OEIC (open ended investment company) which will redeem shares at net asset value.

All things considered, a listed investment trust trading at a discount to net asset value should be a better long term investment than an OEIC bought at net asset value.

Share Repurchases

Fidelity European Values plc repurchased 70,000 shares on-market over the last four weeks for £127,708.

Aberforth Smaller Companies Trust plc made four on-market purchases totalling 57,000 shares to return £580,588 to investors.

Aberdeen Asian Smaller Companies plc repurchased 48,000 shares on-market in five transactions for £471,057.

Herald Investment Trust plc made four trades, repurchasing 300,509 shares for £2,587,438. Repurchased at a 21% discount to net assets, this adds around £685,000 to the net assets of the remaining shares!

Interest Payment

Aberdeen Asian Smaller Companies Investment Trust plc convertible notes will pay half yearly interest (of about 1.75 pence per unit) on 11 November (ex-10 November).