International Investor

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Inside International Investor

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World Stockmarket Forecasts

Stockmarket	One-Year Forecast	Fundamental Indicators	Technical Indicators	Monetary Indicators	Economic Indicators	Historical 3 mths	Performance 6 mths	e (in US\$) 12 mths	Share Index
Australia	57%	Bullish	Bearish	Bullish	Neutral	-9.3%	-10.0%	+3.4%	7,244.60
Austria	54%	Bearish	Bullish	Neutral	Neutral	-3.9%	-2.5%	+29.8%	3,697.77
Belgium	32%	Bearish	Bearish	Bearish	Bearish	-8.8%	-6.3%	+3.2%	4,123.99
Canada	58%	Neutral	Bullish	Bullish	Neutral	-3.3%	-3.0%	+17.3%	20,633.27
Denmark		Bearish	Neutral	Neutral	Neutral	-8.3%	+2.8%	+19.4%	1,753.72
Finland	39%	Neutral	Bearish	Neutral	Bearish	-12.7%	-8.2%	+7.0%	12,271.96
France		Neutral	Bullish	Bullish	Neutral	-4.6%	-4.3%	+10.6%	5,160.30
Germany	43%	Neutral	Bearish	Neutral	Neutral	-8.5%	-10.2%	+6.4%	15,169.98
Ireland	35%	Bearish	Bearish	Neutral	Bearish	-15.0%	-11.7%	-2.4%	7,859.89
Italy	51%	Bullish	Neutral	Neutral	Neutral	-5.8%	-5.7%	+10.1%	28,438.83
Japan	34%	Neutral	Bearish	Neutral	Neutral	-6.5%	-6.1%	-3.3%	28,029.57
Netherlands _		Bearish	Neutral	Neutral	Bearish	-6.9%	-0.4%	+17.0%	772.22
New Zealand _		Neutral	Neutral	Neutral	Bearish	-8.3%	-5.9%	+1.4%	1,909.13
Norway	62%	Neutral	Bullish	Bullish	Neutral	-2.6%	-4.7%	+22.3%	1,288.51
Spain	34%	Neutral	Bearish	Neutral	Neutral	-11.6%	-16.3%	-8.6%	813.18
Sweden	63%	Neutral	Bullish	Bullish	Bearish	-11.0%	-6.0%	+17.5%	1,735.22
Switzerland _	56%	Neutral	Bullish	Neutral	Bearish	-1.9%	+3.0%	+14.0%	12,175.77
Un. Kingdom _		Bullish	Neutral	Bullish	Neutral	-4.8%	-6.0%	+7.0%	7,122.32
USA	60%	Bearish	Bullish	Bullish	Neutral	+0.1%	+7.3%	+22.7%	4,538.43
Argentina	56%	Bearish	Bullish	Bullish	Bearish	+11.8%	+22.3%	+27.4%	86,359.78
Brazil	52%	Bullish	Bearish	Bullish	Neutral	-18.2%	-27.9%	-16.1%	105,070.00
Czech Rep	55%	Bullish	Bullish	Bearish	Bearish	-0.1%	+7.4%	+36.0%	1,362.79
Chile	38%	Bullish	Bearish	Bearish	Bearish	-10.5%	-12.3%	-7.6%	21,875.96
China	68%	Bearish	Bullish	Bullish	Neutral	+1.9%	+0.7%	+7.3%	3,607.43
Greece	43%	Bullish	Bearish	Neutral	Bearish	-8.6%	-9.4%	+4.5%	879.23
Egypt Hong Kong	58%	Neutral	Bullish	Neutral	Bearish	+0.1%	+12.4%	+2.4%	11,318.35
Hong Kong	38%	Neutral	Bearish	Bullish	Bearish	-8.5%	-18.2%	-11.9%	23,766.69
Hungary	48%	Bullish	Neutral	Bearish	Neutral	-11.8%	-7.3%	+18.9%	50,904.91
India	46%	Bearish	Bullish	Neutral	Neutral	-3.7%	+7.3%	+25.5%	57,696.46
Indonesia	61%	Neutral	Bullish	Bullish	Neutral	+5.5%	+6.8%	+10.3%	6,538.51
Israel	13%	Bearish	Bullish	Bullish	Neutral	+8.5%	+14.8%	+35.3%	1,955.89
Korea	55%	Bearish	Bearish	Neutral	Bearish	-9.4%	-13.9%	-0.5%	2,968.33
Malaysia	54%	Bullish	Bearish	Bullish	Neutral	-7.4%	-7.2%	-11.1%	
Mexico		Neutral	Neutral	Neutral	Neutral	-9.5%		+6.8%	
Philippines	04%	Bearish	Bullish	Bullish	Bearish			-5.8%	
Poland	41% 50%	Bullish	Bearish	Bearish	Bearish	-11.3% -6.3%	-8.7%	+11.0%	67,730.01
Portugal		Neutral	Bullish	Neutral	Neutral		+0.7%	+9.4%	4,081.41
Russia		Bullish	Neutral Bearish	Bearish	Bearish	-5.4%	-0.2% -4.2%	+23.3%	1,668.26 322.44
Singapore		Neutral Bullish	Bullish	Bullish	Bearish Bearish	-1.8% -5.3%	-4.2% -12.8%	+6.7% +12.5%	64,306.68
Sth Africa		Neutral	Bullish	Bearish Bullish	Bearish	+0.6%	+3.0%	+12.5%	17,697.14
Taiwan Thailand		Bullish	Bearish	Bullish	Neutral	+0.0% -7.7%	+3.0% -9.3%	-2.4%	1,588.19
Turkey		Bullish	Neutral	Bullish	Neutral	-7.7%	-9.3% -15.9%	-2.4% -18.5%	1,388.19
Venezuela		Bullish	Neutral	Bullish	Bullish	-21.5% -12.9%	-15.5%	+3.9%	
v enezuera	13%	Dullisii	neutral	Dullisil	Dullisil	-12.9%	-13.3%	+3.9%	6,451.76

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.

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Recommended International Investment Funds

Share Repurchases

Aberforth Smaller Companies Trust made two onmarket share repurchases over the last month, acquiring 139,800 of its own shares for £1,972,301.

Scottish Oriental Smaller Companies made five trades, buying back 210,435 shares and returning £2,549,853 to investors.

India Capital Growth made its first on-market share repurchases. In four trades it acquired 262,444 of its own shares for £313,055. That is about an 11% discount to net asset value.

Herald Investment Trust repurchased 75,901 of its shares, in four trades, for £1,945,010.

Fund Reports

Aberdeen Standard Asia Focus plc lifted net assets +41.9% over the year to 31 July 2021, outperforming its two benchmark indices which rose +14.1% and +37.2%. The share price rose +38.2%.

The company will pay a 15.0 pence final dividend, plus a 1.0 pence special dividend, payable on 2 February (ex-dividend 7 January).

Aberdeen Standard Asia Focus is proposing some changes:

Firstly, a share split, with <u>every existing share split</u> <u>into five new shares</u>. That will reduce the share price (on five times as many shares) from £14.55 to about £2.91.

Secondly, the 2022 annual dividend will "target" 32.0 pence (before the split, or 6.4 pence after the split),

payable quarterly. The current year's dividend slightly *exceeded* the trust's dividend income from investments, but the trust has about 24 pence of retained reserves (i.e. past income, not yet distributed) which could be distributed. Then this new dividend policy will distribute dividends partially funded from "capital reserves" (i.e. from capital gains).

This is exactly the sort of distribution policy (i.e. paying high dividends from *income* and *capital*) used in NZ by funds like **Kingfish** and **Marlin Global** and other funds in the UK. Frankly we do <u>not</u> believe this is a good trend, but clearly Fund Managers globally can fool investors into thinking these are higher yielding investments! The dividend yield will be 2.2%, 50% from *income* and 50% from *capital*.

Historically, some funds have manipulated the dividend yield by charging some of the Management Fee to capital (i.e. boosting the net income available to pay dividends). This fund charges all expenses against income.

Thirdly, the annual management fee will be reduced from its current level of 0.96% of market capitalisation, The new fee will be 0.85% of the first £250 million, 0.6% of the next £500 million and 0.5% on any amount above £750 million. The market capitalisation is round £575 million, so the management fee will be around 25% lower at 0.71%.

Fourthly, the investment management team will

Recommended Funds Geographic Portfolio Spread

Fund Name	Size I	_everage	Top 10	Portfolio	investe	d in (%):									
	(Mil)	(%debt)	Hldgs (%)	Cash	HK .	Australia	Malay [*]	Taiwan Ko	rea Sing	ı. Thail'	d Phil.	China	India		
Aberdeen Std Asian	£578	11	33.8	1.4	6.5	1.0	6.4	15.2 5	.2 7.8	8.0	3.9	3.8	16.3	Indo 8	.0
India Capital Growth	£149	Nil	44.4	3.9									96.1		
Scottish Oriental Sm Coys	£348	9	34.2	1	4.9		1.8	7.5 2	.6 2.8	1.4	10.0	9.6	42.8	Indo 1	9.0
				Cash	USA	UK	Euro	pe Japan	Canada	Aust	Russia	China	Sth Afr	Sweden	Brazil
Aberforth Small Cos Trust	£1564	4	27.8			100.0		la a collectiv							
Baillie Gifford Shin Nippon	£795	8	30.0	0.5				99.5							
Fidelity Japan Trust plc	£334	23	44.8	0.0				100.0							
Herald Investment Trust	£1775	Nil	16.3	7.6	22.4	47.5	10.9	11.6							
iShares Oil & Gas Exp	£199		63.2	0.3	61.9			1.9	18.6	6.9	7.1			1.5	
iShares S&P500 Utilities	£101	Nil	64.3		100.0										
VanEck Gold Miners	£553	Nil	61.1	0.2	18.1				44.0	12.6		3.9	5.1		7.3
VanEck Junior Gold Miners	£389	Nil	37.1		5.5	4.9			51.4	15.8					4.0
				Cash	Nth Am	nerLat An	n Glob	al Euro	Asia	Africa	Aust				
CQS Natural Resources	£135	10	45.1	0.0	29.7	22.6	10.5	6.0	6.5	9.3	15.5				
				Cash	US	UK	China	/HK Korea	Taiwan	Brazil	India	Russia	Sth Afr	Thai	
Templeton Emerging Mkts	£2396	4	55.6	0.0	1.5	1.3	30.6	20.8	16.5	5.5	8.2	8.1	-	1.5	

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expand by two people "to reflect the importance of North Asia including China". So clearly the fund is looking to *increase* its exposure to China.

Fifthly, the investment policy will be amended to "allow more flexibility to invest in growing small companies across Asia". The current policy which limits investment to companies with a market capitalisation of less than US\$1.5 billion will be removed. This will allow the Manager to invest in larger, high growth companies, particularly in the larger markets of India and China. The trust will also make no new investments in Australia or New Zealand (although will retain three existing investments).

Finally, the trust will introduce a five year, performance linked tender offer. We can best explain this by saying that (1) *in certain circumstances* (i.e. if the fund under-performs the MSCI AC Asia ex-Japan Small Cap Index over a five year period) and (2) *at certain dates* (i.e. 31 July 2026, 2031, 2036, etc) then (3) shareholders will be offered the opportunity to tender a portion of their holdings for cash at close to the NAV but (4) this will be capped at a maximum of 25% of the issued capital.

Templeton Emerging Markets under-performed over the six months to 30 September 2021. Net assets

fell -7.5% compared with its benchmark index which fell only -1.0%. The share price was down -9.8%.

A steady interim dividend of 1.0 pence will be paid 10 January (ex-dividend 2 December).

The annual management fee will be reduced from 1 July 2022, from the current 1.0% of assets up to £1000 million and 0.8% on amounts over £1000 million to a new structure of 1.0% on the first £1000 million, 0.75% of the next £1000 million and 0.5% on amounts over £2000 million. With net assets around £2400 million that will drop the fee *very slightly* from around 0.88% to 0.80%,

Plus Another "Conditional Tender Offer" Scottish Oriental Smaller Companies is proposing a tender offer similar to the Aberdeen Standard Asia Focus tender offer discussed above.

Again (1) if the fund underperforms its benchmark index (2) over five year periods (to 31 August 2026, 2031, 2036, etc), then (3) subject to shareholder approval at the time (4) shareholders will be able to tender up to 25% of the company's capital (5) to be redeemed in cash at NAV less the costs of the tender less a further 2%.

This type of potential tender offer has little economic importance to investors . . . but presumably is being promoted by some investment management consulting group!

Currer Advice		EPIC Code	Initial Re Date		Price	Prem/ Disc to Net Assets	Recent Bid-Offer or Last Sale		Gain or Loss %
	United States								
HOLD	iShares S&P500 Utilities	IUSU	13/08/18	422.3p	819.4		556.63p	1091.4	+33
	United Kingdom								
BUY	Aberforth Smaller Cos Trt plc	ASL	15/07/03	375.5p	1042.0	-12%	1412.0p	2768.6	+166
	Gold & Commodities								
BUY	VanEck V. Gold Miners	GDGB	14/01/19	1731.0p	3253.8		2445.0p	4794.1	+47
BUY	VanEck V. Junior Gold Miners	GJGB	14/01/19	2011.0p	3780.1		2605.0p	5107.8	+35
BUY	CQS Natural Resources G&I	CYN	11/01/21	136.8p	256.1	-17%	154.5p	302.9	+18
	Asian Regional								
HOLD	Aberdeen Std Asia Focus	AAS	09/09/03	89.2p	247.8	-12%	1455.0p	2852.9	+1051
HOLD	Scot Oriental Smaller Coy	SST	11/11/03	121.9p	330.5	-9%	1160.0p	2274.5	+588
	India								
HOLD	India Capital Growth plc	IGC	07/11/16	80.5p	137.6	-11%	120.5p	236.3	+72
	Japan								
HOLD	Baillie Gifford Shin Nippon plc	BGS	11/01/94	31.2p	88.1	+2%	235.0p	460.8	+423
HOLD	Fidelity Japan Trust plc	FJV	10/01/06	126.0p	322.7	-3%	238.0p	466.7	+45
	International								
HOLD	Herald Investment Trust	HRI	12/10/04	310.8p	820.1	-9%	2410.0p	4725.5	+476
BUY	iShares Oil & Gas Exp & Prod	SPOG	08/04/19	1287.0p	2491.8		1332.25p	2612.3	+5
BUY	Templeton Emerging Markets	TEM	11/01/21	199.2p	373.0	-11%	177.6p	348.2	-7
* United Kingdom based Unit Trust									

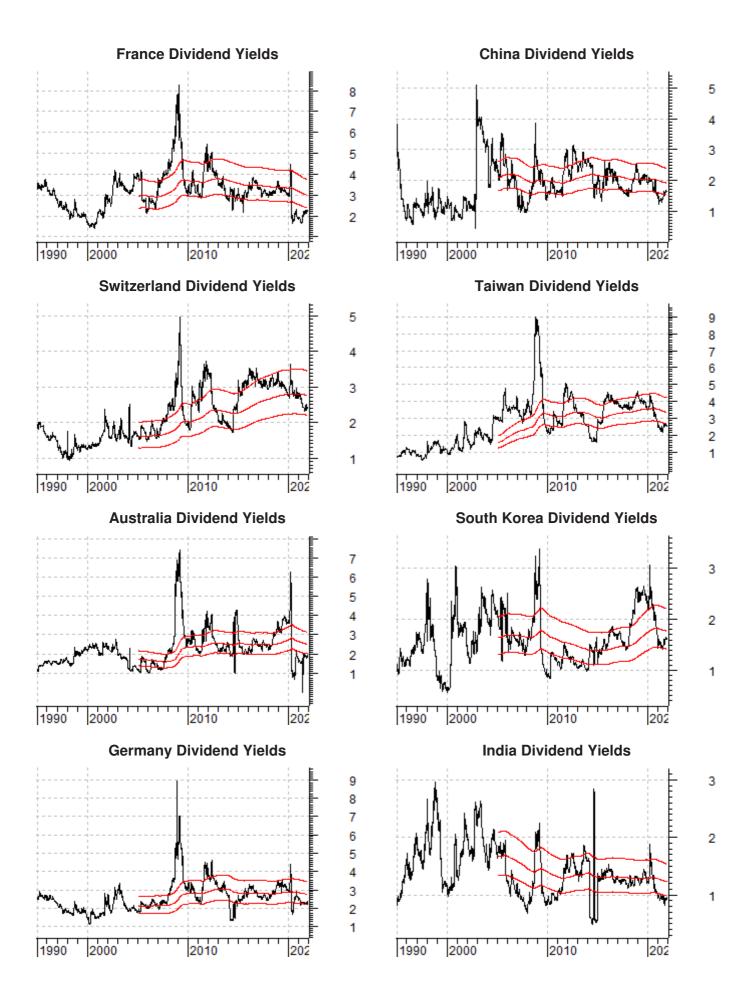
The average Gains/Losses of all current investments from initial recommendation is +227.2%. This is equal to an average annual rate of +22.0%, based upon the length of time each position has been held. The average annual rate of gain of ALL recommendations (both the 13 current and 59 closed out) is +14.0%.

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World Stockmarket Valuations

Country	Dividend Price/Ear Yield Ratio	n. Country	Dividend Price/Earn. Yield Ratio
Australia	3.6 21.2	Chile	3.4 13.0
Austria	1.9 11.9	China	1.6 16.4
Belgium	1.9 16.3	Greece	2.7 97.9
Canada	2.6 17.0	Egypt	7.4
Denmark	1.3 25.7	Hong Kong	2.7 12.6
Finland	2.7 32.3	Hungary	2.0 10.1
France	2.3 21.9	India	1.0 32.8
Germany	2.4 13.7	Indonesia	2.4 22.0
Ireland	1.3 24.3	Israel	1.0 19.4
Italy	3.2 16.0	Korea	1.6 15.1
Japan	2.1 17.1	Malaysia	4.1 15.4
Netherlands	1.4 24.3	Mexico	2.5 14.2
New Zealand	2.4 27.3	Philippines	1.3 25.0
Norway	2.9 25.3	Poland	2.6 16.7
Spain	3.1 16.3	Portugal	3.2 40.6
	2.1 11.5		5.4 8.0
Switzerland	2.5 21.5	Singapore	23.1
Un. Kingdom	3.4 20.8		3.3 11.1
=	1.3 26.3	Taiwan	2.6 17.0
Argentina	0.0 NE		2.9 20.7
Brazil			2.7 8.9
	3.8 18.4	•	
United State	es Dividend Yields	United Kin	gdom Dividend Yields 8 7 6 5 4 3
1990 2000	2010 202	1990 2000	2010 202
Japan D	ividend Yields	Canad	la Dividend Yields
Market May and		1	4 3 2
1990 2000	2010 202	1990 2000	2010 202

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World Stockmarket Capitalisations

Country	Market Percentage Capitalisation of Total	Country	Market Percentage Capitalisation of Total (US\$ Billions)
United States	(US\$ Billions) 52,311 42.13	Rangladoch	59 0.05
	14,080 11.34		55 0.04
	•		54 0.04
	5.38		
• •	5,803 4.67	_	51 0.04
			46 0.04
· ·	3,328 2.68	0 ,	
•	2,517 2.03	-	23 0.02
	2,200 1.77		23 0.02
Switzerland	1,906 1.53	Jordan	22 0.02
Australia	1,901 1.53	Croatia	21 0.02
Taiwan	1,889 1.52	lceland	0.01
Netherlands	1,756 1.41	Panama	14 0.01
Sweden	1,331 1.07	Ghana	0.01
UAE	1,309 1.05	Slovenia	10 0.01
	1,283 1.03	Lebanon	10 0.01
	1,276 1.03	Ivory Coast	10 0.01
	1,251 1.01		8 0.01
•	874 0.70		7 0.01
•	805 0.65		6 0.00
	707 0.57		6 0.00
	678 0.55		6 0.00
	568 0.46		6 0.00
	560 0.45		5 0.00
	466 0.38		5 0.00
	443 0.36		1 5 0.00
		_	4 0.00
•	410 0.33		4 0.00
	385 0.31		4 0.00
			3 0.00
	352 0.28		3 0.00
	301 0.24		2 0.00
	262 0.21		2 0.00
	182 0.15		2 0.00
	180 0.14		2 0.00
	176 0.14	Mongolia	2 0.00
Turkey	163 0.13	Georgia	0.00
	160 0.13	Latvia	0.00
	156 0.13		1 0.00
Peru	142 0.11	Syria	1 0.00
Kuwait	132 0.11	ΤΟΤΔΙ	\$124,175 100.00%
New Zealand	125 0.10		
Portugal	97 0.08	Ne	ext Issue:
_	91 0.07		national Investor will be emailed
_	90 0.07		Monday January 10, 2022.
	73 0.06		will be delivered later that week,
	73 0.06		ng and postal delivery times.
	69 0.06		- ^

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