

International Investor

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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	42%	Bullish	Bearish	Bearish	Neutral	-5.6%	-7.8%	-13.4%	6,909.70
Austria	38%	Bullish	Bearish	Bearish	Neutral	-3.6%	-21.8%	-23.4%	3,185.46
Belgium	31%	Neutral	Bearish	Bearish	Neutral	-7.0%	-15.7%	-21.8%	3,770.25
Canada	33%	Neutral	Bearish	Bearish	Neutral	-6.0%	-3.5%	-4.2%	20,274.82
Denmark	19%	Bearish	Bearish	Bearish	Bearish	-3.4%	-15.9%	-10.4%	1,664.72
Finland	38%	Bullish	Bearish	Neutral	Bearish	-3.9%	-20.3%	-24.8%	10,776.51
France	35%	Bullish	Bearish	Bearish	Neutral	-4.8%	-17.5%	-19.2%	4,719.15
Germany	36%	Bullish	Bearish	Bearish	Neutral	-2.9%	-18.1%	-23.8%	13,761.83
Ireland	34%	Neutral	Bearish	Bearish	Bullish	-7.6%	-22.6%	-29.0%	6,806.27
Italy	46%	Bullish	Bearish	Neutral	Neutral	-5.8%	-21.6%	-23.9%	24,680.41
Japan	42%	Neutral	Neutral	Bearish	Neutral	-1.1%	-15.3%	-19.5%	27,824.29
Netherlands	26%	Neutral	Bearish	Bearish	Neutral	-2.8%	-19.5%	-18.6%	681.97
New Zealand	31%	Bullish	Bearish	Bearish	Neutral	-14.0%	-20.7%	-23.5%	1,624.23
Norway	63%	Bullish	Bullish	Bullish	Neutral	-0.6%	+1.2%	+0.5%	1,418.93
Spain	39%	Bullish	Bearish	Bearish	Neutral	-1.0%	-6.0%	-20.7%	833.28
Sweden	44%	Bullish	Bearish	Neutral	Neutral	-9.6%	-27.4%	-29.9%	1,416.19
Switzerland	32%	Neutral	Bearish	Bearish	Bearish	-9.0%	-18.1%	-14.9%	11,084.62
Un. Kingdom	40%	Bullish	Bearish	Bearish	Neutral	-3.5%	-6.7%	-10.4%	7,317.52
USA	31%	Bearish	Bearish	Neutral	Neutral	-7.2%	-17.2%	-8.2%	3,900.86
Argentina	54%	Bullish	Neutral	Bearish	Neutral	-10.5%	-13.0%	+5.3%	89,141.39
Brazil	56%	Bullish	Bearish	Neutral	Neutral	-4.5%	+9.7%	-16.4%	105,481.00
Czech Rep.	35%	Bullish	Bearish	Bearish	Bearish	-1.3%	-10.8%	-0.3%	1,315.29
Chile	70%	Bullish	Bullish	Bearish	Neutral	+12.0%	+25.9%	+9.2%	27,547.95
China	63%	Neutral	Neutral	Bullish	Bullish	-6.2%	-14.9%	-12.7%	3,284.83
Greece	31%	Neutral	Bearish	Bearish	Neutral	+0.2%	-10.7%	-19.0%	862.55
Egypt	51%	Bullish	Bearish	Bullish	Neutral	-18.0%	-25.6%	-14.4%	10,235.43
Hong Kong	45%	Neutral	Bearish	Neutral	Neutral	+5.8%	-9.7%	-25.3%	21,806.18
Hungary	35%	Bullish	Bearish	Neutral	Bearish	-14.9%	-33.6%	-38.2%	39,663.15
India	34%	Bearish	Bearish	Bearish	Bullish	-4.1%	-10.5%	-2.9%	54,303.44
Indonesia	67%	Bullish	Bullish	Bullish	Neutral	+0.1%	+4.7%	+12.9%	7,086.65
Israel	45%	Bullish	Bearish	Bearish	Bearish	-8.0%	-11.2%	+4.8%	1,939.33
Korea	33%	Neutral	Bearish	Neutral	Neutral	-6.1%	-20.7%	-30.5%	2,595.87
Malaysia	45%	Bullish	Bearish	Neutral	Neutral	-9.2%	-4.0%	-11.3%	1,493.95
Mexico	47%	Bullish	Bearish	Neutral	Neutral	-4.3%	-0.8%	-5.3%	48,471.52
Philippines	37%	Neutral	Bearish	Neutral	Bearish	-9.4%	-13.9%	-14.9%	6,530.04
Poland	27%	Bullish	Bearish	Bearish	Bearish	-11.7%	-26.1%	-30.6%	54,307.76
Portugal	53%	Neutral	Bullish	Bearish	Bearish	+4.6%	+2.2%	+4.6%	4,545.25
Russia	43%	Bullish	Neutral	Bearish	Neutral	+185.4%	-1.2%	-6.7%	1,268.83
Singapore	55%	Bullish	Bearish	Bullish	Neutral	-0.8%	+0.2%	-2.2%	333.10
Sth Africa	46%	Bullish	Bearish	Neutral	Neutral	-13.4%	-5.3%	-13.3%	61,348.19
Taiwan	37%	Neutral	Bearish	Neutral	Neutral	-8.7%	-13.7%	-10.8%	16,460.12
Thailand	49%	Neutral	Bearish	Bullish	Bearish	-5.7%	-2.5%	-10.8%	1,632.62
Turkey	59%	Bullish	Bullish	Bearish	Neutral	+6.7%	+1.3%	-14.7%	2,543.10
Venezuela	56%	Bullish	Neutral	Bullish	Bearish	-3.9%	-7.3%	-26.4%	6,125.18

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

As we pointed out three months ago (*International Investor* No 315, March 14, 2022) “Dividend Yields suggest extreme under-valuation in Russia, Brazil and Chile, plus good value in Germany, Austria, Australia, Japan and Malaysia”.

Over the last quarter, stockmarket valuations have generally continued to improve. The United States stockmarket still looks expensive, and the United Kingdom and Canada markets trade at close to the middle of historical averages. An economic recession could easily take these markets lower . . .

But many other stockmarkets are becoming even more under-valued. Statistics for Russia are not reliable. The market is open to local investors, but Russian authorities ban foreign investors from selling . . . and sanctions ban foreign investors from buying. Russian shares are treated as valueless - which makes calculating Dividend Yields or Price/Earnings ratios meaningless.

Brazil's average Dividend Yields, however, have risen to around 10.9% - far above the historical “fair” value range of about 2½-4¾%. The average P/E Ratio is a low 5.6. The largest holdings here are Vale (iron ore) and Petrobras (oil & gas), both of which trade at very low valuations *and* should benefit from inflation lifting commodity and energy prices.

Energy and commodity companies could perform relatively well during a period of stagflation . . . yet these are the shares that are the most undervalued today!

Chile average Dividend Yields are up slightly to 5.3%.

Stockmarkets in Australia and Japan continue to offer good value, while Germany, Austria and Malaysia are at historical extremes of under-valuation.

China's stockmarket now appears to offer good value, while South Korea's is approaching an extreme of under-valuation.

Average Dividend Yields are a good indication of stockmarket “value” . . . and a good *medium to long term* forecaster of future stockmarket returns. In the short term, recession and stagflation could drive valuations lower in the United States and other markets . . . but the already low valuations suggests the downside risk may be limited in many markets.

Our portfolio remains focused on Gold, Commodities and Energy - sectors that currently offer good value *and* which we expect to perform relatively well during a protracted period of stagflation.

Recommended Funds Geographic Portfolio Spread

Fund Name	Size (Mil)	Leverage (%debt)	Top 10 Hldgs (%)	Portfolio invested in (%):													
				Cash	HK	Australia	Malay	Taiwan	Korea	Sing.	Thail'd	Phil.	China	India	Indo		
abrdn Asia Focus	£551	12	31.9	1.5	6.7	1.2	7.8	10.4	5.5	6.9	7.4	4.2	5.4	16.6	Indo 9.8		
India Capital Growth	£125	Nil	43.0	5.1										94.9			
Scottish Oriental Sm Coys	£316	9	35.9		4.8		0.0	6.0	2.5	3.1	2.3	9.2	14.0	35.8	Indo 23.8		
				Cash	USA	UK	Europe	Japan	Canada	Aust	Russia	China	Sth Afr	Sweden	Brazil		
Aberforth Small Cos Trust	£1450	7	27.6			100.0											
Baillie Gifford Shin Nippon	£576	18	26.4	0.4				99.6									
Fidelity Japan Trust plc	£230	22	40.8	0.0				100.0									
Herald Investment Trust	£1449	Nil	16.3	6.9	24.1	47.6	10.3	11.1									
iShares Oil & Gas Exp	£445	Nil	60.1	0.5	68.7	1.0	0.7	1.9	20.3	5.4		0.2		1.1			
iShares S&P500 Utilities	£108	Nil	61.6		100.0												
VanEck Gold Miners	£607	Nil	64.3	8.9	20.2				41.2	14.0		4.0	4.1		7.5		
VanEck Junior Gold Miners	£32	Nil	40.5	0.1	3.6	4.6			45.6	20.5		1.0	1.9		5.7		
				Cash	Nth Amer	Lat Am	Global	Euro	Asia	Africa	Aust						
CQS Natural Resources	£177	11	42.5		39.4	15.8	7.7	3.9	5.9	9.2	17.5						
				Cash	US	UK	China/HK	Korea	Taiwan	Brazil	India	Russia	Sth Afr	Thai			
Templeton Emerging Mkts	£2009	1	52.9		3.5	1.5	28.1	23.2	16.4	9.0	9.5	6.3	-	2.2			

Recommended International Investment Funds

Dividend

abrdn Asia Focus plc has declared a second interim dividend of 1.6 pence, payable on 17 June (ex-dividend 26 May). Under the new dividend policy the company is planning quarterly dividends of around this level.

Share Repurchases

Aberforth Smaller Companies Trust plc made two on-market share repurchases over the last five weeks, acquiring 95,000 shares for £1,212,985.

Scottish Oriental Smaller Companies made 13 share repurchases on-market, buying back a total of 263,000 shares for £2,812,625.

India Capital Growth made two on-market acquisitions to buy-back 85,003 shares for £84,558.

Fidelity Japan Trust made one on-market trade of 50,000 shares for £78,414.

Herald Investment Trust plc was very active, repurchasing 529,175 shares for £9,248,864 in 13 on-market trades.

Templeton Emerging Markets made 14 on-market trades to repurchase a total of 1,666,549 shares and return £2,423,416 to investors.

Current Advice	Investment Fund	EPIC Code	Initial Recommendation			Prem/ Disc to Net Assets	Recent Price		Gain or Loss %
			--- Date ---	Offer	Price		Bid-Offer or	NZ	
			Foreign	NZ		Last Sale	Cents		
	United States								
HOLD	iShares S&P500 Utilities	IUSU	13/08/18	422.3p	819.4		646.25p	1250.5	+53
	United Kingdom								
BUY	Aberforth Smaller Cos Trt plc	ASL	15/07/03	375.5p	1042.0	-16%	1302.0p	2519.3	+142
	Gold & Commodities								
BUY	VanEck V. Gold Miners	GDGB	14/01/19	1731.0p	3253.8		2777.0p	5373.5	+65
BUY	VanEck V. Junior Gold Miners	GJGB	14/01/19	2011.0p	3780.1		2755.0p	5330.9	+41
BUY	CQS Natural Resources G&I	CYN	11/01/21	136.8p	256.1	-10%	213.0p	412.2	+61
	Asian Regional								
HOLD	abrdn Asia Focus	AAS	09/09/03	17.8p	49.6	-13%	260.0p	503.1	+915
HOLD	Scot Oriental Smaller Coy	SST	11/11/03	121.9p	330.5	-9%	1087.5p	2104.3	+537
	India								
HOLD	India Capital Growth plc	IGC	07/11/16	80.5p	137.6	-12%	103.5p	200.3	+46
	Japan								
BUY	Baillie Gifford Shin Nippon plc	BGS	11/01/94	31.2p	88.1	-7%	149.4p	289.1	+228
BUY	Fidelity Japan Trust plc	FJV	10/01/06	126.0p	322.7		162.5p	314.4	-3
	International								
HOLD	Herald Investment Trust	HRI	12/10/04	310.8p	820.1	-23%	1724.0p	3335.9	+307
BUY	iShares Oil & Gas Exp & Prod	SPOG	08/04/19	1287.0p	2491.8		2262.0p	4376.9	+76
HOLD	Templeton Emerging Markets	TEM	11/01/21	199.2p	373.0	-14%	152.6p	295.3	-21

* United Kingdom based Unit Trust

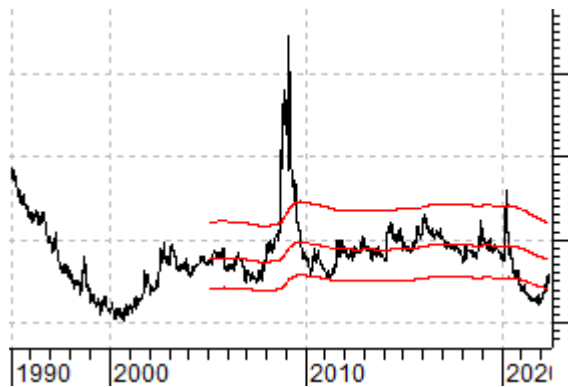
The average Gains/Losses of all current investments from initial recommendation is +188.2%. This is equal to an average annual rate of +17.3%, based upon the length of time each position has been held. The average annual rate of gain of ALL recommendations (both the 13 current and 59 closed out) is +13.0%.

World Stockmarket Valuations

Country	Dividend Yield	Price/Earn. Ratio
Australia	4.7	15.8
Austria	4.3	8.2
Belgium	2.7	15.7
Canada	2.9	14.4
Denmark	2.0	17.5
Finland	3.4	19.8
France	2.9	16.0
Germany	3.6	12.4
Ireland	1.7	18.3
Italy	5.0	9.3
Japan	2.4	13.6
Netherlands	2.2	17.5
New Zealand	3.0	22.1
Norway	3.7	13.0
Spain	3.7	12.0
Sweden	3.4	16.0
Switzerland	2.8	17.1
Un. Kingdom	3.7	14.5
USA	1.6	19.9
Argentina	3.5	2.9
Brazil	10.9	5.7
Czech Rep.	5.5	13.5

Country	Dividend Yield	Price/Earn. Ratio
Chile	5.3	11.2
China	2.0	15.5
Greece	2.6	96.2
Egypt	4.1	6.5
Hong Kong	2.6	14.4
Hungary	1.9	10.4
India	1.2	24.0
Indonesia	3.1	17.1
Israel	2.5	12.5
Korea	2.2	9.9
Malaysia	3.9	17.1
Mexico	3.4	12.9
Philippines	2.0	18.6
Poland	3.2	6.8
Portugal	3.3	51.7
Russia	10.6	4.3
Singapore	3.7	20.7
Sth Africa	3.8	10.6
Taiwan	2.8	13.0
Thailand	2.8	18.9
Turkey	3.4	6.4
Venezuela	0.0	0.0

United States Dividend Yields



United Kingdom Dividend Yields



Japan Dividend Yields



Canada Dividend Yields



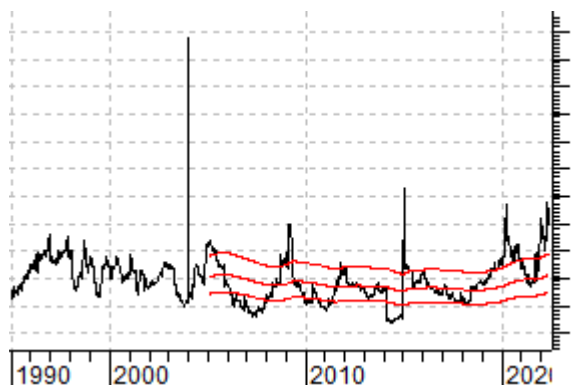
Brazil Dividend Yields



China Dividend Yields



Chile Dividend Yields



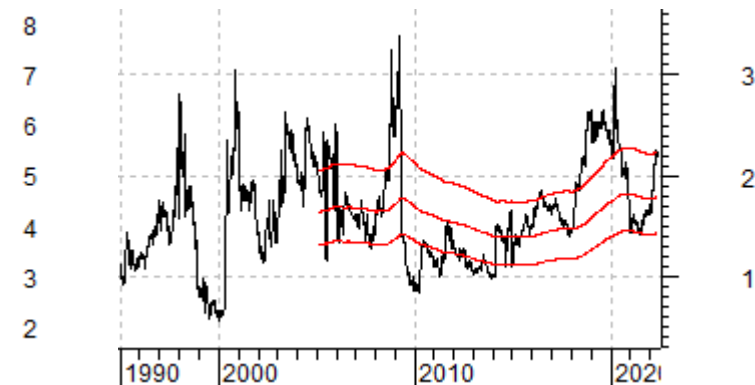
Malaysia Dividend Yields



Australia Dividend Yields



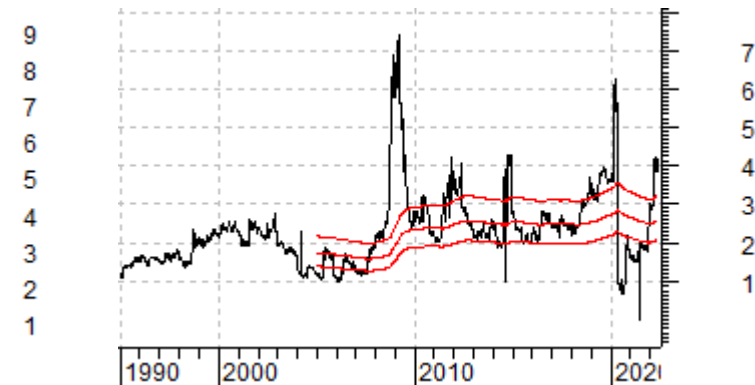
South Korea Dividend Yields



Germany Dividend Yields



Austria Dividend Yields



World Stockmarket Capitalisations

Country	Market Capitalisation (US\$ Billions)	Percentage of Total	Country	Market Capitalisation (US\$ Billions)	Percentage of Total
United States	48,399	43.11	Czech Republic	54	0.05
China	11,668	10.39	Luxembourg	51	0.05
Japan	5,553	4.95	Kazakhstan	50	0.04
Hong Kong	4,817	4.29	Oman	46	0.04
Saudi Arabia	3,326	2.96	Romania	44	0.04
India	3,322	2.96	Egypt	36	0.03
Canada	3,232	2.88	Argentina	31	0.03
France	3,027	2.70	Bahrain	31	0.03
United Kingdom	3,012	2.68	Jordan	25	0.02
South Korea	2,029	1.81	Hungary	20	0.02
Germany	2,024	1.80	Croatia	20	0.02
Australia	1,814	1.62	Kenya	17	0.02
Taiwan	1,800	1.60	Iceland	16	0.01
Switzerland	1,699	1.51	Lebanon	15	0.01
Netherlands	1,414	1.26	Panama	14	0.01
South Africa	1,333	1.19	Sri Lanka	10	0.02
Iran	1,221	1.09	Ivory Coast	10	0.01
Spain	1,215	1.08	Ghana	9	0.01
Sweden	1,013	0.90	Slovenia	9	0.01
Brazil	970	0.86	Tunisia	8	0.01
Italy	727	0.65	Bulgaria	6	0.01
Singapore	659	0.59	Mauritius	6	0.01
Indonesia	644	0.57	Lithuania	5	0.00
Denmark	617	0.55	Uzbekistan	5	0.00
Thailand	577	0.51	Estonia	5	0.00
UAE	547	0.49	Serbia	5	0.00
Mexico	481	0.43	Malta	5	0.00
Norway	437	0.39	Bosnia & Herzegovina	5	0.00
Malaysia	399	0.36	Palestine	4	0.00
Belgium	367	0.33	Ukraine	4	0.00
Israel	334	0.30	North Macedonia	4	0.00
Philippines	328	0.29	Botswana	3	0.00
Finland	312	0.28	Malawi	3	0.00
Poland	273	0.24	Costa Rica	2	0.00
Vietnam	222	0.20	Cyprus	2	0.00
Qatar	201	0.18	Mozambique	2	0.00
Chile	182	0.16	Slovakia	2	0.00
Turkey	172	0.15	Mongolia	2	0.00
Russia	170	0.15	Georgia	1	0.00
Kuwait	151	0.13	Latvia	1	0.00
Ireland	144	0.13	Syria	1	0.00
Peru	141	0.13	Sudan	1	0.00
Austria	135	0.12			
New Zealand	123	0.11			
Colombia	107	0.10			
Portugal	93	0.08			
Nigeria	69	0.06			
Greece	67	0.06			
Morocco	65	0.06			
Bangladesh	56	0.05			
			TOTAL	\$112,278	100.00%

Next Issue:

The next issue of *International Investor* will be emailed in four weeks time on Monday July 11, 2022.

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

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