

# 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	68%	Bullish	Bullish	Neutral	Neutral	+3.7%	+0.3%	-7.5%	7,177.70
Austria	62%	Bullish	Bullish	Bearish	Neutral	+12.3%	-0.3%	-22.1%	3,166.36
Belgium	49%	Neutral	Neutral	Bearish	Neutral	+6.7%	-1.0%	-16.6%	3,721.33
Canada	42%	Neutral	Bearish	Bearish	Neutral	-3.3%	-7.5%	-10.8%	19,947.07
Denmark	61%	Bearish	Bullish	Neutral	Neutral	+13.8%	+10.7%	-6.9%	1,836.55
Finland	61%	Bullish	Bullish	Neutral	Neutral	+9.9%	+3.6%	-17.5%	11,130.32
France	64%	Neutral	Bullish	Neutral	Neutral	+12.0%	+6.7%	-12.0%	5,018.34
Germany	59%	Bullish	Bullish	Bearish	Neutral	+15.3%	+4.7%	-14.2%	14,370.72
Ireland	49%	Bearish	Bullish	Bearish	Bearish	+8.1%	+6.9%	-17.3%	7,251.19
Italy	67%	Bullish	Bullish	Bearish	Neutral	+14.8%	+7.0%	-16.2%	26,320.45
Japan	47%	Neutral	Neutral	Neutral	Bearish	+3.3%	-3.7%	-18.4%	27,901.01
Netherlands	56%	Neutral	Bullish	Bearish	Neutral	+10.9%	+6.5%	-14.3%	724.17
New Zealand	30%	Bullish	Bearish	Bearish	Bearish	-2.7%	-7.8%	-26.9%	1,482.90
Norway	61%	Bullish	Neutral	Neutral	Neutral	-1.5%	-6.3%	-5.2%	1,367.17
Spain	57%	Bullish	Bullish	Bearish	Neutral	+8.4%	-0.7%	-6.6%	825.23
Sweden	45%	Bullish	Bearish	Bearish	Neutral	+2.5%	-9.7%	-34.4%	1,314.80
Switzerland	56%	Bullish	Bullish	Neutral	Neutral	+4.7%	+6.0%	-13.3%	11,068.30
Un. Kingdom	59%	Bullish	Bullish	Bearish	Neutral	+8.0%	+2.1%	-4.8%	7,476.63
USA	32%	Bearish	Bearish	Bearish	Neutral	-3.3%	+0.9%	-16.5%	3,934.38
Argentina	61%	Neutral	Bullish	Bearish	Neutral	-1.5%	+37.7%	+19.8%	171,177.90
Brazil	49%	Bullish	Bearish	Bearish	Neutral	-5.7%	-2.7%	+6.7%	107,520.00
Czech Rep.	40%	Bullish	Bearish	Bearish	Neutral	+3.8%	-9.0%	-18.8%	1,173.08
Chile	67%	Bullish	Bullish	Bearish	Bullish	-5.7%	-1.7%	+23.8%	27,701.24
China	56%	Bullish	Neutral	Neutral	Neutral	-2.1%	-5.9%	-19.9%	3,206.95
Greece	60%	Neutral	Bullish	Bearish	Bullish	+14.3%	+6.5%	-4.9%	915.99
Egypt	58%	Neutral	Bullish	Neutral	Neutral	+13.6%	+10.4%	-17.9%	14,838.31
Hong Kong	45%	Neutral	Neutral	Bearish	Neutral	+3.6%	-8.0%	-16.9%	19,900.87
Hungary	44%	Bullish	Bullish	Bearish	Neutral	+6.4%	+6.1%	-29.6%	44,182.00
India	60%	Bearish	Bullish	Neutral	Neutral	+0.4%	+8.5%	-2.9%	62,181.67
Indonesia	46%	Bullish	Bearish	Bullish	Bearish	-11.8%	-11.0%	-6.9%	6,715.12
Israel	43%	Bullish	Bearish	Neutral	Bearish	-8.7%	-4.5%	-15.2%	1,865.31
Korea	46%	Bullish	Bearish	Neutral	Neutral	+6.1%	-9.3%	-28.0%	2,389.04
Malaysia	57%	Bullish	Neutral	Neutral	Bearish	+1.5%	-1.2%	-5.1%	1,477.19
Mexico	56%	Bullish	Bullish	Bearish	Neutral	+7.8%	+4.8%	+3.9%	50,466.25
Philippines	57%	Neutral	Neutral	Bullish	Bearish	+2.2%	-3.4%	-16.8%	6,580.12
Poland	53%	Bullish	Bullish	Bearish	Neutral	+15.8%	+1.4%	-25.1%	55,836.35
Portugal	51%	Bullish	Bullish	Bearish	Neutral	-1.3%	-2.2%	-0.0%	4,433.02
Russia	74%	Bullish	Bearish	Bullish	Bullish	-15.6%	-19.0%	-19.9%	1,099.12
Singapore	61%	Bullish	Bullish	Neutral	Neutral	+3.0%	+4.9%	+5.1%	340.19
Sth Africa	63%	Bullish	Bullish	Bearish	Bearish	+9.5%	+1.7%	-3.6%	68,350.46
Taiwan	54%	Bullish	Bearish	Neutral	Neutral	+1.4%	-13.6%	-25.4%	14,705.43
Thailand	56%	Neutral	Bullish	Neutral	Neutral	+2.9%	-0.4%	-2.9%	1,623.13
Turkey	75%	Bearish	Bullish	Bullish	Bullish	+38.9%	+80.4%	+82.8%	5,005.30
Venezuela	62%	Bullish	Bullish	Bearish	Bearish	+7.9%	+3.9%	-3.7%	16,462.52

**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

Average Dividend Yields in many countries - especially in South America, Europe and Asia - remain near historical highs, indicating share prices are at historical extremes of under-valuation.

By comparison, the United States, the United Kingdom and Canada are still relatively pricey, with share prices only near historical "fair valuations".

What could possibly go wrong?

Firstly, Dividend Yields are a long term indicator of future share price returns. Dividend Yields tell us nothing about short term returns, so stockmarkets *could* trend lower over the next 3-6 months.

Dividend Yields are an excellent forecaster of long term future returns, so current high yields (i.e. low valuations and low share prices) predict *above average returns over the next 1-5 years*. Now is a good time for long term investors to be accumulating positions in under-valued markets.

Secondly, the "bear case" argument is that Yields are high (i.e. current share prices are low) as the world is heading into a recession or period of stagflation or other unfavourable economic period and current share prices are "discounting" or anticipating that unfavourable environment. We will accept that, but point out that many stockmarkets have *already fully discounted* the worse recession in 30-50 years!

Shares in companies are the best long term investments as *whatever* happens in the future, companies are the economic entities best able to adapt and prosper.

Stockmarkets, of course, fluctuate in value - mainly as investors want to sell shares at low prices (to avoid expected declines in an expected economic downturn) and want to buy shares at high prices (to make further gains in expected endless economic expansions).

We prefer to buy low when most other investors are excessively pessimistic and sell high when most other investors are excessively optimistic.

Today our indicators are telling us that other investors are extremely pessimistic. Many markets trade at extremes of undervaluation not seen before!

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## 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						
abrdn Asia Focus	£488	15	31.3	0.5	6.2	1.8	8.1	9.2	6.2	6.3	6.7	4.0	6.5	17.8	Indo	11.5				
India Capital Growth	£135	Nil	42.3	4.2										95.8						
Scottish Oriental Sm Coys	£317	9	40.1		6.5			9.2	1.2	3.0	1.0	8.6	12.6	40.1	Indo	23.7				
				Cash	USA	UK	Europe	Japan	Canada	Aust	Russia	China	Sth Afr	Mexico	Brazil					
Aberforth Small Cos Trust	£1306	4	27.7			100.0														
Baillie Gifford Shin Nippon	£597	14	24.4	1.6				98.4												
Fidelity Japan Trust plc	£231	22	38.5	0.0				100.0												
Herald Investment Trust	£1337	Nil	16.5	11.5	22.5	44.3	10.4	11.3												
iShares Oil & Gas Exp	£321	Nil	63.3	0.5	69.2	0.9	1.4	1.6	17.6	8.5		0.1								
iShares S&P500 Utilities	£396	Nil	59.8	0.4	99.6															
VanEck Gold Miners	£585	Nil	63.1	0.2	17.4				41.2	13.4		4.7	5.8		8.1					
VanEck Junior Gold Miners	£341	Nil	38.6	0.1	4.1	4.1			50.1	16.4		1.4	2.4	6.3	6.1					
				Cash	Nth Amer	Lat Am	Global	Euro	Asia	Africa	Aust									
CQS Natural Resources	£172	10	47.5	46.6	12.4	9.6	2.8	5.6	8.8	14.2										
				Cash	US	UK	China/HK	Korea	Taiwan	Brazil	India	Mexico	Sth Afr	Thai						
Templeton Emerging Mkts	£1791	Nil	46.1	4.2	1.7	25.1	19.5	14.3	11.5	13.5	2.4	-	2.7							

# Recommended International Investment Funds

## Fund Reports

**abrdn Asia Focus plc** will pay a first quarterly dividend of 1.6 pence on 20 December, ex-dividend 24 November.

**Templeton Emerging Markets plc** suffered a -8.3% drop in net assets over the half year to 30 September 2022, slightly worse than its benchmark index which fell -7.4%. The trust will pay a 2.0 pence dividend on 27 January, ex-dividend 15 December.

## Share Repurchases

**Aberforth Smaller Companies Trust** made one large on-market share purchase over the last five weeks, acquiring 100,000 of its own shares for £1,292,000.

**Scottish Oriental Smaller Companies** made two trades, repurchasing 10,000 shares for £113,500.

**Herald Investment Trust** also made two trades over the last five weeks, to repurchase 150,000 shares at a cost of £2,735,888.

**Templeton Emerging Markets plc** made a total of 13 on-market trades, repurchasing 1,781,062 shares for £2,558,290.

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>United States</b>								
HOLD	iShares S&P500 Utilities	IUSU	13/08/18	422.3p	819.4	654.5p	1252.2	+53	
	<b>United Kingdom</b>								
HOLD	Aberforth Smaller Cos Trt plc	ASL	15/07/03	375.5p	1042.0	-11%	1298.0p	2483.3	+138
	<b>Gold &amp; Commodities</b>								
BUY	VanEck V. Gold Miners	GDGB	14/01/19	1731.0p	3253.8		2622.0p	5016.3	+54
BUY	VanEck V. Junior Gold Miners	GJGB	14/01/19	2011.0p	3780.1		2584.0p	4943.6	+31
BUY	CQS Natural Resources G&I	CYN	11/01/21	136.8p	256.1	-13%	199.0p	380.7	+49
	<b>Asian Regional</b>								
HOLD	abrdn Asia Focus	AAS	09/09/03	17.8p	49.6	-11%	249.0p	476.4	+861
HOLD	Scot Oriental Smaller Coy	SST	11/11/03	121.9p	330.5	-11%	1160.0p	2219.2	+571
	<b>India</b>								
BUY	India Capital Growth plc	IGC	07/11/16	80.5p	137.6	-9%	126.5p	242.0	+76
	<b>Japan</b>								
HOLD	Baillie Gifford Shin Nippon plc	BGS	11/01/94	31.2p	88.1	-8%	153.6p	293.9	+234
HOLD	Fidelity Japan Trust plc	FJV	10/01/06	126.0p	322.7	-7%	171.5p	328.1	+2
	<b>International</b>								
HOLD	Herald Investment Trust	HRI	12/10/04	310.8p	820.1	-15%	1774.0p	3393.9	+314
BUY	iShares Oil & Gas Exp & Prod	SPOG	08/04/19	1287.0p	2491.8		1992.0p	3811.0	+53
HOLD	Templeton Emerging Markets	TEM	11/01/21	199.2p	373.0	-13%	146.0p	279.3	-25

\* United Kingdom based Unit Trust

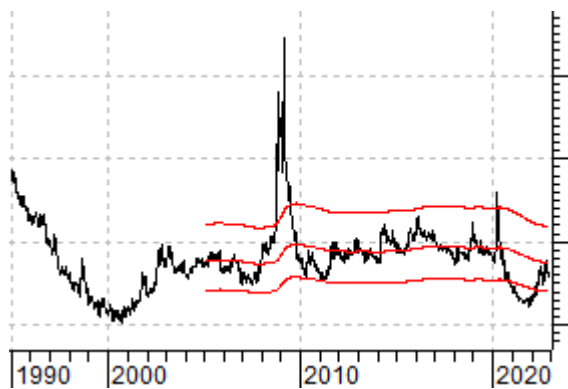
The average Gains/Losses of all current investments from initial recommendation is +185.4%. This is equal to an average annual rate of +16.3%, based upon the length of time each position has been held. The average annual rate of gain of ALL recommendations (both the 13 current and 59 closed out) is +12.8%.

# World Stockmarket Valuations

Country	Dividend Yield	Price/Earn. Ratio
Australia	4.6	15.1
Austria	4.4	6.7
Belgium	2.8	17.6
Canada	3.0	13.3
Denmark	1.9	17.0
Finland	3.4	19.0
France	2.8	15.4
Germany	3.6	14.1
Ireland	1.7	16.5
Italy	4.8	7.6
Japan	2.5	14.2
Netherlands	2.2	21.2
New Zealand	3.0	25.2
Norway	4.6	7.1
Spain	3.9	10.1
Sweden	3.2	22.1
Switzerland	2.9	16.9
Un. Kingdom	3.7	11.8
USA	1.6	19.9
Argentina	2.2	3.5
Brazil	14.6	5.4
Czech Rep.	8.7	7.5

Country	Dividend Yield	Price/Earn. Ratio
Chile	7.2	6.5
China	2.3	15.1
Greece	2.3	9.1
Egypt	2.7	9.3
Hong Kong	2.8	15.5
Hungary	1.9	10.4
India	1.2	26.0
Indonesia	3.1	13.9
Israel	3.7	9.3
Korea	2.3	9.5
Malaysia	3.9	16.5
Mexico	3.8	13.2
Philippines	2.0	16.9
Poland	3.9	5.5
Portugal	3.6	20.6
Russia	11.3	4.0
Singapore	3.9	19.3
Sth Africa	3.9	11.0
Taiwan	4.5	10.8
Thailand	2.9	17.2
Turkey	1.8	6.7

United States Dividend Yields



United Kingdom Dividend Yields



Japan Dividend Yields



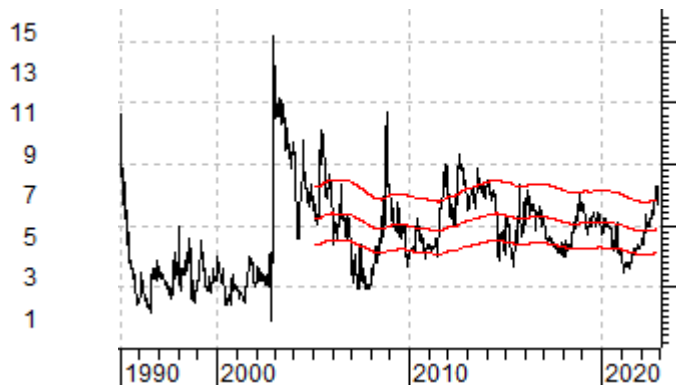
Canada Dividend Yields



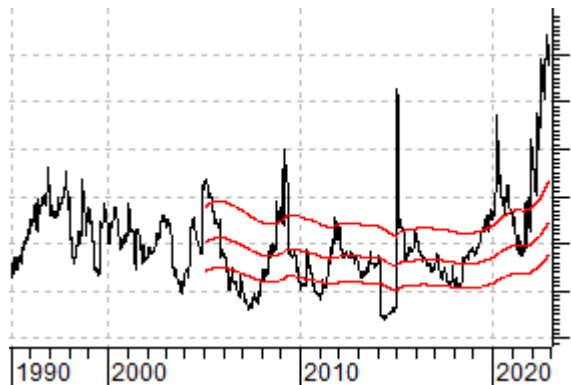
**Brazil Dividend Yields**



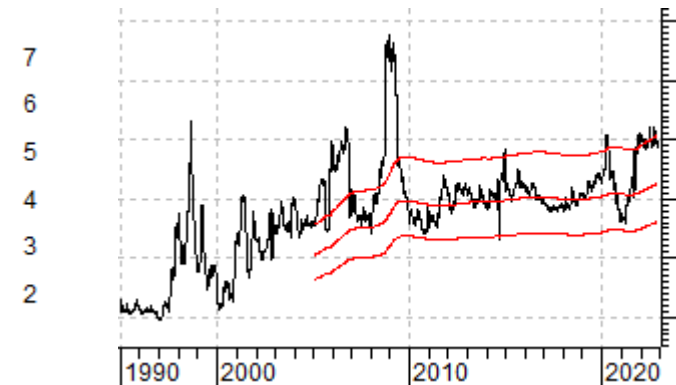
**China Dividend Yields**



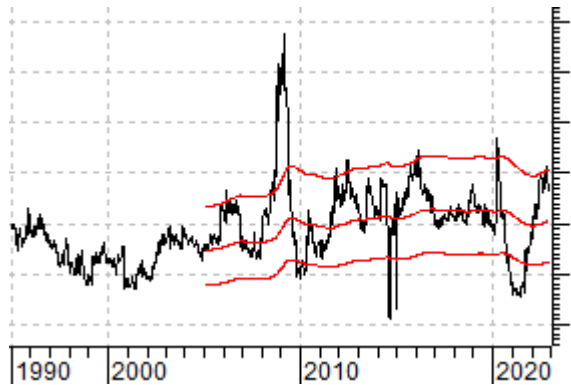
**Chile Dividend Yields**



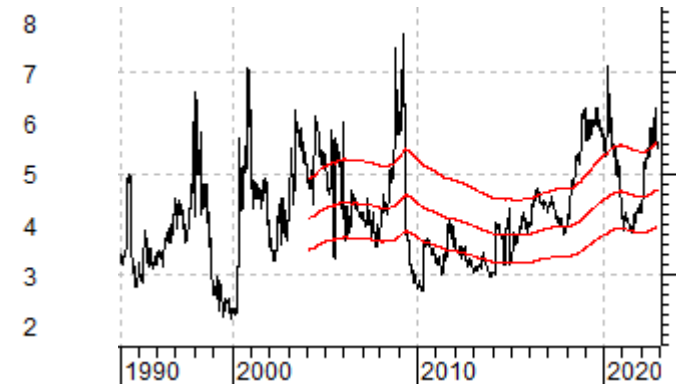
**Malaysia Dividend Yields**



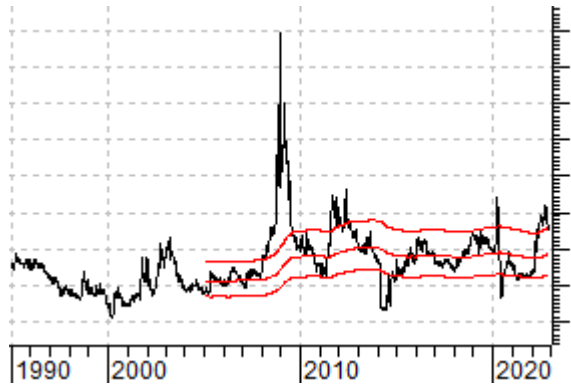
**Australia Dividend Yields**



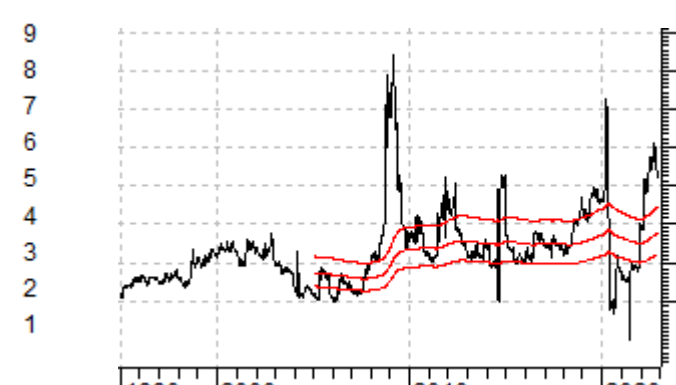
**South Korea Dividend Yields**



**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	41,569	44.49	Luxembourg	52	0.05
China	11,512	10.77	Bangladesh	48	0.05
Japan	5,330	4.88	Kazakhstan	48	0.04
Hong Kong	4,258	4.16	Oman	48	0.04
India	3,543	3.24	Czech Republic	41	0.04
France	3,061	2.68	Romania	41	0.03
Canada	2,803	2.80	Egypt	35	0.03
United Kingdom	2,757	2.43	Bahrain	30	0.02
Saudi Arabia	2,725	2.80	Hungary	26	0.02
Germany	1,905	1.55	Jordan	25	0.02
South Korea	1,740	1.59	Croatia	18	0.02
Switzerland	1,605	1.44	Kenya	16	0.02
Australia	1,541	1.52	Iceland	15	0.01
Taiwan	1,506	1.43	Panama	14	0.01
Netherlands	1,374	1.27	Lebanon	13	0.01
Iran	1,294	1.19	Sri Lanka	11	0.01
Spain	1,089	0.99	Ivory Coast	9	0.01
South Africa	1,046	1.10	Slovenia	8	0.01
Sweden	888	0.77	Uzbekistan	8	0.00
Brazil	821	0.79	Tunisia	7	0.01
Italy	607	0.60	Bulgaria	6	0.01
Indonesia	607	0.58	Mauritius	6	0.01
Denmark	581	0.51	Ghana	5	0.01
UAE	571	0.52	Lithuania	5	0.00
Thailand	564	0.50	Estonia	5	0.00
Singapore	561	0.59	Malta	5	0.00
Mexico	484	0.43	Bosnia & Herzegovina	5	0.00
Norway	407	0.36	Palestine	4	0.00
Malaysia	362	0.33	Ukraine	4	0.00
Belgium	329	0.30	North Macedonia	4	0.00
Israel	309	0.32	Serbia	3	0.00
Turkey	304	0.18	Botswana	3	0.00
Finland	300	0.26	Malawi	3	0.00
Philippines	296	0.27	Costa Rica	2	0.00
Poland	247	0.20	Cyprus	2	0.00
Qatar	184	0.19	Mozambique	2	0.00
Vietnam	177	0.20	Slovakia	2	0.00
Russia	176	0.18	Mongolia	2	0.00
Chile	163	0.15	Syria	2	0.00
Kuwait	158	0.14	Georgia	1	0.00
Peru	141	0.12	Latvia	1	0.00
Ireland	136	0.12	Sudan	0	0.00
Austria	123	0.10			
New Zealand	105	0.10			
Portugal	80	0.08			
Colombia	68	0.07			
Greece	66	0.06			
Argentina	63	0.06			
Nigeria	58	0.06			
Morocco	53	0.06			
			TOTAL	\$100,650	100.00%

## Next Issue:

The next issue of *International Investor* will be emailed in four weeks time on Monday January 9, 2023.

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

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