

International Investor

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Founder: James R Cornell (B.Com.)

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	47%	Bullish	Bearish	Bullish	Neutral	-6.9%	-6.4%	-3.9%	7,882.30
Austria	85%	Bullish	Bullish	Bullish	Bullish	+23.1%	+17.3%	+26.0%	4,290.81
Belgium	68%	Neutral	Bullish	Bullish	Neutral	+8.3%	+4.9%	+18.8%	4,469.34
Canada	61%	Neutral	Bullish	Bullish	Neutral	-5.3%	+2.4%	+6.6%	24,758.76
Denmark	35%	Neutral	Bearish	Neutral	Neutral	-12.8%	-23.8%	-24.5%	2,070.52
Finland	71%	Bullish	Bullish	Neutral	Neutral	+11.6%	+4.8%	+6.8%	10,582.18
France	71%	Bullish	Bullish	Bullish	Neutral	+12.3%	+5.9%	+0.6%	6,012.29
Germany	63%	Neutral	Bullish	Neutral	Neutral	+16.0%	+23.1%	+28.2%	23,008.94
Ireland	75%	Bullish	Bullish	Bullish	Neutral	+18.3%	+12.9%	+14.0%	11,118.75
Italy	76%	Bullish	Bullish	Neutral	Neutral	+13.6%	+13.0%	+14.0%	40,834.15
Japan	37%	Bullish	Bearish	Bearish	Bearish	-3.9%	-2.2%	-7.1%	36,863.50
Netherlands	58%	Bullish	Neutral	Bullish	Neutral	+5.0%	+1.5%	+4.9%	911.34
New Zealand	58%	Bullish	Neutral	Neutral	Bullish	-0.1%	-8.8%	-7.9%	1,244.86
Norway	65%	Bullish	Bullish	Bearish	Bullish	+5.7%	+5.6%	+10.7%	1,705.82
Spain	73%	Bullish	Bullish	Neutral	Neutral	+14.1%	+16.7%	+27.5%	1,306.62
Sweden	61%	Neutral	Bullish	Bullish	Neutral	+8.8%	+4.3%	+18.1%	1,667.89
Switzerland	67%	Bullish	Bullish	Bullish	Neutral	+11.0%	+5.5%	+12.2%	13,076.68
Un. Kingdom	60%	Bullish	Bullish	Bearish	Neutral	+5.9%	+4.3%	+13.9%	8,679.88
USA	40%	Bearish	Neutral	Bearish	Neutral	-5.3%	+6.7%	+12.6%	5,770.20
Argentina	72%	Bearish	Bullish	Bullish	Neutral	-2.2%	+17.8%	+79.5%	2,262,289
Brazil	48%	Bullish	Bearish	Bearish	Neutral	+4.2%	-10.3%	-15.4%	125,035.00
Czech Rep.	73%	Bullish	Bullish	Neutral	Neutral	+22.7%	+25.5%	+40.0%	2,033.17
Chile	66%	Neutral	Bullish	Neutral	Neutral	+16.6%	+20.2%	+19.6%	37,046.70
China	64%	Neutral	Bullish	Neutral	Neutral	-0.4%	+19.5%	+10.0%	3,372.55
Greece	80%	Bullish	Bullish	Bullish	Neutral	+14.8%	+10.4%	+13.2%	1,627.36
Egypt	41%	Bearish	Bullish	Bearish	Bullish	-1.0%	-4.7%	-3.6%	30,947.44
Hong Kong	68%	Neutral	Bullish	Bullish	Bearish	+22.1%	+39.3%	+49.1%	24,231.30
Hungary	83%	Bullish	Bullish	Bullish	Neutral	+19.1%	+18.3%	+31.1%	88,229.71
India	40%	Neutral	Bearish	Bullish	Neutral	-11.6%	-11.8%	-4.7%	74,332.58
Indonesia	46%	Bullish	Bearish	Bullish	Neutral	-12.6%	-18.6%	-14.5%	6,636.00
Israel	59%	Neutral	Bullish	Neutral	Neutral	+5.1%	+24.7%	+25.8%	2,519.61
Korea	60%	Bullish	Bearish	Bullish	Neutral	+3.6%	-7.1%	-13.1%	2,563.48
Malaysia	46%	Bullish	Bearish	Neutral	Bearish	-4.1%	-8.3%	+6.5%	1,547.27
Mexico	64%	Bullish	Bearish	Bullish	Neutral	+2.7%	+2.3%	-20.2%	52,839.63
Philippines	59%	Bullish	Bearish	Bullish	Bearish	-5.7%	-11.3%	-12.2%	6,298.29
Poland	77%	Bullish	Bullish	Bullish	Neutral	+18.7%	+15.1%	+19.4%	93,611.80
Portugal	53%	Bullish	Bearish	Neutral	Neutral	+4.4%	-10.2%	-1.3%	4,242.51
Russia	55%	Bullish	Bullish	Bearish	Neutral	+58.3%	+24.7%	+0.4%	1,119.23
Singapore	72%	Bullish	Bullish	Bullish	Bearish	+1.5%	+10.2%	+24.3%	414.07
Sth Africa	63%	Bullish	Bullish	Neutral	Bearish	+2.2%	+7.6%	+23.9%	81,180.43
Taiwan	32%	Bearish	Neutral	Bearish	Bearish	-3.9%	+4.3%	+9.2%	22,576.07
Thailand	46%	Bullish	Bearish	Bullish	Bearish	-15.9%	-15.9%	-8.8%	1,202.03
Turkey	71%	Bullish	Bullish	Bullish	Neutral	-0.5%	+0.4%	+0.6%	10,507.11
Venezuela	51%	Neutral	Bullish	Bearish	Bearish	+31.7%	+8.9%	+105.4%	185,391.70

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

Tariffs are the worst trade tool ever.

At best they can protect the vested interests of a small, but politically powerful, sector in a country - at the expense of a larger number of consumers who are denied access to better/cheaper imports. The impact of tariffs on *a country as a whole* is always negative.

In the world where tariffs are becoming more common each day, there can only be some negative impact on global wealth and stockmarket values.

But tariffs can have very unexpected consequences:

The US *Smoot-Hawley Tariff* of 1930, resulted in retaliatory tariffs from other countries, destroying over 50% of world trade. Unable to trade, resource-poor Japan sought to build an empire. Eleven years later the isolationist US found itself at war in both the Pacific and Europe.

Conventional wisdom is that a country needs to have tariffs - or threaten tariffs - to negotiate trade access. An alternative theory - which appears counter-intuitive - is that a country can build wealth and economic prosperity by cutting all of its tariffs to zero, regardless of what its trade partners may do.

Let's look at a simplified example. Country A produces Salmon but has no Steel industry. Country B produces steel but has no salmon. How will manufacturing and trade in "tinned salmon" develop?

A and B are friendly allies, so only impose 25% Trumpian tariffs on each other.

Production will develop in *both* countries, but *only to serve domestic demand*. Tinned salmon will cost \$3.25 in country A (\$1 for the salmon, \$1 for the steel plus a 25c import tariff and \$1 for processing and manufacturing). Tinned salmon will also cost \$3.25 in country B (\$1 for the salmon plus a 25c tariff, \$1 for steel and \$1 for processing and manufacture).

A and B will *not* trade tinned salmon as that would cost \$4.06 in either country (the \$3.25 cost plus 81c tariff on the finished product).

Country C adopts our unconventional zero tariff policy.

What will tinned salmon cost in country C? *Regardless* of whether or not country C has a domestic salmon and/or steel industry, tinned salmon will cost just \$3.00 (\$1 for the salmon, domestic or imported, \$1 for the steel, domestic or imported, and \$1 for processing and manufacturing).

Consumers in country C enjoy the absolutely lowest cost tinned salmon in the world - even if the salmon and steel need to be imported.

The same example of costs would apply to fresh vegetables, consumer products or high tech manufactured products. So Country C consumers will pay the lowest world cost for all products. That is a great outcome for consumers . . . but wait, there is more. This creates a great export opportunity.

If country A or B experience an unexpected surge in tinned salmon demand (or problems that reduce local production) they would not import from each other at \$4.06 but from country C at \$3.75 (\$3.00 plus 75c import tariff).

Country D may be either a poor developing country without manufacturing industries or a wealthy petro-state, but also without local manufacturing. Perhaps they follow the world order and impose 25% import tariffs. Where will country D buy their tinned salmon? Sourced from country A or B the cost would be \$4.06 (\$3.25 plus 81c tariff), but from country C the cost would be \$3.75 (\$3.00 plus 75c tariff). Country C's zero import tariff makes it the global manufacturer and exporter (or re-exporter) of tinned salmon (and consumer appliances and high tech products, if it wishes to participate in those markets) to the world.

Summary and Recommendation

The world is going through a "crazy" and unpredictable period, probably with unexpected consequences. This is a situation where shares in companies - the entities best able to *adapt* to whatever conditions develop in the future - should eventually prove the best investments. One *certain* outcome of tariff wars is higher consumer prices and inflation - which could significantly erode "safe" cash in the bank.

Recommended Funds Geographic Portfolio Spread

FundName	Size (Mil)	Leverage (%debt)	Top 10 Hldgs(%)	Portfolio invested in (%):													
				Cash	USA	UK	Europe	Japan	Canada	Aust	Russia	China	Sth Afr	Mexico	Brazil		
abrdn Asia Focus	£588	11	30.9	2.3	5.5		2.3	14.3	9.0		2.6	4.6	13.1	27.1	Indo 6.8		
India Capital Growth	£166	Nil	41.9	3.4										96.6			
Scottish Oriental Sm Coys	£425	7	44.8	0.0	2.2	0.4		9.5	2.3	2.0		11.2	26.2	30.0	Indo 11.3		
Aberforth Small Cos Trust	£1433	5	25.0			100.0											
Baillie Gifford Shin Nippon	£473	21	27.0	4.3					95.7								
Fidelity Japan Trust plc	£294	24	47.7	0.0					100.0								
Herald Investment Trust	£1246	Nil	18.5	7.2	34.1	35.0	11.7	12.0									
iShares Oil & Gas Exp	£175	Nil	61.4	0.5	68.0	0.7	1.7	2.2	18.9	7.2							
iShares S&P500 Utilities	£395	Nil	55.9	0.7	99.3												
VanEck Gold Miners	£1110	Nil	65.3	0.1	16.6				44.7	11.0		4.5	10.8		7.7		
VanEck Junior Gold Miners	£410	Nil	43.6	0.0	5.0	3.1			49.8	20.5			6.8	4.0			
CQS Natural Resources	£147	8	40.7				Cash	Nth Amer	Lat Am	Global	Euro	Asia	Africa	Aust			
								33.3	11.4	9.8	2.8	9.1	17.0	16.6			
Templeton Emerging Mkts	£2070	2	46.9				Cash	US	UK	China/HK	Korea	Taiwan	Brazil	India	Mexico	Sth Afr	Thai
								3.1		27.2	17.8	17.8	8.0	13.8	2.0	2.3	3.0

Recommended International Investment Funds

Fund Reports

Herald Investment Trust plc is urging shareholders to vote (or submit a proxy or instruct the nominee holding their shares to vote) at the AGM on 24 March.

Every three years the AGM has *Continuation Resolution* and the company is concerned that with the usually low shareholder turnout, **Saba Capital** could use its 29% vote to force the company into liquidation!

For the year to 31 December 2024 the trust lifted net assets 12.1%, compared with increases of 5.0% and 25.9% in its two benchmark indices. The share price was up 26.4%.

With high equity valuations in the Technology sector, the trust used cash to repurchase 10.3% of its own shares during 2024.

CQS Natural Resources Growth and Income plc received a *second* letter from **Saba Capital** on 12 February “demanding another general meeting of shareholders” to consider providing an open-ended equivalent fund into which shareholders could exchange their shareholding.

After the trust entered discussion with Saba Capital, on 3 March the latter agreed to withdraw this meeting requisition.

CQS Natural Resources was *already* in the process of reviewing the following options:

1. Maintain current policies, including (a) an annual continuation vote, (b) providing liquidity via buybacks, tender offers and similar actions.
2. Increase the dividend, funded in part by capital growth.
3. “Pursuing further discount management mechanisms”.

We understand the words but have no idea what this may actually involve (if anything).

4. Provide a full cash exit at NAV for all shareholders.
5. If a suitable partner can be found, merge with an open-ended investment company to provide on-going redemption at NAV.

Scottish Oriental Smaller Companies Trust plc has split each of its old shares into five new shares. That increases the *number* of shares we own five times (each worth one-fifth the previous value) and effectively reduces our initial cost per share to one-fifth.

Share Buy-Backs

Aberforth Smaller Companies Trust made 19 on-market trades over the last four weeks, buying back 444,000 shares for £6,173,562.

abrdn Asia Focus made 15 trades to repurchase 2,730,000 shares and return just over £8.0 million to investors.

Scottish Oriental Smaller Companies repurchased 377,500 shares (on a post-share split basis) in eight trades for £1,092,700.

India Capital Growth repurchased 100,000 shares for £158,500 in two trades.

Baillie Gifford Shin Nippon made nine trades, repurchasing 4,100,000 shares and returning £4,774,050.

Fidelity Japan Trust bought back 680,515 of its own shares, in 15 on-market trades, at a cost of £1,207,383.

Templeton Emerging Markets repurchased its own shares on-market *every* day (i.e. 20 times) over the last four weeks. It acquired 12,172,795 shares and returned over £21.1 million 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 Last Sale	NZ Cents		
	United States								
HOLD	iShares S&P500 Utilities	IUSU	13/08/18	422.3p	819.4		1883.5p	4261.3	+420
	United Kingdom								
BUY	Aberforth Smaller Cos Trt plc	ASL	15/07/03	375.5p	1042.0	-11%	1336.0p	3022.6	+190
	Gold & Commodities								
BUY	VanEck V. Gold Miners	GDGB	14/01/19	1731.0p	3253.8		3595.0p	8133.5	+150
BUY	VanEck V. Junior Gold Miners	GJGB	14/01/19	2011.0p	3780.1		3601.0p	8147.1	+116
HOLD	CQS Natural Resources G&I	CYN	11/01/21	136.8p	256.1	-4%	180.25p	407.8	+59
	Asian Regional								
HOLD	abrdn Asia Focus	AAS	09/09/03	17.8p	49.6	-13%	290.0p	656.1	+1224
HOLD	Scot Oriental Smaller Coy	SST	11/11/03	24.4p	66.1	-13%	286.0p	647.1	+879
	India								
HOLD	India Capital Growth plc	IGC	07/11/16	80.5p	137.6	-10%	154.0p	348.4	+153
	Japan								
HOLD	Baillie Gifford Shin Nippon plc	BGS	11/01/94	31.2p	88.1	-14%	113.0p	255.7	+190
HOLD	Fidelity Japan Trust plc	FJV	10/01/06	126.0p	322.7	-12%	173.5p	392.5	+22
	International								
HOLD	Herald Investment Trust	HRI	12/10/04	310.8p	820.1	-11%	2115.0p	4785.1	+483
BUY	iShares Oil & Gas Exp & Prod	SPOG	08/04/19	1287.0p	2491.8		1883.5p	4261.3	+71
HOLD	Templeton Emerging Markets	TEM	11/01/21	199.2p	373.0	-13%	171.6p	388.2	+4

The average Gains/Losses of all current investments from initial recommendation is +304.7%. This is equal to an average annual rate of +22.4%, 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 +14.7%.

World Stockmarket Valuations

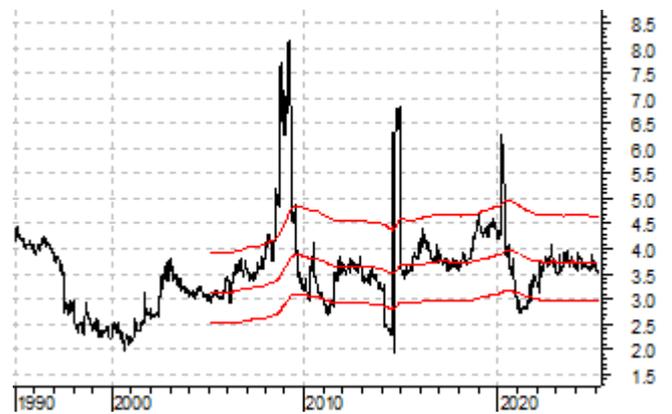
Country	Dividend Yield	Price/Earn. Ratio
Australia	3.7	20.7
Austria	4.1	9.7
Belgium	2.4	23.6
Canada	2.8	20.7
Denmark	1.8	20.8
Finland	4.6	15.0
France	2.9	17.7
Germany	2.4	17.8
Ireland	2.5	12.1
Italy	4.5	10.3
Japan	2.5	13.3
Netherlands	2.1	22.0
New Zealand	2.8	51.9
Norway	6.2	11.5
Spain	3.8	10.8
Sweden	2.4	18.4
Switzerland	2.8	20.0
Un. Kingdom	3.5	13.5
USA	1.4	26.3
Argentina	1.4	12.2
Brazil	8.1	8.7
Czech Rep.	6.6	15.6

Country	Dividend Yield	Price/Earn. Ratio
Chile	3.7	14.4
China	2.2	15.3
Greece	4.1	7.8
Egypt	2.0	6.9
Hong Kong	2.7	14.7
Hungary	3.5	6.5
India	1.2	24.1
Indonesia	5.6	12.4
Israel	1.9	15.0
Korea	2.4	11.0
Malaysia	3.9	15.1
Mexico	3.9	14.3
Philippines	3.3	10.8
Poland	4.5	12.2
Portugal	4.5	13.5
Russia	11.7	3.9
Singapore	4.0	16.2
Sth Africa	3.2	14.9
Taiwan	2.5	19.3
Thailand	3.9	15.6
Turkey	2.8	13.6
Venezuela	0.0	0.0

United States Dividend Yields



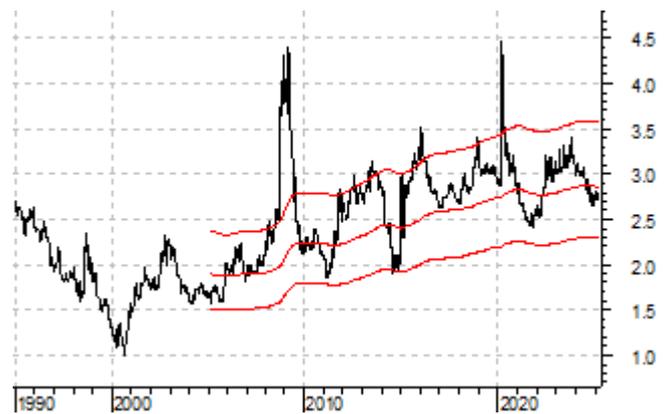
United Kingdom Dividend Yields



Japan Dividend Yields



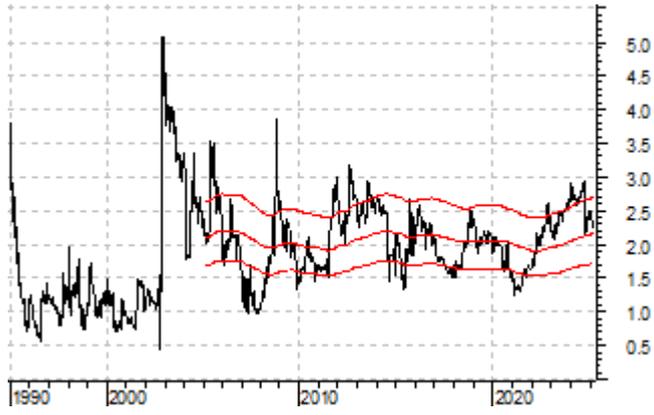
Canada Dividend Yields



Brazil Dividend Yields



China Dividend Yields



Chile Dividend Yields



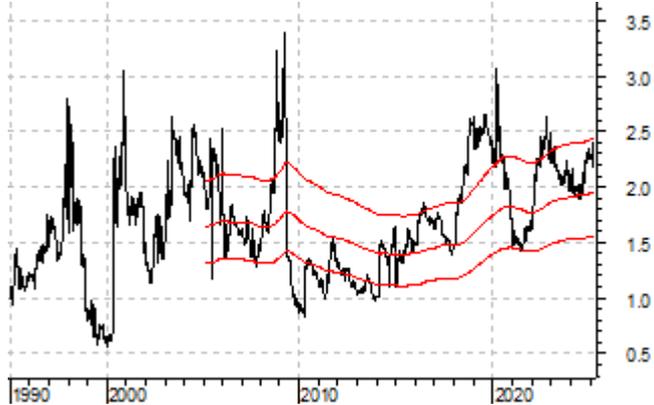
Malaysia Dividend Yields



Australia Dividend Yields



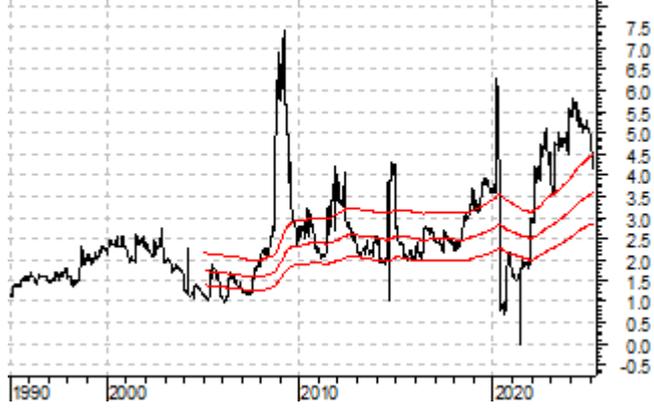
South Korea Dividend Yields



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	57,241	46.48	Ireland	62	0.05
China	11,935	9.69	Oman	59	0.05
Japan	6,358	5.16	Luxembourg	51	0.04
Hong Kong	5,022	4.08	Hungary	46	0.04
India	4,389	3.56	Egypt	45	0.04
Canada	3,500	2.84	Nigeria	45	0.04
France	3,376	2.74	Argentina	42	0.03
United Kingdom	3,182	2.58	Croatia	32	0.03
Saudi Arabia	2,667	2.17	Bangladesh	29	0.02
Taiwan	2,251	1.83	Jordan	26	0.02
Iran	1,950	1.58	Lebanon	24	0.02
Switzerland	1,881	1.53	Iceland	21	0.02
Australia	1,878	1.53	Bahrain	20	0.02
Germany	1,688	1.37	Sri Lanka	20	0.02
South Korea	1,681	1.37	Uzbekistan	19	0.02
Netherlands	1,644	1.34	Malta	17	0.01
Spain	1,357	1.10	Panama	16	0.01
Sweden	1,110	0.90	Ivory Coast	16	0.01
Brazil	704	0.57	Kenya	16	0.01
Belgium	689	0.56	Slovenia	15	0.01
Indonesia	661	0.54	Tunisia	9	0.01
Singapore	645	0.52	Ghana	8	0.01
Denmark	643	0.52	Bulgaria	7	0.01
Italy	514	0.42	Mauritius	7	0.01
Poland	454	0.37	Cyprus	6	0.00
Mexico	451	0.37	Estonia	6	0.00
Malaysia	417	0.34	North Macedonia	6	0.00
Turkey	367	0.30	Lithuania	5	0.00
Norway	361	0.29	Bosnia & Herzegovina	5	0.00
Israel	351	0.29	Malawi	4	0.00
Philippines	325	0.26	Serbia	4	0.00
Finland	278	0.23	Botswana	4	0.00
UAE	255	0.21	Mongolia	4	0.00
South Africa	237	0.19	Mozambique	3	0.00
Vietnam	220	0.18	Slovakia	3	0.00
Chile	187	0.15	Georgia	3	0.00
Peru	182	0.15	Costa Rica	2	0.00
Qatar	169	0.13	Palestine	1	0.00
Kuwait	155	0.13	Syria	1	0.00
Austria	147	0.12	Ukraine	0	0.00
Thailand	131	0.11	Latvia	0	0.00
Greece	118	0.10	Sudan	0	0.00
New Zealand	102	0.08			
Colombia	92	0.07			
Portugal	87	0.07			
Morocco	87	0.07			
Russia	78	0.06			
Romania	77	0.06			
Czech Republic	74	0.06			
Kazakhstan	64	0.05			
			TOTAL	\$123,141	100.00%

Next Issue:

The next issue of *International Investor* will be emailed in five weeks time on Monday April 14, 2025.

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