

International Investor

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"value enhancing initiatives"
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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	Bullish	Bullish	+10.5%	+2.9%	+6.8%	8,446.40
Austria	80%	Bullish	Bullish	Bullish	Neutral	+8.9%	+34.0%	+28.2%	4,448.98
Belgium	72%	Bullish	Bullish	Bullish	Neutral	+6.4%	+15.2%	+22.4%	4,531.08
Canada	66%	Neutral	Bullish	Bullish	Neutral	+12.2%	+6.3%	+20.6%	26,429.13
Denmark	51%	Bullish	Bearish	Bullish	Neutral	-4.4%	-16.6%	-31.2%	1,884.65
Finland	76%	Bullish	Bullish	Bullish	Bearish	+4.6%	+16.8%	+9.2%	10,542.94
France	77%	Bullish	Bullish	Bullish	Neutral	+1.3%	+13.7%	+3.0%	5,799.83
Germany	67%	Bearish	Bullish	Bullish	Neutral	+10.9%	+28.6%	+38.1%	24,304.46
Ireland	71%	Bullish	Bullish	Bullish	Bearish	+9.7%	+29.8%	+24.6%	11,622.21
Italy	88%	Bullish	Bullish	Bullish	Bullish	+10.8%	+25.8%	+23.2%	43,086.87
Japan	46%	Bullish	Neutral	Bearish	Bearish	+4.0%	-0.1%	+5.5%	37,741.61
Netherlands	68%	Neutral	Bullish	Bullish	Bearish	+7.1%	+12.5%	+6.2%	929.93
New Zealand	62%	Bullish	Neutral	Neutral	Bullish	+4.9%	+4.7%	+2.9%	1,238.08
Norway	70%	Bullish	Bullish	Bearish	Neutral	+13.9%	+20.4%	+16.6%	1,814.27
Spain	89%	Bullish	Bullish	Bullish	Bullish	+13.2%	+29.2%	+31.7%	1,409.34
Sweden	72%	Bullish	Bullish	Bullish	Neutral	+7.7%	+17.1%	+11.7%	1,721.34
Switzerland	64%	Bullish	Bullish	Bullish	Neutral	+0.9%	+12.1%	+9.9%	12,365.54
Un. Kingdom	66%	Bullish	Bullish	Bearish	Bullish	+6.7%	+12.9%	+14.0%	8,837.91
USA	53%	Bearish	Bullish	Neutral	Neutral	+4.0%	-1.5%	+12.2%	6,000.36
Argentina	54%	Bearish	Bearish	Bullish	Neutral	-14.6%	-16.5%	+7.4%	2,156,779
Brazil	64%	Bullish	Bullish	Bearish	Neutral	+12.5%	+17.2%	+6.1%	136,102.00
Czech Rep.	75%	Bullish	Bullish	Bullish	Neutral	+12.8%	+38.5%	+47.1%	2,169.87
Chile	67%	Neutral	Bullish	Bullish	Neutral	+10.1%	+28.3%	+19.5%	41,054.36
China	65%	Bullish	Bullish	Neutral	Bullish	+1.0%	+0.5%	+11.8%	3,385.36
Greece	89%	Bullish	Bullish	Bullish	Bullish	+18.9%	+36.5%	+33.3%	1,842.83
Egypt	79%	Bullish	Bullish	Bullish	Neutral	+7.8%	+6.7%	+18.4%	32,677.87
Hong Kong	63%	Bullish	Bullish	Neutral	Bearish	-2.8%	+18.7%	+28.9%	23,792.54
Hungary	87%	Bullish	Bullish	Bullish	Bullish	+13.4%	+35.1%	+41.3%	96,520.82
India	63%	Bearish	Bullish	Bullish	Neutral	+12.3%	-0.7%	+4.3%	82,189.00
Indonesia	65%	Bullish	Bullish	Bullish	Bearish	+7.1%	-6.4%	+2.6%	7,113.43
Israel	61%	Neutral	Bullish	Bearish	Neutral	+13.5%	+19.2%	+52.4%	2,753.38
Korea	68%	Bullish	Bullish	Bullish	Neutral	+16.8%	+21.1%	+4.5%	2,812.05
Malaysia	56%	Bullish	Bearish	Neutral	Neutral	+2.4%	-1.8%	+4.0%	1,516.79
Mexico	79%	Bullish	Bullish	Bullish	Neutral	+16.5%	+19.7%	+4.7%	58,061.41
Philippines	65%	Bullish	Bearish	Bullish	Bearish	+4.0%	-1.9%	+2.8%	6,376.79
Poland	77%	Bullish	Bullish	Bullish	Neutral	+8.4%	+28.6%	+24.0%	99,287.48
Portugal	81%	Bullish	Bullish	Bullish	Neutral	+18.6%	+23.8%	+8.4%	4,792.79
Russia	60%	Bullish	Bullish	Bearish	Neutral	+10.2%	+74.4%	+10.1%	1,108.63
Singapore	71%	Bullish	Bullish	Bullish	Neutral	+3.3%	+4.8%	+23.2%	414.29
Sth Africa	64%	Bullish	Bullish	Neutral	Bearish	+12.0%	+14.5%	+33.5%	88,597.09
Taiwan	36%	Neutral	Neutral	Bearish	Bearish	+5.1%	+1.0%	+7.2%	21,660.66
Thailand	45%	Bullish	Bearish	Bullish	Bearish	-2.7%	-18.3%	-4.1%	1,136.43
Turkey	31%	Bearish	Bearish	Bearish	Bullish	-16.0%	-16.5%	-22.8%	9,486.56
Venezuela	49%	Neutral	Bullish	Bearish	Bearish	+17.0%	+54.1%	+70.9%	330,147.70

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.

Recommended International Investment Funds

Fund News

CQS Natural Resources Growth and Income plc has completed its strategic review and will offer investors the choice of either (1) “remaining invested in the company with *value enhancing initiatives*” and/or (2) “exiting for cash through a Tender Offer”.

We want to remain investors (i.e. option one) so will take no action (i.e. we will not offer our shares in the tender offer).

The “value enhancing initiatives” for remaining shareholders consist of:

1. Lowering the annual management fee slightly to 1.0%. Currently the fund's fee structure is 1.2% up to £150 million, 1.1% on assets from £150 million to £200 million, 1.0% from £200 million to £250 million and 0.9% on amounts over £250 million. Assets are currently £142 million (and maybe around £100 million after the tender?). So effectively the management fee will reduce from 1.2% to 1.0% per annum.

2. Pay a quarterly distribution of 2%, making an annual distribution of 8%. This will be funded from income and capital. This is the same “income and capital” distribution policy followed by NZ listed investment companies, Kingfish Ltd, Barramundi Ltd and Marlin Global.

“The board considers this enhanced dividend policy may provide significant appeal to the retail market”. Yes, dear reader, presumably *retail investors* really are that foolish that they may consider these to be *high income* investments.

[Editor's Note: If you have \$100,000 invested and need \$8,000 in cash annually but your shares only pay \$3,000 in dividends, then you can sell \$5,000 of your shares each year. This is effectively what the funds will do - whether or not your personal investment goals require that high cash distribution.]

The tender offer will be open to shareholders (as at 29 May) who may offer up to 100% of their shares to be redeemed. *If* in the unlikely situation that the total number of shares offered for tender exceeds 60% of the issued capital *then* the tender offer will be cancelled and the directors will propose liquidating the whole company.

The portfolio will be divided into a *Continuing Pool* and a *Tender Pool* based on the proportion of shares tendered. The Tender Pool assets will be sold, probably by 30 September (although this may take longer) and the net proceeds will be distributed on 7 October.

The expected £430,000 costs of the liquidation plus 0.72% for stamp duty and brokerage will be paid by the tender pool (i.e. not by remaining shareholders).

Saba Capital plans to tender all its shares (except shares held in Saba Regulated Investment Companies which will be held at least until the 2028 AGM).

It is most likely that this tender will redeem most of Saba Capital's investment and a small number of other investors. We shall remain investors, but if you did need to sell (and don't mind waiting until October for payment) then the tender

Recommended Funds Geographic Portfolio Spread

FundName	Size (Mil)	Leverage (%debt)	Top10 Hldgs(%)	Portfolio invested in(%)													
				Cash	HK	Australia	Malay	Taiwan	Korea	Sing.	Thaild	Phil.	China	India			
abrdn Asia Focus	£542	12	28.2	3.0	3.4		2.5	13.3	9.7	1.4	2.7	5.1	15.6	28.4	Indo 5.4		
India Capital Growth	£151	Nil	42.3	5.3										94.7			
Scottish Oriental Sm Coys	£376	9	39.6	3.8	2.2	1.1		14.5	1.4	2.2		12.0	19.9	34.8	Indo 12.2		
				Cash	USA	UK	Europe	Japan	Canada	Aust	Russia	China	SthAfr	Mexico	Brazil		
Aberforth Small Cos Trust	£1325	6	24.9			100.0											
Baillie Gifford Shin Nippon	£432	22	26.8	5.0				95.0									
Fidelity Japan Trust plc	£217	21	42.1	0.0				100.0									
Herald Investment Trust	£1115	Nil	16.7	13.2	31.9	31.8	10.2	12.9									
iShares Oil & Gas Exp	£152	Nil	61.1	0.3	64.6	0.7	2.2	2.5	21.8	7.3							
iShares S&P500 Utilities	£496	Nil	57.4	0.7	99.3												
VanEck Gold Miners	£1554	Nil	63.1	0.2	16.0	6.8			43.4	11.6			6.8	7.7			
VanEck Junior Gold Miners	£410	Nil	40.7	0.1	5.3	4.3			47.5	20.0		2.5	6.3	5.4			
				Cash	NthAmer	LatAm	Global	Euro	Asia	Africa	Aust						
CQS Natural Resources	£142	8	44.2		30.7	13.0	9.8	3.0	9.5	17.2	16.6						
				Cash	US	UK	China/HK	Korea	Taiwan	Brazil	India	Mexico	SthAfr	Thai			
Templeton Emerging Mkts	£1930	0	43.7		3.6		27.4	16.6	16.7	8.6	14.6	2.2	2.3	3.1			

offer probably provides a slightly better exit option. The shares currently trade at an 8% discount to net assets while the tender will likely yield about 3% below net asset value.

The company will hold a General Meeting on 25 June to approve the tender offer and other changes. As Saba Capital will vote in favour of the resolutions there is no need for ordinary shareholders to vote on this occasion.

abrdn Asia Focus plc has converted £30,949,618 of convertible notes into 10,562,933 new shares and repaid £5,578,398 of notes in cash.

The company has entered a new, two-year, multi-currency, revolving credit facility of £35 million which has been fully drawn (to repay the £5.6 million notes and existing debt). There is the option to increase this facility to £50 million.

abrdn Asia Focus will also pay a third interim dividend of 1.6 pence on 23 June (ex-dividend 22 May).

Templeton Emerging Markets will pay a dividend of 3.25 pence on 31 July (ex-dividend 26 June).

Share Repurchases

Aberforth Smaller Companies Trust made 14 on-market trades over the last four weeks, repurchasing a total of 224,000 shares and returning £3,316,954 to investors.

abrdn Asia Focus made 14 trades, spending just under £12.0 million to buy back 3,960,000 shares at a discount of 11-13% to net assets. That adds £2.7 million to the net assets of the remaining shares.

Scottish Oriental Smaller Companies repurchased 107,000 shares, in four trades, for £310,690.

Baillie Gifford Shin Nippon also made 14 trades to repurchase 5,150,000 of its own shares and return £5,989,835 to investors,

Herald Investment Trust bought back 166,839 shares for £3,585,711 in eight on-market trades.

Templeton Emerging Markets made 17 trades to buy back 6,067,257 shares at a cost of £10,572,875. Repurchasing these shares at an 11-13% discount adds £1.4 million to the net assets of remaining shares.

Current Advice	Investment Fund	EPIC Code	Initial Recommendation --- Date ---	Recommendation		Prem/ Disc to Net Assets	Recent Bid-Offer or Last Sale	Price NZ Cents	Gain or Loss %
				Foreign	NZ Cents				
United States									
HOLD	iShares S&P500 Utilities	IUSU	13/08/18	422.3p	819.4		720.88p	1622.5	+98
United Kingdom									
BUY	Aberforth Smaller Cos Trt plc	ASL	15/07/03	375.5p	1042.0	-12%	1486.0p	%3344.6	+221
Gold & Commodities									
BUY	VanEck V. Gold Miners	GDGB	14/01/19	1731.0p	3253.8		4307.0p	9693.9	+198
BUY	VanEck V. Junior Gold Miners	GJGB	14/01/19	2011.0p	3780.1		4627.0p	%10414.1	+176
HOLD	CQS Natural Resources G&I	CYN	11/01/21	136.8p	256.1	-8%	207.0p	465.9	+82
Asian Regional									
HOLD	abrdn Asia Focus	AAS	09/09/03	17.8p	49.6	-11%	307.0p	691.0	+1294
HOLD	Scot Oriental Smaller Coy	SST	11/11/03	24.4p	66.1	-9%	297.0p	668.5	+911
India									
HOLD	India Capital Growth plc	IGC	07/11/16	80.5p	137.6	-7%	173.5p	390.5	+184
Japan									
HOLD	Baillie Gifford Shin Nippon plc	BGS	11/01/94	31.2p	88.1	-12%	119.6p	269.2	+206
HOLD	Fidelity Japan Trust plc	FJV	10/01/06	126.0p	322.7	-7%	190.0p	427.6	+33
International									
HOLD	Herald Investment Trust	HRI	12/10/04	310.8p	820.1	-9%	2240.0p	%5041.6	+515
BUY	iShares Oil & Gas Exp & Prod	SPOG	08/04/19	1287.0p	2491.8		1868.5p	4205.5	+69
HOLD	Templeton Emerging Markets	TEM	11/01/21	199.2p	373.0	-11%	179.4p	403.8	+8

The average Gains/Losses of all current investments from initial recommendation is +307.2%. This is equal to an average annual rate of +22.2%, 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	3.4	21.8
Austria	4.6	10.0
Belgium	2.5	19.2
Canada	2.7	20.5
Denmark	2.4	17.7
Finland	4.4	15.8
France	3.1	17.8
Germany	2.4	19.3
Ireland	3.0	11.5
Italy	4.5	12.2
Japan	2.4	15.5
Netherlands	2.0	23.1
New Zealand	2.8	74.8
Norway	5.6	11.6
Spain	3.8	11.2
Sweden	2.7	19.5
Switzerland	2.9	19.0
Un. Kingdom	3.4	13.7
USA	1.3	26.7
Argentina	1.4	7.8
Brazil	6.6	9.8
Czech Rep.	5.7	16.5

Country	Dividend Yield	Price/Earn. Ratio
Chile	3.6	16.0
China	2.3	13.9
Greece	3.9	9.1
Egypt	3.3	6.0
Hong Kong	2.8	13.2
Hungary	4.6	7.1
India	1.1	28.0
Indonesia	5.0	13.7
Israel	2.1	15.0
Korea	2.2	10.5
Malaysia	3.9	15.1
Mexico	3.9	15.5
Philippines	3.2	11.0
Poland	4.3	12.5
Portugal	4.2	16.8
Russia	11.4	4.0
Singapore	4.0	16.1
Sth Africa	2.9	15.1
Taiwan	2.6	17.1
Thailand	4.2	14.8
Turkey	2.5	15.4

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	57,214	45.18	Hungary	59	0.05
China	11,840	9.35	Oman	58	0.05
Japan	6,913	5.46	Luxembourg	51	0.04
Hong Kong	5,213	4.12	New Zealand	49	0.04
India	5,009	3.96	Egypt	46	0.04
Canada	3,657	2.89	Nigeria	44	0.03
United Kingdom	3,590	2.83	Argentina	40	0.03
France	3,459	2.73	Croatia	34	0.03
Saudi Arabia	2,455	1.94	Bangladesh	29	0.02
Taiwan	2,300	1.82	Jordan	28	0.02
Germany	2,183	1.72	Lebanon	21	0.02
Australia	2,000	1.58	Iceland	21	0.02
Switzerland	1,967	1.55	Bahrain	20	0.02
Iran	1,950	1.54	Sri Lanka	20	0.02
South Korea	1,875	1.48	Uzbekistan	19	0.02
Netherlands	1,693	1.34	Ivory Coast	19	0.02
Spain	1,502	1.19	Malta	18	0.01
Sweden	1,115	0.88	Slovenia	17	0.01
Brazil	789	0.62	Panama	16	0.01
Indonesia	763	0.60	Kenya	16	0.01
Belgium	714	0.56	Ghana	13	0.01
Italy	681	0.54	Tunisia	10	0.01
Singapore	668	0.53	Bulgaria	7	0.01
Denmark	592	0.47	Mauritius	7	0.01
Poland	541	0.43	Cyprus	7	0.01
Mexico	505	0.40	Estonia	7	0.01
Malaysia	413	0.33	North Macedonia	7	0.01
Norway	372	0.29	Lithuania	6	0.00
Israel	348	0.27	Serbia	5	0.00
Philippines	344	0.27	Malawi	4	0.00
Turkey	334	0.25	Botswana	4	0.00
South Africa	316	0.25	Mongolia	3	0.00
Finland	305	0.24	Mozambique	3	0.00
UAE	259	0.20	Slovakia	3	0.00
Vietnam	229	0.18	Georgia	3	0.00
Chile	202	0.16	Costa Rica	2	0.00
Peru	191	0.15	Bosnia & Herzegovina	1	0.00
Austria	173	0.14	Palestine	1	0.00
Qatar	170	0.13	Syria	1	0.00
Kuwait	158	0.12	Ukraine	0	0.00
Greece	142	0.11	Latvia	0	0.00
Thailand	111	0.09	Sudan	0	0.00
Morocco	102	0.08			
Portugal	98	0.08			
Colombia	91	0.07			
Romania	87	0.07			
Czech Republic	86	0.07			
Russia	80	0.06			
Ireland	68	0.05			
Kazakhstan	61	0.05			
			TOTAL	\$126,647	100.00%

Next Issue:

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