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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 _____	41%	Bullish	Neutral	Bearish	Bearish	-10.2%	-8.6%	-8.6%	3,244.80
Austria _____	44%	Bullish	Bearish	Neutral	Bearish	-3.3%	-5.0%	-16.3%	1,160.16
Belgium _____	39%	Neutral	Neutral	Neutral	Bearish	-5.4%	-2.5%	-17.7%	3,060.32
Canada _____	40%	Bearish	Bullish	Bullish	Bearish	-0.6%	+7.3%	+44.0%	10,432.54
Denmark _____	46%	Bearish	Bullish	Bearish	Neutral	+7.7%	+9.9%	+25.7%	1,038.95
Finland _____	33%	Bearish	Bearish	Neutral	Neutral	-26.5%	-31.8%	+28.5%	12,634.41
France _____	31%	Bearish	Bearish	Bearish	Bearish	-10.4%	-9.4%	+6.9%	3,969.77
Germany _____	26%	Bearish	Bearish	Bearish	Bearish	-11.6%	-17.7%	+2.6%	6,776.39
Ireland _____	51%	Bearish	Bullish	Neutral	Neutral	+5.8%	-5.1%	-2.6%	5,718.80
Italy _____	39%	Neutral	Bearish	Neutral	Bearish	-11.5%	-9.0%	+7.5%	31,307.00
Japan _____	23%	Bearish	Bearish	Bearish	Bearish	-9.0%	-23.6%	-12.7%	15,994.24
Netherlands _____	37%	Bearish	Neutral	Neutral	Bearish	-7.8%	-8.2%	+1.6%	952.20
New Zealand _____	25%	Neutral	Bearish	Bearish	Bearish	-14.4%	-24.1%	-23.3%	2,210.21
Norway _____	45%	Bearish	Bullish	Bearish	Neutral	+4.2%	+12.8%	+19.1%	862.75
Spain _____	32%	Bearish	Neutral	Bearish	Bearish	-4.7%	-11.7%	-2.8%	1,037.25
Sweden _____	32%	Bearish	Bearish	Neutral	Bearish	-17.3%	-22.5%	+14.2%	5,519.00
Switzerland _____	37%	Neutral	Neutral	Neutral	Bearish	-7.1%	-0.4%	-4.5%	7,920.20
Un. Kingdom _____	36%	Bearish	Bearish	Neutral	Bearish	-5.8%	-10.7%	-9.6%	6,391.20
USA _____	30%	Bearish	Bearish	Neutral	Bearish	-4.7%	-7.1%	+5.5%	1,408.99
Argentina _____	50%	Bullish	Bearish	Bullish	Neutral	-9.3%	-11.7%	-6.7%	18,453.20
Brazil _____	40%	Neutral	Bearish	Neutral	Bearish	-11.9%	-14.2%	+46.1%	15,945.91
Czech Rep. _____	44%	Bearish	Bearish	Bullish	Bullish	-11.5%	-27.4%	-17.0%	1,543.00
Chile _____	41%	Neutral	Bearish	Bullish	Bearish	-6.2%	-16.0%	-1.3%	4,801.96
China _____	40%	Bearish	Bearish	Neutral	Neutral	-14.8%	-9.5%	+13.6%	752.28
Greece _____	43%	Bearish	Bearish	Neutral	Neutral	-5.8%	-26.4%	-45.9%	4,027.09
Hong Kong _____	44%	Bearish	Bullish	Neutral	Bearish	-3.8%	-4.6%	+23.0%	16,184.66
Hungary _____	35%	Bearish	Bearish	Neutral	Bearish	-7.3%	-24.2%	-1.6%	8,367.94
India _____	33%	Neutral	Bearish	Bearish	Neutral	-19.2%	-25.9%	-22.7%	4,092.42
Indonesia _____	34%	Bearish	Bearish	Neutral	Bearish	-12.5%	-35.8%	-36.8%	422.00
Israel _____	66%	Bearish	Bullish	Bullish	Bearish	+0.7%	+9.6%	+45.1%	501.46
Korea _____	41%	Bullish	Bearish	Bullish	Bearish	-27.8%	-28.1%	-22.3%	608.85
Malaysia _____	26%	Bearish	Bearish	Neutral	Bearish	-13.5%	-25.3%	-4.6%	709.55
Mexico _____	36%	Neutral	Bearish	Neutral	Bearish	-15.8%	-19.5%	+16.8%	6,166.88
Philippines _____	17%	Neutral	Bearish	Bearish	Bearish	-15.1%	-29.2%	-41.5%	1,389.00
Poland _____	30%	Bearish	Bearish	Bearish	Neutral	-19.9%	-29.6%	-0.8%	16,415.50
Portugal _____	36%	Neutral	Bearish	Bearish	Neutral	-10.0%	-17.5%	-1.8%	2,764.05
Russia _____	35%	Bearish	Neutral	Neutral	Bearish	+5.8%	-8.2%	+118.4%	1,954.97
Singapore _____	27%	Bearish	Bearish	Bearish	Bearish	-6.9%	-10.5%	-10.8%	1,962.97
Sth Africa _____	35%	Neutral	Neutral	Bearish	Bearish	+1.2%	-4.6%	-6.6%	8,237.24
Taiwan _____	48%	Neutral	Bearish	Bullish	Neutral	-23.7%	-37.7%	-14.6%	6,353.67
Thailand _____	32%	Bearish	Bearish	Bullish	Bearish	-23.0%	-41.0%	-36.3%	267.68
Turkey _____	51%	Bearish	Bearish	Bullish	Neutral	-13.4%	-34.7%	+50.7%	12,460.00
Venezuela _____	48%	Neutral	Neutral	Bullish	Bearish	-4.8%	+13.8%	+10.7%	6,794.22

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.

Stockmarket Outlook

The outlook for World stockmarkets continues to remain unfavourable. Stockmarkets are near their peaks (where many have been for the last three years) with valuations near historical highs (i.e. high Price/Earnings ratios, low Dividend Yields). World economic growth remains near cyclical highs - but for how long can this continue? Monetary conditions are also generally unfavourable. Eventually the long period of economic growth will lead to shortages (e.g. in labour, oil) and an upturn in inflation which in turn will lead to a rise in interest rates.

The current high price of oil is simply a result of the world economy - and especially Asian economies - recovering from the 1997/98 Asian crisis. Asian oil imports fell in 1997/98, leading to low prices and the closure of high cost oil producers. This reduced total oil production in line with lower oil prices, but Asian demand has recovered very strongly this year - up 23% on 1999 - in line with the upturn in economic activity. That has led to a temporary shortage and higher prices.

The higher price of oil, however, transfers wealth from developed countries to the oil producers. Consumer demand in the developed world is therefore likely to fall. That could be the event that triggers the end of strong world economic growth and lead to a downturn. That would be unfavourable for corporate profit growth - and lead investors to re-evaluate stockmarkets where high valuations already include the expectation of continued strong growth.

The downturn in world economic growth would not occur *if* oil producers were to use their higher incomes to buy products from developed economies, but there is no sign of this happening. As in the past, oil producers are likely to recycle the petrodollars into financial assets - either repaying debts or buying US treasury bonds. The good news here is that this will feed liquidity into the financial markets - probably keeping interest rates lower than would otherwise be the case.

The Asian economies still offer a mixture of potential and risks. The development of China (which is becoming the low cost production centre for the world) and the restructuring in Japan (where corporates are reducing their high costs) are very significant forces that could offer outstanding investment potential over the next 5-10 years. These two large countries, however, put extreme pressure on other Asian countries to adapt and to specialise.

Over the last two years, Asian economies have deferred serious asset restructuring by using their massive trade surpluses to repay foreign debt. We have long argued that asset restructuring is an important - and necessary - stage in the recovery and growth of these economies. The failure to progress on asset restructuring is now leading to a second Asian crisis.

An increase in domestic demand - and higher import prices for oil - has partially eroded Asia's massive trade surpluses. Unable to continue to repay debts from income the Asian economies will eventually be forced to sell assets and restructure inefficient businesses. Asian stockmarkets are falling as another crisis approaches.

While there are short term risks in Asian stockmarkets the case for being bullish is strong. As has so often been the case, Asian countries have avoided making difficult economic/political/social decisions until faced with a crisis - but have always acted in time.

Just as importantly, Asia stands to benefit significantly from Information Technology and the Internet. The main impact of technology is in the transformation of businesses from vertically integrated organisations into specialised niche units that outsource non core activities.

This provides huge outsourcing opportunities for businesses in developing countries. For example, during the first six months of this year, Taiwan's exports of electronics, information technology and communications products to Japan rose 75% as high cost Japanese companies outsource production with Taiwanese manufacturers. Taiwanese companies, in turn, are transferring production to their low cost manufacturing plants in mainland China. Leading Japanese IT companies currently outsource 10% of production but have announced plans to increase this to 20-30% - so all three countries will benefit further from this trend.

The second major impact of technology is in the spread of information via the internet. Asian countries like Hong Kong, Taiwan and Singapore have far greater access to the internet than other emerging countries (e.g. India, Philippines, Thailand, Brazil, Mexico), so stand to benefit most from new technologies and outsourcing opportunities. China lags behind, but is rapidly embracing telecommunications technology.

A further case for optimism is the high savings rates and capital formation in Asia relative to the rest of the world, especially the mature, developed economies. Capital investment occurs mainly in the *new economy*, so with a capital investment at around 30% of GDP, Asian economies can quickly raise productivity by rapidly building the *new economy* and service sectors of their economies. With such a high rate of capital formation and new investment, the more inefficient *old economy* sectors of the economy will quickly become less important. Restructuring - to transfer assets from the *old economy* to the *new economy* - may therefore be less important in Asia than in developed economies like the United States and Europe.

Summary and Recommendation

Stockmarket outlooks are unfavourable, but fortunately we are holding a 30-40% riskless cash reserve. Asian stockmarkets have fallen - anticipating another crisis. Asian stockmarkets have always been volatile - and our Asian warrants are even more volatile (although under-valued and trading at 35-40% discounts to fair value). Despite short term risks, we believe that a new Asian crisis will eventually lead to the necessary restructuring to move the economies forward. There are many favourable factors that should benefit Asia over the medium to long term - so we shall continue to hold our Asian investment funds and long dated Asian warrants.

Recommended International Investment Funds

Investment Strategy

We continue to recommend holding 30-40% of international portfolios in a riskless cash reserve, owing to the unfavourable outlook for most world stockmarkets.

The outlook for Asian stockmarkets is uncertain in the short to medium term, although there is much to be optimistic about over the longer term. Asian stockmarkets have always been very volatile - and our Asian warrants are even more volatile. Despite this volatility, they are attractive as:

1. The warrants trade at 35-40% discounts to their fair value relative to the share prices of the listed trusts.
2. The share prices of the listed trusts trade at 10-20% discounts to net asset values. If those discounts narrow (i.e. if the shares trade closer to net assets), the warrant values would also increase.
3. If Asian stockmarkets perform well over the longer term, as we expect, the leveraged warrants will maximise our returns - boosted by the double discounts in (1) and (2) above.
4. Our initial investment in a leveraged warrant is only 50-75% of the amount we would invest in an unleveraged fund. So instead of investing 5-7½% of our portfolio in a volatile Asian fund, we invest only 2½-5% in a more volatile warrant. That gives us a

significant exposure to Asian stockmarkets, but allows us to hold a large riskless cash reserve.

Fund News

Henderson Asian Enterprises has changed from a unit trust to an *Open Ended Investment Company* or OEIC. The fund has also changed its name to **Henderson Pacific Capital Growth**.

A "unit trust" and an "OEIC" are virtually identical. OEICs are a more modern, legally simplified version of the traditional unit trust, and most unit trusts are progressively being restructured as an OEIC. Both are *unlisted* funds that issue new units or redeem existing units as new money is invested or withdrawn from the fund.

The only visible difference is that a unit trust quotes a buying and a selling price, while an OEIC will quote only the redemption price. When you invest in an OEIC the Fund Manager will *add* their initial sales charge (usually 3%) and other costs (usually about 2%) to the single quoted price.

Templeton Emerging Market Investment Trust plc has continued to aggressively re-purchase its own shares over the last month - at discounts of about 20% to net asset value! In over half a dozen large transactions the trust has re-purchased 3,720,000 shares, reducing its issued capital to 457,408,671 shares.

Current Advice	Investment Fund	EPIC Code	Initial Recommendation		Prem/Disc to Net Assets	Recent Price		Gain or Loss %	
			--- Date ---	Offer Price		Foreign	NZ		Bid-Offer or Last Sale
Asian Regional									
BUY	Fleming Asia WARRANTS	FAIW	07/03/00	43.8p	141.7		29.0p	104.4	-26
HOLD	Fidelity Asian Values WARRANTS	FASW	10/03/98	17.5p	49.7		21.5p	77.4	+56
HOLD	Gartmore Pacific Growth Fund	*	29/10/85	41.4p	105.4		192.84-205.19p	716.1	+580
HOLD	HSBC Asian Fund	*	10/11/98	34.4p	106.3		48.35-51.33p	179.3	+69
HOLD	HSBC Hong Kong Growth Fund	*	07/04/98	159.4p	481.6		211.4-224.4p	784.1	+63
BUY	Henderson Pacific Capital	*	08/08/00	342.2p	1122.6		293.0p	1054.3	-6
HOLD	Schroder Asia Pacific WARRANTS	SDPW	13/07/99	25.5p	75.8		20.5p	73.8	-3
Japan									
HOLD	Baillie Gifford Shin Nippon plc	BGS	11/01/94	156.0p	440.3	-15%	176.25p	634.2	+44
HOLD	Invesco Japan Discovery Trust	IJD	13/07/99	95.5p	284.0	-16%	126.0p	453.4	+60
Korea									
HOLD	Baring Korea Trust	*	12/04/94	81.1p	209.4		66.86-71.82p	249.5	+19
Thailand									
HOLD	Old Mutual Thailand Trust	*	08/12/98	49.0p	155.9		37.03-40.59p	139.7	-10
International									
HOLD	Aberdeen Prolific Emerging Markets	*	13/08/91	39.0p	116.1		68.31-72.28p	253.0	+118
HOLD	Templeton E/Markets WARRANTS	TEMA	13/07/99	40.3p	119.7		22.75p	81.9	-32

* United Kingdom based Unit Trust

Other Shares and Warrants

Alternative investments in the UK listed investment trust shares and warrants recommended above include **Fidelity Asian Values** shares at 77½ pence (-15%, i.e. 15% below net asset value), **Fleming Asian** shares at 102¼ pence (-9%), **Schroder Asia Pacific** shares at 82 pence (-13%), **Templeton Emerging Markets** shares at 115¾ pence (-20%), **Baillie Gifford Shin Nippon** warrants at 49½ pence, **Invesco Japan Discovery** warrants trade at 61½ pence.

Part Two: Buying and Selling UK based Unit Trusts

As promised last month, we have surveyed all of the two dozen UK stockbrokers offering their services via the internet. Unfortunately, nearly all of these brokers will only act for UK residents or residents of the European Union and will not open accounts for NZ or Australian residents.

UK Stockbrokers

There are only three UK internet brokers prepared to act for NZ investors:

1. FasTrade (www.fastrade.co.uk)

As previously reported, FasTrade charge 0.1% (minimum £15, maximum £30) to buy or sell listed securities (i.e. shares, listed investment trusts, warrants). For unlisted UK Unit Trusts they rebate *all* of the initial sales charge (usually 3%), but charge their normal internet brokerage *plus* a £40 surcharge (i.e. £55-70 to buy and a similar charge to sell).

2. Cave & Sons (www.caves.co.uk)

The main problem with this broker is that you need to have a UK bank account to open an account! Brokerage is 1.0% (minimum £5, maximum £35). Cave & Sons charge a flat £20 to buy or sell unlisted UK Unit Trusts, but only rebate the initial sales charge *in excess* of 2% (i.e. so you will usually get only a 1% rebate).

3. James Brearley & Sons, ICON (www.icon.co.uk)

James Brearley & Sons offer an ICON internet account that can only be used to buy and sell listed securities. The brokerage rate is a flat £20 per trade.

While you cannot buy or sell unlisted UK Unit Trusts through the ICON account, you can open a regular brokerage account as well and buy or sell unit trusts by telephone or facsimile. These accounts would operate separately so, when necessary, you would need to instruct the broker to transfer cash between the ICON account and the regular brokerage account.

Like FasTrade, James Brearley will rebate all of the initial sales charge (usually 3%), but charge their normal *telephone* brokerage rates to buy and to sell. These rates are a relatively high 1.65% on the first £7000, 0.6% on the next £8000 and 0.5% on the balance over £15,000.

Summary and Recommendation:

UK Internet Brokers

All of these three UK internet brokers that will act for NZ (and other international) investors have approximately similar charges over a range of transaction sizes. However, investors can find savings between these brokers, based upon the *size of the transactions* that they are likely to make.

Opening an account with Cave & Sons is most difficult - and only available to investors who already have a UK bank account in their name. The main choice is therefore between FasTrade and James Brearley & Sons.

For *listed* securities there is little to choose between FasTrade's £15-30 brokerage fee and James Brearley's flat £20. For *unlisted* unit trusts the choice will depend upon the *size of transaction* that is most common for an individual investor. James Brearley's fees are lower for transactions worth up to £3478, while FasTrade's fees are lower for transactions worth in excess of £3478.

Small investors - buying or selling in amounts of £500-2000 - can therefore make some cost saving using James Brearley to buy and sell unit trusts. In fact, small investors may be best to open just a regular *telephone account* with James Brearley for *all of their business* (i.e. paying 1.65% brokerage on listed and unlisted securities), moving to FasTrade's internet service - and relatively flat commission - when they have grown into larger investors.

Other Companies For Buying UK Unit Trusts

We have found another company that will rebate some of the fees on UK Unit Trusts. As with Chelsea (discussed last month) using these companies is slow and less convenient - especially when selling! You need to make purchases by mail and redeem investments directly from the Fund Manager - who will make payment to you in Pounds Sterling. Having a UK cheque account is therefore very useful for managing the transfer of money.

1. **Chelsea Financial Services** (www.chelseafs.co.uk)
From Chelsea's website you can download one simple application form [Editor's Note: Or we can mail you a copy] to invest in any UK Unit Trust and receive 1-4% fee rebate (usually 3%). Then make purchases by mail with payment made out to the relevant Fund Manager.

2. **Direct Invest** (www.directinvest.co.uk)
This company offers only a *limited range* of UK Unit Trusts and you need to download a prospectus for a fund and then use the application form to buy units. The fee rebates vary from fund to fund, but are around 3-5%, so on some unit trusts you can get a better discount than through Chelsea.

Internet Site for UK Quotes and News

UK-Invest.com (www.uk-invest.com) is an internet site where investors can look up EPIC codes for listed UK securities, obtain live share quotes, company profiles and some company announcements to the stock exchange. You can also set up a portfolio to monitor your listed investment trusts and warrants.

The service is free, but you do have to register. There are also those annoying *pop up* advertising windows!

Investment Fund Survey

Many of the best performing funds (i.e. those with the highest *Superiority Ratings*) in the International, United States and United Kingdom sections have significant exposure to *technology* related companies. In many cases it is *smaller UK* companies within the portfolios of International and United Kingdom funds that have resulted in the strong performance over the last two years.

Given the unfavourable outlook for world stockmarkets, current high valuations on technology shares and uncertainty over how long a *smaller* companies boom will continue, investors need to be cautious about buying into even the better managed

funds.

Our recommendation would be to give preference to funds with *Low or Very Low risk ratings* as well as funds that have a *low Market Correlation*. These funds are not free of risk - but a low risk rating and low market correlation indicates that the fund is earning returns without relying solely on general market fluctuations.

If these funds have been able to earn good returns from investments whose performance is *not* closely related to the fluctuations in the general market, then they *may* be able to continue to earn good returns (or, at least, hold on to most of their value) when the general market trend is less favourable.

Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance		
					36 mth	12 mth	3 mth

INTERNATIONAL

AUSTRALIAN BASED UNIT TRUSTS

Avoid	AMP Multi-Mgr Global	High	-8%	0.65	46	21	1
Avoid	ANZ International Markets	Medium	-18%	0.61	1	17	7
Avoid	Advance International	Low	-12%	0.48	30	13	-4
Avoid	Advance Worldwide Share	Medium	-12%	0.59	26	11	-5
Avoid	Aust Unity Int'l Share	Medium	-16%	0.61	2	11	-6
Avoid	BT Sel Mkts International	Very High	-7%	0.87	36	33	4
Avoid	Challenger World Link	Medium	-17%	0.30	-12	4	-3
Avoid	Citicorp Inv Port Global	Very High	-17%	0.49	4	4	-13
	Col First State Intern'l	High	+0%	0.83	32	1	
	Commonwealth Int'l Share	High	-5%	0.52	62	24	5
	Dresdner Global	Medium	-5%	0.48	64	20	6
Buy	Dresdner International	High	+12%	0.61	60	5	
	Fidelity Perp. Int'l	Medium	+0%	0.73	84	35	8
Avoid	HSBC Flexi-Trt Int'l Trt	Medium	-7%	0.46	27	8	-14
Avoid	Invesco International	Very High	-11%	0.56	22	20	-11
	JB Were International	Medium	-5%	0.70	49	25	-4
	Lowell International	High	-6%	0.48	50	35	4
	MLC Aust - Platinum Gbl	Medium	-3%	0.37	51	19	7
Avoid	MLIM International Gth	Medium	-10%	0.57	26	13	-4
Avoid	Macquarie S/M Int'l Share	High	-19%	0.51	16	1	3
Avoid	NAFM Inv Trt - Global	Medium	-8%	0.53	37	12	-6
	Perpetual ICSav - Int'l	Medium	-1%	0.77	83	35	7
Avoid	Roth FA Global Small Coy	Very High	-11%	0.32	-4	-15	-12
Avoid	Roth FA Int'l Share	Very High	-14%	0.61	26	17	8
	Tyndall Aust Int'l No 1	Medium	-5%	0.81	63	18	2
Avoid	Westpac International	Medium	-15%	0.48	10	21	-2

NEW ZEALAND BASED UNIT TRUSTS

	AJ International Share	Medium	-4%	0.72	59	23	7
Avoid	AMP International Share	Low	-7%	0.67	51	20	6
	AMP Passive Int'l Share	Medium	+5%	0.68	32	7	
Avoid	ANZ World Equity Trust	Low	-7%	0.74	45	17	1
	ASB World Shares	High	-4%	0.70	15	-4	
Avoid	BNZ International Equity	Medium	-9%	0.71	37	26	8
	BT Life Int'l Share	Medium	-3%	0.83	28	2	
Avoid	BTIS International Share	Low	-7%	0.75	42	22	2
Avoid	Col FS Global Property	Very Low	-23%	0.45	5	5	
Avoid	NZ Guardian Global	Very Low	-9%	0.55	40	21	5
	NZFM Global Small Coys	High	+1%	0.59	64	49	7
Avoid	NZFM Global Equity Gth	Medium	-7%	0.69	48	22	7
Avoid	NZFM Global Prop & Infra	Medium	-9%	0.46	38	6	-3
Avoid	NZFM Global Blue Chip	Very Low	-13%	0.41	24	9	6
Avoid	Nat Bank Int'l Equity	Low	-8%	0.79	45	24	4
	Royal & Sun Int'l S/Mkt	Low	-3%	0.67	28	4	
	Tower Global Equity	Medium	-4%	0.66	61	25	7
	Tower Tortis Intern'l	High	-4%	0.77	95	31	8
	Westpac International	Low	-6%	0.79	45	20	4

NEW ZEALAND BASED INSURANCE BONDS

Avoid	Royal Sun All Global Fd	Medium	-7%	0.76	47	28	4
Avoid	Sov. Super Int'l Equity	Medium	-18%	0.55	0	17	1

UNITED KINGDOM BASED UNIT TRUSTS

	ABN AMRO Global Growth	High	+5%	0.75	61	16	
	Abbey Global Growth	Very Low	-6%	0.07	46	12	10
	Abbey Global Opportunities	Medium	-2%	0.84	21	6	
	Abbey International	Medium	-2%	0.85	78	23	7
	Abbey Nat'l International	Medium	-3%	0.82	28	6	
	Aberdeen World	Medium	-4%	0.92	73	27	7

Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance		
					36 mth	12 mth	3 mth

	BG International	Very Low	+1%	0.18	99	39	5
	Barclays Worldwide	Medium	-1%	0.92	85	31	8
Buy	Baring Global Growth	Very High	+7%	0.91	137	38	8
	Canada Life International Gth	Medium	+1%	0.78	104	47	8
	Clerical Medical UK & Overseas	High	-2%	0.85	76	21	6
	Dresdner Global Equity	Medium	-2%	0.86	83	26	10
	Equitable International	Medium	+1%	0.84	89	38	8
	Fidelity International	Medium	+0%	0.85	34	12	
Buy	Fidelity Managed Int'l	High	+10%	0.61	161	38	10
	Fleming Private International	Medium	+0%	0.93	32	10	
	Fleming Private W'wide Capital	High	+5%	0.82	121	42	8
	Fleming Private Global Opport.	Medium	+3%	0.82	110	38	10
Buy	Framlington International	Very High	+9%	0.82	127	50	8
	Friends Prov. International	High	+2%	0.91	104	35	7
	GA International Growth	Medium	+0%	0.94	34	6	
	GAM International Growth	Very Low	-3%	0.28	11	14	
	GRE International	Medium	-1%	0.93	83	31	9
Buy	Gartmore Global Utilities	Medium	+15%	0.62	180	44	4
	HSBC Tulip	High	+0%	0.79	33	10	
	Henderson Independent Port.	Medium	+1%	0.95	95	30	8
	Henderson International	Medium	+4%	0.90	105	42	8
	Hill Samuel Int'l	Medium	-0%	0.86	97	29	7
	Invesco GT International	Very High	+1%	0.78	38	6	
	Investec GF Global Privat'n	Medium	+2%	0.73	90	44	6
	Lazard International Equity	Low	-1%	0.78	25	5	
	Lazard Worldwide Portfolio	Very High	+3%	0.86	52	12	
	Legal & General Worldwide	Medium	-2%	0.96	85	27	8
	Legal & General Global Gth	Medium	+0%	0.93	99	39	10
	Lincoln Global	Medium	-1%	0.85	96	41	10
	M & G International Gth	Medium	-1%	0.88	93	44	10
	MGM International Equity	Medium	+6%	0.84	123	42	8
	Marlborough International	Medium	-1%	0.51	71	38	13
	Martin Currie International	High	+1%	0.91	83	42	5
	Merrill Lynch International	High	+3%	0.87	94	33	7
	Murray Worldwide Equity	Very High	+1%	0.91	97	41	9
	NPI Global Care	Medium	+2%	0.66	99	38	11
	Newton International	Very High	+6%	0.81	104	48	4
	Old Mutual Fund Worldwide	High	+1%	0.88	106	27	7
	Pearl International	Medium	+0%	0.88	93	30	8
	Perpetual Int'l Emerging Coys	High	+5%	0.80	112	39	8
	Perpetual Int'l Growth	High	+0%	0.90	89	30	8
	Perpetual Worldwide Recovery	High	+1%	0.88	95	31	7
	Premier Global 100	High	+4%	0.78	117	38	5
	Prudential Global Growth	Medium	-6%	0.81	71	20	9
Avoid	Prudential Int'l Growth	Low	-7%	0.74	67	19	10
	Royal & Sun All. Intern'l Gth	High	-2%	0.89	88	25	7
	Royal London International	High	+1%	0.89	97	34	11
	Scottish Life Worldwide	Medium	+1%	0.76	89	37	5
	Scottish Mutual International	Medium	+3%	0.66	101	37	5
Buy	Scottish Widows' Global	High	+7%	0.88	125	41	4
	Singer & Freidlander Global	Medium	+3%	0.91	106	32	4
	Sovereign Int'l Growth	High	+4%	0.93	117	44	9
	St. James's Place Int'l	High	+6%	0.60	114	47	6
	Sun Life of Canada W/Wide Gth	Medium	+1%	0.87	93	33	6
	United Fr. International	Very High	+2%	0.87	43	6	

AUSTRALIAN LISTED INVESTMENT TRUSTS

	BT Global	High	+2%	0.40	96	43	7
	Platinum Capital	Very Low	+2%	0.13	83	33	4
Avoid	Templeton Global	Very Low	-16%	0.02	6	-19	4

Current Advice	Investment Fund	Risk Rating	Specialty Rating	Market Correlation	Performance 36 mth	12 mth	3 mth	Current Advice	Investment Fund	Risk Rating	Specialty Rating	Market Correlation	Performance 36 mth	12 mth	3 mth
	NEW ZEALAND LISTED INVESTMENT TRUSTS								UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS						
	(I NZ) World Index Fund	Medium	+5%	0.81	125	36	10		NPI North America	Low	-1%	0.56	103	44	11
	UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS								Newton American	Low	+3%	0.50	128	48	13
	Alliance Trust	Low	-4%	0.51	80	23	14		Old Mutual Fund Nth American	Medium	+1%	0.68	149	38	10
Buy	Anglo & Overseas Trust	Very High	+7%	0.69	152	52	18	Avoid	Perpetual American Growth	Medium	-2%	0.80	117	41	12
	Bankers Investment	Medium	-4%	0.67	72	30	10		Portfolio American	Low	+3%	0.41	56	14	
Buy	Brunner Invest. Trust	Very High	+7%	0.77	109	44	2		Prudential North American	Low	-14%	0.52	55	12	
	Capital Gearing Trust	Very Low	-2%	0.12	77	9	13		Rothschild North America	Low	+3%	0.30	56	15	
	Edinburgh Worldwide	Very High	+1%	0.74	47	14			Royal & Sun All. Nth American	Low	+5%	0.53	134	44	
	Edinburgh Investment	High	-3%	0.84	79	28	13		Royal London American Gth	Low	-1%	0.66	130	42	
	English & Scottish	Very High	-4%	0.71	78	47	12		S & W American	Very Low	+2%	0.16	131	48	
Buy	F & C Smaller Companies	Medium	+7%	0.50	127	45	17	Avoid	Schroder American	Low	-5%	0.75	107	29	
Buy	Fleming Mercantile	Very High	+10%	0.71	127	68	16		Scottish Amicable American	Low	-14%	0.51	55	14	
	Fleming Overseas	High	+5%	0.83	123	47	11	Buy	Scottish Life America	Low	+1%	0.66	139	38	
	Foreign & Colonial	Medium	+3%	0.74	109	40	12		Scottish Mutual Nth American	Low	+8%	0.51	175	61	
Buy	Henderson Strata Inv	Very High	+23%	0.45	210	124	26	Avoid	Scottish Widows' Nth American	Low	+3%	0.58	145	46	
Buy	Jupiter Primadona	High	+14%	0.30	226	46	37		Stewart Ivory American	Low	-8%	0.64	88	52	
Avoid	Law Debenture Corp.	Medium	-11%	0.50	42	13	8	Buy	Sun Life of Canada Nth Amer.	Very Low	+0%	0.63	122	41	
	Majedie Investment	Low	-5%	0.48	72	9	11		Un Friendly Nth American	Low	+10%	0.32	180	71	
	Martin Currie Portfolio	Low	-1%	0.63	38	16			UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS						
	Mercury Asset Alloc'n	Very High	+2%	0.79	34	9		Avoid	American Opportunity	Low	-10%	0.15	38	30	
	Mid Wynd Invest Trust	Medium	+5%	0.56	95	40	8		Edinburgh US Tracker	Medium	+2%	0.77	144	49	
	Monks Investment	Medium	+3%	0.82	102	42	12		Fleming American	Low	+3%	0.56	143	75	
Avoid	Murray International	High	-7%	0.71	55	27	8	Avoid	Second London American	Very High	-32%	0.18	-9		
	Orxy International	Very Low	-1%	0.06	55	23	2		UNITED STATES SMALLER COS						
	Personal Assets Trust	Very Low	-3%	0.36	82	13	9		UNITED KINGDOM BASED UNIT TRUSTS						
	Ptarmigan International	Medium	+3%	0.46	102	44	13	Buy	Abbey US Emerging Companies	High	+35%	0.28	404	157	
	RIT Capital Partners	Low	+6%	0.51	123	46	14		BG American Smaller Coys	Very Low	-6%	0.28	72	47	
Buy	Scottish Invest. Trust	Medium	-0%	0.79	94	35	13	Buy	Baring American Small Coys	Low	+9%	0.15	116	105	
	Scottish Value	Very High	+16%	0.46	159	62	21	Avoid	F & C US Smaller Coys	Low	-7%	0.49	70	32	
	Scottish Mortgage & Trt	Very High	-1%	0.82	84	29	6	Buy	Fidelity American Spec Sits	Very High	+25%	0.34	292	115	
	Scottish American Inv.	High	-1%	0.83	89	29	13	Buy	Fleming Select American Sm Co	Very Low	+6%	0.01	62	11	
	Second Alliance	Medium	-5%	0.68	81	23	16	Avoid	Friends Prov. Amer Small Coys	Very Low	-8%	0.33	67	55	
Avoid	Secs Trust of Scotland	Medium	-9%	0.67	55	21	14	Buy	Henderson Amer Small Coys	Low	+13%	0.27	170	90	
	Special Utilities 'S'	Medium	-3%	0.39	108	18	21	Buy	Hill Samuel US Small Coys'	Medium	+14%	0.27	175	122	
Buy	Tribune Trust Managed	Low	+7%	0.37	26	10		Buy	Invesco American Smaller Coys	Medium	+21%	0.22	239	88	
Buy	Warrants & Value	Medium	+8%	0.46	135	53	17	Buy	M & G American Smaller Coys	Medium	+7%	0.47	156	100	
	Witan Investment Coy	High	+2%	0.92	109	39	12	Buy	Merrill Lynch American Opps	High	+25%	0.25	257	118	
	UNITED KINGDOM BASED INVESTMENT TRUSTS - SPLIT CAPITAL								Perpetual Amer Small Coys	Low	-2%	0.63	97	49	
Buy	Asset Management	Very Low	+27%	0.00	125	45		Buy	Schroder US Smaller Coys	Low	+4%	0.42	124	82	
	British Assets Trust	Medium	-4%	0.51	78	31	13		UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS						
Avoid	Fleming W'wide Income	Very High	-11%	0.37	49	16	5		F & C US Smaller Coys	Medium	-4%	0.46	86	38	
Avoid	Govett High Income IT	Low	-12%	0.38	31	-4	-4		Fleming US Discovery	Low	-5%	0.21	80	38	
Buy	Jupiter Int'l Green IT	Very High	+7%	0.42	143	72	34	Buy	Nth Atlantic Smaller	Very Low	+2%	0.16	77	52	
	Murray Global Return	Very High	-1%	0.41	26	9		Buy	Renaissance U.S.	Very Low	+18%	0.07	195	114	
									US Smaller Companies IT	Medium	-2%	0.40	122	65	

UNITED STATES**AUSTRALIAN BASED UNIT TRUSTS**

Avoid	BT Sel Mkts American Gth	Medium	-10%	0.37	45	50	8
	Fidelity Perp. America	Medium	-5%	0.66	84	35	12

NEW ZEALAND BASED INSURANCE BONDS

Avoid	Royal Sun All Nth Amer	Very Low	-8%	0.31	51	31	8
Avoid	Sov. Super Nth America	Very Low	-16%	0.25	9	31	7

UNITED KINGDOM BASED UNIT TRUSTS

	Abbey American Growth	Very Low	+5%	0.47	134	52	10
	Aberdeen American Opport.	Low	+1%	0.39	110	81	25
Avoid	Aberdeen North American	Low	-10%	0.66	74	35	15
	Barclay America Growth	Very Low	-2%	0.17	19	12	
	Barclays America	Low	+0%	0.65	137	41	12
Buy	Baring American Gth	Medium	+6%	0.57	179	53	12
	Britannia American	Very Low	+9%	0.40	188	57	15
	CCS North American	Low	+4%	0.54	142	51	10
	CGU PPT North American Gth	Low	+0%	0.68	39	9	
	Canada Life North American	Low	-2%	0.56	138	48	18
	Cavenove North American	Low	-3%	0.73	100	34	16
	Clerical Medical American	Very Low	+1%	0.51	131	35	11
Buy	Credit Suisse Transatlantic	Low	+10%	0.52	198	61	18
Buy	Deutsche American Growth	Medium	+11%	0.57	197	71	13
	Deutsche US Index	Low	-1%	0.62	126	40	12
Buy	Dresdner North American	Low	+9%	0.48	195	56	13
Buy	Edinburgh North American	Medium	+7%	0.47	181	62	18
	Equitable North American	Low	-5%	0.75	95	36	13
Buy	Fidelity American	Low	+14%	0.23	261	38	15
	Fleming Select America	Low	+1%	0.61	130	47	11
Buy	Framlington American Gth	Very Low	+22%	0.37	302	81	20
	Friends Prov. American	Medium	+1%	0.72	140	43	11
	GA Nth American Growth	Low	+1%	0.57	40	7	
	GAM North America	Very Low	+4%	0.04	63	13	
Buy	GRE North American	Medium	+0%	0.68	127	46	12
	Gartmore American	Low	+7%	0.54	162	70	15
	HSBC American Growth	Medium	-0%	0.60	128	43	11
	HSBC American Index	Low	+0%	0.73	136	39	11
	Henderson North American	Low	+3%	0.61	145	57	12
	Hill Samuel American	Low	+2%	0.45	53	11	
	Invesco GT US Growth	Low	+5%	0.24	74	22	
	Jupiter North America	Low	+0%	0.51	38	5	
Avoid	Lazard Nth American Gth	Low	-9%	0.66	81	24	11
	Legal & General US Index	Low	+0%	0.71	138	41	12
	Legal & General Nth American	Low	+3%	0.65	158	58	18
	Lincoln North American	Very Low	-3%	0.55	104	37	12
	M & G American Recovery	Low	+2%	0.38	94	48	12
	M & G American & General	Low	-1%	0.62	107	41	9
Buy	MGM North American Growth	Very Low	-0%	0.55	126	47	15
	Martin Currie North American	Low	-0%	0.51	87	55	8
	Merrill Lynch American	Low	+5%	0.62	162	41	12
	Murray American	Low	-4%	0.38	74	57	12

UNITED KINGDOM**UNITED KINGDOM BASED UNIT TRUSTS**

Avoid	Abbey Assets & Earnings	Very Low	-6%	0.72	56	12	11
	Abbey Dividend & Growth	Very Low	-8%	0.75	44	6	8
	Abbey General	Very Low	-1%	0.62	12	10	
	Abbey Nat'l N & P UK Growth	Low	-1%	0.79	25	12	
	Abbey Nat'l UK Growth	Low	-2%	0.65	22	12	
	Aberdeen UK Blue Chip	Low	-2%	0.81	70	12	8
	Aberdeen UK Growth	Low	+0%	0.78	77	19	10
	BAM UK Equity Diversified	Low	-1%	0.73	14	12	
	BG British 350	Low	-1%	0.78	76	16	9
	BWD Equity Growth	Low	-1%	0.88	85	24	11
	BWD UK Equity	Low	-3%	0.87	69	14	8
	Barclays Capital	Low	-1%	0.83	77	18	9
	Barclays FTSE 100	Low	-1%	0.88	72	16	9
	Baring UK Growth	Low	+4%	0.64	107	33	14
	Britannia UK General	Low	-4%	0.78	65	13	13
	CGU PPT UK & General	Very Low	+0%	0.77	19	12	
	CGU PPT UK Growth	Very Low	+0%	0.74	18	12	
	CGU PPT UK Index Tracking	Low	-0%	0.78	17	9	
	Cazenove UK Equity	Low	-0%	0.66	77	37	13
	Credit Suisse Growth	Low	+6%	0.45	106	45	12
	Deutsche UK Blue Chip	Low	+3%	0.81	103	26	12
	Deutsche UK Equity	Low	-1%	0.73	84	22	10
	Deutsche UK Growth	Low	+4%	0.66	106	35	13
	Deutsche UK Index	Low	-3%	0.83	62	18	9
Buy	Dresdner UK Growth	Medium	+12%	0.47	144	49	16
	Dresdner UK Index	Low	-1%	0.85	73	19	10
	Equitable Special Situations	Very Low	+1%	0.50	93	36	10
	Equitable UK Index	Medium	-2%	0.89	70	17	9
Buy	Exeter Capital Growth	Medium	+12%	0.54	181	44	15
Buy	Fidelity Special Situations	Very Low	+7%	0.37	118	40	13
	Fidelity UK Growth	Low	+0%	0.72	87	34	14
	Fleming Private Growth	Low	+0%	0.78	71	23	9
	Fleming Select UK Equity	Very Low	-4%	0.25	38	-11	-12
Buy	Framlington UK Growth	Very Low	+7%	0.56	116	44	12
	Friends Prov. Equity	Low	+2%	0.79	87	29	12
	GA Blue Chip Tracking	Low	-3%	0.79	16	8	
	GA Equity Growth	Very Low	-4%	0.76	19	12	
	GAM UK Diversified	Very Low	+4%				

Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance			Current Advice	Investment Fund	Risk Rating	Superiority Rating	Market Correlation	Performance		
					36 mth	12 mth	3 mth						36 mth	12 mth	3 mth
Buy	Hargreaves Lansdown Investment	Very Low	+8%	0.34	119	43	16	Avoid	Dartmoor	Very Low	-7%	0.31	50	-8	2
	Henderson UK Capital Growth	Low	-0%	0.66		17	3		Derby Trust - Capital	Very Low	+5%	0.37	104	35	13
	Hill Samuel British	Low	-3%	0.85	70	14	11	Avoid	Dresdner RCM Income Gth	Low	-16%	0.18		-12	-12
	Hill Samuel Capital	Low	-0%	0.83	77	21	8	Avoid	Edinburgh Income & Val.	Very Low	-9%	0.00		-10	15
	Invesco GT UK Blue Chip	Very Low	+1%	0.66		24	7	Avoid	Exeter Enhanced Income	Very Low	-14%	0.07		-9	0
	Invesco UK Growth	Low	+4%	0.68	90	30	11	Buy	Finsbury Inc & Gth -Cap	Very High	+33%	0.44		70	21
	Investec GF UK Opportunities	Low	-0%	0.50	91	41	16		Fleming I & G (2006)	Very Low	-2%	0.18		20	18
	Jupiter UK Growth	Very Low	+1%	0.62	102	24	11		Framlington I & C - Cap	High	+5%	0.43	124	23	10
Buy	Jupiter UK Special Situations	Very Low	+14%	0.19	145	52	11	Avoid	Framlington Second Dual	Low	-9%	0.35		-27	-10
	Legal & General UK Recovery	Low	-1%	0.74	77	19	13	Avoid	Friends Prov Ethical	Low	-7%	0.28	53	11	1
	Legal & General Equity	Low	-3%	0.80	65	17	9	Avoid	Gartmore SNT	Very High	-32%	0.40		-15	15
	Legal & General UK Stockmarket	Medium	-1%	0.88	70	16	10		Gartmore Scotland - Cap	Very High	+3%	0.53	122	7	12
	Legal & General UK Index	Low	+0%	0.56	75	20	11	Avoid	Gartmore Shared Equity	Medium	-12%	0.36	50	-17	2
	Lincoln Growth	Low	-0%	0.72	76	21	10	Avoid	Govett Enhanced Income	Very Low	-14%	0.10		-14	2
	M & G Blue Chip	Low	+1%	0.77		21	14		Guinness Flight Extra	Very Low	-2%	0.23	94	6	11
	M & G British Opportunities	Very Low	+6%	0.16	56	25	25	Avoid	Henderson Geared I & G	Very Low	-7%	0.44	53	10	8
	M & G Capital	Very Low	+2%	0.44		28	14	Avoid	I & S Optimum Income	Medium	-8%	0.43	58	10	7
	M & G Index Tracker	Low	+0%	0.84		19	10	Avoid	Invesco Geared Opps	Medium	-17%	0.29		-1	7
	M & G Recovery	Low	-5%	0.72	59	19	10		Invesco Recovery 2005	Very Low	+3%	0.06		7	9
	MGM Special Situations	Very Low	+3%	0.65	92	29	13		Investors Capital	High	+2%	0.60	96	34	12
	MGM UK Growth	Very Low	+1%	0.72	86	27	13	Avoid	Jersey Phoenix	Very Low	-7%	0.28	56	-1	3
	Marlborough UK Growth	Very Low	+4%	0.23	88	26	13	Buy	Jos Holdings - Capital	Medium	+35%	0.26	312	105	18
	Martin Currie UK Growth	Low	-2%	0.70	61	32	13	Buy	Jove Investment - Cap	Very High	+37%	0.31	380	18	-10
	Merrill Lynch Brit Blue Chip	Low	-5%	0.79	60	13	9	Avoid	Jupiter Enhanced	Very Low	-8%	0.05		-9	16
	Merrill Lynch Recovery	Very Low	+1%	0.32	76	18	10		Jupiter Extra Income	Very Low	-2%	0.38	100	8	20
	Murray UK Growth	Low	-5%	0.75	54	16	10	Buy	Jupiter Split Trust Cap	Very High	+43%	0.36	560	129	44
	NatWest UK Tracker	Low	-2%	0.88	69	16	10		Legg Mason Utilities	Very Low	+6%	0.08	79	36	13
	Old Mutual UK All Share Mirror	Low	-1%	0.84	73	19	10	Avoid	Leveraged Income Fund	Very Low	-9%	0.11		-3	-2
	Old Mutual UK Growth	Very Low	-2%	0.41		4	6	Avoid	M & G Equity Trust -Cap	Very High	-8%	0.31	34	-8	6
	Pearl Equity Trust	Low	-2%	0.71	69	21	14	Avoid	M & G High Income - Cap	Very High	-22%	0.16	-18	-12	14
	Pearl Growth	Low	+1%	0.69	83	25	11	Buy	M & G Income IT - Cap	High	+7%	0.36	158	12	13
Avoid	Perpetual UK Growth	Low	-7%	0.62	57	13	8	Buy	M & G Recovery - Cap	Very High	+26%	0.33	352	51	24
	Portfolio UK Growth	Very Low	+3%	0.19		38	14		Martin Currie I & G	Very High	-5%	0.21	76	11	6
	Prudential UK Growth	Low	-3%	0.83	68	19	10	Avoid	Monthly High Income	Low	-22%	0.21		-18	0
	Rothschild UK	Very Low	+2%	0.31		29	12	Buy	Murray Extra Return	Very High	+17%	0.24		45	17
	Royal & Sun All. Equity Trust	Low	+2%	0.75	89	21	11	Avoid	New Fulcrum	Very Low	-18%	0.06		-21	15
	Royal & Sun FTSE All Share	Very Low	-0%	0.77		16	10	Avoid	Quarterly High Income	Very Low	-13%	0.20		-15	-2
	Royal & Sun FTSE 100 Tracker	Low	-0%	0.57		16	10	Buy	Schroder Split - Cap	High	+38%	0.08	257	26	24
	Royal London UK Growth	Low	+2%	0.73	88	25	11	Avoid	Second Scottish Nat'l	Very Low	-22%	0.30		-20	-7
Buy	Sanwa UK Growth	Very Low	+11%	0.37	139	41	15	Buy	Tor Inv Trust - Capital	Very Low	+12%	0.01	144	39	19
	Schroder UK Enterprise	Low	-3%	0.61	56	15	7	Avoid	Yeoman II - Cap	Very Low	-16%	0.02		-1	37
	Schroder UK Equity	Low	+1%	0.80	78	23	9								
	Scottish Amicable Equity Trust	Low	+0%	0.81	84	21	10								
	Scottish Life UK Equity	Low	+2%	0.82	87	24	11								
	Scottish Mutual UK Equity	Low	+2%	0.72	81	25	12								
	Scottish Widows' UK Spec Sits	Very Low	+1%	0.50	87	29	16								
	Scottish Widows' UK Index	Low	-2%	0.80	74	16	10	Buy	ABN AMRO UK Growth	Very High	+27%	0.60	101	16	
	Scottish Widows' Equity	Low	-2%	0.77	72	18	11	Buy	Abbey Nat'l Smaller Cos	Very High	+8%	0.70		62	17
	Societe Generale UK Growth	Low	+6%	0.56		35	10	Buy	Aberdeen UK Emerging	High	+14%	0.64	211	65	15
	Sovereign FTSE 100	Low	-3%	0.86	63	15	9		BAM UK Equity Small-Cap	Very High	+1%	0.79		63	17
	Sovereign UK Growth	Low	-1%	0.70	68	29	13	Avoid	BG British Smaller Coys	Very Low	-9%	0.43	57	25	16
Buy	St. James's Place UK & Gen Prg	Very Low	+13%	0.39	156	39	9	Avoid	BG UK Smaller Companies	Low	-10%	0.62	61	24	22
	Stewart Ivory British	Low	+4%	0.57	95	31	13	Buy	BWD UK Smaller Coys	Very High	+25%	0.62	279	113	14
	Sun Life of Canada UK Growth	Low	-4%	0.80	58	17	7	Buy	Baring UK Small Coys	Very High	+21%	0.66	261	104	22
	Tilney UK Equity	Low	-2%	0.62		29	9	Buy	Britannia Smaller Companies	Very High	+5%	0.79	141	48	14
	Un Friendly UK Equity Growth	Low	-3%	0.77	85	19	10		CGU PPT Smaller Cos	Very High	+1%	0.78		55	17
								Buy	Canada Life UK Smaller Coys	Very High	+11%	0.62	172	62	17
								Buy	Cavendish Opportunities	Very Low	+8%	0.45	140	37	20
								Buy	Cazenove UK Smaller Coys	Very High	+8%	0.71	156	85	20
								Buy	Credit Suisse Smaller Coys	Very High	+8%	0.61	162	75	25
								Buy	Dresdner UK Mid-Cap	Very High	+18%	0.58	231	75	14
								Buy	Dresdner UK Smaller Companies	Very High	+17%	0.52	180	121	19
								Buy	Edinburgh UK Smaller Coys	Very High	+31%	0.61	371	153	30
								Buy	Equitable Smaller Coys	Very High	+7%	0.66	150	77	23
								Buy	Fleming Select UK Smaller Coys	High	+8%	0.80	165	58	20
									Framlington Capital	Very High	+5%	0.71	143	52	18
									Gartmore UK & Irish Small Cos	Very High	+4%	0.77		111	19
									Gartmore UK Small Coys	Very High	+6%	0.67	142	56	20
									Govett UK Smaller Companies	High	+2%	0.66	128	33	21
								Buy	HSBC UK Smaller Coys	High	+13%	0.75	207	58	18
								Buy	Henderson UK Small Coys	Very High	+18%	0.55	219	67	19
									Hill Samuel UK Smaller Coys	Very High	-0%	0.73	102	52	14
								Buy	Invesco UK Smaller Companies	Very High	+7%	0.62	120	58	11
									Investec GF UK Emerging Coys	Low	-3%	0.50	85	33	18
									Jupiter UK Small Cos	Very High	+1%	0.76		60	12
									Lazard UK Small Coy	Medium	+2%	0.77	116	38	14
									Legal & General UK Small Coys	Medium	+6%	0.74	154	62	18
								Buy	M & G Smaller Companies	Very High	+10%	0.72	185	73	25
								Buy	Marlborough Special Situations	Very High	+32%	0.43	295	116	20
									Martin Currie UK Smaller Coys	High	+5%	0.79	120	62	17
								Buy	Merrill Lynch UK Smaller Coys	Medium	+12%	0.69	171	58	18
								Buy	Murray Smaller Companies	Very High	+32%	0.52	343	210	25
									Pearl UK Small Coys	Very High	+5%	0.65	133	46	21
								Buy	Perpetual UK Small Coys	High	+8%	0.79	153	58	10
									Prudential Smaller Companies	Medium	+0%	0.78	116	37	22
								Buy	Royal & Sun All. UK Smaller	Very High	+11%	0.56	197	76	36
Avoid	Merchants Trust	Medium	-10%	0.64	45	-2	1	Buy	Schroder UK Smaller Coys	High	+13%	0.62	190	65	15
Avoid	Mercury Keystone IT	Medium	-10%	0.60	41	3	8		Scottish Amicable UK Small	Medium	+0%	0.80	112	44	20
	Murray Income Trust	Medium	-6%	0.61	60	23	13		Scottish Mutual UK Small Coys	Very High	+2%	0.72	110	63	17
Avoid	Perpetual Income & Gth	Medium	-14%	0.51	35	5	12		Scottish Widows' UK Small Coys	Medium	-1%	0.81	100	41	16
Avoid	Schroder Income & Grwth	Very Low	-11%	0.42	35	7	10		Singer & Freidlander Small Cos	High	+4%	0.69	110	47	14
	Schroder UK Growth	Medium	-6%	0.45	41	19	11		Sun Life of Canada Small Coys	High	-1%	0.67	100	45	16
	Shires Investment Trust	Medium	-4%	0.53	92	8	17		Tilney UK Smaller Cos	Very High	+1%	0.75		45	16
	Temple Bar Inv. Trust	Low	-4%	0.58	69	9	12								

Current Advice	Investment Fund	Risk Rating	Sper- oity Rating	Market Correl- ation	Performance		
					36 mth	12 mth	3 mth
Buy	Eaglet Investment Trust	Very High	+26%	0.49	355	117	26
Buy	Edinburgh Smaller Coys	Very High	+14%	0.69	206	112	23
Buy	Finsbury Trust	Medium	+15%	0.37	200	113	43
Buy	Fleming Smaller Coys	Very High	+15%	0.70	240	104	33
Buy	Gartmore Fledgling Indx	High	+11%	0.41	147	77	28
Buy	Gartmore Small Coys	Very High	+1%	0.62	138	72	32
Buy	Group Trust	Very Low	-3%	0.18	63	23	15
Buy	Henderson Smaller Coy	Very High	+12%	0.56		73	26
Buy	Hill Samuel UK Emerging	Very High	+9%	0.67	190	115	40
Buy	I & S UK Smaller Coys	Very High	+6%	0.65	150	72	24
Avoid	Invesco England	Very High	+3%	0.67	105	79	18
Avoid	Knox D'Arcy Trust	Very Low	-12%	0.10	18	-10	6
Avoid	Montanaro UK Small Coys	High	+5%	0.63	143	58	21
Avoid	Perpetual UK Smaller Co	Medium	+1%	0.54	121	45	12
Avoid	Shires Smaller Coys	Medium	-6%	0.36	80	36	21
Buy	Smaller Companies IT	Very High	+10%	0.62	179	87	13
Buy	Themis FTSE All Small	Medium	+5%	0.46		47	20
Buy	Throgmorton Trust	High	-6%	0.60	68	33	16

UNITED KINGDOM BASED INVESTMENT TRUSTS - SPLIT CAPITAL

Aberforth SL - Cap	Low	-6%	0.34	69	18	13
Lloyds Smaller Co - Cap	High	+5%	0.70	152	77	21

EUROPE

AUSTRALIAN BASED UNIT TRUSTS

Avoid	BT Sel Mkts Europe Growth	Medium	-8%	0.24	29	16	-3
Avoid	Dresdner Europe Growth	Very Low	-10%	0.06	-24	26	5
Avoid	Fidelity Perp. Europe	Medium	+3%	0.36	81	38	5
Avoid	Invesco European	Very High	-9%	0.35	24	47	-15

NEW ZEALAND BASED UNIT TRUSTS

Buy	BTIS European Share	Low	-3%	0.27	48	16	-0
Buy	Tower Spot. Emerg. Euro.	Medium	+8%	0.14	65	38	-2
Buy	Tower Spotlight Europe	Low	-0%	0.25	64	36	2

NEW ZEALAND BASED INSURANCE BONDS

Avoid	Royal Sun All European	Low	-3%	0.30	52	26	2
Avoid	Sov. Super European	Medium	-10%	0.18	17	30	1

UNITED KINGDOM BASED UNIT TRUSTS

Buy	Abbey European Capital	Low	+4%	0.22	99	37	7
Buy	Aberdeen European Growth	Medium	+7%	0.23	118	42	5
Buy	BAM Europe	High	+1%	0.53		35	-0
Buy	BG Europe	Very High	+9%	0.29	135	60	3
Buy	Baring Euro Sel.	High	+9%	0.21	115	66	12
Buy	Baring European Growth	Medium	+9%	0.29	121	31	0
Buy	Britannia European	Medium	+6%	0.24	121	43	7
Buy	CGU PPT Europe Growth	Medium	+3%	0.42		47	4
Buy	Canada Life European	Medium	+10%	0.21	139	68	7
Buy	Cazenove European Portfolio	Very High	+16%	0.34	198	84	4
Buy	Clerical Medical European	Medium	+6%	0.21	112	35	7
Buy	Credit Suisse European	Medium	+1%	0.23	91	29	5
Buy	Deutsche European Growth	Medium	+5%	0.22	106	43	1
Buy	Dresdner Euro Index	Low	-2%	0.21	67	37	5
Buy	Dresdner European	Very High	+12%	0.30	150	54	8
Buy	Edinburgh European	Medium	+3%	0.25	107	42	6
Buy	Equitable European	Medium	+5%	0.26	111	32	5
Buy	Fidelity European	Medium	+11%	0.21	143	65	10
Buy	Fidelity European Opps	Medium	+9%	0.23	135	59	10
Buy	Fleming Select Cont Europe	Medium	+5%	0.23	110	44	6
Buy	Framlington European	Medium	+11%	0.23	151	56	6
Buy	Friends Prov. European	High	+8%	0.27	135	50	4
Buy	GA European Growth	Medium	+9%	0.31		49	4
Buy	GAM European Growth	High	+6%	0.47		67	9
Buy	GRE European	Low	+4%	0.21	95	35	4
Buy	Gartmore European Sel Opps	High	+16%	0.26	185	60	4
Buy	Gartmore European	High	+9%	0.31	132	42	3
Buy	Govett European Blue Chip	Low	+4%	0.19	107	30	5
Buy	Govett European Strategy	Very High	+15%	0.35	181	58	5
Buy	HSBC European Growth	High	+14%	0.27	171	62	6
Buy	HSBC Eurotrack 100	Low	+5%	0.21	112	36	6
Buy	Henderson European	High	+14%	0.29	160	56	2
Buy	Hill Samuel European	Low	+10%	0.22	147	44	5
Buy	Invesco European Growth	Very High	+25%	0.20	266	94	2
Buy	Investec GF European Gth	Medium	+7%	0.23	121	45	5
Buy	Jupiter Euro Spec Sits	Medium	+10%	0.30		103	12
Buy	Jupiter European	Medium	+11%	0.21	145	53	6
Buy	Lazard European Growth	Very Low	+7%	0.16	125	41	6
Buy	Legal & General Euro Index	Low	+5%	0.21	112	35	5
Buy	Legal & General European	Low	+2%	0.20	91	26	4
Buy	Lincoln European	Low	+7%	0.16	118	47	11
Buy	M & G European	Medium	+7%	0.26	121	46	5
Buy	MGM European Growth	Low	+5%	0.30	103	42	5
Buy	Martin Currie European	High	+9%	0.28	146	55	7
Buy	Merrill Lynch European Gth	Medium	+8%	0.26	134	45	5
Buy	Merrill Lynch New Europe	Medium	+5%	0.29	117	50	8
Buy	Old Mutual European Growth	Low	-0%	0.52		23	4
Buy	Old Mutual Fund Swiss Equities	Very Low	+4%	0.06	93	31	10
Buy	Old Mutual Fund European	Medium	+3%	0.26	83	42	4
Buy	Pearl New Europe	Medium	+10%	0.23	147	59	9
Buy	Perpetual European	Medium	+8%	0.33	126	44	7

Current Advice	Investment Fund	Risk Rating	Sper- oity Rating	Market Correl- ation	Performance		
					36 mth	12 mth	3 mth
	Portfolio European	High	+5%	0.40		63	6
	Prudential European	Very Low	+2%	0.17	87	23	6
	Rothschild Europe	High	+4%	0.37		57	4
Buy	Royal & Sun All. European	Medium	+9%	0.23	138	52	5
Buy	Royal London European Gth	Medium	+15%	0.19	165	52	8
Buy	Sanwa European Gth	Medium	+14%	0.25	160	53	9
Buy	Schroder European	Medium	+8%	0.27	127	49	5
Buy	Scottish Amicable European	Very Low	+3%	0.18	89	25	6
Buy	Scottish Life European	Low	+5%	0.24	117	43	8
Buy	Scottish Mutual European	Medium	+7%	0.26	110	36	3
Buy	Scottish Widows' Europe	Medium	+12%	0.27	152	49	4
Buy	Singer & Freidlander Cont'l	Low	+11%	0.21	148	45	8
Buy	Societe Generale European	Medium	+15%	0.28		71	9
Buy	Sovereign European Gth	Medium	+8%	0.27	126	40	2
Buy	Stewart Ivory European	High	+6%	0.24	125	48	4
Buy	Sun Life of Canada European	Medium	+3%	0.28	97	39	3
Buy	Tilney European Growth	Medium	+0%	0.28		40	5
Buy	Un Friendly European	Low	+4%	0.19	107	37	8

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Buy	Central European Gth	Low	-6%	0.05	12	57	11
Buy	Charter European Trust	Very High	+7%	0.27		41	2
Buy	Euroland Plus	Very Low	+5%	0.00		23	22
Buy	F & C European	Medium	+12%	0.16	152	48	5
Buy	Fidelity Euro V.	Medium	+13%	0.14	171	82	15
Buy	Fleming Cont'l Europe	Medium	+7%	0.19	119	56	3
Buy	Gartmore Irish Small	Very Low	+7%	0.07	112	69	23
Buy	Gartmore European	Medium	+16%	0.19	191	67	7
Buy	Martin Currie European	Very High	+10%	0.24	147	64	5
Buy	Mercury Euro Priv.	Medium	+6%	0.20	103	34	5
Buy	Perpetual European	Medium	+14%	0.12	179	50	-1
Buy	Govett Euro Enhanced	Very Low	+1%	0.09		22	-0
Buy	Henderson Eurotrust	Very High	+25%	0.14	273	77	4
Buy	Jupiter European IT	High	+27%	0.19	310	129	12
Buy	Legg Mason Euro Util.	Very Low	+18%	0.02	184	32	-12
Buy	SR Pan-European	High	+35%	0.08	202	89	-8

EUROPE SMALLER COS

UNITED KINGDOM BASED UNIT TRUSTS

Buy	BG Euro Small Coys	Very High	+11%	0.21	143	121	16
Buy	Deutsche Europa	Very High	+23%	0.20	209	121	9
Buy	Dresdner European Spec Sits	Very High	+27%	0.18	246	107	7
Buy	F & C European Smaller Coys	Medium	+11%	0.19	153	52	10
Buy	Fleming Select Cont Euro Sm Co	Very High	+24%	0.21	225	118	12
Buy	Framlington Cnt'l Sm Coys	Medium	+25%	0.13	227	127	12
Buy	Henderson European Smaller Cos	Very High	+29%	0.20	238	109	3
Buy	Invesco European Smaller Coys	Very High	+27%	0.19	285	111	9
Buy	M & G European Smaller Coys	Very High	+33%	0.22	343	129	13
Buy	Schroder Euro Smaller Coys	Very High	+17%	0.25	178	99	11
Buy	Stewart Ivory European Small	Medium	+21%	0.16	215	107	11

UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Buy	Fleming Euro Fledgling	Very High	+39%	0.18	380	170	13
Buy	Invesco Continental Sm	Very High	+31%	0.30		176	11
Buy	TR European	High	+26%	0.18	234	99	1

GERMANY

UNITED KINGDOM BASED UNIT TRUSTS

Buy	Baring German Growth	Low	+31%	0.49	295	80	11
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UNITED KINGDOM BASED LISTED INVESTMENT TRUSTS

Avoid	East German Inv Trust	High	-39%	0.26	-41	-17	6
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