International Investor

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Inside International Investor

Investment Fund Survey: International, USA, Best Managed Funds: Asset Management,

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World Stockmarket Forecasts

Stockmarket One-Yo		Technical Indicators	Monetary Indicators	Economic Indicators	Historical 3 mths	Performance 6 mths	e (in US\$) 12 mths	Share Index
Australia 579	6 Bearish	Bearish	Bullish	Neutral	-14.8%	-8.8%	-16.6%	3,175.50
Austria 659	6 Neutral	Bullish	Neutral	Neutral	+3.0%	+5.6%	+0.3%	1,181.83
Belgium 459	6 Neutral	Bearish	Neutral	Neutral	-10.6%	-3.3%	-5.8%	2,855.14
Canada 329	6 Neutral	Bearish	Neutral	Neutral	-17.7%	-31.5%	-26.4%	7,474.75
Denmark 359	6 Rearish	Bearish		Bullish	-14.5%	-16.1%	-7.8%	844.20
Finland 329			Neutral		-40.2%	-33.1%	-54.3%	8,159.89
France 389	6 Neutral		Neutral	Neutral	-15.1%	-14.1%	-22.1%	3,291.92
Germany 329	6 Bearish	Bearish	Neutral	Neutral	-15.7%	-12.9%	-28.3%	5,698.88
Ireland 529	6 Neutral	Neutral	Bullish	Bearish	-8.0%	-0.4%	-5.5%	5,495.97
Italy 369	6 Bullish	Bearish	Neutral	Bearish	-12.7%	-8.9%	-17.2%	27,508.00
Japan 329	6 Bearish	Bearish	Bullish	Bearish	-9.1%	-26.3%	-43.7%	13,383.76
Netherlands 309	6 Bearish	Bearish	Neutral	Bearish	-16.7%	-14.5%	-21.6%	785.40
New Zealand 349		Bearish	Bullish	Bearish	-14.5%	-10.6%	-32.1%	1,970.45
Norway 279		Bearish	Bearish	Bullish	-10.3%	-13.1%	-2.0%	732.14
Spain 359	6 Bearish	Bearish	Neutral	Neutral	-8.7%	-11.0%	-21.4%	890.80
Sweden 349	6 Bearish	Bearish	Bullish	Neutral	-26.7%	-32.3%	-47.5%	3,841.12
Switzerland 359				Bearish	-17.6%	-8.9%	-9.3%	6,954.90
Un. Kingdom 379	6 Bearish	Bearish		Bearish	-13.4%	-12.9%	-22.3%	5,601.50
USA 409		Bearish	Bullish	Bullish	-13.1%	-19.9%	-25.6%	1,128.43
Argentina 429	6 Bullish	Bearish	Bearish	Bullish	-8.8%	-13.8%	-23.9%	15,922.67
Brazil 409	6 Bullish	Bearish	Neutral	Bearish	-20.4%	-22.3%	-33.4%	14,484.51
Czech Rep 369	6 Bearish	Bearish	Bullish	Neutral	-17.5%	-11.2%	-35.5%	1,284.00
Chile 549		Bearish	Bullish	Neutral	-6.0%	-4.7%	-20.0%	4,877.83
China 299	6 Bearish	Bearish	Bearish	Bullish	-4.5%	-15.0%	-23.1%	638.87
Greece 559		Bearish	Bullish	Bullish	-10.3%	-22.2%	-42.7%	3,054.64
Hong Kong 389		Bearish	Bullish	Bearish	-19.8%	-23.5%	-27.0%	12,386.61
Hungary 359	6 Neutral	Bearish	Neutral	Neutral	-20.0%	-18.5%	-38.2%	6,712.66
India 379	6 Bearish	Bearish	Bullish	Neutral	-14.2%	-13.3%	-35.8%	3,576.00
Indonesia 30°	6 Bearish	Bearish	Neutral	Neutral	-23.5%	-29.5%	-54.7%	364.34
Korea 399	6 Neutral	Bearish	Bullish	Neutral	-17.9%	-30.6%	-50.1%	506.22
Malaysia 419	6 Bullish	Bearish	Bullish	Bearish	-13.8%	-18.6%	-39.2%	577.44
Mexico 429	6 Bearish	Bearish	Bullish	Neutral	-0.1%	-7.0%	-25.2%	5,695.26
Philippines 399	6 Bearish	Bearish	Neutral	Neutral	+1.9%	-1.8%	-30.5%	1,471.13
Portugal 419	6 Bullish	Bearish	Neutral	Neutral	-11.2%	-10.8%	-26.4%	2,379.61
Russia 469		Neutral	Neutral	Bearish	+15.9%	-9.9%	-17.3%	1,823.23
Singapore 319	6 Bullish	Bearish	Neutral	Bearish	-19.4%	-17.9%	-26.5%	1,670.18
Sth Africa 389		Bearish	Neutral	Bearish	-10.6%	-11.9%	-16.0%	8,109.96
Taiwan 449		Bearish	Bullish	Bullish	+3.5%	-17.5%	-48.6%	5,515.13
Thailand 389	6 Bearish	Bearish	Bullish	Neutral	-6.9%	-1.4%	-41.9%	282.02
Turkey 349		Bearish	Bullish	Bearish	-54.9%	-63.4%	-76.1%	8,237.00
Venezuela 549		Neutral	Bullish	Bearish	+5.3%	+5.5%	+20.0%	7,338.07

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.

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Stockmarket Outlook

Stockmarkets are emotional markets. At every stockmarket trough investors are steeped in pessimism. "Things are bad - and likely to get worse" becomes the common view, so investors sell depressed stocks to avoid further losses. Unfortunately it is very difficult for the individual investor (and virtually impossible for the professional fund manager) to avoid this contagious pessimism. One needs to realise that this is an emotional response to a crisis, not an intellectual analysis of the factual situation.

Most people want to buy when shares are rising and at their highs - driven by the emotion of *greed*. And they want to sell when shares are falling and at their lows driven by the emotion of *fear*. Clearly these are the wrong times to buy or sell, but investor emotions and sentiment continue to drive stockmarkets to extremes of over-valuation and extremes of under-valuation. To succeed, investors need to act in opposition to the greed that motivates us to buy when prices are high, and the fear that makes us want to sell when prices are low.

When things look good, it always seems that they will get better, but when things are bad it seems that they will get worse. Every sunset is followed by a sunrise. Every economic recession (or depression) by an economic recovery. Every Bear Market decline is followed by a new Bull Market Of course, that is the way things have always been. Things *may* be different *this time*: The sun may not rise tomorrow, the world economy may never recover and stock prices may spiral down to nothing . . . but, I don't think so.

Financial markets certainly face some serious problems at the present time: A negative savings rate in the US, the end of the US internet bubble stockmarket, the impact of the *negative wealth effect* on US consumer spending. Across the Pacific Ocean is the other side of this global imbalance: low consumer spending in Japan and South East Asia, and the failure of these economies to restructure and grow.

Serious stuff! But are these current problems more serious than the Oil crisis, hyper-inflation, high unemployment, currency devaluations, third world debt crisis and the US savings and loan crisis of the 1970's and 1980's? Again, I don't think so.

On the environmental front, the threat of global nuclear war, over-population (i.e. "standing room only on the planet by the year 2000") or depleting energy supplies by 2030-2050, have been replaced by the threat of global warming, low birthrates (i.e. less than the replacement rate of 2.1 children per woman) and AIDS. As a species, humans seem to *need* to worry about *something*!

Somehow the world managed to survive all of its problems - and stockmarkets (as measured by the MSCI World Total Return Index, which covers 12 major countries) actually produced some good returns for investors. <u>Up 95.9% (7.0% per annum) in the 1970's</u> and <u>up 515.3% (19.9% p.a.) in the 1980's</u>. The 1990's also had their share of problems, but <u>world stock prices</u>

rose 209.5% (12.0% p.a.). Whatever the world economy and stockmarkets may hold for the current decade, the one place I don't want to invest my money is a riskless bank deposit offering a low 4% p.a. after tax!

The current crisis - like so many before - has a solution (but will, without doubt, be followed by a new series of crises in the future). Faced with an economic recession, Japan and South East Asia may finally restructure. If handled successfully, this offers a new source of economic growth for the world economy over the next few decades. In the short to medium term, the US Federal Reserve will lower interest rates to whatever level is necessary to ensure that US consumer spending does not collapse too far. US consumers, however, have overspent for a decade, resulting in the negative savings rates. Correcting that situation will have a continued negative impact on US economic growth for much of the next decade.

Half a century ago economic and political restructuring was easy. Germany's economy and political systems were very effectively restructured by bombing every major industrial city to the ground. That eliminated a currency that had suffered from hyper-inflation and released *all* labour and capital resources to rebuild a completely modern and efficient economy. The Japanese political system was also quickly restructured, with the aid of two atomic bombs - leading to rapid economic growth and the emergence of the first developed economy in Asia.

Today such restructuring methods are considered unacceptable. Foreign military forces did not consult the local population before dropping bombs on them, but democratically elected governments must answer to their people. Should they introduce some needed economic reform that (ever so temporarily) increases unemployment, then they can expect to be quickly voted out of office in favour of any political party that promises to reverse the reform process.

So the only way to pressure an elected government to initiate restructuring and reform - and the general population to accept it - is through financial markets. More and more often, countries will go to the very brink of a currency collapse or stockmarket crash (which seriously threatens the national economy and living standards) before restructuring or deregulating. Consequently, stockmarket volatility and price fluctuations may be higher than in the past - but this doesn't change the fact that over the medium to long term (e.g. a decade) the stockmarket is the best place in which to invest your money.

Summary and Recommendation

Speculative, bubble stockmarkets can fall as much as 70-80%. The NASDAQ is down 66%, so prices may still fall further in the short term (i.e. 10-40% from *current* levels, but only another 5-15% from its peak). The worst may be over but *fear* will continue to drive prices to their ultimate lows.

Current economic problems are serious - just like all

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of the "serious current economic problems" of the past. One way or another, the world economy will muddle through - as always. World stockmarkets will rise to a series of new highs - as always.

The only important thing at present is that Central Banks *have* indicated their willingness to cut interest rates to *whatever level is necessary to keep economic activity from declining too far.* This *medicine* may not

come as *fast* as investors may like, to cure ailing stockmarkets, as economic excesses and imbalances need to be at least partially corrected. But that potent medicine will continue to be drip fed for as long as it is needed.

We remain cautious short term, but an opportunity to re-invest our 35-40% cash reserve lies somewhere in the not too distant future.

Recommended International Investment Funds

We continue to hold 35-40% of our international portfolio in cash. This cash holding becomes more and more valuable as world stockmarkets decline. When stockmarkets finally recover, we shall have significant buying power and be able to buy equities at depressed prices. In fact, as we hold a large cash reserve, the <u>best</u> thing that can happen is that stockmarkets continue to decline further in the short to medium term.

The rest of our portfolio remains invested mainly in Asian equity funds and leveraged Asian warrants. In retrospect, we clearly under-estimated Asia's ability to

resist economic and corporate restructuring following the 1997-98 crisis. An Information Technology export boom allowed restructuring to be deferred - although with the global economy now facing another crisis, restructuring may become the only option. Japan (which has avoided meaningful restructuring for over a decade) is making slight progress. Thailand's new government is aggressively acting on non-performing bank loans, which should force restructuring upon the most highly indebted companies.

Curren Advice	•	EPIC Code	Initial Rec Date	ommen Offer Foreign		Prem/ Disc to Net Assets		Price NZ Cents	Gain or Loss %
	Asian Rehional								
BUY	Fleming Asia WARRANTS	FAIW	07/03/00	43.8p	141.7		16.25p	57.4	-60
HOLD	Fidelity Asian Values WARRANTS	FASW	10/03/98	17.5p	49.7		10.0p	35.3	-29
BUY	Gartmore Pacific Growth Fund	*	29/10/85	41.4p	105.4		150.59-160.49	549.1	+421
HOLD	HSBC Asian Fund	*	10/11/98	34.4p	106.3		37.0p	130.7	+23
HOLD	HSBC Hong Kong Growth Fund	*	07/04/98	159.4p	481.6		168.5p	594.9	+24
BUY	Henderson Pacific Capital	*	08/08/00	342.2p	1122.6		236.2p	833.9	-26
BUY	Schroder Asia Pacific WARRANTS	SDPW	13/07/99	25.5p	75.8		10.5p	37.1	-51
	Japan								
HOLD	Baillie Gifford Shin Nippon plc	BGS	11/01/94	156.0p		-19%	136.0p	480.1	+9
HOLD	Invesco Japan Discovery Trust	IJD	13/07/99	95.5p	284.0	-15%	84.5p	298.3	+5
	Korea								
HOLD	Baring Korea Trust	*	12/04/94	81.1p	209.4		51.58-55.32p	188.7	-10
	Thailand								
BUY	Old Mutual Thailand Trust	*	08/12/98	49.0p	155.9		35.05-37.53p	128.1	-18
	International								
HOLD	Aberdeen Prolific Emerging Marke	ts *	13/08/91	39.0p	116.1		55.17-58.37p	200.4	+73
BUY	Legg Mason Int'l Utilities	LIU	13/02/01	170.5p	565.5	-14%	142.0p	501.3	-11
BUY	Templeton E/Markets WARRANTS	TEMA	13/07/99	40.3p	119.7		13.25p	46.8	-61
* Unite	ed 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 54 pence (-16%, i.e. 16% *below* net asset value), **Fleming Asian** shares at 76½ pence (-14%), **Schroder Asia Pacific** shares at 62 pence (-17%), **Templeton Emerging Markets** shares at 107½ pence (-14%), **Baillie Gifford Shin Nippon** warrants at 34½ pence and **Invesco Japan Discovery** warrants which trade at 31 pence.

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Investment Fund Survey

Current	Investment Fund	Risk	Superi- onity	Market Obrrela-	<u>Per</u> 36	<u>forma</u> 12	ance 3	Current	Investment Fund	Risk	Superi- ority	Market Obmela-	<u>Per</u> :	<u>forma</u> 12	ance 3
Advice	nivesdient raid		Rating	tion	mth	mth	mth	Advice	nivesdient raid	Rating	Rating	tion	mth	mth	mth
1241200		100219	100215	-	111022		111022	1247100		100119	100215		III		
												_			
	INTERN	IATION	IAL				New Zealand based Insurance Bonds								
									Royal Sun All Global Fd	Medium	-4%	0.75	19	-10	-2
	Australian ba	SED UNII	TRUS	15				Avoid	Sov. Super Int'l Equity	Medium	-12%	0.55	-9	-4	-4
	AMP Multi-Mgr Global	Medium	-6%	0.78		-16	-5		United Kingdom i	BASED U	NIT TR	USTS			
	ANZ International Markets	Medium	-17%	0.66	-26	-18	-6		ABN AMRO Global Growth	Very High		0.75		-25	-14
Avoid	Advance International	Very Low	-8%	0.36	1	5	-2	Avoid	Abbey Global Growth	Very Low		0.05	22	13	4
Avoid	Advance Worldwide Share	Medium	-13%	0.58	-19	-22	-9	Avoid	Abbey Global Opportunities	Medium	-5%	0.88	22		-10
Avoid	BT Sel Mkts International	Very High		0.84	-14	-27			Abbey International	Medium	-2%	0.88	20		-10
Avoid	Citicorp Inv Port Global	High	-18%	0.40	-40	-33			Abbey Nat'l International	Medium	-3%	0.84	20	-10	-6
	Commonwealth Int'l Share	Medium	-3%	0.53	9	-14	-7		Aberdeen World	Medium	-4%	0.93	11	-12	.9
	Dresdner Global	Medium	-4%	0.44	8	-19	-8		BG International	Low	+5%	0.32	36	15	-7
	Dresdner International	High	+6%	0.59	37	-23	-9		Barclays Worldwide	Medium	-1%	0.32	26	-5	-6
	Fidelity Perp. Int'l	Medium	-1%	0.76	21	-12	-6		Baring Global Growth	Very High		0.94	21		-14
Avoid	HSBC Flexi-Trt Int'l Trt	Medium	-12%	0.40	-19	-31	-5			, ,	+4%	0.91		·23	-14
Avoid	Invesco International	High	-14%	0.52	-29	-37	-7		Canada Life International Gth	High	+4% -2%	0.85		-17	-6 -8
Avoid	JB Were International	Medium	-7%	0.69	0	-18	-4		Clerical Medical UK & Overseas	High	-2% -2%	0.88			-11
Avoid	Lowell International	High	-9%	0.50	-11		-14		Dresdner Global Equity	High					
	MLC Aust - Platinum Gbl	Medium	-4%	0.38	13	-20	-2		Equitable International	High	+1%	0.84	34	-12	-5
Avoid	NAFM Inv Trt - Global	Medium	-10%	0.54	-8	-24	-7	D	Fidelity International	Medium	+1%	0.88		-12	-8
	Perpetual ICSav - Int'l	Medium	-0%	0.76	21	-12	-7	Buy	Fidelity Managed Int'l	Very High		0.68	62	-18	-8
Avoid	Roth FA Int'l Share	Very High	-11%	0.58	-20	-24	-7		Fleming Private International	Medium	+0%	0.92		-6	-5
	Tyndall Aust Int'l No 1	Medium	-4%	0.78	3	-15	-13		Fleming Private Global Opport.	Medium	+3%	0.71			-14
Avoid	WealthLink World Link	Low	-18%	0.20	-37	-29	-9		Fleming Private W'wide Capital	Medium	+5%	0.83		-13	-7
Avoid	Westpac International	Low	-14%	0.37	-26	-20	-3		Framlington International	Very High		0.84	28		-14
	New Zealand B	RASED UNI	T TRU	STS					Friends Prov. International	High	+2% +1%	0.93 0.96	23	-18 -12	-11 -7
	AJ International Share	High	-4%	0.78	12	-21	-10		GA International Growth	Medium		0.96		23	- <i>1</i>
Augld		Low	-7%			-11		Dent	GAM International Growth	Very Low	+9%		го.		-5
Avoid	AMP Pagaina Intil Share	Medium	-7% +2%	0.73	12	-15	-6 -4	Buy	Gartmore Global Utilities	Medium Medium	+9% -1%	0.67 0.92	58 20	-20 -13	-5 -8
	AMP Passive Int'l Share		+2% -5%		20	-15	-4 -3		Guardian International				20		
	ANZ World Equity Trust	Low		0.76	20		-		HSBC Tulip	High	+1%	0.81		-9	-8
	ASB World Shares	Medium	-4%	0.65	11	-24	-10		Henderson Independent Port.	Medium	+1%	0.94	23	-12	-6
	BNZ International Equity	Low	-3%	0.67	26	9	0		Henderson International	Medium	+2%	0.90	26	-17	-9
	BT Life Int'l Share	Medium	-3%	0.86		-14	-7		Hill Samuel Int'l	Medium	-0%	0.83	22	-11	-7
Avoid	BTIS International Share	Medium	-7%	0.81	8	-14	-7		Invesco GT International	Very High		0.84		-21	-9
Avoid	Col FS Global Property	Very Low	-15%	0.32		13	4		Investec GF Global Privat'n	Medium	+5%	0.75	41	3	-6
Avoid	NZ Guardian Global	Low	-7%	0.57	12	-9	-5		Lazard International Equity	Low	-2%	0.82		-5	-4
	NZFM Global Equity Gth	Medium	-5%	0.77	16	-6	-3	Buy	Lazard Worldwide Portfolio	High	+7%	0.80		-13	-3
	NZFM Global Small Coys	Medium	+1%	0.62	26	-23	-6		Legal & General Global Gth	High	+2%	0.94	34	-8	-6
Avoid	NZFM Global Blue Chip	Very Low	-7%	0.34	22	15	-1		Legal & General Worldwide	Medium	-2%	0.95	20	-7	-6
	NZFM Global Prop & Infra	High	-5%	0.49	15	-17	-2		Lincoln Global	Medium	-1%	0.81	24	-13	-7
Avoid	Nat Bank Int'l Equity	Very Low	-10%	0.50	-3	-21	-18		M & G International Gth	Medium	+2%	0.89	32	-6	-5
	Royal & Sun Int'l S/Mkt	Low	-4%	0.67	15	-14	-6		MGM International Equity	Medium	+6%	0.86	52	-6	-7
	Tower Global Equity	Medium	-4%	0.75	18	-15	-8		Marlborough International	Medium	-1%	0.54	16	-16	-5
	Tower Tortis Intern'l	Medium	-0%	0.73	42	-9	-3		Martin Currie International	High	+2%	0.91	27	-18	-6
	Westpac International	Low	-5%	0.83	17	-9	-8		Merrill Lynch International	High	+2%	0.87	21	-17	-8
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Investment Fund Survey Information.

Fund Listings. Unit trusts are listed under the country where they invest, and then sub-divided according to the country where the Fund Manager is based. For example, "Australian Funds" hold principally Australian shares and other Australian investments although these unit trusts may be based in either the UK, NZ or Australia.

Risk Ratings. Most equity unit trusts follow general stockmarket trends but some are far more volatile than others. The "Risk Rating" measures just how volatile a trust is relative to the stockmarket in the country where it invests. "Very High" and "High" risk funds will usually rise very fast during a Bull Market (i.e. during a rising stockmarket trend) but will also fall fastest in value when the stockmarket dips. "Low" and "Very Low" risk funds will experience smaller price fluctuations.

Superiority Ratings. The "Superiority Rating" is the most important statistic for selecting the best managed funds to buy and the worst managed funds to avoid. The "Superiority Rating" shows whether a fund's actual return was above or below its expected return based upon its volatility. For example, if the stockmarket rises 10% then a fund with a volatility of 1.5 would be expected to rise 15% (i.e. 10% x 1.5). If the fund rose 20% it would have a "Superiority Rating" of +5%. On the other hand, if the fund rose only 10% it would be given a "superiority rating" of -5%. (Actually, the "Superiority Ratings" are calculated from a statistical analysis of each fund's monthly performance over the last three years, with extra importance given to its performance over the latest twelve month period.)

Many unit trusts that beat the stockmarket by a substantial margin during the Bull Market years of 1986-87 simply invested in very risky, volatile shares and were not really managed in a superior way. Only funds that perform better than can be expected from their volatility (or risk exposure) can be said to be benefiting from genuinely superior management.

Current Advice. The "Superiority Rating" measures the annual amount by which a fund's performance is above or below its expected return based upon it level of risk exposure. As a high "Superiority Rating" indicates

excellent management of the fund's investment portfolio these trusts are automatically given "Buy" recommendations. A negative "Superiority Rating" shows poor investment results and the unit trusts with the worst management record have been given an "Avoid" recommendation.

 $\label{lem:market Correlation} \begin{tabular}{ll} Market Correlation" measures how closely a fund's price follows general stockmarket movements (in the country where it invests). Correlations, which statisticians call R^2 ("R-squared"), vary from 0 (no correlation) to 1 (100% correlation). Most equity unit trusts have "Market Correlations" between 0.60 and 0.95.$

Investors who buy and sell unit trusts on the basis of "market timing" should choose funds with high market correlations. The performance of these funds will closely reflect general stockmarket movements. Other investors may wish to minimise the impact of general stockmarket fluctuations and buy trusts with lower market correlations.

How to Maximise Profits from this Unit Trust Survey.

First decide whether you want to invest in a unit trust that holds New Zealand, Australian, International, United Kingdom, European, Japanese or Gold & Mining shares, then turn to the appropriate section.

If you expect the stockmarket to rise strongly (in the country where the fund invests) the "High" and "Very High" risk funds with high superiority ratings and high market correlations will be your choice.

If uncertain about the general stockmarket trend then "Medium", "Low", or even "Very Low", risk unit trusts with the highest superiority ratings will be the best investments.

Most NZ based and Australian based unit trusts are sold through sharebrokers and other commission sales organisations. UK based trusts are not sold through NZ agents but may be bought and sold (by telephone or by post) directly from the management organisations, through Chelsea Financial Services who rebate 2% of the initial sales charge or through UK internet broker FasTrade (www.fastrade.co.uk) who rebate 3%. Addresses and telephone numbers may be found in the unit trust section of leading UK newspapers (available at major public libraries), on the Financial Times internet site (www.ft.com) or from "International Investor". Prices can also be found at the TrustNet web site (www.trustnet.co.uk).

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Current Advice	Investment Fund	Risk	Superi- ority Rating	Market Correla- tion	Per 36 mth	forma 12 mth	nce 3 mth	Current Advice	Investment Fund	Risk Rating	Superi- ority Rating	Market Correla- tion	Peri 36 mth	formance 12 3 mth mth
	NPI Global Care	High	+0%	0.74	13	-17	-9	Buy	Framlington American Gth	Medium	+14%	0.49	98	-22 -15
	Newton International	Very High		0.88	34	-19	-7		Friends Prov. American	Medium	-0%	0.72	34	-17 -12
	Old Mutual Fund Worldwide Pearl International	Medium Medium	+1% -0%	0.88 0.91	31 22	-12 -15	-7 -9	Buy	GA Nth American Growth GAM North America	Medium Very Low	-1% +8%	0.63 0.24		-14 -6 10 3
	Perpetual Int'l Growth	High	+3%	0.91	32	-5	-4	,	Gartmore American	Medium	+6%	0.60	61	
	Perpetual Int'l Emerging Coys Perpetual Worldwide Recovery	High High	+6% +4%	0.85 0.88	53 44	-5 -2	-2 -1		Henderson North American Hill Samuel American	Medium Medium	-1% +0%	0.67 0.54	29	-19 -12 -21 -6
	Premier Global 100	High	+2%	0.76	28	-21	-10		Invesco GT US Growth	Very High		0.49		-48 -35
	Prudential Global Growth	Medium	-3%	0.83	16 17	-2 0	-6 -5	Avoid	Jupiter North America	Medium	-2%	0.63	14	-18 -10 -7 -6
	Prudential Int'l Growth Royal & Sun All. Intern'l Gth	Low High	-3% -1%	0.80 0.92		-14	-5 -8	Avoid	Lazard Nth American Gth Legal & General US Index	Low Low	-7% +0%	0.68 0.73	16 43	-7 -6 -8 -7
	Royal London International	High	+1%	0.88	22	-18	-8		Legal & General Nth American	Medium	+4%	0.69	56	-2 -6
	Scottish Life Worldwide Scottish Mutual International	High Medium	-2% +3%	0.80 0.68	12 37	-29 -12	-12 -6		Lincoln North American M & G American & General	Low Medium	-4% -3%	0.59 0.72	27 21	-13 -7 -21 -12
	Scottish Widows' Global	High	+6%	0.88	46	-15	-9		MGM North American Growth	Very Low		0.54	42	1 -6
	Singer & Freidlander Global	High	+2%	0.93	27	-19 -8	-10 -5		Martin Currie North American	Medium	-2%	0.63		-17 -6 -23 -12
	Sovereign Int'l Growth St. James's Place Int'l	High High	+5% +6%	0.85 0.74	48 43	-8 -8	-5 -3		Merrill Lynch American NPI North America	Medium Low	+0% -4%	0.66 0.62		-23 -12 -18 -11
	Sun Life of Canada W/Wide Gth	Medium	+1%	0.89	28	-12	-8		Newton American	Low	+1%	0.57	42	-7 -2
	Australian Listed								Old Mutual Fund Nth American Perpetual American Growth	Medium Medium	+1% -1%	0.67 0.83	47 38	-12 -9 -5 -6
Dent	BT Global	Very High		0.56 0.23	34 87	-4 32			Portfolio American	Medium	+4%	0.55		-13 -5
Buy Avoid	Platinum Capital Templeton Global	Low Very Low	+8% -15%	0.23	-9	16	6	Avoid	Prudential North American Rothschild North America	Very Low Medium	· -10% +3%	0.50 0.42	5	4 -2 -17 -9
	New Zealand Lister	D INVEST	MENT .	TRUST	3				Royal & Sun All. Nth American	Medium	+0%	0.59	32	-20 -9
	(I NZ) World Index Fund	Medium	+3%	0.76		-14	-4		Royal London American Gth	Medium	-5%	0.72		-22 -12
	UNITED KINGDOM BASED L	ISTED IN	VESTM	IENT T I	RUST	rs			S & W American Schroder American	Very Low Medium	+5% -6%	0.20 0.77	65 20	13 2 -15 -8
	Alliance Trust	Low	-1%	0.59	19	9	-1	Avoid	Scottish Amicable American	Very Low	-11%	0.42	5	4 -1
Buy	Anglo & Overseas Trust Bankers Investment	Very High Medium	+8% +0%	0.73 0.70	37 17	-8 9	-14 -7		Scottish Life America Scottish Mutual Nth American	Medium Medium	-2% +5%	0.70 0.63	35 55	-17 -10 -15 -8
Buy	Brit Empire Securities		+12%	0.57	85	30	7		Scottish Widows' Nth American	Low	-0%	0.62	38	
Buy	Brunner Invest. Trust	Very High		0.81	32	-20			Sun Life of Canada Nth Amer.	Low	-1%	0.69		-10 -9
	Capital Gearing Trust Edinburgh Worldwide	Very Low Very High	-2% +4%	0.09 0.76	50	22 -17	10 .9		Un Friendly Nth American	High	+6%	0.47		-28 -18
	Edinburgh Investment	High	-1%	0.78	7	-4	-10		UNITED KINGDOM BASED L				KUS I 5	
	English & Scottish F & C Smaller Companies	Very High Very High		0.70 0.64	19 30	6 -16	-2 -6		American Opportunity Edinburgh US Tracker	Medium Medium	-2% +2%	0.20 0.78	5 51	15 9 -2 -7
Buy	Fleming Overseas	High	+7%	0.89	48	-4	-8		Fleming American	Low	+5%	0.59	47	13 -8
,	Foreign & Colonial	Medium	+5%	0.79	39	5	-6	Avoid	Second London American	Low	-31%	0.07	-60	-53 -1
Buy Buy	Henderson Strata Inv Jupiter Primadona	Very High Medium		0.55 0.22	36 48	-34 -23			UNITED STATES	S SM/	1115	PC	25	
Duj	Law Debenture Corp.	Medium	-4%	0.55	8	24	-0						<u> </u>	
	Majedie Investment Martin Currie Portfolio	Low Medium	-4% +3%	0.55 0.71	3	-3 5	-11 -7		United Kingdom e					
	Merrill Asset Alloc'n	High	-1%	0.76		-26	-6	Buy	Abbey US Emerging Companies Baring American Small Coys	Very High High	1+30% +4%	0.47 0.36		-20 -11 -29 -22
	Mid Wynd Invest Trust	Medium	+4%	0.61	39	-11	-6		F & C US Smaller Coys	Low	-5%	0.55	19	2 -3
	Monks Investment Murray International	Medium High	+5% -2%	0.81 0.81	48 5	-6	-2 -10	Buy	Fidelity American Spec Sits	Very High			109	-30 -22
	Personal Assets Trust	Very Low	-4%	0.50	16	11	2		Fleming Select American Sm Co Friends Prov. Amer Small Coys	Very Low		0.06 0.38	19	-22 -14 3 -6
Bung	Ptarmigan International	Medium Low	+6% +7%	0.52 0.58	35 54	3 8	-5 -1	Buy	Henderson Amer Small Coys	Medium	+8%	0.47	41	-17 -11
Buy Buy	RIT Capital Partners Scottish Value	Very High		0.38	52	-22	-6	Buy Buy	Hill Samuel US Small Coys' Invesco American Smaller Coys	Very High Very High		0.42 0.39		-20 -4 -31 -20
•	Scottish Mortgage & Trt	Very High		0.83	13	-17	-7	Buy	Merrill Lynch American Opps	Very High		0.46		-28 -18
	Scottish American Inv. Scottish Invest. Trust	High High	+0% +3%	0.87 0.82	10 27	-11 -0	-12 -4	_	Perpetual Amer Small Coys	High	-1%	0.71	20	-8 -14
	Second Alliance	Medium		0.69	18	3	-4	Buy	Schroder US Smaller Coys	Very Low		0.48	65	26 2
	Secs Trust of Scotland	Medium	-4%	0.70	11 31	8	-2 0		UNITED KINGDOM BASED L		-0%	0.51	42 42	
	Special Utilities 'S' Tribune Trust Managed	High Medium	+3%	0.49 0.60	31	-15	-9		F & C US Smaller Coys Fleming US Discovery	Medium Low	-0% +5%	0.51	42	7 2 15 -11
Buy	Warrants & Value	Medium	+8%	0.52	32	2	-2	_	Nth Atlantic Smaller	Very Low	+6%	0.18	48	15 9
I Isu-	Witan Investment Coy	High	+4%	0.91	29 - C	-5	-8	Buy	Renaissance U.S.	Low	+17%	0.21	70	-23 -4
	TED KINGDOM BASED INVES			5 - S PL 0.09	93	APIT. 21	AL -9		<u>UNITED I</u>	KINGI	OM			
Buy	Asset Management Fleming W'wide Income	Very Low Very High		0.09	93	20	-9 4							
	Govvett High Income IT	High	-15%	0.49	-32	-30	-21		UNITED KINGDOM E				_	
Buy Buy	Jupiter Int'l Green IT Legg Mason Int'l Util.	Very High Medium		0.40 0.30	36 72	-3 12	-11 -7		Abbey Assets & Earnings Abbey Dividend & Growth	Very Low Very Low		0.71 0.75	-5 -3	-10 -7 -1 -7
Buy	Murray Global Return	Very High		0.38	12	-6	-2		Abbey General	Very Low		0.62	3	-10 -8
									Abbey Nat'l N & P UK Growth Abbey Nat'l UK Growth	Low Low	-0% -1%	0.80 0.67		-6 -6 -8 -6
	<u>UNITED</u>	SIAI	<u>ES</u>						Aberdeen UK Blue Chip	Medium	-1%	0.80	4	-12 -9
	Australian bas	SED UNIT	Trus	TS					Aberdeen UK Growth	Low	-1%	0.78		-11 -8
Avoid	BT Sel Mkts American Gth	Medium		0.44		-32			BG British 350 BWD Equity Growth	Low Medium	+0% +2%	0.82 0.89	17 23	-4 -6 -1 -6
	Fidelity Perp. America	Low	-6%	0.65	13	-11	-9		BWD UK Equity	Low	+2%	0.85	19	10 -4
	New Zealand base								Barclays Capital Barclays FTSE 100	Low Low	-1% -2%	0.83 0.87	11 6	-6 -7 -10 -7
	Royal Sun All Nth Amer Sov. Super Nth America	Very Low Very Low		0.37 0.28	-17	-15 -4	-7 -5		Baring UK Growth	Medium	+4%	0.65		-12 -9
Avoid	UNITED KINGDOM E				.,	-	J		Britannia UK General	Low	-3%	0.81	7	-8 -6
	Abbey American Growth	Low	+0%	0.59	33	-20	-9		CGU PPT UK & General CGU PPT UK Growth	Low Low	-2% -2%	0.75 0.69		-6 -8 -8 -9
	Aberdeen American Opport.	Very Low	+6%	0.35	68	22	-6		CGU PPT UK Index Tracking	Low	-1%	0.78		-6 -7
Avoid	Aberdeen North American Barclay America Growth	Low Low	-10% -6%	0.70 0.37	2	-14 -6	-10 -6		Cazenove UK Equity Credit Suisse Growth	Medium Low	+0% +5%	0.67 0.50	4 28	-12 -13 -11 -5
	Barclays America	Low	+0%	0.68	43	-9	-8		Deutsche UK Blue Chip	Medium	+4%	0.81	26	-4 -8
	Baring American Gth	Medium	+2%	0.65		-22			Deutsche UK Equity	Low	+2%	0.74	24	2 -3
	Britannia American CCS North American	Medium Medium	+4% +1%	0.52 0.66	61 36	-18 -14			Deutsche UK Growth Deutsche UK Index	Low Low	+5% -2%	0.67 0.83	29 5	1 -6 -5 -7
	CGU PPT North American Gth	Medium	-2%	0.68		-12	-6	Buy	Dresdner UK Growth	Medium	+9%	0.56	49	-14 -5
	Canada Life North American Cazenove North American	Low Low	+1% -4%	0.61 0.77	46 18	-1 -7	-9 -7		Dresdner UK Index Equitable Special Situations	Low Low	-0% +2%	0.85 0.58	12 24	-6 -7 -2 -2
	Clerical Medical American	Low	+1%	0.63	49	-7	-4		Equitable UK Index	Medium	+2% -2%	0.86	5	-10 -7
Buy	Credit Suisse Transatlantic	Low	+9%	0.58	71 45		-10	Buy	Exeter Capital Growth	Medium	+13%	0.48	42	4 -5
Buy	Deutsche American Growth Deutsche US Index	Medium Medium	+7% -1%	0.65 0.63	65 36	-18 -8	-10 -7	Buy	Fidelity Special Situations Fidelity UK Growth	Very Low Low	+12% +2%	0.31 0.73	63 16	33 4 -1 -7
	Dresdner North American	Medium	+6%	0.58	57	-19	-14	Avoid	Fleming Select UK Equity	Very Low	-9%	0.28	-7	-20 -5
	Edinburgh North American Equitable North American	Medium Low	+5% -4%	0.56 0.77	62 29	-18 1	-9 -0	Buy	Framlington UK Growth Friends Prov. Equity	Low Medium	+7% +1%	0.62 0.78	44 11	-1 -5 -12 -9
Buy	Fidelity American	Medium	+18%	0.26	186	6	3		GA Blue Chip Tracking	Low	-1%	0.80		-6 -6
	Fleming Select America	Low	+1%	0.65	37	-6	-7	D	GA Equity Growth	Low	-2%	0.76		-6 -7
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Current Advice	Investment Fund	Risk Rating	Superi- ority Rating	Market Connela- tion	Per 36 mth	forma 12 mth	ance 3 mth	Current Advice		Risk Rating	Superi- ority Rating	Market Correla- tion	36	formance 12 3 mth mth
	GAM UK Diversified	Very Low		0.07		44	6			_	_		_	
Buy	Gartmore UK Growth	Low	+19%	0.67	12		-10		TED K INGDOM BASED I NVES	TMENT	IRUSTS	; - SPL	IT C	
	Gartmore UK Index	Low	-0%	0.86	11	-5	-7		BFS Income & Growth		ow -36%	0.23		-29 -7
	Govett FTSE 250 Index	Very Low		0.48	17	1	-3	Avoid	BFS Small Companies Derby Trust - Capital		ow -11% ow +6%	0.00	25	7 1 8 -11
	Guardian Growth Equity	Low	-2%	0.72	9	-9	-7		Dresdner RCM Income Gth	Very Lo		0.32 0.12	25	24 6
	Guardian UK 100 Index	Medium	-0%	0.86	12	-6	-7		Edinburgh Income & Val.	Very Lo		0.01		28 14
	HSBC FTSE 100 Index HSBC FTSE 250 Index	Low Very Low	-2% +2%	0.89 0.29	8	-7 -2	-7 -3	Buy	Finsbury Inc & Gth -Cap		igh+30%	0.44	40	
Buy	Hargreaves Lansdown Warrant	Very High		0.38	19	-4	3	-	Fleming I & G (2006)		ow +4%	0.09		43 15
Buy	Hargreaves Lansdown Investment			0.33	55	6	3		Framlington I & C - Cap	High	+5%	0.38	2	7 -6
	Henderson UK Capital Growth	Medium	-3%	0.68		-16	-9	Avoid	Framlington Second Dual Gartmore SNT	Low Vory Hi	-23% igh -23%	0.17 0.37		-29 -23 -37 -30
	Hill Samuel British	Low	-2%	0.85	4	-10 -8	-6	Buy	Gartmore Scotland - Cap		igh +7%	0.54	-10	16 -12
	Hill Samuel Capital Invesco GT UK Blue Chip	Low Low	-0% +1%	0.82 0.67	14	-8 -5	-6 -8		Govett Enhanced Income		ow -16%	0.05		6 -1
	Invesco UK Growth	Medium	+3%	0.72	21	-11	-7		Guiness Flight Extra	Very Lo		0.17	14	20 3
	Investec GF UK Opportunities	Low	+4%	0.56	14	9	-6		Henderson Geared I & G	Very Lo		0.34	8	10 -1
	Jupiter UK Growth	Very Low		0.64	36	11	-7	Buy	I & S Optimum Income Invesco Recovery 2005	Low Very Lo	-4% ow +9%	0.33	2	11 3 50 18
Buy	Jupiter UK Special Situations	Low	+9%	0.31	27		-13 -7		Invesco Geared Opps	Low	-8%	0.23		31 17
	Legal & General UK Stockmarket Legal & General UK Recovery	Low	-1% -1%	0.90 0.73	10 11	-5 -5	-7 -5	Buy	Investors Capital	Mediun		0.57	26	18 -2
	Legal & General Equity	Low	-2%	0.82	5	-6	-6	Avoid	Jersey Phoenix		ow -11%	0.20		-22 -14
	Legal & General UK Index	Low	-1%	0.82	12	-4	-5	Buy	Jos Holdings - Capital	Low	+26%	0.27	93	
	Lincoln Growth	Low	-2%	0.67	6	-12	-7	Buy Buy	Jove Investment - Cap Jupiter Split Trust Cap		igh+28% igh+48%	0.33 0.38	-12 173	-28 -26 0 -4
D	M & G Blue Chip	Low	+1%	0.79		-5	.9 1	Duy	Jupiter Enhanced	Very Lo		0.00	175	23 15
Buy	M & G British Opportunities M & G Capital	Very Low Low	+14%	0.27 0.53		15 -15	-12	Avoid	Leveraged Income Fund		ow -19%	0.09		-35 -16
	M & G Index Tracker	Low	-0%	0.86		-4	-6		M & G Equity Trust -Cap		igh +0%	0.32	-31	-7 -17
	M & G Recovery	Low	-1%	0.69	6	5	-2	D	M & G High Income - Cap	High	-3%	0.11	-36	30 3
	MGM Special Situations	Very Low		0.64	21	-1	-5	Buy Buy	M & G Income IT - Cap M & G Recovery - Cap	High Very Hi	+9% igh+26%	0.35 0.33	5 17	19 -10 3 -18
	MGM UK Growth	Very Low		0.71	22 17	3 -15	-6 -1	Buy	Martin Currie I & G (c)		igh +8%	0.24	-11	-2 -18
	Marlborough UK Growth Martin Currie UK Growth	Very Low Medium	-2%	0.22 0.71	2	-13	-1 -5		Monthly High Income		ow -13%	0.11		8 -3
	Merrill Lynch Brit Blue Chip	Low	-4%	0.78	3	-6	-5	Buy	Murray Extra Return		igh+21%	0.23		-44 -28
	Merrill Lynch Recovery	Very Low	+5%	0.33	43	23	2		New Fulcrum		ow -22%	0.06		-8 -10
	NatWest UK Tracker	Medium	-1%	0.89	8	-6	-7	Avoid Buy	Quarterly High Income Schroder Split - Cap	very Lo	ow -26% +40%	0.21 0.08	36	-42 -29 55 -6
Avoid	Old Mutual UK All Share Mirror	Low Vory Low	-0%	0.85	12	-4 -9	-7 -8		Second Scottish Nat'l		ow -19%	0.13		-14 -4
Avoid	Old Mutual UK Growth Pearl Equity Trust	Very Low Low	-8% -2%	0.41 0.74	4	-8	-8	Buy	Yeoman II - Cap	Low	+15%	0.06		19 -41
	Pearl Growth	Low	+1%	0.72	11	-8	-8							
	Perpetual UK Growth	Low	+1%	0.58	18	23	-3		<u>UNITED KINGDO</u>	M SI	ЛALL	ER C	:os	;
	Portfolio UK Growth	Very Low		0.27		-2	-3							•
	Prudential UK Growth Rothschild UK	Low Very Low	-1% -3%	0.82 0.35	9	-1 -6	-6 -5	_	UNITED KINGDOM I					
	Royal & Sun All. Equity Trust	Low	+3%	0.80	19	-4	-5	Buy	ABN AMRO UK Growth Abbey Nat'l Smaller Cos	High	+18% igh -0%	0.59 0.71		-12 -8 -22 -9
	Royal & Sun FTSE 100 Tracker	Low	-1%	0.57		-9	-7	Buy	Aberdeen UK Emerging	High	+10%	0.68		-17 -10
	Royal & Sun FTSE All Share	Very Low		0.77		-4	-6	,	BG British Smaller Coys	Very Lo		0.55	15	22 -3
Ding	Royal London UK Growth	Low Vory Low	+1%	0.75	18	-13	-7 -5		BG UK Smaller Companies	Low	-5%	0.63	9	5 -3
Buy	Sanwa UK Growth Schroder UK Enterprise	Very Low Medium	+7% -4%	0.42 0.63	42 -2	-13 -11	-10	Buy	BWD UK Smaller Coys		igh+17%	0.63	97	
	Schroder UK Equity	Low	+4%	0.80	25	5	-5	Buy	Baring UK Small Coys Britannia Smaller Companies	Very Hi High	igh+16% +2%	0.65 0.78	77 31	-15 -13 -16 -7
	Scottish Amicable Equity Trust	Low	+1%	0.82	17	-0	-3		CGU PPT Smaller Cos	High	+2%	0.78	31	-8 -6
	Scottish Life UK Equity	Low	+2%	0.82	19	-3	-7		Canada Life UK Smaller Coys	High	+4%	0.62	37	
	Scottish Middle UK Equity	Low	+0% -1%	0.74	14 11	-9 -7	-5		Cavendish Opportunities	Low	+6%	0.53	48	0 -6
	Scottish Widows' UK Index Scottish Widows' Equity	Low Low	-1%	0.82 0.77	7	-10	-6 -7		Cazenove UK Smaller Coys	High	+5%	0.69	41	
	Scottish Widows' UK Spec Sits	Low	+1%	0.51		-16	-8	Buy	Credit Suisse Smaller Coys Dresdner UK Mid-Cap		igh +4% igh +9%	0.62 0.55	36 56	
Buy	Societe Generale UK Growth	Low	+7%	0.61		-3	-8	Duy	Dresdner UK Smaller Companies			0.54		-44 -18
	Sovereign FTSE 100	Low	-2%	0.77	7	-5	-6	Buy	Edinburgh UK Smaller Coys		igh+20%	0.60	85	-38 -17
Buy	Sovereign UK Growth St. James's Place UK & Gen Prg	Low Vory Low	-0%	0.68 0.48	12 70	-8 4	-6 -1		Equitable Smaller Coys		igh +0%	0.63		-31 -15
Duy	Sun Life of Canada UK Growth	Low	-2%	0.79	6	-4	-7	Buy	Fleming Select UK Smaller Coys Framlington Capital	High High	+7% +2%	0.78 0.73	59 44	-7 -4 -12 -5
	Tilney UK Equity	Low	-1%	0.68		-9	-7	Buy	Gartmore UK & Irish Small Cos		igh+16%	0.73	44	-14 -9
	UNITED KINGDOM BASED L	ISTED IN	VESTM	ENT T	RUST	ΓS		Duj	Gartmore UK Small Coys		igh +0%	0.68	25	-24 -9
Buy	3i Group	Very High		0.35	115	-15	-8		Govett UK Smaller Companies	High	-4%	0.65		-24 -10
	3i UK Select	Very Low		0.34		0	-8		Hill Samuel UK Smaller Coys	High	-2%	0.77		-16 -10
Avoid	Aberdeen High Income	Very Low		0.22		-37			Invesco UK Smaller Companies Investec GF UK Emerging Coys	High Low	-0% -3%	0.65 0.56	26 18	-28 -10 -3 -10
Avoid	Aberdeen Convertible Advance UK	Very Low Very Low		0.30 0.27	-17 18	-15 -2	-11 -4		Jupiter UK Small Cos	High	+5%	0.73		-5 -4
	Albany	Very Low		0.30	7		-10		Lazard UK Small Coy	Mediun		0.80	44	-1 1
Buy	Aurora Invest Trust	Medium		0.22	33		-16		Legal & General UK Small Coys	Medium		0.79	43	-8 -4
	British American IT	Very Low		0.18	-4		-13	Buy	M & G Smaller Companies Marlborough Special Situations	very Hi High	igh +4% +28%	0.70 0.44		-28 -16 -10 2
	City Merchants High Yld City of London	Very Low		0.15	9		15	Duy	Martin Currie UK Smaller Coys	High	-0%	0.74		-21 -12
Avoid	Dresdner RCM 2nd Endow.	Medium Very Low	-7% -2%	0.70 0.04	-3 41	6 15	-3 12	Buy	Merrill Lynch UK Smaller Coys	High	+10%	0.74	83	3 -0
	Dunedin Income Growth	Medium	+5%	0.61	16	6	-5		Pearl UK Small Coys	High	+0%	0.69		-20 -6
	Edinburgh UK Tracker	Low	-0%	0.64	15	-5	-2	Buy	Perpetual UK Small Coys	Medium		0.79	66	-1 -1 -1 -5
	Enhanced Zero Trust	Very Low		0.12		12	2	Buy	Prudential Smaller Companies Royal & Sun All. UK Smaller	Medium Verv Hi	n +1% igh +8%	0.82 0.55	33 62	-1 -9
	Exeter Preferred Cap.	Very Low Low	+5% +2%	0.26 0.59	21 19	20 25	0 4	Buy	Schroder UK Smaller Coys	High	+8%	0.66	56	
Buy	F & C Income Growth Fidelity Special Values	Very Low		0.34	91	59	12	,	Scottish Amicable UK Small	Mediun	n +0%	0.83	28	-4 -4
Duj	Finsbury Growth	Low	-1%	0.57	3	5	0		Scottish Mutual UK Small Coys	Very Hi		0.73	22	
	Fleming Claverhouse	Low	+2%	0.68	9	-7	-8		Scottish Widows' UK Small Coys		n -1% -3%	0.83 0.72	23 18	-7 -5 -24 -8
Buy	Fleming Mid Cap	Low	+14%	0.35		8	-5		Singer & Freidlander Small Cos Sun Life of Canada Small Coys	High Mediun		0.72	28	-24 -8
Buy	Glasgow Income Trust Govett Strategic Inv.	Very Low Medium	-0% +7%	0.28 0.44	18 20	31 -5	14 -6		Tilney UK Smaller Cos	High	-2%	0.77		-12 -7
Duy	Invesco Convertible	Very Low		0.44	24	25	10		UNITED KINGDOM BASED L					
	Life Offices Opport.	Very Low	-1%	0.09	38	13	10		3i Smaller Quoted Coys		igh +4%	0.69	38	
_	London & St Lawrence	Very Low	-3%	0.27	13	11	2	Buy	AIM Trust		igh+52%			-32 -36
Buy	Lowland Investment Co	Very Low		0.27	44	52	10	,	Aberforth Smaller Coys	Mediun	n -0%	0.49	49	31 9
	Merchants Trust Murray Income Trust	Medium Medium	-1% +3%	0.51 0.56	4 8	20 22	-3 -5	Buy	Capital Opportunities	High	+16%	0.39		-24 -20
	Perpetual Income & Gth	Low	-2%	0.39	2	42	6	Buy Buy	Discovery Trust Dresdner RCM Smaller	High Very Hi	+10% igh+10%	0.54 0.59	65	-15 -8 -26 -13
	Schroder UK Growth	Medium	-6%	0.47	-19	-18	-9	Duy	Dunedin Smaller Coys IT		igh +4%	0.65	42	2 -2
	Schroder Income & Grwth	Very Low		0.35	0	22	3	Buy	Eaglet Investment Trust	High	+34%	0.50	217	38 -4
	Shires Investment Trust Temple Bar Inv. Trust	Low Low	+1% +3%	0.51 0.42	13 21	14 27	1 6	Buy	Edinburgh Smaller Coys	-	igh +7%	0.68	27	
	Tribune Trust Indexed	Very Low	-2%	0.42	۱ ک	-5	-4	Buy Buy	Finsbury Trust Fleming Smaller Coys	Low Very Hi	+21% igh+16%	0.26 0.74	103 83	25 -12 -6 -17
	Undervalued Assets	Very Low	-4%	0.17	3	-27	-3	Buy	Fleming Smaller Coys Fleming Mercantile	High	+10%	0.74	51	-0 -17 -2 -1
	Value & Income Trust	Very Low	-4%	0.21	-1	13	-3	. ,	Gartmore Small Coys		igh -2%	0.67		-29 -16

Apri	l 10, 2001.												P	age 7
Current Advice	Investment Fund	Risk Rating	Superi- ority Rating	Market Correla- tion	Per 36 mth	forma 12 mth	ance 3 mth	Current Advice		Risk Rating	Superi- ority Rating	Market Correla- tion	36	ormance 12 3 mth mth
Buy	Gartmore Fledgling Indx	High	+14%	0.43	96	8	1		Lincoln European	Low	+3%	0.24		-15 -11
	Group Trust	Very Low		0.26	19	-5	5		M & G European	Medium	+6%	0.33		-15 -12
	Henderson Smaller Coy	Very High		0.51	13	-43		Dent	MGM European Growth	Low	+6%	0.38	23 39 -	-5 -11
	I & S UK Smaller Coys Invesco England	Very Higl Very Higl		0.67 0.71	36 4	-21 -27	-12	Buy Buy	Martin Currie European Merrill Lynch European Gth	High Medium	+9% +10%	0.32	37	-17 -13 -9 -12
Avoid	Knox D'Arcy Trust	Very Low		0.09	-15	-12	-0	Buy	Merrill Lynch New Europe	Medium	+7%	0.36	30	-9 -12
Buy	Montanaro UK Small Coys	Very High		0.65	48	11	6		Old Mutual European Growth	Medium	-2%	0.57		-12 -11
-	Perpetual UK Smaller Co	Medium	+4%	0.57	44	8	-2		Old Mutual Fund European	Medium	+4%	0.30		-14 -11
	Shires Smaller Coys	Medium	-0%	0.45	16	10	-8		Old Mutual Fund Swiss Equities	Very Low		0.11	16	2 -12
Buy	Smaller Companies IT Themis FTSE All Small	Very Higl Medium	n+10% +5%	0.70 0.57	56	-15 0	-10 0	Buy Buy	Pearl New Europe Perpetual European	Medium Medium	+11% +7%	0.27 0.35	48 31 -	-9 -12 -12 -8
	Throgmorton Trust	Medium	-5%	0.62	11	-2	1	Buy	Portfolio European	Medium	+7%	0.33		·12 ·0 ·19 ·8
Пы	TED KINGDOM BASED INVES							Day	Prudential European	Very Low		0.21	19	1 -11
OIVI								Buy	Rothschild Europe	Medium	+8%	0.38		-21 -9
Buy	Aberforth SL - Cap Lloyds Smaller Co - Cap	Medium High	+4% +10%	0.39 0.79	73 60	43 17	7 -1	Buy	Royal & Sun All. European	Medium	+9%	0.27		-16 -11
Duy	zioyas sinailer oo oap	mgm	1 1070	0.77	00	.,	•	Buy	Royal London European Gth	Low	+14%	0.18 0.29	50 72	-9 -11 -1 -5
	FIII	ROPE						Buy Buy	Sanwa European Gth Schroder European	Low Medium	+15% +10%	0.29		-10 -13
								Day	Scottish Amicable European	Very Low		0.20	24	1 -9
	Australian ba	SED ${\sf U}$ NIT	TRUS	STS				Buy	Scottish Life European	Low	+7%	0.29	36	-5 -10
Avoid	BT Sel Mkts Europe Growth	Medium	-9%	0.24	-17	-31	-12	_	Scottish Mutual European	Medium	+6%	0.31		-12 -8
Avoid	Dresdner Europe Growth	Very Low		0.05	-52	-29	-7	Buy	Scottish Widows' Europe	Medium	+10%	0.27		-15 -10 -7 -9
	Fidelity Perp. Europe	Medium	+3%	0.38	15	-8	-6	Buy Buy	Singer & Freidlander Cont'l Societe Generale European	Low High	+11% +16%	0.25		-7 -9 -11 -12
Avoid	Invesco European	Very High		0.31	-44	-51	-13	Buy	Sovereign European Gth	Low	+7%	0.23		-14 -9
	N EW Z EALAND B.			ISTS				,	Sun Life of Canada European	Medium	+3%	0.29	17 -	-15 -11
	BTIS European Share	Very Low		0.25		-13	-4		Tilney European Growth	Medium	+4%	0.36		-12 -13
	Tower Spot Emerg. Euro.	Medium Low	+5% +2%	0.19 0.27	40 23	-26 -11	-8		Un Friendly European	Low .	+6%	0.20	25	-6 -12
	Tower Spotlight Europe	_	_	_	23	-11	-10		United Kingdom based L	ISTED IN	IVESTM	ENT I	RUSTS	S
	New Zealand basi			-					Charter European Trust	High	+2%	0.25	16 -	-36 -20
A ! -I	Royal Sun All European	Very Low		0.25		-13	-6	D	Euroland Plus	Very Low		0.07	40	-7 -7
Avoid	Sov. Super European	Low	-8%	0.16	-16	-18	-7	Buy Buy	F & C European Fidelity Euro V.	Medium Low	+11%	0.19 0.10	42 79	-6 -6 13 -3
	United Kingdom							Buy	Fleming Cont'l Europe	Medium		0.10	33	1 -11
	Abbey European Capital	Medium	+5%	0.28	23		-10	Buy	Gartmore European	High	+13%	0.22		-20 -18
Buy Buy	Aberdeen European Growth BG Europe	Medium High	+8% +8%	0.26 0.30	37 37	-8 -25	-10	Buy	Gartmore Irish Small	Very Lov		0.04		12 7
Buy	Baring Euro Sel.	Medium	+7%	0.30	29	-20	-13	Buy	Martin Currie European	High	+9%	0.24		-19 -16
Duj	Baring European Growth	Medium	+4%	0.35	16	-26	-	Buy	Merrill Euro Priv. Perpetual European	Medium Medium	+6%	0.23 0.13	28 39 -	-8 -8 -13 -14
	Britannia European	Medium	+6%	0.27	30	-16		_	TED KINGDOM BASED INVES					
Buy	CGU PPT Europe Growth	Medium	+8%	0.52	20	-12		UNI					II CA	
Buy Buy	Canada Life European Cazenove European Portfolio	Medium Very Higl	+10%	0.26 0.39	38 44	-13 -32	-9 -13	Buy	Govett Euro Enhanced Henderson Eurotrust	Very Low High	/ -3% +22%	0.08 0.14	68 -	-8 4 -23 -13
Duy	Clerical Medical European	Medium	+5%	0.23	25	-18		Buy	Legg Mason Euro Util.	Very Low		0.04		-25 -15
	Credit Suisse European	Low	+3%	0.27	18	-10		Buy	SR Pan-European	Medium				-29 -8
	Deutsche European Growth	Medium	+6%	0.29	23	-17		-						
Divis	Dresdner Euro Index	Low	-0%	0.25	2		-11		EUROPE SN	<i>1ALLE</i>	ER C	os		
Buy	Dresdner European Edinburgh European	Very Higl Medium	n +8% +5%	0.38 0.26	25 22	-30 -14								
	Equitable European	Medium	+4%	0.34	21	-14			United Kingdom e					
Buy	Fidelity European Opps	Medium	+8%	0.27	30	-14	-8	Buy	BG Euro Small Coys	Very Hig		0.25		-25 -16
Buy	Fidelity European	Low	+14%	0.17	61	5	-5	Buy Buy	Deutsche Europa Dresdner European Smaller Coys	Very Hig		0.26 0.24		-28 -9 -45 -16
Buy Buy	Fleming Select Cont Europe	Medium High	+7% +11%	0.25 0.30	30 39	-6 -12	-10 12	Day	F & C European Smaller Coys	High	+5%	0.24		-32 -12
Buy	Framlington European Friends Prov. European	Medium	+9%	0.30		-15		Buy	Fleming Select Cont Euro Sm Co		h+23%	0.26	73 -	-33 -14
Buy	GA European Growth	Medium	+10%	0.34	-	-12	-9	Buy	Framlington Cnt'l Sm Coys	Very Hig		0.22		-29 -19
Buy	GAM European Growth	Medium		0.50		-10	-7	Buy	Henderson European Small Cos	Very Hig		0.26		-34 -11
Buy	Gartmore European	High	+9%	0.32	44	-9	-5	Buy Buy	Invesco European Smaller Coys M & G European Smaller Coys	Very Hig Very Hig		0.30 0.32		-47 -21 -32 -18
Buy	Gartmore European Sel Opps Govett European Blue Chip	High Low	+14%	0.29 0.24	59 27	-14 -12		Buy	Schroder Euro Small Coys	Very Hig		0.32	50 -	
Buy	Govett European Strategy	Very High		0.24	58	-30			UNITED KINGDOM BASED L	, ,				
Duj	Guardian European	Medium	+3%	0.26	18	-13		Buy	Fleming Euro Fledgeling	Very Hig				-41 -25
	HSBC Eurotrack 100	Low	+6%	0.27	29	-7	-11	Buy	Invesco Continental Sm	Very Hig		0.20		-41 -25
Buy	Henderson European	High	+12%	0.32	52	-14		Buy	TR European	Very Hig		0.24		-35 -18
Buy	Hill Samuel European	Medium Vory High		0.27	47 47	-8 40	-9 15	,	-					
Buy Buy	Invesco European Growth Investec GF European Gth	Very Higl Medium	1+17% +9%	0.27 0.24	47	-40 -3	-15		GERI	MANY	•			
Buy	Jupiter Euro Spec Sits	Medium		0.37	.0	-3	-6				_			
Buy	Jupiter European	Low	+10%	0.23	48	-8	-6		United Kingdom e					
Buy	Lazard European Growth	Low	+8%	0.22	34		-10	Buy	Baring German Growth	Very Lov				1 3
	Legal & General Euro Index Legal & General European	Low Low	+6% +2%	0.26	28 13	-7 -12	-11 -0		UNITED KINGDOM BASED L	ISTED IN	IVESTM	ent Ti	RUSTS	S
	Legal & General European	LOW	± ∠ /0	0.26	13	-12	- /	Avoid	East German Inv Trust	Very Hig	h -31%	0.31	-63 -	-47 -31

Best Managed Investment Funds

Some of the best managed and most attractive funds in this months *Investment Fund Survey* include **Asset Management Investment Company** (reviewed in July 2000), **Legg Mason International Utilities** (formally recommended for purchase in February 2001), **Marlborough Special Situations Fund** (reviewed in January 2001), **Eaglet Investment Trust** (reviewed January 2001), **AIM Trust** (reviewed July 2000) and **Jupiter European Special Situations** (see below).

Asset Management Investment Company - which specialises in owning shares in both listed and unlisted

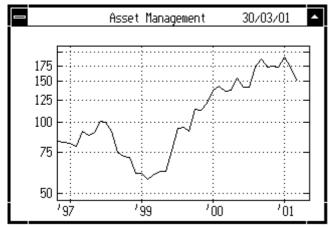
Investment Management companies - is also a fund we continue to watch. We believe that this is an industry with excellent growth potential. It is also a very cyclical business.

Investment Management companies earn revenue as a percentage of assets under management. So the recent stockmarket decline (reducing the value of client portfolios) will also lead to lower revenue - and sharply lower profits. Share prices of these companies therefore closely follow general stockmarket trends, but are more volatile, rising or falling in value by a much larger percentage. (Continued on Page 8)

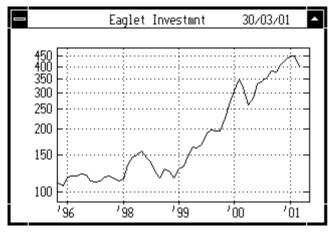
Best Managed Funds (Continued from Page 7)

So this fund potentially offers (1) above average long term growth and (2) large cyclical gains (owing to its high volatility) if we can time our purchase correctly. It is quite likely that Investment Management company shares will continue to decline for 2-6 months after the general stockmarket has reached bottom.

An upturn in world stockmarkets may still be several months away - but come it eventually must - and that will be the time to look very closely at making an investment in Asset Management Company shares.



Eaglet Investment Trust plc continues to interest us owing to its ability to identify excellent growth stocks. The fund has held up very well, despite significant weakness in the UK smaller company sector in which it invests. An outstanding long term performance has been punctuated by sharp declines in late 1998 and early 1999 - so we remain cautious owing to the uncertain short term outlook for the UK stockmarket and especially smaller company shares. When the outlook for the UK stockmarket improves we would seriously consider a formal "Buy" recommendation for this fund.



Jupiter European Special Situations Fund is a relatively new UK unit trust, but one that has already produced an excellent track record. Formed in February

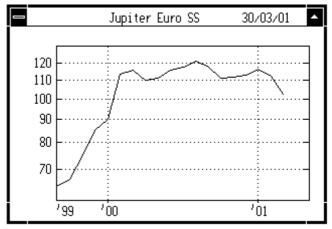
1999, this fund has already grown to £146 million by "exploiting special situations" in European equities "considered to be undervalued".

The fund is well diversified, with just 27.8% of the portfolio in the ten largest investments. Geographically, most of the investments are in Ireland (18.6% of the portfolio), the Netherlands (16.2%), France (13.3%), Germany (11.1%), Italy (9.2%), Sweden (6.1%), Switzerland (4.8%), Finland (4.5%), the UK (4.2%), Norway (1.9%), Spain (1.3%), Belgium (1.1%), Denmark (0.9%), the US (0.5%) and Canada (0.1%), plus 6.3% in Cash.

The fund performed well during most of 1999, spectacularly well in late 1999 and early 2000, and managed to maintain most of its value during the remainder of 2000 and the difficult months of 2001. This suggests the Manager was able to profit significantly from the technology boom-almost doubling the value of the portfolio in a few short months - but was then able to exit that sector and hold on to most of those gains.

The Manager is also optimistic about the current market situation "The current market turbulence . . . should suit the stock picking style of the Jupiter European Special Situations Fund. Valuation anomalies tend to emerge in such markets meaning that it becomes easier to find value in a number of quality growth stocks".

Jupiter European Special Situations Fund has a minimum initial investment of only £500. The bid/offer spread (i.e. initial sales charge) is 6.6% and the annual management fee 1.5%. The fund seeks capital appreciation, so income yield is nil.



Next Issue

The next issue of "International Investor" will be posted in five weeks time on Tuesday May 15, 2001.

Subscribers who have updated their account online with an e-mail address will also receive the Electronic version in their e-mail Tuesday morning.