THE TIMES

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Business Markets

Tempus

Buy, sell or hold: today's best share tips

Cashing in on America's boom time

MARTIN CURRIE GLOBAL PORTFOLIO TRUST

Net asset value per share	Dividend yield
243.43p	1.7%

A year on, the presidency of Donald Trump may or may not have done much for international diplomacy. Most of the big initiatives he promised have yet to be delivered, from a promised $1 trillion infrastructure package to tax cuts.

His presidency, though, has been good for share prices. The Dow Jones industrial average is up by a quarter over the past year. It also has been good for Martin Currie Global Portfolio Trust, whose shares are ahead by 14 per cent since this column tipped them a year ago as a good way into US stocks generally.

The share price gain is roughly proportionate to the amount of the trust, 54 per cent, that is invested in the United States. It is a moot point whether US stocks would have done as well whoever had occupied the White House over the past year.

The American economy is operating close to full capacity and employment is as good as it has been since the start of the century. In the latest corporate reporting season, there have been some forecast-beating performances, with a strong showing from Apple, which pushed the market to another record high, as well as Facebook and JP Morgan.

Profits for the third quarter at JP Morgan, the biggest bank in the US by assets, were ahead by 7 per cent on the back of a healthy rise in the loan book. The shares are in the portfolio, though, for the prospects for dividend growth and the bank announced in the summer that the quarterly payment would be increased from the third quarter and that there would be a share buyback of up to $19.4 billion by next June.

Martin Currie Global's performance has been a little more muted of late. The gain in net asset value per share was 7 per cent in the six months to the end of July, against 17.6 per cent at the halfway stage last time. This was still ahead of the relevant benchmark.

Over a longer period, the performance is rather better. The net asset value took a hit in 2009 as the financial crisis kicked in, but has since recovered and, at 237p at the end of September, is more than three quarters ahead of its level at the start of 2008.

The share price is about 150 per cent ahead and Martin Currie Global has beaten both the benchmark over that period and outperformed many of its peers. The dividend has been held or increased despite any stock market wobbles and a 1.7 per cent historic yield is both assured and attractive for a fund concentrated on high-tech investments that do not necessarily provide much income.

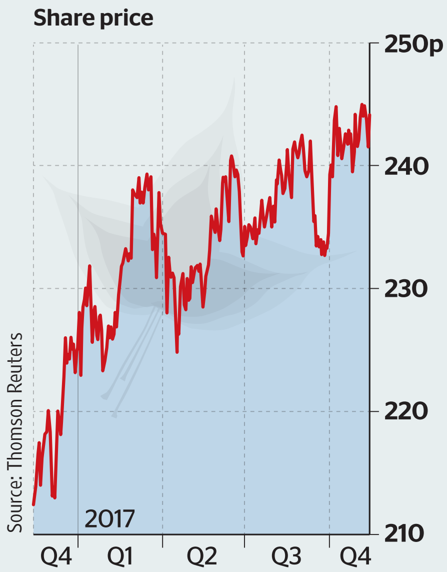
The fund has not changed much since this column reviewed it a year ago. Apple, Facebook and Alibaba, the Chinese ecommerce site, remain core investments. Their increased weighting in the portfolio more reflects their relative outperformance against other investments than any great change in strategy.

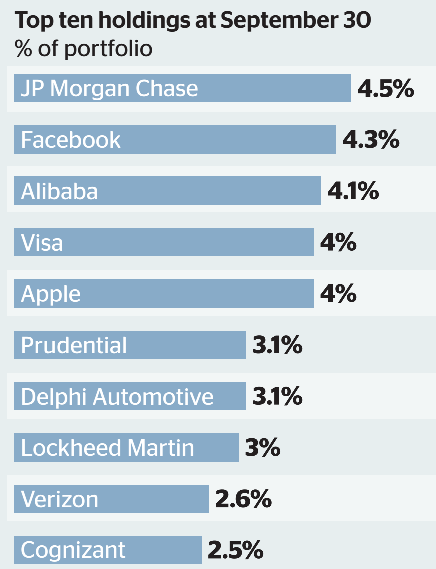
The main change is the exit from the top ten investments of KDDI, a Japanese telecoms company, again a function of rising values elsewhere, though it remains in 11th place. The fund operates a share buyback or issue programme aimed at keeping the net asset value as close as is feasible to the share price.

Martin Currie Global has been managed since 1999 by Tom Walker. In his latest update, for September, he concedes that cyclical stocks that month did rather better than some of the high-tech mega stocks — Alibaba, for example, fell by more than 3 per cent in sterling terms but has still returned more than 80 per cent this year.

Martin Currie Global remains an attractive way into the US economy, no matter what three more years of President Trump may bring.

Sharing in the Trump bump





ADVICE Buy

WHY Martin Currie Global Portfolio Trust still offers a good way into US and other tech stocks and the US economy, with a decent income for investors