Information and Advice on the Australian and NZ Sharemarket from Securities Research Company's . . .

Market Analysis

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Inside Market Analysis

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Summary and Recommended Investment Strategy.

The general stockmarket outlook remains Neutral in Australia and Bearish (i.e. unfavourable) in New Zealand. Nevertheless, many shares offer excellent value - and offer the potential for significant gains over the next few years - so we recommend remaining fully invested in the recommended shares

Investment Outlook.

Our One-Year Forecast for the NZ stockmarket has declined to a **Bearish 30%**. While there are undoubtedly many NZ shares that we wouldn't want to own, is it difficult to suggest reducing our exposure to NZ shares when we see the potential for a share like Steel & Tube to *double* or *triple* over the next 2-4 years! The other NZ shares in our *Recommended Portfolio* either offer good growth potential or already trade at low valuations, so we shall not be selling at this stage.

Our One-Year Forecast for the Australian stockmarket remains **Neutral** at **49%**, but again we see huge potential from many of our Australian shares. Atlas Pacific, Cellnet, Commander Communications, Julia Ross and Skilled Engineering could all *double* (and some *triple*) over the next few years.

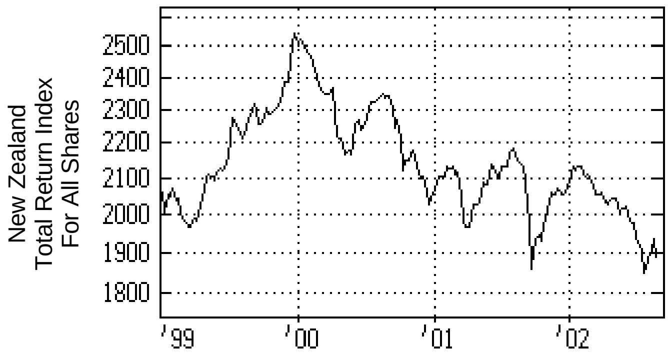
Is it realistic to expect so many doubles or triples over the next few years against a bearish to neutral stockmarket outlook? As always investors need to decide for themselves. We would point out, however, that this newsletter found a 34-bagger in NZ Refining (despite significant market declines in the 1987 stockmarket crash), currently holds two 13-baggers (Michael Hill and Toll Holdings), realised a 7-fold gain on ERG, a 6-fold gain on Flight Centre, and had three investments that realised 5-fold gains and another three that *quadrupled* in value. Thirteen investments *tripled* and fourteen have *doubled*. During much of this 21½ years the stockmarket outlook was uncertain!

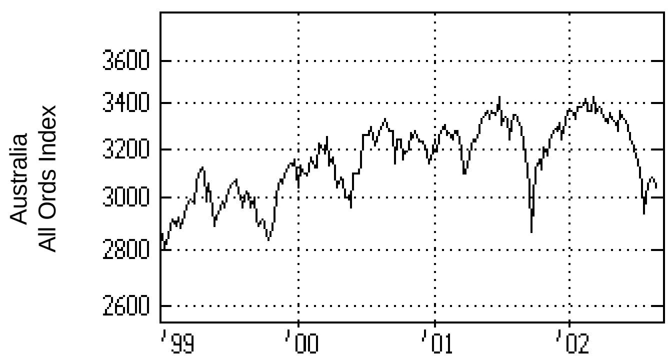
While the general stockmarket is depressed and the outlook uncertain, there are many attractive shares with excellent cyclical recovery potential or growth potential that can be purchased at historically low valuations. We believe that superior share selection methods, combined with current low valuations, will continue to yield far above average investment returns.

Therefore we recommend that investors remain fully invested in the recommended investments.

Stockmarket Forecasts

	One-Month	One-Year
Australia:	**54%** (Neutral)	**49%** (Bullish)
New Zealand:	**49%** (Neutral)	**30%** (Neutral)





Performance Forecasts

"**Performance Forecasts**" are computer generated predictions of the relative future price performance of a company's shares over the next three to six months. Performance Forecasts are calculated for **every** listed NZ share (except Investment Trusts) on a rating scale using the letters "A" (Highest potential for capital appreciation over the next 3-6 months), "B" (Above Average), "C" (Average), "D" (Below Average) and "E" (Lowest). These predictions are NOT buy or sell recommendations, but can be useful to help time planned purchases or sales, or to identify shares worthy of further study and analysis.

	Performance Forecast	Price	Price/Sales Ratio	P/E Ratio	Gross Yield
A. Barnett Ltd	A	136	0.66	39	Nil
AMP Limited	B	1520	2.36	20	4.1
AMP NZ Office	C	86	8.78	14	8.3
AXA Asia Pac.	C	296	0.49	11	4.0
Advantage Group	E	38	0.52	14	Nil
Affco Holdings	E	14	0.03	7	Nil
Air New Zealand	D	57	0.37	NE	Nil
Akd Int Airport	B	426	8.96	25	4.7
Allied Farmers	D	210	0.40	NE	Nil
Apple Fields	D	5.0	0.37	NE	Nil
Beauty Direct	E	9.3	2.85	NE	Nil
Blis Technology	E	44	N/A	NE	Nil
Brierley Invest	D	61	1.43	NE	Nil
Briscoe Group	B	265	2.19	32	3.7
Broadway Ind	D	37	0.20	7	4.1
CACI Group Ltd	D	42	0.59	NE	Nil
CDL Hotel NZ	C	23	0.40	8	4.5
CDL Investments	E	17	1.57	43	Nil
Cabletalk Group	D	30	0.24	NE	Nil
Cadmus Tech Ltd	D	8.5	1.50	26	Nil
Calan Hlthcare	C	79	6.51	12	8.6
Cap Properties	C	82	2.13	8	12.0
Carter Holt	C	172	0.78	12	3.5
Cavalier Corp	A	625	1.19	15	8.6
Cedenco Foods	C	195	1.12	7	Nil
Cert Organics	D	38	N/A	NE	Nil
Col FS Property	B	107	6.10	10	9.9
Col Motor Co	B	280	0.23	16	7.5
Commsoft Group	D	1.0	0.14	NE	Nil
Compass Com.	D	30	N/A	42	Nil
Contact Energy	B	390	2.15	19	7.3
Cube Capital	D	33	0.53	13	Nil
Cue Energy Ltd *	N/R	5.9	1.40	3	Nil
DB Breweries	B	570	1.03	12	7.1
Dairy Brands	C	63	7.29	NE	Nil
Design Textiles	C	80	N/A	9	5.6
Dorchester Pac	A	164	0.69	8	6.0
E-Ventures NZ	D	32	6.57	NE	Nil
E-cademy Hold.	D	0.5	8.33	NE	Nil
Ebos Group Ltd	C	300	0.39	13	7.2
Eldercare NZ	E	18	0.86	NE	Nil
Elect Trans Tec	D	3.8	N/A	NE	Nil
Evergreen	C	50	3.34	11	Nil
F & P Health.	B	955	4.55	15	3.9
F & P Appliance	A	1020	1.95	24	3.7
FC - Forests	D	24	1.01	9	Nil
Feverpitch Int.	C	15	N/A	NE	Nil
Finzsoft Sol'ns	C	50	1.14	NE	Nil
Fletcher Build.	B	283	0.33	11	7.4
Force Corp.	B	7.4	0.21	17	Nil
GDC Communicat.	B	100	0.55	11	5.2
Genesis Res.	C	193	2.52	NE	Nil
Goodman Fielder	B	192	0.58	14	5.2
Guiness Peat	B	171	0.87	6	1.9
Hallenstein G.	B	270	0.93	14	10.2
Hellaby Hold.	B	261	0.34	10	8.6
Heritage Mining*	N/R	5.0	N/A	NE	Nil
Horizon Energy	A	380	3.64	13	6.7
IT Capital Ltd	E	4.5	2.85	NE	Nil
Ind Newspapers	D	310	1.50	26	4.1
Infratil NZ	C	186	2.21	15	2.4
Kingsgate Int'l	D	22	1.13	8	Nil
Kirkcaldie & St	A	415	0.62	11	12.6
Kiwi Property	C	95	6.08	10	10.7
Lion Nathan Ltd	A	620	1.77	18	3.1
Lyttelton Port	B	160	2.63	10	10.3
Mainfreight Grp	B	122	0.22	13	8.0
Metro. LifeCare	D	109	1.12	14	Nil
Michael Hill	A	541	0.97	17	4.7
Mid-Cap Index*	N/R	201	N/A	NE	Nil
Mooring Systems	C	123	N/A	NE	Nil
Mowbray Collect	C	80	1.47	NE	Nil
Mr Chips Hold	D	106	0.92	30	4.9
NZ Experience	C	16	N/A	8	Nil
NZ Invest Trust*	N/R	510	N/A	NE	1.6
NZ Oil and Gas *	N/R	30	1.35	16	Nil
NZ Refining Co	B	1735	2.33	11	15.1
NZIJ.co.nz	B	30	2.20	NE	Nil
Nat Property Tr	C	84	5.15	13	10.7
Natural Gas	C	128	1.40	17	5.1
Newcall Group	D	2.8	0.20	NE	Nil
Newmarket Prop.	C	49	3.73	9	13.4
Northland Port	C	253	3.81	NE	Nil
Nuhaka Forestry	C	890	N/A	NE	Nil
Nuplex Indust	C	324	0.46	10	7.8
Opio Forestry	C	53	9.50	NE	Nil
Otter Gold Mine*	N/R	31	0.73	NE	Nil
Owens Group Ltd	E	87	0.11	11	4.0
Ozzy (Tortis)*	N/R	211	N/A	NE	Nil
Pacific Retail	B	315	0.36	9	Nil
Port Tauranga	B	790	4.82	21	6.2
Ports Auckland	B	636	4.25	15	7.0
Powerco Limited	B	186	2.54	13	10.5
Property F Ind.	C	89	8.28	40	7.7
Pure NZ Limited	D	8.0	6.35	NE	Nil
Pyne Gould G.	C	116	0.45	9	10.9
Renaissance	D	39	0.08	NE	Nil
Restaurant Brds	C	198	0.72	16	7.5
RetailX Limited	D	20	4.57	NE	Nil
Richina Pacific	D	63	0.07	14	Nil
Richmond Hold.	D	190	N/A	NE	Nil
Rocom Wireless	D	17	0.25	NE	Nil
Rubicon Limited	C	72	2.72	NE	Nil
Ryman Health.	C	173	2.79	16	3.2
Sanford Limited	C	501	1.33	18	6.0
Savoy Equities	E	2.6	4.91	NE	Nil
Scott Tech. Ltd	C	199	2.34	94	2.6
Seafresh Fish.	D	2.8	0.38	NE	Nil
Selector Group	E	2.5	3.52	NE	Nil
Shotover Jet	C	50	0.88	6	3.7
Skellmax Indust	C	102	1.01	8	10.2
Sky City Ltd	A	705	2.85	15	8.0
Sky Network TV	E	365	4.87	NE	Nil
Software of Exc	E	180	2.79	NE	Nil
South Port NZ	B	165	3.05	16	5.9
Southern Cap	E	58	N/A	33	Nil
Spectrum Res.	D	1.3	0.93	NE	Nil
Steel & Tube	A	276	0.73	13	10.3
Straightedge	C	48	N/A	NE	Nil
Strathmore Grp	C	2.4	N/A	NE	Nil
Submarines Aust	C	5.5	N/A	NE	Nil
Summit Gold Ltd*	N/R	9.0	N/A	NE	Nil
Tag Pacific Ltd	E	10	0.19	NE	Nil
Taylors Grp Ltd	C	150	0.68	11	8.5
TeNZ *	N/R	89	N/A	NE	Nil
Telecom Corp	B	496	1.68	14	6.0
Tourism Hold.	C	96	0.48	38	4.7
Tower Limited	B	359	0.55	9	8.4
Trans-Tasman	D	21	1.18	6	Nil
Tranz Rail Hold	C	160	0.31	7	5.3
Trust Power Ltd	B	345	1.05	NE	5.5
United Networks	A	950	3.16	12	5.5
Utilico Int'l	C	70	6.49	10	Nil
Vending Tech.	C	199	2.88	11	Nil
Vertex Group	B	133	0.47	7	15.9
WN Drive Tech.	D	39	N/A	NE	Nil
Wakefield Hosp.	C	140	0.57	19	3.2
Warehouse Group	B	727	1.31	35	2.6
Waste Mgmt NZ	A	321	2.04	24	3.5
Williams Kettle	B	400	0.32	8	7.5
World Index Fd *	N/R	130	N/A	NE	Nil
Wrightsons Ltd	B	128	0.26	8	13.4
Ave of142 Cos	C	202	0.55	19	3.4

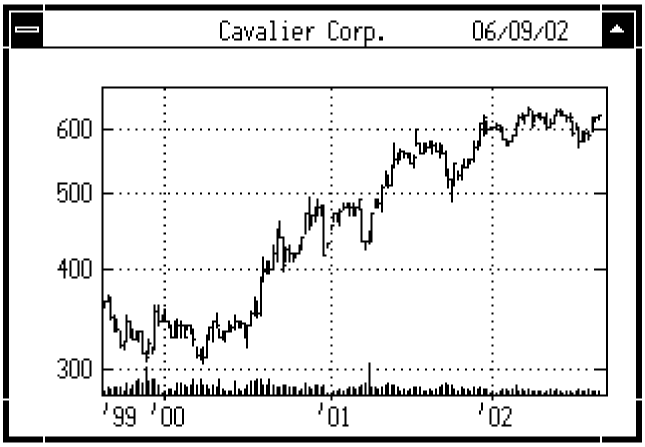
	Performance Forecast	Price	Price/Sales Ratio	P/E Ratio	Gross Yield
AMP Diver. Prop	B	258	9.56	13	7.6
AMP Ltd	C	1310	0.52	13	3.6
AMP Office Trt	B	118	N/A	13	7.8
AMP Shop Centre	B	137	6.89	14	8.1
ANZ Bank	B	1904	4.40	15	3.8
APN News Media	B	317	2.28	28	4.7
AWB Limited	B	364	0.45	11	6.0
AXA Asia Pac	C	251	0.84	11	4.9
Adelaide Bright	A	94	1.14	15	4.3
Adelaide Bank	B	743	1.30	16	4.3
Alintagas Ltd	B	404	2.95	20	2.7
Amcor Ltd	A	840	0.81	8	3.3
Ansell Ltd	C	678	0.56	NE	Nil
Aristocrat	B	523	3.03	27	2.3
Aust Pipeline	B	247	2.47	16	8.7
Aust Pharm. Ind	C	345	0.35	20	3.8
Aust Gas Light	B	999	1.34	22	5.2
Aust Stock Exch	B	1242	6.02	21	3.3
Austereo Group	B	160	8.10	55	2.1
Australand Hold	B	140	0.54	8	8.6
BHP Steel Ltd	D	286	N/A	NE	Nil
BRL Hardy Ltd	C	838	1.88	20	2.4
Bank of W.Aust	B	415	4.17	16	4.2
Baycorp Advant.	C	324	6.04	NE	3.4
Bendigo Bank	A	792	3.38	19	3.7
Bidvest	A	420	0.23	14	2.4
Billabong Int'l	B	728	2.91	24	2.6
Boral Limited	A	428	0.69	13	4.4
Brambles Ind.	B	723	0.70	13	2.8
Brickworks Ltd	B	654	5.17	17	2.4
C'wth Prop Off.	B	117	8.37	13	7.6
C.S.R. Ltd	B	636	0.83	11	3.8
CSL Limited	C	2250	2.64	29	1.5
Centro Prop.	B	359	N/A	15	7.3
Challenger Int.	C	260	0.70	4	3.3
Coal & Allied	B	2325	1.30	9	3.2
CocaCola Amatil	B	625	1.13	21	2.2
Cochlear Ltd	C	3804	7.80	50	1.3
Col FS Property	B	242	7.10	14	7.5
Coles Myer	B	576	0.21	34	4.4
Com'wealth Bank	B	3207	2.52	15	4.7
Computer Share	C	211	1.50	16	1.4
Corp Express	A	517	1.55	31	1.2
Deutsche Office	B	119	6.99	12	8.4
Deutsche Ind Tr	B	167	6.70	14	9.0
Deutsche Div Tr	B	116	7.89	13	7.8
Downer EDI Ltd	C	61	0.24	10	3.9
Envestra	C	90	2.36	NE	10.6
Fairfax (John)	B	308	1.70	18	3.7
Flight Centre	A	2500	0.61	36	1.5
Foodland Assoc	A	1933	0.48	31	2.9
Foster's Group	B	490	2.01	18	3.5
Futuris Corp.	C	135	0.12	13	8.9
GWA Internat'l	B	258	1.16	15	6.6
Gandel Retail T	B	124	8.19	14	7.2
General Prop Tr	B	278	7.92	14	7.1
Globe Int'l Ltd	C	163	3.07	25	2.3
Goodman Fielder	A	166	0.68	12	4.5
Guinness Peat	C	149	3.24	14	0.4
Gunns Ltd	B	787	1.21	12	3.4
Harvey Norman	B	288	4.25	28	1.4
Hills Motorway	B	489	N/A	38	4.0
ING Indust Trt	B	165	9.92	13	8.2
ING Office Fund	B	118	6.57	12	8.9
Incitec	B	800	0.98	15	3.5
Insurance Aust.	C	311	0.98	NE	3.4
Investa Prop.	B	203	6.52	14	7.3
James Hardie	A	656	2.53	52	1.5
Jupiters	A	555	1.40	14	3.8
Leighton Hold	B	1115	0.60	18	3.8
Lend Lease Corp	C	1089	0.38	21	1.7
Macquarie Infra	C	296	5.21	11	3.1
Macquarie C'Wde	B	159	9.25	13	8.4
Macquarie Off.	B	125	9.31	14	8.7
Macquarie Good.	B	143	5.60	12	8.3
Macquarie Bank	B	2327	1.94	17	4.0
Mayne Group Ltd	C	357	0.57	17	3.9
Metcash Trading	A	224	0.22	23	2.2
Mia Group Ltd	C	87	1.71	24	3.7
Mirvac Property	B	178	9.75	15	6.4
Mirvac Group	B	419	2.55	15	6.3
Nat'l Aust Bank	B	3525	2.09	26	3.8
Nat'l Foods	A	372	0.97	21	4.4
News Corporatio	C	905	0.65	16	0.3
Nufarm Limited	B	368	0.41	11	4.9
Onesteel Ltd	A	168	0.30	19	3.9
Orica Ltd	B	970	0.64	43	1.6
Origin Energy	B	359	0.96	18	1.4
Pacifica Group	C	385	0.48	NE	2.2
Paperlin X Ltd	B	500	0.51	13	5.4
Patrick Corp	B	1507	3.47	35	1.1
Perp Trust Aust	C	3889	4.98	20	4.1
Publishing & Br	B	861	2.23	21	2.4
Q.B.E. Insur.	C	734	0.45	NE	4.1
Qantas Airways	B	399	0.55	15	4.3
Reece Australia	A	690	1.08	16	2.5
Rio Tinto Ltd	B	3061	0.75	5	3.8
Rural Press Ltd	A	570	1.48	12	2.7
Seven Network	C	524	1.21	22	3.9
Sigma Company	C	404	0.33	25	2.5
Simsmetal Ltd	B	714	0.45	13	5.0
Smorgon Steel	B	124	0.36	21	5.2
Sonic Health	C	607	1.82	46	3.3
Southcorp Ltd	C	545	1.43	13	4.0
Spotless Group	B	485	0.46	31	4.5
St George Bank	B	1872	2.26	22	3.5
Sthn Cross Brd.	B	919	1.63	17	6.2
Stockland Trust	B	445	4.42	15	6.7
Suncorp-Metway	B	1269	1.48	21	4.3
TAB Ltd	A	328	1.65	19	4.0
TAB Queensland	A	423	1.52	22	3.5
Tabcorp Holding	A	1246	2.35	18	5.1
Telstra	C	494	1.52	9	4.5
Ten Network	C	209	1.20	45	6.9
Toll Holdings	B	3025	N/A	28	1.3
Transurban Grp	C	394	N/A	NE	0.6
United Energy	B	254	2.19	23	6.8
W.M.C. Limited	C	725	2.18	20	4.0
Wesfarmers Ltd	B	2790	1.41	25	4.0
West Aust News	B	523	3.65	21	4.8
Westfield Hold.	B	1348	7.86	32	1.6
Westfield Amer.	B	197	2.52	15	7.1
Westfield Trust	B	330	7.93	14	6.9
Weston (George)	A	683	0.54	23	2.8
Westpac Banking	B	1512	1.89	14	4.1
Woolworths Ltd	B	1200	0.50	22	2.8
Ave of 1335 Cos	C	150	0.31	19	2.1

Recommended Investments

Cavalier Corporation reported a 12.7% drop in revenues to $164.8 million for the year to 30 June 2002, but this lower revenue was the result of closing some Wool businesses last year. On-going businesses actually recorded a 32.3% increase in revenues. Profits rose 7.0% to $13,151,000 (41.8 cents per share) and the annual dividend rate is up 12.5% to 36.0 cents (plus full imputation tax credits).

Net operating cash flows remain strong at $18.5 million, although down on last year's $37.5 million surplus which was aided by liquidating the wool business. Interest bearing debt has risen $16.8 million to $33.5 million, mainly as a result of distributing $25.2 million to investors in the June 2001 share cancellation.

The Carpet division lifted revenues 12% to $108.7 million with earnings steady *(Continued on Page 4)*



Portfolio of Recommended Investments

CURRENT ADVICE	Company	Code	Initial Recommendation - Date -	Initial Recommendation Price	Performance Forecast	Issued Shares (mil.)	Volatility Ratio	Price/ Sales Ratio	Price/ Earnings Ratio	Gross Dividend Yield	Recent Share Price	Cash Dividends Rec'd	Total Return %
	NZ Shares												
HOLD+	CDL Investments Ltd	CDI	12/01/99	25	E	187.1	2.1	1.57	43	Nil	17	6.1	-8%
HOLD	Cavalier Corporation	CAV	05/12/95	312	A	31.5	0.6	1.19	15	8.6	625	180.5	+158%
HOLD+	Colonial Motor Company	CMO	10/11/92	150	B	27.9	0.6	0.23	16	7.5	280	219.8	+233%
BUY	Lyttelton Port Company	LPC	12/12/00	150	B	101.8	0.7	2.63	10	10.3	160	14.0	+16%
HOLD	Michael Hill Int'l Ltd	MHI	11/06/91	46*	A	38.5	0.5	0.97	17	4.7	541	90.0	+1272%
HOLD	Nuplex Industries Ltd	NPX	11/02/97	350	C	59.7	0.8	0.46	10	7.8	324	59.0	+9%
HOLD	Renaissance Corp	RNS	13/08/96	85*	D	37.1	1.9	0.08	NE	Nil	39	7.4	-45%
BUY	Richina Pacific	RCH	03/11/95	119*	D	72.2	1.6	0.07	14	Nil	63	11.9	-37%
HOLD	South Port New Zealand	SPN	13/02/96	120	B	26.2	0.9	3.05	16	5.9	165	59.0	+87%
BUY	Steel & Tube Holdings	STU	08/08/00	146	A	87.9	0.9	0.73	13	10.3	276	52.0	+125%
HOLD+	Taylors Group Ltd	TAY	09/11/99	102	C	24.3	0.9	0.68	11	8.5	150	17.0	+64%
BUY	Wrightson Limited	WRI	13/01/98	83	B	134.2	1.3	0.26	8	13.4	128	21.8	+80%
	Australian Shares (in Aust cents)												
HOLD+	Abigroup Limited	ABG	09/03/99	265	B	47.7	0.8	0.14	6	5.6	215	45.0	-2%
BUY	Atlas Pacific Ltd	ATP	14/05/96	73	A	82.6	1.3	3.19	9	8.7	46	4.0	-32%
HOLD+	Auspine Limited	ANE	08/02/00	210	B	57.0	0.7	0.63	13	6.1	231	41.0	+30%
BUY	Austral Coal Ltd	AUO	16/01/01	19	B	154.4	1.2	0.57	11	Nil	55	Nil	+189%
HOLD	Biron Capital Ltd	BIC	12/04/94	171*	C	38.2	1.6	2.41	20	3.1	32	10.5	-75%
BUY	Brazin Limited	BRZ	11/12/01	160	A	116.4	0.9	0.49	11	6.4	211	8.5	+37%
HOLD	Campbell Brothers Ltd	CPB	12/10/99	418*	C	39.0	0.6	0.52	16	6.3	473	72.5	+30%
BUY	Cellnet Telecommunicat	CLT	12/02/02	152	C	49.3	0.9	0.27	9	6.5	138	4.0	-7%
BUY	Commander Comm.	CDR	11/09/01	92	B	144.9	1.1	0.62	12	3.2	86	2.5	-4%
HOLD	C.S.R. Limited	CSR	11/07/00	436	B	937.1	0.7	0.83	11	3.8	636	36.0	+54%
BUY	Julia Ross Recruitment	JRR	14/08/01	92	B	57.4	1.0	0.35	9	6.4	94	6.0	+9%
BUY	McPherson's Ltd	MCP	10/10/00	125	A	39.2	0.6	0.31	8	5.9	205	18.0	+78%
HOLD	Nufarm Limited	NUF	11/02/97	418*	B	155.3	0.8	0.41	11	4.9	368	88.3	+9%
HOLD	OAMPS Limited	OMP	15/05/01	198	B	45.4	0.6	0.40	14	5.3	375	14.0	+96%
BUY	Skilled Engineering	SKE	12/03/02	126	A	86.1	0.9	0.21	12	7.1	141	4.0	+15%
HOLD	Toll Holdings[1]	TOL	08/09/98	240	B	68.8	0.5	NA	28	1.3	3025	94.0	+1200%
HOLD	DVT Holdings (ex USC)	DVT	11/01/00	3*	D	542.3	5.2	0.22	10	Nil	3	0.6	+26%
BUY	Villa World Ltd	VWD	11/06/02	68	A	102.9	1.0	0.44	15	4.7	74	Nil	+9%
HOLD	Vision Systems Ltd	VSL	10/11/98	69*	C	159.4	1.1	1.51	15	3.5	112	20.1	+91%
HOLD+	Volante Group Ltd	VGL	13/03/01	132	A	68.0	1.1	0.22	19	6.7	119	8.5	-3%

The average Total Return (i.e. both Capital Gains/Losses plus Dividends received) of all current investments from initial recommendation is +115.7%. This is equal to an average annual rate of +30.7%, based upon the length of time each position has been held.

The average annual rate of gain of ALL recommendations (both the 32 current and 117 closed out) is +29.5%, compared with a market gain of +9.2% (by the SRC Total Return Index).

CURRENT ADVICE is either Buy, Hold+, Hold, Hold- or Sell. Hold+ indicates the most attractive shares not rated as Buy. Hold- indicates relatively less attractive issues.

* Initial Recommendation Prices adjusted for Share Splits, Bonus and Cash Issues.

(1) Toll Holdings notes (TOLG) last traded at 3005 cents.

Recommended Investments *(Continued from Page 3)*
at $19.9 million. The on-going Wool business increased revenues 4% to $60.7 million (including inter-company sales to the carpet division) with earnings down 4% to $3.7 million. Overall company profitability increased by closing the unprofitable Wool businesses last year which lost $5.0 million in 2001.

Lyttelton Port Company lifted revenues 6.4% to $62.0 million for the year to 30 June, with profits up 19.4% to $16,304,000 (16.0 cents per share). The annual dividend rate will be 11.0 cents (plus full tax credits), up 7.3%.

The operating cash surplus was $20.8 million (up from $15.9 million last year).

The company is currently negotiating an employment agreement that will allow the container terminal to operate 24 hours a day, seven days a week, offering full services at a competitive price. This is necessary to maintain its existing container shipping customers and to attract new business. The recent loss of the *Maersk Sealand* container business will "place pressure on profitability for the next financial year".

Lyttelton Port has prepared a report on its Coal Handling Agreement with **Solid Energy**.

Without the agreement profits will stay relatively stable around $15.5 million (15 cents per share) over the next four years. Dividends would remain steady at about 10.25 cents (plus full imputation tax credits).

With the agreement, Lyttelton Port will require new capital expenditure of $26 million - 50% funded by pre-payments from Solid Energy and 50% from new debt. Profits would be about $500,000 lower in the year to March 2003 but then climb to about $18.25 million (18 cents per share) by March 2006. Dividend payments would also grow by a similar 20% to about 12.5 cents in 2006.

Shareholder approval of this agreement will therefore increase profits and dividends (and therefore the share price) by about 20% over the next four years. Under either situation, Lyttelton Port will also accumulate significant cash within the business - and much of this will likely be distributed to shareholders as special dividends.

Like all other businesses, Lyttelton Port faces the challenge of retaining customers by providing high standards of service at competitive prices. However, this is a relatively stable, low risk business that offers investors a reliable high income yield. So the shares remain a "Buy" and will appeal to retired investors seeking income. Younger investors - prepared to take high risks and also more interested in capital growth - *may* also want to own Lyttelton Port shares as a low risk investment to provide a balanced portfolio.

Michael Hill International continues to steadily grow its business. Revenues rose 13.5% to $214.9 million for the year to June 2002 while trading profits were up 22.5% at $12,298,000 (32.0 cents per share) and the annual dividend rate will be raised 13.3% to 17.0 cents (plus tax credits). In addition there was a $408,000 capital gain on the sale of the NZ Head Office building.

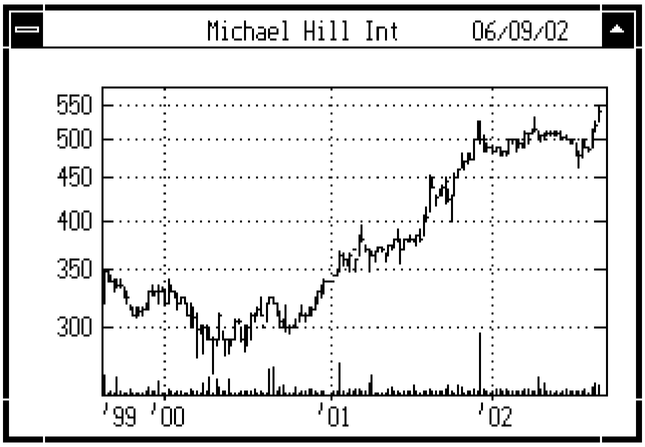
Michael Hill is to proceed with expansion into Canada and plans to open four stores per year over each of the next four years. Three stores should be open by November ahead of the peak pre-Christmas period. This is a relatively low cost expansion plan - requiring a capital investment of about NZ$3.3 million initially and then around $1.1 million per year - but could open up significant new growth opportunities. Over the next 10-15 years the company hopes to build up a chain of about 100 stores. After an initial establishment loss this year, the Canadian operations are expected to break-even in the June 2004 year and then start making a contribution to group profits.

The company currently has 43 stores in NZ (up from 41 last year) and 77 stores in Australia (up from 74). These stores include four "large format" stores in NZ and two large stores in Australia.

The company also has a conditional contract to sell its Australian Head Office for A$4.5 million. This will produce a capital gain of A$1.1 million this year but more importantly releases money that can be more profitably invested in the jewellery business.

At $5.41, Michael Hill shares trade on a Price/Sales ratio of 0.97, a Price/Earnings ratio of 17 and offer a Dividend Yield of 4.7%. Despite having produced a very significant return from our initial investment (i.e. up 13-fold in 11 years) those valuation statistics show that the shares still offer reasonable value. The company has demonstrated its ability to expand offshore (i.e. in Australia) and to finance growth internally (i.e. without issuing new shares which dilute earnings per share growth) so Canada offers the potential to continue that steady, long term growth.

Michael Hill shares therefore offer good value *and* good growth potential - so remain an attractive long term "Hold+".



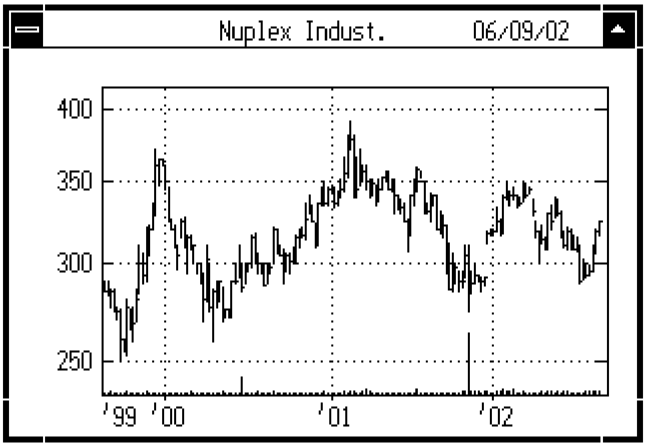
Nuplex Industries also continues to produce steady growth - but unlike Michael Hill this is not yet reflected in the capital value of our investment! For the year to June, revenues rose 3.2% to $421.4 million but trading profits improved 33.3% to $19,104,000 (32.0 cents per share). The annual dividend rate is being raised 13.3% to 17.0 cents (plus full tax credits). The company also recorded unusual losses of $6,461,000 - mainly from writing off the remaining goodwill on an unsuccessful Australian medical waste acquisition.

Asia Pacific Specialty Chemicals (11.5% owned at 30 June, now fully owned) is expected to contribute revenues of A$180 million this year and earnings "in excess of A$10 million" before interest, tax and depreciation - which we estimate will yield a small profit after these costs, including interest on the A$50 million of debt used to finance this acquisition. However, APS should generate net operating cash flows of A$4-7 million which can be used for debt repayment that will lower future interest costs. In addition, APS's chemical and polymer businesses are either similar or complimentary to Nuplex's existing operations, so the merger should yield synergies (i.e. cost savings that will improve profitability and/or surplus assets that can be sold to repay debts).

The Vietnam operation performed strongly over the last year. Revenues rose 23% to $14.2 million but profitability soared - up 934% to $2.6 million! This business could contribute significantly to future growth. The previously announced plant expansion will be completed in April 2003, increasing production capacity threefold and expanding the range of products available.

Since February 1997 (when we initially recommended an investment in Nuplex Industries) earnings per share have risen by 65% and dividends are up 70% (i.e. about 10% p.a. compounded). The share price, however, is virtually unchanged as the P/E ratio has declined from 18 in 1997 to just a low 10 at present and the Dividend Yield has risen from 4.3% to 7.8%. So although the share price is little changed, the valuation has improved significantly. In retrospect, we *may* have paid a little *too much* for Nuplex shares initially but it is more likely that today's valuation is simply *too low*.

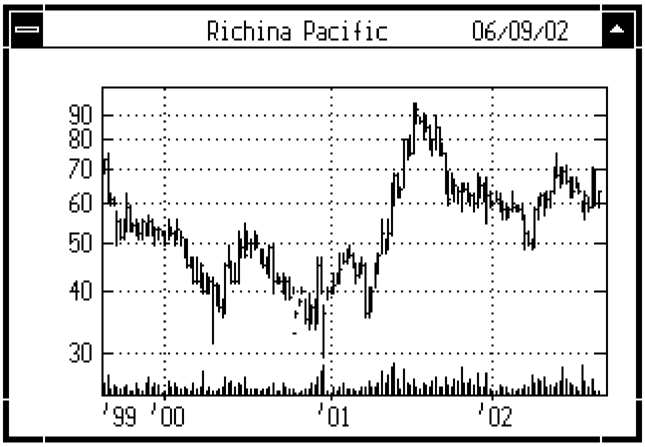
Nuplex shares currently offer a high gross Dividend Yield of 7.8% and should appreciate in value as profits continue to grow and as the shares are re-rated to a higher P/E ratio.



Richina Pacific has reported a 37.4% fall in revenues to $233.8 million and a 40.2% drop in profits to $4,220,000 (5.8 cents per share) for the six months to 30 June. This result isn't as "bad" as those figures would suggest!

Last year's first half included high levels of profitability from the volatile NZ Venison business and NZ Leather business - both of which were subsequently sold. These businesses contributed $9.4 million (before interest and overheads) to last year's results, but that level of profitability was not sustainable. The remaining businesses - Shanghai Richina Leather, Mainzeal and Blue Zoo Beijing - contributed a 62% higher $6.4 million in earnings in the current period.

Richina Pacific is to sell another investment that currently brings in about $2.6 million in pre-tax profits - but will realise about $26 million cash (after expenses and repaying a $38 million mortgage). Subject to shareholder approval the *Mobil-on-the-Park* property will be sold for $66 million. A $6 million deposit will be received immediately and the final settlement of $60 million will be received in June 2003. Richina Pacific will also continue to receive rents ($5.5 million per year), and pay interest (of about $2.9 million) on the mortgage, until settlement. While *Mobil-in-the-Park* is a good income producing property investment, its sale will release $26 million to help finance the Chinese businesses which offer better growth and profit potential.



South Port NZ continues to perform well, with revenues up 10.7% to $14.2 million and profits up 22.2% to $2,690,000 (10.3 cents per share) for the year to 30 June. The annual dividend of 6.5 cents (plus full tax credits) is up 8.3%.

The cash operating surplus was $4.7 million (up from $3.7 million), allowing interest bearing debts to be reduced by $1.4 million to a low $4.7 million.

Steel & Tube Holdings' results for the year to June 2002 show a 15.2% drop in revenues to $330.6 million. This is owing to the sale of the Canadian business during the year, with revenues from NZ operations being up 8.0% at $301.3 million. Profits rose 22.8% to $18,284,000 (20.8 cents per share). A final 10.0 cents dividend lifts the regular dividend 18.8% to 19.0 cents (plus full tax credits) and, in addition, the company paid a special 10.0 cents dividend in November 2001 to distribute some surplus cash to shareholders.

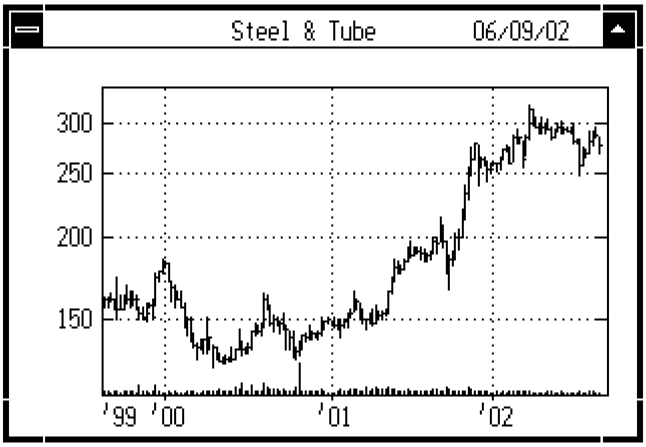
The business continues to generate a strong operating cash surplus of $33.6 million. Interest bearing debts are just $6.6 million, compared with Shareholders Equity of $53.9 million. With strong cash flows and virtually debt free, Steel & Tube is in a very strong financial position.

The company will distribute around $25 million of surplus cash to shareholders by re-purchasing up to 8,780,000 shares (9.99% of its capital) over the next year. Up to 4,390,000 shares will be bought on-market at prevailing market prices, with a similar number of shares bought off-market at the same prices from **Tubemakers** (which owns 50.3% of the company).

The profit increase, higher regular dividends, special dividends and the capital repayment are all consistent with our previously discussed expectations for this cyclical investment. They also confirm that we are still in the cyclical upturn and that the peak is still some years away.

The on-market share buy-back, together with buying from both private investors and institutional investors seeking a high dividend yield, will all increase demand for Steel & Tube which should *(Continued on Page 6)*

Recommended Investments *(Continued from Page 5)*
continue to appreciate strongly over the next couple of years. Although we have more than doubled our money on this investment in just two years, Steel & Tube remains a strong "Buy" for a high current income and capital appreciation. Look for the shares to double or triple *again* (giving us a 4-6 fold gain) over the next 2-4 years!



Taylors Group lifted revenues by 19.8% to $53.6 million for the year to 30 June 2002, with profits up 11.0% to $3,297,000 (13.6 cents per share). A final 4.5 cents dividend increases the annual payout 21.4% to 8.5 cents (plus full imputation tax credits).

Taylors Group is a sound company that offers an attractive 8.5% Dividend Yield and steady growth potential.

Wrightson has performed very strongly over the last year to 30 June. Revenues fell 5.0% to $669.3 million but profits almost doubled (up 98.7%) to $21,164,000 (15.8 cents per share). A final 8.0 cents dividend lifts the annual dividend 43.8% to 11.5 cents (plus full tax credits).

In both 2001 and 2002 the group performed very strongly in the March quarter (with profits of $10.7 million and $10.3 million, respectively). The June 2001 quarter recorded a small loss (of $0.1 million), while the June 2002 quarter generated a profit of $4.6 million!

Wrightson has a net $3.0 million in cash (i.e. $13.9 million in the bank, less $10.8 million in overdrafts) and no other interest bearing debts, so the company is in a strong financial position.

The company is "successfully moving from a commodity business to a customer solutions business" with the objective of "reducing exposure to changes in the commodity cycle and exchange rates" to produce "more sustainable earnings". While farm incomes will drop over the next year, they will still be higher than the 1990's so "Wrightson has a positive outlook". The company will also seek to further reduce costs and improve market share. With an ungeared (i.e. debt-free) balance sheet Wrightson's profits should not suffer too much if market conditions are less favourable in the current financial year.

Wrightson shares have jumped to around 128 cents, which puts them on a Price/Sales ratio 0.26, a Price/Earnings ratio of 8 and a gross Dividend Yield of 13.4%. With this low valuation and strong balance sheet, Wrightson shares will appeal to investors seeking income - with this buying leading to further appreciation in the share price. "Buy" and hold for income and further capital appreciation.

Australian Shares

(This section is in Australian currency, unless stated.)

Atlas Pacific has reported 49.1% higher revenues of $8.5 million for the six months to June 2002. Profits are up 38.3% at $3,324,000 - although earnings per share are down 7.0% to 4.0 cents owing to the notes converting to ordinary shares. No dividend announcement has yet been made, but last year the company waited until October to declare a 2.0 cents interim dividend. Cash on hand at 30 June was $7,994,000 (9.7 cents per share), and there is no interest bearing debts, so a 2-3 cents dividend is likely.

The Waigeo Island pearl farm now holds more than 700,000 oysters, of which 288,000 have been nucleated and will be harvested during 2002, 2003 and 2004. 107,170 oysters were nucleated over the last six months and the company plans a further 120,000 operations before the end of the year.

The *El Nino* climatic conditions resulted in poor spat breeding at the local hatchery, but Atlas Pacific established a hatchery for another company at Sulawesi, Bali (as previously announced). This hatchery, which is "geographically different" from Atlas Pacific's own hatchery, "achieved an exceptional spawning season". Under the joint venture, Atlas Pacific receives half of the spat, so this has offset the company's own breeding problems. In future years, surplus spat could be sold or used to expand pearl production.

Under a second, new joint venture with another Indonesian pearl farm, Atlas Pacific has received 100,000 oysters which it will nucleate, grow and harvest at Waigeo Island. The "*net* proceeds from the pearls will be shared equally" - which means that Atlas Pacific will receive some payment for nucleating, farming and harvesting *plus* half the remaining proceeds.

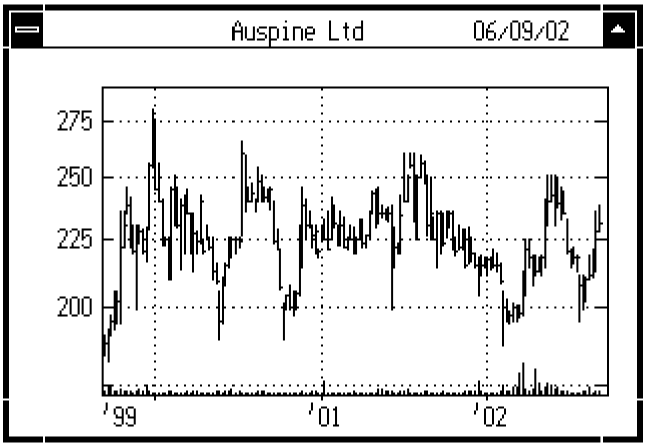
Another joint venture has harvested 10,000 pearls, where Atlas Pacific will receive half of the net proceeds after sale, and holds 14,000 oysters that will be harvested next year.

Since 30 June, Atlas Pacific has offered 13,212 pearls at auction, with 10,166 pearls sold for $1,678,000.

Auspine has lifted revenues 1.7% to $209.6 million for the year to June 2002. Profits fell 23.0% to $10,100,000 (17.7 cents per share) but the *quality* of earnings has improved. The 2001 result included a $19.0 million increase in the value of forests, whereas growth in forests contributed only $1.4 million in the current year.

As a result of the improved quality of earnings (i.e. profits from trading operations), Auspine generated strong cash flows and an operating cash surplus of $23.5 million (up from only $3.5 million in 2001). The company has therefore increased its annual dividend rate 16.7% to 14.0 cents. In addition, Auspine will also use some of its strong cash flow to re-purchase up to 3.0 million shares (5.3% of the company) on-market. An on-market buy-back is attractive as (1) it indicates that the directors believe the shares are under-valued, (2) it takes shares off the market, improving the supply/demand balance in favour of a higher price and (3) it reduces the issued capital, which increases earnings per share.

To "improve returns from its plantation assets" Auspine plans to "simplify its business and concentrate on house framing timber and woodchip". The company plans "substantial upgrades" of its processing plants which will require "significant capital expenditure" over the next three years.



Biron Capital has reported revenues of $5.1 million and a net profit of $408,000 (1.6 cents per share), but most items relate to the sale of assets used in the old emerald business. The new property finance business generated revenues of $1,341,000. Biron is to pay a dividend of 1.0 cent.

Brazin is continuing to recover from a cyclical downturn, while the new UK business offers significant growth potential. Group revenues rose 25.4% to $448.5 million and trading profits recovered 94.6% to $22,073,000 (19.0 cents per share). A final 5.0 cents dividend will lift the annual rate 8.0% to 13.5 cents.

Net operating cash flows were $35.0 million.

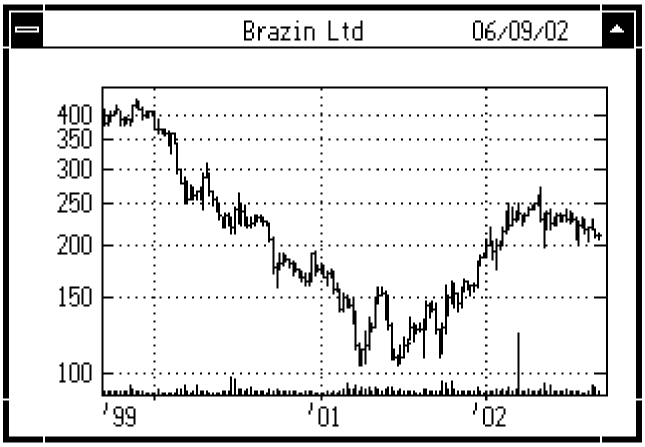
The Sanity Entertainment (Aust) division lifted revenues 4% to $273 million, but earnings (before interest and tax) slipped 7% to $17.8 million. Total store numbers rose to 291 (from 278 in June 2001). This business is installing an integrated point of sale system that will improve inventory management - improving profitability and freeing up cash by reducing stock levels. Ten *IN2Music* stores have been rebranded as *Virgin* and eight new *Virgin* stores will open before the peak trading months of November and December.

BNT (rebranded from *Bras N Things*) regained market share in the second half of the year as the company reviewed its product range and sought to expand its demographic target market. Revenues rose marginally to $88 million, with earnings down 8% to $8.1 million. Store numbers dropped to 128 (from 133 a year earlier) owing to the closure of six *Viva Lingerie* stores, but the company will open six new stores before Christmas.

Aztec Rose (i.e. swimwear) generated steady revenues of $15 million but earnings fell 28% to $2.8 million.

Australian businesses provide a steady base for the group and generate strong cash flows and profits. This allows the company to pay high dividends *and* to finance growth, either internally or through acquisition.

While there is potential to improve profitability from the Australian businesses, the long term growth potential comes from Sanity Entertainment (UK), the UK music stores acquired from **Virgin Group** at little cost. This business performed well with revenues of A$111 million and a net profit of A$2.1 million. The full year result to June 2003 will include the low season, July to October, so the directors expect only "a modest increase in profit" this year. Nevertheless, the company reports that trading "grows from strength to strength". Of the 77 *Our Price* stores acquired, two have been closed, 11 have been converted to *Sanity Music* stores and another 16 will trade as *Sanity Music* before Christmas. The company is negotiating to "aggressively expand the chain", although the acquisition agreement with Virgin Group does place some restrictions on store size and new store location within the first three years.



Commander Communications recorded revenues of $199.8 million for the year to 30 June 2002, up 3.6% (adjusted for the fact that there were only ten months in the 2001 financial year). Profits fell only 5.7% to $10,059,000 (7.0 cents per share) despite significant restructuring costs that incurred $4.7 million in redundancies and $2.3 million in rebranding. These costs will not be repeated next year, while the restructuring has achieved annual cost savings "in excess of $10 million" per annum.

The company will pay an annual dividend of 2.75 cents, compared with 2.5 cents last year.

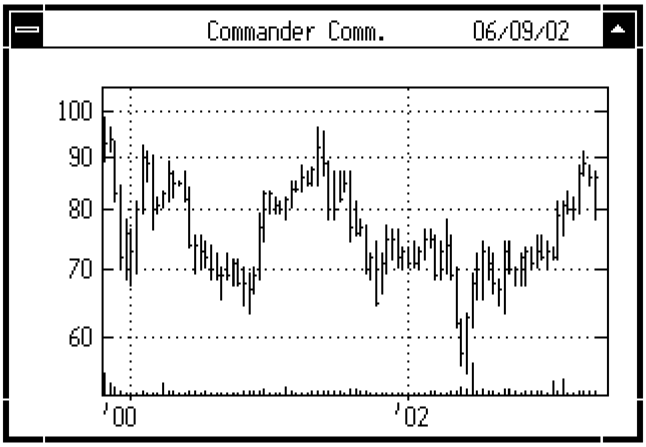
The net operating cash flow from operations was a healthy $15.7 million, though down on the $39.5 million generated in 2001. At balance date Commander Communications held cash of $10.9 million, no interest bearing debt and had an unutilised debt facility of $40 million - but has since spent $16 million to acquire **Centari Systems Group**.

Commander Communications has performed well in a difficult market, while restructuring to significantly reduce on-going operating costs. Operating cashflows were used to make three acquisitions at a cost of $11.0 million (which we earlier *(Continued on Page 8)*

Recommended Investments *(Continued from Page 7)*
estimated at $13-15 million, although there may still be performance based payments outstanding). These acquisitions probably added $10 million to revenues over the periods they were owned to June 2002 but will add around $34 million over a full financial year. Centari will also add about $90 million to annual revenues, so these acquisitions should boost revenues by 55-60% to $310-320 million for the year to June 2003.

Acquisitions, annual cost savings *and* improved trading conditions could combine to see profitability rise substantially over the current year.

At 86 cents the Price/Sales ratio is 0.62, the Price/Earnings ratio is 12 and the Dividend Yield 3.2%. Those statistics show reasonable value and any profit growth over the next year should lead to similar percentage appreciation in the share price. "Buy".



Julia Ross Recruitment has produced a steady result for the year to June 2002. Revenues slipped 3.1% to $152.3 million while profits were 1.8% lower at $5,922,000 (10.3 cents per share). A final 3.0 cents dividend makes a steady 6.0 cents for the year.

"Significant market softening, which is now showing signs of recovery" resulted in a loss of A$404,000 from the UK operations (compared with a profit of A$439,000 the previous year). So profits from the core Australian businesses rose 13%.

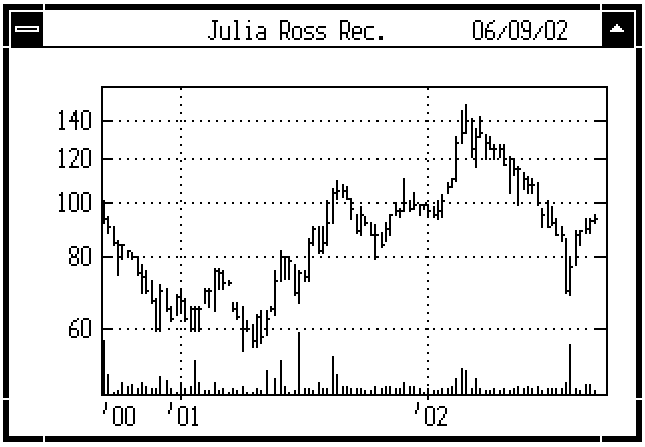
Despite difficult trading conditions, Julia Ross Recruitment has invested heavily in technology as it seeks to build its competitive advantage by controlling costs, expanding its services, providing a high quality service and maintaining customer satisfaction.

The directors believe the company is "well positioned to take advantage of an upturn in the market" while seeking internal growth opportunities, geographic expansion and "sensibly priced" acquisitions.

The success or failure of a service business like Julia Ross Recruitment depends solely upon the ability of management to run the company better than competitors. Over the last year, the company has acquired *FirstWater* at an attractive price, retained several major customers who sought competitive tenders in a competitive market and also won new major customers. A major investment in technology has not put a strain on the balance sheet nor on costs, but should produce a competitive advantage that could generate significant future growth. The Managing Director owns 54.5% of the company.

So Julia Ross Recruitment appears to be outperforming its competitors and building a strong competitive advantage. If this is indeed correct, then the pay-off to investors could be very large. The business is *not* capital intensive, so can expand very rapidly *without the need to retain a large percentage of profits or to raise new equity*. Expansion is limited simply by the ability of the company to win new, profitable business, or to expand market share by acquiring under-performing competitors. The recruitment market is very fragmented, with many small, privately owned businesses, so there is potential for consolidation - in much the same way that OAMPS is acquiring small insurance brokers.

Julia Ross Recruitment is also a relatively small listed company (market capitalisation $52 million), so growth potential is huge for a company that can emerge as an efficient leader in this industry. Our investment in Julia Ross *could* grow at 25-40% per annum - or 10-30 fold (plus dividends) over a decade! At 90 cents the shares trade on a low Price/Sales ratio of 0.34, a low Price/Earnings ratio of 10 and a high Dividend Yield of 6.9% - so this potential growth stock is still very cheap. "Buy".



McPhersons has reported a 12.1% increase in revenues to $258.5 million (after adjusting for an accounting change) for the year to June. Pre-tax profits rose 52.3% to $13.1 million, but McPhersons has exhausted past tax losses and now pays full income tax, so net profits fell 12.5% to $9,648,000 (24.6 cents per share). The company will pay a steady annual dividend rate of 12.0 cents, including full franking credits.

While franking credits are of no value to NZ investors they do make McPhersons shares more attractive to Australian investors, so this is probably one of the factors that has helped the shares appreciate in value over the last year.

McPhersons generated an operating cash surplus of $15.6 million, up 28.3%. Interest bearing debts reduced only $2.6 million to $68.9 million. Cash on hand is steady at $12.2 million.

A change to the Telephone Directory printing contract has led to a $39.6 million drop in both reported revenues and expenses. Previously McPhersons bought the paper and billed Telstra, but now it simply prints and binds the directories with paper purchased by the customer. This has no impact upon profitability, but we have adjusted the reported change in revenues to reflect this new arrangement.

The Houseware division's revenues fell 1% to $134.2 million and earnings (before interest and tax) remained depressed although recovered by 5% to $6.2 million. "Initiatives to improve margins" should result in better Houseware earnings in the current year. The Printing division, aided by **Australian Print Group** acquired in May 2001, "performed very well". Adjusted revenues rose 32% to $123.1 million while earnings soared 54% to $14.4 million.

A year ago - with the shares at 126 cents and trading on a P/E of 4½ and a Yield of 9.5% - we rated McPhersons shares "a *must have* share for *value* investors seeking income and capital growth". Today, at 205 cents, the Price/Earnings ratio is still a low 8 and the Dividend Yield a high 5.9%, so the shares still offer very good value. "Buy" for income and capital appreciation.

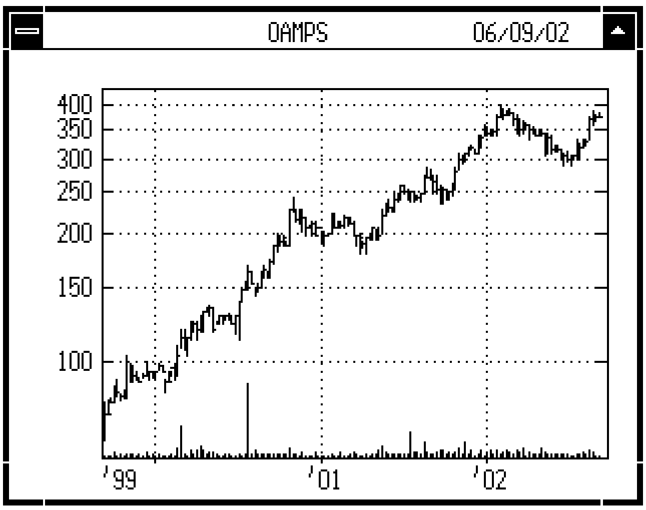
Nufarm will pay $75 million to **Orica** and **Incitec** to acquire **Crop Care Australasia**, a business generating annual revenues of $140 million. This business has failed to generate sufficient profits for the vendors, but Nufarm is better placed to run this business which is complementary to existing operations and products. Nufarm will be able to realise synergy benefits by combining warehousing, freight, manufacturing and administration.

OAMPS has lifted revenues 46.0% to $421.8 million for the year to June. Trading profits rose 66.5% to $12,600,000. Issued capital increased 39.9%, so earnings per share rose only 18.9% to 27.7 cents. The annual dividend rate will be raised 17.6% to 20.0 cents.

The company expects to generate a 25% increase in profits to about $15.5 million for the year to June 2003. Future internal growth and acquisition will be funded mainly from debt or cash flows, with "limited share issues" which dilute earnings per share.

OAMPS will make a 1 for 2 bonus issue to shareholders. This has no value in itself, but simply divides two existing shares into three new shares.

The shares have risen back to their previous all-time highs, and at 375 cents trade on a Price/Earnings ratio of 14 and a Dividend Yield of 5.3%. That offers reasonable value - and profits should continue to grow - so the shares remain a sound medium term investment. "Hold".



Skilled Engineering - a company with both cyclical recovery potential *and* long term growth potential - has produced an excellent result for the year to 30 June 2002. Revenues recovered only slightly, up 5.0% to $581.2 million, but profits recovered strongly to $10,256,000 (11.9 cents per share) from last year's loss.

Owing to a loss in the first half of the June 2001 year, Skilled Engineering did not pay a dividend. After returning to profitability and reinstating a 4.0 cents interim dividend in the current year, we bought shares in this cyclical company. The final 6.0 cents dividend will make 10.0 cents for the year - in line with our March prediction of an 8-10 cents payout.

The Labour Hire division lifted revenues 13% to $378.0 million and earnings (before interest and tax) were 59% higher at $7.4 million. The improved earnings reflect successful ongoing efforts to improve profit margins. Contract Maintenance recorded steady revenues of $97.8 million, but earnings rose 225% to $2.9 million (from the previous year's poor performance). The Communications division saw revenues fall 12% to $106.8 million - owing to lower volume of work from **Telstra**, but partly offset by the company's new Burnie Call Centre. Earnings were $6.4 million, compared with a $3.3 million *loss* the previous year.

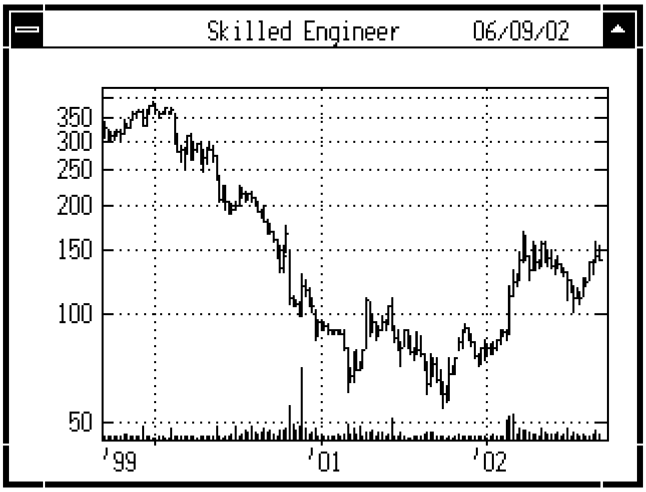
The return to profitability and the re-instatement of dividends confirms that Skilled Engineering is a cyclical business in the early stages of a new upturn. Such shares offer a high current income yield, plus income growth and capital appreciation over several years as profits recover and grow until the next peak.

In addition, as a labour hire and outsourcing company, Skilled Engineering is well placed to benefit from the trend for companies to concentrate upon their core businesses and to outsource non-core activities.

Finally, Skilled Engineering has the potential to grow rapidly *and* pay high dividends to its shareholders as this is a *non-capital intensive* business (i.e. can expand *without* the need to invest capital in fixed assets) that *generates strong operating cashflows*. In the June 2002 year Skilled Engineering generated operating cashflows of $27.8 million (down slightly from a surplus of $32.5 million in 2001 despite operating unprofitably). The surplus enabled the company to repay $22.0 million in interest bearing debts which now stand at only $17.8 million. Skilled Engineering will therefore likely become debt-free over the next year - unless it makes a cash acquisition, significantly increases its ordinary dividend or makes some type of capital repayment (i.e. special dividend, share buy-back). The only surprise is that, despite this strong financial position, the company continues to operate a dividend re-investment scheme.

At 141 cents Skilled Engineering shares trade on a low Price/Sales ratio of 0.21, a low Price/Earnings ratio of 12 and offer a high Dividend Yield of 7.1%. The shares therefore look to offer very good value and could appreciate to $4-5 over the next 2-4 years owing to the cyclical recovery in profitability plus long term growth from internal expansion and from acquisitions. Skilled Engineering shares remain a strong "Buy" offering investors both a high income *and* a far above average rate of capital appreciation. *(Continued on Page 10)*

Recommended Investments *(Continued from Page 9)*



Toll Holdings lifted revenues 27.4% to $2,086.1 million for the year to 30 June and profits soared 50.6% to $74,156,000. Earnings per share rose 34.3% to 107.7 cents owing to the issue of new shares to raise new capital. The annual dividend rate will rise 21.2% to 40.0 cents.

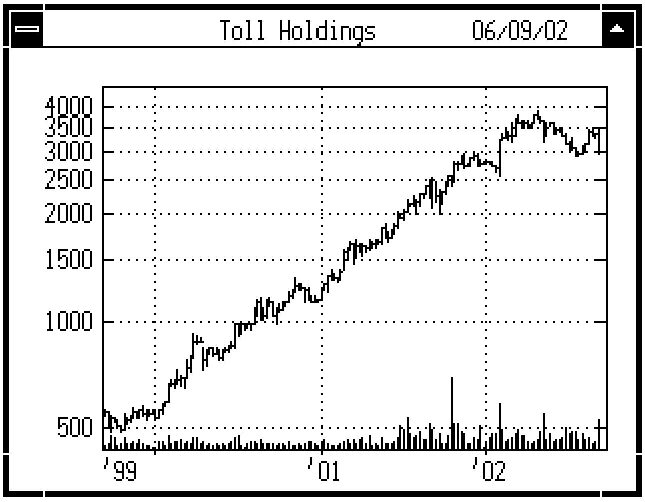
Toll Holdings' 50% interest in **National Rail** contributed $181.9 million to revenues and $7.9 million to net profits for the four months since acquisition. The company reports "earnings exceeded expectations", that "cost savings are ahead of original plans" and "integration is progressing well and delivering expected efficiencies".

Having raised $151.4 million in new equity (at $23.50 per share) in November 2001 and $115 million from convertible notes (at $17.00 per note) in April 2001, Toll Holdings is in a strong financial position with Shareholders Equity of $516.2 million. Interest bearing debts (excluding the convertible notes) are relatively low at $261.3 million and the company holds $47.6 million in cash.

Toll Holdings shares rose strongly *ahead* of the release of the annual result, then dropped sharply to currently trade around $30.25. This puts the shares on a Price/Earnings ratio of 28 and a Dividend Yield of 1.3%. That is certainly not *cheap* but Toll Holdings has an outstanding record as a growth company - and could be even more successful over the next two years. There is significant potential for National Rail to increase profitability - and this investment could add $50-100 million to Toll Holdings' profits by June 2004. That would help boost earnings per share 75-135% (30-50% per annum) over the next two years. Even with the P/E ratio contracting to 20-25, the share price could be around $38-60 in two years time (i.e. up 12-40% per annum).

Toll Holdings is a soundly financed company that has proven its ability to acquire under-performing businesses cheaply and run them profitably, so could continue to grow at an above average rate for many years. Although quite pricey, the shares still hold potential and will continue to benefit from institutional buying into this successful growth company. While we are not recommending new purchases of Toll Holdings shares, we are not in any great hurry to sell our remaining investment. Of course, existing investors who have seen this investment grow significantly in value over the last four years may wish to take some profits to diversify their portfolios or to finance other new share investments. Our recommendation, however, is to "Hold" for further gains.

Investors with Toll Holdings convertible notes have the choice of converting them to ordinary shares on March 31 or September 30 each year, but as the notes still pay higher interest than the ordinary dividend we have retained our notes. The final conversion date is March 2006, but the company also has the right to issue an *Early Redemption Notice* - at which time investors will need to choose to receive one ordinary share (worth $30.25) for each note rather than the cash redemption of $17.50.



Utility Services Corporation's reverse takeover of **DVT Holdings** has become unconditional after DVT received 89.5% acceptances. Each of our Utility Services shares has now been replaced by 18.6 DVT shares, with these 18.6 shares to be reconstructed back into one share in the near future.

Vision Systems' reports have been difficult to understand over recent years owing to a series of abnormal items: First there was the sale of the Defence division, then the massive capital gain recognising the value of shares received in **TTP Communications** and then there have been losses as Vision Systems has sold off most of those shares at lower prices.

Excluding revenues and current period losses from TTP, Vision Systems recorded trading revenues 22.1% lower at $118.2 million while trading profits slipped 20.8% to $12,116,000 (7.6 cents per share). The annual dividend rate, however, is being raised 14.7% to 3.9 cents.

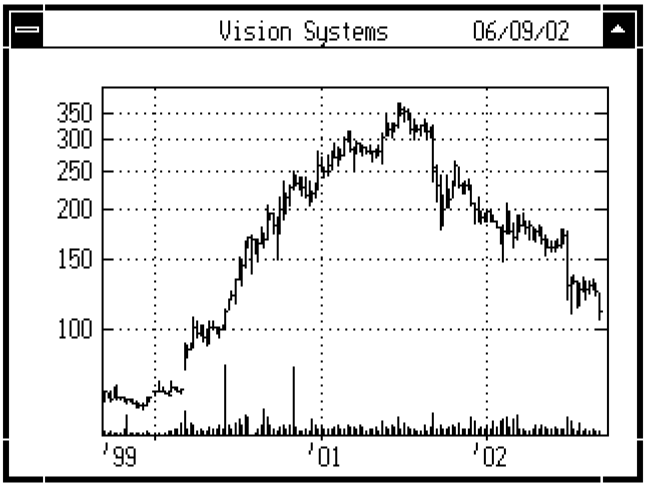
The Fire & Security division performed poorly with revenues down 24.7% to $80.0 million and earnings 69% to $7.6 million. After unsuccessfully searching globally for an acquisition, this division is pursuing "lower cost, lower risk" internal growth and with increased investment in new product development.

Technologies revenues declined 10% to $47.8 million but earnings rose 127% to $10.7 million. The new BioSystems division generated revenues of $5.9 million but lost $1.0 million (owing to start-up costs).

Overall Vision Systems spent $31.6 million on Research & Development over the last year. $8.6 million (7.7% of sales) was to improve existing products, with $23 million (of which $20 million has been capitalised) was to develop two new Fire & Security products and two new BioSystems products. Vision Systems reports that "each of these four high value products is expected to yield initial sales during the current financial year".

At 112 cents, Vision Systems shares trade on a Price/Sales ratio of 1.51, a Price/Earnings ratio of 15, a Dividend Yield of 3.5% and a Price/Research Ratio of 5.7. We like to buy shares on P/S ratios under 1.00, but Vision Systems sells high technology, high profit margin products so a higher than normal P/S ratio is acceptable. The P/E ratio is very low for a growth company, while the high Yield also suggests the share price is too low. The Price/Research ratio (see Kenneth Fisher's *Super Stocks* for details) of 5.7 is at the lower end of Fisher's advice to buy high quality, high-tech shares selling at 5-10 times their annual investment in Research & Development.

Our only concern with Vision Systems is the weak Relative Strength, -17.9%, ranked 79, which shows the share price is trending downwards! With a *positive* strength rating we would upgrade Vision Systems shares to a "Buy", but in the meantime they remain a "Hold" as other recommended shares are probably more attractive for purchase.

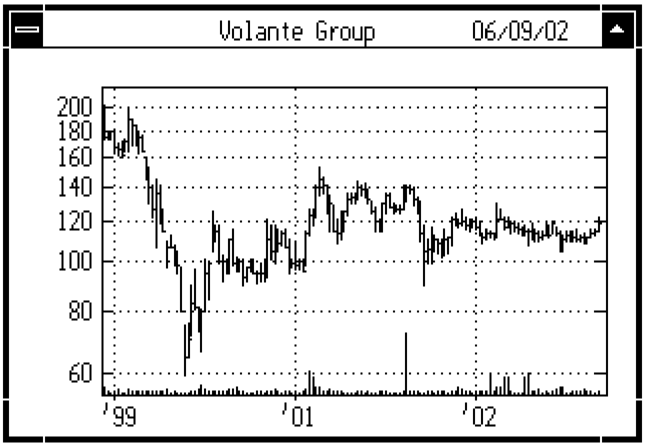


Volante Group warned the market two months ago that its profit would be down 35-40% owing to poor trading in the March quarter. Current trading indicates that profits will recover to a record $8 million for the year to June 2003.

The actual result to June 2002 shows profits down 39.2% to $4,349,000 (6.4 cents per share). Revenues were down 2.0% to $364.8 million. The good news is that Volante Group continued to generate a *very strong* operating cash surplus, up 44.6% to $25.3 million for the latest year. Interest bearing debt was reduced $12.9 million to $16.5 million, while Volante's cash holding rose $4.0 million to $16.4 million. With strong cash flows, a sound balance sheet and profit recovery in the current year, Volante Group will maintain its annual dividend at 8.0 cents for the June 2002 year.

Volante Group is well placed to grow its computer hardware business through acuisition, while the best potential for signifucant profit growth comes from internal growth in its services and consulting business.

The shares rate a "Hold+" at present.



Readers Ask . . .

Question: What are your thoughts on Vertex. At $1.29 it's down a long way from its issue price and dividends look OK.

Answer: It was only three months ago that we reviewed this New Issue and had doubts about the profit forecasts. We wrote "Our only concern would be how *realistic* - and how *sustainable* - are those profit forecasts?" The promoter estimated profits at $6.3 million (up 326%) to 31 March 2003 but we suggested "annual profits of $4-5 million may be more realistic."

Last week the company announced that "as a result of a poor second quarter" earnings (before interest and tax) would be down about 10% for the year to March 2003. That would equal about a 12% decline in tax paid profits to $5.57 million (17 cents per share). The directors have also "confirmed" that the dividend will remain at 14.2 cents as forecast. All of those forecasts, of course, are subject to review based upon trading in the next quarter!

While at 133 cents - down 35% on their issue price of 205 cents - Vertex Group shares now appear to offer a very high 15.9% gross Dividend Yield we would be very cautious about buying.

Firstly, the shares only appear cheap owing to the *very high* dividend payout ratio. *(Continued on Page 12)*

Readers Ask *(Continued fronm Page 11)*

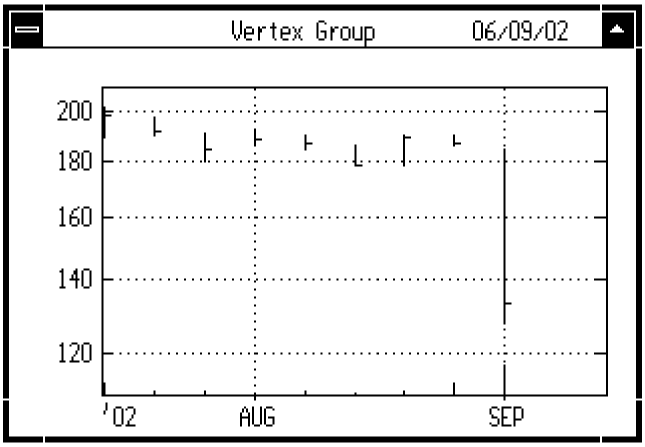
The Price/Earnings ratio is 8. That is low, but plenty of better *quality* shares trade on similar P/E ratios.

Secondly, having downgraded the profit result after such a short time there must be concern over whether the profit projections for the third and fourth quarters are also far too optimistic. Will it achieve its current forecast? If not, how secure is the dividend forecast?

Thirdly, even if the company can meet its current forecast, investor confidence has been lost. The shares have declined sharply - and *weak* shares tend to perform poorly. What good is a high Yield if one suffers a capital loss or below average rate of capital gain?

Fourthly, the company is being investigated by the NZ Stock Exchange and the Securities Commission - and expect the NZ Shareholders Association to also write a few letters! Whatever the rights or wrongs of this situation (e.g. maybe that the promoter wanted to inflate the price and realise maximum profit when selling to the public), management time will now be wasted - and legal fees incurred - answering questions and defending the situation. This can become a vicious circle, with management distracted from running the business which then under-performs leading to another round of investigation!

This is hardly a favourable situation. A buying opportunity *may* emerge in 6-12 months - but *income* investors (who usually also seek to *preserve capital*) should probably "Avoid" Vertex Group shares in the immediate future.



Computer Selections of NZ Shares based upon our Comprehensive Share Selection Criteria

See "Market Analysis" issues 298-301 or the Reprint sent to all new subscribers for details. These shares are not formal "buy" and "sell" recommendations, but the "Under-Valued", "Best Performing" and "Income" shares should be considered for purchase, while the "Over-Valued" and "Worst Performing" shares can generally be sold to release money for re-investment in more attractive shares.

UNDER-VALUED SHARES: Lowest Price/Sales, Yld > 0, Rel Strength > 0

Company	Share Price	STRENGTH RATING Current	4-Wk Chg.	Rank 0-99	Brokers Following	Price to NTA	Return on Equity	Volatility	Price Earn. Ratio	Dividend Yield	Price Sales Ratio	Market Cap'n
Broadway Ind	37	+0.4	-4.0	33	-	0.9	14	1.4	7	4.1	0.20	7
Col Motor Co	280	+0.1	-1.1	38	-	1.0	7	0.6	16	7.5	0.23	78
Wrightsons Ltd	128	+0.3	+3.3	34	1	1.4	18	1.3	8	13.4	0.26	172
Hellaby Hold.	261	+1.1	-1.6	24	1	1.7	17	0.8	10	8.6	0.34	130
CDL Hotel NZ	23	+9.8	-4.2	6	-	0.4	5	2.0	8	4.5	0.40	80
Goodman Fielder	192	+3.2	-0.5	15	-	1.4	10	0.6	14	5.2	0.58	2,451
Kirkcaldie & St	415	+0.7	+1.5	29	-	2.4	22	0.7	11	12.6	0.62	31
Dorchester Pac	164	+9.2	+2.8	8	-	1.6	18	1.1	8	6.0	0.69	31
Steel & Tube	276	+1.9	-1.5	20	5	2.0	15	0.9	13	10.3	0.73	243
Guiness Peat	171	+1.3	-1.5	23	3	0.9	14	1.0	6	1.9	0.87	1,014
Shotover Jet	50	+2.9	+1.3	17	-	1.0	16	1.4	6	3.7	0.88	22
Michael Hill	541	+1.5	+0.1	21	3	4.7	28	0.5	17	4.7	0.97	208

BEST PERFORMING SHARES: Strongest Shares, P/E < 20, P/S < 1.0

Company	Share Price	Current	4-Wk Chg.	Rank 0-99	Brokers Following	Price to NTA	Return on Equity	Volatility	Price Earn. Ratio	Dividend Yield	Price Sales Ratio	Market Cap'n
Pacific Retail	315	+21.8	-1.5	0	1	2.1	22	0.9	9	Nil	0.36	159
Force Corp.	7	+13.0	+0.3	5	-	0.8	5	3.0	17	Nil	0.21	11
CDL Hotel NZ	23	+9.8	-4.2	6	-	0.4	5	1.5	8	4.5	0.40	80
Dorchester Pac	164	+9.2	+2.8	8	-	1.6	18	0.9	8	6.0	0.69	31
Goodman Fielder	192	+3.2	-0.5	15	-	1.4	10	0.5	14	5.2	0.58	2,451
Shotover Jet	50	+2.9	+1.3	17	-	1.0	16	1.1	6	3.7	0.88	22
Richina Pacific	63	+2.0	-3.3	20	-	0.7	5	1.3	14	Nil	0.07	45
Steel & Tube	276	+1.9	-1.5	20	5	2.0	15	0.8	13	10.3	0.73	243
Michael Hill	541	+1.5	+0.1	21	3	4.7	28	0.5	17	4.7	0.97	208
Guiness Peat	171	+1.3	-1.5	23	3	0.9	14	0.8	6	1.9	0.87	1,014
Hellaby Hold.	261	+1.1	-1.6	24	1	1.7	17	0.7	10	8.6	0.34	130
Kirkcaldie & St	415	+0.7	+1.5	29	-	2.4	22	0.6	11	12.6	0.62	31
Broadway Ind	37	+0.4	-4.0	33	-	0.9	14	1.0	7	4.1	0.20	7
Wrightsons Ltd	128	+0.3	+3.3	34	1	1.4	18	1.1	8	13.4	0.26	172
Col Motor Co	280	+0.1	-1.1	38	-	1.0	7	0.5	16	7.5	0.23	78

INCOME SHARES: Highest Yields, Capitalisation > NZ$100 million

Company	Share Price	Current	4-Wk Chg.	Rank 0-99	Brokers Following	Price to NTA	Return on Equity	Volatility	Price Earn. Ratio	Dividend Yield	Price Sales Ratio	Market Cap'n
NZ Refining Co	1735	-2.3	+0.7	50	1	1.3	11	0.2	11	15.1	2.33	416
Wrightsons Ltd	128	+0.3	+3.3	34	1	1.4	18	1.0	8	13.4	0.26	172
Pyne Gould G.	116	-4.7	+0.6	65	-	1.2	12	0.7	9	10.9	0.45	116
Powerco Limited	186	+0.3	-1.0	35	2	1.0	8	0.6	13	10.5	2.54	414
Steel & Tube	276	+1.9	-1.5	20	5	2.0	15	0.7	13	10.3	0.73	243
Lyttelton Port	160	-3.7	-2.7	59	3	5.8	58	0.5	10	10.3	2.63	163
Skellmax Indust	102	-3.1	-1.3	55	-	5.7	69	0.9	8	10.2	1.01	102
Hallenstein G.	270	-2.6	+1.0	52	4	3.9	29	0.5	14	10.2	0.93	157
Cavalier Corp	625	+0.5	-0.7	32	1	3.5	23	0.5	15	8.6	1.19	197
Hellaby Hold.	261	+1.1	-1.6	24	1	1.7	17	0.6	10	8.6	0.34	130

OVER-VALUED SHARES: Highest Price/Sales Ratios, Relative Strength < 0

Company	Share Price	STRENGTH RATING Current	4-Wk Chg.	Rank 0-99	Brokers Following	Price to NTA	Return on Equity	Volatility	Price Earn. Ratio	Dividend Yield	Price Sales Ratio	Market Cap'n
Opio Forestry	53	-0.3	-0.8	39	-	0.6	-	0.7	NE	Nil	9.50	8
E-Ventures NZ	32	-0.5	+0.2	41	-	0.9	-	1.1	NE	Nil	6.57	29
Sky Network TV	365	-3.6	-4.5	58	5	25.9	-	0.6	NE	Nil	4.87	1,421
F & P Health.	955	-13.8	+4.6	85	7	5.7	37	0.4	15	3.9	4.55	977
Northland Port	253	-0.4	-2.6	40	1	2.2	2	0.6	110	Nil	3.81	105
Vending Tech.	199	-6.0	-0.7	66	-	3.7	34	0.6	11	Nil	2.88	59
IT Capital Ltd	5	-22.3	+2.0	92	-	7.6	-	2.9	NE	Nil	2.85	8
Software of Exc	180	-13.8	-3.9	85	-	5.9	-	0.7	NE	Nil	2.79	38
Lyttelton Port	160	-3.7	-2.7	59	3	5.8	58	0.5	10	10.3	2.63	163
Genesis Res.	193	-16.0	-2.7	87	-	1.0	-	0.8	NE	Nil	2.52	50
AMP Limited	1520	-13.7	-1.7	83	-	1.5	7	0.4	20	4.1	2.36	17,153
NZ Refining Co	1735	-2.3	+0.7	50	1	1.3	11	0.2	11	15.1	2.33	416

WORST PERFORMING SHARES: Weakest Shares, P/S Ratio > 0.25, Yield < Twice Average

Company	Share Price	Current	4-Wk Chg.	Rank 0-99	Brokers Following	Price to NTA	Return on Equity	Volatility	Price Earn. Ratio	Dividend Yield	Price Sales Ratio	Market Cap'n
Cert Organics	38	-28.8	-2.7	96	-	-	-	1.6	NE	Nil	N/A	9
Elect Trans Tec	4	-28.0	-1.4	95	-	-	-	3.2	NE	Nil	N/A	8
Tranz Rail Hold	160	-24.6	-6.1	94	4	0.4	6	0.6	7	5.3	0.31	193
IT Capital Ltd	5	-22.3	+2.0	92	-	7.6	-	2.7	NE	Nil	2.85	8
GDC Communicat.	100	-21.4	-1.2	91	-	2.3	22	0.8	11	5.2	0.55	38
Cadmus Tech Ltd	9	-17.0	+3.2	88	-	0.7	3	1.6	26	Nil	1.50	11
Genesis Res.	193	-16.0	-2.7	87	-	1.0	-	0.8	NE	Nil	2.52	50
Software of Exc	180	-13.8	-3.9	85	-	5.9	-	0.7	NE	Nil	2.79	38
F & P Health.	955	-13.8	+4.6	85	7	5.7	37	0.3	15	3.9	4.55	977
AMP Limited	1520	-13.7	-1.7	83	-	1.5	7	0.4	20	4.1	2.36	17,153
Summit Gold Ltd	9	-13.2	-2.4	83	-	2.1	-	1.7	NE	Nil	N/A	8
Eldercare NZ	18	-11.5	-4.4	81	-	0.8	-	1.5	NE	Nil	0.86	35
Blis Technology	44	-10.9	-0.9	80	-	5.3	-	1.1	NE	Nil	N/A	28
Southern Cap	58	-10.4	+0.0	79	-	1.5	4	0.8	33	Nil	N/A	45
Tourism Hold.	96	-10.2	+2.1	78	4	0.5	1	0.9	38	4.7	0.48	88
AXA Asia Pac.	296	-9.1	-2.8	76	-	1.3	12	0.5	11	4.0	0.49	5,217
Cedenco Foods	195	-8.8	-3.0	75	-	1.1	15	0.5	7	Nil	1.12	30
Sanford Limited	501	-8.7	-0.1	73	3	1.2	7	0.5	18	6.0	1.33	479
NZ Oil and Gas	30	-8.2	-5.4	73	-	0.8	5	0.9	16	Nil	1.35	35
Wakefield Hosp.	140	-8.1	+2.2	72	-	0.7	4	0.6	19	3.2	0.57	13

Computer Selections of Australian Shares based upon our Comprehensive Share Selection Criteria

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UNDER-VALUED SHARES: Lowest Price/Sales, Yld > 0, Rel Strength > 0

Company	Share Price	STRENGTH RATING Cur-rent	4-Wk Chg.	Rank 0-99	Insider Buy-Sell	Brokers Following	Price to NTA	Return on Equity	Vola-til-ity	Price Earn. Ratio	Divi-dend Yield	Price Sales Ratio	Market Cap'n
Auto Group Ltd	60	+3.9	+0.4	17	1-0	-	-	-	1.0	80	3.3	0.03	20
Indophil Res.	32	+8.5	+0.6	11	0-0	-	-	-	1.6	NE	15.9	0.07	25
Abelle Ltd	43	+9.8	-5.7	9	0-0	-	-	-	1.5	NE	11.6	0.09	34
OM Holdings	25	+37.6	+14.7	2	0-0	-	1.3	4	1.6	29	2.0	0.10	12
McConnell Dowel	156	+2.6	-1.3	21	0-0	-	0.7	6	0.7	12	3.8	0.12	66
A.P. Eagers	518	+7.1	+1.0	12	4-1	1	1.2	9	0.4	13	5.4	0.12	84
Adtrans Group	275	+10.7	+3.4	8	2-4	1	2.5	28	0.5	9	7.1	0.13	63
Bridgestone	190	+11.0	-2.5	8	0-0	-	0.5	6	0.6	8	3.9	0.14	69
Danks Holdings	955	+6.1	+1.4	14	0-0	-	1.3	11	0.3	12	5.8	0.15	62
Multispares Hld	22	+0.8	+1.3	26	0-0	-	0.7	10	1.5	7	4.5	0.16	4
RCR Tomlinson	30	+2.4	-3.0	22	0-0	-	0.8	13	1.3	6	1.7	0.16	13
Devine	63	+21.7	-2.1	3	2-0	-	1.6	64	1.3	2	11.1	0.17	65
Embelton Ltd	190	+3.2	-1.1	19	0-0	-	0.7	7	0.8	10	4.7	0.20	4
Skilled Eng.	141	+3.4	-0.7	18	3-3	3	7.1	60	0.8	12	7.1	0.21	121
Metcash Trading	224	+8.9	-6.3	10	0-0	5	11.2	48	0.7	23	2.2	0.22	1,369
Mobile Innov.	13	+3.8	-4.0	17	0-0	-	1.3	27	2.1	5	8.0	0.22	14
Raptis Group	17	+9.0	+9.9	10	0-0	-	0.9	10	1.8	8	5.9	0.22	12
Int. Workforce	95	+0.3	+1.8	29	0-1	1	4.8	50	0.9	9	6.8	0.23	41
Coffey Int'l	230	+0.4	+3.7	29	2-0	-	2.9	35	0.6	8	6.5	0.23	26
Sthn Star	70	+14.8	-0.7	6	1-0	1	1.8	20	1.0	9	5.0	0.25	74
Ridley Corp.	142	+7.2	-2.6	12	3-1	3	1.4	12	0.9	12	3.2	0.26	377
Roberts Ltd	390	+5.9	+0.8	14	0-0	-	1.5	19	0.5	8	7.7	0.27	43
Maxi TRANS	19	+9.2	+4.2	10	4-0	-	1.9	20	1.7	10	7.9	0.28	25
Noni B Limited	95	+2.2	+0.3	22	1-0	-	4.8	45	1.4	11	7.4	0.28	22
Alesco Corp Ltd	370	+8.6	-0.0	11	1-3	2	2.6	20	0.6	13	4.1	0.30	123
Onesteel Ltd	168	+12.2	+5.8	7	0-0	5	1.0	5	0.7	19	3.9	0.30	905
Capral Alum.	260	+1.9	-2.5	23	2-0	1	1.1	0	0.6	NE	2.3	0.31	181
McPherson's Ltd	205	+11.6	-2.9	7	0-0	-	5.1	62	0.6	8	5.9	0.31	80
Monadelphous Gr	285	+9.5	-2.9	9	0-1	-	1.9	17	0.6	11	4.9	0.34	52
Tamawood Ltd	93	+3.6	+1.6	18	4-2	-	4.7	64	0.9	7	10.8	0.38	25
Canberra Invest	74	+0.3	-2.3	29	0-0	-	0.9	33	0.9	3	5.4	0.38	23
Vealls Ltd	123	+6.3	+0.9	14	0-0	-	-	-	0.7	4	6.2	0.40	6
OAMPS	375	+2.2	+4.5	22	10-0	-	7.5	55	0.6	14	5.3	0.40	170
Ludowici Ltd	245	+0.2	-0.8	29	3-0	-	1.2	19	0.6	6	4.9	0.40	35
Linden & Conway	2600	+1.8	-0.6	23	0-0	-	0.8	5	0.3	17	1.2	0.41	5
Wrigdways Aust	93	+6.6	-3.1	13	0-3	-	-	-	0.8	12	4.8	0.42	30
Wattyl Ltd	306	+9.4	+4.4	9	1-0	3	1.3	6	0.5	20	2.6	0.43	240
Villa World	74	+1.4	+1.0	24	2-0	1	1.2	8	0.9	15	4.7	0.44	76
Investor Info	10	+2.7	+9.5	21	1-1	-	-	-	2.8	7	10.0	0.45	5
Simsmetal Ltd	714	+3.2	-0.4	19	0-3	5	2.7	21	0.5	13	5.0	0.45	644
Austin Group	40	+5.9	-2.1	14	0-0	-	2.0	25	1.1	8	5.0	0.47	23
Foodland Assoc	1933	+10.8	-4.1	8	3-0	9	8.1	26	0.4	31	2.9	0.48	1,900
Pacifica Group	385	+1.3	-2.2	25	3-0	7	1.8	-	0.8	NE	2.2	0.48	552
Brazin Limited	211	+2.1	-2.9	22	2-1	3	3.5	32	0.9	11	6.4	0.49	246
Transfield Ltd	290	+8.4	-0.4	11	0-0	3	2.9	14	0.8	20	3.4	0.50	399
Adcorp Aust.	102	+11.7	+5.5	7	1-0	2	10.2	69	0.9	15	5.9	0.50	59
Woolworths Ltd	1200	+0.6	-2.3	27	0-0	11	20.0	89	0.4	22	2.8	0.50	12,628
Skansen Holding	35	+39.3	-33.3	1	0-0	-	3.5	23	1.3	15	1.4	0.50	18
Ranger Minerals	65	+7.1	-4.6	12	0-1	1	-	-	1.1	5	7.7	0.52	42
WAM Capital Ltd	146	+0.4	-0.7	28	2-8	-	1.0	16	0.7	7	4.1	0.53	52
Weston (George)	683	+16.9	+4.0	5	0-0	-	1.3	6	0.3	23	2.8	0.54	879
HGL Limited	126	+0.1	-1.5	29	1-0	-	1.3	13	0.7	10	8.1	0.55	59
Qantas Airways	399	+3.2	-3.8	19	1-0	11	1.6	11	0.7	15	4.3	0.55	6,240
United Group	260	+3.2	-3.7	19	0-0	3	3.3	23	0.7	14	3.8	0.55	236
United Overseas	47	+7.3	+4.9	12	0-0	-	0.5	14	1.1	3	6.5	0.56	28
Freedom Group	197	+5.4	-1.6	15	1-0	6	4.9	38	0.8	13	5.1	0.57	203
Fleetwood Corp	270	+14.3	-1.7	6	0-0	-	4.5	34	0.6	13	4.8	0.60	99
Leighton Hold	1115	+2.1	-0.3	22	0-6	9	4.0	22	0.6	18	3.8	0.60	2,998
G.U.D. Holdings	385	+26.3	-0.2	3	1-0	1	3.5	9	0.6	37	4.3	0.60	237
Wadepack Ltd	135	+15.7	-1.6	5	5-0	-	1.9	7	0.7	27	2.6	0.60	42
Flight Centre	2500	+0.9	-1.5	26	0-0	3	17.9	50	0.6	36	1.5	0.61	2,203
F.F.I. Holdings	140	+7.0	+2.9	13	0-0	-	1.6	9	0.7	18	5.0	0.61	8
Commander Comm.	86	+7.3	+4.5	12	2-0	2	4.3	35	1.0	12	3.2	0.62	125
Orica Ltd	970	+10.7	-3.8	8	3-0	6	2.3	5	0.5	43	1.6	0.64	2,704
Colorado Group	291	+4.2	-4.1	17	2-0	2	4.2	29	0.8	14	3.1	0.65	249
Goodman Fielder	166	+5.8	-0.9	14	1-0	8	3.3	27	0.7	12	4.5	0.68	2,019
Boral Limited	428	+6.9	+1.1	13	6-0	7	1.5	12	0.7	13	4.4	0.69	2,447
Hills Indust.	329	+5.6	-0.4	15	3-0	2	3.3	19	0.6	17	6.1	0.71	414
Schaffer Corp	1125	+17.8	-1.8	4	4-2	-	3.6	36	0.3	10	5.3	0.71	151
FKP Limited	127	+2.7	+1.8	20	2-1	2	1.0	12	0.7	8	7.9	0.73	144

BEST PERFORMING SHARES: Strongest Shares, P/E < 20, P/S < 1.0

Company	Share Price	STRENGTH RATING Cur-rent	4-Wk Chg.	Rank 0-99	Insider Buy-Sell	Brokers Following	Price to NTA	Return on Equity	Vola-til-ity	Price Earn. Ratio	Divi-dend Yield	Price Sales Ratio	Market Cap'n
Skansen Holding	35	+39.3	-33.3	1	0-0	-	3.5	23	1.0	15	1.4	0.50	18
Devine	63	+21.7	-2.1	3	2-0	-	1.6	64	1.1	2	11.1	0.17	65
Schaffer Corp	1125	+17.8	-1.8	4	4-2	-	3.6	36	0.3	10	5.3	0.71	151
Gale Pacific	121	+17.5	+7.8	4	0-0	-	2.0	14	0.8	14	5.0	0.91	51
Mincor Resource	31	+17.1	+0.4	5	0-0	-	-	-	1.4	6	Nil	0.80	52
Housewares Int.	204	+16.6	-2.7	5	5-0	-	4.1	21	0.7	19	2.0	0.77	226
Sthn Star	70	+14.8	-0.7	6	1-0	1	1.8	20	0.8	9	5.0	0.25	74
Cromwell Corp	9	+14.4	-2.8	6	1-0	-	-	-	1.7	8	Nil	0.57	14
Fleetwood Corp	270	+14.3	-1.7	6	0-0	-	4.5	34	0.5	13	4.8	0.60	99
Funtastic Ltd	83	+12.3	-2.3	7	0-1	-	2.8	20	0.9	14	4.2	0.92	45
Onesteel Ltd	168	+12.2	+5.8	7	0-0	5	1.0	5	0.6	19	3.9	0.30	905
Adcorp Aust.	102	+11.7	+5.5	7	1-0	2	10.2	69	0.7	15	5.9	0.50	59
McPherson's Ltd	205	+11.6	-2.9	7	0-0	-	5.1	62	0.4	8	5.9	0.31	80
Bridgestone	190	+11.0	-2.5	8	0-0	-	0.5	6	0.5	8	3.9	0.14	69
Adtrans Group	275	+10.7	+3.4	8	2-4	1	2.5	28	0.4	9	7.1	0.13	63
Monadelphous Gr	285	+9.5	-2.9	9	0-1	-	1.9	17	0.5	11	4.9	0.34	52
Wattyl Ltd	306	+9.4	+4.4	9	1-0	3	1.3	6	0.4	20	2.6	0.43	240
Maxi TRANS	19	+9.2	+4.2	10	4-0	-	1.9	20	1.2	10	7.9	0.28	25
Raptis Group	17	+9.0	+9.9	10	0-0	-	0.9	10	1.4	8	5.9	0.22	12
Berklee Ltd	60	+9.0	+2.1	10	1-0	-	0.9	7	0.7	12	6.7	0.76	8
Alesco Corp Ltd	370	+8.6	-0.0	11	1-3	2	2.6	20	0.5	13	4.1	0.30	123
Aircrusing Aust	9	+8.3	+10.7	11	0-0	-	-	-	1.9	5	Nil	0.14	1
Adultshop.com	10	+8.1	-25.7	11	0-1	-	-	-	2.1	5	Nil	0.26	31
White (J) Malt	325	+8.0	+0.6	11	0-0	-	1.8	11	0.5	16	10.3	0.97	139
SPC Ardmona Ltd	139	+7.8	-3.1	11	2-0	-	1.7	10	0.6	18	3.2	0.79	277
Commander Comm.	86	+7.3	+4.5	12	2-0	2	4.3	35	0.8	12	3.2	0.62	125
United Overseas	47	+7.3	+4.9	12	0-0	-	0.5	14	0.9	3	6.5	0.56	28
Ridley Corp.	142	+7.2	-2.6	12	3-1	3	1.4	12	0.7	12	3.2	0.26	377
Ranger Minerals	65	+7.1	-4.6	12	0-1	1	-	-	0.8	5	7.7	0.52	42
A.P. Eagers	518	+7.1	+1.0	12	4-1	1	1.2	9	0.3	13	5.4	0.12	84
F.F.I. Holdings	140	+7.0	+2.9	13	0-0	-	1.6	9	0.5	18	5.0	0.61	8
Boral Limited	428	+6.9	+1.1	13	6-0	7	1.5	12	0.6	13	4.4	0.69	2,447
Sunland Group	52	+6.9	-2.8	13	0-0	-	1.3	11	0.8	12	Nil	0.67	88
Amcor Ltd	840	+6.7	-3.0	13	9-0	9	3.2	40	0.5	8	3.3	0.81	6,910
Wrigdways Aust	93	+6.6	-3.1	13	0-3	-	-	-	0.6	12	4.8	0.42	30
Vealls Ltd	123	+6.3	+0.9	14	0-0	-	-	-	0.5	4	6.2	0.40	6
Danks Holdings	955	+6.1	+1.4	14	0-0	-	1.3	11	0.3	12	5.8	0.15	62
Austin Group	40	+5.9	-2.1	14	0-0	-	2.0	25	0.8	8	5.0	0.47	23
Roberts Ltd	390	+5.9	+0.8	14	0-0	-	1.5	19	0.4	8	7.7	0.27	43
Goodman Fielder	166	+5.8	-0.9	14	1-0	8	3.3	27	0.5	12	4.5	0.68	2,019
Hills Indust.	329	+5.6	-0.4	15	3-0	2	3.3	19	0.5	17	6.1	0.71	414
Freedom Group	197	+5.4	-1.6	15	1-0	6	4.9	38	0.7	13	5.1	0.57	203
Austral Coal	55	+5.4	-7.1	15	0-0	-	-	-	0.8	11	Nil	0.57	85
PMP Limited	104	+5.4	-0.3	15	9-0	6	-	-	0.9	11	Nil	0.20	302
Origin Energy	359	+5.4	-0.5	15	0-0	9	2.8	15	1.1	18	1.4	0.96	2,326
Plaspak Group	120	+5.0	-5.2	16	1-1	-	2.4	15	0.8	16	5.0	0.97	78
Colorado Group	291	+4.2	-4.1	17	2-0	2	4.2	29	0.7	14	3.1	0.65	249
Mobile Innov.	13	+3.8	-4.0	17	0-0	-	1.3	27	1.6	5	8.0	0.22	14
Tamawood Ltd	93	+3.6	+1.6	18	4-2	-	4.7	64	0.7	7	10.8	0.38	25
Skilled Eng.	141	+3.4	-0.7	18	3-3	3	7.1	60	0.6	12	7.1	0.21	121
Embelton Ltd	190	+3.2	-1.1	19	0-0	-	0.7	7	0.6	10	4.7	0.20	4
Simsmetal Ltd	714	+3.2	-0.4	19	0-3	5	2.7	21	0.5	13	5.0	0.45	644
Qantas Airways	399	+3.2	-3.8	19	1-0	11	1.6	11	0.6	15	4.3	0.55	6,240
United Group	260	+3.2	-3.7	19	0-0	3	3.3	23	0.5	14	3.8	0.55	236
Cash Converters	5	+3.1	+5.2	19	0-0	-	-	-	2.4	16	Nil	0.48	7
Environm't Grp	13	+2.9	+0.4	20	1-0	-	-	-	1.7	13	Nil	0.81	8
FKP Limited	127	+2.7	+1.8	20	2-1	2	1.0	12	0.6	8	7.9	0.73	144
Investor Info	10	+2.7	+9.5	21	1-1	-	-	-	2.2	7	10.0	0.45	5
MacMahon Hold	27	+2.6	-9.0	21	2-8	-	2.7	29	1.0	9	Nil	0.15	65
McConnell Dowel	156	+2.6	-1.3	21	0-0	-	0.7	6	0.6	12	3.8	0.12	66
RCR Tomlinson	30	+2.4	-3.0	22	0-0	-	0.8	13	0.9	6	1.7	0.16	13
OAMPS	375	+2.2	+4.5	22	10-0	-	7.5	55	0.5	14	5.3	0.40	170
Noni B Limited	95	+2.2	+0.3	22	1-0	-	4.8	45	1.3	11	7.4	0.28	22
Brazin Limited	211	+2.1	-2.9	22	2-1	3	3.5	32	0.8	11	6.4	0.49	246
Leighton Hold	1115	+2.1	-0.3	22	0-6	9	4.0	22	0.5	18	3.8	0.60	2,998
Hamilton Island	220	+2.0	+1.3	23	1-0	-	0.8	10	0.6	7	Nil	0.99	99
Incitec	800	+1.9	-3.8	23	2-0	-	2.7	18	0.4	15	3.5	0.98	1,054
Linden & Conway	2600	+1.8	-0.6	23	0-0	-	0.8	5	0.2	17	1.2	0.41	5
Villa World	74	+1.4	+1.0	24	2-0	1	1.2	8	0.7	15	4.7	0.44	76
Tasmania Mines	15	+1.3	-1.6	25	0-0	-	-	-	1.4	7	Nil	0.51	3

Company	Share Price	STRENGTH RATING Cur-rent	4-Wk Chg.	Rank 0-99	Insider Buy-Sell	Brokers Following	Price to NTA	Return on Equity	Vola-til-ity	Price Earn. Ratio	Divi-dend Yield	Price Sales Ratio	Market Cap'n
INCOME SHARES: Highest Yields, Capitalisation > A$250 million													
Anglogold Ltd	870	-0.2	-10.1	32	0-0	-	-	-	0.5	1	40.0	0.15	636
Envestra	90	-0.8	+2.0	35	1-0	5	-	-	0.5	NE	10.6	2.36	635
Futuris Corp.	135	-15.0	-0.0	73	0-1	6	1.7	13	0.8	13	8.9	0.12	830
Aust Pipeline	247	-2.3	+0.4	40	0-0	6	1.4	8	0.5	16	8.7	2.47	603
Australand Hold	140	-6.3	-1.2	52	0-0	3	1.1	13	0.6	8	8.6	0.54	734
Adsteam Marine	204	-5.3	+1.9	49	3-0	5	10.2	67	0.5	15	7.4	1.31	461
David Jones	110	-5.2	+0.6	49	1-0	4	1.1	7	0.6	15	7.3	0.24	443
Graincorp	1020	-8.5	-3.9	58	5-0	2	-	-	0.2	9	7.1	0.80	409
Ten Network	209	-2.2	-2.9	40	0-1	11	-	-	0.6	45	6.9	1.20	796
United Energy	254	+2.6	+4.1	21	2-1	8	2.0	9	0.5	23	6.8	2.19	1,069
GWA Internat'l	258	+1.5	+2.7	24	2-2	3	1.8	12	0.6	15	6.6	1.16	716
Platinum Cap'l	229	-0.2	-1.1	32	1-4	-	1.3	10	0.5	13	6.6	5.96	254
Sthn Cross Brd.	919	-8.6	+2.2	58	5-1	8	1.1	7	0.5	17	6.2	1.63	517
Djerriwarrh	350	-0.9	-0.8	35	2-0	-	1.1	6	0.5	18	6.1	N/A	495
Crane Group	818	-0.4	-1.2	33	4-0	3	1.5	12	0.4	12	6.1	0.25	414
Hills Indust.	329	+5.6	-0.4	15	3-0	2	3.3	19	0.5	17	6.1	0.71	414
AWB Limited	364	-6.4	-3.7	53	8-0	3	1.3	12	0.5	11	6.0	0.45	995
Soul Pattinson	530	+0.6	-3.4	27	9-0	2	2.1	10	0.5	22	5.8	1.34	1,265
Bristile Ltd	279	+0.0	+1.5	30	3-5	4	2.5	24	0.6	11	5.7	1.46	418
Ticor Ltd	140	-0.3	-4.0	33	0-0	6	0.8	13	0.6	6	5.7	0.96	344
Clough Limited	80	-6.4	+1.5	53	1-0	1	1.6	15	0.7	11	5.6	0.50	330
Paperlin X Ltd	500	-0.6	-1.2	34	7-0	9	1.6	12	0.6	13	5.4	0.51	1,614
Oil Coy of Aust	448	+15.6	-1.8	5	0-0	-	-	-	0.3	18	5.4	4.76	527
Smorgon Steel	124	-2.5	+2.5	41	0-2	5	-	-	0.7	21	5.2	0.36	1,071
Aust Gas Light	999	+1.9	+0.1	23	14-0	11	3.3	15	0.3	22	5.2	1.34	4,228
INSIDER BUYING: Most Insider Buying, Relative Strength > 0													
Aust Gas Light	999	+1.9	+0.1	23	14-0	11	3.3	15	0.3	22	5.2	1.34	4,228
OAMPS	375	+2.2	+4.5	22	10-0	-	7.5	55	0.4	14	5.3	0.40	170
Renison Cons	10	+12.2	-4.5	7	9-0	-	-	-	1.9	NE	Nil	N/A	22
Amcor Ltd	840	+6.7	-3.0	13	9-0	9	3.2	40	0.4	8	3.3	0.81	6,910
PMP Limited	104	+5.4	-0.3	15	9-0	6	-	-	0.8	11	Nil	0.20	302
Soul Pattinson	530	+0.6	-3.4	27	9-0	2	2.1	10	0.4	22	5.8	1.34	1,265
S8 Limited	200	+6.1	-8.5	14	8-0	-	-	-	0.5	5	3.0	1.60	20
Loftus Capital	57	+0.7	+1.5	27	8-0	-	0.8	-	0.6	NE	7.9	3.75	21
Argo Investment	437	+1.1	-0.5	25	7-0	-	1.0	4	0.4	28	3.4	N/A	1,685
Eiffel Tech.	19	+2.4	+7.7	22	7-0	-	-	-	1.3	NE	Nil	1.78	19
Asset Backed	32	+3.7	-5.7	18	7-0	-	3.2	-	0.9	NE	Nil	3.11	13
Boral Limited	428	+6.9	+1.1	13	6-0	7	1.5	12	0.5	13	4.4	0.69	2,447
Austminex NL	9	+6.7	+8.9	13	6-0	-	-	-	1.4	NE	Nil	N/A	5
Kingsgate Cons.	324	+29.0	-9.5	2	6-0	-	-	-	0.4	NE	Nil	N/A	232
St George Bank	1872	+1.8	-1.9	23	6-0	10	5.5	25	0.4	22	3.5	2.26	9,314
Impress Venture	5	+5.7	+11.4	14	7-1	-	0.5	-	2.2	NE	Nil	5.77	5
McGuigan Simeon	450	+0.2	-1.6	29	5-0	5	4.1	20	0.5	21	2.7	2.24	417
Equity Trustees	705	+3.7	+1.9	18	5-0	-	3.2	27	0.4	12	5.5	1.62	40
Perseverance	17	+29.8	-9.2	2	5-0	-	-	-	0.9	NE	Nil	4.19	30
Wadepack Ltd	135	+15.7	-1.6	5	5-0	-	1.9	7	0.5	27	2.6	0.60	42

Company	Share Price	STRENGTH RATING Cur-rent	4-Wk Chg.	Rank 0-99	Insider Buy-Sell	Brokers Following	Price to NTA	Return on Equity	Vola-til-ity	Price Earn. Ratio	Divi-dend Yield	Price Sales Ratio	Market Cap'n
City Pacific	135	+6.9	-11.0	13	5-0	-	13.5	-	0.6	5	3.8	2.06	19
Housewares Int.	204	+16.6	-2.7	5	5-0	-	4.1	21	0.6	19	2.0	0.77	226
Cullen Resource	3	+3.6	-9.7	18	5-0	-	-	-	2.0	NE	Nil	N/A	9
OFM Investment	180	+1.4	-6.4	24	5-0	-	-	-	0.7	11	2.8	3.67	72
Payce Consol.	100	+8.6	+4.2	10	5-0	-	1.1	-	0.6	NE	Nil	N/A	34
Aust Foundation	316	+0.6	+0.1	27	5-0	-	1.0	3	0.5	28	4.5	N/A	2,442
Healthscope	222	+1.0	-1.8	25	6-1	3	-	-	0.4	16	2.9	0.92	165
Pancontinental	5	+10.1	+7.1	9	4-0	-	-	-	2.0	NE	Nil	N/A	6
Maxi TRANS	19	+9.2	+4.2	10	4-0	-	1.9	20	0.9	10	7.9	0.28	25
Metroland Aust	17	+16.9	-4.6	5	4-0	-	1.7	37	1.0	5	8.8	1.57	13
Westgold Res.	10	+23.0	+10.3	3	4-0	-	-	-	1.3	NE	Nil	2.95	6
FTR Holdings	38	+17.3	+11.4	5	4-0	-	1.0	-	1.9	NE	Nil	1.22	14
Newcrest Mining	700	+11.7	-9.4	7	4-0	9	-	-	0.4	NE	0.7	4.12	1,992
Bendigo Bank	792	+1.5	+2.4	24	6-2	6	2.5	13	0.3	19	3.7	3.38	950
Sydney Aquarium	460	+9.9	-3.2	9	3-0	3	5.8	36	0.4	16	6.1	4.04	99
Pacifica Group	385	+1.3	-2.2	25	3-0	7	1.8	-	0.6	NE	2.2	0.48	552
Orica Ltd	970	+10.7	-3.8	8	3-0	6	2.3	5	0.4	43	1.6	0.64	2,704
Foodland Assoc	1933	+10.8	-4.1	8	3-0	9	8.1	26	0.3	31	2.9	0.48	1,900
Ludowici Ltd	245	+0.2	-0.8	29	3-0	-	1.2	19	0.4	6	4.9	0.40	35
Glengarry Res.	5	+7.8	-12.7	11	3-0	-	-	-	1.7	NE	Nil	N/A	5
Jetset Travel	17	+14.2	-10.0	6	3-0	-	-	-	1.3	NE	Nil	N/A	12
Hills Indust.	329	+5.6	-0.4	15	3-0	2	3.3	19	0.5	17	6.1	0.71	414
ICS Global Ltd	71	+116.8	+59.3	1	3-0	-	-	-	1.1	NE	Nil	N/A	39
Sam's Seafood	330	+26.3	-3.8	3	3-0	-	33.0	73	0.5	45	1.8	2.28	77
Benitec Ltd	30	+164.5	+92.8	0	3-0	-	-	-	1.3	NE	Nil	N/A	16
Sirius Telecom.	40	+1.3	+4.8	25	3-0	-	4.0	-	0.8	NE	Nil	0.62	16
Triako Res.	135	+7.0	-7.5	13	3-0	-	1.5	14	0.6	10	4.4	1.81	47
Stockland Trust	445	+0.5	-1.1	28	3-0	5	1.4	10	0.3	15	6.7	4.42	3,703
Jupiters	555	+5.6	-0.6	15	3-0	5	2.5	18	0.5	14	3.8	1.40	1,117
SDI Limited	355	+37.6	-1.3	2	4-1	-	8.9	43	0.5	21	1.4	2.34	83
A.P. Eagers	518	+7.1	+1.0	12	4-1	1	1.2	9	0.3	13	5.4	0.12	84
Sun Resources	9	+28.9	-10.5	2	4-1	-	-	-	1.4	NE	Nil	N/A	9
Oroton Int'l	450	+4.5	-1.5	17	2-0	1	5.0	33	0.4	15	3.8	1.17	83
Nat'l Aust Bank	3525	+0.5	-1.4	28	2-0	13	3.9	15	0.6	26	3.8	2.09	54,473
Commander Comm.	86	+7.3	+4.5	12	2-0	2	4.3	35	0.6	12	3.2	0.62	125
Methanol Aust.	10	+18.2	-5.0	4	2-0	-	-	-	1.3	NE	Nil	N/A	12
Senetas Corp	10	+5.7	-13.4	14	2-0	-	1.0	-	2.1	NE	Nil	3.67	26
Cooper Energy	15	+2.8	+1.2	20	2-0	-	-	-	1.3	NE	Nil	N/A	8
Capral Alum.	260	+1.9	-2.5	23	2-0	1	1.1	0	0.5	%1733	2.3	0.31	181
Santos Ltd	635	+2.7	-0.0	20	2-0	7	-	-	0.4	8	4.7	2.35	3,688
IWL Limited	26	+4.2	-1.0	17	2-0	-	2.6	-	1.0	NE	Nil	4.45	74
Devine	63	+21.7	-2.1	3	2-0	-	1.6	64	0.9	2	11.1	0.17	65
Aust Food Fibre	29	+3.1	+1.4	19	2-0	-	0.6	1	0.7	77	Nil	1.58	44
Villa World	74	+1.4	+1.0	24	2-0	1	1.2	8	0.5	15	4.7	0.44	76
Aviva Corp Ltd	4	+69.9	+32.3	1	2-0	-	-	-	2.2	NE	Nil	0.76	7
Coffey Int'l	230	+0.4	+3.7	29	2-0	-	2.9	35	0.4	8	6.5	0.23	26
Pos.it.ive Tech	6	+1.1	-11.3	25	2-0	-	0.6	-	1.8	NE	Nil	1.98	3
Greater Pacific	2	+0.6	-2.0	27	2-0	-	-	-	2.8	NE	Nil	N/A	3
Colorado Group	291	+4.2	-4.1	17	2-0	2	4.2	29	0.6	14	3.1	0.65	249

"Neglect" Ratings of NZ Shares

"Neglected" Shares = 1-6 Brokers, "Moderately Followed" Shares = 7-8 Brokers, "Widely Followed" Shares = 9 or more Brokers.

Company	No. of Brokers Following Company	Market Capital-isation (NZ$ Mill.)	Company	No. of Brokers Following Company	Market Capital-isation (NZ$ Mill.)	Company	No. of Brokers Following Company	Market Capital-isation (NZ$ Mill.)	Company	No. of Brokers Following Company	Market Capital-isation (NZ$ Mill.)
AMP NZ Office	4	430	FC - Forests	6	667	NZ Refining Co	1	416	Sky Network TV	5	1,421
Advantage Group	3	32	Fletcher Build.	5	981	Natural Gas	3	992	South Port NZ	2	43
Air New Zealand	5	1,664	Guiness Peat	3	1,014	Northland Port	1	105	Steel & Tube	5	243
Akd Int Airport	7	1,798	Hallenstein G.	4	157	Nuplex Indust	4	193	Telecom Corp	6	9,292
Brierley Invest	1	835	Hellaby Hold.	1	130	Owens Group Ltd	3	51	Tourism Hold.	4	88
Briscoe Group	6	557	Horizon Energy	1	95	Pacific Retail	1	159	Tower Limited	8	678
Cap Properties	4	143	Ind Newspapers	4	1,310	Port Tauranga	6	529	Trans-Tasman	1	126
Carter Holt	9	2,991	Infratil NZ	1	346	Ports Auckland	5	674	Tranz Rail Hold	4	193
Cavalier Corp	1	197	Kiwi Property	5	438	Powerco Limited	2	414	Trust Power Ltd	2	632
Col FS Property	3	155	Lion Nathan Ltd	1	3,312	Property F Ind.	5	159	United Networks	7	1,439
Contact Energy	7	2,355	Lyttelton Port	3	163	Restaurant Brds	4	184	Warehouse Group	6	2,212
DB Breweries	1	287	Mainfreight Grp	3	89	Sanford Limited	3	479	Waste Mgmt NZ	6	315
F & P Health.	7	977	Michael Hill	3	208	Sky City Ltd	7	1,464	Wrightsons Ltd	1	172
F & P Appliance	7	662									

"Neglect" Ratings of Australian Shares

"Neglected" Shares = 1-4 Brokers, "Moderately Followed" Shares = 5-10 Brokers, "Widely Followed" Shares = 11 or more Brokers.

Company	No. of Brokers Following Company	Market Capital-isation (A$ Mill.)
A.P. Eagers	1	84
AMP Diver. Prop	5	1,260
AMP Ind Prop Tr	5	388
AMP Ltd	10	14,850
AMP Office Trt	5	1,043
AMP Shop Centre	6	968
ANZ Bank	14	28,611
APN News Media	11	1,381
ARB Corporation	2	177
AWB Limited	3	995
AXA Asia Pac	8	4,424
Adacel Tech.	1	39
Adcorp Aust.	2	59
Adelaide Bright	4	509
Adelaide Bank	6	653
Adsteam Marine	5	461
Adtrans Group	1	63
Ainsworth Game	3	66
Alesco Corp Ltd	2	123
Alintagas Ltd	6	646
Altium Limited	3	130
Amalgamated Hld	1	328
Ambri Limited	1	45
Amcor Ltd	9	6,910
Amrad Corp.	1	59
Anaconda Nickel	1	155
Aristocrat	9	2,371
Aurion Gold Ltd	7	1,625
Ausdoc Group	3	187
Auspine Ltd	1	132
Aust Pipeline	6	603
Aust Agricult.	2	135
Aust Infra.	3	252
Aust Pharm. Ind	5	681
Aust Gas Light	11	4,228
Aust Magnesium	1	83
Aust Stock Exch	6	1,266
Aust W'wide Exp	2	145
Austar United	2	129
Austal Limited	4	259
Austereo Group	9	691
Australand Hold	3	734
Austrim Nylex	1	62
Axon Instrument	2	130
BHP Billiton	10	33,018
BRL Hardy Ltd	9	1,469
BT Office	6	0
Bank of W.Aust	8	2,327
Baycorp Advant.	5	739
Bendigo Bank	6	950
Beston Wine Ind	1	31
Billabong Int'l	8	1,455
Biota Holdings	1	37
Boral Limited	7	2,447
Brambles Ind.	9	6,989
Brazin Limited	3	246
Breakwater Is.	1	40
Brickworks Ltd	2	861
Bristile Ltd	4	418
Bunnings W/hse	1	317
Burns Philp	3	498
Burswood Ltd	7	334
C'wth Prop Off.	4	727
C.S.R. Ltd	9	5,960
CI Technologies	3	137
CMI Limited	1	34
CPI Group	4	32
CSL Limited	7	3,566
Cabcharge Ltd	6	439
Caltex Austrlia	3	446
Campbell Bros	1	184
Candle Aust.	2	33
Capral Alum.	1	181
Carindale Prop	2	157
Cellnet Telecom	1	68
Centennial Coal	2	181
Centro Prop.	4	1,475
Challenger Int.	3	747
Clough Limited	1	330
Coal & Allied	2	2,013
Coates Hire	3	427
CocaCola Amatil	11	4,313
Cochlear Ltd	10	1,997
Col FS Property	7	1,506
Coles Myer	13	6,823
Collection Hse	7	310
Colorado Group	2	249
Com'wealth Bank	14	40,181
Commander Comm.	2	125
Computer Share	8	1,170
Cons Rutile	1	177
Corp Express	7	982
Count Financial	2	99
Crane Group	3	414
Cranswick Wines	2	38
DCA Group Ltd	2	238
David Jones	4	443
Deutsche Office	6	1,366
Deutsche Ind Tr	4	502
Deutsche Div Tr	5	1,097
Downer EDI Ltd	4	583
E.R.G.	4	218
ETRADE Aust.	1	40
Ecorp Limited	1	267
Ellex Medical	1	62
Emperor Mines	1	80
Energy Develop.	7	418
Energy Resource	1	253
Envestra	5	635
EservGlobal Ltd	1	21
Evans & Tate	3	55
FKP Limited	2	144
Fairfax (John)	11	2,264
Fantastic Hold.	3	121
Flight Centre	3	2,203
Foodland Assoc	9	1,900
Foster's Group	12	10,076
Found'n Health.	2	50
Freedom Group	6	203
Futuris Corp.	6	830
G.U.D. Holdings	1	237
GWA Internat'l	3	716
Gandel Retail T	7	1,656
Gasnet Aust Trt	2	250
General Prop Tr	7	5,302
Globe Int'l Ltd	2	675
Goodman Fielder	8	2,019
Graincorp	2	409
Grand Hotel	3	112
Gribbles Group	3	262
Gro Pep Limited	1	28
Gt Sthn Plant'n	1	128
Gunns Ltd	4	631
Gympie Gold	1	154
Hansen Tech.	1	14
Harvey Norman	8	3,041
Healthscope	3	165
Henry Walker E.	3	126
Hills Indust.	2	414
Hills Motorway	8	905
Horizon Energy	1	30
Hpal Limited	2	172
Hutchison Tel.	7	238
ING Indust Trt	7	979
ING Office Fund	5	930
ION Limited	4	450
Iluka Resources	8	1,091
Infomedia Ltd	6	308
Institute Drug	1	96
Insurance Aust.	7	4,048
Int Research	3	81
Int'l Wine Inv.	1	129
Int. Workforce	1	41
Intellect Hold	1	72
Investa Prop.	5	1,220
Investor Group	2	123
Iress Mkt Tech	3	236
James Hardie	9	2,994
Jubilee Mines	2	188
Julia Ross Rec.	2	54
Jupiters	5	1,117
K&S Corporation	2	81
Kaz Group Ltd	5	228
Keycorp ltd	1	101
Leighton Hold	9	2,998
Lend Lease Corp	7	4,732
Lihir Gold	9	1,462
M.I.M. Holdings	10	2,198
M.Y.O.B. Ltd	1	183
MTM Entert'ment	1	19
Macarthur Coal	2	158
Macquarie Infra	6	5,574
Macquarie G Mgt	1	327
Macquarie C'Wde	5	628
Macquarie Off.	5	1,020
Macquarie Good.	4	1,083
Macquarie Bank	6	4,701
Macquarie Leis.	2	96
Matrix Oil NL	1	24
Mayne Group Ltd	8	2,891
McGuigan Simeon	5	417
Mermaid Marine	1	30
Metabolic Phar.	1	129
Metcash Trading	5	1,369
Mia Group Ltd	4	592
Millers Retail	6	478
Mirvac Group	6	2,590
Mosaic Oil NL	1	52
Murchison Un.	1	7
Nat'l Aust Bank	13	54,473
Nat'l Foods	6	1,074
Nat'l Telecoms	2	176
Nautronix Ltd	2	37
Neverfall Spr.	5	216
Newcrest Mining	9	1,992
News Corporatio	6	18,954
Normandy NFM	4	1,319
Norwood Abbey	1	39
Novogen Ltd	1	177
Novus Petroleum	4	237
Nufarm Limited	3	571
OPSM Group Ltd	3	489
Objective Corpo	2	27
Oil Search Ltd	9	882
Onesteel Ltd	5	905
Optiscan Image	1	45
Orbital Engine	1	85
Orica Ltd	6	2,704
Origin Energy	9	2,326
Oroton Int'l	1	83
PMP Limited	6	302
Pacifica Group	7	552
Pacific Hydro	5	463
Pan Pharmaceut.	1	251
Panbio Ltd	1	56
Paperlin X Ltd	9	1,614
Patrick Corp	7	2,736
Peptech Limited	1	381
Perm Trustee Co	1	116
Perp Trust Aust	8	1,475
Peter Lehman W.	4	145
Polartechnics	1	83
Portman Limited	5	221
PowerTel Ltd	2	72
Powerlan Ltd	2	23
Primary Health	2	364
Prime TV	6	225
Prime Life Corp	1	92
Pro Maintenance	5	156
Pro Medicus Ltd	1	108
Publishing & Br	11	5,638
Q.B.E. Insur.	9	4,410
Qantas Airways	11	6,240
Queens'd Cotton	2	91
RG Capt'l Radio	4	123
Ramsay Health	8	485
Ranger Minerals	1	42
Rebel Sport	1	154
Reece Australia	1	687
Renew. Energy	1	13
Ridley Corp.	3	377
Rio Tinto Ltd	9	15,269
Roc Oil Company	3	156
Rock Build Soc.	1	47
Rural Press Ltd	7	653
SMS Mgmt & Tech	1	162
STW Comm Group	3	474
Santos Ltd	7	3,688
SecureNet Ltd	2	65
Servcorp Ltd	2	159
Seven Network	12	1,440
Sigma Company	3	557
Silex Systems	2	69
Simsmetal Ltd	5	644
Skilled Eng.	3	121
Smorgon Steel	5	1,071
Solution 6	3	110
Sonic Health	7	1,565
Sons of Gwalia	8	763
Soul Pattinson	2	1,265
Southcorp Ltd	7	4,029
Spotless Group	1	992
St George Bank	10	9,314
Stargames Ltd	3	128
Starpharma Pool	2	27
Sthn Cross Brd.	8	517
Sthn Star	1	74
Stockland Trust	5	3,703
Stockford Ltd	1	34
Strathfield Grp	1	29
Suncorp-Metway	10	6,666
Sydney Aquarium	3	99
Symex Holdings	2	75
TAB Ltd	8	1,480
TAB Queensland	8	555
Tabcorp Holding	6	4,627
Tap Oil	5	237
Technology One	5	154
Telemedia Serv.	4	0
Telstra	14	31,718
Tempo Services	6	206
Ten Network	11	796
Thakral Holding	4	369
Ticor Ltd	6	344
Timbercorp	1	110
Toll Holdings	7	2,083
Transfield Ltd	3	399
Transurban Grp	7	2,010
Uecomm Limited	2	58
United Energy	8	1,069
United Group	3	236
Villa World	1	76
Village Road.	5	339
Vision Systems	2	179
Volante Group	1	81
W.M.C. Limited	7	8,065
Wattyl Ltd	3	240
Wesfarmers Ltd	8	10,387
West Aust News	9	1,086
West'n Metals	2	23
Westfield Hold.	7	7,594
Westfield Amer.	5	5,844
Westfield Trust	8	6,527
Westpac Banking	14	26,610
Woodside Petrol	10	8,800
Woolworths Ltd	11	12,628
Yates Limited	1	50

Advice on a Building a Retirement Portfolio for a New Subscriber

Question: We are a couple in our early 60's. We have had a bad experience with an adviser, particularly with contributory mortgages. We had hoped to build on our capital over the last five years, but have stood still (up only 0.1%). A friend has shown us your *Market Analysis*.

We would still like to increase our capital before I retire in a year. We have no need to draw on our funds until that time, but will then need about $30,000 (gross) income from investments.

We look forward to your suggestions.

Current Investments

Cash	$222,000
Fonterra Capital Notes	$10,000
Metropolis junk bonds	???
Six unlisted Property Funds	$72,000
Shares	$60,000
Total	$364,000

Answer: Your previous investments (i.e. contributory mortgages and junks bonds) did nothing to achieve your goal of building capital ahead of retirement - offering no capital growth, just high income but at a high risk of capital loss.

The good news is that your capital of $360,000 is reasonable for providing the level of retirement income (i.e. $30,000 gross) that you require. There is also a good chance that you will be able to steadily grow your capital over the *next* five years to increase your level of financial security.

It is too late to follow a high risk strategy seeking maximum capital appreciation to grow your capital. With only one year until you retire you cannot afford risk or too much volatility. The appropriate strategy is to invest to achieve the financial goals in retirement. That is, (1) preservation of capital, (2) current income and (3) some capital growth (to improve your financial position and offset the long term impact of inflation during your retirement).

As you don't need investment income over the next year, simply re-invest any interest and dividends earned over this period.

An appropriate asset spread could be approximately Cash and Fixed Interest 20% (about $70-75,000), Property 20% and Shares 60%.

Cash and Fixed Interest

These investments are to provide security of capital and income, but offer no capital growth and no protection against inflation.

I would suggest holding about $20-40,000 in a short term account (i.e. an interest bearing cheque account, savings account or cash management account). Have interest and dividends paid to this account and draw out living expenses in retirement. This way you will always have enough cash to meet 1-2 years living expenses and won't need to sell investments when prices are depressed.

Keep your Fonterra notes ($10,000), which means you will want to invest another $25-40,000 in 2-3 year bank term deposits.

Property

Property offers you both a high income and should provide some growth in both income and capital that will offset inflation over the longer term. You currently have $72,000 invested here - providing an 8% after tax income - which is an appropriate level of investment.

Shares

Shares offer you both high income and the potential to build your capital. Your current shares (i.e. 7000 Warehouse and 1250 Sanford) are fine holdings, but I would favour selling at least 5000 Warehouse shares to reduce this investment to about $15,000. As shares offer good income and will enable you to build your capital, about 60% of your portfolio (around $225,000) can be in shares. Look to invest about $10-20,000 in each of 15-16 different shares.

Shares like Cavalier, Hallenstein Glasson, Hellaby Holdings, Lyttelton Port, Taylors Group, Wrightson, Abigroup and McPhersons will provide a low risk, high income yielding core to your share portfolio.

Some cyclical recovery shares like Steel & Tube, Brazin, Skilled Engineering and Villa World offer a high current income *and* strong potential for income growth and capital appreciation over the next 2-3 years.

Part of your portfolio should also be invested in under-valued growth shares like Atlas Pacific, Cellnet Telecommunications, Julia Ross Recruitment and Volante Group. While these are more risky they offer both a high current income and good potential for capital growth.

Overall these shares would provide a gross yield of about 8% ($18,500).

Summary

While the primary objectives of this portfolio are preservation of capital and a high current income of about $28-29,000, it is weighted towards equities to produce growth over the medium to longer term. Riskless fixed interest, low risk property and low risk shares all help to provide security of capital from a balanced portfolio. The cyclical and growth shares should provide most of the long term growth - with their annual income and capital value likely to double over the next five years.

So, over the *next* five years your annual investment income could grow about 40-50% (to $40-44,000), with a similar percentage increase in the capital value of your portfolio (i.e. to about $500-550,000).

Current Issues

BONUS ISSUES

	Ratio	Ex-Date
Mainfreight Group	1:10	06-09

Mainfreight has made a taxable bonus issue at a value of $1.18 per share plus imputation tax credits.

SHARE SPLIT

	Ratio	Ex-Date
Port of Tauranga	2:1	11-11

SHARE CONSOLIDATIONS

	Ratio	Ex-Date
Certified Organics	1:100	02-09

Certified Organics has consolidated 100 old shares into 1 new share.

SHARE REPURCHASES

	Details
Auckland Int'l Airport	7 in 25 @$1.80
Steel & Tube	9.99%, on-market

CASH ISSUES

	Ratio	Price	Ex-Date	Appln Date
Affco Holdings	1:1	10	26-08	20-09

NEW ISSUES

	Price	Date	EPS	DPS
Connectionz	100	20-09	Nil	Nil

Connexionz is seeking to raise $4.5 million from the issue of 4,500,000 new shares to the public at $1.00 each. NZ stockbrokers are distributing the prospectus, but the company will not list on the NZ Stock Exchange. Instead it will seek to have its shares traded on the unlisted market. The NZ Stock Exchange has indicated that it will remove its support for this unlisted market, so Connexionz may end up either unlisted or seek to list on the proposed AX (Alternative Exchange) section of the NZ stockmarket. Either way, marketability of the shares may be very limited.

The good news is that *all* of the money raised from the public will go to the company to help fund future growth. Furthermore, Connexionz predicts massive growth potential. Revenues are projected to grow from the $1.3 million earned in the year to March 2002 to $5.6 million in 2003 (up 318%), $17.4 million in 2004 (up 213%) and $30.2 million in 2005 (up 74%). The company lost $62,000 in 2002 and expects to lose $39,000 through to March 2003. After that profits are projected to blast off to $3,778,000 (20 cents per share) in 2004 and $8,285,000 (44 cents per share) in 2005.

The bad news is that the new public shareholders are being asked to pay a high price relative to existing investors and that the company is at such an early stage of development that the revenue and profit forecasts cannot be more than wishful thinking.

Net asset backing per share *ahead* of the public issue is only about 5 cents. It is difficult to know what the original founders paid for their shares - and that is probably irrelevant. Recent capital raisings included $100,000 in March 2001 from convertible notes paying interest at 12% and converting to ordinary shares at 20 cents per share. In March 2002 the company raised a further $100,000 through a second convertible note issue. This second issue pays interest at 22% and converts at just 10 cents! This decline in the price received in private capital raisings from March 2001 to March 2002 is not consistent with a company that is growing and appreciating in value.

Less than six months later the public are being asked to buy shares at $1.00 per share. There would appear to be no reason why the company should have increased 10-fold in value over the last six months.

The company's major success to date is winning the contract and installing its *Real Time Passenger Information* system in Christchurch. The company tendered $2.51 million compared with four other tenders in the range $4.9-11.6 million. This indicates that Connexionz has competitive technology, but it also shows that many companies with communications skills can provide similar information solutions. As the company expands into larger markets - in Australia, the United Kingdom and the United States - it may encounter significantly larger competitors able to tender competitively.

The company also provided a small system covering seven shuttle buses operating between Downtown Auckland and the airport, while a joint venture in Australia has won a contract covering the 31 kilometre *Rapid Bus Transitway* between Liverpool and Parramatta in Sydney.

The company's forecasts are based upon successfully winning a larger number of bigger contracts each year. Unfortunately, for a new company in a new business with limited experience, there is just no way to know whether these projections are realistic or wishful thinking. One area of possible fault in the projections is that they do not follow *Moore's Law* which states that computer, communication and other electronic equipment will *halve in value every two years*. The decline in components, improvements in technology and competitive pressure clearly indicate that Moore's Law will apply to this business. So even if Connexionz is able to win all of the contracts it is projecting, the 2005 revenues and profits would probably be around *half* the figures included in the prospectus forecast.

Summary and Recommendation

Connexionz looks like a quality growth company - although the significant decline in the price the company received in private equity raisings between March 2001 and March 2002 does cast some doubt. The company is still in the early commercialisation phase, so it is far too soon to know if it will be successful or to make any meaningful projections of future revenues and profitability. The public are being asked to contribute about 80% of the equity capital, but will receive only a 24% shareholding in the company. That would appear to be unfavourable given that the company's success is still uncertain at this early stage.

Given that the founders and early investors have bought in much cheaper, it is likely that they will choose to sell some shares on the unlisted market - even at prices significantly below the $1.00 public issue.

Recommendation: Avoid - projected growth does not warrant the very high risks and uncertainty. The shares will probably also be available at lower prices in trading on the unlisted market.

"Insider" Insights

(A summary of buying and selling by major shareholders)

Company	Shareholder	Buy/ Sell	Shares (Mill)	% of Coy Held Before	After
09/08/2002					
Kiwi Income Property	FCMI & Pan Atlantic	Sell	-27.754	12.80%	7.77%
Newmarket Property	National Property	Buy	+1.759	77.10%	79.70%
16/08/2002					
F& P Appliances	AXA Asia Pacific	Buy	+1.027	10.21%	11.79%
Kiwi Income Properties	CFS Property	Sell	-8.994	9.75%	8.12%
Newmarket Property	National Property	Buy	+2.504	79.70%	83.40%
Owens Group	Coronel Family Trust	Buy	+0.449	8.84%	9.64%
Owens Group	RA Owens Family Trt	Sell	-1.063	8.02%	6.14%
Tower Ltd	Perpetual Trustees	Buy	+1.987	8.86%	9.99%
Vertex Group	AXA Asia Pacific	Buy	+0.340	12.23%	13.29%
23/08/2002					
Hallenstein Glasson	AMPHenderson	Sell	-1.380	9.33%	6.97%
TranzRail Holdings	AXA Asia Pacific	Buy	+1.531	11.59%	12.85%
Newmarket Property	National Property	Buy	+0.812	83.40%	84.60%
Rubicon Limited	Tower Asset Mgmt	Sell	-1.451	5.31%	4.79%
Waste Management (NZ)	Tower Corporation	Buy	+0.100	4.95%	5.05%
30/08/2002					
F & P Appliances	AMP Henderson	Sell	-0.797	6.64%	5.40%
Newmarket Property	National Property	Buy	+0.744	84.60%	85.70%
Nuplex Industries	Tower Asset Mgmt	Buy	+0.594	8.44%	9.43%
Rubicon Ltd	Tower Asset Mgmt	Buy	+1.618	4.79%	5.37%
Vending Technologies	Commerce Capital	Buy	+2.001	0.0%	6.71%
Vending Technologies	JL Hotchin	Sell	-1.001	35.24%	28.52%
Vending Technologies	MI Doolan	Sell	-1.001	35.24%	28.52%
Wellington Drive Tech.	RJ Thompson	Sell	-2.000	14.50%	11.60%
06/09/2002					
Port of Tauranga	Infratil	Sell	-3.500	19.99%	14.76%
Waste Management NZ	AXA Asia Pacific	Sell	-1.316	8.81%	7.47%

Total Return Index for All Listed Shares

Aug 12	1881.05	Aug 19	1910.20
Aug 13	1887.22	Aug 20	1910.75
Aug 14	1890.40	Aug 21	1911.51
Aug 15	1900.70	Aug 22	1919.38
Aug 16	1903.64	Aug 23	1926.41
Aug 26	1910.43	Sep 2	1935.17
Aug 27	1928.31	Sep 3	1925.34
Aug 28	1941.33	Sep 4	1900.68
Aug 29	1936.00	Sep 5	1892.45
Aug 30	1935.45	Sep 6	1890.09

D i v i d e n d $

Company	Cents per Share	Ex-Date	Pay-able	Tax Credit
AMP Office Trust	3.6	23-09	27-09	Nil
Auckland Int'l Airport	7.50	14-10	25-10	Full
Briscoe Group	2.75	16-09	27-09	Full
Broadway Industries	1.50	21-10	24-10	Nil
Cavalier Corporation	17.50	07-10	11-10	Full
CFS Properties	2.33	09-09	20-09	0.3004
Designer Textiles	2.00	16-19	20-09	Full
Ebos Group	8.00	04-10	11-10	Full
Fletcher Building	8.00	28-10	14-11	Full
GDC Communications	1.75	16-09	20-09	Full
Independent Newspapers	4.50	21-10	01-11	Full
Kiwi Income Properties	4.95	23-09	30-09	Nil
Lyttelton Port Company	7.25	07-10	11-10	Full
Michael Hill International	10.00	07-10	14-10	Full
National Property Trust	2.25	26-08	06-09	Nil
Natural Gas	3.50	09-09	16-09	Nil
Nuplex Industries	9.00	30-09	11-10	Full
NZ Refining Company	100.00	23-09	25-09	Full
Port of Tauranga	22.00	21-10	01-11	Full
Ports of Auckland	17.50	09-09	13-09	Full
Pyne Gould Guiness	8.50	16-09	11-10	Full
Renaissance Corporation	3.00	23-09	27-09	Full
Shotover Jet	1.25	14-10	25-10	Full
Sky City Entertainment	22.50	23-09	04-10	Full
South Port NZ	3.75	07-10	01-11	Full
Steel & Tube Holdings	10.00	02-09	06-09	Full
Taylors Group	4.50	16-09	27-09	Full
Telecom NZ	5.00	02-09	13-09	Full
Tourism Holdings	3.00	21-10	31-10	Full
Wrightson	8.00	16-09	27-09	Full
Australian Shares				
Auspine	7.00	23-09	04-10	
Biron Capital	1.00	23-09	08-10	
Brazins	5.00	16-09	27-09	
Commander Com	2.75	20-09	18-10	
Julia Ross Recruitment	3.00	30-09	18-10	
McPhersons	6.00	11-10	31-10	
OAMPS	12.00	16-10	31-10	
Skilled Engineering	6.00	23-09	22-10	
Toll Holdings	22.00	10-09	30-09	
Toll Holdings conv notes	55.657	09-09	30-09	
Vision Systems	2.10	06-09	30-09	
Volante Group	4.50	10-09	27-09	

Next Issue

The next issue of *Market Analysis* will be posted in five weeks time on Tuesday October 15, 2002 (and delivered in most areas on Wednesday 16).

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

The office will be closed from September 16-27 while your Editor and family are out of the country.

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