

Market Analysis

Inside Market Analysis

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Summary and Recommended Investment Strategy.

Despite all the normal uncertainties, Australian and New Zealand shares offer reasonably good value - so remain fully invested in the recommended shares.

Investment Outlook.

The United States stockmarket hit a four-year high in early September - but has since fallen to a three month low, dragging other world stockmarkets lower.

Short term stockmarket movements are often driven by trends in investor sentiment, so are difficult to predict. The recent stockmarket decline *weakens* our Technical indicators, which has lowered our one month Forecast to a Bearish (i.e. unfavourable) 32% for the Australian stockmarket and a Neutral 60% for NZ.

When markets have risen strongly for a number of years and then dip, there is always the fear that prices have peaked and may be heading lower. While it is always possible that prices could drift lower for a few months, we do not expect a significant decline from current levels.

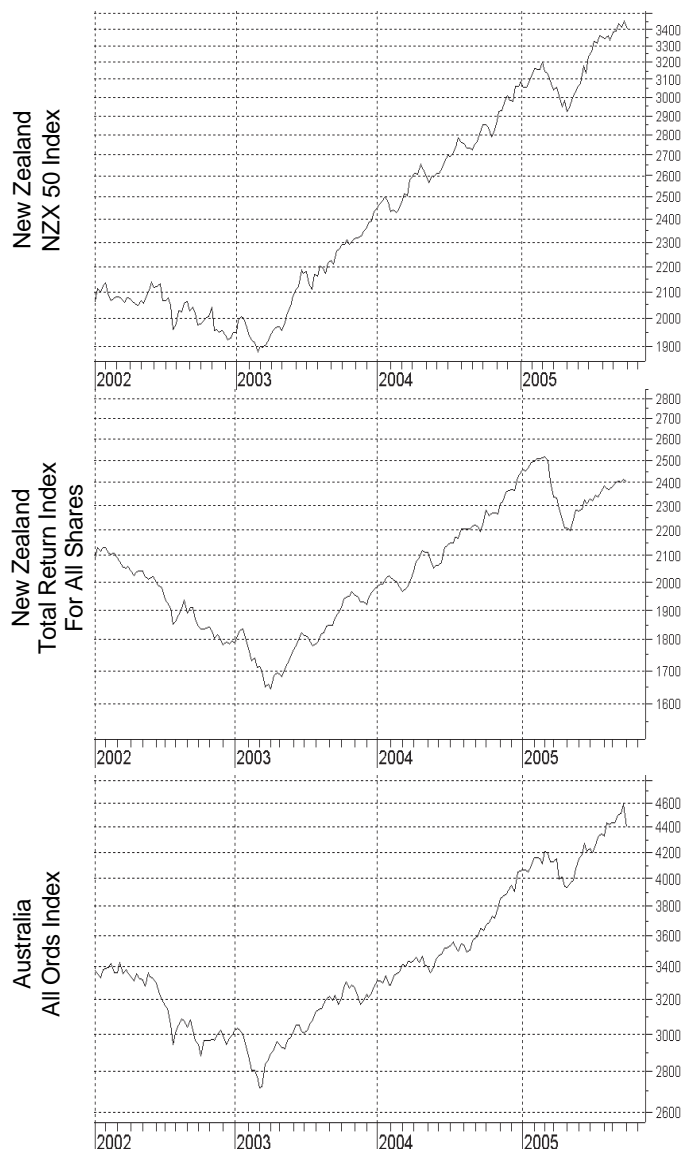
Firstly, markets usually peak at an extreme of investor optimism. Investors were a little too optimistic in late 2004 but there have been few signs of excessive optimism recently. Secondly, many Australian shares - and a lot of NZ shares - offer attractive Dividend Yields. Profits may slip a little if the economy weakens, but shares offer pretty good value. If prices were to fall significantly from here then just re-invest those high dividend yields to acquire more shares at very depressed prices! Finally, while NZ *insiders* have continued to sell shares (i.e. at around the expected long term average rate), Australia's most knowledgeable investors have been buying heavily: 69.6% of trades have been buys over the last 13 weeks!

Overall our One Year Forecast is Bullish for the Australian stockmarket at 65% and Neutral for the NZ market at 57%.

The NZ stockmarket may drift owing to political uncertainty, but at least Labour doesn't have a majority to force through controversial new taxes (e.g. an unrealised capital gains tax on foreign investments) to pay for its election spending promises!

Stockmarket Forecasts

	<u>One-Month</u>	<u>One-Year</u>
Australia:	32% (Bearish)	65% (Bullish)
New Zealand:	60% (Neutral)	57% (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		Performance Forecast	Price	Price/Sales Ratio	P/E Ratio	Gross Yield		Performance Forecast	Price	Price/Sales Ratio	P/E Ratio	Gross Yield
A2 Corporation	C	8.0	N/A	NE	Nil	Heritage Gold *	N/R	6.6	N/A	NE	Nil	Pumpkin Patch	A	330	1.96	22	3.6
ABS Canterbury	A	446	1.34	15	4.7	Hirequip NZ Ltd	C	96	1.11	12	5.8	Pure NZ Limited	C	3.5	N/A	NE	Nil
AMP Limited	B	782	1.23	14	3.8	Horizon Energy	B	430	4.01	14	6.9	Pyne Gould G.	A	240	0.78	14	5.6
AMP NZ Office	C	95	4.97	13	7.7	ING Property	C	114	7.92	14	9.4	Pyne Gould Corp	B	510	1.08	13	5.3
AXA Asia Pac.	A	500	1.62	15	2.4	Infratil NZ	A	382	4.30	17	4.1	Renaissance	C	120	0.38	20	9.1
Abano Health.	C	201	0.82	NE	Nil	Jasons Media	D	48	N/A	NE	Nil	Restaurant Brds	C	143	0.44	13	10.4
Affco Holdings	C	46	0.26	4	Nil	Just Water Int.	D	92	3.02	20	5.3	Richina Pacific	E	55	0.14	16	3.6
Air New Zealand	B	112	0.30	6	6.7	KidCorp	E	15	1.12	NE	Nil	Rubicon Limited	D	103	0.64	NE	Nil
Akd Int Airport	B	220	9.52	25	5.6	Kingfish Ltd *	N/R	95	2.48	3	3.1	Ryman Health.	A	451	3.72	19	2.5
Allied Farmers	B	240	0.51	13	6.5	Kirkcaldie & St	C	270	0.65	25	4.1	Salvus Strat. *	N/R	89	N/A	20	3.4
Allied Work.	D	153	N/A	NE	Nil	Kiwi Property	B	115	8.98	15	7.5	Sanford Limited	C	435	1.16	8	7.5
Apple Fields	D	3.0	N/A	NE	Nil	Life Pharmacy	C	103	N/A	NE	1.7	Satara Co-op	D	82	0.39	19	10.9
Blis Technology	D	15	N/A	NE	Nil	Lion Nathan Ltd	B	857	2.05	26	3.8	Savoy Equities	E	2.6	N/A	NE	Nil
Blue Chip NZ	C	85	2.07	9	Nil	Livestock Imp.	B	138	0.43	9	14.3	Scott Tech. Ltd	E	250	1.74	17	7.8
Botry-Zen Ltd	C	8.6	N/A	NE	Nil	Loan & Building	B	432	1.28	14	5.2	Sealegs Corp	E	22	4.19	NE	Nil
Brierley Invest	B	106	2.24	11	3.8	Lytelton Port	B	196	3.01	17	8.4	Seeka Kiwifruit	C	405	0.63	12	7.4
Briscoe Group	B	134	0.89	15	7.8	MG Property Trt	B	123	N/A	24	9.2	Skelmax Indust	C	138	1.17	11	7.6
Broadway Ind	B	106	0.50	22	4.7	Mainfreight Grp	A	354	0.40	25	2.7	Sky City Ltd	C	468	2.86	19	7.7
CACI Group Ltd	C	30	0.38	68	Nil	Media Tech.	D	8.0	0.34	NE	Nil	Sky Network TV	C	625	4.97	24	Nil
CDL Hotel NZ	C	57	1.19	9	3.7	Methven Limited	C	131	1.22	11	8.7	Smiths City	D	66	0.15	4	7.6
CDL Investments	D	34	3.38	8	7.0	Metro. LifeCare	B	373	2.96	18	1.5	Software of Exc	E	115	1.25	NE	Nil
Cabletalk Group	B	65	0.50	9	6.9	Michael Hill	B	760	1.08	18	4.5	Sol. Dynamics	E	50	0.37	NE	Nil
Cadmus Tech Ltd	D	24	2.86	NE	Nil	Mid-Cap Index *	N/R	249	N/A	NE	Nil	South Port NZ	E	120	2.33	16	8.1
Calan Healthcare	B	113	9.33	17	7.5	Mike Pero Mort.	C	65	1.23	10	13.8	Spectrum Res.	E	15	1.63	NE	Nil
CanWest Media.	D	198	N/A	NE	Nil	Mooring Systems	E	435	N/A	NE	Nil	Speirs Group	B	120	0.22	11	10.0
Cap Properties	B	144	5.72	19	6.3	Mowbray Collect	D	160	4.39	NE	2.8	Steel & Tube	C	475	0.95	12	10.1
Carter Holt	C	250	0.91	8	1.6	Mr Chips Hold	D	83	0.57	14	7.2	Sthn Travel	C	86	0.28	10	11.1
Cavalier Corp	D	348	1.10	12	11.6	NZ Exchange Ltd	D	740	5.18	26	Nil	Summit Gold Ltd*	N/R	77	N/A	NE	Nil
Cert Organics	E	5.6	4.40	NE	Nil	NZ Experience	D	30	1.34	14	10.0	Tag Pacific Ltd	C	21	0.24	5	2.6
Col Motor Co	C	315	0.22	11	10.4	NZ Finance Hold	D	97	5.76	26	Nil	Taylor's Grp Ltd	B	220	0.81	15	8.8
Commsort Group	E	0.3	N/A	NE	Nil	NZ Invest Trust*	N/R	817	N/A	NE	1.0	TeamTalk Ltd	B	246	2.46	16	10.9
Comvita	C	230	1.07	23	1.4	NZ Oil and Gas *	N/R	101	N/A	NE	Nil	Telecom Corp	B	589	2.00	13	9.8
Connexion	E	36	2.12	53	Nil	NZ Refining Co	A	6000	5.12	15	7.5	Tenon Ltd	C	405	0.67	10	Nil
Contact Energy	C	750	3.39	30	5.0	NZ Wine Company	C	200	1.92	19	3.7	Toll NZ Ltd	C	355	1.10	18	Nil
Cube Capital	D	5.0	0.14	NE	Nil	NZ Wool Service	D	46	0.27	33	3.2	Tourism Hold.	C	192	1.06	18	8.6
Cue Energy Ltd *	N/R	25	N/A	83	Nil	NZSX 10 Fund *	N/R	126	N/A	NE	Nil	Tower Limited	C	219	0.86	17	Nil
Cynotech Hold.	D	16	0.88	NE	Nil	NZSX 50 Port.	D	152	N/A	NE	Nil	Training Sol.	D	0.2	1.43	NE	Nil
Dominion Fin.	B	128	2.86	9	8.0	NZX Aust MidCap	C	491	N/A	NE	Nil	Trans-Tasman	C	47	3.54	10	Nil
Dorchester Pac	C	250	0.64	9	6.1	Nat Property Tr	C	93	6.31	18	9.8	Trust Power Ltd	A	585	3.01	25	5.0
Eastern Hi-Fi	D	78	0.57	11	Nil	New Image Group	D	8.0	2.25	NE	Nil	Turners Auction	C	251	0.87	10	11.9
Ebos Group Ltd	A	455	0.45	14	7.1	Northland Port	A	325	N/A	17	4.6	Turners & Grow.	B	196	0.25	15	Nil
Evergreen	D	33	1.57	NE	Nil	Nuhaka Forestry	D	2.1	N/A	NE	Nil	Urbus Property	B	119	2.79	6	7.7
F & P Health.	B	362	7.65	30	4.5	Nuplex Indust	C	425	0.35	11	9.3	Utilico Intl	C	57	3.67	NE	Nil
F & P Appliance	C	335	0.85	13	8.0	Opio Forestry	E	85	N/A	NE	Nil	VTL Group Ltd	C	53	0.56	8	6.3
Feltex Ltd	C	58	0.29	7	15.4	Owens Group Ltd	B	116	0.27	NE	Nil	Vector Ltd	C	309	2.66	57	Nil
Finmedia Ltd	D	130	2.89	4	Nil	Oyster Bay	B	326	4.09	56	3.1	Vertex Group	B	209	0.76	13	2.9
Finzsoft Solns	E	70	0.82	33	Nil	Ozzy (Tortris) *	N/R	258	N/A	NE	Nil	WN Drive Tech.	D	38	N/A	NE	Nil
Fletcher Build.	C	818	0.81	12	5.8	POD Ltd	C	119	0.46	11	3.8	Wakefield Hosp.	A	650	1.91	27	3.0
Forty Two Below	D	68	7.02	NE	Nil	Pac Edge Bio.	E	20	N/A	NE	Nil	Warehouse Group	B	410	0.56	32	5.3
Freightways Ltd	D	334	1.80	19	7.1	Pacific Retail	D	208	0.13	NE	Nil	Waste Mgmt NZ	A	620	2.88	24	6.4
GDC Communicat.	D	15	0.22	NE	Nil	Plus SMS Hold.	C	32	N/A	NE	Nil	Widespread Port	E	1.7	N/A	NE	Nil
Genesis Res.	D	30	1.77	NE	Nil	Ports Tauranga	B	440	4.05	18	6.8	Windflow Tech.	E	242	N/A	NE	Nil
Guinness Peat	C	206	0.17	8	2.5	Ports Auckland	B	796	5.12	19	7.6	Wool Equities	E	48	0.52	NE	Nil
Gullivers Trv.	C	148	0.35	12	9.9	Postie Plus Grp	D	68	0.24	16	6.6	World Index Fd *	N/R	119	N/A	NE	Nil
Hallenstein G.	A	489	1.59	17	7.3	Prostie F Ind.	B	111	9.43	18	7.1	Wrightson Ltd	A	244	0.51	17	8.6
Hellaby Hold.	C	595	0.75	14	9.8	Provenco Group	B	95	0.83	11	4.7	Zintel Comm.	D	80	1.13	12	6.5
ABB Grain Ltd	A	675	1.18	55	3.7	Downer EDI Ltd	A	577	0.44	16	3.1	Oil Search Ltd	A	358	7.06	20	1.1
ABC Learning	A	623	5.33	30	1.8	Energy Resource	A	1540	9.17	57	1.1	Onestee Ltd	A	361	0.52	15	3.7
AMP Ltd	B	721	1.23	14	3.7	Envestra	A	120	3.07	41	7.9	Orica Ltd	A	1996	1.15	17	3.4
ANZ Bank	B	2300	4.51	29	4.4	Excel Coal Ltd	A	740	4.08	16	3.2	Origin Energy	B	684	1.10	20	2.2
APN News Media	B	495	1.86	19	4.4	FKP Limited	B	492	2.82	16	5.1	Oxiana Ltd	B	130	N/A	NE	Nil
AWB Limited	A	513	0.33	18	4.9	Fairfax (John)	B	444	2.18	16	4.2	Pacific Brands	A	280	0.91	23	5.4
AXA Asia Pac	A	464	1.63	16	2.5	Flight Centre	C	1360	1.43	23	3.7	Paperlin X Ltd	B	303	0.18	8	8.4
Adelaide Bank	A	1261	4.19	15	4.2	Foodland Assoc	B	2655	0.49	33	3.6	Patrick Corp	A	663	3.21	19	2.0
Adelaide Bright	A	203	1.58	13	3.7	Foster's Group	C	558	2.81	12	3.6	Perp Trust Aust	B	6590	6.11	22	3.9
Alinta Limited	B	1069	2.62	19	3.9	Futuris Corp.	C	195	0.41	14	4.6	Portman Limited	A	470	4.22	25	1.7
Alumina Ltd	B	568	N/A	24	3.5	GPT Group	C	388	N/A	18	5.7	Primary Health	B	1025	5.98	44	2.4
Amcor Ltd	C	653	0.52	13	2.2	GWA Internat'l	B	330	1.42	15	5.5	Promina Group	B	485	1.68	11	4.5
Ansell Ltd	A	1100	1.59	NE	1.3	Gandel R. (CFS)	C	181	9.90	16	5.3	Publishing & Br	A	176	3.40	16	2.6
Aquarius Plat.	A	909	3.34	36	0.9	Get Strn Plant'n	C	226	2.47	6	6.3	O.B.E. Insur.	A	172	1.28	16	3.0
Argo Investment	B	601	N/A	27	3.5	Guinness Peat	B	190	0.62	29	3.3	Qantas Airways	B	335	0.50	8	6.0
Aristocrat Leis	B	1116	4.68	30	0.7	Gunn's Ltd	C	304	1.47	10	4.1	Ramsay Health	A	940	1.11	53	2.1
Arrow Pharm.	B	265	2.49	43	3.8	Hardman Res.	B	222	6.97	16	Nil	Record Invest.	B	650	N/A	22	4.7
Aust Stock Exch	B	2655	9.75	25	3.6	Harvey Norman	B	272	2.24	17	2.4	Reece Australia	B	1450	1.43	19	2.6
Aust Gas Light	C	1477	1.37	8	4.3	Healthscope	A	620	2.05	48	2.0	Rinker Group	A	1513	2.44	24	1.4
Aust Foundation	B	392	N/A	22	4.1	Henderson Group	C	149	0.48	44	Nil	Rio Tinto Ltd	A	5650	4.08	21	1.8
Aust Pharm. Ind	B	315	0.24	27	4.1	ING Indust Trt	A	233	N/A	17	6.3	Rural Press Ltd	A	1168	2.43	12	3.6
Aust Infra.	C	238	N/A	8	5.5	ING Office Fund	B	131	7.22	12	7.8	SFE Corporation	B	1220	7.97	31	2.8
Aust Pipeline	C	345	2.55	14	6.5	Iluka Resources	A	807	2.21	21	2.7	Santos Ltd	A	1178	3.93	18	2.8
Austar United	C	119	3.61	NE	Nil	Incitec Pivot	C	1562	0.80	12	5.8	Seek Ltd	B	284	N/A	41	0.4
Australand Prop	B	192	1.35	11	8.6	Insurance Aust.	B	516	1.06	NE	5.1	Seven Network	B	844	1.47	20	2.8
B & B Infrastr.	C	171	3.86	NE	6.3	Investa Prop.	B	203	3.11	13	8.1	Sigma Company	A	1210	0.81	29	2.1
BHP Billiton	A	2047	1.74	9	1.8	Ivanhoe Mines	D	1200	N/A	NE	Nil	Sims Group Ltd	B	1772	0.63	9	7.9
Babcock & Brown	B	1720	7.06	81	Nil	James Hardie	A	830	2.41	23	0.9	Smorgon Steel	B	155	0.46	15	5.5
Bank of O'land	A	1208	1.62	18	3.6	Jubilee Mines	B	708	3.84	12	6.4	Sonic Health	B	1495	2.97	53	1.5
Baycorp Advant.	A	346	N/A	NE	4.0	Leighton Hold	B	1380	0.59	18	3.6	Soul Pattinson	B	1049	1.96	6	2.4
Bendigo Bank	A	1074	1.59	17	3.7	Lend Lease Corp	B	1343	0.56	25	4.2	Spotless Group	B	493	0.38	19	4.9
Billabong Int'l	C	1320	3.20	22													

Recommended Investments

Lyttelton Port Company plans to buy the business and assets of **NZ Express Transport Christchurch** for an undisclosed consideration. NZ Express is a logistics company offering freight distribution and container services which are a "strategic fit" with the port company's plans for container terminal growth.

NZ Express owns more than 30 trucks and over 45 trailer units plus 9.5 hectares of land close to the port which will provide the "ability to optimise container movements, both on and off the wharf" plus offers "considerable" potential for cargo aggregation. Other complementary services include "container storage, repair, washing and pre-tripping".

Metlifecare's 25% shareholder, Cliff Cook, has

agreed to sell his shares at \$3.75 each to a joint venture between **Macquarie Bank** and Australian listed **FKP**. However, under a prior agreement these shares must first be offered to 35% shareholder **Todd Lifecare**, but if they refuse to purchase then the agreement requires they also offer their shares for sale to the Australian joint venture bidders. Todd must decide whether to buy or sell by 3rd November.

Todd Lifecare *may* exercise its pre-emptive rights and buy the 25% shareholding - either to increase its holding in this rapidly growing company or to re-sell to other investors. This would maintain the current situation and Metlifecare would remain a listed company.

Alternatively, if Todd Lifecare (*Continued on Page 4*)

Portfolio of Recommended Investments

CURRENT ADVICE	Company	Initial Recommendation		Perform- ance Forecast	Issued Shares (mil.)	Vola- tility Ratio	Price/ Sales Ratio	Price/ Earnings Ratio	Gross Dividend Yield	Recent Share Price	Cash Dividends Rec'd	Total Return %	
		Code	- Date - Price										
NZ Shares													
HOLD+	CDL Investments Ltd	CDI	12/01/99	25	D	200.5	1.7	3.38	8	7.0	34	11.3	+81%
HOLD+	Cavalier Corporation	CAV	05/12/95	156*	D	65.5	0.6	1.10	12	11.6	348	170.0	+232%
HOLD+	Colonial Motor Company	CMO	10/11/92	150	C	27.9	0.5	0.22	11	10.4	315	271.3	+291%
BUY	Lyttelton Port Company	LPC	12/12/00	150	B	102.3	0.8	3.01	17	8.4	196	47.0	+62%
BUY	Metlifecare Ltd	MET	10/08/04	236	B	86.5	0.7	2.96	18	1.5	373	7.7	+61%
BUY	Michael Hill Int'l Ltd	MHI	11/06/91	46*	B	38.7	0.4	1.08	18	4.5	760	159.0	+1898%
BUY	Nuplex Industries Ltd	NPX	11/02/97	350	C	76.7	0.6	0.35	11	9.3	425	127.5	+58%
HOLD+	Renaissance Corp	RNS	13/08/96	85*	C	38.2	0.9	0.38	20	9.1	120	29.9	+76%
HOLD+	Richina Pacific	RPL	03/11/95	94*	E	148.7	1.3	0.14	16	3.6	55	11.4	-29%
HOLD	South Port New Zealand	SPN	13/02/96	120	C	26.2	1.0	2.33	16	8.1	120	81.5	+68%
HOLD	Steel & Tube Holdings	STU	08/08/00	146	C	88.1	0.6	0.95	12	10.1	475	132.0	+316%
HOLD+	Taylors Group Ltd	TAY	09/11/99	102	B	24.3	0.7	0.81	15	8.8	220	50.0	+165%
Australian Shares (in Aust cents)													
HOLD	AJ Lucas Group	AJL	13/05/03	120	C	51.6	0.9	0.77	NE	3.2	111	20.5	+10%
BUY	Atlas Pacific Ltd	ATP	14/05/96	73	D	87.8	1.8	3.62	NE	Nil	24	7.0	-58%
BUY	Austin Group Ltd	ATG	08/02/05	93	C	62.2	1.1	0.73	11	8.3	72	4.0	-18%
BUY	Campbell Brothers Ltd	CPB	12/10/99	418*	B	41.3	0.5	0.82	18	4.4	963	177.5	+173%
BUY	Candle Australia	CND	08/04/03	86	A	45.9	0.8	0.47	15	4.9	236	23.5	+202%
HOLD+	Cellnet Group Ltd	CLT	12/02/02	152	C	51.0	1.0	0.10	10	6.1	114	31.5	-4%
HOLD+	Centennial Coal Ltd	CEY	16/01/01	70*	A	268.5	0.6	1.89	24	2.9	456	13.0	+570%
HOLD	Circadian Technologies	CIR	10/02/04	188	D	40.1	1.1	N/A	0	Nil	123	65.0	+0%
BUY	Citect Corporation Ltd	CTL	12/04/05	110	B	52.3	1.1	0.77	15	6.1	90	2.5	-16%
HOLD+	Commander Comm.	CDR	11/09/01	92	A	170.2	0.8	0.64	17	2.6	233	13.2	+168%
BUY	Computershare Ltd	CPU	12/08/03	189	B	594.9	0.7	3.46	38	1.7	649	21.5	+255%
HOLD	Int'l AllSports	IAS	11/02/03	180	C	66.4	1.7	0.04	NE	Nil	31	2.5	-81%
BUY	Iluka Resources Ltd	ILU	12/10/04	471	A	232.9	0.6	2.21	21	2.7	807	22.0	+76%
BUY	Keycorp Ltd	KYC	10/08/04	123*	B	81.6	1.1	0.82	18	Nil	141	Nil	+15%
BUY	LongReach Group Ltd	LRX	11/01/05	23½	C	174.5	2.6	0.60	96	Nil	12½	Nil	-47%
BUY	Melbourne IT	MLB	10/02/04	53	C	52.8	0.9	1.08	17	4.5	123	10.5	+152%
HOLD	M.Y.O.B. Ltd	MYO	15/07/03	84*	C	386.1	1.0	3.20	39	2.2	104	2.3	+26%
BUY	Ross Human Directions	RHD	14/08/01	92	B	81.7	1.3	0.15	10	6.2	65	21.0	-7%
BUY	Skilled Engineering	SKE	12/03/02	126	A	100.5	0.7	0.36	23	5.4	298	57.5	+182%
HOLD+	Sonnet Corporation	SNN	07/09/04	31½	C	137.3	1.9	0.78	12	7.1	21	3.0	-24%
HOLD+	Technology One Ltd	TNE	11/11/03	44	C	299.4	1.3	3.00	16	5.5	56	6.0	+41%
HOLD+	The Reject Shop Ltd	TRS	11/01/05	257	A	25.1	0.7	0.48	14	4.4	390	17.0	+58%
HOLD	Toll Holdings	TOL	08/09/98	60*	B	330.2	0.4	1.11	20	2.0	1304	90.5	+2224%
HOLD	UXC Limited	UXC	11/01/00	55*	B	161.4	1.0	0.63	13	5.8	95	26.3	+120%
BUY	Vision Systems Ltd	VSL	10/11/98	69*	A	179.4	0.9	1.51	41	2.9	143	32.5	+154%

The average Total Return (i.e. both Capital Gains/Losses plus Dividends received) of all current investments from initial recommendation is +201.0%. This is equal to an average annual rate of +42.0%, based upon the length of time each position has been held.

The average annual rate of gain of ALL recommendations (both the 37 current and 130 closed out) is +32.6%, compared with a market gain of +9.1% (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.

Recommended Investments (Continued from Page 3) does not buy the shares then, under the agreement between Mr Cook and Todd Lifecare, the bidder will also be able to acquire their 35% shareholding at the same price. Under the Takeovers Code the bidder will also be required to make the same 375 cents per share offer to the remaining public shareholders.

A full takeover bid for Metlifecare will cost \$327 million, with each joint venture partner contributing \$105 million in equity. This is enough to acquire 64% of Metlifecare - indicating the bidder will choose to purchase the 35% held by Todd Lifecare. 375 cents is perhaps a fair price - but not so high that we would want to sell our Metlifecare shares. If the bidder reaches 90%, then compulsory acquisition will allow them to acquire full ownership of the company. With a shareholding over 65% but under 90%, Metlifecare would remain a listed company - but probably be subject to some financial restructuring to boost shareholder value. Therefore, remaining a minority shareholder in a Metlifecare that is 65-90% owned by the Australian joint venture could prove very rewarding.

If a full takeover bid is made our recommendation would be to NOT accept and to remain a shareholder.

South Port NZ's "Strategic Approach Outline" confirms what we wrote last month (and previously) about the company's strong cash flows. The company reports that cashflow is "sufficient to see a continuation of the current dividend rate", with "no impediment" known to maintaining the current dividend payment policy. Furthermore - if the company cannot find any new investment opportunities - it "would evaluate a return of capital".

The port operation has a "relatively high fixed cost structure" so is seeking to improve utilisation to create "additional shareholder value" (i.e. higher profits). The company believes the best way to achieve this would be to attract shipping companies providing coastal container feeder services to other ports.

South Port NZ will also consider investing its cashflow (or to borrow against that cashflow) to make non-port investments in transport and distribution, energy or infrastructure, but subject to "vigorous analysis".

At 117 cents, South Port NZ shares offer an attractive gross Dividend Yield of 8.3% - with potential for additional cash distributions and/or potential for profit improvement through higher port utilisation or from new investments.

Australian Shares

(This section is in Australian currency, unless stated.) As it had previously warned the market, **AJ Lucas Group** experienced a 39.7% fall in revenues for the year to June 2005 and a loss of \$7,627,000 (minus 14.8 cents per share), compared with a profit of \$6,958,000 in 2004. No final dividend will be paid, so the 3.5 cents interim makes a 56.3% lower annual payout.

As reported two months ago, however, the company expects a strong turn-around this financial year with revenues around \$154 million with earnings (before interest and tax) of \$8-10 million.

Atlas Pacific has reported a strong recovery in profitability and is more optimistic about future returns. For the six months to June 2005 revenues rose 11.0% to \$4,177,375 and profitability recovered 13-fold to \$464,940

(0.5 cents per share).

(Note: The 2004 result has been restated from a reported loss of \$409,347 to comply with new International Financial Reporting standards. The main difference is that a lower value is carried forward for the company's oysters, so results in a lower cost of sales and a higher profit for the period under the new accounting standards.)

The higher revenue is a result of a "larger number of pearls harvested, better quality, an improvement in prices" and lower operating costs. Revenues for the second half of the year are forecast to be around \$6.2 million - lifting annual revenues over 50% to \$10.4 million. This should produce a significantly higher profit - perhaps around \$1.0-1.2 million (1.1-1.4 cents per share) - for the second half of this year and a return to dividend payments.

The company plans to seed over 300,000 oysters at its Alyui Bay pearl farm and 50,000 at its new Bali pearl farm. At the end of June these operations had seeded "almost 200,000" and 14,000 oysters respectively. Details of a "large harvest" in July and August will be released once these pearls have been graded and valued.

Centennial Coal is continuing to extend its takeover for **Austral Coal**. **Glencore's** judicial review has been successful, with the Takeover Panel now required to reconsider its order that Glencore offer to re-sell shares acquired from 22 March to 5 April when it was misleading the market. If the Takeover Panel's reconsideration results in a similar order, then Centennial Coal *maybe* able to increase its holding from 85.75% at present to 90% which would allow compulsory acquisition of all the remaining shares. That is not necessary, but would simplify management and minimise compliance costs.

Centennial Coal reports a "material loss of production" at a worse than expected faulted area in its *Newstan Mine* which has caused "severe roof control problems" and an "extensive roof fall". The existing conveyor belt has been inadequate to remove the additional load of fallen roof material. The production shortfall will be around 450,000 tonnes, or about 15% of annual mine production. To avoid this problem on future longwalls, the company had already planned to install a new armoured face conveyor, with almost three times the capacity. In addition, the company will relocate longwall equipment around this fault in future, rather than mining through it. These measures are expected to result in a "return to normal production and profitability levels" for this mine.

Centennial Coal reports that "other longwall mines are all producing at scheduled rates".

Commander Communications is again the subject of takeover speculation with the media suggesting that **Singapore Telecommunications/Optus** approached institutional investors last month about selling at 255 cents. Brokers have also speculated that "both **Optus** and **Telstra** could gain synergy benefits" of \$50-150 million by acquiring Commander Communications and that the company is interested in drawing them both into a bidding war. Another broker suggests that industry consolidation could see Commander Communication take over **PowerTel** or **People Telecom** - or be acquired by **SP Telemedia**.

Computershare has purchased US based **Lord**

Securities Corporation and Lord Securities (Delaware) LLC for US\$12.4 million in cash, plus up to another US\$3.1 million if performance hurdles are achieved. These companies provide "management and administrative support services to the global structured finance market" and will be "immediately earnings accretive" for Computershare (i.e. will earn more than the interest cost of the money invested).

Computershare has denied massive media speculation that it may join a **Macquarie Bank** led consortium to bid for the **London Stock Exchange**.

Iuka Resources has sold 504 hectares of surplus land at Mundijong (38km south-east of Perth) for \$18.23 million, with settlement before the end of this year.

Keycorp lifted revenues 37.8% to \$139.6 million for the year to 30 June 2005, but trading profits slipped 16.8% to \$6,385,000 (7.8 cents per share). In addition,

there was an \$8.3 million charge for an adjustment to deferred tax assets. No dividend will be paid (although there was recently a 41 cents capital repayment).

The net operating cash surplus increased 69% to a very strong \$30.2 million.

The recently sold *Secure Transactions* business declined sharply as expected, with revenues down 32% to \$18.7 million and pre-tax profits fell 59% to \$6.9 million. More importantly, the continuing businesses all experienced very strong revenue growth and made contributions to profitability. The *Services & Fleet Management* business lifted revenues 152% to \$51.4 million, with pre-tax profits up 105% to \$13.3 million. *Access Devices* revenues also rose strongly, up 107% to \$76.8 million, and this division produced a pre-tax profit of \$2.0 million compared with a loss of \$8.2 million last year. The *Smartcards* division (Continued on Page 6)

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.

Company	STRENGTH RATING				Insider Buy-Sell	Brokers Following	Price to NTA	Return on Equity	Volatility	Price/Earn. Ratio	Dividend Yield	Price/Sales Ratio	Market Cap'n
	Share Price	Cur. rent	4-Wk Chg.	Rank									
UNDER-VALUED SHARES: Lowest Price/Sales, Yld > 0, Rel Strength > 0													
Guinness Peat	206	+4.7	+0.6	30	0.0	-0.4	4	0.8	8	2.5	0.17	1,987	
Col Motor Co	315	+2.8	+0.1	44	1.0	-0.9	8	0.5	11	10.4	0.22	88	
Speirs Group	120	+8.1	+2.1	14	1.0	-1.1	10	1.0	11	10.0	0.22	10	
NZ Wool Service	46	+3.1	+1.9	42	2.0	-1.2	4	1.5	33	3.2	0.27	32	
Renaissance	120	+14.0	-1.2	4	0.2	-4.7	23	0.9	20	9.1	0.38	46	
Mainfreight Grp	354	+20.6	+1.9	3	6.5	5	3.9	15	0.5	25	2.7	0.40	339
Livestock Imp.	138	+3.9	-4.6	37	3.0	-0.5	5	1.0	9	14.3	0.43	45	
Restaurant Brds	143	+4.4	-6.7	33	0.0	4	2.7	21	1.0	13	0.44	138	
Ebos Group Ltd	455	+7.1	+1.4	18	0.1	2	2.5	18	0.5	14	7.1	0.45	126
Broadway Ind	106	+0.6	+5.4	54	0.0	-1.1	5	0.8	22	4.7	0.50	21	
Cabletalk Group	65	+8.5	-7.4	12	2.0	1	2.9	32	1.5	9	6.9	0.50	21
Wrightson Ltd	244	+20.4	+4.3	4	6.3	4	2.4	14	0.9	17	8.6	0.51	356
Warehouse Group	410	+2.7	+2.5	47	2.5	7	3.6	11	0.7	32	5.3	0.56	1,253
Kirkcaldie & St	270	+4.0	+0.2	35	0.1	1	1.2	5	0.6	25	4.1	0.65	27
Vertex Group	209	+5.3	-1.8	26	0.2	-2.7	20	0.8	13	2.9	0.76	67	
Pyne Gould G.	240	+13.9	+3.3	5	0.0	1	2.1	15	0.7	14	5.6	0.78	240
Fletcher Build.	818	+10.0	+2.0	9	3.3	6	2.6	23	0.4	12	5.8	0.81	3,797
Provenco Group	95	+11.6	+0.4	7	0.0	-3.1	27	1.1	11	4.7	0.83	96	
F & P Appliance	335	+2.8	+0.3	45	3.9	7	1.6	12	0.7	13	8.0	0.85	884
Briscoe Group	134	+4.8	+2.4	29	1.3	5	3.0	19	1.1	15	7.8	0.89	284
BEST PERFORMING SHARES: Strongest Shares, P/E < 20, P/S < 1.0													
Wrightson Ltd	244	+20.4	+4.3	4	6.3	4	2.4	14	0.7	17	8.6	0.51	356
Pyne Gould G.	240	+13.9	+3.3	5	0.0	1	2.1	15	0.5	14	5.6	0.78	240
Carver Holt	250	+13.3	+2.1	6	2.3	8	0.8	11	0.6	8	1.6	0.91	3,272
Provenco Group	95	+11.6	+0.4	7	0.0	-3.1	27	0.9	11	4.7	0.83	96	
Fletcher Build.	818	+10.0	+2.0	9	3.3	6	2.6	23	0.3	12	5.8	0.81	3,797
Cabletalk Group	65	+8.5	-7.4	12	2.0	1	2.9	32	1.2	9	6.9	0.50	21
Speirs Group	120	+8.1	+2.1	14	1.0	-1.1	10	1.0	8	11	10.0	0.22	10
Ebos Group Ltd	455	+7.1	+1.4	18	0.1	2	2.5	18	0.4	14	7.1	0.45	126
Affco Holdings	46	+6.6	+0.2	21	0.1	-1.2	27	0.9	4	Nil	0.26	249	
Tenon Ltd	405	+5.5	+0.6	25	0.0	6	1.5	16	0.6	10	Nil	0.67	282
Tower Limited	219	+5.5	+1.1	25	1.0	4	1.1	7	0.6	17	Nil	0.86	903
Vertex Group	209	+5.3	-1.8	26	0.2	-2.7	20	0.7	13	2.9	0.76	67	
Briscoe Group	134	+4.8	+2.4	29	1.3	5	3.0	19	0.9	15	7.8	0.89	284
Guinness Peat	206	+4.7	+0.6	30	0.0	-0.4	4	0.8	8	2.5	0.17	1,987	
Restaurant Brds	143	+4.4	-6.7	33	0.0	4	2.7	21	1.0	13	10.4	0.44	138
Steel & Tube	475	+3.9	+0.2	37	2.2	7	3.1	27	0.5	12	10.1	0.95	418
Livestock Imp.	138	+3.9	-4.6	37	3.0	-0.5	5	0.8	9	14.3	0.43	45	
Col Motor Co	315	+2.8	+0.1	44	1.0	-0.9	8	0.4	11	10.4	0.22	88	
F & P Appliance	335	+2.8	+0.3	45	3.9	7	1.6	12	0.6	13	8.0	0.85	884
INCOME SHARES: Highest Yields, Capitalisation > NZ\$100 million													
Cavalier Corp	348	-2.6	-0.8	70	6.11	3	3.6	31	0.4	12	11.6	1.10	228
Restaurant Brds	143	+4.4	-6.7	33	0.0	4	2.7	21	0.7	13	10.4	0.44	138
Steel & Tube	475	+3.9	+0.2	37	2.2	7	3.1	27	0.4	12	10.1	0.95	418
Gullivers Trv.	148	-0.7	+2.9	62	0.0	-0.9	7	0.7	12	9.9	0.35	148	
Hellaby Hold.	595	-0.1	+1.4	60	0.0	3	2.9	21	0.3	14	9.8	0.75	293
Telecom Corp	589	+0.8	-0.3	52	3.25	8	4.8	38	0.4	13	9.8	2.00	11,530
Nuplex Indust	425	-1.2	+0.5	65	2.0	6	1.3	12	0.5	11	9.3	0.35	326
Wrightson Ltd	244	+20.4	+4.3	4	6.3	4	2.4	14	0.7	17	8.6	0.51	356
Tourism Hold.	192	+3.6	+1.2	39	3.2	4	1.1	6	0.6	18	8.6	1.06	189
Lytelton Port	196	+6.6	+1.8	20	0.0	6	1.5	9	0.5	17	8.4	3.01	200

Company	STRENGTH RATING				Insider Buy-Sell	Brokers Following	Price to NTA	Return on Equity	Volatility	Price/Earn. Ratio	Dividend Yield	Price/Sales Ratio	Market Cap'n
	Share Price	Cur. rent	4-Wk Chg.	Rank									
INSIDER BUYING: Most Insider Buying, Relative Strength > 0													
Livestock Imp.	138	+3.9	-4.6	37	3.0	-0.5	5	0.6	9	14.3	0.43	45	
GDC Communicat.	15	+3.7	-1.1	38	3.0	-1.7	-	1.6	NE	Nil	0.22	10	
Pacific Retail	208	+0.6	+1.4	55	3.0	1.1	-	0.7	NE	Nil	0.13	130	
Skellmax Indust	138	+8.3	+2.3	13	3.0	4	4.2	38	0.5	11	7.6	1.17	138
MG Property Trt	123	+3.9	-0.6	38	3.0	6	1.2	5	0.4	24	9.2	N/A	420
Wrightson Ltd	244	+20.4	+4.3	4	6.3	4	2.4	14	0.6	17	8.6	0.51	356
Comvita	230	+2.7	+2.2	46	6.3	-1.9	-	8.4	0.4	23	1.4	1.07	30
Cabletalk Group	65	+8.5	-7.4	12	2.0	1	2.9	32	1.0	9	6.9	0.50	21
Mike Pero Mort.	65	+0.5	+1.6	56	2.0	-1.4	14	0.8	10	13.8	1.23	16	
Ryman Health.	451	+13.5	+2.7	5	2.0	4	2.4	13	0.4	19	2.5	3.72	451
OVER-VALUED SHARES: Highest Price/Sales Ratios, Relative Strength < 0													
NZ Exchange Ltd	740	-7.1	+0.1	81	1-1	1	3.2	12	0.4	26	Nil	5.18	94
Cert Organics	6	-10.6	+0.9	88	0-1	-1.1	-	2.0	NE	Nil	4.40	6	
Sealegs Corp	22	-8.2	+0.8	82	2-2	-8.4	-	2.0	NE	Nil	4.19	14	
Port Tauranga	440	-5.2	-0.5	77	4-1	7	1.4	8	0.3	18	6.8	4.05	589
Finmedia Ltd	130	-9.6	-2.6	84	0-0	-1.1	3.2	0.4	4	Nil	2.89	16	
Cadmus Tech Ltd	24	-1.2	+4.1	65	1-5	-4.7	-	3	1.1	160	Nil	2.86	56
Kingfish Ltd	95	-1.8	+1.1	69	0-1	-0.7	2.2	0.7	3	3.1	2.48	56	
TeamTalk Ltd	246	-0.4	+0.5	61	0-4	1	2.3	14	0.5	16	10.9	2.46	49
New Image Group	8	-24.5	+2.9	96	0-0	-1.8	-	2.1	NE	Nil	2.25	15	
Connexion	36	-9.9	+0.7	86	0-0	-12.0	23	0.9	53	Nil	2.12	6	
Blue Chip NZ	85	-9.1	-0.4	84	0-6	-4.8	52	0.9	9	Nil	2.07	45	
WORST PERFORMING SHARES: Weakest Shares, P/S Ratio > 0.25, Yield < Twice Average													
Spectrum Res.	15	-58.3	+0.0	98	0-0	-20.5	-	1.1	NE	Nil	1.63	46	
A2 Corporation	8	-26.4	+0.6	97	0-0	-	-	1.5	NE	Nil	N/A	5	
New Image Group	8	-24.5	+2.9	96	0-0	-1.8	-	2.0	NE	Nil	2.25	15	
Life Pharmacy	103	-19.7	+0.9	95	0-1	-20.6	-	0.7	NE	1.7	N/A	554	
VTL Group Ltd	53	-17.8	-2.0	94	0-2	-0.9	11	1.0	8	6.3	0.56	16	
Turners & Grow.	196	-14.1	-1.8	92	1-2	-0.7	5	0.5	15	Nil	0.25	141	
Finsoft Solns	70	-11.7	-0.5	91	0-0	-1.7	5	0.5	33	Nil	0.82	6	
Air New Zealand	112	-11.5	-1.1	90	12-3	6	0.7	12	0.6	6	6.7	0.30	1,120
WN Drive Tech.	38	-11.2	+1.9	89	1-2	-7.7	-	0.8	NE	Nil	N/A	59	
Mr Chips Hold	83	-11.1	-3.2	89	0-0	-1.6	11	0.6	14	7.2	0.57	20	
Cert Organics	6	-10.6	+0.9	88	0-1	-1.1	-	1.9	NE	Nil	4.40	6	
Kidicorp	15	-10.5	+3.7	87	0-0	-2.5	-	1.1	NE	Nil	1.12	27	
Connexion	36	-9.9	+0.7	86	0-0	-12.0	23	0.8	53	Nil	2.12	6	
Widespread Port	2	-9.9	+0.4	85	0-0	-0.7	-	2.7	NE	Nil	N/A	6	
Finmedia Ltd	130	-9.6	-2.6	84	0-0	-1.1	3.2	0.3	4	Nil	2.89		

Recommended Investments (Continued from Page 5)
 revenues rose 86% to \$29.6 million, with a pre-tax profit of \$1.9 million, up from an \$800,000 loss in 2004.

Sonnet Corporation lifted revenues 38.8% to \$36.9 million for the year to June 2005. Pre-tax profits were 16.4% higher, but the company had exhausted previous tax losses, so after tax profits were 28.5% lower at \$2,445,544. The issued capital also increased significantly, so earnings per share were 57% lower at 1.8 cents. No final dividend will be paid, leaving the 1.5 cents interim to make a 66.7% lower payout for the year.

The **Vertel** acquisition, however, made no contribution to revenues or profits for the period but is

expected to contribute revenues of \$27 million and tax paid profits of \$2.7 million this year - which should produce an earnings per share of about 3½ cents.

The company expects to provide "earnings guidance to the market in late November" and will consider the "ongoing payment of dividends" based upon the performance of the new business, new opportunities and the company's capital requirements.

Technology One has won a contract to write new general ledger, accounts payable and fixed assets software for **Adelaide Bank**. This project should be completed and running by April 2006.

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

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Company	STRENGTH RATING				Insider Buy/Sell	Brokers Following	Price to NTA	Return on Equity	Volatility	Price/Earn. Ratio	Dividend Yield	Price/Sales Ratio	Market Cap'n	Company	STRENGTH RATING				Insider Buy/Sell	Brokers Following	Price to NTA	Return on Equity	Volatility	Price/Earn. Ratio	Dividend Yield	Price/Sales Ratio	Market Cap'n	
	Share Price	Cur. rent	4WK Chg.	Rank											Cur. Price	4WK Chg.	Rank	Cur. Price										4WK Chg.
OVER-VALUED SHARES: Highest Price/Sales Ratios, Relative Strength < 0																												
Strata Mining	2	-2.4	+9.9	63	0.0	-	-	-	2.7	NE	Nil	N/A	9	IT & e Limited	11	-24.7	-1.4	96	2.0	-	-	-	-	2.1	NE	Nil	1.79	18
QRSciences Hold	10	-12.9	+6.4	86	2.0	-	5.0	-	1.1	NE	Nil	9.80	22	Select Vaccines	18	-24.7	-1.5	96	2.0	-	6.0	-	-	0.9	NE	Nil	N/A	5
Strategic Poole	22	-6.6	-0.9	75	0.0	-	0.9	4	0.9	21	Nil	9.11	16	Reefton Mining	3	-24.1	-9.5	95	0.1	-	-	-	-	2.2	NE	Nil	N/A	8
Harrington Grp	17	-0.7	-2.7	57	1.0	-	2.8	-	1.3	NE	Nil	9.04	22	Lumacom	6	-24.0	+3.5	95	0.0	-	3.0	-	-	1.4	NE	Nil	4.80	7
Cleland (P) Ent	43	-2.0	+3.8	61	0.0	-	0.8	0	0.8	239	Nil	9.01	7	Uscom Limited	95	-23.7	+3.0	95	4.0	-	3.2	-	-	0.3	NE	Nil	N/A	16
Sun Capital Grp	5	-8.6	+0.6	79	2.0	-	5.1	-	1.9	NE	Nil	8.64	7	Pan Palladium	18	-23.6	+5.6	95	0.0	-	-	-	-	1.1	NE	Nil	N/A	16
Dwyka Diamonds	68	-8.3	-0.0	79	0.0	-	-	-	0.8	NE	Nil	8.58	43	Aust Mining Inv	19	-23.5	+1.8	95	0.0	-	-	-	-	1.3	NE	Nil	N/A	6
Infracorp Ltd	24	-3.8	+3.9	68	3.1	-	0.7	-	0.8	NE	Nil	8.57	6	Minerals Corp.	4	-23.5	-1.3	95	2.0	-	0.2	-	-	1.6	NE	Nil	1.55	21
Prana Biotech.	18	-23.3	+5.3	95	0.0	-	1.2	-	1.0	NE	Nil	8.45	22	Argus Solutions	7	-23.5	+3.8	95	0.0	-	1.3	-	-	1.5	NE	Nil	5.55	12
Virax Holdings	23	-14.8	-0.7	89	0.0	-	5.8	-	1.3	NE	Nil	8.42	14	Prana Biotech.	18	-23.3	+5.3	95	0.0	-	1.2	-	-	1.0	NE	Nil	8.45	22
Mariner Retire.	27	-18.4	+1.5	92	0.0	-	5.3	-	1.0	NE	Nil	8.28	34	Probiomix Ltd	8	-23.0	+2.5	95	0.0	-	-	-	-	1.5	NE	Nil	5.82	9
Medical Dev Int	78	-11.0	+4.0	84	4.0	-	26.0	10	0.7	269	Nil	8.23	44	Bone Medical	29	-22.6	+2.4	94	1.0	-	3.6	-	-	0.8	NE	Nil	N/A	17
Mineral Commnd.	13	-7.5	+4.3	77	1.0	-	-	-	1.7	NE	Nil	7.88	7	GPS Online	3	-22.2	+6.7	94	0.0	-	-	-	-	2.2	NE	Nil	1.47	5
Auselect Ltd	90	-1.2	+1.9	58	1.0	-	0.9	3	0.6	28	Nil	7.84	46	Bioprospects	3	-22.0	+2.5	94	0.0	-	-	-	-	2.2	NE	Nil	N/A	6
CMC Power Syst.	2	-1.1	+0.3	58	0.0	-	-	-	2.9	NE	Nil	7.73	5	Westonia Mines	9	-22.0	+6.1	94	2.1	-	-	-	-	1.2	NE	Nil	N/A	132
Bass St Oil Coy	21	-17.0	+9.3	90	0.3	-	-	-	1.1	47	Nil	7.65	8	Hitech Energy	2	-21.6	-0.2	94	0.0	-	2.3	-	-	2.6	NE	Nil	N/A	10
Electro Optic	350	-1.9	-1.7	61	0.0	-	-	-	0.6	NE	Nil	7.63	121	PharmNet Online	3	-20.9	+2.5	93	1.2	-	2.7	-	-	2.8	NE	Nil	0.88	5
Hunter Hall Int	595	-4.6	+1.6	70	0.1	-	9.8	60	0.5	16	6.1	7.43	143	Compumedics Ltd	20	-20.7	+0.3	93	1.0	-	3.3	-	-	1.0	NE	Nil	0.73	28
Anvil Mining	52	-1.3	+8.0	59	0.1	-	0.2	0	0.8	136	Nil	7.42	150	World.net Serv.	9	-20.7	+6.0	93	0.0	-	-	-	-	1.5	NE	Nil	1.48	6
Ezenet Limited	14	-3.1	+4.6	65	0.0	-	13.5	-	1.3	NE	Nil	7.42	8	Po Valley Ener.	50	-20.4	-8.0	93	0.0	-	-	-	-	0.8	NE	Nil	N/A	35
Cygenics Ltd	30	-13.5	+4.4	87	5.0	-	1.7	-	0.9	NE	Nil	7.13	15	Sunnycove Mgmt	69	-20.4	+2.7	93	0.0	-	1.8	-	-	0.8	NE	Nil	1.28	10
Analytica Ltd	4	-14.6	+4.0	88	4.0	-	3.8	-	2.0	NE	Nil	6.91	6	NSX Limited	49	-19.8	+1.9	93	0.2	-	-	-	-	0.9	NE	Nil	N/A	25
Eiffel Tech.	3	-19.3	+7.6	92	0.0	-	3.1	-	2.5	NE	Nil	6.89	7	Sunshine Heart	20	-19.6	-4.4	93	1.0	-	1.3	-	-	1.0	NE	Nil	N/A	13
Premier Bionics	21	-12.4	+5.4	86	1.0	-	3.5	-	0.9	NE	Nil	6.44	10	Titan Resources	5	-19.4	+2.3	92	2.4	-	1.8	-	-	1.5	NE	Nil	N/A	20
IBT Education	195	-4.3	+2.2	70	0.1	-	1	-	0.5	23	4.3	6.37	676	Eiffel Tech.	3	-19.3	+7.6	92	0.0	-	3.1	-	-	2.3	NE	Nil	6.89	7
Kip McGrath EC	137	-14.4	+2.0	88	2.1	-	-	-	0.4	45	4.0	6.31	24	Siberia Mining	8	-19.2	+10.2	92	1.0	-	-	-	-	1.4	NE	Nil	1.99	8
Metals Exp.	72	-0.5	-2.1	56	2.0	-	-	-	0.8	11	Nil	6.03	38	World Audio Ltd	5	-19.2	-6.1	92	0.0	-	-	-	-	1.5	NE	Nil	N/A	10
Redflex Holding	320	-2.7	+4.3	64	1.3	1	5.5	12	0.4	47	Nil	5.92	274	Pearl Healthcare	4	-18.5	+4.4	92	3.0	-	1.3	-	-	2.1	NE	Nil	0.30	5
Probiomix Ltd	8	-23.0	+2.5	95	0.0	-	-	-	1.6	NE	Nil	5.82	9	Mariner Retire.	27	-18.4	+1.5	92	0.0	-	5.3	-	-	0.9	NE	Nil	8.28	34
Aevum Ltd	154	-1.0	+2.8	58	3.0	-	1.0	4	0.6	28	3.9	5.77	126	Unifite Medical	51	-18.1	+1.3	92	1.0	-	3.4	-	-	1.3	NE	Nil	N/A	51
Gleneagle Gold	14	-16.2	+7.4	90	0.0	-	-	-	1.2	NE	Nil	5.74	7	Namakwa Diamond	11	-18.1	+4.7	91	2.0	-	-	-	-	1.1	NE	Nil	N/A	9
Tele-IP Limited	2	-10.4	-1.8	82	0.0	-	-	-	3.1	NE	Nil	5.71	8	Sydney Gas Ltd	51	-17.6	+3.4	91	0.0	2	-	-	-	0.7	NE	Nil	N/A	119
Asset Loans Ltd	38	-2.8	-2.2	64	0.0	-	-	-	0.8	24	2.6	5.62	18	Medigard Ltd	10	-17.5	+2.4	91	0.0	-	2.4	-	-	1.7	NE	Nil	N/A	6
Datadot Tech.	33	-1.7	+7.8	60	2.0	-	-	-	1.1	NE	Nil	5.60	38	Adamus Resource	50	-17.5	+3.7	91	0.0	-	-	-	-	1.3	NE	Nil	3.29	30
Becton Prop Grp	46	-3.2	-1.9	66	0.0	-	-	-	1.0	19	16.3	5.58	46	ORT.G.	17	-17.4	-4.1	91	1.0	-	0.8	-	-	1.3	NE	Nil	0.37	101
Argec Solutions	7	-23.5	+3.8	95	0.0	-	1.3	-	1.6	NE	Nil	5.55	12	E.R.T Ltd	7	-17.4	+2.0	91	0.0	-	7.0	-	-	2.1	NE	Nil	N/A	8
Xceed Biotech.	15	-13.1	+1.8	87	4.0	-	1.3	-	1.0	NE	Nil	5.47	12	Lakes Oil NL	3	-17.3	+1.3	91	3.0	-	-	-	-	2.2	NE	Nil	N/A	32
Anadis Limited	34	-8.0	-1.1	78	0.0	-	4.9	-	1.0	NE	Nil	5.40	31	Sonnomed Ltd	26	-17.3	+4.0	91	1.0	-	4.3	-	-	0.9	NE	Nil	N/A	16
Proteome Syst	29	-6.9	+1.7	76	3.0	-	4.8	-	0.9	NE	Nil	5.38	29	INSIDER SELLING: Most Insider Selling, Relative Strength < 0														
Desane Group	100	-0.5	-2.1	56	0.2	-	1.1	6	0.6	19	2.0	5.30	27	Troy Resources	264	-0.7	+3.8	57	0.5	-	-	-	-	0.5	15	2.5	2.29	129
Bionomics Ltd	15	-15.4	+7.3	89	0.1	-	1.8	-	1.4	NE	Nil	5.16	16	De Grey Mining	20	-17.0	+2.6	90	0.5	-	-	-	-	0.9	NE	Nil	N/A	15
Optiscan Image	29	-6.5	-0.9	75	8.0	-	2.4	-	1.0	NE	Nil	5.14	23	Ent Media & Tel	1	-52.5	-1.2	99	0.5	-	-	-	-	2.8	NE	Nil	0.93	8
Lumacom	6	-24.0	+3.5	95	0.0	-	3.0	-	1.5	NE	Nil	4.80	7	Ten Network	350	-1.2	-0.8	58	0.5	9	-	-	-	0.3	23	5.1	2.08	1,386
Pharmaust Ltd	24	-0.9	+5.4	57	7.0	-	4.8	-	0.8	NE	Nil	4.79	16	Villa World	151	-0.1	+3.0	55	0.4	1	1.7	24	0.3	7	8.9	0.92	173	
Indigo Pacific	95	-9.2	+4.6	80	0.0	-	1.5	23	0.8	6	5.3	4.50	67	Datafast Tel.	1	-0.1	+4.9	54	1.5	-	-	-	-	3.2	70	Nil	0.65	18
Peptech Limited	133	-4.9	-2.1	71	4.0	1	3.0	40	0.5	8	Nil	4.50	215	Lionore Mining	615	-1.9	-1.6	61	2.6	-	-	-	-	0.3	12	Nil	2.31	1,200
Lion Selection	190	-0.8	+1.6	57	0.0	-	1.1	18	0.7	6	5.3	4.10	190	Cellessis Ltd	242	-												

Company Analysis: Postie Plus Group

Postie Plus Group (code PPG).

Postie Plus Group is a small NZ retailer that appears to be in a recovery phase and therefore offers investors the potential for high income and strong capital appreciation over the next 12-18 months.

Company History

This business began in 1909 with a barber's shop that later converted to a footwear and drapery store. The *Postie* clothing mail order business was established in the 1980's and the 57 store **Warehouse Clothing Company** business was acquired in 1994. This acquisition proved unsuccessful, resulted in significant losses and most of these new stores were soon closed. In 1999 the company began opening *Postie+* stores in Auckland.

Postie Plus Group listed on the NZ stockmarket in September 2003 after offering 20,000,000 shares to the public at \$1.00. 75% of these were new shares, raising \$15.0 million for the company to finance the acquisition of **Arbuckles** and future growth, and 25% were sold by the existing shareholders.

In October 2003 the company announced the acquisition of 10 clothing stores from **Gardner Fashions** in the North Island which were initially rebranded as *Rendalls Ladieswear Fashion* stores. Most *Rendalls* stores were later changed to *Postie+* stores.

The group's smallest retail business is *Baby City*, with just eight stores.

Recent Results

For the year to 31 July 2004 the group reported revenues of \$108.5 million and a profit of \$4,019,000 (10.0 cents per share). A final dividend of 4.06 cents brought the annual payout to 7.06 cents (plus full imputation tax credits). The net operating cash surplus was \$4.1 million.

Revenues were 1.2% ahead of the prospectus forecast, while profits were about 7% lower than expected.

Poor weather in December 2004 had a "significant impact" on summer season clothing sales and profitability for the half year to 31 January 2005. Group revenues were up 5.4% to \$55.2 million - but helped by acquisitions as same store sales were down 5%. The company *lost* \$466,000 for this period - compared with a profit of \$2,029,000 in the same period the previous year - and the interim dividend was cancelled. This downturn in business resulted in the shares losing over 40% of their value and falling to a low of 58 cents.

The year to July 2005 shows revenues up 5.4% to \$114.3 million and profits down 58.5% to \$1,669,000 (4.2 cents per share). The net cash operating surplus was strong at \$6.8 million.

This shows that during the the *second* half of the year profitability recovered strongly to \$2,135,000 (5.3 cents per share), up 7.3% on the second half of 2004. Dividend payments will be re-instated with a final 3.0 cents (plus full imputation tax credits) payable on 12 December, with the shares trading ex-dividend on 11 November.

The Group has also sought to reduce overheads and

improve stock turnover, but the impact of this will show up in future results.

Investment Criteria

At 70 cents, Postie Plus Group shares trade on a very low Price/Sales ratio of 0.24 and an average Price/Earnings ratio of 17 and average Dividend Yield of 6.4%. Both the earnings and dividend, however, are depressed by the first half loss. A recovery in earnings this year to 9-10 cents and a 65% payout ratio would allow the annual dividend to return to around 6-6½ cents - improving the P/E to a low 7-8 and improving the gross Yield to 12.8-13.9%. This would probably result in the shares being re-rated to around 100-120 cents over the next 6-18 months.

The issued capital consists of 40,000,000 shares, so the market capitalisation is just \$28 million.

There has been no *insider* buying or selling on-market.

Directors have a significant holding in the business.

Managing Director P Young owns 3,736,000 shares (9.34% of the company) while R Dallaca has 2,484,740 shares (6.2%) and J Dallaca 1,766,050 shares (4.4%). The other directors hold between 37,500 and 75,000 shares each.

The shares are also *neglected* by brokers and institutional investors with just one broker following the company closely enough to publish profit forecasts.

The shares still have a *negative* Relative Strength rating of -3.5%, ranked 73, but this is improving and likely to turn positive within the next few months. The shares hit a low of 58 cents in April and May 2005 and have started to recover over recent months.

Summary and Recommendation

We are not formally recommending Postie Plus Group shares as this is a very small company with limited volumes of shares trading - but the shares have the potential to offer investors a high current income and strong capital appreciation over the next 12-18 months if the recent recovery in profitability can be maintained.

Small companies can involve higher risks - so it is appropriate that investors minimise this company risk by only investing a small percentage of a portfolio in this type of company. While being aware of these smaller company risks, a small investment in the shares could be appropriate to a wide range of investors, including those seeking high current income and investors seeking capital appreciation from a recovery situation.

Postie Plus Group



"Insider" Trades in Australian Shares

The table below shows the number of Purchases and Sales of a company's shares by its Directors over the last twelve months (excluding "Neutral" situations where the number of Buyers and Sellers were equal). Shares where many "insiders" have been buying can outperform the market for up to two years, while shares where many "insiders" have sold can under-perform for a similar period.

"Insider" Indicators

Last 5 wks: 71.6% Buyers

Last 13 wks: 69.6% Buyers

Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers
A.P. Eagers	1-0	Aurora Minerals	1-0	Buderim Ginger	7-0	Cons Minerals	3-5	Fast Scout Ltd	1-0
A1 Minerals Ltd	0-1	Aurora Oil Gas	1-0	Buka Minerals	6-0	Coonawarra Aust	0-1	Felix Resources	2-0
ABB Grain Ltd	3-0	Aurox Resources	7-2	Bullion Min.	11-0	Cooper Energy	1-2	Fiducian P Serv	6-0
ABC Learning	6-3	Ausdrill Ltd	1-0	Bunnings W/hse	4-0	Copper Strike	1-0	Financial Res.	4-0
AED Oil Ltd	2-0	Auselect Ltd	1-0	Burdekin Pacifi	2-0	CopperCo Ltd	1-0	Finbar Intern'l	2-1
AFT Corporation	1-0	Auspine Ltd	1-0	CBH Resources	1-5	Cordukes Ltd	1-0	First Aust Res.	2-0
AHC Ltd	0-1	Ausquest Ltd	2-0	CCI Holdings	1-0	Corp Express	1-2	Fleetwood Corp	1-2
AI Limited	0-1	Ausron Limited	6-0	CDS Tech	0-2	Coventry Group	3-0	Flight Centre	1-0
AMCIL Limited	3-0	Aust Ethical In	0-1	CEC Group Ltd	0-1	Creatable Media	9-0	Flinders Diam.	1-0
AMP Ltd	3-0	Aust United In	3-0	CFS Private Cap	1-0	Credit Corp	1-0	Fortescue Metal	1-2
ANZ Bank	4-2	Aust Stock Exch	1-0	CO2 Group Ltd	0-1	Crescent Gold	1-0	Foster's Group	1-0
APN News Media	3-0	Aust Mines Ltd	2-0	CSL Limited	1-2	Croesus Mining	0-3	Fox Resources	3-0
ARB Corporation	1-0	Aust Education	4-0	CTI Logistics	2-0	Cryosite Ltd	2-0	Frigrite Ltd	1-0
ARC Energy	0-2	Aust Foundation	4-0	CVC Limited	2-0	Cryptome Pharm.	1-0	Funtastic Ltd	5-3
ASG Group Ltd	2-4	Aust Wealth Mgt	8-0	Callcharge Ltd	0-5	Cullen Resource	0-4	Futuris Corp.	1-0
AV Jennings	1-0	Aust Agricult.	4-0	Callden Group	1-0	Customers Ltd	0-2	G Retail Ltd	2-0
AWB Limited	3-0	Aust Infra.	2-0	Caltex Austria	1-0	Cygenics Ltd	5-0	G.R.D. NL	6-1
AXA Asia Pac	1-2	Aust Energy	0-3	Campbell Bros	2-1	Cypress Lakes	0-1	G.U.D. Holdings	2-1
Aberdeen Leader	0-1	Aust Healthcare	1-0	Canberra Invest	1-0	Cytopia Ltd	1-0	GPT Group	1-0
Abra Mining Ltd	2-0	Austar United	0-1	Candle Aust.	6-0	DCA Group Ltd	2-8	GWA Internat'l	3-1
Access Provider	2-1	Austal Limited	1-2	Capral Alum.	2-0	Dark Blue Sea	5-0	Gale Pacific	12-0
Acrux Ltd	1-0	Austereo Group	0-1	Cardia Tech.	1-2	Datadot Tech.	2-0	Galleo Shop Am	0-1
Acuron Ltd	1-0	Austin Group	2-0	Cardno Ltd	9-0	Datafast Tel.	1-5	Gaming & Ent.	2-0
Adelaide Bright	5-0	Australand Prop	1-0	Carlton Invest	0-2	David Jones	1-0	Garratt's Ltd	3-0
Admerex Ltd	2-0	Avatar Indust.	2-0	Carnarvon Pet.	1-0	De Grey Mining	0-5	Gateway Mining	2-0
Admiralty Res.	1-0	Avexa Limited	6-0	Carpathian Res.	11-0	Deep Sea Fish.	1-0	Gazal Corp	4-0
Adsteam Marine	1-0	Aviva Corp Ltd	1-0	Carpenter Pac.	1-0	Deep Yellow Ltd	0-3	Genetic Tech.	2-0
Adv Nanotech.	1-0	Axiom Property	1-0	Carrick Gold	7-0	DenX Ltd	4-0	Gippsland Ltd	0-1
Aequus Capital	1-0	Aztec Resources	1-0	Caspian Oil & G	8-1	Desane Group	0-2	Glengarry Res.	0-1
Aevum Ltd	3-0	B Digital Ltd	1-0	Catalyst Rec'mt	1-0	Destra Corp Ltd	3-0	Global Approach	3-0
Affiance Group	0-1	BBX Holdings	4-0	Cazaly Res Ltd	7-3	Devine	1-0	Gloucester Coal	2-0
Agenix Limited	4-0	BHP Billiton	0-1	Celastis Ltd	0-3	DiaB Tech Ltd	1-0	Gold Aura Ltd	3-0
Agincourt Res.	0-3	BMA Gold Ltd	4-1	Centamin Egypt	1-0	Diamonex Ltd	1-0	Golden Cross	1-0
Aim Resources	2-0	BCT Solutions	14-0	Centennial Coal	1-0	Didasko Ltd	1-0	Golden Valley	3-0
Albidon Ltd	1-0	Ballarat Gold	1-0	Centro Retail	1-0	Dioro Explor.	3-0	Goldstream Min.	0-1
Alcaston Mining	7-0	Baraka Petrol.	1-0	Centro Property	7-1	Discovery Nick.	2-0	Goldsearch Ltd	4-0
Ale Property	5-0	Bass St Oil Coy	0-3	Century Aust In	1-0	Div. United Inv	3-0	Gowing Brothers	1-0
Alesco Corp Ltd	4-3	Batavia Mining	7-6	Ceramic Fuel C.	1-0	Div. Utility	0-1	Grange Resource	18-1
Alexander Res.	2-0	Baxter Group	3-1	Chal Financial	1-0	Djerriwarrah	2-5	Greater Pacific	2-3
Alinta Limited	2-1	Beach Petroleum	2-1	Chal Wine Trust	1-0	Dominion Mining	3-0	Green Rock En.	1-0
Alkane Explor.	3-0	Beaconsfield GI	1-0	Chalmers	1-0	Downer EDI Ltd	1-0	Green's Foods	11-0
Allegiance Min.	0-1	Bendigo Mining	2-0	Chandler McLeod	0-1	Dromana Estate	1-0	Gregory Aust.	1-0
Allied Tech Grp	2-3	Bendigo Bank	0-4	Chariot Limited	1-0	E-Bet Limited	3-0	Gro Pep Limited	4-2
Allied Gold Ltd	3-0	Benitec Ltd	3-2	ChemGenex Pharm	1-0	E.R.G.	1-0	Gt Western Exp.	1-0
Alpha Tech.	5-0	Bentley Int'l	16-0	Chemeq Ltd	0-1	EC-Asia Int'l	1-0	Guinness Peat	0-3
Altium Limited	2-0	Berkeley Res.	3-0	Cheviot Bridge	2-0	Echelon Res.	2-1	Gunns Ltd	2-3
Alumina Ltd	0-2	Betcorp Ltd	10-0	Childs Family	0-2	Elkedra Diamond	2-0	Gunson Res.	0-1
Amalgamated Hld	0-1	Beyond Int'l	4-0	Chiquita Brands	1-0	Ellex Medical	3-0	Hampton Hill	2-0
Ambertech Ltd	2-1	Bill Express	1-0	Choiseul Inv.	4-0	Empire Oil, Gas	0-1	Hardman Res.	1-2
Ambition Group	1-0	Biodiem Ltd	1-0	Citic Australia	0-1	Energy Resource	0-1	Harrington Grp	1-0
Ambri Limited	2-0	Biomd Ltd	2-0	Citigold Corp	0-1	Ent Media & Tel	0-5	Harvey Wld Trav	3-0
Amcom Telecom.	0-4	Biometrics Ltd	2-1	City Pacific	2-1	Entek Energy	4-0	Harvey Norman	0-1
Amcor Ltd	1-0	Bionomics Ltd	0-1	Clime Capital	2-0	Enterprise En.	0-3	Hastie Group	2-0
Amrad Corp.	8-1	Biosignal Ltd	1-0	Clinical Cell	2-0	Envirozel Ltd	1-0	Heartware Ltd	8-0
Analytica Ltd	4-0	Biron Capital	0-3	Clover Corp.	3-0	Environ'mt Grp	2-0	Heemskirk Cons.	1-0
Anglo Pacific	2-4	Blackmores Ltd	3-0	Club Crocodile	3-1	Epitan Limited	2-1	Heggies Bulk.	5-0
Ansell Ltd	0-4	Black Range Min	0-2	CocaCola Amatil	0-1	Equigold NL	5-0	Helix Resources	2-0
Antares Energy	15-0	Blaze Intern'l	1-0	Cochlear Ltd	2-0	Equinox Min.	1-0	Henderson Group	1-0
Anvil Mining	0-1	Blina Diamonds	2-0	Cockatoo Ridge	1-0	Equity Trustees	1-0	Heron Resources	4-0
Anzon Australia	1-0	Bluescope Steel	1-0	Coffey Int'l	2-0	Espreon Ltd	0-1	Hill End Gold	4-0
Apex Minerals	2-0	Bluestone Tin	3-0	Cogstate Ltd	4-0	Essa Australia	1-0	Hillcrest Litig	2-0
Apollo Life Sci	1-0	Bone Medical	1-0	Coles Myer	2-0	Eumundi Group	2-0	Hillgrove Res.	2-1
Aquarius Plat.	5-0	Boom Logistics	1-2	Colorpak Ltd	1-0	Eurogold Ltd	1-0	Hire Intell.	8-0
Aquila Res.	2-0	Bow Energy Ltd	2-0	Colorado Group	1-0	Evans & Tate	4-0	HomeLeisure Ltd	6-0
Arafura Res.	1-0	Bradken Ltd	1-0	Comwealth Bank	0-1	Everest B&B Alt	12-0	Homeloans Ltd	1-0
Argo Investment	1-0	Brain Resource	2-0	Comet Ridge Ltd	3-0	Exco Resources	1-0	Hostworks Group	0-2
Aristocrat Leis	5-0	Brambles Ind.	2-0	Commsecure Ltd	0-1	Extract Res.	1-0	Housewares Int.	1-0
Arrow Pharm.	2-0	Brandrill	4-0	Community Life	9-0	F.F.I. Holdings	2-0	Hpal Limited	0-1
Arrow Energy	2-1	Brazin Limited	6-0	Compass Res	2-0	FKP Limited	0-1	Hudson Invest.	1-0
Aspen Group Ltd	7-5	BresaGen Ltd	2-0	Compumedics Ltd	1-0	FSA Group Ltd	0-1	Hudson Timber	5-0
Atlas Pacific	1-0	Brickworks Inv.	3-0	Computershare	5-3	Falcon Minerals	3-1	Hudson Res. Ltd	0-1
Atlas Gold Ltd	10-0	Brickworks Ltd	3-1	Concept Hire	1-0	Farm Pride Food	1-0	Huggall & Hoile	1-0
Atlas Grp Hold.	2-6	Broadcast Serv.	0-2	Cons Rutile	1-0	Farsands Corp.	0-7	Hunter Hall Int	0-1

Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers
Huntley Invest	3-0	Macarthur Cook	3-0	Novera Energy	4-0	Reefton Mining	0-1	Takoradi Ltd	0-1
Hut. Child Care	1-0	Macarthur Coal	0-2	Novogen Ltd	1-3	Regenera Ltd	2-0	Tamawood Ltd	3-1
Hutchison Tel.	3-0	Macquarie Leis.	1-0	Nthn Star Res.	1-0	Regis Resources	2-0	Tanami Gold NL	1-0
Hydromet Corp.	5-0	Macquarie Prol.	2-1	Nuenco NL	2-0	Renew. Energy	1-2	Tandou Ltd	0-1
Hyperion Flag.	2-0	Macquarie Infra	4-0	Nufarm Limited	6-2	Renison Cons	0-1	Tap Oil	2-4
IBA Health Ltd	3-0	Macquaries C&I	2-0	Nustar Mining	2-0	Repco Corp Ltd	0-4	Tasman Resource	3-0
IBT Education	0-1	Macquarie C'Wde	0-1	Nylex Ltd	4-0	Republic Gold	1-0	Tassal Group	2-0
IC2 Global Ltd	1-0	Macquarie Good.	1-0	OAMPS	1-3	Resolute Mining	1-0	Tawana Resource	7-4
IM Medical Ltd	5-6	Macquarie Good.	1-0	OBJ Limited	0-4	Resource Pac.	4-0	Tectonic Res.	2-3
IMF (Aust) Ltd	0-3	Macquarie C Tel	2-0	OFM Investment	2-0	Resources Min.	4-0	Templeton Globa	1-0
IMT Holdings	3-1	Macquarie Air.	1-0	OM Holdings	3-0	Retail Cube	4-0	Ten Network	0-5
IOOF Holdings	4-1	Macquarie Off.	1-0	Oakton Limited	0-3	Rinker Group	1-0	Tethyan Copper	3-0
IT & e Limited	2-0	Macquarie Priv.	7-0	Objective Corp.	0-1	Riversdale Min.	4-0	The Reject Shop	1-0
ITL Limited	8-0	Macquarie Bank	5-4	Occupational Md	2-0	Roberts Ltd	4-1	Thundelarra Exp	5-0
IWL Limited	4-0	Macquarie DDR	1-0	Oceana Gold Ltd	5-0	Roc Oil Company	0-3	Tianshan Gold.	1-0
Iberian Res.	2-0	Magnesium Int'l	1-0	Oilex NL	4-0	Rock Build Soc.	2-1	Tiger Resources	0-3
Ideas Intern'l	1-0	Malachite Res.	1-0	Oldfields Hold	1-0	Rockeby Biomed	1-0	Timbercorp	0-2
iInet	0-1	Marengo Mining	2-0	Olympia Res.	1-0	Ross Human Dir.	1-0	Titan Resources	2-4
Iluka Resources	1-0	Marine Produce	3-1	Omegacorp Ltd	1-0	Rox Resources	1-0	Toll Holdings	0-1
Image Resources	6-8	Mariner Fin.	6-0	Onesteel Ltd	0-1	Rubicon America	1-0	Tomahawk Energy	2-0
Impress Venture	4-0	Mark Sensing	3-1	Optima Corp Ltd	2-0	Ruralco Hold.	2-0	Transonic Trav.	1-0
Incitec Pivot	0-3	Maryborough Suga	0-2	Optiscan Image	8-0	Rural Press Ltd	1-0	Transol Corp	1-0
Ind Practition.	0-1	Matilda Mineral	1-0	Orchard Petrol.	0-1	Rusina Mining	0-3	TransMetro Corp	1-0
Info Choice Ltd	2-1	Mawson West Ltd	1-2	Orica Ltd	3-4	S Gilbert Wines	1-0	TransPacific In	1-0
Infomedia Ltd	0-1	Maxi TRANS	1-2	Orion Telecom.	2-1	S8 Limited	3-0	Tranzact Fin.	1-0
Infracorp Ltd	3-1	McGuigan Simeon	2-0	Ottoman Energy	2-0	SFE Corporation	8-1	Travel.com.au	3-0
Int Research	2-1	McPherson's Ltd	2-0	Oxiana Ltd	1-0	SSH Medical Ltd	3-0	Treasury Group	0-4
Int'l Goldfield	3-0	Medec Limited	0-2	PCH Group	1-2	ST Synergy Ltd	0-1	Trent Capital	9-0
Intec Ltd	0-1	Medical Dev Int	4-0	PMP Limited	6-2	STW Comm Group	0-2	Tri Origin Min.	2-0
Integrated Inv.	1-0	Medical Corp	0-2	Pacific Brands	3-0	Sally Malay Min	1-2	Triako Res.	1-0
Integrated Grp	5-0	Meditech Rsrch	1-0	Pacific Group	6-0	Salmat Ltd	3-0	Trojan Equity	1-0
Intellect Hold	0-2	Medivac Ltd	2-0	Pacific Energy	5-0	Sam's Seafood	0-1	Troy Resources	0-5
Intermin Res	7-0	Melbourne IT	1-2	Paladin Res.	1-3	Santos Ltd	1-0	Two Way TV Aust	3-2
Investika Ltd	4-0	Mermaid Marine	1-2	Panbio Ltd	2-0	Saracen Mineral	3-0	UXC Limited	0-3
Investa Prop.	6-0	Metals Exp.	2-0	Paperlin X Ltd	3-0	Scantech	5-0	United Kimberly	4-0
Investor Group	0-2	Metallica Min.	2-0	Payce Consol.	0-1	Schaffer Corp	1-0	United Group	4-0
Invocare Ltd	0-1	Metcash Trading	0-3	Pearl Healthcare	3-0	Scigen Ltd	0-2	Universal Res.	0-3
Iress Mkt Tech	0-1	Meteorite Res.	5-0	Peet & Company	2-0	Scimitar Res.	2-0	Unlife Medical	1-0
Ironbark Cap.	7-0	Metex Resources	1-0	Pelorus Pipes	3-0	Select Vaccines	2-0	Unwired Group	1-0
JB Hi-Fi Ltd	2-0	Methanol Aust.	0-1	Pengana Mngrs	2-0	Select harvest	4-0	Uscom Limited	4-0
JDV Ltd	0-2	Michelago Ltd	1-0	People Telecom	2-0	Senetas Corp	1-3	VeCommerce Ltd	4-0
JF Meridian Trt	2-0	Midas Resources	1-0	Peplin Ltd	2-0	Servcorp Ltd	4-1	Verticon Group	5-0
Jabiru Metals	1-0	Mikoh Corp.	3-0	Peptech Limited	4-0	Seven Network	2-0	Verus Investm't	1-0
Jackgreen Ltd	4-1	Millers Retail	3-0	Perilya Mines	2-3	Sherlock Bay N.	2-1	Viculus Ltd	1-0
Jervois Mining	0-2	Milton Corp.	1-0	Perp Trust Aust	5-1	Siberia Mining	1-0	Vietnam Indust.	4-0
Joyce Corp.	1-0	Mindax Limited	3-0	Perseus Mining	6-0	Silex Systems	0-1	Village Life	2-0
Jubilee Mines	0-3	Mineral Sec.	1-0	PharmNet Online	1-2	Sims Group Ltd	0-2	Villa World	0-4
Jumbo Corp	0-3	Minerals Corp.	2-0	Pharmaust Ltd	7-0	Sino Gold Ltd	5-1	Village Road.	0-4
Jupiter Energy	3-0	Mineral Commod.	1-0	Phosphagenics	4-0	Sirius Telecom.	2-0	Virgin Blue	0-2
Just Group Ltd	5-0	Minotaur Exp.	1-0	Pipe Networks	1-0	Skilled Group	8-0	Visionmed Group	6-0
KH Foods Ltd	1-0	Mirraboooka Inv.	2-0	Plaspak Group	5-0	Skywest Ltd	4-1	Vision Group	1-2
KLM Group Ltd	1-0	Mirvac Group	1-4	Platinum Aust	7-0	Smorgon Steel	0-2	Volante Group	4-0
Kagara Zinc Ltd	0-1	Mithril Res.	1-2	Polartechics	1-0	Snoball Group	3-0	Voxson Limited	1-0
Keycorp Ltd	2-0	Moby Oil & Gas	0-1	Port Bouvard	1-0	So Natural Food	5-0	WAM Capital Ltd	3-4
Kimberley Oil	1-0	Molly Mines Ltd	1-0	Powerlan Ltd	2-0	Solagran Ltd	5-0	WRF Securities	5-1
Kimberley Diam.	0-5	Monadelphous Gr	0-1	Premium Invest.	2-0	Solbec Pharm.	2-0	Wallace Abs Ret	0-1
Kip McGrath EC	2-1	Monto Minerals	1-0	Premier Bionics	1-0	Solco Ltd	1-4	Wasabi Energy	0-1
Knights Insol.	1-0	Mortgage Choice	3-1	Primary Health	1-2	Somnomed Ltd	1-0	Waterco Ltd	3-0
Konekt Limited	1-0	Mt Burgess Min.	1-0	Prime Life Corp	1-0	Sonic Health	0-4	Watpac Ltd	4-0
Korab Resources	1-0	Mt Conqueror	0-1	Pro-Pac Pack.	0-1	Soul Pattinson	5-0	Wattyl Ltd	2-1
Korvest Ltd	1-0	Mt Gibson Iron	0-2	Promentum Ltd	1-4	St Barbara Mine	6-0	Wavenet Int'l	1-0
Kresta Holdings	4-0	Multiplex Group	4-1	Promina Group	6-0	Starpharma Hold	1-2	Webcentral Grp	0-2
Lakes Oil NL	3-0	Murchison Hold.	0-3	Prophecy Int'l	6-1	Sth Boulder Min	0-1	Webjet NL	2-7
Landmark White	5-0	Murchison Metal	0-1	Prosperity Res.	3-0	Stirling Prod.	3-0	Webspy Limited	2-0
Lefroy Res.	1-0	NGM Resources	8-0	Proteome Syst	3-0	Stockland	3-1	Webster Ltd	0-1
Legend Corp.	2-0	NSX Limited	0-2	Q.B.E. Insur.	2-1	Straits Res.	0-3	Wesfarmers Ltd	1-0
Legend Mining	0-1	Namakwa Diamond	2-0	QRSciences Hold	2-0	Strathfield Grp	0-2	West Aust News	2-0
Leighton Hold	0-2	Namoi Cotton	1-0	Qantas Airways	1-0	Structural Syst	8-0	West Aust Metal	1-0
Lend Lease Corp	2-0	Nat'l Telecoms	0-1	Quadrant Irid.	0-1	Structural Mon.	1-0	West Gas Power	1-0
Leviathan Res.	12-0	Nat'l Aust Bank	5-0	Quantum Energy	1-0	Stuart Petrol.	0-1	Western Areas	10-2
Liberty Gold NL	1-0	Navigator Res	1-0	Quay Magnesium	1-0	Sub-Sahara Res.	1-2	Westgold Res.	1-0
Life Therapeut.	3-0	Neptune Marine	0-2	Queensland Ores	1-0	Sun Capital Grp	2-0	Westmag Limited	1-0
Lighting Corp.	1-0	Netcomm Limited	6-1	Queensland Gas	1-2	Sun Resources	3-0	Westonia Mines	2-1
Lihir Gold	1-0	Neuren Pharm.	2-0	Quiktrak Netwks	3-0	Suncorp-Metway	1-0	Westpac Banking	1-3
Lion Energy Ltd	1-0	Neurodiscovery	4-0	RCR Tomlinson	0-4	Sundance Res.	0-1	Whitefield Ltd	3-1
Lionore Mining	2-6	New Hope Corp.	2-0	Rabinvo Div Prp	1-0	Sundowner Group	5-0	Wilson Leaders	3-5
Living Cell T.	1-0	New Holland Min	3-0	Ramelius Res.	0-2	Sunland Group	11-3	Wilson Inv Fund	5-0
Loftus Capital	6-0	New Horizon En.	2-0	Ramsay Health	0-2	Sunshine Heart	1-0	Woodside Petrol	3-1
M Health Ltd	2-0	New World Alloy	1-0	Range Resources	0-1	SuperCheap Auto	1-0	Woolworths Ltd	0-1
M.Y.O.B. Ltd	1-2	Newcrest Mining	1-0	Range River Gld	1-0	Supply Network	1-0	Working Systems	3-0
M2 Telecom. Grp	2-0	Newhaven Hotels	1-0	Red Metal Ltd	1-0	Sylvania Res.	1-2	Wrigdways Aust	2-1
MFS Limited	28-0	Nexus Energy	2-8	Red River Res.	0-1	Sylvastate Ltd	4-0	Xceed Biotech.	4-0
MFS Living & L.	5-0	Niagara Mining	0-1	Redflex Holding	1-3	Synergy Equity	2-0	Yamarna Goldfld	6-4
MGM Wireless	0-1	Noni B Limited	1-3	Reece Australia	1-0	Synergy Metals	5-0	Yilgarn Mining	2-0
MXL Limited	3-0	Novacoat Hold.	2-0	Reed Resources	3-0	TFS Corporation	6-1	Yilgarn Gold	1-0
MacMahon Hold	0-1			Reef Casino Trt	2-0			Zylotech	3-1

"Insider" Trades in NZ Shares

The table below shows the number of Purchases and Sales of a company's shares by its Directors over the last twelve months (excluding "Neutral" situations where the number of Buyers and Sellers were equal). Shares where many "insiders" have been buying can outperform the market for up to two years, while shares where many "insiders" have sold can under-perform for a similar period.

"Insider" Indicators

Last 5 wks: 36.4% Buyers
Last 13 wks: 45.3% Buyers

Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers
AMP Limited	1-0	Comvita	6-3	Kiwi Property	1-0	POD Ltd	2-0	Toll NZ Ltd	0-1
AXA Asia Pac.	0-1	Dominion Fin.	0-1	Life Pharmacy	0-1	Pacific Retail	3-0	Tourism Hold.	3-2
Abano Health.	1-0	Ebos Group Ltd	0-1	Livestock Imp.	3-0	Port Tauranga	4-1	Tower Limited	1-0
Affco Holdings	0-1	Evergreen	4-2	MG Property Trt	3-0	Pumpkin Patch	0-5	Trust Power Ltd	0-2
Air New Zealand	12-3	F & P Health.	1-4	Mainfreight Grp	6-5	Renaissance	0-2	Turners Auction	0-15
Akd Int Airport	0-5	F & P Appliance	3-9	Metro. LifeCare	0-1	Rubicon Limited	1-0	Turners & Grow.	1-2
Blue Chip NZ	0-6	Feltex Ltd	4-2	Michael Hill	8-1	Ryman Health.	2-0	VTL Group Ltd	0-2
Briscoe Group	1-3	Forty Two Below	0-3	Mike Pero Mort.	2-0	Sanford Limited	0-2	Vertex Group	0-2
CDL Hotel NZ	0-3	Freightways Ltd	0-2	Mooring Systems	0-3	Skellmax Indust	3-0	WN Drive Tech.	1-2
Cabletalk Group	2-0	GDC Communicat.	3-0	Mowbray Collect	0-1	Sky City Ltd	0-8	Wakefield Hosp.	1-0
Cadmus Tech Ltd	1-5	Hirequip NZ Ltd	3-2	NZ Experience	0-2	Software of Exc	0-1	Warehouse Group	2-5
Cap Properties	0-1	Infracell NZ	0-2	NZ Invest Trust	0-1	Speirs Group	1-0	Waste Mgmt NZ	2-9
Carter Holt	2-3	Jasons Media	0-1	NZ Wool Service	2-0	Sthn Travel	2-0	Windflow Tech.	1-0
Cavalier Corp	6-11	Just Water Int.	2-1	Nat Property Tr	1-2	Taylor's Grp Ltd	1-0	Wrightson Ltd	6-3
Cert Organics	0-1	Kingfish Ltd	0-1	Northland Port	0-2	TeamTalk Ltd	0-4	Zintel Comm.	1-0
Col Motor Co	1-0	Kirkcaldie & St	0-1	Nuplex Indust	2-0	Telecom Corp	3-25		

Insider Buying Identifies Three Attractive Investments

Antares Energy (code AZZ).

This company originally listed on the Australian stockmarket in 1994 as **Amity Oil** to explore for oil and gas in Australia, NZ, Turkey and the United States. The company changed its name to **Antares Energy** in late 2004.

Until recently the company's business consisted of a 50% interest in various oil and gas producing properties in Turkey and some early stage Natural Gas exploration interests in the United States.

In August 2005 the company announced the sale of all of its interests in Turkey for US\$40.4 million (A\$53.9 million) plus up to another US\$4.4 million (A\$5.9 million) based upon the results of specific drilling prospects over the next two years. This sale boosts the company's cash holding to A\$67 million (42 cents per share). The announcement initially lifted the share price to 70 cents but they have since dropped back to 59 cents.

At the end of August the company announced an on-market share buy-back, with plans to repurchase up to 10% of its capital (i.e. about 15.8 million shares) over the next year. A share buy-back usually indicates that the directors consider the share to be under-valued and in this situation the shares can outperform the market over the next 2-3 years.

In addition, the directors have been extremely active buying shares for their own holdings on-market over the last year. In total, *insiders* have made 15 buys on-market (and no sells) at prices from 52-70 cents.

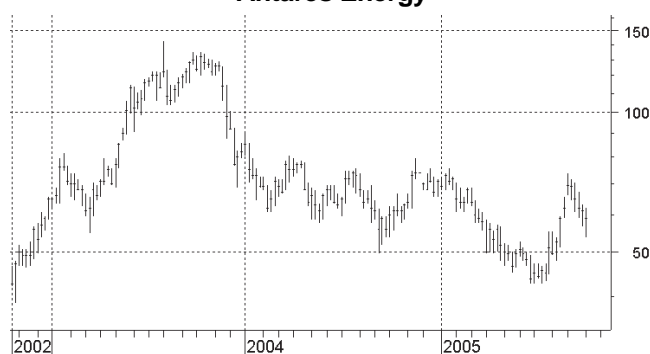
The share price has been a little volatile at times, but could be in a long term uptrend with a Relative Strength rating of +4.3%, ranked 35.

The issued capital consists of 160,878,586 shares, giving a total market capitalisation of \$94 million. The shares are actively traded in large volumes.

Summary and Recommendation

With 15 *insider* buys on-market (and no sells), investors should seriously consider making an investment in Antares Energy shares. Gas exploration is risky, but this company has over 70% of its capitalisation as cash in the bank. The on-market share buy-back should also help to support the share price - and help future performance - so helps to further reduce risks. High natural gas prices in the US also boost the value of the company's existing gas interests and the viability of extracting gas from future exploration wells.

Antares Energy



Ellex Medical Lasers (code ELX).

The current business was formed in 2001 when small listed **Gemstone Corporation** raised \$24 million in a share placement of 48.0 million shares at 50 cents to finance the acquisition of the privately owned **Ellex Laser Systems** for \$23.78 million. Gemstone then sold its mining assets for \$225,000 and changed its name to Ellex Medical Lasers.

This remained a profitable business in the year to June 2002 - with revenues of \$28.0 million and a profit of \$3,115,000 - but a changing market saw profitability then decline rapidly. Revenues were relatively steady but profits fell to \$1,632,000 in 2003 and a loss of \$206,000 in 2004. Although the company has just reported a loss of \$1,102,000 for the year to June 2005, Ellex Medical Lasers has significantly changed its business over the last few years and *may* now be placed for a return to profitability and growth.

When the business was acquired in 2001 it had a 45% global market share in a narrow niche market - lasers for treating Capulotomy (i.e. secondary cataracts) - with little growth potential. Lasers were manufactured by the company but marketed by other companies worldwide under their own brands. Two distributors accounted for 51% of revenues - one of which failed in 2003.

In 2003 Ellex Medical Lasers changed its business strategy - similar to the change at Vision Systems - and invested heavily to design new lasers which it could market under its own brand, direct to customers. In November 2003 it released a new Glaucoma Laser. In January 2004 the company received a \$3.3 million Research & Development grant from the Australian government. In November 2004 it launched a photocoagulator for the retinal ophthalmic laser market estimated to be worth US\$150 million annually. The *Solitaire* photocoagulator - "the most significant project" in terms of R & D investment - was released in June 2005 and further new products will be launched over the next year.

Concurrently with this Research & Development program the company has sought to build up direct marketing in its two biggest markets, the US and particularly in Japan.

Ellex Medical Lasers now earns its revenue mainly from its own branded lasers which produce high gross profit margins. The high R & D costs of recent years will decline, although marketing costs will likely remain high in the immediate future.

The directors predict that these changes will "deliver growth in revenues and profits over the next two to three years". More importantly, directors are backing this prediction with their own money. Over the last four months there have been three *insider* buys on-market. P Fazon purchased an initial holding of 620,000 shares in June at prices around 20-21 cents. In July, V Previn bought 102,000 shares at 21-22 cents, building his holding to 3,266,034 shares or 5.3% of the company. In September, A Sundich acquired 499,499 shares on-market at 28-29 cents and now owns 2,850,000 shares (4.7% of the company). Another director owns 654,072 shares.

Technically, the shares are very favourable with a Relative Strength rating of +12.3%, ranked 18, and this would appear to indicate the beginning of a strong uptrend.

While the company is currently unprofitable and does not pay a dividend, the Price/Sales ratio is a very low 0.63. If the company can build a high margin business then the shares should be re-rated to a P/S ratio of 1-2.

Ellex Medical Lasers is a small, \$18 million capitalisation company. The shares have been trading reasonably actively over recent weeks.

Summary and Recommendation

While this is a high risk situation, Ellex Medical Lasers appears to have re-invented its business and could be an emerging growth company. *Insider* buying, the large shareholdings by directors, strong relative strength and the low Price/Sales ratio indicate the potential for these shares to double or quadruple over the next few years. Investors with well diversified share portfolios and seeking maximum capital appreciation from high risk situations could follow the directors example and acquire a small shareholding in this company.

Ellex Medical Lasers**ITL Ltd** (code ITD).

ITL is a manufacturer of medical supplies which is experiencing a recovery in profitability.

The business was started in 1994 to produce blood collection equipment. The company listed on the Australian stockmarket in late 2003 after offering 50,000,000 shares to the public at 50 cents - mainly to finance the acquisition of **Surgicare** - a company established around 1978 which manufactures procedure kits for operating theatres.

The company significantly under-performed its prospectus forecasts for profits, actually recording a \$2,032,501 *loss* for the year to June 2004 from revenues of \$17.6 million.

Revenues rose 37.4% to \$24.2 million for the year ending 30 June 2005, with an overall loss of just \$139,043. Net operating cashflows were positive at \$506,000.

This annual result, however, fails to reveal the significant improvement in performance *during* the period. In the first half to December 2004, revenues were \$11.1 million, there was a *loss* of \$1,609,923 and a cash operating *deficit* of \$1.9 million. The second half to June 2005 recorded revenues of \$13.1 million, a profit of \$1,470,880 (1.5 cents per share) and an operating cash surplus of \$2.4 million.

Over the last year there have (Continued on Page 12)

Insider Buying*(Continued from Page 11)*

been eight *insider* buys (and no sells) on-market! Managing Director W Mobbs purchased 100,000 shares on-market at 13½ cents in March this year to increase his holding to 22,335,000 shares (22.4% of the company). Chairman R England bought 100,000 shares at 22 cents in November 2004 and 64,000 shares at 15 cents in April 2005 and now owns 412,000 shares. The third director, J Gosse, bought 30,000 shares at 16 cents in December 2004, 100,000 shares at 13½ cents and 80,000 shares around 16½-17 cents in March 2005 and a further 70,000 shares at 15½ cents in June to build up a holding of 300,000 shares.

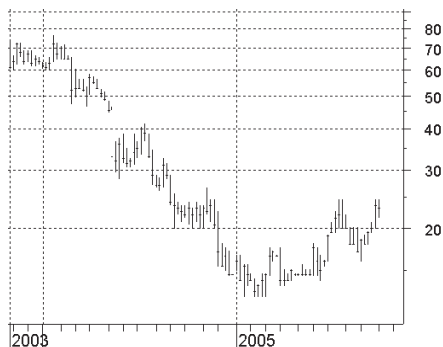
The Relative Strength rating is +8.9%, ranked 23, and the shares appear to be in the early stages of a strong uptrend.

The Price/Sales ratio is relatively low at 0.95. Profitability for the last six months - if maintained for a full year - would give a Price/Earnings ratio of 8.

The issued capital is 99,614,000 shares, giving a market capitalisation of \$23 million.

Summary and Recommendation

An investment in ITL involves high risks - partly owing to it being a very small company and partly owing to problems with its business over recent years. Nevertheless the return to profitability during the six month to June 2005 - plus high levels of *insider* buying - suggest those problems have been solved and that the company could perform well over the next 6-18 months. If so, then the shares should continue to appreciate strongly. A small investment in ITL shares may therefore be appropriate for high risk investors.

ITL Limited**Total Return Index for All Listed Shares**

Sep 12	2388.40	Sep 19	2407.90
Sep 13	2383.52	Sep 20	2402.23
Sep 14	2386.33	Sep 21	2405.40
Sep 15	2389.85	Sep 22	2392.87
Sep 16	2403.70	Sep 23	2400.98
Sep 26	2401.69	Oct 3	2413.23
Sep 27	2401.10	Oct 4	2415.81
Sep 28	2399.68	Oct 5	2420.85
Sep 29	2400.89	Oct 6	2406.61
Sep 30	2411.51	Oct 7	2399.96

Dividends

Company	Cents per Share	Ex-Date	Pay-able	Tax Credit
Auckland International Airport	4.45	14-10	21-10	Full
Broadway Industries	2.00	21-10	28-10	Nil
Colonial Motor Company	10.50	14-10	26-10	Full
Eastern Hi-Fi	2.80	30-09	14-10	Full
Fletcher Building	17.00	23-09	13-10	Full
Lyttelton Port Company	7.25	07-10	14-10	Full
Michael Hill International	14.00	07-10	17-10	Full
Nuplex Industries	14.50	30-09	14-10	Full
Oyster Bay	10.00	28-10	04-11	Nil
POD Ltd	3.00	16-09	30-09	Full
Postie Plus Group	3.00	11-11	12-12	Full
Provenco Group	3.00	-	17-10	Full
Pumpkin Patch	4.25	07-10	18-10	18-10
Pyne Gould Corporation	12.00	16-09	21-09	Full
Renaissance Corporation	4.00	30-09	07-10	Full
Salvus Strategic	2.00	07-10	21-10	Full
Skellmax Industries	4.00	07-10	14-10	Full
Sky City	12.00	23-09	07-10	Full
South Port NZ	4.25	30-09	07-11	Full
Southern Travel	3.90	11-11	21-11	Full
TeamTalk	9.00	21-10	28-10	Full
Tourism Holdings	6.00	14-10	21-10	Full
Warehouse Group	4.00	11-11	21-11	Full
Wool Services	1.00	04-11	17-11	Full
<u>Australian Shares</u>				
Austin Group	3.00	11-10	04-11	
Commander Communications	4.00	10-10	31-10	
Melbourne IT	3.00	04-10	28-10	
Promina	10.50	10-10	31-10	
Ross Human Directions	2.00	19-09	14-10	
Skilled Group	10.00	20-09	18-10	
UXC	3.25	31-10	21-11	

Current Issues

SHARE SPLIT

	Ratio	Ex-Date
NZ Refining	10:1	07-10

CASH ISSUES

	Ratio	Price	Ex-Date	Appln Date
A2 Corporation	2:1	5	16-09	14-10
Botry Zen	1:1	5½	25-10	23-11
Pacific Edge Biotech	1:3	15	30-09	28-10

Next Issue

The next issue of *Market Analysis* will be posted in four weeks time on Tuesday November 8, 2005 (and delivered in most areas on Wednesday 9).

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