Thirty One Years of Independent Information and Unbiased Advice on the Australian and NZ Stockmarkets

Market Analysis

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Inside Market Analysis

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Summary and Recommended Investment Strategy.

Remain fully invested in the recommended shares.

Investment Outlook.

The NZ Herald (online edition, we don't live in New Zealand) reports the "World economy faces a *perfect storm*" with "US economist Nouriel Roubini predicting years of gloom almost regardless of what is decided".

What the Herald *doesn't* tell us is that Roubini - a US citizen, born in Turkey to Iranian Jewish parents - is called "Dr Doom" and "Permabear" by the US media. In an age when pessimistic views are widely accepted as the norm, these nicknames reveal Roubini's rather more extreme pessimistic views.

The NZ Herald goes on to report "The final element of what Roubini describes as the *global perfect storm* is the possibility of an attack by Israel or the United States on Iran because it's clear that negotiations have failed on stopping Iran's nuclear ambitions. *"The last thing the world needs given its fragility is another war in the Middle East and a spike in oil prices"*, Roubini said".

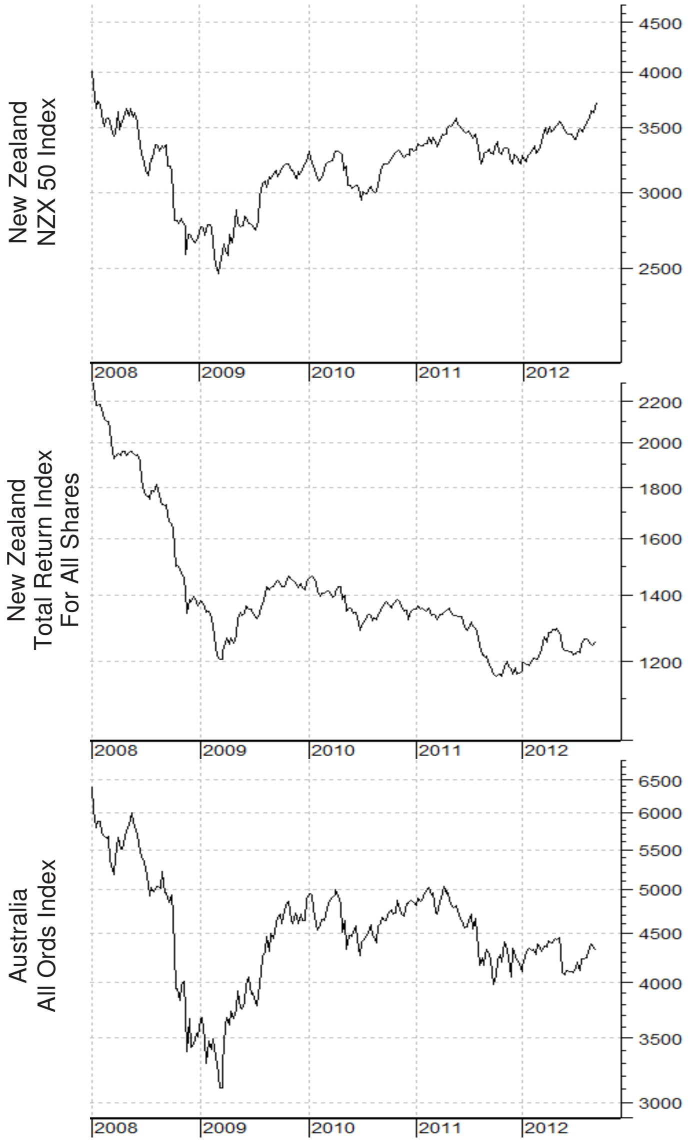
If *that* happened we would have a period very similar to the 1970's! That was a terrible time for the global economy . . . but what did it mean for the stockmarket? Well, the extreme doom and pessimism of the late 1970's created an *extremely* good time to be buying shares! The New Zealand stockmarket rose 12½-fold from its 1977 lows to its 1987 peak! Peter Lynch managed *Fidelity Magellan* fund from 1977 to 1990, increasing investors' money 27-fold (29.2% per annum). Even the S&P500 Index (an investment that might be favoured by someone like Roubini who believes "buying and selling individual stocks is a waste of time") rose 6¾-fold in value (an above average 15.8% per annum rate of gain) from 1977-1990.

It is counter-intuitive, but economic expectations are *negatively* correlated with future stockmarket returns. When the economic outlook is *hopeless* regardless of what governments do, then stock valuations will *already* reflect that and be at (or close to) their lows. When companies report losses, their share prices have probably *already* fallen their lows.

When the economic outlook is bright, when companies are reporting record profits, when the media is pointing out that shares are a good investment . . . that is the time to worry and start selling as share valuations will be too high and *future* returns low or negative!

Stockmarket Forecasts

	One-Month	One-Year
Australia:	**76%** (Bullish)	**69%** (Bullish)
New Zealand:	**69%** (Bullish)	**56%** (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
AMP Limited	B	570	1.29	13	6.9
AMP Office Trt	C	99	7.75	22	5.7
Abano Health.	A	522	0.41	53	5.7
Air New Zealand	B	113	0.28	17	4.9
Akd Int Airport	B	262	8.12	24	5.7
Allied Farmers	E	2.3	0.10	NE	Nil
Allied Work.	B	242	0.53	14	7.7
Argosy Property	C	90	7.02	NE	6.7
Barramundi Ltd	D	65	N/A	NE	9.6
Blis Technology	E	0.7	0.81	NE	Nil
Briscoe Group	A	196	0.95	15	7.3
Burger Fuel	C	105	5.47	80	Nil
CDL Investments	D	42	9.63	29	4.8
Cavalier Corp	D	175	0.55	28	Nil
Cavotec MSL	C	245	1.08	20	1.6
Charlie's Group	D	43	4.00	51	Nil
Chorus Ltd	C	347	1.27	8	10.3
Claridge Cap'l	D	2.1	N/A	NE	Nil
Col Motor Co	A	365	0.22	10	9.8
Comvita	A	394	1.17	14	5.1
Contact Energy	C	506	1.36	19	6.5
Cynotech Hold.	D	0.2	0.08	NE	Nil
DNZ Property	B	156	N/A	19	5.4
Delegat's Group	A	315	1.44	13	4.1
Diligent Board	C	392	N/A	NE	Nil
Dorchester Pac	C	18	3.23	NE	Nil
Ebos Group Ltd	B	830	0.30	15	5.9
Ecoya Ltd	C	124	3.21	NE	Nil
F & P Appliance	C	75	0.53	30	Nil
F & P Health.	C	219	2.20	18	8.1
Finzsoft Sol'ns	E	24	0.26	NE	Nil
Fletcher Build.	C	650	0.50	24	7.5
Freightways Ltd	B	410	1.65	17	6.3
Genesis Res.	E	1.2	N/A	NE	Nil
Goodman Prop.	C	103	9.20	25	6.1
Guinness Peat	D	51	0.07	2	3.0
GuocoLeisure	D	58	1.44	8	3.4
Hallenstein G.	A	460	1.34	15	9.6
Heartland BS	B	57	0.98	9	Nil
Hellaby Hold.	C	320	0.48	12	5.8
Heritage Gold *	N/R	1.8	N/A	NE	Nil
Horizon Energy	B	340	2.33	13	7.1
Infratil NZ	B	212	0.56	24	5.4
Insured Group	E	1.5	0.20	NE	Nil
Inv Research Gr	E	0.3	0.75	NE	Nil
Jasons Media	D	11	0.18	5	Nil
Just Water Int.	C	12	0.36	6	Nil
Kathmandu Ltd	B	175	1.14	9	8.2
Kermadec Prop.	C	67	6.58	11	4.5
Kingfish Ltd	B	99	9.84	13	8.9
Kirkcaldie & St	C	265	0.66	NE	3.0
Kiwi Property	C	113	5.32	12	7.1
L&M Energy	E	6.5	N/A	NE	Nil
Lyttelton Port	C	210	2.05	13	Nil
Mainfreight Grp	C	985	0.54	15	3.8
Marlin Global	D	70	N/A	NE	10.6
Mercer Group	C	21	1.50	NE	Nil
Methven Limited	A	135	0.85	14	9.1
Metro. LifeCare	C	285	6.40	NE	Nil
Michael Hill	B	112	0.84	12	4.9
Mid-Cap Index	D	230	N/A	NE	Nil
Millennium & C.	C	46	1.62	8	3.7
Mowbray Collect	E	42	1.66	NE	Nil
NPT Limited	C	59	3.64	NE	6.8
NZ Experience	C	42	1.34	11	9.9
NZ Exchange Ltd	C	109	5.60	21	6.9
NZ Finance Hold	D	0.3	0.05	NE	Nil
NZ Farming Sys.	E	58	1.36	NE	Nil
NZ Oil & Gas *	N/R	89	3.08	18	9.6
NZ Refining Co	B	274	2.64	22	6.3
NZ Windfarms	E	13	3.83	NE	Nil
NZ Wine Company	C	110	0.71	NE	Nil
NZ Wool Service	D	37	0.17	NE	Nil
NZSX 50 Port.	C	135	N/A	NE	Nil
NZSX 10 Fund	E	94	N/A	NE	Nil
NZX Aust MidCap	D	469	N/A	NE	Nil
New Image Group	D	17	0.52	NE	Nil
Northland Port	A	199	N/A	11	6.1
Nuplex Indust	B	299	0.36	9	7.0
Opus Int'l Cons	C	200	0.73	12	6.1
Ozzy (Tortis)	D	350	N/A	NE	Nil
PGG Wrightsons	D	34	0.19	10	Nil
Pac Edge Bio.	E	22	N/A	NE	Nil
Pharmacybrands	B	136	1.55	16	Nil
Pike River Coal	D	88	N/A	NE	Nil
Port Tauranga	B	1263	7.45	23	4.4
Postie Plus Grp	C	23	0.08	14	6.2
Property F Ind.	C	117	7.76	25	7.0
Pumpkin Patch	A	119	0.59	26	3.6
Pyne Gould Corp	D	30	2.15	NE	Nil
Rakon Ltd	D	44	0.47	NE	Nil
Renaissance	C	13	0.03	NE	Nil
Restaurant Brds	B	229	0.73	13	10.0
Rubicon Limited	E	27	0.25	NE	Nil
Ryman Health.	B	396	N/A	16	1.1
Veritas Invest.	D	4.0	4.21	NE	Nil
Sanford Limited	C	385	0.78	16	8.5
Satara Co-op	E	45	0.14	NE	Nil
Savoy Equities	D	1.6	N/A	NE	Nil
Scott Tech. Ltd	B	170	1.26	13	5.9
Sealegs Corp	E	11	0.94	NE	Nil
Seeka Kiwifruit	E	100	0.10	NE	Nil
Skellerup Hold.	B	168	1.56	13	6.6
Sky City Ltd	C	393	2.66	16	5.3
Sky Network TV	C	510	2.35	16	6.2
Smartpay NZ Ltd	C	12	0.29	NE	Nil
Smiths City	A	51	0.12	6	6.9
Sol. Dynamics	D	30	0.35	28	Nil
South Port NZ	C	318	3.15	14	9.0
Speirs Group	D	5.0	0.05	NE	Nil
Steel & Tube	C	226	0.49	15	7.6
Sthn Travel	D	5.0	0.05	NE	Nil
Tag Pacific Ltd	E	12	0.15	NE	Nil
TeamTalk Ltd	B	265	1.91	11	10.8
Telecom Corp	B	248	1.01	4	10.8
Tenon Ltd	E	70	0.11	NE	Nil
Tourism Hold.	C	69	0.34	15	8.3
Tower Limited	B	180	0.88	14	4.8
Trade-Me Ltd	B	405	N/A	21	2.8
Training Sol.	E	0.1	N/A	NE	Nil
Trust Power Ltd	B	800	3.11	19	7.1
Turners & Grow.	C	152	0.20	14	3.9
Turners Auction	A	192	0.70	14	12.6
Vector Ltd	B	278	2.21	14	7.5
Velo Capital	C	7.0	N/A	NE	Nil
Vital Health PT	C	122	6.37	40	6.4
WN Drive Tech.	D	14	0.27	NE	Nil
Wakefield Hlth	A	565	1.22	16	4.3
Warehouse Group	B	285	0.42	9	11.0
Widespread Port*	N/R	0.8	0.02	NE	Nil
Windflow Tech.	D	19	0.29	NE	Nil
Wool Equities	D	9.0	N/A	NE	Nil
World Index Fd	E	100	N/A	NE	Nil
Xero Ltd	D	499	N/A	NE	Nil
Zintel Comm.	C	43	0.52	NE	Nil
Ave of 135 Cos	**C**	177	0.30	22	3.5

	Performance Forecast	Price	Price/Sales Ratio	P/E Ratio	Gross Yield
AGL Energy Ltd	B	1514	1.11	72	4.0
ALS Limited	B	812	1.95	12	5.5
AMP Ltd	B	442	2.19	18	6.8
ANZ Bank	A	2416	1.36	12	5.8
APA Group	A	484	2.94	24	12.1
ASX Limited	A	3058	6.83	16	5.8
AWE Limited	B	155	2.69	NE	Nil
Abacus Property	A	212	3.90	NE	7.8
Adelaide Bright	A	303	1.75	13	5.4
Ainsworth Game	B	265	5.66	13	Nil
Alacer Gold	D	631	N/A	NE	Nil
Alumina Ltd	B	79	N/A	15	7.5
Amalgamated Hld	B	663	1.31	13	5.9
Amcor Ltd	B	762	0.75	22	4.9
Aneka Tambang	C	125	N/A	NE	Nil
Ansell Ltd	B	1590	1.70	16	2.2
Aquila Res.	D	225	6.31	NE	Nil
Argo Investment	B	528	N/A	20	4.9
Aristocrat Leis	B	261	2.01	21	2.5
Arrium Limited	B	60	0.11	4	10.0
Asciano Limited	B	448	1.28	18	1.3
Atlas Iron Ltd	C	137	2.00	17	2.2
Aurora Oil Gas	C	343	N/A	NE	Nil
Ausdrill Ltd	B	275	0.79	7	5.3
Aust Foundation	B	437	N/A	20	4.8
Aust Infra.	A	307	N/A	10	3.4
Australand Prop	B	292	2.43	12	7.4
Automotive Hold	A	313	0.24	16	5.4
BHP Billiton	A	3198	1.45	7	3.4
BWP Trust	A	203	N/A	15	7.2
Bank of Q'land	A	760	0.61	11	7.1
Beach Energy	A	126	2.56	10	1.8
Bendigo Bank	A	755	0.82	16	7.9
Bluescope Steel	C	37	0.14	NE	Nil
Boral Limited	B	345	0.55	12	3.2
Bradken Ltd	B	515	0.60	9	8.0
Brambles Ltd	B	695	1.94	19	3.7
Brickworks Ltd	B	1003	2.33	10	4.0
C'wth Prop Off.	B	105	5.46	10	5.8
CFS Retail Prop	B	196	6.11	14	6.7
CGA Mining Ltd	B	255	3.84	14	Nil
CSL Limited	B	4401	5.03	23	1.9
Caltex Austrlia	B	1617	0.20	NE	2.8
Cardno Ltd	B	767	1.10	14	4.7
Carsales.com	A	746	9.40	24	3.3
Centro Retail	C	216	9.10	NE	Nil
Challenger Ltd	B	345	1.35	13	5.2
Charter Hall GR	A	274	6.12	49	6.6
Chart H Retail	B	363	5.69	NE	7.2
CocaCola Amatil	B	1376	2.15	18	3.8
Cochlear Ltd	A	6704	4.89	67	3.7
Com'wealth Bank	A	5460	1.84	12	6.1
Computershare	A	886	2.79	32	3.2
Cons Media Hold	A	342	N/A	22	4.8
Cromwell Prop.	B	75	4.66	38	9.4
Crown Ltd	B	927	3.06	13	4.0
DUET Group	B	217	1.97	51	11.1
David Jones	A	244	0.64	7	11.5
Deutsche Div Tr	B	131	6.10	14	7.1
Dexus Property	C	96	N/A	NE	Nil
Downer EDI Ltd	B	345	0.19	14	Nil
DuluxGroup Ltd	B	331	1.22	13	4.5
Echo Ent Group	B	425	2.17	83	Nil
Energy World	C	47	7.39	30	Nil
Envestra	B	94	3.14	20	6.2
Evolution Min.	C	164	2.47	31	Nil
Fairfax Media	B	44	0.44	7	6.9
Flexicorp Ltd	A	338	3.93	16	3.7
Flight Centre	A	2430	1.20	12	4.6
Fortescue Metal	B	331	1.58	7	2.4
GPT Group	C	361	N/A	NE	Nil
Goodman Fielder	C	54	0.48	NE	Nil
Goodman Group	A	417	8.85	14	0.8
Graincorp	A	938	0.67	11	3.2
Growthpoint Pro	A	213	6.52	16	8.3
Harvey Norman	B	199	1.35	8	6.0
Hast Div Util	B	266	9.00	NE	3.8
Henderson Group	B	168	1.75	18	6.4
IOOF Holdings	A	610	2.27	72	6.1
IRESS Limited	A	805	4.99	25	4.7
Iluka Resources	B	913	2.33	7	8.2
Incitec Pivot	A	285	1.19	10	4.0
Independ. Group	B	351	3.77	NE	0.9
Insurance Aust.	A	421	1.02	42	4.0
Investa Office	B	293	9.49	18	5.3
Invocare Ltd	A	883	2.95	36	3.4
JB Hi-Fi Ltd	B	911	0.29	9	7.1
James Hardie	B	865	3.21	7	4.6
Kardoon Gas	D	441	N/A	NE	Nil
Leighton Hold	B	1517	0.50	15	7.9
Lend Lease Grp	B	844	0.42	10	4.5
Lynas Corp Ltd	E	82	N/A	NE	Nil
Macquarie Group	B	2781	0.89	13	5.0
McMillan Shake.	A	1222	3.02	17	3.8
Medusa Mining	B	570	N/A	22	1.2
Mesoblast Ltd	D	660	N/A	NE	Nil
Metcash Ltd	B	371	0.23	11	7.5
Milton Corp.	A	1571	N/A	18	5.0
Mineral Res.	B	720	1.44	5	6.4
Mirvac Group	B	142	2.76	12	5.9
Monadelphous Gr	B	2050	0.95	13	6.1
Mt Gibson Iron	A	83	1.34	5	4.8
Myer Holdings	B	190	0.35	7	11.8
Nat'l Aust Bank	A	2506	1.35	10	6.9
Navitas Ltd	A	439	2.39	22	4.4
New Hope Corp.	B	433	5.43	NE	2.4
Newcrest Mining	A	2584	4.48	18	1.4
News Corp.	A	2386	1.71	49	0.7
Nufarm Limited	C	605	0.76	NE	Nil
OZ Minerals Ltd	B	682	1.92	8	8.8
Oil Search Ltd	B	742	N/A	50	0.5
Orica Ltd	A	2365	1.47	6	4.0
Origin Energy	B	1176	0.99	13	4.3
Paladin Energy	C	127	2.95	5	Nil
Panaust Ltd	C	281	2.93	13	Nil
Perpetual Ltd	A	2674	2.81	54	3.4
Perseus Mining	C	260	N/A	NE	Nil
Platinum Asset	B	373	9.23	17	5.6
Primary Health	A	362	1.30	16	3.0
Q.B.E. Insur.	B	1239	0.73	19	7.0
QR National Ltd	B	345	2.40	19	2.4
Qantas Airways	E	126	0.18	NE	Nil
Qube Logistics	B	148	1.74	36	2.8
REA Group Ltd	A	1620	7.69	25	2.0
Ramsay Health	A	2435	1.32	25	2.1
Reece Australia	B	1900	1.24	17	3.2
Regis Resources	B	493	N/A	59	Nil
Rio Tinto Ltd	B	5238	0.38	1	2.7
S/Tracks ASX200	B	4106	N/A	NE	4.2
SAI Global Ltd	B	443	2.00	21	3.4
SP Ausnet	B	105	2.01	12	7.6
Sandfire Res.	C	770	N/A	NE	Nil
Santos Ltd	B	1172	4.38	15	2.6
Seek Ltd	B	670	5.07	16	2.6
Seven Group	B	749	0.52	14	5.1
Seven West Med.	B	133	0.46	4	18.8
Sigma Pharm.	B	69	0.28	17	5.1
Sims Metal Mgmt	B	921	0.21	52	2.2
Sonic Health	B	1329	1.55	16	4.4
Soul Pattinson	B	1266	3.98	19	3.2
Spark Infrastru	B	162	7.40	26	6.2
Steamships Trad	A	2750	2.11	12	3.0
Sth Cross Media	B	114	1.17	8	8.8
Stockland	B	335	3.64	15	7.2
Suncorp Group	B	892	0.72	16	4.5
Sundance Res.	E	29	N/A	NE	Nil
Super Retail Gr	A	802	0.95	19	4.0
Sydney Airport	B	319	5.70	72	6.6
TPG Telecom Ltd	A	211	2.88	21	2.1
Tabcorp Holding	B	304	0.73	7	7.9
Tatts Group Ltd	B	272	0.98	13	7.9
Telstra	B	381	1.86	14	7.3
Toll Holdings	B	466	0.38	11	5.4
Transfield Serv	B	177	0.29	11	7.9
Transurban Grp	B	602	7.60	NE	4.9
TransPacific In	C	91	0.63	NE	Nil
Treasury Wine	B	479	1.84	36	2.7
UGL Limited	B	1049	0.39	13	6.7
Virgin Aust	C	43	0.24	41	Nil
Viterra Inc.	C	1585	N/A	NE	Nil
Wesfarmers Ltd	A	3506	0.61	17	4.7
Westfield Group	B	1030	4.90	16	4.7
Westpac Banking	A	2370	1.67	10	6.6
Westfield Ret.	A	295	8.61	9	5.7
Whitehaven Coal	A	311	5.10	NE	1.0
Woodside Petrol	A	3480	5.96	19	3.1
Woolworths Ltd	A	3026	0.67	17	4.2
Worley Group	A	2550	0.85	18	3.6
Wotif.com Hold.	A	449	6.54	16	5.6
Zimplats Hold.	C	800	1.86	7	Nil
Ave of 1946 Cos	**C**	126	0.21	19	2.1

Recommended Investments

Cavalier Corporation suffered a 5.3% drop in revenues for the year to 30 June 2012, but trading profits fell 75.1% to $4,283,000 (6.3 cents per share). In addition there were restructuring cost of $5.9 million (after tax) from closing one of its three spinning mills and consolidating its two NZ warehouse and distribution systems. No dividend will be paid for the year.

The net operating cash surplus was up 87% to $8.1 million, but still substantially lower than normal.

The downturn in revenues and profits resulted from the 80% increase in wool prices in the 2010-11 season which depressed sales volumes and significantly reduced margins! Wool prices have since fallen back to earlier levels, but profit margins will remain depressed for about the next four months as the company sells the higher cost wool carpet inventories.

The company now expects a more stable environment for wool supply and a return to lower wool prices. This will keep woollen carpet competitive and "eventually flow through to earnings in the second half" of the new financial year.

(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												
BUY	CDL Investments Ltd	CDI	12/01/99	25	D	258.2	1.3	9.63	29	4.8	42	21.7	+155%
BUY	Cavalier Corporation	CAV	05/12/95	156*	D	68.3	0.9	0.55	28	Nil	175	278.0	+190%
HOLD	Colonial Motor Company	CMO	10/11/92	128*	A	32.7	0.5	0.22	10	9.8	365	346.3	+456%
HOLD	Lyttelton Port Company	LPC	12/12/00	150	C	102.3	0.8	2.05	13	Nil	210	77.7	+92%
BUY	Michael Hill Int'l Ltd	MHI	11/06/91	5*	B	382.8	0.8	0.84	12	4.9	112	38.4	+2908%
HOLD+	Nuplex Industries Ltd	NPX	11/02/97	523*	B	196.7	1.0	0.36	9	7.0	299	419.0	+37%
HOLD+	Postie Plus Group	PPG	08/05/06	71	C	40.0	2.0	0.08	14	6.2	23	8.5	-56%
HOLD	Renaissance Corp	RNS	13/08/96	85*	C	45.7	3.6	0.03	NE	Nil	13	53.9	-21%
HOLD	Smiths City Group	SCY	09/10/06	64	A	53.0	1.2	0.12	6	6.9	51	18.5	+9%
HOLD	South Port New Zealand	SPN	13/02/96	120	C	26.2	0.5	3.15	14	9.0	318	159.8	+298%
HOLD+	Steel & Tube Holdings	STU	08/08/00	146	C	88.4	0.8	0.49	15	7.6	226	260.1	+233%
	Australian Shares (in Aust cents)												
HOLD+	AJ Lucas Group	AJL	13/05/03	120	D	97.9	1.0	0.24	NE	Nil	50	41.0	-24%
BUY	ALS Limited	ALQ	12/10/99	78*	B	337.5	0.5	1.95	12	5.5	812	180.8	+1173%
BUY	Atlas South Sea Pearl	ATP	14/05/96	73	C	141.0	3.1	0.68	15	Nil	6	17.5	-68%
HOLD+	Cardno Ltd	CDD	14/12/09	391*	B	138.2	0.5	1.10	14	4.7	767	79.3	+116%
HOLD	Cellnet Group Ltd [1]	CLT	12/02/02	147*	B	55.7	2.0	0.12	6	7.4	14	55.9	-51%
HOLD+	Chandler Macleod Group	CMG	14/08/01	51*	B	444.5	1.3	0.13	12	6.2	45	24.1	+35%
HOLD	Circadian Technologies	CIR	10/02/04	188	D	46.4	1.3	9.87	NE	Nil	39	65.0	-45%
BUY	Clarius Group Ltd	CND	08/04/03	82*	B	89.4	1.3	0.11	15	2.9	35	70.5	+29%
BUY	CPT Global Ltd	CGO	10/03/08	88	B	36.7	1.3	0.33	24	4.3	35	11.3	-47%
BUY	CSG Limited	CSV	11/10/10	175	C	282.6	1.3	0.67	NE	5.2	48	28.0	-57%
HOLD	Devine Ltd	DVN	13/11/06	334*	B	158.7	1.1	0.30	8	6.8	59	77.6	-59%
BUY	Ellex Medical Lasers	ELX	14/03/06	49	B	84.9	1.9	0.38	17	Nil	21	Nil	-57%
HOLD+	Fiducian Portfolio Ser	FPS	11/02/08	260	B	31.8	0.9	1.25	13	5.6	89	36.8	-52%
BUY	Finbar Group Ltd	FRI	12/04/10	106	A	214.2	0.8	1.80	8	9.3	97	21.0	+11%
BUY	Iluka Resources Ltd	ILU	12/10/04	471	B	416.4	0.6	2.33	7	8.2	913	172.0	+130%
HOLD+	Integrated Research	IRI	14/01/08	40	A	167.5	0.8	3.03	16	5.7	88	16.0	+160%
HOLD	Mnet Group [1]	MNZ			C	208.3	7.2	0.18	NE	Nil	1.1	Nil	
HOLD	M2 Telecommunications	MTU	09/10/06	33	B	156.6	0.6	1.40	17	5.1	351	48.5	+1111%
BUY	Melbourne IT	MLB	10/02/04	53	A	81.4	0.6	0.83	11	8.2	183	82.0	+400%
BUY	Nomad Building Solutio	NOD	16/08/10	13*	D	277.5	2.7	0.14	NE	Nil	9	Nil	-31%
HOLD+	Novarise Renewable Res	NOE	14/03/11	25	C	415.1	1.9	0.81	4	Nil	16	Nil	-36%
HOLD+	Penrice Soda Holdings	PSH	11/07/11	17	D	91.4	3.3	0.03	NE	Nil	6	Nil	-67%
HOLD+	Probiotec Ltd	PBP	11/02/08	116	B	52.9	1.3	0.26	8	Nil	33	9.3	-64%
BUY	Prophecy International	PRO	08/09/08	26	B	47.2	1.4	2.42	NE	2.0	25	8.5	+29%
HOLD	Skilled Group Ltd	SKE	12/03/02	126	A	233.5	0.6	0.33	14	4.9	264	140.0	+221%
HOLD	Technology One Ltd	TNE	11/11/03	44	B	303.4	0.6	2.55	20	3.5	132	33.5	+276%
HOLD+	TFS Corporation Ltd	TFC	08/01/07	45	B	276.5	1.2	0.97	5	Nil	39	14.2	+18%
HOLD+	The Reject Shop Ltd	TRS	11/01/05	257	A	26.1	0.4	0.57	15	2.7	1240	303.5	+501%
HOLD	Village Roadshow	VRL	10/08/09	77	A	153.2	0.5	0.59	16	6.2	355	159.0	+568%

The average Total Return (i.e. both Capital Gains/Losses plus Dividends received) of all current investments from initial recommendation is +222.7%. This is equal to an average annual rate of +25.6%, based upon the length of time each position has been held.

The average annual rate of gain of ALL recommendations (both the 39 current and 153 closed out) is +29.2%, compared with a market gain of +3.7% (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) Cellnet Group includes 1½ shares in Mnet Group distributed to shareholders.

Recommended Investments

(Continued from Page 3)

For the year to June 2013 the company is predicting a partial recovery in profits to $10-12 million (14½-17½ cents per share). That should allow the company to reinstate dividend payments this year.

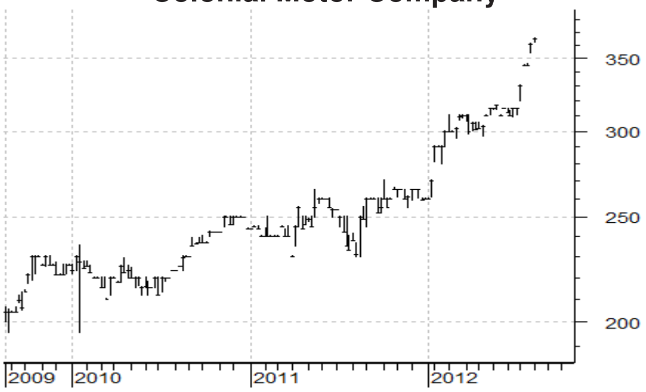
Cavalier Corporation is a sound carpet manufacturing business, with its recent profit "glitch" the result of a sharp increase in a raw material cost (together with depressed economic conditions and a high exchange rate). The shares are therefore an attractive *recovery* situation which should soon return to being an attractive income share. "Buy".

Cavalier Corporation

Colonial Motor Company performed very strongly (and better than expected) for the year to 30 June 2012. Revenues were up 13.3% to $543.4 million and trading profits up 42.1% to $11,835,000 (36.2 cents per share). In addition the company received just under $4.5 million in insurance payouts to cover damage to its properties in Christchurch.

A final dividend of 16.0 cents (plus full imputation tax credits) will lift the annual dividend 31.6% to 25.0 cents. The cash operating surplus was 82% higher at $15.9 million.

Colonial Motor Company



Lyttelton Port Company lifted trading revenues 14.1% to $104.5 million for the year to 30 June 2012. In addition it has accounted for $18.4 million from insurance (although not actually received any cash during the period). Net profits were reported at $17,203,000 - and adjusted for earthquake related items the profit was $17,000,000 (16.6 cents per share), up 40.5%.

No dividend will be paid - until the insurance claims have been resolved and the company receives further cash payments.

The net operating cash surplus was down 23% at $11.4 million.

Michael Hill International's revenues rose 4.7% to $513.0 million for the year to 30 June 2012, with net profits up 5.8% at $36,511,000 (9.5 cents per share). A final dividend of 3.5 cents (with no NZ imputation tax credits) will raise the annual dividend rate 22.2% to 5.5 cents.

The net operating cash surplus rose 20.3% to $52.1 million. We had estimated that Michael Hill International *could* have no net debt by the end of June 2012, but net debt fell only $15.9 million from $36.9 million to $21.0 million (i.e. debt of $33.1 million less cash of $12.1 million). Working capital, however, increased $17.3 million (i.e. diverting funds that could have reduced debt) - with inventories up $14.0 million to $187.0 million and debtors up $3.3 million to $11.8 million.

The company opened 15 new stores and closed three stores during the year, with 153 stores in Australia, 53 in New Zealand, 37 in Canada and 9 in the United States as at 30 June 2012. At this stage the company plans to open around 21 stores per year over the next few years, expanding Australia to 180 stores by June 2015, NZ to 56 stores and Canada to 67 stores.

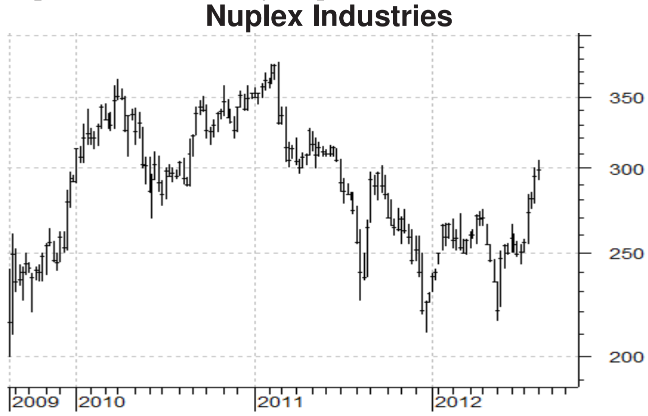
The Canadian business has just become profitable and is entering a period of rapid growth. Canada will likely overtake NZ as the second largest market in the near future, with more stores in 2014, greater revenues from 2016 and probably higher earnings from about 2017 or 2018.

Michael Hill International

Nuplex Industries lifted revenues 2.6% to $1,615.9 million, but net profits slipped 6.9% to $64,507,000 (32.8 cents per share). The company will pay a final dividend of 11.0 cents (with no NZ imputation tax credits and no Australian franking credits), making a steady annual dividend of 21.0 cents.

The net operating cash surplus was 19% lower at $48.4 million - mainly owing to additional working capital for the recently acquired **Viverso** business.

Nuplex Industries



Postie Plus Group has announced annual revenues (for the year to the end of August) down 4.2% to $110.9 million. Revenues from the continuing businesses (i.e. excluding the recently sold Babycity) were up 0.2% at $94.0 million.

Smiths City Group reports the first quarter of the new financial year "below budget but in line with last year'.

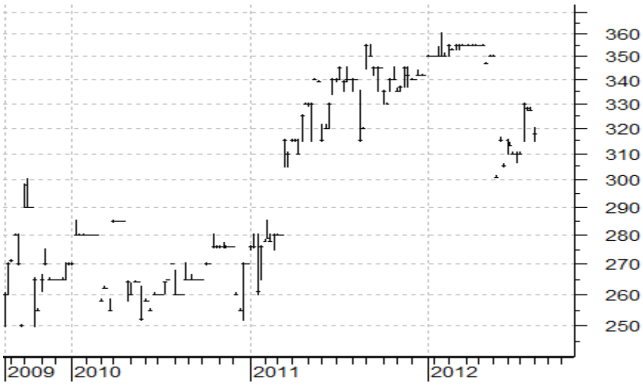
South Port NZ's revenues rose 4.4% to $26.5 million for the year to 30 June, but profits were down 4.3% at $5,989,000 (22.8 cents per share). A final dividend of 14.5 cents will maintain a steady 20.0 cents annual dividend (plus full imputation tax credits).

The net operating cash surplus was down 48% (but from a high surplus in 2011) to a more normal $6.7 million.

The company will "focus on cost containment and prudent management and is optimistic of a stable profit result" for the June 2013 financial year.

South Port NZ has completed the acquisition of **Southland Cool Stores** - but has released no financial details to shareholders!

South Port NZ



Australian Shares

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

AJ Lucas Group lifted revenues 16.4% to $504.3 million but recorded a *loss* of $65,270,000 (*minus* 63.4 cents per share). It also wrote down intangible assets by $45.0 million. No dividend is payable.

The net operating cashflow was a *deficit* of $11.3 million.

Inveraray Capital - the Chairman's company - will not be participating in the planned share placement, with all of those shares to be taking by **Kerogen Investments**. The shareholders approved this $40 million capital raising at a meeting last Wednesday.

AJ Lucas Group has also arranged to pay $10 million to the **Australian Tax Office** in October, with the balance of $23 million over five years.

AJ Lucas Group's business has clearly performed very poorly over the last few years and the market is currently valuing the shares as if the company was about to fail. If the $40 million capital raising - approved by shareholders last week - is completed then that is not about to happen soon. If Kerogen Investments does not complete this new investment then that would be to *force* a better deal - probably seeking to take full control of AJ Lucas Group via a takeover and greater ownership of its energy assets like **Cuadrilla Resources**.

AJ Lucas Group

ALS Ltd (formerly Campbell Brothers) has sold its two remaining Chemicals division businesses for $43 million. **Deltrex** has been sold to **Redox Pty** and **Panamex Pacific** sold in a management buyout (i.e. to existing managers of that division and investors).

These businesses contributed annual revenues of $90 million and earnings of $8.1 million - equal to net profits of about $5.2 million (i.e. only 2.3% of group profits). So these business are being sold on a Price/Sales ratio of about 0.50 and Price/Earnings ratio around 8. Those are reasonable valuations - and ALS Ltd should be able to earn a higher return on funds (and higher growth) re-investing this money in its laboratory services business.

ALS has also made two acquisitions for a total of $26 million: **Milana A/S**, the second largest environmental analytical laboratory group in Denmark and **Artek Engineering Environmental Measurement & Consulting Pty**, which is the largest environmental analytical laboratory group in Turkey. ALS Ltd will integrate these laboratories into its global business . . . then use these businesses to expand the range of services offered in Denmark and Turkey.

ALS Ltd (Campbell Brothers)

Atlas South Sea Pearl's revenues for the six months to 30 June 2012 were 14.2% lower at $5.4 million - owing to an 8% drop in the number of pearls sold as the company withheld stock from sale owing to low prices and to build up stocks for of its new *Wholesale* selling division. Other income - mainly the increase in the value of biological assets - was 87% lower than the same period last year. Net profits were therefore 90.6% *lower* at $156,199 (less than 0.1 cent per share).

There was a net operating cash *deficit* of $1.2 million - mainly reflecting investments in growing the business.

The company expects oyster *(Continued on Page 6)*

Recommended Investments

(Continued from Page 5)

seeding this year to be similar to 2011, while pearl harvests have yielded slightly larger pearls with a similar proportion of higher grade pearls. An eighth retail store is planned for Sanur, Bali, in the December quarter of 2012.

Atlas South Sea Pearl

Cardno lifted revenues 32.8% to $965.8 million for the year to 30 June 2012. Net profits grew 26.1% to $74,168,000 but owing to the increase in issued capital (from the recent cash issue) the earnings per share was *down* 1.8% at 53.7 cents. A final dividend of 18.0 cents will lift the annual dividend rate 5.9% to 36.0 cents.

The net operating cash surplus was 1% *lower* at $72.6 million.

Cellnet Group revenues to 30 June 2012 were 14.1% *lower* at $64.1 million while profits (from continuing operations) were 3.1% higher at $1,241,000 (2.2 cents per share). Discontinued businesses (and write-offs) *lost* $1,729,000 to give an overall *loss* of $488,000.

No final dividend will be paid, but the company paid a 1.0 cent interim dividend and recently paid a 10.0 cents special dividend (to distribute some of its surplus cash).

There was a net operating cash *deficit* of $1.2 million, down from a $3.3 million surplus in the previous year.

Cardno

Chandler Macleod Group lifted revenues 32.5% to $1,548.9 million for the year to the end of June - helped by a full year's contribution from the Ross Human Directions business. Net profits were up 44.5% to $16,317,000 (3.6 cents per share). A 1.6 cents final dividend will raise the annual dividend rate 40.0% to 2.8 cents.

The net operating cash surplus was *down* 32% - but still very high - at $32.2 million.

The company will expand its newly acquired **Australian Hospitality Services Group** into NZ and Asia this year, followed by other divisions, with plans to earn 20% of group profits offshore within 3-5 years.

Chandler Macleod Group

Clarius Group lifted total revenues 2.3% for the year to 30 June but high margin permanent recruitment revenues fell, resulting in a 51.6% drop in net profits to $2,061,000 (2.3 cents per share). The company again wrote down goodwill by $11.5 million.

No final dividend will be paid, so the interim makes the annual payout 75.0% lower at 1.0 cent.

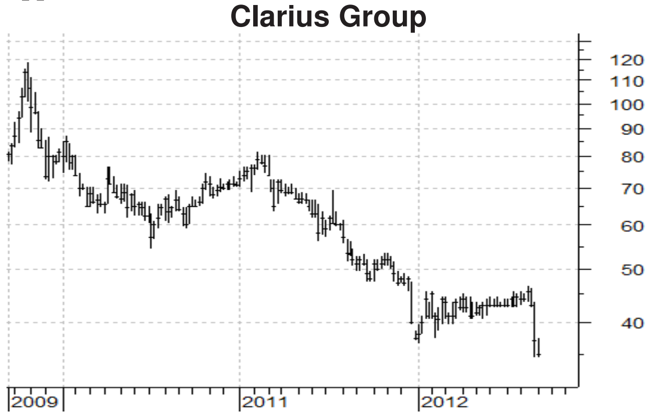
There was a net operating cash *deficit* of $2.0 million, down from an $8.7 million surplus the previous year.

Broker forecasts suggest that Clarius Group could earn 2.2-4.6 cents per share this year and 5.6 cents per share in the year to June 2014.

Net current assets - cash and debtors, less creditors, bank debt, tax and other payables - is $32.5 million (36.3 cents per share). The company could be liquidated for this value - so with the shares trading at 35 cents the stockmarket is placing no value on the company's business!

Once upon a time - prior to the Global Financial Crisis and the current depressed and pessimistic environment - investors could only read books about how during the Great Depression it was possible to buy shares in many sound companies for less than liquidation value! Like a fairy story, today shares again trade at those extremely low valuations. Future generations of investors will look back disbelievingly at today's opportunities!

Clarius Group



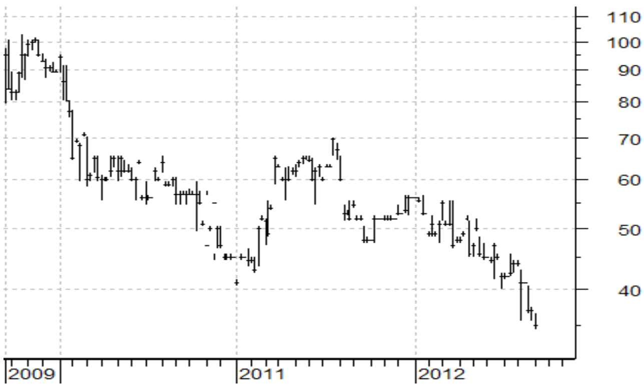
CPT Global lifted revenues 3.6% to $39.45 million over the year to the end of June 2012, but higher costs, tighter margins and delays signing two large clients which deferred "some attractive revenue and margin contribution" resulted in a 42.2% fall in net profits to just $608,000 (1.6 cents per share). No final dividend will be paid, making the annual dividend 40% lower at 1.5 cents.

The net operating cash surplus was 22% higher at $1.4 million and the company remains in a sound financial position with $1.1 million of cash in the bank and no interest bearing debt.

The company has made "significant progress with business development" in Asia and South America: signing its first client in mainland China and "well advanced in discussions with some of Brazil's largest entities". CPT Global sees an "opportunity pipeline of $50.2 million" of new work and anticipates "the commencement of new large projects and the establishment of new significant clients" in the new financial year. It also expects margins to improve as many clients move from Phase I (i.e. exploratory cost reduction assignments) to Phase II assignments (i.e. identifying substantial client savings and earning CPT Global higher margins on services provided).

CPT Global can "gear up quickly to respond to opportunities" so the critical factor in future growth is signing new clients and commencing mainframe and mid-range computer cost reduction assignments.

CPT Global



CSG Ltd's results from its continuing business (i.e. Print Services) shows revenues down 8.6% at $202.8 million and a *loss* of $22,234,000 (*minus* 7.9 cents per share). The company paid an interim dividend of 2.5 cents, making the regular annual dividend 54.5% lower than 2011.

In addition, the company realised an after tax profit of $73.9 million on the sale of its Technology business for $227.5 million (or $187.0 million in cash after tax and other related costs).

The net operating cash flows show a *deficit* of $2.7 million, similar to the previous year.

CSG Ltd will pay a special 20.0 cents dividend on 18 September (ex 4 September) to distribute $56.5 million of cash from the Technology sale. A further $40 million (about 14 cents per share) will be distributed in December as a return of capital - subject to approval by the **Australian Tax Office** and shareholders, finalising its banking facilities and first quarter business performance. The company may also repurchase up to 10% of its shares on-market over the next year, returning a further $13-15 million to shareholders.

CSG Ltd

Devine reported revenues down 26.2% to $313.9 million for the year to June 2012. Trading profits were down 45.0% at $11,100,000 (7.0 cents per share), before writing down $34.3 million in asset values. A final 2.0 cents dividend will make 4.0 cents for the year, down 50.0% (adjusted for the share consolidation) on the previous year.

The net operating cash surplus was $27.5 million.

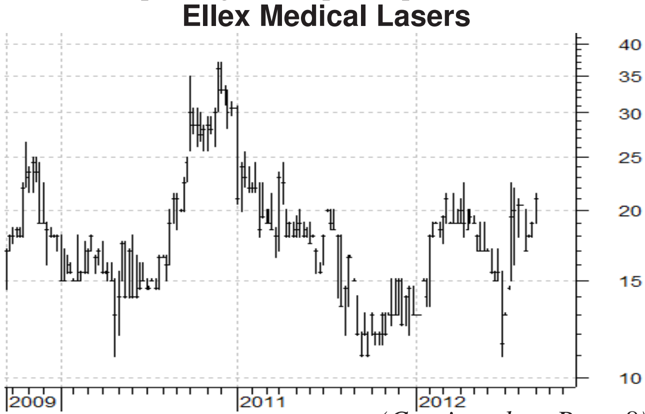
Devine has net tangible assets of 200 cents per share. Current profits are obviously an inadequate return on Shareholders Equity and the market is valuing the shares at a huge 70% discount to net assets! Over the medium to long term either (1) profits (i.e. the return on equity) must improve (increasing dividend payments and the share price) or (2) as an under-performing business it should be liquidated (i.e. complete and sell-off existing projects, then return the cash to shareholders rather than investing in new projects at an inadequate rate of return).

Devine

Ellex Medical Lasers lifted revenues 10.1% to $47.5 million in the year to 30 June 2012 and returned to profitability, earning a net profit of $920,000 (1.1 cents per share). No dividend is payable.

The net operating cash surplus improved to $1.8 million.

Ellex Medical Lasers



(Continued on Page 8)

Recommended Investments

(Continued from Page 7)

Fiducian Portfolio Services suffered a 5.3% fall in revenues to $23.2 million for the year to 30 June 2012 but expenses rose 9.8%, so net profits fell 50.1% to $2,215,000 (7.0 cents per share). The final dividend will be 50.0% lower at 2.5 cents, making the annual dividend 50.0% lower at 5.0 cents.

The net operating cash surplus was down 70% to $1.5 million.

Funds Management is a cyclical business where low asset prices depress revenues which are set as a percentage of market values. Fiducian Portfolio Services has suffered over the last year, but this sharp decline in profitability is similar to other companies involved in this business.

Fiducian Portfolio Services

Finbar Group lifted revenues 62.9% to $112.3 million for the year to 30 June 2012. Net profits were up 11.6% at $26,810,219 (12.5 cents per share). As previously announced, a final dividend of 5.5 cents will lift the annual dividend 16.1% to 9.0 cents.

The net operating cashflows show a *deficit* of $47.2 million - which reflects the increase in projects under construction (up $26.0 million to $144.0 million) and the retention of Investment Properties (up $45.1 million to $113.1 million - or about 53 cents per share).

Finbar Group has $311 million of developments scheduled for completion in the current financial year, $240 million in the June 2014 year and $748 million for the year to June 2015. This growth in business volumes should drive significant profit growth over the next several years!

Finbar Group

Iluka Resources lifted revenues 15.4% to $711.0 million for the six month to 30 June. Sales *volumes* were down 35%, but prices have remained higher than the first half of 2011. Net profits were up 88.1% to $274.4 million (65.5 cents per share). The interim dividend will be 25.0% higher at 25.0 cents (and fully franked).

The net operating cash surplus was 67% lower at $77.2 million - mainly reflecting the payment of $156 million in income taxes on the 2011 annual profit.

The company is continuing to spend on production (i.e. depressing net cashflows), but part of those costs are being capitalised as increased inventories - up $170.4 million over the last year to $546.6 million.

For the full 2012 year, Iluka Resources expects cash production costs of around $615 million (down from previous forecasts of $670 million) or about $750/tonne. Capital expenditure will be around $185 million, down from its earlier estimate of $260 million, by deferring some expansion projects not needed to meet current market demand.

Iluka Resources

Mnet Group has reported revenues down 23.4% to $9.8 million and a reduced *loss* of $509,581 (*minus* 0.2 cent per share). No dividend will be paid.

The net operating cash surplus was $197,000.

There is $1.9 million (0.9 cent per share) of cash in the bank.

M2 Telecommunications' revenues were down 8.0% to $393.5 million for the year to 30 June 2012, but net profits grew 19.3% to $33,029,000. Earnings per share (based upon year end capital) were 5.8% *lower* at 21.1 cents, owing to new shares issued recently. A steady 9.0 cent final dividend will raise the annual dividend 12.5% to 18.0 cents.

The net operating cash surplus was up 5% to $41.6 million.

The company is predicting a 55-65% increase in revenues to $610-650 million - helped by a full year's contribution from recently acquired **Primus Telecom Holdings** - with profits up 30-45% to $43-48 million (27½-30½ cents per share).

M2 Telecommunications

Melbourne IT lifted revenues 2.5% to $89.8 million for the six months to 30 June. Net profits improved 17.5% to $5,813,000 (7.1 cents per share). A steady 7.0 cents interim dividend will be paid.

The net operating cash surplus was 38% higher at $11.6 million.

The *Transformation* program has experienced "some challenges emerging in the rollout phase" requiring "additional fixes and fine-tuning". This will likely cost a further $3-5 million (in the 2013 financial year), taking the final cost to $28-30 million and delaying completion six months until mid-2013.

Melbourne IT

Nomad Building Solutions' revenues (from continuing operations) were down 13.2% to $115.5 million for the year to 30 June 2012 but with a return to profitability. Profits from continuing businesses were $9,614,000 (2.5 cents per share), compared with a *loss* of $9,980,000 in 2011. No dividend will be paid.

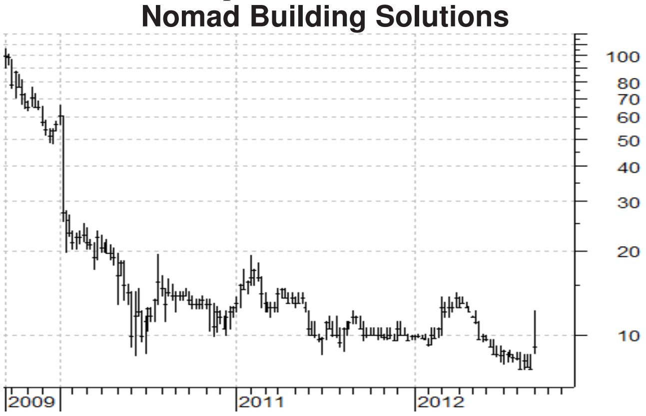
In addition there was a loss of $3,176,000 from a business closed down.

The net operating cash surplus was $3.6 million.

The company has cash in the bank of $10.2 million (down $6.9 million) and interest bearing debts of $6.9 million (down $7.7 million), so its *net cash* position increased $0.8 million to $3.3 million.

The company reports "tender activity at a high level" but "contract award decisions continue to be delayed" so the "stronger operating result" expected for the new financial year will likely see earnings higher in the second half of the period.

Nomad Building Solutions



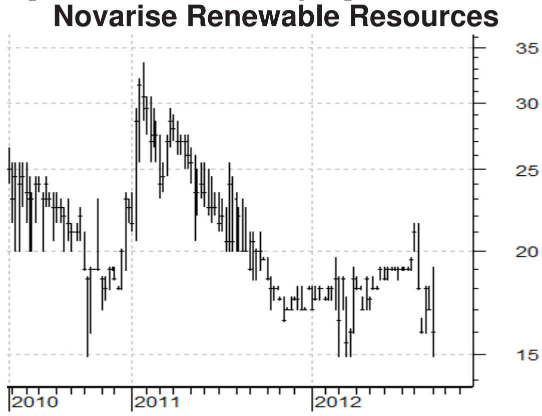
Novarise Renewable Resources International lifted revenues 14.1% to $38.8 million for the half year to 30 June. Net profits were 7.2% higher at $7,790,272 (1.9 cents per share). No dividend will be paid.

The net operating cash surplus was up strongly but still only $2.3 million - owing to the need to finance higher working capital.

The company has interest bearing bank debts of $125.1 million, which is partially offset by $37.3 million held in bank deposits, $67.4 million loaned to third parties, repayable by 31 December 2012 (of which $44.3 million is at an interest rate of 12% and $23.2 million is interest-free) and $15.7 million for some other undisclosed "receivable". If all those loans were repaid to the company, then it would have debts of only $4.7 million - or be virtually debt-free as it has $4.3 million of cash in the bank. Those significant loans to third parties, however, expose the company to the risk of bad debts (or late repayments), exposing the company to financial risks unrelated to its polypropylene plastic recycling business.

The new Nan'an production facility has been completed. Machinery and plant are now being installed for four production lines. The first is preparing for trial operation and the remaining three should be installed by the end of December 2012. This will require the additional investment of $28 million in machinery and plant, plus additional working capital.

Novarise Renewable Resources



Penrice Soda Holdings produced revenues of $149.9 million for the year to 30 June 2012, down 6.3%. The company believes its "underlying" *loss* was $6,674,00 (*minus* 7.3 cents per share). It also wrote down asset values by $45.3 million and wrote off deferred tax assets of $7.7 million.

The net operating cashflow was a *deficit* of $6.1 million (down from a surplus of $5.0 million a year earlier).

Penrice Soda Holdings

These write-downs have reduced the book value of Shareholders Equity to just $1.7 million (1.9 cents per share). As reported last *(Continued on Page 10)*

Recommended Investments

(Continued from Page 9)

month, however, the bank has been happy to extend loan maturities out to July 2017 *and* capitalise (i.e. defer) interest payments. Loan facilities total $97.8 million, of which $95.8 million have been drawn down at the end of June.

Penrice Soda Holdings therefore needs to generate cash, either from its normal operations (to finance debt repayment and selective capital investment) or from asset sales.

Probiotec has reported revenues 8.0% lower at $66.0 million for the year to 30 June 2013 but returned to profitability. Trading profits were $2,229,250 (4.2 cents per share), plus there were *losses* of $979,870 from discontinued businesses. No dividend will be paid, although the directors believe this is the "beginning of a sustained improvement in the performance of the group".

The net operating cash surplus was $3.5 million.

The **Australian Dairy Protein** subsidiary will begin production at its new location in the middle of the second half of the current financial year.

Probiotec

Prophecy International Holdings lifted revenues 37.7% to $6.7 million for the year to 30 June. Net profit was $802,282 (1.6 cents per share), up from a very small *loss* the previous year. A final 1.0 cents dividend will make 2.25 cents for the year (nil in 2011).

There was a net operating cash surplus of $883,936.

This net profit is *after* providing $427,232 for deferred tax which is offset against deferred tax assets, so little or no tax is actually payable. With deferred tax assets of $1.3 million (i.e. from carried forward tax losses of $3.8 million) the company is unlikely to pay income tax for several years.

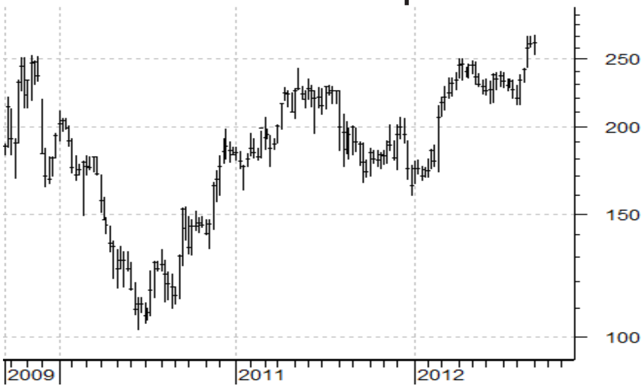
Prophecy International Holdings

Skilled Group's annual revenues were up just 3.8% at $1,890.0 million for the year to 30 June 2012, but trading profits improved almost three-fold to $44,878,000 (19.2 cents per share). A final dividend of 8.0 cents will raise the annual dividend to 13.0 cents - a better than 4-fold recovery on last year's low 3.0 cents payout.

There was also a gain of $4.4 million from discontinued operations.

The cash operating surplus was up 34% to a high $101.8 million.

Skilled Group



TFS Corporation reports revenues 14.2% higher at $126.8 million for the year to 30 June 2012, net profits up 28.3% to $25,878,000 (9.3 cents per share) but will not be paying a dividend for the 2012 year owing to a large net operating cash *deficit* of $60.5 million (down from a $40.4 million surplus in 2011).

The cash operating deficit reflects a number of large factors including: (1) the $36.2 million spent to acquire land for development into Sandalwood plantations, (2) a *Beyond Carbon* purchaser failing to settle a $20.6 million debt from 2010 (where TFS Corporation has taken back ownership of the plantation) and (3) another *Beyond Carbon* purchaser failing to settle a $38.3 million debt due before 30 June 2012 (which has been extended until 31 December 2012).

That cash position has improved slightly, with another *Beyond Carbon* purchaser settling a $24 million debt in July. TFS Corporation has also sign a wholesale investor to buy $45 million worth of plantations, with settlement expected before June 2013.

TFS Corporation has net financial assets of $87.5 million (31.3 cents per share) plus Land and Plantation assets of $127.5 million (45.6 cents per share). The break-down of the financial assets is: Cash $55.1 million, Trade Receivables ($81.3 million - of which $38.3 million is overdue, but secured over plantation assets worth $42.4 million), Loans to Growers $48.5 million, other cash deposits $12.0 million and Deferred Fees of $63.5 million (to be paid at harvest, but new accounting rules now classify this as an "intangible asset"). That is total financial assets of $260.5 million. There are interest bearing debts of $146.5 million and creditors of $26.5 million.

The one weakness in TFS Corporation's business strategy is its failure to focus better on cashflows - while seeking maximum growth without sound financing. The company has sought to develop high-profit margin Sandalwood plantations (and eventually processing and value added activities) but this is a capital intensive business, with harvest and cashflows many years after the initial plantation development costs - and with ongoing annual costs maintaining the plantations.

So the company turned to outside investors to invest capital to finance the plantation development via *Managed Investment Schemes*. That makes perfect sense - except that the company financed much of that investment via loans to growers! TFS Corporation may earn a high interest return on those loans, but the need was to raise new capital to finance the plantations, not lend its own capital (or rather capital it didn't have, borrowing from banks at high interest rates) to finance those outside investors! It also sold many *MIS* units with deferred annual fees. Those fees probably compound with a high "interest" value each year (i.e. are *profitable* for the company), but this provides no cashflow. So instead of the outside investors paying cash fees each year to cover the costs of maintaining the plantation, TFS Corporation needs to find additional capital to finance these on-going costs.

Grower loans and deferred annual fees may yield high profit margins but TFS Corporation needs to finance the cash operating costs for about 15 years! The primary reason for bringing in outside investors is to provide up-front *cash* capital investments and annual *cash* flows to cover the annual plantation expenses. TFS Corporation's own capital would be better invested in the *business* and in direct ownership of some of the plantation, rather than in moneylending.

The *Beyond Carbon* and other wholesale institutional plantation sales aim to diversify and increase the inflow of new capital to finance new plantations - but apparently suffers from the same lack of focus upon cashflows. TFS Corporation announces individual institutional sales worth perhaps $20-50 million each - but in many cases has apparently taken no initial deposit and little or no progress payments. So TFS Corporation is again *using its own capital* to acquire land, develop Sandalwood plantations and *perhaps* the institutional investor will pay for its purchase, or require a 6-18 month extension and sometimes fails to complete the transaction.

A greater focus on cash, may mean that the company failed to make some MIS sales - financed by grower loans with deferred fees - and as a result the business would be slightly smaller but in a significantly better financial position.

Similarly, a better focus on cash in its institutional sales would not deter genuine Investment Funds with cash to invest, but would remove the "purchasers" who *hope* to complete the transaction *if* they can re-sell to retail investors. It would not be unreasonable to require a 10% deposit, some progress payments during development and then the balance on completion when the assets are transferred.

TFS Corporation would be better to aim for 20% per annum growth that is reliably financed rather than 30% per annum growth and a series of "cash crises" - putting the company's future at risk - when its bank decides to withdraw financing or when *another* $20-40 million debtor fails to pay!

The Reject Shop reports revenues (including insurance receipts) 7.6% higher at $562.9 million for the 53 weeks to 1 July 2012. Net profits were up 35.6% to $21,923,000 (84.1 cents per share).

Excluding the extra week in this financial year and the impact of insurance recoveries, the company estimates its normalised profit would be around $18.3 million (70 cents per share).

The company will pay a final dividend of 9.5 cents, lifting the ordinary annual dividend rate 8.1% to 33.5 cents. It will also pay a special dividend of 8.5 cents.

The net operating cash surplus was 124% higher at $40.2 million.

This result is still well below the $23.35 million profit for the year to June 2010 and the 67.0 cents dividend.

18 new stores were opened last year, expanding the group to 239 stores.

Village Roadshow revenues for the year to 30 June were steady (i.e. up 0.1%) at $927.2 million, but trading profits improved 20.2% to $33,771,000 (22.0 cents per share). A final dividend of 10.0 cents will lift the annual regular dividend 37.5% to 22.0 cents.

The net operating cash surplus was down 16%, but still very high at $125.9 million.

The company is "currently negotiating" for a new *Wet'n'Wild* water park somewhere in the United States, that could be completed by May/June 2013. Village Roadshow would have a "majority ownership" of this park and earn fees from ongoing management, but external investors would probably provide the majority of the capital.

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

For an explanation of this table see the *Share Selection Methods* report available from our website. 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	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
UNDER-VALUED SHARES: Lowest Price/Sales, Yld > 0, Rel Strength > 0													
Smiths City	51	+5.4	+2.9	23	0-0	-	0.6	10	1.2	6	6.9	0.12	27
Col Motor Co	365	+7.6	+1.7	13	1-0	-	1.0	10	0.5	10	9.8	0.22	119
Air New Zealand	113	+1.6	+4.0	42	1-0	1	0.8	4	1.0	17	4.9	0.28	1,243
Ebos Group Ltd	830	+5.4	+0.8	23	0-0	1	2.1	13	0.5	15	5.9	0.30	432
Nuplex Indust	299	+2.7	+5.2	37	7-0	1	1.1	12	1.0	9	7.0	0.36	588
Abano Health.	522	+7.1	+4.6	15	0-0	1	1.0	2	0.7	53	5.7	0.41	85
Hellaby Hold.	320	+5.3	+0.6	25	1-0	-	1.6	13	1.2	12	5.8	0.48	240
Allied Work.	242	+5.5	-2.5	22	1-1	-	3.1	22	1.0	14	7.7	0.53	63
Infratil NZ	212	+4.7	-0.2	28	0-2	-	1.2	5	0.7	24	5.4	0.56	1,244
Pumpkin Patch	119	+5.3	+5.8	26	3-2	1	6.2	23	1.1	26	3.6	0.59	200
Turners Auction	192	+7.7	+4.4	12	1-1	-	3.1	21	0.7	14	12.6	0.70	53
Restaurant Brds	229	+3.1	+1.0	35	0-0	-	3.7	28	0.8	13	10.0	0.73	224
Opus Int'l Cons	200	+0.4	-2.5	49	0-0	-	2.6	22	0.7	12	6.1	0.73	290
Michael Hill	112	+3.4	+0.8	33	4-2	1	2.2	19	0.8	12	4.9	0.84	429
Methven Limited	135	+5.2	+0.9	26	5-0	-	1.9	13	1.0	14	9.1	0.85	90
Tower Limited	180	+4.0	+1.9	29	2-1	2	1.1	7	1.1	14	4.8	0.88	477
Briscoe Group	196	+11.4	-0.5	10	3-0	1	2.9	20	0.7	15	7.3	0.95	416
BEST PERFORMING SHARES: Strongest Shares, P/E < 20, P/S < 1.0													
Briscoe Group	196	+11.4	-0.5	10	3-0	1	2.9	20	0.6	15	7.3	0.95	416
Turners Auction	192	+7.7	+4.4	12	1-1	-	3.1	21	0.6	14	12.6	0.70	53
Col Motor Co	365	+7.6	+1.7	13	1-0	-	1.0	10	0.4	10	9.8	0.22	119
Allied Work.	242	+5.5	-2.5	22	1-1	-	3.1	22	0.8	14	7.7	0.53	63
Ebos Group Ltd	830	+5.4	+0.8	23	0-0	1	2.1	13	0.5	15	5.9	0.30	432
Smiths City	51	+5.4	+2.9	23	0-0	-	0.6	10	0.9	6	6.9	0.12	27
Hellaby Hold.	320	+5.3	+0.6	25	1-0	-	1.6	13	1.0	12	5.8	0.48	240
Methven Limited	135	+5.2	+0.9	26	5-0	-	1.9	13	0.8	14	9.1	0.85	90
Tower Limited	180	+4.0	+1.9	29	2-1	2	1.1	7	0.9	14	4.8	0.88	477
Heartland BS	57	+3.4	+2.6	32	0-2	-	0.6	6	1.1	9	Nil	0.98	222
Michael Hill	112	+3.4	+0.8	33	4-2	1	2.2	19	0.7	12	4.9	0.84	429
Restaurant Brds	229	+3.1	+1.0	35	0-0	-	3.7	28	0.7	13	10.0	0.73	224
Nuplex Indust	299	+2.7	+5.2	37	7-0	1	1.1	12	0.9	9	7.0	0.36	588
Air New Zealand	113	+1.6	+4.0	42	1-0	1	0.8	4	0.8	17	4.9	0.28	1,243
Just Water Int.	12	+1.3	+2.8	43	1-0	-	2.0	32	2.9	6	Nil	0.36	11
Opus Int'l Cons	200	+0.4	-2.5	49	0-0	-	2.6	22	0.6	12	6.1	0.73	290
INCOME SHARES: Highest Yields, Capitalisation > NZ$100 million													
Warehouse Group	285	-2.6	+3.5	66	2-2	2	2.6	29	0.6	9	11.0	0.42	696
Telecom Corp	248	+5.8	-1.8	20	4-5	3	2.8	71	0.5	4	10.8	1.01	4,605
Chorus Ltd	347	-1.4	+1.5	59	1-1	2	2.5	33	0.4	8	10.3	1.27	1,336
Restaurant Brds	229	+3.1	+1.0	35	0-0	-	3.7	28	0.6	13	10.0	0.73	224
Col Motor Co	365	+7.6	+1.7	13	1-0	-	1.0	10	0.3	10	9.8	0.22	119
NZ Oil & Gas	89	+5.5	+2.2	21	3-0	1	1.0	6	1.0	18	9.6	3.08	358
Hallenstein G.	460	+6.1	+1.4	18	0-0	-	4.4	29	0.5	15	9.6	1.34	274
Sanford Limited	385	-4.2	+1.0	72	13-0	-	0.7	4	0.3	16	8.5	0.78	360
Kathmandu Ltd	175	-5.2	+5.7	76	2-2	4	1.4	15	0.7	9	8.2	1.14	350
F & P Health.	219	-6.8	+0.5	78	1-1	1	3.3	18	0.4	18	8.1	2.20	1,138
INSIDER BUYING: Most Insider Buying, Relative Strength > 0													
Nuplex Indust	299	+2.7	+5.2	37	7-0	1	1.1	12	0.8	9	7.0	0.36	588
Methven Limited	135	+5.2	+0.9	26	5-0	-	1.9	13	0.7	14	9.1	0.85	90
Comvita	394	+16.8	+0.4	4	4-0	-	1.5	11	0.5	14	5.1	1.17	112
Briscoe Group	196	+11.4	-0.5	10	3-0	1	2.9	20	0.5	15	7.3	0.95	416
NZ Oil & Gas	89	+5.5	+2.2	21	3-0	1	1.0	6	1.0	18	9.6	3.08	358
Dorchester Pac	18	+22.6	+13.1	1	3-0	-	1.3	-	1.5	NE	Nil	3.23	32
Pharmacybrands	136	+31.2	+3.5	0	2-0	-	2.6	16	0.5	16	Nil	1.55	163
Trade-Me Ltd	405	+6.2	-2.6	17	2-0	2	2.5	12	0.5	21	2.8	N/A	1,604
F & P Appliance	75	+15.1	+4.1	8	2-0	1	0.9	3	1.0	30	Nil	0.53	543
Mercer Group	21	+18.0	+5.8	3	2-0	-	3.0	-	1.8	NE	Nil	1.50	50
OVER-VALUED SHARES: Highest Price/Sales Ratios, Relative Strength < 0													
Goodman Prop.	103	-0.3	+0.3	53	0-1	-	1.1	4	0.4	25	6.1	9.20	1,024
Vital Health PT	122	-58.3	+0.0	98	0-1	-	1.2	3	0.5	40	6.4	6.37	358
Charlie's Group	43	-58.3	+0.0	97	0-0	-	7.7	15	1.2	51	Nil	4.00	126
NZ Windfarms	13	-5.0	-1.4	75	0-0	-	0.5	-	1.4	NE	Nil	3.83	37
South Port NZ	318	-4.7	+0.5	75	0-0	-	2.8	20	0.3	14	9.0	3.15	83
Sky City Ltd	393	-0.1	+2.5	52	0-0	3	2.8	17	0.5	16	5.3	2.66	2,267
NZ Refining Co	274	-8.8	+2.6	83	3-0	-	1.3	6	0.5	22	6.3	2.64	767
Sky Network TV	510	-2.6	+1.0	67	1-0	-	1.6	10	0.4	16	6.2	2.35	1,985
F & P Health.	219	-6.8	+0.5	78	1-1	1	3.3	18	0.4	18	8.1	2.20	1,138
Pyne Gould Corp	30	-8.7	+2.6	83	0-1	-	0.7	-	1.1	NE	Nil	2.15	65
Lyttelton Port	210	-0.5	+0.2	54	0-0	-	1.2	10	0.5	13	Nil	2.05	215

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
WORST PERFORMING SHARES: Weakest Shares, P/S Ratio > 0.25, Yield < Twice Average													
Vital Health PT	122	-58.3	+0.0	98	0-1	-	1.2	3	0.4	40	6.4	6.37	358
Charlie's Group	43	-58.3	+0.0	97	0-0	-	7.7	15	1.2	51	Nil	4.00	126
WN Drive Tech.	14	-16.8	-1.5	89	2-0	-	0.8	-	1.8	NE	Nil	0.27	9
L&M Energy	7	-15.8	-0.7	88	0-0	-	1.7	-	1.7	NE	Nil	N/A	49
Rakon Ltd	44	-12.2	+0.5	85	1-0	-	0.4	-	0.9	NE	Nil	0.47	84
Cavalier Corp	175	-12.1	+5.7	84	0-0	1	1.3	5	0.6	28	Nil	0.55	119
NZ Refining Co	274	-8.8	+2.6	83	3-0	-	1.3	6	0.4	22	6.3	2.64	767
Pyne Gould Corp	30	-8.7	+2.6	83	0-1	-	0.7	-	1.0	NE	Nil	2.15	65
New Image Group	17	-6.4	+4.5	77	0-0	-	3.0	-	1.4	NE	Nil	0.52	39
NZ Windfarms	13	-5.0	-1.4	75	0-0	-	0.5	-	1.4	NE	Nil	3.83	37
Heritage Gold	2	-4.2	+1.2	72	0-0	-	0.6	-	3.3	NE	Nil	N/A	6
NZ Farming Sys.	58	-3.8	+3.1	71	0-0	-	0.8	-	0.9	NE	Nil	1.36	142
INSIDER SELLING: Most Insider Selling, Relative Strength < 0													
Seeka Kiwifruit	100	-2.9	-9.4	68	1-4	-	0.3	-	0.3	NE	Nil	0.10	14
Mainfreight Grp	985	-0.8	+0.6	56	1-3	1	2.8	19	0.4	15	3.8	0.54	975
Goodman Prop.	103	-0.3	+0.3	53	0-1	-	1.1	4	0.4	25	6.1	9.20	1,024
Pyne Gould Corp	30	-8.7	+2.6	83	0-1	-	0.7	-	1.0	NE	Nil	2.15	65
Satara Co-op	45	-2.0	-4.0	62	0-1	-	0.3	-	0.7	NE	Nil	0.14	7
Vital Health PT	122	-58.3	+0.0	98	0-1	-	1.2	3	0.4	40	6.4	6.37	358

"Neglect" Ratings of NZ Shares

"Neglected" Shares = 0-1 Brokers, "Moderately Followed" Shares = 2 Brokers, "Widely Followed" Shares = 3 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.)
Abano Health.	1	85	Michael Hill	1	429
Air New Zealand	1	1,243	NZ Oil & Gas	1	358
Akd Int Airport	2	3,465	Nuplex Indust	1	588
Briscoe Group	1	416	Port Tauranga	1	1,693
Cavalier Corp	1	119	Pumpkin Patch	1	200
Chorus Ltd	2	1,336	Ryman Health.	1	1,970
Contact Energy	2	3,642	Sky City Ltd	3	2,267
Ebos Group Ltd	1	432	Telecom Corp	3	4,605
F & P Appliance	1	543	Tower Limited	2	477
F & P Health.	1	1,138	Trade-Me Ltd	2	1,604
Fletcher Build.	4	4,439	Trust Power Ltd	1	2,512
Freightways Ltd	1	631	Vector Ltd	1	2,768
Kathmandu Ltd	4	350	Warehouse Group	2	696
Mainfreight Grp	1	975			

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

For an explanation of this table see the *Share Selection Methods* report available from our website. 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 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
Chandler McLeod	45	+3.9	+3.6	15	1-0	4	-	-	1.1	12	6.2	0.13	200
Vita Group Ltd	37	+14.9	+8.7	4	2-0	-	6.1	80	1.1	8	8.5	0.13	52
Scott Corp Ltd	34	+2.1	+2.1	19	2-0	-	0.8	11	1.3	7	7.5	0.14	25
E & A Limited	23	+2.6	+0.0	17	3-0	-	23.0	-	1.5	8	17.4	0.14	24
Brierty Ltd	34	+8.5	+4.0	8	5-0	-	0.8	21	1.3	4	8.2	0.15	37
Merchant House	14	+5.4	+0.5	12	0-0	-	0.5	14	1.6	4	7.1	0.18	13
Ruralco Hold.	342	+2.0	+2.0	19	0-0	2	1.9	21	0.4	9	5.3	0.19	188
Caltex Austrlia	1617	+7.2	+3.8	9	0-0	2	2.0	-	0.5	NE	2.8	0.20	4,366
Service Stream	42	+4.6	+6.8	13	3-0	1	2.0	31	1.1	6	4.8	0.20	118
Noni B Limited	83	+8.0	+0.7	8	4-0	-	1.9	19	0.8	10	7.2	0.22	27
Data 3 Ltd	119	+1.9	+4.5	19	1-1	1	6.6	49	0.7	13	5.9	0.23	183
TransMetro Corp	60	+4.7	+1.3	13	0-0	-	0.4	25	0.8	2	8.3	0.23	8
K&S Corporation	150	+7.3	+3.7	9	3-0	-	0.9	11	0.6	8	7.3	0.24	134
Automotive Hold	313	+10.9	+3.3	6	2-0	1	3.3	21	0.6	16	5.4	0.24	814
A.P. Eagers	383	+19.0	+0.7	3	13-0	-	2.2	15	0.3	15	4.2	0.25	601
Tag Pacific	28	+11.7	-0.7	5	2-3	-	0.8	17	1.2	5	4.5	0.26	20
Aust Vintage	46	+9.0	+4.7	7	0-0	-	0.4	5	1.0	9	5.7	0.27	61
Sigma Pharm.	69	+1.9	+2.7	19	2-0	4	1.2	7	0.8	17	5.1	0.28	813
Mesbon China N.	32	+20.9	+1.4	2	0-0	-	1.0	2	1.2	41	3.1	0.29	43
Greencap Ltd	7	+3.4	+1.7	16	0-0	-	-	-	2.3	7	3.4	0.29	20
ERM Power Ltd	180	+5.3	-4.1	12	5-0	-	1.7	19	0.7	9	4.7	0.32	300
Skilled Group	264	+6.9	+2.2	9	1-0	3	10.6	77	0.6	14	4.9	0.33	616
Adcorp Aust.	16	+2.1	+1.9	18	8-0	-	1.8	25	1.5	7	12.5	0.33	10
Shenhua Int'l	33	+0.4	+2.8	23	0-0	-	0.8	24	1.1	3	7.6	0.37	42
Schaffer Corp	405	+3.0	+2.2	17	0-0	-	1.1	16	0.4	7	5.2	0.37	57
Alesco Corp Ltd	189	+10.7	-5.0	6	0-0	4	2.5	10	0.6	26	4.2	0.39	178
Careers Multi.	13	+2.5	+0.3	17	3-0	-	-	-	1.9	8	8.0	0.39	7
Landmark White	31	+10.2	-0.3	6	0-3	-	4.4	26	1.1	17	9.7	0.41	9
Lend Lease Grp	844	+4.2	+3.4	14	0-0	4	1.9	20	0.4	10	4.5	0.42	4,834
SDI Limited	20	+3.9	+13.0	15	0-0	-	1.0	8	1.5	12	1.5	0.42	24
Capital Health	6	+21.2	+5.1	2	0-0	-	-	-	2.7	10	6.6	0.43	22
Gazal Corp	217	+6.7	+5.3	10	0-0	-	2.3	21	0.4	11	8.3	0.45	123
Coventry Group	295	+4.4	+1.4	14	1-0	-	0.8	12	0.5	7	7.5	0.46	112
Gerard Lighting	104	+14.4	+9.0	4	2-0	2	6.9	66	0.7	10	2.6	0.47	183
UXC Limited	88	+13.7	+6.8	4	3-0	3	8.8	60	0.9	15	4.0	0.48	269
Maxi TRANS	76	+27.2	+1.6	1	1-0	1	2.5	23	0.8	11	5.6	0.51	140
Country Road	328	+0.7	+0.6	22	0-1	-	2.7	19	0.3	14	2.3	0.54	227
Logicamms Ltd	100	+5.5	+0.6	12	7-1	1	2.1	33	0.8	6	8.5	0.55	67
Regional Exp.	121	+5.2	+1.9	12	0-0	1	0.8	10	0.7	8	5.9	0.57	137
RHG Ltd	52	+2.9	+5.6	17	1-1	-	-	-	1.0	4	28.2	0.57	159
Beyond Int'l	85	+4.0	+5.0	14	2-0	-	1.8	29	0.7	6	7.1	0.57	52
Village Road.	355	+2.3	+2.8	18	0-0	1	2.4	15	0.4	16	6.2	0.59	544
Fantastic Hold.	258	+2.7	+1.9	17	0-0	2	2.7	21	0.5	13	5.0	0.59	265
Wesfarmers Ltd	3506	+5.0	+4.0	12	1-0	4	7.9	47	0.3	17	4.7	0.61	35,288
WHK Group Ltd	95	+2.4	+2.6	18	2-0	1	10.6	43	0.6	25	7.4	0.61	252
Bank of Q'land	760	+1.8	+4.7	20	6-0	4	1.0	9	0.5	11	7.1	0.61	2,083
Nib Holdings	163	+3.2	+0.9	16	3-2	2	2.7	26	0.6	11	5.7	0.63	713
Korvest Ltd	530	+8.8	+2.0	7	0-0	-	1.3	17	0.4	8	9.1	0.64	47
FSA Group Ltd	38	+5.2	-2.4	12	2-0	-	1.0	17	1.1	6	5.8	0.65	50
Supply Network	118	+17.9	+2.5	3	0-0	-	2.5	25	0.5	10	5.9	0.66	40
Graincorp	938	+5.4	-0.1	12	0-0	5	1.7	16	0.3	11	3.2	0.67	2,026
Woolworths Ltd	3026	+5.6	+1.7	11	4-1	5	12.8	75	0.2	17	4.2	0.67	37,277
liNet	360	+8.5	+3.2	8	4-1	7	-	-	0.5	16	3.9	0.70	579
Legend Corp.	34	+1.9	+2.9	19	0-0	-	4.9	62	1.1	8	6.2	0.71	74
Suncorp Group	892	+3.4	+3.9	16	2-1	4	1.5	9	0.4	16	4.5	0.72	11,476
Q.B.E. Insur.	1239	+0.7	+0.9	22	0-1	3	2.8	15	0.5	19	7.0	0.73	12,985
Tabcorp Holding	304	+0.4	-0.1	23	0-0	4	-	-	0.5	7	7.9	0.73	2,220
Amcor Ltd	762	+1.0	+0.1	21	3-1	3	7.9	36	0.3	22	4.9	0.75	9,195
Gale Pacific	30	+4.2	+0.2	14	3-0	-	1.6	15	1.2	10	8.2	0.80	89
Bendigo Bank	755	+1.2	+3.0	21	0-0	4	1.2	8	0.5	16	7.9	0.82	3,037
Sth Cross Elect	112	+6.6	-1.6	10	2-0	2	2.6	20	0.7	13	2.0	0.82	181
Melbourne IT	183	+3.4	+0.9	16	1-0	2	-	-	0.5	11	8.2	0.83	149
Decmil Group	298	+2.3	+3.3	18	1-0	4	2.8	22	0.6	13	3.4	0.90	498
Saunders Int'l	55	+6.7	+5.8	10	0-0	-	2.5	26	0.9	10	7.3	0.94	43
Super Retail Gr	802	+7.4	+2.0	9	0-0	7	33.4	-	0.4	19	4.0	0.95	1,573
Vita Life Sci.	41	+13.4	-1.1	4	0-0	-	2.3	12	1.0	20	1.2	0.98	24
Tatts Group Ltd	272	+6.5	+0.1	10	0-0	4	-	-	0.5	13	7.9	0.98	3,587
G.U.D. Holdings	868	+4.3	+0.1	14	0-0	4	6.1	43	0.4	14	7.5	1.01	615
Objective Corp.	40	+18.2	+3.9	3	0-0	-	6.7	76	1.0	9	5.0	1.01	40
Insurance Aust.	421	+9.2	+4.3	7	1-0	5	3.5	8	0.5	42	4.0	1.02	8,753

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
Vision Eye Inst	51	+53.7	+11.7	0	0-0	-	-	-	0.9	5	Nil	0.40	45
Quest Investm't	16	+51.2	+13.4	1	1-0	-	0.8	15	1.1	6	Nil	0.22	7
Richfield Int'l	5	+29.5	+19.1	1	0-0	-	0.4	2	1.9	19	Nil	0.48	3
Maxi TRANS	76	+27.2	+1.6	1	1-0	1	2.5	23	0.6	11	5.6	0.51	140
Capital Health	6	+21.2	+5.1	2	0-0	-	-	-	2.0	10	6.6	0.43	22
ITL Limited	19	+19.9	-3.8	2	1-3	-	1.9	26	1.0	7	Nil	0.72	20
A.P. Eagers	383	+19.0	+0.7	3	13-0	-	2.2	15	0.2	15	4.2	0.25	601
Supply Network	118	+17.9	+2.5	3	0-0	-	2.5	25	0.4	10	5.9	0.66	40
Vita Group Ltd	37	+14.9	+8.7	4	2-0	-	6.1	80	0.8	8	8.5	0.13	52
Gerard Lighting	104	+14.4	+9.0	4	2-0	2	6.9	66	0.6	10	2.6	0.47	183
UXC Limited	88	+13.7	+6.8	4	3-0	3	8.8	60	0.7	15	4.0	0.48	269
Vita Life Sci.	41	+13.4	-1.1	4	0-0	-	2.3	12	0.8	20	1.2	0.98	24
AMA Group Ltd	21	+13.3	+8.4	4	0-1	-	10.3	-	1.3	7	Nil	0.92	58
Austock Group	15	+11.8	+10.3	5	0-0	-	2.1	47	1.2	4	Nil	0.49	20
Tag Pacific	28	+11.7	-0.7	5	2-3	-	0.8	17	0.8	5	4.5	0.26	20
Automotive Hold	313	+10.9	+3.3	6	2-0	1	3.3	21	0.5	16	5.4	0.24	814
Landmark White	31	+10.2	-0.3	6	0-3	-	4.4	26	0.8	17	9.7	0.41	9
Aust Vintage	46	+9.0	+4.7	7	0-0	-	0.4	5	0.7	9	5.7	0.27	61
Korvest Ltd	530	+8.8	+2.0	7	0-0	-	1.3	17	0.3	8	9.1	0.64	47
Brierty Ltd	34	+8.5	+4.0	8	5-0	-	0.8	21	1.0	4	8.2	0.15	37
liNet	360	+8.5	+3.2	8	4-1	7	-	-	0.4	16	3.9	0.70	579
Noni B Limited	83	+8.0	+0.7	8	4-0	-	1.9	19	0.6	10	7.2	0.22	27
Hi Tech Group	5	+7.9	+1.6	8	0-0	-	0.5	18	1.9	3	Nil	0.16	2
Norton Gold	20	+7.7	-4.1	9	0-0	-	1.1	8	1.3	14	Nil	0.69	170
Traffic Tech.	4	+7.5	+10.0	9	0-0	-	-	-	2.3	4	Nil	0.13	7
Super Retail Gr	802	+7.4	+2.0	9	0-0	7	33.4	-	0.3	19	4.0	0.95	1,573
K&S Corporation	150	+7.3	+3.7	9	3-0	-	0.9	11	0.4	8	7.3	0.24	134
Sunland Group	90	+7.0	-3.9	9	0-1	-	0.5	4	0.6	12	Nil	0.82	174
Skilled Group	264	+6.9	+2.2	9	1-0	3	10.6	77	0.5	14	4.9	0.33	616
Scantech	45	+6.7	+8.1	10	0-0	-	1.0	22	0.7	5	Nil	0.51	8
Gazal Corp	217	+6.7	+5.3	10	0-0	-	2.3	21	0.3	11	8.3	0.45	123
Saunders Int'l	55	+6.7	+5.8	10	0-0	-	2.5	26	0.7	10	7.3	0.94	43
Sth Cross Elect	112	+6.6	-1.6	10	2-0	2	2.6	20	0.6	13	2.0	0.82	181
Tatts Group Ltd	272	+6.5	+0.1	10	0-0	4	-	-	0.4	13	7.9	0.98	3,587
Boom Logistics	36	+5.9	+12.3	11	4-0	2	0.7	8	1.0	9	Nil	0.48	169
Woolworths Ltd	3026	+5.6	+1.7	11	4-1	5	12.8	75	0.2	17	4.2	0.67	37,277
Logicamms Ltd	100	+5.5	+0.6	12	7-1	1	2.1	33	0.7	6	8.5	0.55	67
Graincorp	938	+5.4	-0.1	12	0-0	5	1.7	16	0.3	11	3.2	0.67	2,026
Merchant House	14	+5.4	+0.5	12	0-0	-	0.5	14	1.2	4	7.1	0.18	13
ERM Power Ltd	180	+5.3	-4.1	12	5-0	-	1.7	19	0.5	9	4.7	0.32	300
Regional Exp.	121	+5.2	+1.9	12	0-0	1	0.8	10	0.5	8	5.9	0.57	137
FSA Group Ltd	38	+5.2	-2.4	12	2-0	-	1.0	17	0.8	6	5.8	0.65	50
Wesfarmers Ltd	3506	+5.0	+4.0	12	1-0	4	7.9	47	0.3	17	4.7	0.61	35,288
TransMetro Corp	60	+4.7	+1.3	13	0-0	-	0.4	25	0.5	2	8.3	0.23	8
Service Stream	42	+4.6	+6.8	13	3-0	1	2.0	31	0.9	6	4.8	0.20	118
Coventry Group	295	+4.4	+1.4	14	1-0	-	0.8	12	0.4	7	7.5	0.46	112
Namoi Cotton	22	+4.2	-2.4	14	0-0	-	0.2	2	0.9	11	Nil	0.05	21
Gale Pacific	30	+4.2	+0.2	14	3-0	-	1.6	15	0.9	10	8.2	0.80	89
Lend Lease Grp	844	+4.2	+3.4	14	0-0	4	1.9	20	0.4	10	4.5	0.42	4,834
Beyond Int'l	85	+4.0	+5.0	14	2-0	-	1.8	29	0.5	6	7.1	0.57	52
Adacel Tech.	33	+3.9	-9.6	15	0-0	-	2.4	39	0.8	6	Nil	0.69	27
Chandler McLeod	45	+3.9	+3.6	15	1-0	4	-	-	0.9	12	6.2	0.13	200
SDI Limited	20	+3.9	+13.0	15	0-0	-	1.0	8	1.1	12	1.5	0.42	24
Melbourne IT	183	+3.4	+0.9	16	1-0	2	-	-	0.4	11	8.2	0.83	149
Suncorp Group	892	+3.4	+3.9	16	2-1	4	1.5	9	0.4	16	4.5	0.72	11,476
Greencap Ltd	7	+3.4	+1.7	16	0-0	-	-	-	1.6	7	3.4	0.29	20
Nib Holdings	163	+3.2	+0.9	16	3-2	2	2.7	26	0.4	11	5.7	0.63	713
Schaffer Corp	405	+3.0	+2.2	17	0-0	-	1.1	16	0.3	7	5.2	0.37	57
RHG Ltd	52	+2.9	+5.6	17	1-1	-	-	-	0.8	4	28.2	0.57	159
Fantastic Hold.	258	+2.7	+1.9	17	0-0	2	2.7	21	0.4	13	5.0	0.59	265
E & A Limited	23	+2.6	+0.0	17	3-0	-	23.0	-	1.1	8	17.4	0.14	24
Careers Multi.	13	+2.5	+0.3	17	3-0	-	-	-	1.3	8	8.0	0.39	7
Decmil Group	298	+2.3	+3.3	18	1-0	4	2.8	22	0.5	13	3.4	0.90	498
Village Road.	355	+2.3	+2.8	18	0-0	1	2.4	15	0.4	16	6.2	0.59	544
Ellex Medical	21	+2.2	+3.4	18	0-0	-	1.1	6	1.3	17	Nil	0.38	18
Adcorp Aust.	16	+2.1	+1.9	18	8-0	-	1.8	25	1.0	7	12.5	0.33	10
Scott Corp Ltd	34	+2.1	+2.1	19	2-0	-	0.8	11	1.0	7	7.5	0.14	25
Ruralco Hold.	342	+2.0	+2.0	19	0-0	2	1.9	21	0.3	9	5.3	0.19	188
Legend Corp.	34	+1.9	+2.9	19	0-0	-	4.9	62	0.9	8	6.2	0.71	74
Sigma Pharm.	69	+1.9	+2.7	19	2-0	4	1.2	7	0.6	17	5.1	0.28	813

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													
Seven West Med.	133	-28.4	-1.5	88	4-0	6	-	-	0.6	4	18.8	0.46	884
Grange Resource	30	-15.5	-4.6	64	0-1	3	0.5	25	1.1	2	16.9	0.83	340
Ten Network	37	-24.4	-3.3	82	3-0	3	-	-	0.8	28	15.1	0.40	525
APA Group	484	+0.6	-1.6	22	0-0	4	3.1	13	0.3	24	12.1	2.94	3,119
Myer Holdings	190	-11.0	+2.1	55	1-2	7	-	-	0.5	7	11.8	0.35	1,107
David Jones	244	-2.7	+3.7	35	1-0	7	1.8	24	0.5	7	11.5	0.64	1,250
DUET Group	217	+6.3	+1.3	10	0-3	3	1.5	3	0.3	51	11.1	1.97	2,408
Arrium Limited	60	-17.0	-2.0	67	2-0	4	0.5	13	0.8	4	10.0	0.11	807
C.S.R. Ltd	138	-16.5	+1.0	66	1-0	5	0.6	7	0.5	9	9.4	0.39	698
Cromwell Prop.	75	+1.7	+1.3	20	6-1	3	1.1	3	0.5	38	9.4	4.66	871
GWA Group Ltd	200	-4.3	+1.1	39	1-1	4	13.3	-	0.5	13	9.0	1.00	603
Mystate Ltd	311	-1.5	+1.9	31	3-0	-	1.3	12	0.3	12	9.0	1.33	271
Ardent Leisure	130	+5.7	-0.4	11	3-0	3	1.6	5	0.5	34	9.0	1.11	434
OZ Minerals Ltd	682	-14.9	-1.1	63	7-0	6	0.8	10	0.6	8	8.8	1.92	2,144
Sth Cross Media	114	-4.3	+0.2	39	2-0	3	-	-	0.6	8	8.8	1.17	803
Hills Holdings	116	-0.1	+3.6	27	8-0	3	0.9	9	0.6	11	8.7	0.26	284
Emeco Holdings	71	-9.3	+0.3	51	3-0	4	1.0	15	0.6	6	8.5	0.79	445
BT Invest Mgmt	190	-5.1	+3.0	41	1-0	4	-	-	0.3	27	8.4	3.60	463
Growthpoint Pro	213	+2.3	-1.0	18	3-0	1	1.1	7	0.3	16	8.3	6.52	808
Iluka Resources	913	-21.3	-0.4	77	2-2	3	2.4	35	0.5	7	8.2	2.33	3,802
NRW Holdings	222	-9.0	-2.0	51	1-0	8	2.0	32	0.6	6	8.1	0.46	619
Deutsche Ind Tr	196	+0.0	+0.0	25	0-0	-	1.2	10	0.2	12	8.1	6.49	663
Bradken Ltd	515	-14.5	+2.7	62	6-0	8	2.5	29	0.5	9	8.0	0.60	868
Prime Media Grp	83	+0.6	+2.4	22	0-0	2	-	-	0.5	11	8.0	1.11	304
Bendigo Bank	755	+1.2	+3.0	21	0-0	4	1.2	8	0.4	16	7.9	0.82	3,037
INSIDER BUYING: Most Insider Buying, Relative Strength > 0													
A.P. Eagers	383	+19.0	+0.7	3	13-0	-	2.2	15	0.2	15	4.2	0.25	601
Primary Health	362	+6.2	+7.0	11	13-2	4	-	-	0.4	16	3.0	1.30	1,816
CuDeco Ltd	422	+2.0	+6.8	19	10-0	-	-	-	0.4	NE	Nil	N/A	698
Adcorp Aust.	16	+2.1	+1.9	18	8-0	-	1.8	25	0.7	7	12.5	0.33	10
Academies Aust.	80	+2.1	+11.0	19	7-0	-	8.0	53	0.3	15	5.6	1.12	38
Centro Retail	216	+6.3	+1.2	10	7-0	-	1.0	-	0.5	NE	Nil	9.10	2,896
Silver Chef Ltd	415	+10.6	+4.5	6	7-0	-	2.5	20	0.3	12	5.8	1.32	111
Centius Gold	5	+4.6	-3.5	13	7-0	-	-	-	1.9	NE	Nil	N/A	N/A
Telstra	381	+7.7	-0.4	8	6-0	5	11.5	83	0.2	14	7.3	1.86	47,408
Bank of Q'land	760	+1.8	+4.7	20	6-0	4	1.0	9	0.4	11	7.1	0.61	2,083
Sheffield Res.	38	+0.4	+3.9	23	6-0	-	-	-	0.9	NE	Nil	N/A	22
Macarthurcook P	6	+0.3	+11.6	23	6-0	-	0.2	-	1.4	NE	Nil	4.29	42
Logicamms Ltd	100	+5.5	+0.6	12	7-1	1	2.1	33	0.6	6	8.5	0.55	67
Dexus Property	96	+3.8	-0.2	15	5-0	5	1.0	-	0.5	NE	Nil	N/A	4,592
IRESS Limited	805	+0.5	+5.3	22	5-0	4	13.4	54	0.3	25	4.7	4.99	1,023
Brierty Ltd	34	+8.5	+4.0	8	5-0	-	0.8	21	0.8	4	8.2	0.15	37
ERM Power Ltd	180	+5.3	-4.1	12	5-0	-	1.7	19	0.5	9	4.7	0.32	300
Cromwell Prop.	75	+1.7	+1.3	20	6-1	3	1.1	3	0.4	38	9.4	4.66	871
Boom Logistics	36	+5.9	+12.3	11	4-0	2	0.7	8	0.8	9	Nil	0.48	169
Liberty Res.	8	+0.1	-7.0	24	4-0	-	-	-	1.5	NE	Nil	N/A	187
Medical Dev Int	117	+33.7	+7.1	1	4-0	-	14.6	61	0.5	24	5.2	5.74	65
Noni B Limited	83	+8.0	+0.7	8	4-0	-	1.9	19	0.5	10	7.2	0.22	27
Collection Hse	94	+4.7	+3.4	13	4-0	-	1.1	14	0.4	8	6.6	1.98	102
Oil Search Ltd	742	+2.0	+2.7	19	4-0	5	-	-	0.4	50	0.5	N/A	9,833
Talent2 Int'l	79	+12.8	+4.1	5	4-0	-	-	-	0.5	NE	Nil	0.36	116
I-Sonea Limited	6	+7.0	+40.0	9	4-0	-	0.1	-	1.3	NE	Nil	N/A	20
PPK Group Ltd	39	+0.9	-1.3	21	4-0	-	0.7	6	0.5	13	2.6	1.76	20
Altium Limited	68	+49.4	-2.7	1	4-0	-	-	-	0.5	NE	Nil	1.55	70
Ingenia Com Grp	25	+13.8	+3.6	4	4-0	1	0.7	1	0.8	76	2.0	4.21	110
Liontown Res.	5	+3.0	-1.4	17	4-0	-	-	-	1.5	NE	Nil	N/A	13
Milton Corp.	1571	+2.2	+0.9	18	4-0	-	0.9	5	0.2	18	5.0	N/A	1,911
DuluxGroup Ltd	331	+5.0	+2.3	12	4-0	5	17.4	-	0.5	13	4.5	1.22	1,216
Investa Office	293	+6.0	+0.6	11	4-0	4	0.9	5	0.3	18	5.3	9.49	1,799
Volta Mining	30	+3.2	+3.6	16	4-0	-	-	-	0.8	NE	Nil	N/A	5
Careers Multi.	13	+2.5	+0.3	17	3-0	-	-	-	1.0	8	8.0	0.39	7
E-Bet Limited	6	+8.1	+7.0	8	3-0	-	-	-	1.4	NE	Nil	0.38	13
K&S Corporation	150	+7.3	+3.7	9	3-0	-	0.9	11	0.3	8	7.3	0.24	134
Carlton Invest	1700	+1.5	+1.7	20	3-0	-	0.8	5	0.2	14	4.9	N/A	450
Aust Pharm. Ind	40	+8.1	-0.6	8	3-0	2	0.5	-	0.6	NE	Nil	N/A	193
Adelaide Bright	303	+3.3	-0.4	16	3-0	6	2.5	19	0.4	13	5.4	1.75	1,928
Ardent Leisure	130	+5.7	-0.4	11	3-0	3	1.6	5	0.5	34	9.0	1.11	434
E & A Limited	23	+2.6	+0.0	17	3-0	-	23.0	-	0.8	8	17.4	0.14	24
Growthpoint Pro	213	+2.3	-1.0	18	3-0	1	1.1	7	0.3	16	8.3	6.52	808
Magellan Fin Gp	303	+25.9	+5.2	2	3-0	-	3.3	10	0.5	34	1.5	N/A	462
Funtastic Ltd	16	+4.3	-3.9	14	3-0	-	-	-	0.8	NE	Nil	0.30	70
Orocobre Ltd	194	+7.0	+9.5	9	3-0	1	-	-	0.7	NE	Nil	N/A	200
Service Stream	42	+4.6	+6.8	13	3-0	1	2.0	31	0.7	6	4.8	0.20	118
Gale Pacific	30	+4.2	+0.2	14	3-0	-	1.6	15	0.7	10	8.2	0.80	89
Peel Mining Ltd	36	+26.3	+47.8	1	3-0	-	-	-	0.9	NE	Nil	N/A	32
Pro Medicus Ltd	39	+23.5	+4.8	2	3-0	-	7.7	15	0.6	51	3.9	3.39	39
Ainsworth Game	265	+47.4	-4.8	1	3-0	1	7.4	55	0.4	13	Nil	5.66	853
Westfield Group	1030	+6.4	+0.4	10	3-0	5	1.5	10	0.2	16	4.7	4.90	23,783
KeyBridge Cap'l	16	+25.8	+3.4	2	3-0	-	0.6	-	0.9	NE	Nil	2.54	27
Cryosite Ltd	29	+35.9	+6.6	1	3-0	-	2.4	-	0.6	NE	Nil	2.00	13
UXC Limited	88	+13.7	+6.8	4	3-0	3	8.8	60	0.6	15	4.0	0.48	269
Woolworths Ltd	3026	+5.6	+1.7	11	4-1	5	12.8	75	0.2	17	4.2	0.67	37,277
Stanfield Funds	95	+18.0	-2.8	3	4-1	-	-	-	0.3	95	Nil	1.13	3
iiNet	360	+8.5	+3.2	8	4-1	7	-	-	0.3	16	3.9	0.70	579
APN Property	16	+3.4	-0.4	16	2-0	-	0.9	8	0.9	11	7.8	1.32	26
Vita Group Ltd	37	+14.9	+8.7	4	2-0	-	6.1	80	0.6	8	8.5	0.13	52
Cooper Energy	49	+0.1	+4.9	24	2-0	1	1.2	-	0.7	NE	Nil	3.66	143
Gerard Lighting	104	+14.4	+9.0	4	2-0	2	6.9	66	0.5	10	2.6	0.47	183
Strategic Min.	4	+7.8	+12.9	8	2-0	-	-	-	1.9	NE	Nil	N/A	16
Scott Corp Ltd	34	+2.1	+2.1	19	2-0	-	0.8	11	0.8	7	7.5	0.14	25
FSA Group Ltd	38	+5.2	-2.4	12	2-0	-	1.0	17	0.6	6	5.8	0.65	50
Sth Cross Elect	112	+6.6	-1.6	10	2-0	2	2.6	20	0.4	13	2.0	0.82	181
Webster Ltd	60	+4.2	+1.2	14	2-0	-	0.8	5	0.5	14	3.3	1.25	56
Amalgamated Hld	663	+5.2	-0.0	12	2-0	2	1.3	10	0.2	13	5.9	1.31	1,046
Sigma Pharm.	69	+1.9	+2.7	19	2-0	4	1.2	7	0.4	17	5.1	0.28	813
Automotive Hold	313	+10.9	+3.3	6	2-0	1	3.3	21	0.5	16	5.4	0.24	814

"Neglect" Ratings of Australian Shares

"Neglected" Shares = 0-1 Brokers, "Moderately Followed" Shares = 2-3 Brokers, "Widely Followed" Shares = 4 or more Brokers.

Company	No. of Brokers Following Company	Market Capital-isation ($ Mill.)
AGL Energy Ltd	4	8,264
ALS Limited	2	2,741
AMP Ltd	4	12,438
ANZ Bank	4	63,517
APA Group	4	3,119
APN News Media	3	192
ARB Corporation	1	703
ASG Group Ltd	3	114
ASX Limited	4	5,356
AWE Limited	2	806
Abacus Property	4	922
Acrux Ltd	2	525
Adelaide Bright	6	1,928
Aditya Birla	1	133
Ainsworth Game	1	853
Alacer Gold	5	879
Alchemia Ltd	1	168
Ale Property	2	342
Alesco Corp Ltd	4	178
Alumina Ltd	6	1,916
Amadeus Energy	1	60
Amalgamated Hld	2	1,046
Amcor Ltd	3	9,195
Amcom Telecom.	6	272
Ampella Mining	2	106
Ansell Ltd	4	2,077
Antares Energy	1	125
Aquarius Plat.	2	261
Aquila Res.	6	842
Ardent Leisure	3	434
Aristocrat Leis	5	1,418
Arrium Limited	4	807
Asciano Limited	6	4,370
Aspen Group Ltd	1	154
Aspire Mining	2	57
Astron Corp Ltd	1	156
Atlas Iron Ltd	9	1,235
Aurora Oil Gas	2	870
Ausdrill Ltd	5	837
Ausenco Ltd	6	376
Austal Limited	3	273
Aust Power Gas	1	85
Aust Agricult.	2	422
Austin Eng.	4	279
Aust Education	1	204
Aust Pharm. Ind	2	193
Aust Infra.	3	1,906
Australand Prop	5	1,684
Automotive Hold	1	814
Azimuth Res.	1	130
BHP Billiton	3	%102,710
BT Invest Mgmt	4	463
BWP Trust	5	1,066
Bandanna Energy	2	172
Bank of Q'land	4	2,083
Bannerman Res.	1	23
Bathurst Res.	2	230
Beach Energy	3	1,582
Bega Cheese Ltd	3	254
Bendigo Bank	4	3,037
Berkeley Res.	1	66
Billabong Int'l	5	678
Bionomics Ltd	1	107
Blackthorn Res.	2	113
Blackmores Ltd	3	500
Bluescope Steel	4	1,222
Boart Longyear	5	631
Boom Logistics	2	169
Boral Limited	4	2,617
Bradken Ltd	8	868
Brambles Ltd	3	10,676
Breville Group	2	703

Company	No. of Brokers Following Company	Market Capital-isation ($ Mill.)
Brickworks Ltd	2	1,480
C'wth Prop Off.	5	2,453
C.S.R. Ltd	5	698
CFS Retail Prop	5	5,544
CGA Mining Ltd	1	850
CSG Ltd	3	136
CSL Limited	6	22,310
Cabcharge Ltd	3	708
Caltex Austrlia	2	4,366
Cape Lambert R.	1	175
Carbon Energy	2	37
Cardno Ltd	2	1,060
Carnarvon Pet.	3	66
Carsales.com	8	1,743
Cash Converters	2	301
Cedar Woods Prp	1	271
Centaurus Metal	3	221
Chalice Gold	2	61
Chal Infra Fund	1	428
Chal Div Prop	3	494
Chandler McLeod	4	200
Charter Hall GR	2	812
Chart H Retail	4	1,088
Clarius Group	3	31
Clearview Wlth	1	260
Coalspur Mines	2	339
Cobar Cons Res.	1	138
CocaCola Amatil	5	10,452
Cochlear Ltd	4	3,812
Cockatoo Coal	2	122
Codan Ltd	2	228
Coffey Int'l	2	105
Com'wealth Bank	3	86,932
Computershare	5	4,923
Cons Media Hold	4	1,921
Cooper Energy	1	143
Credit Corp	1	302
Cromwell Prop.	3	871
Crown Ltd	4	6,752
DUET Group	3	2,408
DWS Limited	5	224
Dart Energy Ltd	3	137
Data 3 Ltd	1	183
David Jones	7	1,250
Decmil Group	4	498
Dexus Property	5	4,592
Discovery Metal	2	427
Domino's Pizza	5	712
Downer EDI Ltd	6	1,480
Drillsearch	1	471
DuluxGroup Ltd	5	1,216
Dyesol Ltd	1	18
Echo Ent Group	3	3,509
Elders Limited	4	108
Emeco Holdings	4	445
Energy Resource	4	678
Envestra	4	1,470
Evolution Min.	4	1,160
FKP Limited	4	639
Fairfax Media	3	1,023
Fantastic Hold.	2	265
Fleetwood Corp	5	655
Flexicorp Ltd	3	947
Flight Centre	6	2,431
Flinders Mines	2	162
Focus Minerals	2	145
Forge Group Ltd	1	352
Fortescue Metal	7	10,307
G.U.D. Holdings	4	615
GPT Group	6	6,548
GWA Group Ltd	4	603
Geodynamics Ltd	2	40
Gerard Lighting	2	183
Gindalbie Met.	5	285

Company	No. of Brokers Following Company	Market Capital-isation ($ Mill.)
Gold One Int'l	1	552
Goodman Fielder	3	1,056
Goodman Group	4	%172,967
Graincorp	5	2,026
Grange Resource	3	340
Growthpoint Pro	1	808
Gryphon Mineral	2	220
Guildford Coal	2	141
HFA Holdings	1	80
Hansen Tech.	2	136
Harvey Norman	5	2,109
Hast Div Util	3	1,410
Heartware Inc.	1	109
Henderson Group	3	1,839
Hills Holdings	3	284
Horizon Oil Ltd	2	339
I-Property Grp	1	170
IMF (Aust) Ltd	1	176
IOOF Holdings	6	1,415
IRESS Limited	4	1,023
IiNet	7	579
Iluka Resources	3	3,802
Imdex Limited	4	271
Incitec Pivot	4	4,642
Independ. Group	6	817
Industrea Ltd	3	448
Infigen Energy	1	213
Ingenia Com Grp	1	110
Insurance Aust.	5	8,753
Integra Mining	1	433
Investa Office	4	1,799
Invocare Ltd	5	967
Iron Ore Hold.	1	126
JB Hi-Fi Ltd	5	901
James Hardie	4	3,782
Jupiter Mines	1	509
Jupiter Energy	1	747
Kasbah Resource	2	67
Kentor Gold Ltd	1	78
Kingsgate Cons.	4	681
Kingrose Mining	1	63
Leighton Hold	5	5,114
Lend Lease Grp	4	4,834
Linc Energy Ltd	1	309
Logicamms Ltd	1	67
Lycopodium Ltd	1	245
Lynas Corp Ltd	2	1,405
M2 Telecom. Grp	3	550
MacMahon Hold	5	388
Maca Limited	1	309
Macquarie Group	5	9,694
Macquarie C Tel	2	188
Macquarie Atlas	2	738
Mastermyne Grp	1	141
Matrix Comp.	3	211
Maxi TRANS	1	140
Mayne Pharma Gr	1	61
McMillan Shake.	3	911
McPherson's Ltd	1	136
Melbourne IT	2	149
Mermaid Marine	5	704
Mesoblast Ltd	2	1,887
Metals X Ltd	1	205
Metcash Ltd	5	2,862
Miclyn Express	2	646
Mincor Resource	1	117
Mineral Res.	2	1,331
Mirabela Nickel	2	234
Mirvac Group	5	4,828
Molopo Energy	1	142
Monadelphous Gr	7	1,818
Mt Gibson Iron	5	896
Myer Holdings	7	1,107
NRW Holdings	8	619
Nat'l Aust Bank	4	53,953

Company	No. of Brokers Following Company	Market Capital-isation ($ Mill.)
Navitas Ltd	3	1,648
Neon Energy Ltd	1	149
New Hope Corp.	4	3,595
NewSat Ltd	1	136
Newcrest Mining	7	19,768
News Corp.	2	56,484
Nextdc Limited	3	331
Nexus Energy	2	159
Nib Holdings	2	713
Nick Scali Ltd	1	109
Noble Mineral	1	47
Norfolk Group	3	100
Nucoal Res.	1	113
Nufarm Limited	4	1,584
OZ Minerals Ltd	6	2,144
Oakton Limited	4	127
Oil Search Ltd	5	9,833
Orica Ltd	5	8,564
Origin Energy	4	12,813
Orocobre Ltd	1	200
Oroton Group	3	266
PMI Gold Corp.	3	162
Pacific Energy	2	153
Pacific Brands	6	552
Paladin Energy	6	1,061
Panaust Ltd	5	1,654
Panoramic Res.	1	123
Paperlin X Ltd	3	37
Patties Foods	3	222
Peet Ltd	2	227
Perilya Mines	2	181
Perpetual Ltd	5	1,123
Phosphagenics	1	122
Premier Invest	4	780
Primary Health	4	1,816
Prime Media Grp	2	304
Primeag Aust.	1	328
Pro Maintenance	5	245
Q.B.E. Insur.	3	12,985
QR National Ltd	2	8,418
QRXPharma Ltd	2	98
Qantas Airways	4	2,854
Qube Logistics	4	1,364
RCG Corporation	2	93
RCR Tomlinson	4	214
REA Group Ltd	7	2,134
Ramelius Res.	2	131
Ramsay Health	5	4,921
Reckon Limited	3	284
Red 5 Ltd	1	182
Red Fork Energy	1	186
Regional Exp.	1	137
Regis Resources	5	2,130
Resolute Mining	3	755
Resource Equip.	2	81
Retail Food Grp	4	310
Reva Medical	1	83
Rex Minerals	3	107
Ridley Corp.	4	334
Rio Tinto Ltd	5	22,825
Roc Oil Company	2	246
Royal Wolf Hold	1	226
Ruralco Hold.	2	188
SAI Global Ltd	5	905
SMS Mgmt & Tech	5	437
SP Ausnet	2	3,497
STW Comm Group	2	377
Salmat Ltd	3	396
Sandfire Res.	4	1,150
Santos Ltd	4	11,069
Sedgman Ltd	4	221
Seek Ltd	8	2,259
Senex Energy	2	591
Service Stream	1	118
Seven Group	3	2,303

Company	No. of Brokers Following Company	Market Capital-isation ($ Mill.)
Seven West Med.	6	884
Seymour Whyte	1	60
Sigma Pharm.	4	813
Silex Systems	3	655
Silver Lake Res	3	587
Sims Metal Mgmt	5	1,887
Sirtex Medical	1	429
Skilled Group	3	616
Slater & Gordon	3	335
Sonic Health	5	5,196
Soul Pattinson	1	3,021
Spark Infrastru	4	2,149
Spec Fashion	2	98
St Barbara Ltd	4	542
Starpharma Hold	2	435
Sth Cross Media	3	803
Sth Cross Elect	2	181
Stockland	6	7,382
Strike Energy	2	60
Suncorp Group	4	11,476
Sundance Res.	1	833
Sundance Energy	1	199
Super Retail Gr	7	1,573
Swick Min Serv	2	46
Sydney Airport	3	5,937
TFS Corporation	2	108
TPG Telecom Ltd	6	1,653
Tabcorp Holding	4	2,220
Tanami Gold NL	1	227
Tap Oil	1	167
Tassal Group	4	193
Tatts Group Ltd	4	3,587
Technology One	3	400
Telstra	5	47,408
Ten Network	3	525
The Reject Shop	8	323
Thorn Group Ltd	4	265
Tiger Resources	1	185
Tissue Therapy	1	80
Toll Holdings	4	3,342
Tox Free Sol.	6	247
Transfield Serv	6	926
Transurban Grp	3	8,779
TransPacific In	4	1,436
Treasury Wine	4	3,100
Treasury Group	2	93
Troy Resources	2	402
Trust Company	2	170
UGL Limited	6	1,737
UXC Limited	3	269
VDM Group Ltd	3	28
Village Road.	1	544
Virgin Aust	5	931
Vocus Comm.	2	101
WDS Limited	3	83
WHK Group Ltd	1	252
Watpac Ltd	2	139
Webfirm Group	1	31
Webjet NL	6	279
Wellcom Group	1	106
Wesfarmers Ltd	4	35,288
Westfield Group	5	23,783
Western Desert	1	145
Westpac Banking	4	71,811
Westfield Ret.	6	9,010
Western Areas	5	746
Whitehaven Coal	4	3,151
White Energy Co	2	81
Wide Bay Aust.	1	235
Woodside Petrol	5	28,037
Woolworths Ltd	5	37,277
Worley Group	7	6,273
Wotif.com Hold.	8	951
YTC Resources	2	70

Dividend$

Company	Cents per Share	Ex-Date	Pay-able	Tax Credit
Abano Healthcare	13.70	10-08	24-08	Full
Air New Zealand	3.50	14-09	26-09	Nil
AMP Office	1.26	30-08	13-09	0.1495
Argosy Property	1.50	12-09	26-09	Nil
Auckland Int'l Airport	6.1	-	-	Full
Barramundi	1.47	12-09	28-09	0.2597
Briscoe Group	4.00	21-09	27-09	Full
Chorus	14.60	21-09	05-10	Full
Colonial Motor Company	16.00	12-10	23-10	Full
Contact Energy	12.00	28-08	29-09	Full
Delegat's Group	9.00	28-09	12-10	Full
DNZ Property	2.25	31-08	13-09	0.6030
Ebos Group	20.50	07-09	05-10	Full
Fletcher Building	17.00	28-09	17-10	Full
Freightways	9.50	14-09	01-10	Full
Goodman Property	1.5625	19-09	27-09	0.1885
GuocoLeisure	S$0.02	24-10	08-11	Nil
Hellaby Holdings	8.00	12-10	19-10	Full
Kingfish Ltd	2.21	12-09	28-09	0.4183
Marlin Global	1.80	12-09	28-09	Nil
Michael Hill International	3.50	28-09	05-10	Nil
NZ Experience	2.90	21-09	05-10	Full
NZ Oil & Gas	6.00	14-09	28-09	Full
NZ Refining Company	2.00	13-09	20-09	Full
NZX Ltd	1.25	31-08	14-09	Full
Northland Port	5.00	14-09	21-09	Full
NPT Ltd	0.5763	17-09	05-10	Full
Nuplex Industries	11.00	28-09	12-10	Nil
Opus International	4.00	14-09	28-09	Full
PharmacyBrands	3.50	22-08	05-09	Full
Port of Tauranga	27.00	21-09	05-10	Full
Skellerup Holdings	5.00	12-10	25-10	1.9444
SkyCity	8.00	28-09	05-10	1.8667
Sky TV Network	11.00	07-09	14-09	Full
South Port NZ	14.50	21-09	09-11	Full
Steel & Tube Holdings	6.50	14-09	28-09	Full
TeamTalk	10.00	05-10	12-10	Full
Telecom NZ	11.00	21-09	05-10	Full
Tourism Holdings	2.00	19-10	26-10	Full
Turners Auctions	7.00	13-09	20-09	Full
Trade-Me	7.80	14-09	25-09	Full
Vector	7.50	10-09	17-09	Full
Vital Healthcare Property	1.925	07-09	28-09	0.0998
Warehouse Group	6.50	02-11	14-11	Full

Australian Shares

Cardno	18.00	10-09	12-10
Chandler Macleod	1.60	11-09	01-10
CSG Ltd (special)	20.00	04-09	18-09
Devine	2.00	13-09	28-09
Fiducian Portfolio Services	2.50	03-09	21-09
Iluka Resources	25.00	04-09	05-10
M2 Telecommunications	9.00	28-09	26-10
Melbourne IT	7.00	24-09	26-10
Prophecy International	1.00	10-09	05-10
Skilled Group	8.00	20-09	18-10
The Reject Shop	9.50	24-09	15-10
The Reject Shop (spec)	8.50	24-09	15-10
Village Roadshow	10.00	07-09	04-10

Total Return Index for All Listed Shares

Aug 13	1258.91	Aug 20	1243.49
Aug 14	1239.61	Aug 21	1253.95
Aug 15	1245.44	Aug 22	1242.58
Aug 16	1246.28	Aug 23	1248.83
Aug 17	1247.45	Aug 24	1246.72
Aug 27	1249.85	Sep 3	1254.40
Aug 28	1258.28	Sep 4	1253.11
Aug 29	1257.92	Sep 5	1247.42
Aug 30	1252.82	Sep 6	1258.99
Aug 31	1255.76	Sep 7	1258.22

Next Issue:

The next issue of *Market Analysis* will be emailed in four weeks time on Monday October 8, 2012.

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