

Market Analysis

Inside Market Analysis

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Founder: James R Cornell (B.Com.)

Summary and Recommended Investment Strategy.

Some stockmarket indices are at new, all time highs - but that is not particularly significant. Stockmarkets are, however, very unpopular and out-of-favour - a situation that indicates a market *low*, not a market *peak*.

Investment Outlook.

The NZX50 Index hit a new all time high on Thursday although this index does *include* imputation tax credits, so overstates actual returns. The NZX50 Portfolio Index, a listed fund that mirrors the NZX50 Index is still down 22% (excluding cash dividends and those non-cash tax credits).

In the US, the Dow Jones Industrial Index (which is also not-the-best index to measure the stockmarket's performance) hit a new all time high on the previous Friday, prompting one mystified news report to ask "*How did we get here?*" while another observed "*Its a puzzling time for the stock market to be hitting new records*". A third prefaced the new high announcement with "*In the face of great scepticism and a laundry list of reasons why it shouldn't be happening . . .*" before going on to suggest "*Historically these types of peaks have tended to be just that, a market top*", pointing out the January 2000 peak was exceeded by a new all time high in February 2007 and the market rose just 20% over the next eight months until the October 2007 peak. So "*these break-outs have the ability to run for a while and don't necessarily trigger an instant sell-off*".

Obviously being permanently pessimistic and bearish is in the job description for financial journalists . . . but this is obviously hitting its target maret. Republished on the internet this report has over 450 comments that could best be described as an angry mob blaming "monopoly money", politicians, "the top 1%", and so on for the world's

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Stockmarket Forecasts

	One-Month	One-Year
Australia:	72% (Bullish)	72% (Bullish)
New Zealand:	52% (Neutral)	61% (Bullish)



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
AMP Limited	A	655	1.48	15	6.0	Inv Research Gr	E	0.4	1.00	NE	Nil	Pyne Gould Corp	D	27	1.94	NE	Nil
AMP Office Trt	C	99	7.75	22	5.7	Jasons Media	C	18	0.29	8	Nil	Rakon Ltd	E	22	0.24	NE	Nil
Abano Health.	A	654	0.52	66	4.6	Just Water Int.	C	10	0.30	5	Nil	Renaissance	C	20	0.14	34	Nil
Air New Zealand	B	149	0.36	23	3.7	Kathmandu Ltd	A	254	1.46	15	5.6	Restaurant Brds	B	281	0.89	16	8.1
Akd Int Airport	B	285	8.83	26	5.3	Kermadec Prop.	D	67	6.58	11	4.5	Rubicon Limited	E	29	0.26	NE	Nil
Allied Farmers	E	1.5	0.06	NE	Nil	Kingfish Ltd	A	118	N/A	15	7.5	Ryman Health.	B	456	N/A	19	1.0
Allied Work.	B	242	0.53	14	7.7	Kirkcaldie & St	D	270	0.72	NE	Nil	Sanford Limited	D	436	0.89	20	7.5
Argosy Property	D	98	7.69	NE	6.1	Kiwi Property	C	115	5.41	13	7.0	Satara Co-op	D	54	0.17	NE	Nil
Barramundi Ltd	C	74	N/A	NE	8.4	L&M Energy	E	7.3	N/A	NE	Nil	Savoy Equities	D	2.5	N/A	NE	Nil
Blis Technology	C	1.8	2.09	NE	Nil	Lytelton Port	D	220	2.15	13	Nil	Scott Tech. Ltd	A	260	1.66	16	4.4
Briscoe Group	A	244	1.18	19	5.9	Mainfreight Grp	B	1195	0.65	18	3.1	Sealegs Corp	E	11	0.99	NE	Nil
Burger Fuel	B	168	8.75	NE	Nil	Marlin Global	D	71	N/A	NE	10.5	Seeka Kiwifruit	E	150	0.16	NE	Nil
CDL Investments	D	54	N/A	37	3.7	Mercer Group	C	20	1.42	NE	Nil	Skellerup Hold.	C	151	1.40	12	7.4
Cavalier Corp	D	192	0.60	31	Nil	Methven Limited	B	137	0.86	14	9.0	Sky City Ltd	C	424	2.87	18	4.9
Cavotec MSL	C	245	1.08	20	1.6	Metro. LifeCare	D	318	7.14	NE	Nil	Sky Network TV	C	519	2.40	16	6.1
Charlie's Group	D	43	4.00	51	Nil	Michael Hill	B	135	1.01	14	4.1	Smartpay NZ Ltd	C	15	0.38	NE	Nil
Chorus Ltd	C	290	1.06	6	12.3	Mid-Cap Index	C	262	N/A	NE	Nil	Smiths City	A	61	0.14	7	5.7
Claridge Cap'l	E	1.5	N/A	NE	Nil	Millennium & C.	B	62	2.18	11	2.8	Sol. Dynamics	E	18	0.21	NE	Nil
Col Motor Co	A	421	0.25	12	8.5	Moa Group Ltd	E	125	N/A	NE	Nil	South Port NZ	C	320	3.17	14	8.9
Comvita	B	363	1.08	13	5.5	Mowbray Collect	D	50	1.98	NE	Nil	Speirs Group	D	6.0	0.05	NE	Nil
Contact Energy	C	546	1.46	21	6.0	NPT Limited	E	61	3.80	NE	6.6	Steel & Tube	B	270	0.59	18	6.3
Cynotech Hold.	E	0.6	0.25	NE	Nil	NZ Exchange Ltd	B	132	6.78	26	5.7	Summerset Group	C	260	N/A	NE	Nil
DNZ Property	C	167	N/A	20	5.1	NZ Experience	C	35	1.11	9	11.8	TeamTalk Ltd	B	270	1.95	12	10.6
Delegat's Group	B	350	1.60	14	3.7	NZ Finance Hold	D	0.2	0.04	NE	Nil	Telecom Corp	C	235	0.95	4	11.4
Diligent Board	C	625	N/A	NE	Nil	NZ Farming Sys.	E	65	1.53	NE	Nil	Tenon Ltd	C	100	0.16	NE	Nil
Dorchester Pac	C	28	5.03	NE	Nil	NZ Oil & Gas *	N/R	93	3.20	19	9.3	Tourism Hold.	C	64	0.31	14	8.9
Ebos Group Ltd	B	905	0.33	17	5.4	NZ Refining Co	C	246	2.37	20	7.0	Tower Limited	B	187	1.04	12	5.9
Ecoya Ltd	D	90	2.33	NE	Nil	NZ Wool Service	E	42	0.19	NE	Nil	Trade-Me Ltd	B	490	N/A	26	2.3
F & P Health.	B	255	2.56	21	6.9	NZ Windfarms	E	11	3.19	NE	Nil	Training Sol.	E	0.1	N/A	NE	Nil
Finzsoft Sol'ns	D	38	0.41	NE	Nil	NZSX 50 Port.	D	155	N/A	NE	Nil	Trust Power Ltd	C	780	3.03	19	7.3
Fletcher Build.	B	930	0.72	34	5.2	NZSX 10 Fund	D	106	N/A	NE	Nil	Turners & Grow.	C	160	0.21	15	3.8
Foley Fam Wines	D	105	0.67	NE	Nil	NZX Aust MidCap	C	527	N/A	NE	Nil	Turners Auction	A	185	0.67	14	13.1
Fonterra S/H Fd	C	687	4.41	NE	4.7	New Image Group	D	25	0.79	NE	Nil	Vector Ltd	C	282	2.24	14	7.3
Freightways Ltd	B	442	1.78	18	5.8	Northland Port	A	280	N/A	15	4.3	Velo Capital	D	7.0	N/A	NE	Nil
Genesis Res.	E	1.8	N/A	NE	Nil	Nuplex Indust	B	345	0.42	11	6.1	Veritas Invest.	B	182	7.66	NE	Nil
Goodman Prop.	D	104	9.34	26	6.0	Opus Int'l Cons	B	191	0.70	11	6.4	Vital Health PT	C	132	6.90	43	5.9
Guinness Peat	D	60	0.09	2	2.5	Ozzy (Tortis)	C	399	N/A	NE	Nil	WN Drive Tech.	D	14	0.27	NE	Nil
GuocoLeisure	C	70	1.73	10	2.9	PGG Wrightsons	C	40	0.23	12	Nil	Wakefield Hlth	B	565	1.22	16	4.3
Hallenstein G.	A	558	1.54	16	8.1	Pac Edge Bio.	E	66	N/A	NE	Nil	Warehouse Group	A	379	0.68	13	7.5
Heartland BS	C	74	1.27	12	Nil	Pharmacybrands	C	125	1.42	15	Nil	Widespread Port*	N/R	1.1	0.03	NE	Nil
Hellaby Hold.	B	310	0.47	12	6.0	Pike River Coal	D	88	N/A	NE	Nil	Windflow Tech.	D	18	0.97	NE	Nil
Heritage Gold *	N/R	1.8	N/A	NE	Nil	Port Tauranga	B	1363	8.04	25	4.1	Wool Equities	E	10	9.52	NE	Nil
Horizon Energy	C	315	2.16	12	7.7	Postie Plus Grp	C	17	0.07	30	8.4	World Index Fd	D	100	N/A	NE	Nil
Infratil NZ	C	242	0.64	27	4.7	Property F Ind.	C	124	8.26	27	6.6	Xero Ltd	C	910	N/A	NE	Nil
Insured Group	D	2.0	0.26	NE	Nil	Pumpkin Patch	B	130	0.73	21	Nil	Zintel Comm.	E	44	0.54	NE	Nil
												Ave of 135 Cos	C	209	0.38	24	3.3
A.P. Eagers	A	557	0.36	17	3.6	David Jones	A	302	0.85	16	5.8	Oil Search Ltd	B	788	N/A	62	0.5
AGL Energy Ltd	B	1623	1.19	77	3.8	Deutsche Div Tr	B	131	6.10	14	7.1	Orica Ltd	A	2565	1.41	14	3.6
ALS Limited	A	1094	2.63	17	4.1	Dexus Property	D	105	N/A	NE	Nil	Origin Energy	B	1252	1.05	14	4.0
AMP Ltd	B	533	3.26	23	4.7	Djerriwarrh	B	422	N/A	21	6.2	Paladin Energy	C	106	2.45	4	Nil
ANZ Bank	A	2912	2.19	14	5.0	Domino's Pizza	B	1155	3.06	30	2.3	Panaust Ltd	B	267	2.22	11	2.6
APA Group	A	613	3.72	30	9.5	Downer EDI Ltd	B	536	0.29	21	Nil	Perpetual Ltd	A	4247	4.46	86	2.1
ARB Corporation	A	1280	3.41	24	2.0	DuluxGroup Ltd	B	418	1.44	17	3.7	Platinum Asset	A	518	N/A	23	4.1
ASX Limited	A	3597	8.04	19	4.9	Echo Ent Group	C	362	1.85	71	Nil	Premier Invest	A	790	1.41	18	4.6
Abacus Property	A	218	4.02	NE	7.6	Envestra	B	105	3.51	22	5.6	Primary Health	B	508	1.83	22	2.2
Adelaide Bright	A	363	1.97	15	4.5	Evolution Min.	C	138	2.08	26	Nil	Q.B.E. Insur.	B	1376	0.87	22	3.6
Ainsworth Game	A	387	8.27	19	Nil	Fairfax Media	B	62	0.62	10	4.8	Qantas Airways	C	168	0.24	NE	Nil
Alumina Ltd	C	118	N/A	NE	Nil	Federation Cent	C	242	N/A	NE	Nil	Qube Holdings	B	176	2.07	43	2.3
Amalgamated Hld	B	811	1.60	16	4.8	Flexicorp Ltd	A	410	4.76	19	3.0	REA Group Ltd	A	2655	N/A	40	1.2
Amcor Ltd	B	903	0.89	26	4.1	Flight Centre	A	3359	1.66	17	3.3	Ramsay Health	A	3180	1.62	26	1.9
Aneka Tambang	D	125	N/A	NE	0.0	Fortescue Metal	B	442	2.11	9	1.8	Reece Australia	B	2340	1.53	21	2.6
Ansell Ltd	B	1612	1.72	16	2.2	GPT Group	B	394	7.02	12	4.8	Regis Resources	C	444	N/A	53	Nil
Aquila Res.	D	261	5.45	NE	Nil	Goodman Group	A	486	N/A	50	3.7	Rio Tinto Ltd	B	6436	0.57	3	2.5
Argo Investment	B	658	N/A	25	4.0	Goodman Fielder	B	75	0.66	NE	Nil	S/Tracks ASX200	B	4830	N/A	NE	3.5
Aristocrat Leis	A	382	2.95	31	1.7	Graincorp	A	1214	0.77	12	2.9	SP Ausnet	B	117	2.23	13	6.9
Arrium Limited	B	112	0.20	7	5.4	Growthpoint Pro	A	243	7.44	19	7.2	Sandfire Res.	D	720	N/A	NE	Nil
Asciiano Limited	B	561	1.61	23	1.1	Harvey Norman	B	275	2.08	17	3.3	Santos Ltd	B	1338	3.99	25	2.2
Atlas Iron Ltd	B	136	1.99	17	2.2	Heartware Inc.	C	243	N/A	NE	Nil	Seek Ltd	A	1021	7.73	25	1.7
Aurizon Hold.	B	406	2.83	22	2.0	Henderson Group	B	244	2.65	17	4.6	Seven West Med.	A	237	0.81	7	10.5
Aurora Oil Gas	C	377	5.85	30	Nil	IOOF Holdings	A	813	3.02	96	4.6	Seven Group	A	1122	0.77	21	3.4
Ausdrill Ltd	B	298	0.85	8	4.9	IRESS Limited	A	777	4.82	25	4.9	Sims Metal Mgmt	B	1062	0.24	60	1.9
Aust Infra.	B	308	N/A	10	3.4	Iluka Resources	A	1015	3.65	12	3.4	Skilled Group	A	348	0.43	18	3.7
Aust Foundation	B	546	N/A	26	3.8	Incitec Pivot	B	319	1.48	10	3.9	Sonic Health	B	1325	1.55	16	4.5
Australand Prop	B	340	2.14	11	6.3	Independ. Group	B	423	4.55	NE	0.7	Soul Pattinson	B	1413	3.71	24	3.1
Automotive Hold	A	422	0.28	20	4.3	Insurance Aust.	A	576	1.40	58	3.0	Spark Infrastru	B	162	7.38	26	6.2
BHP Billiton	A	3609	1.64	8	3.0	Investa Office	B	308	9.98	19	5.1	Steamships Trad	B	3050	2.06	9	4.8
BT Invest Mgmt	A	345	4.37	39	3.6	Invocare Ltd	A	1056	3.15	27	3.2	Sth Cross Media	B	167	1.71	12	6.0
BWP Trust	A	235	N/A	18	6.2	JB Hi-Fi Ltd	A	1465	0.46	14	4.4	Stockland	B	372	4.04	17	6.5
Bank of Q'land	A	955	1.06	NE	5.4	James Hardie	B	1009	3.74	8	4.0	Suncorp Group	B	1170	0.94	21	3.4
Beach Energy	A	149	3.02	11	1.5	Jupiter Energy	C	68	N/A	NE	Nil	Super Retail Gr	A	1234	1.46	29	2.6
Bendigo Bank	A	1040	1.13	21	5.8	Kardoon Gas	C	675	N/A	NE	Nil	Sydney Airport	B	320	5.64	38	6.6
Bluescope Steel	B	494	0.33	NE	Nil	Leighton Hold	A	2204	0.39	17	3.6	TPG Telecom Ltd	B	259	3.03	23	2.1
Boral Limited	A	512	0.82	18	2.1	Lend Lease Grp	B	1032	0.51	12	3.7	Tabcorp Holding	B	318	0.76	7	7.5
Bradken Ltd	A	733	0.85	12	5.6	Linc Energy Ltd	C	270	N/A	NE	Nil	Tatts Group Ltd	B	314	1.10	13	7.0
Brambles Ltd	B	855	2.39	23	3.0	Lynas Corp Ltd	E	61	N/A	NE	Nil	Telstra	B	448	2.19	16	6.3
Brickworks Ltd	B	1279	3.39	44	3.2	Macquarie Group	B	3879	1.24	18	3.6	Ten Network	D	37	0.88	NE	Nil
C'wth Prop Off.	B	111	5.80	10	5.5	Magellan Fin Gp	A	678	N/A	76	0.7	Toll Holdings	A	605	0.50	15	4.1
C.S.F. Ltd	B	210	0.59	14	6.2	McMillan Shake.	A	1545	3.81	21	3.0</						

Recommended Investments

CDL Investments lifted revenues 133.9% to \$26.3 million for the year to 31 December 2012, with profits up 145.6% to \$9,303,000 (3.5 cents per share). The annual dividend will be 21.4% higher at 1.7 cents (plus full imputation tax credits).

The net operating cash surplus almost *quadrupled* to \$14.0 million.

In total, 123 sections were sold, up 60%.

The company is debt-free, with cash in the bank of \$23.9 million (8.9 cents per share). Development properties with a book value of \$83.3 million have a market value of \$157.9 million (58.8 cents per share).

CDL Investments forecasts a "better" profit in 2013 and has "accelerated development" of residential sections in Auckland, Hamilton and Canterbury where demand is strongest.

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Portfolio of Recommended Investments

CURRENT ADVICE	Company		Initial Recommendation		Perfor- mance 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 %
	<u>NZ Shares</u>	Code	- Date -	Price									
BUY	CDL Investments Ltd	CDI	12/01/99	25	D	258.2	1.3	12.39	37	3.7	54	21.7	+203%
BUY	Cavalier Corporation	CAV	05/12/95	156*	D	68.3	1.0	0.60	31	Nil	192	278.0	+201%
HOLD	Colonial Motor Company	CMO	10/11/92	128*	A	32.7	0.5	0.25	12	8.5	421	362.3	+512%
HOLD	Lyttelton Port Company	LPC	12/12/00	150	D	102.3	0.8	2.15	13	Nil	220	77.7	+98%
BUY	Michael Hill Int'l Ltd	MHI	11/06/91	5*	B	382.8	0.8	1.01	14	4.1	135	41.9	+3438%
HOLD+	Nuplex Industries Ltd	NPX	11/02/97	523*	B	196.7	1.0	0.42	11	6.1	345	430.0	+48%
HOLD	Postie Plus Group	PPG	08/05/06	71	C	40.0	2.5	0.07	30	8.4	17	8.5	-64%
HOLD	Renaissance Corp	RNS	13/08/96	85*	C	45.7	3.4	0.14	34	Nil	20	53.9	-13%
HOLD	Smiths City Group	SCY	09/10/06	64	A	53.0	1.2	0.14	7	5.7	61	19.5	+26%
HOLD	South Port New Zealand	SPN	13/02/96	120	C	26.2	0.5	3.17	14	8.9	320	180.8	+317%
HOLD+	Steel & Tube Holdings	STU	08/08/00	146	B	88.4	0.8	0.59	18	6.3	270	266.6	+268%
	<u>Australian Shares</u> (in Aust cents)												
HOLD	AJ Lucas Group	AJL	13/05/03	120	C	103.0	0.6	0.36	NE	Nil	176	41.0	+80%
BUY	ALS Limited	ALQ	12/10/99	78*	A	337.5	0.5	2.63	17	4.1	1094	201.8	+1561%
BUY	Atlas South Sea Pearl	ATP	14/05/96	73	C	229.2	3.8	0.95	8	Nil	5	17.5	-69%
BUY	Brickworks Ltd	BKW	12/11/12	1115	B	147.6	0.3	3.39	44	3.2	1279	Nil	+15%
HOLD+	Cardno Ltd	CDD	14/12/09	391*	B	138.2	0.5	1.01	13	5.1	706	97.3	+105%
HOLD	Cellnet Group Ltd ¹	CLT	12/02/02	147*	B	55.7	2.0	0.14	7	6.3	16	55.9	-48%
BUY	Chandler Macleod Group	CMG	14/08/01	51*	B	444.5	1.3	0.16	15	5.0	56	25.7	+59%
HOLD	Circadian Technologies	CIR	10/02/04	188	E	48.5	1.7	8.82	NE	Nil	27	65.0	-51%
HOLD+	Clarius Group Ltd	CND	08/04/03	82*	B	89.4	1.5	0.10	14	3.1	32	70.5	+25%
BUY	CPT Global Ltd	CGO	10/03/08	88	B	36.7	1.5	0.32	23	4.4	34	11.3	-49%
HOLD+	CSG Limited	CSV	11/10/10	175	B	282.6	1.2	1.02	NE	3.4	74	28.0	-42%
HOLD	Devine Ltd	DVN	13/11/06	334*	A	158.7	1.0	0.46	13	4.4	91	79.6	-49%
BUY	Ellex Medical Lasers	ELX	14/03/06	49	B	84.9	2.0	0.39	18	Nil	22	Nil	-55%
HOLD+	Fiducian Portfolio Ser	FPS	11/02/08	260	A	31.8	0.9	1.45	15	4.8	104	40.2	-45%
BUY	Finbar Group Ltd	FRI	12/04/10	106	A	214.2	0.8	2.60	11	6.5	140	24.5	+55%
HOLD+	Iuka Resources Ltd	ILU	12/10/04	471	A	417.1	0.6	3.65	12	3.4	1015	182.0	+154%
HOLD	Integrated Research	IRI	14/01/08	40	A	167.5	0.8	4.00	22	4.3	116	21.0	+243%
HOLD	Mnemom ¹	MNZ			C	208.3	2.9	0.62	NE	Nil	3	Nil	
HOLD	M2 Telecommunications	MTU	09/10/06	33	B	156.6	0.6	1.79	21	4.0	451	57.5	+1441%
BUY	Melbourne IT	MLB	10/02/04	53	B	82.5	0.6	0.93	14	7.3	192	89.0	+430%
BUY	Nomad Building Solutio	NOD	16/08/10	13*	B	277.5	2.8	0.24	4	Nil	10	Nil	-23%
HOLD+	Novarise Renewable Res	NOE	14/03/11	25	B	415.1	2.1	0.86	4	Nil	17	Nil	-32%
HOLD+	Penrice Soda Holdings	PSH	11/07/11	17	C	91.4	2.9	0.05	NE	Nil	9	Nil	-48%
HOLD+	Probiotec Ltd	PBP	11/02/08	116	B	52.9	1.4	0.26	8	Nil	33	9.3	-64%
HOLD	Prophecy International	PRO	08/09/08	26	A	50.2	1.3	2.85	24	5.9	38	11.5	+90%
HOLD	Skilled Group Ltd	SKE	12/03/02	126	A	233.5	0.6	0.43	18	3.7	348	148.0	+294%
HOLD	Technology One Ltd	TNE	11/11/03	44	B	305.4	0.6	3.19	23	2.9	177	37.0	+385%
HOLD+	TFS Corporation Ltd	TFC	08/01/07	45	B	279.6	1.1	1.27	6	Nil	58	14.2	+59%
HOLD+	The Reject Shop Ltd	TRS	11/01/05	257	A	26.1	0.4	0.78	20	2.0	1681	321.5	+679%
HOLD	Village Roadshow	VRL	10/08/09	77	A	153.2	0.5	0.78	21	4.7	469	173.0	+734%

The average Total Return (i.e. both Capital Gains/Losses plus Dividends received) of all current investments from initial recommendation is +279.5%. This is equal to an average annual rate of +31.2%, based upon the length of time each position has been held.

The average annual rate of gain of ALL recommendations (both the 40 current and 153 closed out) is +31.5%, compared with a market gain of +4.1% (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.

(1) Cellnet Group includes 1½ shares in Mnemom distributed to shareholders.

Recommended Investments

(Continued from Page 3)

CDL Investments



Cavalier Corporation's revenues were 6.5% lower at \$101.0 million for the six months to 31 December 2012. Net profits were down 59.4% to \$1,439,000 (2.1 cents per share) - a “not unexpected trading result” owing to lower margins as a result of high price wool stocks carried forward from last year. No interim dividend will be paid.

There was a high net operating cash surplus of \$8.9 million, compared with a *deficit* of \$4.0 million a year earlier. That has helped to reduce interest bearing debts \$9.0 million to \$59.7 million.

Carpet revenues were 4% lower at \$88.0 million while earnings were 85% lower at \$1.0 million as the company processed and sold its high price wool stocks. The company expects to launch a high-end synthetic carpet before June 2013.

Full year net profits are still expected to be around \$6-10 million (9-15 cents per share) which would enable the directors to declare a final dividend.

Cavalier Corporation



Colonial Motor Company's revenues were 10.7% higher at \$298.0 million for the six months to the end of December, with net profits 2.9% lower at \$5,735,000

(17.5 cents per share). A steady 9.0 cents interim dividend will be paid.

There was a cash operating *deficit* of \$7.8 million, compared with a \$4.5 million operating surplus previously. This deficit results from the \$17.9 million increase in inventory (to \$84.8 million), mainly owing to strong demand for DAF trucks.

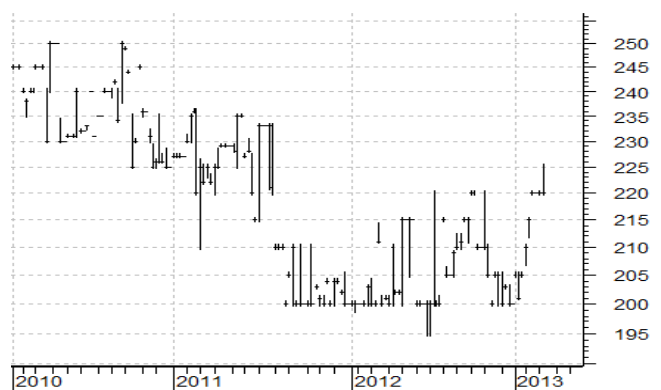
Colonial Motor Company



Lyttelton Port Company has reported “earthquake adjusted” revenues up 4.5% to \$54.2 million for the six months to 31 December 2012. Adjusted profits were 16.6% lower at \$7,951,000 (7.8 cents per share). The decline reflects the expiry of business interruption insurance cover for lost cruise ship revenues and lower coal export volumes. No dividend will be paid, pending the resolution of insurance claims.

The full year net profit is forecast at \$13-15 million, down 15-25% on last year's \$17.2 million.

Lyttelton Port Company



Michael Hill International recorded revenues 8.3% higher at \$312.9 million for the half year to 31 December 2012. Net profits were 5.9% higher at \$27,839,000 (7.3 cents per share) and the interim dividend will be 25.0% higher at 2.5 cents (with no imputation tax credits).

The operating cash surplus was \$28.1 million, down 40%.

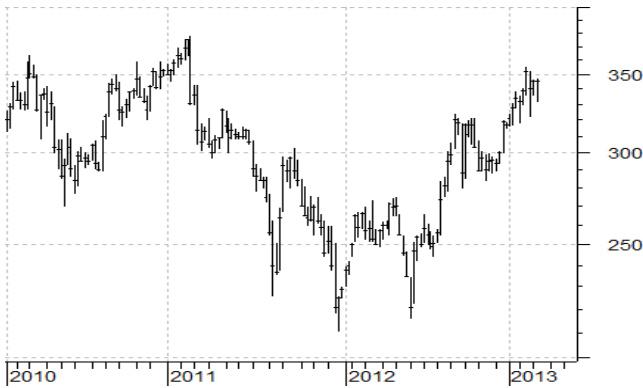
Michael Hill International



Nuplex Industries' revenues rose 11.0% to \$828.7 million over the half year to 31 December 2012, with trading profits down 3.2% at \$23,340,000 (11.9 cents per share). In addition, the company wrote-down obsolete equipment relating to the restructure of operations in Australian and New Zealand by \$5.8 million and wrote-down the value of its *Fibrelogic* investment by \$5.5 million. A steady 10.0 cents interim dividend (plus 1.4 cents imputation tax credit) will be paid.

The net operating cash surplus more than *doubled* to \$47.5 million.

Nuplex Industries



Postie Plus Group revenues for the half year to 3 February 2013 were 1.5% lower at \$43.3 million. The half year result will be released on 28 March, but is expected to show a *loss* of \$2,557,000 (up from a first half loss of \$924,000 last year). Gross margins have been reduced owing to “difficulties encountered” with the new logistics and distribution service provider.

Postie Plus Group



Steel & Tube Holdings revenues were 1.6% lower at \$199.6 million for the half year to 31 December 2012, but profits rose 14.4% to \$7,290,000 (8.3 cents per share). The interim dividend will be 18.2% higher at 6.5 cents (plus full imputation tax credits).

There was a large net cash operating surplus of \$19.1 million, up from a low surplus of \$1.2 million a year earlier.

The second half of the current June 2013 financial year is expected to be ahead of the first half.

Steel & Tube Holdings



Australian Shares

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

AJ Lucas Group has reported a 33.8% drop in revenues for the half year to 31 December 2012. There was a net *loss* of \$28,946,000 (*minus* 21.8 cents per share) - up from a *loss* of \$13.6 million last year.

The net operating cash *deficit* was \$15.9 million, down from a surplus of \$5.7 million in the same period a year earlier.

The company expects a recovery in coal mining activity and an increase in demand for its drilling services. Cuadrilla Resources has held discussions with a number of large energy companies seeking to acquire an interest in the *Bowland Basin* prospect - which would help with future funding of its development. AJ Lucas Group has also raised a further \$16.5 million from the placement of 10,650,000 shares at 155 cents and is continuing to discuss refinancing its \$75 million in lease financing.

AJ Lucas Group



(Continued on Page 6)

Recommended Investments

(Continued from Page 5)

Atlas Pearls and Perfumes has reported revenues just 2.8% lower at \$12.0 million for the year to 31 December 2012. There was a pre-tax *loss* of \$1.3 million (down from a pre-tax profit of \$1.1 million in 2011) but a tax benefit of \$2.2 million lifted net profits 146.6% to \$1,341,273 (0.6 cents per share).

There was a net operating *deficit* of \$1.7 million.

550,000 oysters were seeded in 2012, down from 619,000 in 2011 but the company has sought to improve quality, rather than quantity.

Atlas Pearl and Perfumes



Cardno Ltd lifted revenues 34.7% to \$599.9 million and net profits 11.1% to \$40,143,000 for the six months to the end of December 2012. Earnings per share, however, were 11.3% *lower* at 28.4 cents owing to new shares issued to finance acquisitions and in cash issues. The interim dividend will be steady at 18.0 cents.

The net operating surplus was down 15% at \$40.0 million.

Markets have been “difficult in Australia” and expected to remain “flat”, but with “an improving market in the Americas”.

Cardno has announced a further acquisition: Western Australian based **Geotech Materials Testing Services Pty** for around \$26.7 million. That is fully priced on a Price/Sales ratio of 1.16 and Price/Earnings ratio of about 10 - so Cardno needs to grow these new business acquisitions (i.e. by cross-selling services or improving margins) to generate wealth for its shareholders.

Cardno



Cellnet Group lifted revenues 6.3% to \$38.1 million for the half year to 31 December 2012, but trading profits fell 51.7% to \$563,000 (1.0 cents per share).

There was a net operating cash *deficit* of \$1.6 million for the period, compared with a *deficit* of \$2.2 million a year earlier.

The decline in profits largely reflects the \$450,000 reduction in interest earned after the company returned \$12.6 million to shareholders. The company currently has no interest bearing debt but \$3.1 million (5.6 cents per share) in cash.

Cellnet Group



Chandler Macleod Group lifted revenues 3.9% to \$802.0 million for the six months to 31 December 2012. Net profits were 32.4% lower at \$5,500,000 (1.2 cents per share). The interim dividend, however, is being raised 16.7% to 1.4 cents.

The net operating cash surplus was 7% higher at \$10.3 million.

The company expects second half profits from its existing businesses to be “in line with the first half” *plus* around earnings (before interest and tax) of \$3-3½ million from the *Vivir Healthcare* business acquired in early December.

Chandler Macleod Group



Circadian Technologies reported a net operating cash *deficit* of \$4.3 million over the six months to 31 December 2012. This reduces its cash holding to \$12.1 million, plus it holds “available for sale” financial assets of a further \$2.7 million.

The group has also launched a range of VEGF-C and VEGF-D research reagents, developed in its therapeutic development programs, which will be available to

researchers. This could also become “an important ongoing revenue source” for the group.

In addition, it has licenced **Santa Cruz Biotechnology Inc**, a leading provider of research reagents, to market antibodies to Circadian's proprietary molecules VEGF-C, VEGF-D and VEGFR-3. Circadian Technologies will receive an up-front payment plus royalties on sales.

Circadian Technologies



Clarius Group suffered a 9.3% fall in revenues to \$123.0 million over the six months to 31 December 2012. The company traded at a *loss* of \$465,000 (*minus* 0.5 cents per share), down from a \$1,336,000 profit a year earlier. No interim dividend will be paid.

There was a net operating cash surplus of \$3.3 million, up from a *deficit* of \$4.1 million a year earlier.

The company holds cash of just \$429,000 and interest bearing debts of just \$795,000. Its major assets and liabilities are debtors of \$48,716,000 and creditors of \$15,056,000. The business could therefore be quickly closed down and liquidated to realise about \$33.3 million (37.2 cents per share).

At 32 cents, the shares trade at a 14% discount to this liquidation value and the market places *no value* on the company's business. This clearly under-values the company . . . and Clarius Group could find itself a takeover target!

A new payroll and accounting system is “on time and on budget” and will be rolled out from March 2013 across the group. The full benefits should be realised in the 2014 calendar year and will include shorter cycles between paying contractors and billing customers - which will improve cash flow and reduce the net \$33 million tied up in working capital.

Clarius Group



CPT Global experienced a 17.7% *decline* in revenues to \$16.7 million for the six months to December 2012, resulting in a net *loss* of \$1,028,000 (*minus* 2.8 cents per share), down from a \$796,000 profit a year earlier. No interim dividend will be paid.

There was a small cash operating *deficit* of \$131,000 - down from a \$1.8 million surplus previously.

CPT Global



CSG Ltd reports revenues from continuing operations (i.e. excluding the Technology division that was sold) *down* 17.4% at \$91.2 million. Net profits were \$5,521,000 (2.0 cents per share).

The business operated at a cashflow *deficit* of \$5.3 million.

A 9.0 cents per share capital repayment is planned for April, but still subject to **Australian Tax Office** and shareholder approval.

CSG has established *CSG Finance*, an in-house finance division in Australia which will be launched this month with an initial investment of \$7 million in capital. It is also implementing a “company wide IT transformation” which is expected to generate additional annual cost savings of around \$4 million.

CSG Ltd



Ellex Medical Lasers suffered a 16.5% *drop* in revenues to \$22.0 million for the half year to 31 December 2012, resulting in profits falling 78.0% to \$144,000 (0.04 cent per share). In reality, both results are just slightly better than break-even.

(Continued on Page 8)

Recommended Investments

(Continued from Page 7)

Reduced inventories - as a result of consolidating manufacturing - helped boost the operating cash surplus to \$1.8 million.

The company expects a “better result in the second half of the 2013 financial year”, helped by new or upgraded products to be launched in the near future. There is also the “strong opportunity” to increase revenues from July 2013 from the sale of its SLT glaucoma treatment lasers in the United States when **Lumenis's** patent protection expires. Early Lumenis glaucoma lasers were actually manufactured by Ellex Medical Lasers. Ellex has a 42% market share in SLT lasers outside of the United States and the US market is around \$13-14 million annually.

Ellex Medical Lasers



Fiducian Portfolio Services has experienced a further slight decline in revenues but a partial recovery in profitability. For the six months to 31 December 2012, revenues slipped 5.4% to \$10.9 million, but net profit was up 47.7% to \$1,690,000 (5.3 cents per share). The interim dividend will be 36.0% higher at 3.4 cents.

The net operating cash surplus rose 60% to \$1.3 million.

Fiducian Portfolio Services



Finbar Group's results can be volatile, owing to the timing of the completion of projects. Sales revenues for the six months to the end of December 2012 were \$62.2 million - up from just \$2.1 million in the first half of

2011 when no projects reached completion. Net profit was \$14,038,149 (6.5 cents per share), up from a first half *loss* in 2011. A steady interim dividend of 3.5 cents will be paid.

Rental income - from properties retained for long term investment - more than doubled (i.e. up 118%) to \$6.9 million (3.2 cents per share).

The full year result “is likely to exceed last year's record net profit of \$28,3 million”, but subject to the final settlement dates for sales of completed projects and soon to be completed projects. The company is “anticipating an increase in profitability” for the June 2014 year, based upon “strong sales on projects currently under construction” and the completion and settlement of many major development projects. Finbar Group is also continuing to look for new property development projects “to bolster our 2016 and 2017 pipeline and secure the continued growth of this company”.

Finbar Group



Iuka Resources' full year revenues were 29.5% lower at \$1,150.2 million, with net profits down 33.0% at \$363,200,000 (87.1 cents per share). A final 10.0 cents dividend will make an annual dividend of 35.0 cents - down 53.3% on 2011.

The business continued to generate a positive cash operating surplus of \$368.7 million, although down 48%. That is a very good result as it is *after* \$354.4 million spent mining deposits and significantly increasing inventory stockpiles (i.e. from \$426.1 million to \$780.5 million).

Iuka Resources will now further downsize its production to about 30-40% of production capacity to significantly reduce operating costs - and will meet an expected upturn in 2013 sales by progressively reducing its high inventory levels.

The company is reluctant to forecast sales volumes but expects them to be “above production” and “determined by the pace and strength of global demand recovery through 2013”. It plans to reduce Zircon production around 36% to about 220 thousand tonnes, Rutile production about 57% to 200 thousand tonnes

and Ilmenite 15% to 330 thousand tonnes.

Production costs are expected to be 36% lower at \$375 million and capital expenditure 40% lower at around \$100 million.

Overall around 200 jobs will be lost in Australia. The *Eneabba* mining operation will be idled in April 2013, the synthetic rutile kiln in Narngulu (which was scheduled to re-start in April) will remain closed and the synthetic rutile kiln at Capel will be idled from June along with the idling of the Tutunup South mine that provides feedstock. The Narngulu mineral separation plant will reduce Zircon production by idling one plant in April and reducing the second plant utilisation to below 50%. The Hamilton mineral separation plant will operate on a one month on, one month off basis and mining at the Jacinth-Ambrosia will return to mining normal grade (increasing production and lowering unit costs) - but *could* be idled to further reduce costs and realise inventories.

While Iluka Resources is expecting an upturn in sales volumes, current production volumes exceed expected sales, resulting in cash operating costs that build up large value inventories. Significantly reducing production and costs - and steadily running down high inventory levels - is necessary to maintain the company in a sound financial position. Iluka Resources has the capacity to meet any unexpected short term upturn in demand from its inventories - with the medium to long term capacity to increase production volumes 2.5 to 3.5 fold when necessary.

Iluka Resources



Integrated Research's revenues for the six months to 31 December 2012 were 2.9% lower at \$21.5 million. Net profits were 22.8% lower at \$2,751,000 (1.6 cents per share). A steady 2.0 cents interim dividend will be paid.

The net operating cash surplus was 14% higher at \$6.6 million.

As previously disclosed, this decline was the result of delays in a few major contracts which will now fall in the second half of the financial year.

New licence fees were down 13% to \$10.8 million,

while maintenance revenues (up 4% to \$8.6 million) and consulting revenues (up 37% to \$2.1 million) continued to grow.

Infrastructure revenues - the group's original business - slipped 15% to \$8.5 million, Unified Communications revenues grew 10% to \$9.6 million and Payments revenues were down 30% at \$1.2 million.

Integrated Research shares will be added to the All Ordinaries Index after the market closes on 15 March. This means that the shares will not be subject to NZ's "Fair Dividend Rate" tax of 5%. Over the coming tax year (i.e. from 1 April 2013 to 31 March 2014) NZ resident investors will be subject to income tax on the *actual* dividends paid by the company.

This tax is obviously designed to catch people *speculating* in small, non-dividend paying Australian mining shares, not the dividend paying, investment quality shares in which we seek to invest:

Two years ago (i.e. April 2011), with Integrated Research trading at 32 cents and yielding 7.8%, NZ investors were taxed at only 5%. A year ago, at 62½ cents and yielding 6.4%, investors were still only taxed at 5%. Now Integrated Research trades at 116 cents and - as the shares will become "exempt" on 15 March - investors will only be taxed at the actual dividend yield of 4.3% (although this could be higher if the annual dividend is increased again). Given the popular opinion in NZ that *other people* should be paying more tax, it can only be a matter of time before this is called a "loophole" that "rich investors" have been "exploiting to avoid paying their *fair share* of income tax".

Integrated Research



M2 Telecommunications - helped by its acquisition of Primus Telecom - lifted revenues 64.6% to \$305.2 million for the six months to 31 December 2012, with net profits up 47.3% to \$24,650,000. Earnings per share (on capital increased to partially finance the acquisition) were 15.6% higher at 15.6 cents. The interim dividend will be 11.1% higher at 10.0 cents.

The net operating cash surplus was 63% higher at \$36.0 million. *(Continued on Page 10)*

Recommended Investments

(Continued from Page 9)

Interest bearing debt is \$145.8 million - up from just \$26.4 million at December 2011 - mainly owing to the acquisition debt.

The company predicts full year revenues 55-65% higher at \$610-650 million and net profits 30-45% higher at \$43-48 million (27-30 cents per share). Free cash flow is forecast to rise 40-55% to \$51-56 million and could pay dividends (\$31.6 million) and repay \$20-24 million of debt.

M2 Telecommunications



Melbourne IT's revenues slipped 5.1% to \$170.5 million for the year to 31 December 2012, with net profits down just 0.6% at \$13,441,000 (16.3 cents per share). The company also wrote down asset values by \$2.0 million. The final dividend of 7.0 cents will make an annual payout 6.7% lower at 14.0 cents.

Pre-tax profits were down 11%, but Research & Development tax credits reduced the company's income tax expense.

The net operating cash surplus rose 11% to \$21.1 million.

The company expects the performance of each division to "be maintained or improve" during 2013, with the (delayed) transformation project reducing costs and improving efficiencies in 2014 and beyond. The company is continuing with its strategic review which may "unlock value for shareholders" if some parts of the business can be sold off at higher valuations.

Melbourne IT



Nomad Building Solutions suffered a 43.2% drop in revenues (from continuing businesses) to \$35.1 million for the six months to December 2012, owing to "a substantial reduction in resources sector activity". The *Rapley* business performed poorly, resulting in the company reporting a *loss* of \$2,352,000 (*minus* 0.8 cents per share). The *Rapley* goodwill of \$5.0 million was also written off and this business (which has traded unprofitably over the last three years) is being significantly scaled down.

The business, however, remained cashflow positive, with a cash operating surplus 40% lower at \$1.9 million.

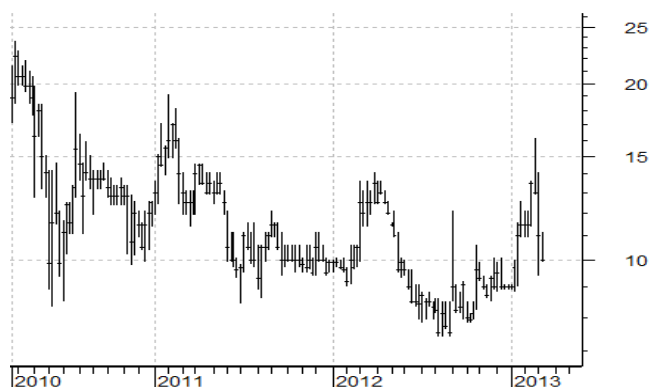
Most importantly, at 31 December, Nomad Building Solutions had virtually no interest bearing debt (i.e. just \$478,000 outstanding), cash of \$3.8 million and property assets for sale of \$8.2 million.

With the sale of surplus assets the company is now debt-free and holds \$11.8 million (4.2 cents per share) in cash. Furthermore Nomad Building Solutions has received "unsolicited enquiries" to purchase "certain assets" which are being evaluated. During the 2013/14 financial year the directors will consider the return of surplus cash to shareholders - although more Shareholder Wealth would be generated if that cash could be invested in the business in profitable growth opportunities.

The company also has contracts for \$42 million of construction work.

By June 2013 the directors intend that the company have "two strong core operating businesses", *McGrath* and *Nomad Eastern States*.

Nomad Building Solutions



Novarise Renewable Resources lifted revenues 5.5% to \$86.6 million for the year to 31 December 2012, with net profits (owing to a higher tax charge) unchanged at \$16,990,013 (4.1 cents per share). No dividend will be paid.

The net operating surplus was 70% higher at \$23.5 million.

The Nan'an expansion continues to take longer than the company originally planned (i.e. completion by May 2011). The first of eight production lines was completed

and producing in October 2012. The installation of two further production lines will be completed this month with production expected in April, with the next two lines beginning production in June and the last three lines in November.

Last year the company lent A\$44.0 million to a Xiemem based company called **Leiqiang Company** “repayable in full in the third quarter of 2012”. That loan was “repaid” but perhaps only as Novarise re-lent a further A\$40.3 million to that Chinese firm which “will be repaid in full in June 2013”. This is an amount equal to 46% of Novarise Renewable Resources' Shareholders' Equity so the company is “betting the farm” on a single, unsecured loan to a third party company. While that may generate some net interest earnings, the potential risks from such undiversified lending outweigh the potential benefits. The company also plans to “raise more capital to fund its growth”, probably through “private placements”. There would be less need to raise new capital if its debt facilities were not being on-lent to another company!

Management would do better to exit the finance business and focus on their core polypropylene recycling business, especially given the substantial delays in their planned expansion program.

Novarise Renewable Resources



Penrice Soda Holdings reported revenues down 10.1% to \$66.0 million for the six months to the end of December 2012. The net trading *loss* was \$6,971,000 (*minus* 7.6 cents per share), plus the non-cash write-off of the remaining book value of its soda manufacturing plant of \$21.2 million.

There was a small cash operating *deficit* of \$418,000.

The writing off of the soda plant has resulted in a *negative* Shareholders Equity of \$25.9 million but net asset values will have little relevance in two future businesses - the soda importing business and the Selective Salts Recovery - where *earnings*, not net assets, will determine future value.

Nevertheless, the company has high debt levels at \$101.2 million - although its banker appears happy,

having recently extended the debt maturities. Closing the soda ash manufacturing should reduce inventory levels by least \$12.8 million - so this should generate a strong operating cash surplus as this stock is sold and enable some early debt reduction.

Penrice Soda Holdings



Probiotec's revenues were virtually unchanged at \$34.1 million for the half year to 31 December 2012. Profits have been low over recent years but fell 73.1% to just \$305,351 (0.9 cents per share). No dividend will be paid.

The net operating surplus improved 8-fold (but off a low base) to \$1.9 million.

The company has invested over \$18 million in its new *ADP Protein Plant* which is currently being commissioned and will begin commercial operations in the June quarter. The first year this business is forecast to earn \$1.8 million (before interest and tax), rising to \$4 million in future years.

Probiotec



Prophecy International Holdings lifted revenues 5.9% to \$4.2 million for the half year to 31 December 2012, but net profits rose 27.2% to \$1,098,181 (2.2 cents per share). The interim dividend will be increased 60.0% to 2.0 cents (unfranked).

The net operating cash surplus was 115% higher at \$1.7 million.

The company is debt-free with cash in the bank of \$3.1 million (6.1 cents per share).

(Continued on Page 12)

Recommended Investments

(Continued from Page 11)

Past tax losses should be depleted in about a year - at which time *reported* net profits will be unchanged but the operating cash surplus will decline as the company is required to actually pay tax (rather than make a tax charge, but offset it against deferred tax assets). The payment of tax will also allow the company to pay franked dividends which will make the shares more attractive to Australian investors.

Prophecy International Holdings



Skilled Group has increased its interest in the *Offshore Marine Services Alliance* joint venture from 33.3% to 50.0% for \$17.5 million. **Ezion Investment Pte** is selling its 33.3% interest with both the other partners, Skilled Group (via its Offshore Marine Services subsidiary) and **PB Sea-Two Holdings (BVI)**, increasing their interests to 50% each.

Skilled Group



TFS Corporation's half year accounts show revenues down 19.1% to \$45.4 million for the period to 31 December 2012, with net profits also down 19.1% to \$4,821,000 (1.7 cents per share). No interim dividend will be paid.

The net operating surplus was \$3.2 million, compared with a *deficit* of \$33.0 million a year earlier.

Revenues from establishment fees dropped 96.2% to \$763,000. This is normal as most sales occur in the second half of the year - although there was an unusual first half institutional sale last year. Revenues from

recurring plantation management rose 13.5% to \$17.4 million, of which \$5.0 million (up 50%) was received in cash and \$12.4 million (up 3%) as “deferred fees” which accounting standards now require the company to show as an intangible asset. Accumulated “deferred fees” stand at \$74.3 million and are a real asset that will be realised in cash when the plantations are harvested.

Company owned plantations increased in value \$14.6 million, up 92.7% from a \$7.6 million revaluation a year earlier. This larger gain reflects the 105% increase in plantations (641 hectares, up from 312 hectares) owned by the company.

TFS Corporation has acknowledged that “procuring long term wholesale capital from global investors remains challenging and typically involves complex and often protracted negotiations leading to irregular establishment fee cashflows”. Nevertheless it is seeking to expand its distribution channels to reach new global investors and increase its wholesale product sales team. The company is negotiating with existing investors to sell a further 650 hectares and new investors for planting up to 700 hectares.

The company is hoping to “rebuild its MIS sales to previous levels” which together with cashflows from harvest revenues (financing greater company owned plantation) will “decrease its reliance on wholesale product sales”.

TFS Corporation expects to report back to shareholders by the end of March on the outcome of its strategic review, which is considering “operational and capital management initiatives to enhance shareholder value” as well as other corporate actions “including joint ventures, capital partnering and the privatisation of the company”.

TFS Corporation



The Reject Shop lifted revenues 12.1% to \$330.7 million for the six months to 31 December 2012, with a recovery in margins lifting net profits 21.2% to \$20,058,000 (76.9 cents per share). The interim dividend will remain steady at 24.0 cents.

The net operating cash surplus was down 16% to \$34.5 million - owing to the accelerated store openings

and the need to finance inventories for these new stores. The Reject Shop has very little debt. Interest bearing debts are just \$7.0 million, compared with Shareholders Equity of \$83.7 million and a stockmarket capitalisation of \$438 million.

17 new stores were opened over the last six months, another 16 new stores will open before Easter and the company is targeting 40 new stores this financial year to June 2013. This will expand store numbers 17.3% this financial year to 271 stores. Opening costs exceed the profit contribution of new stores in the first year, but these new stores will contribute towards revenues and profits for the 2014 and future financial years.

The Reject Shop now sees the potential to expand to 502 stores throughout Australia. This annual increase in new store numbers - adding to group revenues and profits - all financed from internally generated cashflows (i.e. without issuing new shares to dilute earnings) is what has made Michael Hil International and The Reject Shop very successful long term investments for our portfolio.

The Reject Shop



Village Roadshow's first half revenues rose just 1.9% to \$489.3 million to 31 December 2012, but net profits increased 18.4% to \$33,477,000 (21.9 cents per share). The interim dividend will be raised 8.3% to 13.0 cents (fully franked), from 12.0 cents (unfranked) a year earlier.

The net operating cash surplus was steady at \$62.1 million.

The full year result is still forecast to be around \$55-59 million (36-39 cents per share).

The company's three directors and major shareholders have sold 10,951,252 shares in an institutional placement

at \$4.20 to personally realise \$46.0 million of their investment in the company.

Village Roadshow



“Neglect” Ratings of NZ Shares

“Neglected” Shares = 0-2 Brokers, “Moderately Followed” Shares = 3-4 Brokers, “Widely Followed” Shares = 5 or more Brokers.

Company	No. of Brokers Following	Market Capitalisation Company (NZ\$ Mill.)	Company	No. of Brokers Following	Market Capitalisation Company (NZ\$ Mill.)
Abano Health.	2	106	NZ Exchange Ltd	3	340
Air New Zealand	7	1,639	NZ Oil & Gas	6	372
Akd Int Airport	11	3,769	NZ Refining Co	5	689
Argosy Property	5	547	NZ Windfarms	1	31
Briscoe Group	3	518	Nuplex Indust	6	679
Cavalier Corp	3	131	Opus Int'l Cons	4	277
Chorus Ltd	10	1,117	PGG Wrightsons	5	302
Comvita	1	103	Port Tauranga	7	1,827
Contact Energy	9	3,929	Property F Ind.	5	269
DNZ Property	5	413	Pumpkin Patch	4	219
Delegat's Group	3	354	Pyne Gould Corp	1	58
Diligent Board	1	511	Rakon Ltd	4	42
Ebos Group Ltd	2	472	Restaurant Brds	3	275
F & P Health.	8	1,325	Ryman Health.	7	2,269
Freightways Ltd	7	680	Sanford Limited	3	408
Goodman Prop.	6	1,039	Skellerup Hold.	3	291
Guinness Peat	3	180	Sky City Ltd	9	2,446
Hallenstein G.	5	333	Sky Network TV	10	2,020
Heartland BS	2	288	Steel & Tube	4	239
Hellaby Hold.	2	233	Summerset Group	5	559
Infratil NZ	4	1,417	TeamTalk Ltd	1	63
Kathmandu Ltd	9	508	Telecom Corp	11	4,363
Kiwi Property	6	1,124	Tourism Hold.	2	63
Lytelton Port	1	225	Tower Limited	4	503
Mainfreight Grp	5	1,183	Trade-Me Ltd	10	1,940
Methven Limited	5	91	Trust Power Ltd	5	2,449
Metro. LifeCare	3	458	Vector Ltd	6	2,808
Michael Hill	2	517	Vital Health PT	4	387
Moa Group Ltd	1	38	Warehouse Group	8	1,179
NPT Limited	2	99	Xero Ltd	1	947

Investment Outlook

(Continued from Page 1)

economic problems. The only intelligent comments were correcting the reporter's statement that the Dow was up "almost 4000 points" since its March 2009 low. It was actually up a bit more, 7628 points.

So, what can we learn from this situation?

Firstly, are you still reading your newspaper's financial section or watching Financial News television to be informed about the stockmarket and global financial situation? If so, how is that working out for you? We would suggest that without this guidance you could do a better job of managing your stockmarket investments (and anything *important* that happens you *will* hear about some other way).

Secondly, does an all time high really predict a "market top"? Media reporters will give you their *opinion* (based upon a very limited sample of recent history), but let's do something a bit different and *look at the facts* more closely:

Since 2000, the market has trended sideways, so each new all time high was closely followed by the next peak (and a market decline). A similar situation happened from the mid-1960's and throughout the 1970's. But in January 1925 the index exceeded its 1919 high of 120, rising more than 3-fold to 381 by 1928. In December 1954 it passed its 1928 high, rising 2½-fold to 995 by the mid-1960's. In January 1983 the index passed its 1973 high of 1052, rising over 2½-fold to 2722 in 1987. That all time high was exceeded in December 1989 with the index eventually peaking over 4-fold higher at 11,723 in January 2000. So an "all time high" may indicate the market is approaching a peak or that the market is entering a mega-uptrend!

One could easily make a valid argument regarding similarities between what a Chartist would call "the extended base formation" from 1965 to 1983 and the subsequent 11-fold uptrend to January 2000 and the current extended based formation since 2000. Perhaps last week's new all time high predicts the Dow rising to 158,840 by 2030?

Thirdly, you don't have to be a genius to succeed in the stockmarket. To be very successful over the medium to long term you just need to be a little bit smarter than the average investor . . . and judging by the comments written on internet news articles about tax or investment or the economy, that required standard of intelligence should not be difficult to achieve!

Fourthly and, we believe, most importantly, despite rising to a new all time high, stockmarket investing remains very unpopular. It is very common to see comments like "the rich get richer" and suggestions that the "rich", "elite", "top 1%" are profiting in collusion with governments and central bankers at the *expense* of the "other 99%". With such *extreme* views *against* stockmarket investing, it is unlikely that unpopular shares could be over-valued and approaching a market peak. Market tops and market bottoms co-incide with extremes of optimism and pessimism. As everyone is still pessimistic, the stockmarket is probably still closer to its low than to its peak!

This fits with Peter Lynch's *Cocktail Theory*. Near a market low, people would ask what he did and when he said "I manage an equity mutual fund" they would "nod politely and wander away" to talk to a "nearby dentist about plaque". When the market was up a little higher they would linger to tell him how risky the stockmarket is . . . before talking to the dentist. When the market was up further they would hang around him all evening asking what stocks to buy. "Everyone at the party has put money into one issue or another". Near the market peak "again they're crowded around me - but this time to tell *me* what stocks *I* should buy".

Today - in many situations - it may be unwise to even confess working in the investment industry or to owning shares! Surely this is the ultimate, once in a lifetime, "contrary-opinion" BUY signal?

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	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	Current rent	4-Wk Chg.	Rank 0-99											Share Price	Current rent	4-Wk Chg.	Rank 0-99																						
UNDER-VALUED SHARES: Lowest Price/Sales, Yld > 0, Rel Strength > 0														INSIDER BUYING: Most Insider Buying, Relative Strength > 0																										
Guinness Peat	60	+5.3	-1.5	42	2-4	3	0.1	5	1.5	2	2.5	0.09	180	NZ Oil & Gas	93	+4.6	+0.5	45	4-0	6	1.0	6	1.0	19	9.3	3.20	372													
Smiths City	61	+9.2	-0.1	24	0-1	-	0.8	10	1.2	7	5.7	0.14	32	Comvita	363	+2.4	-1.0	58	4-0	1	1.4	11	0.5	13	5.5	1.08	103													
Turners & Grow.	160	+0.6	-0.3	70	1-0	-	0.6	4	0.8	15	3.8	0.21	181	Trade-Me Ltd	490	+5.3	+1.5	41	3-0	10	3.0	12	0.5	26	2.3	N/A	1,940													
Col Motor Co	421	+9.2	+1.7	23	0-0	-	1.1	10	0.5	12	8.5	0.25	138	Hellaby Hold.	310	+4.5	+1.7	46	3-0	2	1.5	13	1.0	12	6.0	0.47	233													
Tourism Hold.	64	+2.0	-3.5	60	0-0	2	0.4	3	1.4	14	8.9	0.31	63	GuocoLeisure	70	+7.8	+2.6	30	2-0	-	0.7	7	0.9	10	2.9	1.73	958													
Ebos Group Ltd	905	+5.1	+1.2	43	0-0	2	2.3	13	0.5	17	5.4	0.33	472	Pharmacybrands	125	+4.9	+0.8	44	2-0	-	2.4	16	0.6	15	Nil	1.42	150													
Air New Zealand	149	+10.5	-1.1	20	0-2	7	1.0	4	1.0	23	3.7	0.36	1,639	Nuplex Indust	345	+10.0	+2.5	20	2-0	6	1.2	12	0.8	11	6.1	0.42	679													
Nuplex Indust	345	+10.0	+2.5	20	2-0	6	1.2	12	1.0	11	6.1	0.42	679	Veritas Invest.	182	+26.1	+8.0	4	3-1	-	-	0.4	NE	Nil	7.66	4														
Hellaby Hold.	310	+4.5	+1.7	46	3-0	2	1.5	13	1.2	12	6.0	0.47	233	Just Water Int.	10	+8.7	+1.0	26	1-0	-	1.6	32	2.7	5	Nil	0.30	9													
Abano Health.	654	+12.6	-1.7	17	0-0	2	1.2	2	0.7	66	4.6	0.52	106	Smartpay NZ Ltd	15	+9.0	-8.0	25	1-0	-	-	1.6	167	Nil	0.38	18														
Allied Work.	242	+3.1	-0.6	54	1-1	-	3.1	22	1.0	14	7.7	0.53	63	OVER-VALUED SHARES: Highest Price/Sales Ratios, Relative Strength < 0																										
Steel & Tube	270	+9.0	+3.7	26	0-0	4	1.6	9	0.8	18	6.3	0.59	239	Vital Health PT	132	-58.3	+0.0	98	3-0	4	1.3	3	0.5	43	5.9	6.90	387													
Infratil NZ	242	+6.2	-0.5	34	0-4	4	1.3	5	0.7	27	4.7	0.64	1,417	Charlie's Group	43	-58.3	+0.0	97	0-0	-	7.7	15	1.2	51	Nil	4.00	126													
Mainfreight Grp	1195	+9.6	+0.1	22	0-4	5	3.4	19	0.5	18	3.1	0.65	1,183	NZ Windfarms	11	-12.5	+1.4	92	0-0	1	0.4	-	1.6	NE	Nil	3.19	31													
Turners Auction	185	+8.3	-0.5	28	1-2	-	2.9	21	0.8	14	13.1	0.67	51	Sky Network TV	519	-0.8	+0.3	80	0-0	10	1.6	10	0.4	16	6.1	2.40	2,020													
Warehouse Group	379	+7.1	+2.3	32	2-2	8	3.7	28	0.7	13	7.5	0.68	1,179	NZ Refining Co	246	-2.8	-0.9	86	0-0	5	1.2	6	0.5	20	7.0	2.37	689													
Fletcher Build.	930	+15.8	-0.7	12	5-11	-	1.8	5	0.5	34	5.2	0.72	6,351	Horizon Energy	315	-1.3	-0.5	83	0-0	-	1.4	11	0.3	12	7.7	2.16	79													
Methven Limited	137	+5.4	-0.2	40	0-0	5	1.9	13	1.0	14	9.0	0.86	91	WORST PERFORMING SHARES: Weakest Shares, P/S Ratio > 0.25, Yield < Twice Average																										
Sanford Limited	436	+1.7	-1.6	63	0-0	3	0.7	4	0.4	20	7.5	0.89	408	Vital Health PT	132	-58.3	+0.0	98	3-0	4	1.3	3	0.5	43	5.9	6.90	387													
Restaurant Brds	281	+11.2	-1.6	19	0-0	3	4.6	28	0.8	16	8.1	0.89	275	Charlie's Group	43	-58.3	+0.0	97	0-0	-	7.7	15	1.2	51	Nil	4.00	126													
BEST PERFORMING SHARES: Strongest Shares, P/E < 20, P/S < 1.0														NZ Windfarms														11	-12.5	+1.4	92	0-0	1	0.4	-	1.5	NE	Nil	3.19	31
Jasons Media	18	+17.5	+1.2	8	0-0	-	1.0	12	1.5	8	Nil	0.29	4	Ecoya Ltd	90	-9.7	+0.9	91	0-0	-	2.7	-	0.7	NE	Nil	2.33	53													
PGG Wrightsons	40	+13.5	+2.0	15	0-0	5	0.5	4	1.3	12	Nil	0.23	302	Pyne Gould Corp	27	-5.4	+1.6	90	0-0	1	0.6	-	1.1	NE	Nil	1.94	58													
Restaurant Brds	281	+11.2	-1.6	19	0-0	3	4.6	28	0.7	16	8.1	0.89	275	WN Drive Tech.	14	-4.3	-1.0	88	0-0	-	0.8	-	1.8	NE	Nil	0.27	9													
Nuplex Indust	345	+10.0	+2.5	20	2-0	6	1.2	12	0.9	11	6.1	0.42	679	Opus Int'l Cons	191	-1.3	+0.9	83	0-0	4	2.5	22	0.5	11	6.4	0.70	277													
Mainfreight Grp	1195	+9.6	+0.1	22	0-4	5	3.4	19	0.4	18	3.1	0.65	1,183	Cavalier Corp	192	-1.1	+3.4	81	1-0	3	1.4	5	0.7	31	Nil	0.60	131													
Col Motor Co	421	+9.2	+1.7	23	0-0	-	1.1	10	0.4	12	8.5	0.25	138	Sky Network TV	519	-0.8	+0.3	80	0-0	10	1.6	10	0.4	16	6.1	2.40	2,020													
Smiths City	61	+9.2	-0.1	24	0-1	-	0.8	10	0.9	7	5.7	0.14	32	Heritage Gold	2	-0.8	+0.2	80	0-0	-	0.6	-	3.5	NE	Nil	N/A	6													
Steel & Tube	270	+9.0	+3.7	26	0-0	4	1.6	9	0.7	18	6.3	0.59	239	Moa Group Ltd	125	-0.5	-0.0	78	0-0	1	-	-	0.8	NE	Nil	N/A	38													
Just Water Int.	10	+8.7	+1.0	26	1-0	-	1.6	32	3.2	5	Nil	0.30	9	World Index Fd	100	-0.4	+0.1	78	0-0	-	-	-	0.5	NE	Nil	N/A	407													
Turners Auction	185	+8.3	-0.5	28	1-2	-	2.9	21	0.6	14	13.1	0.67	51	Cavotec MSL	245	-0.1	+0.0	77	0-0	-	2.0	10	0.6	20	1.6	1.08	156													
Warehouse Group	379	+7.1	+2.3	32	2-2	8	3.7	28	0.6	13	7.5	0.68	1,179	Pike River Coal	88	-0.0	+0.0	76	0-0	-	1.4	-	0.7	NE	Nil	N/A	357													
Methven Limited	137	+5.4	-0.2	40	0-0	5	1.9	13	0.8	14	9.0	0.86	91	INSIDER SELLING: Most Insider Selling, Relative Strength < 0																										
Guinness Peat	60	+5.3	-1.5	42	2-4	3	0.1	5	1.2	2	2.5	0.09	180	Telecom Corp	235	-2.2	+0.4	84	4-8	11	2.7	71	0.4	4	11.4	0.95	4,363													
Ebos Group Ltd	905	+5.1	+1.2	43	0-0	2	2.3	13	0.5	17	5.4	0.33	472	Marlin Global	71	-0.7	+2.1	79	0-2	-	0.8	-	0.7	NE	10.5	N/A	75													
Hellaby Hold.	310	+4.5	+1.7	46	3-0	2	1.5	13	1.1	12	6.0	0.47	233	NZ Wool Service	42	-1.2	+0.4	82	0-1	-	1.0	-	0.7	NE	Nil	0.19	29													
Allied Work.	242	+3.1	-0.6	54	1-1	-	3.1	22	0.9	14	7.7	0.53	63	Widespread Port	1	-57.5	+0.2	97	0-1	-	0.1	-	3.9	NE	Nil	0.03	5													
Tourism Hold.	64	+2.0	-3.5	60	0-0	2	0.4	3	1.1	14	8.9	0.31	63	NZ Experience	35	-4.6	-3.7	89	0-1	-	1.9	21	0.8	9	11.8	1.11	13													
Sanford Limited	436	+1.7	-1.6	63	0-0	3	0.7	4	0.3	20	7.5	0.89	408	INCOME SHARES: Highest Yields, Capitalisation > NZ\$100 million																										
Turners & Grow.	160	+0.6	-0.3	70	1-0	-	0.6	4	0.6	15	3.8	0.21	181	Chorus Ltd	290	-5.9	-0.1	91	3-1	10	2.1	33	0.4	6	12.3	1.06	1,117													
INCOME SHARES: Highest Yields, Capitalisation > NZ\$100 million														Telecom Corp														235	-2.2	+0.4	84	4-8	11	2.7	71	0.5	4	11.4	0.95	4,363
NZ Oil & Gas	93	+4.6	+0.5	45	4-0	6	1.0	6	1.0	19	9.3	3.20	372	NZ Oil & Gas	93	+4.6	+0.5	45	4-0	6	1.0	6	1.0	19	9.3	3.20	372													
Col Motor Co	421	+9.2	+1.7	23	0-0	-	1.1	10	0.3	12	8.5	0.25	138	Col Motor Co	421	+9.2	+1.7	23	0-0	-	1.1	10	0.3	12	8.5	0.25	138													
Restaurant Brds	281	+11.2	-1.6	19	0-0	3	4.6	28	0.6	16	8.1	0.89	275	Restaurant Brds	281	+11.2	-1.6	19	0-0	3	4.6	28	0.6	16	8.1	0.89	275													
Hallenstein G.	558	+9.8	-0.9	21	0-1	5	5.0	32	0.5	16	8.1	1.54	333	Hallenstein G.	558	+9.8	-0.9	21	0-1	5	5.0	32	0.5	16	8.1	1.54	333													
Warehouse Group	379	+7.1	+2.3	32	2-2	8	3.7	28	0.5	13	7.5	0.68	1,179	Warehouse Group	379	+7.1	+2.3	32	2-2	8	3.7	28	0.5	13	7.5	0.68	1,179													
Sanford Limited	436	+1.7	-1.6	63	0-0	3	0.7	4	0.3	20	7.5	0.89	408	Sanford Limited	436	+1.7	-1.6	63	0-0	3	0.7	4	0.3	20	7.5	0.89	408													
Kingfish Ltd	118	+7.5	-0.1	31	0-2	-	1.1	7	0.7	15	7.5	N/A	113	Kingfish Ltd	118	+7.5	-0.1	31	0-2	-	1.1	7	0.7	15	7.5	N/A	113													
Skellerup Hold.	151	+1.0	-0.6	69	1-0	3	2.4	20	0.9	12	7.4	1.40	291	Skellerup Hold.	151	+1.0	-0.6	69	1-0	3	2.4	20	0.9	12	7.4	1.40	291													

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.

Company	STRENGTH RATING							Price to NTA	Return on Equity	Volatility	Price/Earn. Ratio	Dividend Yield	Price/Sales Ratio	Market Cap'n	Company	STRENGTH RATING							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	Buyer's Choice	Below P/E	Rel. Strength									Share Price	Cur. rent	4-Wk Chg.	Rank	Buyer's Choice	Below P/E	Rel. Strength							
UNDER-VALUED SHARES: Lowest Price/Sales, Yld > 0, Rel Strength > 0															BEST PERFORMING SHARES: Strongest Shares, P/E < 20, P/S < 1.0														
Aust Pharm. Ind	44	+4.7	-4.6	29	4-0	8	0.6	8	1.1	7	6.9	0.07	212	Brand New Vint.	2	+52.7	+2.3	1	0-0	-	1.5	11	4.1	14	Nil	0.97	5		
BSA Ltd	20	+1.5	+1.8	37	1-1	-	4.9	64	1.7	8	15.4	0.09	45	Traffic Tech.	7	+42.4	+4.0	2	0-0	-	-	-	1.9	7	Nil	0.23	12		
Raptis Group	40	+0.0	+0.0	41	0-0	-	-	-	1.0	NE	12.5	0.11	28	NetComm Wire.	23	+42.0	+12.2	2	1-0	-	2.3	15	1.0	15	Nil	0.41	24		
Careers Multi.	13	+3.0	+7.5	33	0-0	-	-	-	2.0	9	8.0	0.11	8	Vision Eye Inst	67	+40.5	+12.4	2	0-2	-	-	-	0.9	7	Nil	0.60	97		
CFT Energy	6	+0.0	+0.0	41	0-0	-	-	-	2.8	0	33.3	0.11	3	Kip McGrath EC	8	+37.6	-1.3	2	1-0	-	-	-	1.7	11	Nil	0.27	2		
TTA Holdings	6	+5.4	+5.1	27	0-0	-	0.6	16	2.7	4	6.5	0.15	9	Maxsec Group	3	+33.6	+13.2	3	0-0	-	0.2	1	3.0	17	Nil	0.94	4		
Chandler McLeod	56	+16.2	+3.6	11	1-0	3	-	-	1.1	15	5.0	0.16	247	Redbank Energy	855	+29.8	-4.2	4	0-0	-	12.2	-	0.2	1	Nil	0.07	7		
Ruralco Hold.	340	+1.1	+0.8	38	0-0	4	1.9	14	0.4	14	5.3	0.16	187	Dicker Data Ltd	68	+29.5	+8.1	4	1-0	-	5.2	50	1.0	10	5.0	0.19	85		
Lindsay Aust	20	+11.6	+4.1	16	1-0	-	1.1	0	1.4	NE	4.5	0.17	44	Firstfolio Ltd	2	+28.0	+13.9	4	0-0	-	-	-	3.5	6	Nil	0.20	32		
Brierty Ltd	42	+11.0	+5.4	17	3-0	-	1.0	21	1.3	5	6.6	0.18	46	Runge Pincock M	58	+26.4	+2.2	5	4-0	-	3.6	31	0.7	12	3.4	0.67	72		
Service Stream	39	+3.1	+3.3	32	0-0	2	1.8	31	1.3	6	5.2	0.18	109	Namoi Cotton	35	+22.7	+10.2	6	0-0	-	0.3	2	0.8	17	Nil	0.08	33		
Dicker Data Ltd	68	+29.5	+8.1	4	1-0	-	5.2	50	1.2	10	5.0	0.19	85	Beyond Int'l	133	+21.2	-3.2	7	0-0	-	2.8	29	0.4	10	4.5	0.90	82		
Merchant House	16	+6.4	-0.7	25	0-0	-	0.6	14	1.7	4	6.5	0.20	15	Funtastic Ltd	24	+20.9	-4.7	7	1-1	2	-	-	1.0	12	Nil	0.74	126		
Arrium Limited	112	+16.3	+10.3	11	2-0	10	0.9	13	1.0	7	5.4	0.20	1,500	Oriental Tech.	3	+20.6	-11.2	7	0-0	-	0.2	4	2.8	5	Nil	0.05	4		
Scot Corp Ltd	47	+16.0	+4.7	11	2-0	-	1.1	11	1.2	10	5.3	0.20	34	K&S Corporation	247	+20.4	+2.8	7	0-0	-	2.1	11	0.4	13	4.5	0.40	221		
Globe Int'l Ltd	41	+3.8	-2.2	31	3-0	-	0.6	0	1.1	273	6.1	0.20	17	Select harvest	235	+20.3	+9.7	7	5-0	2	1.0	13	0.4	8	3.4	0.54	134		
Noni B Limited	87	+2.9	-0.0	33	3-0	-	2.0	19	0.8	10	6.9	0.23	28	Devine	91	+19.8	+8.9	8	1-0	1	0.5	4	0.7	13	4.4	0.46	144		
Koon Holdings	15	+3.0	+6.4	33	0-0	-	0.6	4	1.7	16	5.3	0.23	39	GLP Corporation	36	+19.2	-7.8	8	0-0	-	0.6	18	0.8	4	Nil	0.12	27		
Data 3 Ltd	124	+7.2	+0.6	24	1-2	2	6.9	49	0.7	14	5.6	0.24	191	A.P. Eagers	557	+18.6	+3.0	8	16-1	1	3.2	19	0.2	17	3.6	0.36	951		
Sims Metal Mgmt	1062	+0.4	+5.9	39	6-1	13	1.2	2	0.5	60	1.9	0.24	2,175	Supply Network	162	+18.2	+3.1	9	0-0	-	3.4	25	0.4	14	4.3	0.91	55		
Caltex Austria	2236	+13.5	-0.5	13	0-0	9	2.8	3	0.5	106	1.8	0.26	6,037	Gazal Corp	283	+18.2	+2.3	9	0-0	-	2.9	21	0.3	14	6.4	0.59	160		
Aust Vintage	45	+5.3	-1.7	28	0-0	1	0.4	5	1.0	8	5.8	0.26	59	Forge Group Ltd	659	+17.7	+12.5	9	1-0	4	5.0	43	0.5	12	2.1	0.73	568		
Calliden Group	21	+14.2	+4.7	13	0-0	-	1.1	3	1.5	43	2.0	0.26	46	Collins Foods	174	+17.5	+5.2	9	0-0	5	2.9	20	0.7	14	3.7	0.40	162		
Metcash Ltd	423	+2.9	+5.2	33	4-1	15	-	-	0.5	12	6.6	0.26	3,263	The Reject Shop	1681	+17.4	-0.1	9	0-0	12	6.4	32	0.3	20	2.0	0.78	438		
Sigma Pharm.	66	+3.3	-1.4	32	1-0	14	1.1	7	0.9	16	5.3	0.27	772	Boral Limited	512	+16.7	+3.1	10	1-1	14	1.5	8	0.5	18	2.1	0.82	3,884		
Automotive Hold	422	+16.8	+5.1	10	1-0	7	4.5	22	0.6	20	4.3	0.28	1,097	Logicamms Ltd	152	+16.6	+9.2	10	4-0	5	3.2	33	0.6	10	5.6	0.83	102		
Colorpak Ltd	70	+8.5	+5.2	21	0-1	3	2.7	-	0.9	NE	4.6	0.29	57	PTB Group Ltd	40	+16.5	-1.1	10	1-0	-	0.3	3	0.8	9	Nil	0.40	13		
Capilano Honey	245	+8.7	+0.8	21	0-3	-	-	-	0.9	8	6.1	0.31	21	Arrium Limited	112	+16.3	+10.3	11	2-0	10	0.9	13	0.8	7	5.4	0.20	1,500		
TransMetro Corp	86	+9.7	-1.0	19	0-0	-	0.6	-	0.7	NE	5.8	0.31	11	Chandler McLeod	56	+16.2	+3.6	11	1-0	3	-	-	0.8	15	5.0	0.16	247		
Transfield Serv	192	+3.0	+4.3	33	2-0	14	4.1	34	0.7	12	7.3	0.32	1,005	Scott Corp Ltd	47	+16.0	+4.7	11	2-0	-	1.1	11	0.9	10	5.3	0.20	34		
Seymour Whyte	116	+3.9	+10.0	31	3-2	3	2.3	22	0.8	10	5.2	0.33	90	Nib Holdings	230	+15.3	+0.0	11	3-2	7	3.8	26	0.4	15	4.0	0.90	1,010		
CI Resources	65	+4.5	+2.7	29	1-0	-	1.2	28	0.9	4	1.5	0.35	47	Myer Holdings	299	+15.1	+4.9	12	2-1	15	-	-	0.5	13	6.4	0.56	1,744		
Spec Fashion	105	+31.8	+9.4	4	0-0	8	5.0	-	0.8	NE	3.8	0.35	202	Swick Min Serv	39	+14.3	+4.6	12	2-0	2	0.9	12	1.0	7	2.6	0.52	71		
A.P. Eagers	557	+18.6	+3.0	8	16-1	1	3.2	19	0.3	17	3.6	0.36	951	Seven West Med.	237	+14.1	+10.1	13	6-0	16	-	-	0.6	7	10.5	0.81	1,575		
RCR Tomlinson	226	+12.8	+4.3	14	1-0	7	2.1	19	0.6	11	2.8	0.37	297	Skywest Airline	44	+14.1	-4.0	13	0-0	-	2.0	12	0.9	16	2.9	0.38	90		
Skywest Airline	44	+14.1	-4.0	13	0-0	-	2.0	12	1.2	16	2.9	0.38	90	Lend Lease Grp	1032	+14.0	+2.7	13	0-1	17	2.4	20	0.4	12	3.7	0.51	5,911		
Leighton Hold	2204	+9.9	+7.2	19	7-0	16	3.1	19	0.5	17	3.6	0.39	7,431	Skilled Group	348	+13.2	+8.8	13	0-0	9	13.9	77	0.5	18	3.7	0.43	813		
K&S Corporation	247	+20.4	+2.8	7	0-0	2	1.4	11	0.5	13	4.5	0.40	221	McPherson's Ltd	247	+13.2	+6.4	13	0-0	3	-	-	0.3	10	6.9	0.65	179		
Collins Foods	174	+17.5	+5.2	9	0-0	5	2.9	20	0.8	14	3.7	0.40	162	Fantastic Hold.	318	+13.0	-2.0	14	0-0	9	3.3	21	0.4	16	4.1	0.73	327		
E & A Limited	65	+67.0	+3.7	1	1-0	1	65.0	-	1.0	23	6.2	0.41	67	RCR Tomlinson	226	+12.8	+4.3	14	1-0	7	2.1	19	0.5	11	2.8	0.37	297		
Schaffer Corp	454	+7.9	+2.9	23	0-0	-	1.2	16	0.4	8	4.6	0.42	64	Kupang Res Ltd	10	+12.3	+17.5	14	1-0	-	-	-	1.4	1	Nil	0.71	18		
ERM Power Ltd	242	+8.7	+3.1	21	1-0	3	2.3	19	0.6	12	3.5	0.43	402	Gale Pacific	36	+12.2	+5.1	15	0-1	-	1.9	15	0.9	12	6.9	0.95	105		
Skilled Group	348	+13.2	+8.8	13	0-0	9	13.9	77	0.6	18	3.7	0.43	813	Nomad Building	10	+11.9	+5.3	15	0-0	-	0.9	22	1.7	4	Nil	0.24	28		
Bega Cheese Ltd	271	+15.9	+6.0	11	0-0	5	1.7	8	0.7	20	2.4	0.44	411	Korvest Ltd	700	+11.7	-2.7	16	1-0	1	1.7	17	0.3	10	6.9	0.85	62		
Ridley Corp.	109	+0.8	-1.0	38	0-0	8	1.4	8	0.7	17	6.9	0.45	334	C.S.R. Ltd	210	+11.6	-1.5	16	1-0	14	0.9	7	0.5	14	6.2	0.59	1,063		
Devine	91	+19.8	+8.9	8	1-0	1	0.5	4	0.9	13	4.4	0.46	144	Graincorp	1214	+11.4	-4.4	16	0-0	13	2.2	18	0.3	12	2.9	0.77	2,555		
JB Hi-Fi Ltd	1465	+9.5	+6.2	19	1-1	16	16.1	-	0.4	14	4.4	0.46	1,448	ITL Limited	25	+11.2	+4.9	16	1-6	-	2.5	26	1.0	10	Nil	0.95	27		
Landmark White	35	+5.1	+1.9	28	0-2	-	5.0	26	1.1	19	8.6	0.47	10	Brierty Ltd	42	+11.0	+5.4	17	3-0	-	1.0	21	0.9	5	6.6	0.18	46		
Coventry Group	305	+5.5	+1.6	27	0-0	1	0.8	12	0.5	7	7.2	0.48	115	Toll Holdings	605	+11.0	+6.7	17	4-0	14	4.5	31	0.5	15	4.1	0.50	4,339		
Regional Exp.	118	+0.4	+1.2	39	0-0	1	0.8	15	0.7	5	7.6	0.48	130	Bradken Ltd	733	+10.3	+11.0	18	4-1	17	3.5	29	0.5	12	5.6	0.85	1,236		
Tamawood Ltd	250	+4.8	+1.4	29	0-1	-	7.1	94	0.5	8	8.4	0.49	64	RNY Property Tr	20	+10.0	-3.9	18	0-0	-	0.5	38	1.2	1	Nil	0.78	51		
Toll Holdings	605	+11.0	+6.7	17	4-0	14	4.5	31	0.6	15	4.1	0.50	4,339	Leighton Hold	2204	+9.9	+7.2	19	7-0	16	3.1	19	0.4	17	3.6	0.39	7,431		
Lend Lease Grp	1032	+14.0	+2.7	13	0-1	17	2.4	20	0.																				

STRENGTH RATING													STRENGTH RATING														
Company	Share Price	Cur- rent	4-Wk Chg.	Rank 0-99	Insider Buy-Sell	Brokers Following	Price to NTA	Return on Equity	Volatility	Price/Earn. Ratio	Dividend Yield	Price/Sales Ratio	Market Cap'n	Company	Share Price	Cur- rent	4-Wk Chg.	Rank 0-99	Insider Buy-Sell	Brokers Following	Price to NTA	Return on Equity	Volatility	Price/Earn. Ratio	Dividend Yield	Price/Sales Ratio	Market Cap'n
INCOME SHARES: Highest Yields, Capitalisation > A\$250 million																											
Aspen Group Ltd	22	-6.5	+3.5	60	2-0	1	0.4	10	0.9	4	14.7	2.16	257	I-Sonea Limited	8	+36.6	-7.1	3	5-0	-	0.2	-	1.2	NE	Nil	N/A	280
DUET Group	221	+4.7	+0.6	29	0-1	-	1.6	3	0.3	52	10.9	2.01	2,453	Finbar Group	140	+11.0	+3.4	17	5-0	-	1.6	14	0.4	11	6.5	2.60	299
Seven West Med.	237	+14.1	+10.1	13	6-0	16	-	-	0.6	7	10.5	0.81	1,575	Gujarat NRE	20	+8.7	+3.6	21	5-0	-	0.4	2	0.9	21	Nil	1.09	251
APA Group	613	+9.1	+0.4	20	0-0	12	3.9	13	0.3	30	9.5	3.72	3,951	Sundance Energy	105	+20.6	+4.5	7	5-0	4	-	-	0.8	40	Nil	9.93	291
Hills Holdings	108	-1.5	+5.0	49	16-0	6	0.9	9	0.6	10	9.3	0.24	264	LBT Innovations	5	+2.4	-8.9	35	5-0	-	4.5	-	1.6	NE	Nil	4.37	4
Emeco Holdings	66	-7.7	+7.6	63	5-0	13	0.9	15	0.6	6	9.1	0.74	417	Select harvest	235	+20.3	+9.7	7	5-0	2	1.0	13	0.3	8	3.4	0.54	134
G.U.D. Holdings	724	-2.9	-2.7	52	0-1	11	5.1	43	0.3	12	9.0	0.84	513	Growthpoint Pro	243	+6.3	+1.9	26	5-0	2	1.3	7	0.3	19	7.2	7.44	922
NRW Holdings	203	-10.8	+7.7	69	0-0	15	1.9	32	0.6	6	8.9	0.42	566	Central Petrol.	16	+3.6	+0.7	31	5-0	1	-	-	1.2	NE	Nil	N/A	157
Fleetwood Corp	937	-5.3	+1.9	58	1-0	11	3.4	32	0.3	10	8.1	1.37	559	Red Mountain	11	+4.2	-11.8	30	5-0	-	-	-	1.2	NE	Nil	N/A	4
Deutsche Ind Tr	196	+0.0	+0.0	42	0-0	-	1.2	10	0.3	12	8.1	6.49	663	Altium Limited	99	+33.1	-23.7	3	5-0	-	-	-	0.4	17	5.1	1.88	101
Ardent Leisure	150	+8.0	-0.4	23	2-0	8	1.9	5	0.5	40	7.8	1.28	500	Sims Metal Mgmt	1062	+0.4	+5.9	39	6-1	13	1.2	2	0.4	60	1.9	0.24	2,175
Abacus Property	218	+4.4	+0.5	29	0-0	2	0.9	1	0.4	118	7.6	4.02	948	Villa World Ltd	98	+5.4	+6.6	28	6-1	-	0.5	5	0.4	9	Nil	0.50	74
Tabcorp Holding	318	+4.7	+2.5	29	1-0	13	-	-	0.4	7	7.5	0.76	2,322	Nexus Energy	17	+13.0	+5.9	14	8-3	8	-	-	1.1	NE	2.80	226	
Cromwell Prop.	95	+8.3	+0.9	22	1-1	4	1.4	3	0.4	48	7.4	5.91	1,105	Thomas & Coffey	12	+0.2	-0.3	40	4-0	-	2.4	-	1.2	NE	Nil	0.06	14
Cabcharge Ltd	480	-5.3	+5.9	57	3-5	9	-	-	0.3	10	7.3	3.01	578	Drillsearch	135	+0.6	-3.0	38	4-0	9	3.2	7	0.6	46	Nil	N/A	499
Transfield Serv	192	+3.0	+4.3	33	2-0	14	4.1	34	0.5	12	7.3	0.32	1,005	Antipa Minerals	20	+57.5	+48.4	1	4-0	-	-	-	1.2	NE	Nil	N/A	24
Growthpoint Pro	243	+6.3	+1.9	26	5-0	2	1.3	7	0.3	19	7.2	7.44	922	Logicamms Ltd	152	+16.6	+9.2	10	4-0	5	3.2	33	0.5	10	5.6	0.83	102
GWA Group Ltd	249	+17.3	+8.8	9	0-0	13	16.6	-	0.5	16	7.2	1.25	752	Oil Search Ltd	788	+1.7	+2.1	36	4-0	16	-	-	0.4	62	0.5	N/A	10,518
Deutsche Div Tr	131	+0.0	+0.0	42	0-0	-	1.1	8	0.3	14	7.1	6.10	1,306	ADG Gbl Supply	6	+4.2	+3.4	30	4-0	-	1.2	16	1.6	7	Nil	0.16	13
Salmat Ltd	270	+2.2	+0.9	35	0-0	7	-	-	0.4	14	7.0	0.52	431	Cyrosite Ltd	51	+51.2	+5.1	1	4-0	-	4.3	18	0.5	23	1.0	0.97	24
Tatts Group Ltd	314	+9.5	+1.0	19	0-2	13	-	-	0.4	13	7.0	1.10	4,280	Treasury Wine	579	+3.0	+0.9	33	4-0	13	1.9	4	0.5	43	2.2	2.23	3,747
Aust Education	143	+12.1	+1.7	15	1-0	-	1.2	11	0.4	11	7.0	5.18	251	Aust Pharm. Ind	44	+4.7	-4.6	29	4-0	8	0.6	8	0.7	7	6.9	0.07	212
UGL Limited	1007	-1.5	+0.9	49	3-0	16	-	-	0.4	12	7.0	0.37	1,667	Harvey Norman	275	+7.8	+8.9	23	4-0	14	1.2	7	0.5	17	3.3	2.08	2,921
Ridley Corp.	109	+0.8	-1.0	38	0-0	8	1.4	8	0.4	17	6.9	0.45	334	Sth Amer Iron	4	+16.8	-9.8	10	4-0	-	-	-	1.7	NE	Nil	N/A	9
SP Ausnet	117	+6.3	+1.9	25	2-1	13	1.3	10	0.5	13	6.9	2.23	3,880	TFS Corporation	58	+8.8	+3.5	21	4-0	1	0.9	14	0.5	6	Nil	1.27	161
INSIDER BUYING: Most Insider Buying, Relative Strength > 0																											
A.P. Eagers	557	+18.6	+3.0	8	16-1	1	3.2	19	0.1	17	3.6	0.36	951	Runge Pincock M	58	+26.4	+2.2	5	4-0	-	3.6	31	0.5	12	3.4	0.67	72
Bell Financial	87	+26.7	+17.1	5	14-0	-	4.6	-	0.6	NE	Nil	1.71	226	Fiducian P Serv	104	+2.9	+7.8	34	4-0	-	3.2	22	0.5	15	4.8	1.45	33
Paperlin X Ltd	9	+19.2	+10.5	8	10-0	4	1.5	-	1.3	NE	Nil	0.02	56	Neurodiscovery	4	+12.5	+8.0	14	4-0	-	1.3	-	2.0	NE	Nil	N/A	4
Centrepnt All	53	+25.2	+2.8	5	10-0	-	1.5	-	0.5	NE	Nil	0.31	54	Fairfax Media	62	+4.5	+5.6	29	4-0	14	-	-	0.7	10	4.8	0.62	1,458
CuDeco Ltd	361	+0.2	-3.6	40	10-0	-	-	-	0.5	NE	Nil	N/A	597	Toll Holdings	605	+11.0	+6.7	17	4-0	14	4.5	31	0.4	15	4.1	0.50	4,339
Probiotec Ltd	33	+5.5	-6.2	27	10-0	-	0.5	7	0.6	8	Nil	0.26	17	Perpetual Ltd	4247	+24.6	+3.2	6	4-0	13	13.1	15	0.3	86	2.1	4.46	1,783
Sheffield Res.	69	+9.4	+3.2	20	9-0	-	-	-	0.8	NE	Nil	N/A	40	Peet Ltd	112	+18.9	-4.4	8	4-0	6	0.9	1	0.6	68	Nil	2.44	359
Primary Health	508	+16.3	+2.7	10	10-1	15	-	-	0.4	22	2.2	1.83	2,549	Invision Limited	7	+0.3	+6.7	40	5-1	-	-	-	1.9	NE	Nil	N/A	17
Armour Energy	35	+10.0	+9.8	19	8-0	-	-	-	1.0	NE	Nil	N/A	N/A	FSA Group Ltd	63	+22.9	+5.0	6	3-0	-	1.7	17	0.5	10	3.5	1.08	83
PPK Group Ltd	42	+4.0	+0.2	30	8-0	-	0.8	6	0.5	14	2.4	1.89	21	ICS Global Ltd	2	+25.8	-10.2	5	3-0	-	2.1	16	2.3	13	4.8	2.06	4
Leighton Hold	2204	+9.9	+7.2	19	7-0	16	3.1	19	0.4	17	3.6	0.39	7,431	Cochlear Ltd	6997	+5.4	-4.0	28	3-0	16	22.4	32	0.3	70	3.5	5.11	3,979
Cellmid Ltd	5	+35.8	+24.0	3	7-0	-	-	-	1.6	NE	Nil	N/A	26	Datadot Tech.	3	+19.7	+8.0	8	3-0	-	2.6	-	2.1	NE	Nil	1.72	12
Dexus Property	105	+4.8	-0.1	29	7-0	12	1.0	-	0.5	NE	Nil	N/A	4,999	Tassal Group	200	+14.1	+7.6	13	3-0	7	1.1	11	0.4	10	4.0	1.14	293
Thinksmart Ltd	29	+2.2	+10.9	35	7-0	-	1.5	9	0.8	16	Nil	1.16	46	Milton Corp.	1915	+9.0	+1.2	20	3-0	-	1.1	5	0.2	23	4.1	N/A	2,329
IRESS Limited	777	+7.1	-2.0	24	6-0	8	12.9	51	0.3	25	4.9	4.82	999	Invictus Gold	5	+5.7	+9.2	27	3-0	-	-	-	2.0	NE	Nil	N/A	5
Seven West Med.	237	+14.1	+10.1	13	6-0	16	-	-	0.5	7	10.5	0.81	1,575	Brierty Ltd	42	+11.0	+5.4	17	3-0	-	1.0	21	0.8	5	6.6	0.18	46
Soul Pattinson	1413	+2.3	+1.2	35	6-0	1	1.2	5	0.2	24	3.1	3.71	3,383	Centrex Metals	19	+1.1	+5.9	37	3-0	-	-	-	0.9	NE	Nil	N/A	60
PLD Corporation	1	+3.0	+6.3	33	6-0	-	-	-	3.9	NE	Nil	0.10	3	AO Energy Ltd	6	+3.3	-39.7	32	3-0	-	-	-	1.4	NE	Nil	N/A	3
Ingenia Com Grp	30	+10.4	-0.9	18	6-0	-	0.9	1	0.8	89	1.7	4.97	130	Pro Medicus Ltd	57	+10.1	+3.9	18	3-0	-	11.4	15	0.6	76	2.6	5.02	57
Equity Trustees	1750	+12.4	+3.6	14	6-0	1	10.2	55	0.2	19	4.9	3.57	156	Money3 Corp Ltd	77	+32.8	+15.1	3	3-0	-	2.1	14	0.4	15	5.2	2.43	38
Ark Mines Ltd	12	+3.9	+14.2	31	6-0	-	-	-	1.4	NE	Nil	N/A	4	Signature Cap't	29	+0.4	+0.6	39	3-0	-	0.8	-	0.6	NE	Nil	N/A	19
													Atrum Coal NL	73	+71.7	+53.1	1	3-0	-	-	-	0.9	NE	Nil	N/A	73	
													Galilee Energy	15	+0.0	+2.6	41	3-0	-	-	-	1.1	NE	Nil	N/A	22	
													Phoslock Water	5	+7.2	+4.5	24	3-0	-	5.2	-	1.7	NE	Nil	N/A	11	

“Neglect” Ratings of Australian Shares

“Neglected” Shares = 0-2 Brokers, “Moderately Followed” Shares = 3-9 Brokers, “Widely Followed” Shares = 10 or more Brokers.

Company	No. of Brokers Following	Market Capitalisation (\$ Mill.)	Company	No. of Brokers Following	Market Capitalisation (\$ Mill.)	Company	No. of Brokers Following	Market Capitalisation (\$ Mill.)	Company	No. of Brokers Following	Market Capitalisation (\$ Mill.)
A.P. Eagers	1	951	Arcor Ltd	14	10,896	Aust Agricult.	2	397	Blackmores Ltd	6	509
ALS Limited	18	3,692	Amcom Telecom.	7	424	Austbrokers	7	540	Blackthorn Res.	5	112
AMP Ltd	14	15,619	Ampella Mining	7	54	Australand Prop	10	1,961	Boart Longyear	17	668
ANZ Bank	19	79,129	Aneka Tambang	11	2,384	Aust Vintage	1	59	Boom Logistics	6	134
APA Group	12	3,951	Ansell Ltd	14	2,106	Aust Pharm. Ind	8	212	Boral Limited	14	3,884
APN News Media	12	218	Antares Energy	1	150	Automotive Hold	7	1,097	Bradken Ltd	17	1,236
ARB Corporation	8	928	Aquarius Plat.	17	372	Azimuth Res.	1	88	Brambles Ltd	14	13,133
ASG Group Ltd	5	73	Aquila Res.	7	1,075	BC Iron Ltd	7	397	Bravura Sol.	1	139
ASX Limited	17	6,300	Arafura Res.	1	65	BHP Billiton	19	115,910	Breville Group	9	716
AWE Limited	12	699	Ardent Leisure	8	500	BT Invest Mgmt	7	840	Brickworks Ltd	3	1,887
Abacus Property	2	948	Aristocrat Leis	12	2,075	BWP Trust	7	1,234	Buru Energy Ltd	4	444
Acrux Ltd	7	666	Arrium Limited	10	1,500						

Company	No. of Brokers Following Company	Market Capitalisation (\$ Mill.)	Company	No. of Brokers Following Company	Market Capitalisation (\$ Mill.)	Company	No. of Brokers Following Company	Market Capitalisation (\$ Mill.)	Company	No. of Brokers Following Company	Market Capitalisation (\$ Mill.)
Cardno Ltd	8	975	Gold One Int'l	2	397	Myer Holdings	15	1,744	Seek Ltd	19	3,442
Carindale Prop	1	405	Goodman Group	14	7,801	Mystate Ltd	3	379	Select harvest	2	134
Carnarvon Pet.	2	41	Goodman Fielder	13	1,457	NRW Holdings	15	566	Senex Energy	7	656
Carsales.com	16	2,173	Graincorp	13	2,555	Nanosonics Ltd	3	125	Service Stream	2	109
Cash Converters	2	489	Grange Resource	6	289	Nat'l Aust Bank	18	66,957	Servcorp Ltd	2	365
Cedar Woods Prp	1	414	Growthpoint Pro	2	922	Navitas Ltd	11	1,873	Seven West Med.	16	1,575
Centaurus Metal	4	238	Gryphon Mineral	10	103	Neon Energy Ltd	5	132	Seven Group	9	3,449
Central Petrol.	1	157	Guildford Coal	2	192	Neptune Marine	1	58	Seymour Whyte	3	90
Cerro Resources	2	94	HFA Holdings	1	94	Neuren Pharm.	1	44	Sigma Pharm.	14	772
Chal Div Prop	4	569	Hansen Tech.	1	130	New Standard En	2	39	Sihayo Gold Ltd	1	69
Challenger Ltd	15	2,141	Harvey Norman	14	2,921	New Hope Corp.	7	3,421	Silex Systems	3	536
Chandler McLeod	3	247	Hawkey Oil Gas	1	25	Newcrest Mining	17	16,738	Silver Chef Ltd	3	166
Chart H Retail	12	1,187	Heartware Inc.	9	1,240	News Corp.	8	69,788	Silver Lake Res	10	489
Charter Hall GR	7	1,158	Henderson Group	9	2,719	Nextdc Limited	8	350	Sims Metal Mgmt	13	2,175
Clarius Group	3	29	Highland Pac.	1	93	Nexus Energy	8	226	Sino Gas & En.	1	151
Clearview With	2	329	Hillgrove Res.	3	91	Nib Holdings	7	1,010	Sirius Res. NL	4	632
Clinuvel Pharm.	1	91	Hills Holdings	6	264	Nick Scali Ltd	3	170	Sirtex Medical	6	644
Clough Limited	4	1,032	Horizon Oil Ltd	9	509	Noble Mineral	1	45	Skilled Group	9	813
Coal of Africa	1	122	Hutchison Tel.	5	434	Norfolk Group	4	83	Slater & Gordon	6	484
Coalspur Mines	4	397	I-Property Grp	2	172	Northern Iron	2	242	Sonic Health	14	5,180
Cobar Cons Res.	1	59	IMF (Aust) Ltd	4	213	Nthn Star Res.	3	279	Soul Pattinson	1	3,383
CocaCola Amatil	14	11,356	IOOF Holdings	12	1,886	Nucoal Res.	3	97	Spark Infrastru	10	2,143
Cochlear Ltd	16	3,979	IRESS Limited	8	999	Nufarm Limited	14	1,340	Spec Fashion	8	202
Cockatoo Coal	5	112	liNet	16	798	OZ Minerals Ltd	21	1,889	St Barbara Ltd	10	391
Codan Ltd	2	622	Iluka Resources	18	4,233	Oakton Limited	9	113	Starpharma Hold	6	327
Coffey Int'l	5	109	Imdex Limited	14	306	Oil Search Ltd	16	10,518	Sth Cross Media	11	1,177
Cokal Limited	3	71	Incitec Pivot	16	5,196	OnTheHouse Hold	2	55	Sth Cross Elect	3	208
Collection Hse	2	179	Independ. Group	13	985	Orica Ltd	18	9,379	Stockland	13	8,197
Collins Foods	5	162	Infigen Energy	5	225	Origina Energy	14	13,641	Strike Energy	2	42
Colorpak Ltd	3	57	Infomedia Ltd	1	143	Orocobre Ltd	5	144	Sundance Energy	4	291
Comwealth Bank	18	111,180	Insurance Aust.	16	11,975	Orotan Group	8	315	Sunland Group	1	237
Comet Ridge Ltd	2	88	Int Research	3	194	Ottoman Energy	3	107	Sunshine Heart	3	39
Computershare	17	5,890	Investa Office	12	1,891	PMI Gold Corp.	6	109	Super Retail Gr	18	2,421
Cooper Energy	6	182	Invocare Ltd	12	1,162	Pacific Energy	3	167	Swick Min Serv	2	71
Corp Travel M.	5	334	Iron Ore Hold.	1	196	Pacific Brands	15	739	Sydney Airport	10	5,956
Coventry Group	1	115	Ivanhoe Aust.	3	251	Paladin Energy	15	882	TFS Corporation	1	161
Credit Corp	5	439	JB Hi-Fi Ltd	16	1,448	Panaust Ltd	18	1,584	TPG Telecom Ltd	14	2,056
Cromwell Prop.	4	1,105	Jacka Resources	1	46	Panoramic Res.	7	100	Tabcorp Holding	13	2,322
Crown Ltd	14	9,069	James Hardie	14	4,411	Paperlin X Ltd	4	56	Tanami Gold NL	1	147
DWS Limited	3	212	Jetset Travel	4	217	Papillon Res.	6	273	Tandou Ltd	1	60
Dart Energy Ltd	2	97	Jumbo Interact.	4	105	Patties Foods	6	220	Tap Oil	5	159
Data 3 Ltd	2	191	Jupiter Energy	2	1,182	Peet Ltd	6	359	Tassal Group	7	293
David Jones	14	1,588	K&S Corporation	2	221	Perilya Mines	2	208	Tatts Group Ltd	13	4,280
Decmil Group	9	421	K2 Asset Mgmt	1	170	Perpetual Ltd	13	1,783	Technology One	7	539
Deep Yellow Ltd	1	72	Kardoon Gas	10	1,495	Perseus Mining	17	747	Telstra	18	55,745
Devine	1	144	Kasbah Resource	3	64	Pharmaxis Ltd	7	163	Ten Network	14	957
Dexus Property	12	4,999	Kentor Gold Ltd	3	234	Phosphagenics	5	143	Teranga Gold	3	317
Discovery Metal	9	280	Kina Petroleum	1	79	Pluton Resource	1	43	Texon Petroleum	1	141
Domino's Pizza	14	810	Kingsgate Cons.	9	561	Premier Invest	13	1,227	The Reject Shop	12	438
Doray Minerals	3	50	Kingrose Mining	2	194	Prime Media Grp	10	419	Thorn Group Ltd	8	299
Downer EDI Ltd	17	2,300	Korvest Ltd	1	62	Primeag Aust.	2	330	Tigers Realm	1	86
Dragon Mining	1	44	Kula Gold Ltd	3	20	Prima Biomed	2	112	Tiger Resources	4	215
Drillsearch	9	499	Lachlan Star	3	52	Primary Health	15	2,549	Tissue Therapy	2	48
DuluxGroup Ltd	12	1,542	Legend Corp.	2	71	Pro Maintenance	11	273	Toll Holdings	14	4,339
Dyesol Ltd	1	29	Leighton Hold	16	7,431	Q.B.E. Insur.	15	16,467	Tox Free Sol.	10	398
E & A Limited	1	67	Lend Lease Grp	17	5,911	QRXPharma Ltd	5	176	Transurban Grp	13	8,896
ERM Power Ltd	3	402	Linc Energy Ltd	2	1,368	Qantas Airways	12	3,794	Transfield Serv	14	1,005
Echo Ent Group	13	2,989	Logicamms Ltd	5	102	Qube Holdings	13	1,622	TransPacific In	10	1,507
Elders Limited	7	63	Lycopodium Ltd	2	225	RCG Corporation	3	133	Treasury Group	1	150
Elemental Min.	2	48	Lynas Corp Ltd	8	1,045	RCR Tomlinson	7	297	Treasury Wine	13	3,747
Emeco Holdings	13	417	M2 Telecom. Grp	10	706	REA Group Ltd	15	3,497	Troy Resources	4	263
Endeavour Min.	2	186	MEO Australia	1	43	Ramellus Res.	2	121	Trust Company	3	186
Endocoal Ltd	1	45	MacMahon Hold	10	211	Ramsay Health	14	6,426	UGL Limited	16	1,667
Enero Group Ltd	1	37	MacPhersons R G	1	58	Range Resources	1	119	UXC Limited	3	366
Energy Develop.	1	516	Maca Limited	6	426	Reckon Limited	9	308	Un. Biosensors	1	142
Energy Resource	10	694	Macquarie Atlas	7	782	Red 5 Ltd	2	123	Unilife Corp.	3	98
Engenco Ltd	1	41	Macquarie C Tel	3	177	Red Fork Energy	1	186	Unity Mining	3	49
Envestra	12	1,643	Macquarie Group	17	13,522	Redflex Holding	1	94	VDM Group Ltd	1	12
Equatorial Res.	2	131	Macquarie Radio	1	61	Reece Australia	2	2,331	Venture Min.	1	48
Equity Trustees	1	156	Magellan Fin Gp	2	1,034	Reef Casino Trt	1	132	Village Road.	6	719
Ethane Pipeline	1	137	Mastermyne Grp	5	124	Regis Resources	20	1,918	Virgin Aust	12	887
Evolution Min.	12	976	Matrix Comp.	4	123	Regional Exp.	1	130	Vocus Comm.	2	105
Fairfax Media	14	1,458	Maverick Drill.	2	230	Resolute Mining	9	652	W'bool Cheese	3	197
Fantastic Hold.	9	327	Maxi TRANS	1	262	Resource Equip.	4	55	WDS Limited	5	75
Federation Cent	11	3,245	Mayne Pharma Gr	2	132	Resource Gener.	4	84	WHK Group Ltd	5	281
Finders Res.	2	59	McMillan Shake.	7	1,151	Retail Food Grp	7	398	Wtpac Ltd	2	131
Fleetwood Corp	11	559	McPherson's Ltd	3	179	Reva Medical	2	186	Webjet NL	10	350
Flexicorp Ltd	10	1,149	Medusa Mining	7	771	Rex Minerals	2	80	Wellcom Group	3	105
Flight Centre	18	3,361	Melbourne IT	2	158	Rialto Energy	4	25	Wesfarmers Ltd	15	42,907
Flinders Mines	2	129	Mermaid Marine	13	871	Ridley Corp.	8	334	Westpac Banking	19	96,281
Focus Minerals	1	89	Mesoblast Ltd	9	1,829	Rio Tinto Ltd	16	28,045	Westfield Ret.	12	9,443
Forge Group Ltd	4	568	Metcash Ltd	15	3,263	Roc Oil Company	8	372	Westfield Group	14	25,004
Fortescue Metal	22	13,763	Metgasco Ltd	1	30	Royal Wolf Hold	4	301	Western Desert	1	180
Funtastic Ltd	2	126	Miclyn Express	8	593	Ruralco Hold.	4	187	Western Areas	14	678
G.U.D. Holdings	11	513	Millennium Min.	1	75	SAI Global Ltd	15	725	Whitehaven Coal	19	2,614
G8 Education	2	481	Mincor Resource	6	163	SFG Australian	3	445	Wide Bay Aust.	1	204
GI Dynamics	3	209	Mineral Res.	7	2,022	SMS Mgmt & Tech	11	358	Woodside Petrol	15	30,600
GPT Group	12	6,969	Mineral Deposit	4	333	SP Ausnet	13	3,880	Woolworths Ltd	14	43,572
GR Engineering	2	135	Minemakers Ltd	1	31	STW Comm Group	7	575	Worley Group	14	6,271
GWA Group Ltd	13	752	Mirabela Nickel	7	302	Salmat Ltd	7	431	Wotif.com Hold.	19	1,010
Genetic Tech.	1	52	Molopo Energy	3	70	Sandfire Res.	11	1,076	YTC Resources	2	70
Geodynamics Ltd	1	43	Monadelphous Gr	17	2,070	Santos Ltd	15	12,861	Yancoal Aust.	6	825
Gindalbie Met.	7	229	Mortgage Choice	5	257	Saracen Mineral	3	187	Zicom Group	1	47
Global Con Serv	1	115	Mt Gibson Iron	15	733	Sedgman Ltd	10	221			

Dividend \$

Company	Cents per Share	Ex-Date	Pay-able	Tax Credit
Air New Zealand	3.00	15-03	22-03	Full
Argosy Property	1.50	11-03	27-03	Nil
Auckland Int'l Airport	5.75	15-03	02-04	Full
Barramundi	1.62	13-03	28-03	0.196
Briscoe Group	7.00	22-03	27-03	Full
CDL Investments	1.70	26-04	10-05	Full
Chorus Ltd	10.00	28-03	12-04	Full
Colonial Motor Company	9.00	05-04	15-04	Full
Contact Energy	11.00	08-03	26-03	Full
Ebos Group	17.50	08-03	03-04	Full
Fletcher Building	17.00	28-03	16-04	Nil
Freightways	9.00	15-03	02-04	3.5399
Goodman Property	1.5625	-	21-03	TBA
Heartland NZ	2.00	20-03	05-04	Full
Hellaby Holdings	5.00	12-04	19-04	Full
Kingfish	2.39	13-03	28-03	0.368
Marlin Global	1.64	13-03	28-03	0.114
Michael Hill International	2.50	25-03	03-04	Nil
Millennium & C.	1.20	03-05	10-05	Full
Millennium & C. special	1.20	03-05	10-05	Full
National Property Trust	0.696	12-03	04-04	0.105
Northland Port	4.50	15-03	22-03	Full
Nuplex Industries	10.00	15-03	02-04	1.40
NZ Oil & Gas	3.00	15-03	05-04	Full
NZ Refining Company	5.00	21-03	28-03	Full
NZX Ltd	1.25	08-03	22-03	Full
Opus Consultants	3.90	14-03	28-03	Full
Opus Consultants special	1.00	14-03	28-03	Full
PGG Wrightsons	2.20	14-03	28-03	0.856
Port of Tauranga	20.00	08-03	22-03	Full
Property For Industry	1.85	04-03	13-03	0.3038
Satara Co-op special	5.00	19-03	20-03	-
Seeka Kiwifruit	6.00	13-03	20-03	Full
Skellerup Holdings	3.00	15-03	28-03	1.1667
Sky City Entertainment	10.00	27-03	05-04	0.1944
Sky Network TV	12.00	08-03	15-03	Full
Steel & Tube Holdings	6.50	15-03	28-03	Full
Summerset Group	2.50	08-03	20-03	Nil
TeamTalk	10.00	19-04	26-04	Full
Telecom NZ	8.00	15-03	05-04	2.3333
Tourism Holdings	2.00	15-03	22-03	Full
Trade Me	7.50	15-03	26-03	2.9167
Turners Auctions	8.00	02-04	09-04	Full
Vector	7.25	25-03	15-04	Full
Vital Healthcare PT	1.925	14-03	28-03	0.2388
Warehouse Group	15.50	22-03	28-03	Full

Company	Cents per Share	Ex-Date	Pay-able	Tax Credit
<u>Australian Shares</u>				
Cardno Ltd	18.00	18-03	05-04	
Chandler Macleod	1.40	15-03	04-04	
CSG Ltd	9.00		Capital in April	
Fiducian Portfolio Services	3.40	04-03	22-03	
Finbar Group	3.50	07-03	19-04	
Iluka Resources	10.00	01-03	04-04	
Integrated Research	2.00	28-02	15-03	
M2 Telecommunications	10.00	18-03	16-04	
Melbourne IT	7.00	22-03	26-04	
Prophecy International	2.00	06-03	02-04	
The Reject Shop	24.00	21-03	15-04	
Village Roadshow	13.00	28-02	28-03	

Total Return Index for All Listed Shares

Feb 11	1470.90	Feb 18	1469.66
Feb 12	1477.85	Feb 19	1456.23
Feb 13	1473.06	Feb 20	1462.27
Feb 14	1473.27	Feb 21	1460.45
Feb 15	1470.77	Feb 22	1456.28
Feb 25	1451.29	Mar 4	1444.91
Feb 26	1449.69	Mar 5	1436.41
Feb 27	1452.64	Mar 6	1441.66
Feb 28	1462.33	Mar 7	1439.79
Mar 1	1454.95	Mar 8	1437.54

Next Issue:

The next issue of *Market Analysis* will be emailed in four weeks time on Monday April 8, 2013.

The print version will be delivered later that week, depending upon printing and postal delivery times.

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