Thirty Two 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.

We continue to see good value in shares . . . and companies adapting their businesses to grow and earn profits in an ever changing environment. We therefore expect our recommended shares to build further investment wealth over the months and years ahead. Remain fully invested.

Investment Outlook.

Judging stockmarket valuation is never easy, mainly as *future growth* is a major (and very subjective) factor in determining value. At the peak of market booms, investors believe high P/E shares are still cheap owing to the *expectation* of a new *Golden Age* of strong future growth, probably lasting forever.

At a market trough, shares can appear expensive with expectations that an economy spiralling into recession and collapse will make all companies worthless.

So one needs to avoid getting caught up in these extreme manic depressive viewpoints and try to keep a more balanced, longer term perspective.

One of your Editor's teenage daughters is learning about stockmarket investment and currently reading a book written soon after the 1987 crash. "That is *so* long ago" she states, questioning how anything that pre-dates her birth by nine years can still be relevant today. "Not so" we answered, "the investment principles and lessons in that book remain valid today . . . plus it is important to build an historical perspective". Then we told her that she will need to study the 1929 crash and 1930's recession. Investment lessons from that period are still relevant to current investment decisions. Previous high-tech businesses like Electricity and Radio may have been surpassed by newer high-tech industries, but the techniques - and pitfalls - of investing in these emerging growth industries have not changed. Nor has the importance of revenues, cashflow, profits and dividends in determining investment value.

So how is the stockmarket valued today? TFS Corporation shares have risen 77% over two weeks, but still trade at a discount to net asset value. Devine shares trade at a 46% discount to net assets. Clarius Group shares trade at a 27% discount to *liquidation value* - a valuation common in the 1930's (when the whole stockmarket was very depressed) but not seen during the intervening 80 years!

All of which suggests the stockmarket is closer to its historical lows of valuation, rather than a high.

Stockmarket Forecasts

	One-Month	One-Year
Australia:	**69%** (Bullish)	**66%** (Bullish)
New Zealand:	**79%** (Bullish)	**58%** (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	531	1.20	12	7.4
AMP Office Trt	C	99	7.75	22	5.7
Abano Health.	A	680	0.56	41	4.4
Air New Zealand	B	143	0.34	9	8.0
Akd Int Airport	A	312	9.19	23	5.5
Allied Farmers	D	3.0	0.07	NE	Nil
Allied Work.	A	297	0.59	14	7.5
Aorere Res. *	N/R	0.8	N/A	NE	Nil
Argosy Property	C	95	7.33	17	6.3
Barramundi Ltd	B	71	N/A	5	10.0
Bathurst Res.	E	18	N/A	NE	Nil
Blis Technology	E	1.1	6.47	NE	Nil
Briscoe Group	C	248	1.20	19	5.8
Burger Fuel	C	170	7.81	85	Nil
CDL Investments	D	55	N/A	37	3.6
Cavalier Corp	C	174	0.59	18	3.3
Cavotec MSL	C	245	1.08	20	1.6
Charlie's Group	E	43	4.00	51	Nil
Chorus Ltd	C	294	1.08	7	12.4
Claridge Cap'l	E	1.5	N/A	NE	Nil
Col Motor Co	A	460	0.24	11	9.3
Comvita	B	422	1.19	17	4.4
Contact Energy	C	520	1.52	19	6.9
Cynotech Hold.	E	0.2	0.09	NE	Nil
DNZ Property	C	163	N/A	19	5.2
Delegat's Group	A	390	1.72	10	3.7
Diligent Board	D	535	N/A	NE	Nil
Dorchester Pac	D	22	2.39	29	Nil
Ebos Group Ltd	A	988	0.36	23	4.3
Ecoya Ltd	D	92	2.11	NE	Nil
F & P Health.	A	358	3.41	25	4.9
Finzsoft Sol'ns	C	42	0.39	9	Nil
Fletcher Build.	B	928	0.75	20	4.3
Foley Fam Wines	B	161	2.26	40	Nil
Fonterra S/H Fd	C	695	4.57	NE	4.6
Freightways Ltd	C	422	1.60	16	6.3
Genesis Res.	E	1.8	N/A	NE	Nil
Goodman Prop.	D	104	8.32	NE	6.0
Guinness Peat	C	57	0.08	2	2.7
GuocoLeisure	D	76	1.74	18	Nil
Hallenstein G.	C	468	1.29	13	9.6
Heartland BS	C	86	1.47	48	7.5
Hellaby Hold.	C	291	0.50	15	6.4
Heritage Gold *	N/R	1.8	N/A	NE	Nil
Horizon Energy	C	338	1.26	45	4.2
Infratil NZ	C	237	0.58	NE	5.6
Insured Group	E	1.5	0.20	NE	Nil
Jasons Media	E	16	0.30	NE	Nil

	Performance Forecast	Price	Price/Sales Ratio	P/E Ratio	Gross Yield
Just Water Int.	C	12	0.34	6	Nil
Kathmandu Ltd	B	275	1.59	16	5.2
Kermadec Prop.	C	67	6.58	11	4.5
Kingfish Ltd	A	129	N/A	6	7.1
Kirkcaldie & St	D	190	0.51	NE	Nil
Kiwi Property	C	114	5.69	10	7.0
L&M Energy	E	7.3	N/A	NE	Nil
Lyttelton Port	B	270	2.50	16	Nil
Mainfreight Grp	B	1060	0.56	15	3.6
Marlin Global	B	76	N/A	9	9.2
Mercer Group	D	22	1.36	69	Nil
Methven Limited	B	128	0.87	17	8.1
Metro. LifeCare	B	319	7.17	12	0.6
Michael Hill	B	140	0.98	13	4.6
Mid-Cap Index	D	277	N/A	NE	Nil
Mighty River	C	226	1.83	29	7.6
Millennium & C.	B	68	2.39	12	2.5
Moa Group Ltd	D	84	N/A	13	Nil
Mowbray Collect	D	50	2.07	53	Nil
NPT Limited	C	63	6.21	3	4.2
NZ Exchange Ltd	B	126	6.47	25	5.9
NZ Experience	C	35	1.11	9	11.8
NZ Finance Hold	C	1.2	0.15	NE	Nil
NZ Farming Sys.	D	65	1.53	NE	Nil
NZ Oil & Gas *	N/R	85	3.55	14	10.1
NZ Refining Co	C	236	2.27	19	7.3
NZ Wool Service	E	42	0.19	NE	Nil
NZ Windfarms	D	6.5	2.32	12	Nil
NZSX 50 Port.	D	162	N/A	NE	Nil
NZSX 10 Fund	D	111	N/A	NE	Nil
NZX Aust MidCap	D	459	N/A	NE	Nil
New Image Group	C	25	0.79	NE	Nil
Northland Port	A	275	N/A	17	5.2
Nuplex Indust	B	318	0.38	11	6.6
Opus Int'l Cons	B	190	0.69	11	6.4
Ozzy (Tortis)	E	381	N/A	NE	Nil
PGG Wrightsons	C	34	0.23	18	9.2
Pac Edge Bio.	E	51	N/A	NE	Nil
Pharmacybrands	B	134	1.59	13	3.7
Pike River Coal	E	88	N/A	NE	Nil
Port Tauranga	B	1490	8.18	18	4.4
Postie Plus Grp	D	13	0.05	22	11.4
Property F Ind.	C	132	8.79	29	6.2
Pumpkin Patch	D	112	0.63	18	Nil
Pyne Gould Corp	A	35	2.51	3	Nil
Rakon Ltd	D	22	0.24	NE	Nil
Renaissance	E	13	0.09	22	Nil
Restaurant Brds	C	280	0.88	17	8.2

	Performance Forecast	Price	Price/Sales Ratio	P/E Ratio	Gross Yield
Rubicon Limited	D	35	0.28	NE	Nil
Ryman Health.	A	686	N/A	25	0.8
SLI Systems Ltd	C	209	N/A	NE	Nil
Sanford Limited	C	450	0.92	20	7.3
Satara Co-op	C	58	0.19	NE	Nil
Savoy Equities	D	3.5	N/A	NE	Nil
Scott Tech. Ltd	B	233	1.49	14	4.9
Sealegs Corp	D	15	1.11	88	Nil
Seeka Kiwifruit	C	204	0.21	NE	Nil
Skellerup Hold.	B	159	1.62	16	7.2
Sky Network TV	C	583	2.56	17	5.9
Sky City Ltd	B	389	2.38	18	7.3
Smartpay NZ Ltd	B	30	6.05	NE	Nil
Smiths City	C	64	0.15	17	5.5
Snakk Media Ltd	E	9.2	6.62	NE	Nil
Sol. Dynamics	E	20	0.24	NE	Nil
South Port NZ	B	355	3.15	14	8.9
Speirs Group	C	4.1	0.03	NE	Nil
Steel & Tube	A	285	0.64	16	7.5
Summerset Group	C	297	N/A	NE	Nil
Synlait Milk	D	316	N/A	NE	Nil
TeamTalk Ltd	C	254	1.56	20	11.2
Telecom Corp	C	221	0.96	17	10.3
Tenon Ltd	B	133	0.19	NE	Nil
Tourism Hold.	C	75	0.37	22	7.6
Tower Limited	B	180	1.00	11	6.1
Trade-Me Ltd	B	457	N/A	23	4.9
Training Sol.	E	0.1	N/A	NE	Nil
Trust Power Ltd	C	706	2.75	18	8.1
Turners Auction	B	197	0.72	15	12.3
Turners & Grow.	B	166	0.22	16	3.6
Vector Ltd	C	268	2.09	13	8.0
Velo Capital	D	7.0	N/A	NE	Nil
Veritas Invest.	D	140	1.73	NE	Nil
Vetilot Limited	E	0.2	1.33	NE	Nil
Vital Health PT	C	138	8.06	13	5.7
WN Drive Tech.	D	16	0.31	NE	Nil
Wakefield Hlth	B	565	1.23	17	3.5
Warehouse Group	B	368	0.66	13	7.8
Windflow Tech.	E	20	1.08	NE	Nil
Wool Equities	D	12	N/A	NE	Nil
World Index Fd	E	100	N/A	NE	Nil
Wynyard Group	D	122	N/A	NE	Nil
Xero Ltd	D	1802	N/A	NE	Nil
Z Energy Ltd	D	370	N/A	NE	Nil
Zintel Comm.	E	44	0.54	NE	Nil
Ave of 142 Cos	**C**	216	0.44	21	3.4

	Performance Forecast	Price	Price/Sales Ratio	P/E Ratio	Gross Yield
21st Century F.	A	3482	2.70	11	0.6
360 Capital Ind	A	212	N/A	58	2.1
A.P. Eagers	A	485	0.31	15	4.1
AGL Energy Ltd	B	1562	0.89	22	4.0
ALS Limited	B	976	2.34	14	4.9
AMP Ltd	B	462	2.82	20	5.4
ANZ Bank	A	2969	2.23	14	4.9
APA Group	A	600	3.94	17	5.9
ARB Corporation	A	1220	3.03	21	2.3
ASX Limited	A	3449	8.49	19	4.9
Abacus Property	A	225	4.14	NE	7.3
Adelaide Bright	A	348	1.89	14	4.7
Ainsworth Game	A	423	6.87	26	1.9
Alacer Gold	D	313	1.30	NE	Nil
Alumina Ltd	D	100	N/A	NE	Nil
Amalgamated Hld	B	825	1.64	16	5.1
Amcor Ltd	B	1062	1.03	21	3.5
Aneka Tambang	D	110	N/A	NE	0.0
Ansell Ltd	A	2013	1.96	19	1.9
Aquila Res.	D	212	4.43	NE	Nil
Ardent Leisure	B	188	2.10	26	6.4
Argo Investment	B	693	N/A	25	3.8
Aristocrat Leis	B	464	3.30	42	1.7
Arrium Limited	B	125	0.28	NE	2.4
Asciano Limited	B	574	1.52	16	2.0
Atlas Iron Ltd	C	82	1.07	NE	3.7
Aurizon Hold.	B	461	2.62	22	2.7
Aurora Oil Gas	C	333	5.16	26	Nil
Australand Prop	B	337	2.12	11	6.4
Aust Foundation	B	580	N/A	25	3.8
Aust United In	A	755	N/A	23	3.9
Automotive Hold	B	394	0.24	15	5.1
BHP Billiton	B	3516	2.85	16	3.6
BKI Invest Coy	B	160	N/A	21	4.2
BT Invest Mgmt	B	374	4.74	43	3.3
BWP Trust	B	230	N/A	11	6.1
Bank of Q'land	A	1004	1.11	NE	5.2
Beach Energy	A	136	2.46	11	2.0
Bendigo Bank	A	998	1.22	13	6.1
Bluescope Steel	C	518	0.40	NE	Nil
Boral Limited	B	460	0.67	34	2.4
Bradken Ltd	B	611	0.78	15	6.2
Brambles Ltd	B	895	2.16	20	3.0
Breville Group	A	880	2.35	23	3.0
Brickworks Ltd	B	1253	3.32	43	3.2
C'wth Prop Off.	B	114	8.10	18	5.7
C.S.R. Ltd	B	237	0.71	37	2.2
CFS Retail Prop	B	199	7.62	19	6.8
CSL Limited	B	6680	6.01	24	1.7
Caltex Austrlia	B	1881	0.22	89	2.1
Cardno Ltd	B	660	0.79	12	5.5
Carsales.com	A	1128	N/A	32	2.5
Centro Retail	C	32	N/A	3	Nil
Challenger Ltd	A	509	1.64	6	3.9
Chart H Retail	B	370	7.24	24	7.2
Charter Hall GR	B	362	9.53	20	5.6
Clough Limited	B	147	1.82	9	Nil
CocaCola Amatil	B	1217	1.80	20	4.6
Cochlear Ltd	B	5684	4.30	24	4.4
Com'wealth Bank	A	7316	2.62	15	5.0
Computershare	A	969	2.44	31	2.9
Cromwell Prop.	B	104	7.73	39	7.0
Crown Ltd	B	1500	5.70	23	2.5

	Performance Forecast	Price	Price/Sales Ratio	P/E Ratio	Gross Yield
DUET Group	C	210	1.90	NE	11.5
David Jones	A	284	0.80	15	6.2
Deutsche Div Tr	B	131	6.10	14	7.1
Dexus Property	B	101	7.65	9	5.9
Djerriwarrh	B	444	N/A	28	5.9
Domino's Pizza	A	1333	3.25	33	2.2
Downer EDI Ltd	B	445	0.23	9	4.7
DuluxGroup Ltd	B	477	1.65	20	3.2
Echo Ent Group	B	266	1.26	26	2.3
Energy World	B	43	5.18	37	Nil
Energy Develop.	A	498	2.07	15	2.2
Envestra	B	114	4.04	19	5.2
Fairfax Media	B	55	0.64	9	3.6
Federation Cent	B	226	5.91	15	6.2
Flexicorp Ltd	A	439	4.65	20	3.3
Flight Centre	A	4675	2.36	19	2.9
Fortescue Metal	B	454	1.59	7	2.2
G8 Education	B	291	3.98	37	2.4
GPT Group	B	362	6.45	11	5.3
GWA Group Ltd	A	314	1.70	30	4.6
Goodman Group	A	474	9.41	50	4.1
Goodman Fielder	A	70	0.64	13	4.3
Graincorp	A	1243	0.79	13	2.8
Growthpoint Pro	A	241	5.66	10	7.6
Harvey Norman	B	309	2.33	19	2.9
Heartware Inc.	D	236	N/A	NE	Nil
Henderson Group	B	305	3.31	22	3.7
I-Sonea Limited	C	61	N/A	NE	Nil
IOOF Holdings	B	844	2.86	25	5.0
IRESS Limited	A	928	5.90	31	4.1
IiNet	A	597	1.02	16	3.2
Iluka Resources	B	1104	3.97	13	3.2
Incitec Pivot	B	263	1.22	8	4.7
Independ. Group	C	392	4.22	NE	0.8
Insurance Aust.	C	555	1.26	NE	6.5
Investa Office	B	295	N/A	11	6.0
Invocare Ltd	B	1115	3.33	29	3.0
JB Hi-Fi Ltd	A	1951	0.58	17	3.7
James Hardie	B	953	3.32	96	1.8
Kardoon Gas	D	540	N/A	NE	Nil
Leighton Hold	B	1830	0.33	14	4.4
Lend Lease Grp	B	980	7.30	10	4.3
Linc Energy Ltd	D	158	N/A	NE	Nil
Lynas Corp Ltd	E	42	N/A	NE	Nil
M2 Telecom. Grp	A	614	1.61	25	3.3
Macquarie Group	B	4617	1.57	18	4.3
Macquarie Atlas	C	231	N/A	NE	Nil
Magellan Fin Gp	A	1105	N/A	25	1.9
McMillan Shake.	B	1340	3.03	16	1.8
Mermaid Marine	A	366	1.87	14	3.4
Mesoblast Ltd	D	553	N/A	NE	Nil
Metcash Ltd	B	322	0.22	14	8.7
Milton Corp.	B	1981	N/A	22	4.1
Mineral Res.	A	1139	1.93	12	4.2
Mirvac Group	B	165	4.11	43	5.3
Monadelphous Gr	B	2070	0.72	12	6.6
Mt Gibson Iron	A	77	1.06	5	5.2
Myer Holdings	B	285	0.53	12	6.7
Nat'l Aust Bank	A	3277	1.77	14	5.2
Navitas Ltd	A	594	3.05	30	3.3
New Hope Corp.	A	428	4.63	21	2.6
Newcrest Mining	A	1280	2.60	26	0.9
Nib Holdings	A	209	0.71	14	4.8

	Performance Forecast	Price	Price/Sales Ratio	P/E Ratio	Gross Yield
Nufarm Limited	B	503	0.60	18	1.2
OZ Minerals Ltd	B	416	1.33	9	7.2
Oil Search Ltd	B	840	N/A	66	0.5
Orica Ltd	B	1990	1.09	11	4.6
Origin Energy	B	1385	1.17	15	3.6
Panaust Ltd	B	219	1.82	9	3.2
Perpetual Ltd	B	3730	3.92	75	2.4
Platinum Asset	B	563	N/A	25	3.9
Premier Invest	A	809	1.44	18	4.4
Primary Health	B	512	1.77	17	3.4
Q.B.E. Insur.	B	1533	0.97	25	3.3
Qantas Airways	E	132	0.19	NE	Nil
Qube Holdings	B	195	1.67	22	2.3
REA Group Ltd	A	3775	N/A	45	1.1
Ramsay Health	A	3643	1.85	30	1.6
Reece Australia	A	2542	1.66	22	2.4
Regis Resources	C	419	N/A	50	Nil
Rio Tinto Ltd	B	6109	0.54	3	2.6
S/Tracks ASX200	A	4864	N/A	5	4.0
SAI Global Ltd	B	420	1.89	20	3.6
SP Ausnet	B	116	2.05	12	7.1
Sandfire Res.	D	643	N/A	NE	Nil
Santos Ltd	B	1496	4.47	28	2.0
Seek Ltd	B	1132	6.10	27	1.9
Seven West Med.	B	234	1.24	7	10.7
Seven Group	B	785	0.51	5	5.1
Sigma Pharm.	B	64	0.25	40	14.8
Sims Metal Mgmt	D	944	0.27	NE	Nil
Sirtex Medical	A	1301	7.54	39	0.8
Skilled Group	A	341	0.42	14	4.7
Slater & Gordon	A	368	2.50	18	1.8
Sonic Health	B	1547	1.76	18	4.0
Soul Pattinson	B	1372	3.60	23	3.2
Spark Infrastru	B	162	7.40	26	6.2
Steamships Trad	B	2758	1.86	9	5.3
Sth Cross Media	A	178	1.95	13	5.1
Stockland	B	383	5.11	84	6.3
Suncorp Group	B	1257	1.00	33	4.4
Super Retail Gr	A	1204	1.17	23	3.2
Sydney Airport	B	371	6.54	44	5.7
TPG Telecom Ltd	B	364	4.26	32	1.5
Tabcorp Holding	B	313	1.16	16	6.1
Tatts Group Ltd	B	307	1.46	19	5.0
Telstra	B	480	2.30	16	5.8
Ten Network	D	32	0.76	NE	Nil
Toll Holdings	B	548	0.45	43	4.9
TransPacific In	D	97	0.67	NE	Nil
Transurban Grp	B	658	8.16	57	4.7
Treasury Wine	B	456	1.71	70	2.9
UGL Limited	B	793	0.34	14	4.9
Village Road.	A	664	1.13	21	3.9
Virgin Aust	C	42	0.23	40	Nil
WAM Capital Ltd	B	188	N/A	19	6.4
Wesfarmers Ltd	B	4040	0.68	18	4.5
Westfield Ret.	B	288	N/A	11	6.5
Westpac Banking	A	3164	2.30	16	5.2
Westfield Group	A	1051	6.50	14	4.7
Whitehaven Coal	C	212	3.49	NE	Nil
Woodside Petrol	A	3922	5.29	11	3.2
Woolworths Ltd	A	3523	0.79	20	3.6
Worley Group	A	2217	0.62	17	4.2
Wotif.com Hold.	A	480	6.99	18	5.2
Ave of 1916 Cos	**C**	149	0.22	17	1.6

Recommended Investments

Cavalier Corporation's revenues fell 7.1% to $201.7 million for the year to 30 June 2013. Trading profits recovered 54.7% to $6,624,000 (9.7 cents per share). The company will reinstate a 4.0 cents final dividend (plus full imputation tax credits).

In addition, there were further restructuring costs of $3.6 million.

The business generated a net operating cash surplus of $11.7 million - helped by lower debtors and inventories - which reduced interest bearing debts $9.5 million to $59.1 million.

With a market shift to non-wool carpets, Cavalier Corporation launched its own synthetic carpet range, *Habitat*, in New Zealand in March and Australia in July.

The company sees "positive signs coming from the New Zealand economy" and expects "volumes and profits to lift in line with increased domestic demand".

(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	12.61	37	3.6	55	23.4	+214%
BUY	Cavalier Corporation	CAV	05/12/95	156*	C	68.3	1.0	0.59	18	3.3	174	278.0	+190%
HOLD	Colonial Motor Company	CMO	10/11/92	128*	A	32.7	0.5	0.24	11	9.3	460	371.3	+549%
HOLD	Lyttelton Port Company	LPC	12/12/00	150	B	102.2	0.8	2.50	16	Nil	270	77.7	+132%
BUY	Michael Hill Int'l Ltd	MHI	11/06/91	5*	B	382.8	0.8	0.98	13	4.6	140	44.4	+3588%
HOLD+	Nuplex Industries Ltd	NPX	11/02/97	523*	B	198.1	1.1	0.38	11	6.6	318	440.0	+45%
HOLD	Renaissance Corp	RNS	13/08/96	85*	E	45.7	3.9	0.09	22	Nil	13	53.9	-22%
HOLD	Smiths City Group	SCY	09/10/06	64	C	52.7	1.1	0.15	17	5.5	64	22.0	+34%
HOLD	South Port New Zealand	SPN	13/02/96	120	B	26.2	0.5	3.15	14	8.9	355	180.8	+346%
HOLD+	Steel & Tube Holdings	STU	08/08/00	146	A	88.4	0.8	0.64	16	7.5	285	273.1	+282%
	Australian Shares (in Aust cents)												
HOLD+	AJ Lucas Group	AJL	13/05/03	107*	C	185.4	0.7	0.33	NE	Nil	142	36.4	+67%
BUY	ALS Limited	ALQ	12/10/99	77*	B	374.8	0.5	2.34	14	4.9	976	225.5	+1460%
HOLD+	Atlas South Sea Pearl	ATP	14/05/96	73	C	281.7	3.8	2.09	NE	Nil	5	17.5	-69%
BUY	Ausenco Ltd	AAX	10-06-13	215	B	123.5	0.9	0.32	5	12.3	164	2.0	-23%
BUY	Brickworks Ltd	BKW	12/11/12	1115	B	147.6	0.3	3.32	43	3.2	1253	13.5	+14%
HOLD	Cardno Ltd	CDD	14/12/09	391*	B	143.7	0.5	0.79	12	5.5	660	115.3	+98%
HOLD	Cellnet Group Ltd	CLT	12/02/02	147*	B	55.7	2.0	0.12	8	Nil	16	55.9	-51%
BUY	Chandler Macleod Group	CMG	14/08/01	51*	B	450.9	1.3	0.15	12	6.5	49	28.9	+53%
HOLD	Circadian Technologies	CIR	10/02/04	188	C	48.6	1.7	10.97	NE	Nil	26	65.0	-52%
HOLD+	Clarius Group Ltd	CND	08/04/03	82*	D	89.6	1.7	0.10	NE	Nil	25	70.5	+16%
BUY	CPT Global Ltd	CGO	10/03/08	88	B	36.7	1.4	0.37	27	3.8	40	11.3	-42%
HOLD	CSG Limited	CSV	11/10/10	175	B	278.2	1.0	1.57	33	Nil	105	37.0	-19%
HOLD	Devine Ltd	DVN	13/11/06	334*	C	158.7	0.9	0.54	NE	Nil	106	79.6	-44%
BUY	Ellex Medical Lasers	ELX	14/03/06	49	C	84.9	1.8	0.60	NE	Nil	30	Nil	-39%
BUY	Fiducian Portfolio Ser	FPS	11/02/08	260	B	31.5	0.9	1.45	10	7.0	100	43.8	-45%
BUY	Finbar Group Ltd	FRI	12/04/10	106	B	214.2	0.7	2.76	12	6.1	148	30.5	+68%
HOLD+	Iluka Resources Ltd	ILU	12/10/04	471	B	417.1	0.6	3.97	13	3.2	1104	187.0	+174%
BUY	Integrated Research	IRI	14/01/08	40	B	168.4	0.8	3.38	18	5.1	98	24.0	+205%
HOLD	M2 Telecommunications	MTU	09/10/06	33	A	178.3	0.5	1.61	25	3.3	614	67.5	+1965%
BUY	Melbourne IT	MLB	10/02/04	53	B	82.5	0.6	0.83	12	8.1	173	121.0	+454%
HOLD+	Nomad Building Solutio	NOD	16/08/10	13*	C	277.5	3.1	0.28	5	Nil	8	Nil	-38%
HOLD	Novarise Renewable Res	NOE	14/03/11	25	C	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	0.06	NE	Nil	9	Nil	-48%
HOLD+	Probiotec Ltd	PBP	11/02/08	116	B	52.9	1.4	0.28	18	Nil	35	9.3	-62%
HOLD+	Prophecy International	PRO	08/09/08	26	A	50.2	1.1	4.09	22	6.3	56	13.0	+165%
HOLD	Skilled Group Ltd	SKE	12/03/02	126	A	233.5	0.6	0.42	14	4.7	341	148.0	+288%
HOLD	Technology One Ltd	TNE	11/11/03	44	A	305.4	0.6	3.61	26	2.5	200	38.8	+443%
BUY	TFS Corporation Ltd	TFC	08/01/07	45	A	279.6	0.9	1.85	4	3.7	82	14.2	+113%
HOLD	The Reject Shop Ltd	TRS	11/01/05	257	A	28.8	0.4	0.79	25	2.2	1702	345.5	+697%
HOLD	Village Roadshow	VRL	10/08/09	77	A	159.5	0.4	1.13	21	3.9	664	186.0	+1004%

The average Total Return (i.e. both Capital Gains/Losses plus Dividends received) of all current investments from initial recommendation is +310.5%. This is equal to an average annual rate of +33.4%, 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 154 closed out) is +32.1%, compared with a market gain of +4.0% (by the SRC Total Return Index).

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

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

Recommended Investments

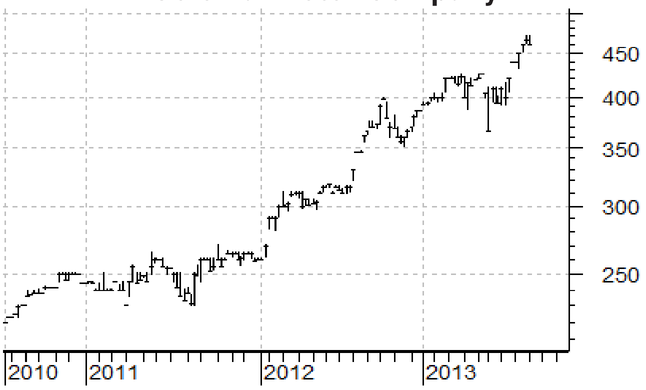
(Continued from Page 3)

Cavalier Corporation

Colonial Motor Company lifted revenues 13.1% to $614.4 million over the year to 30 June 2013, with trading profits up 17.2% at $13,867,000 (42.4 cents per share). A final dividend of 21.0 cents will lift the annual dividend rate 20.0% to 30.0 cents (plus full imputation tax credits).

There was a net cash operating *deficit*, mainly owing to a $13.3 million increase in inventory to $80.2 million.

Colonial Motor Company

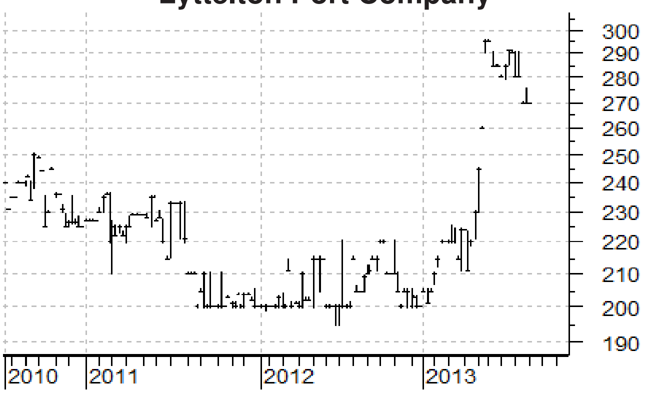


Lyttelton Port Company lifted revenues 5.8% to $110.7 million for the year to 30 June, with net profits down 1.7% at $16,813,000 (16.4 cents per share). No dividend will be paid.

The net operating cash surplus rose more than three-fold to $37.5 million, boosted by a $17.4 million insurance receipt. Excluding this insurance, the normal trading cash surplus was 76% higher at $20.1 million. Interest bearing debts were reduced 45% to just $30.5 million.

The company expects to reinstate dividends with an interim dividend for the new financial year. While there is uncertainty over the cost of replacing and rebuilding the port after the earthquakes - and uncertainty over the ultimate insurance cover - the port has continued to operate throughout and this is a high cashflow business.

Lyttelton Port Company

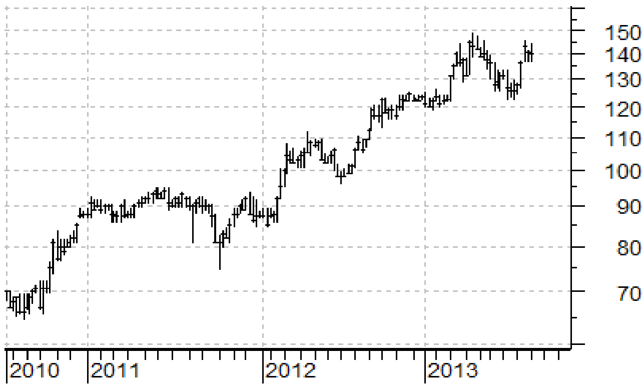


Michael Hill International lifted revenues 7.4% to $549.5 million for the year to 30 June 2013, with net profits up 9.6% to $40,032,000 (10.5 cents per share). A final dividend of 4.0 cents will raise the annual dividend 18.2% to 6.5 cents (with no tax credits).

The net operating cash surplus was steady at $52.3 million.

Store numbers rose by 15 over the year to 267 stores. The company plans to open another 20 stores this year. Half of these will be in Canada, where the company currently has 45 stores but has identified 110 locations where it can expand over the next 6-7 years.

Michael Hill International

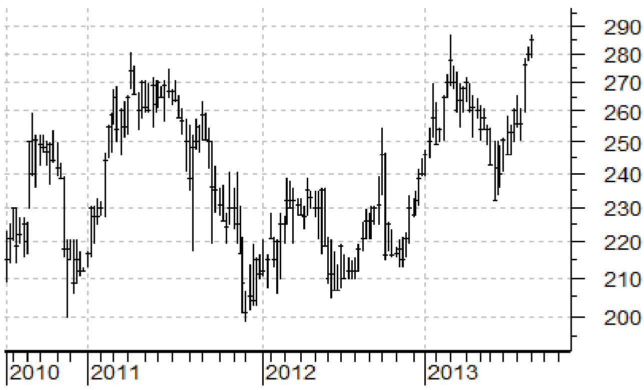


Steel & Tube Holdings' revenues were 3.0% lower at $393.3 million for the year to June 2013, but net profits improved 18.7% to $15,585,000 (17.8 cents per share). The company will pay an 8.5 cents final dividend, lifting the annual rate 25.0% to 15.0 cents (plus full imputation tax credits).

The net operating cash surplus was 47% higher at $27.5 million, enabling interest bearing debt to be reduced from $40.0 million to just $27.1 million.

The company sees an improvement in residential construction and some infrastructure projects which should result in an increased demand for steel over the current year and beyond.

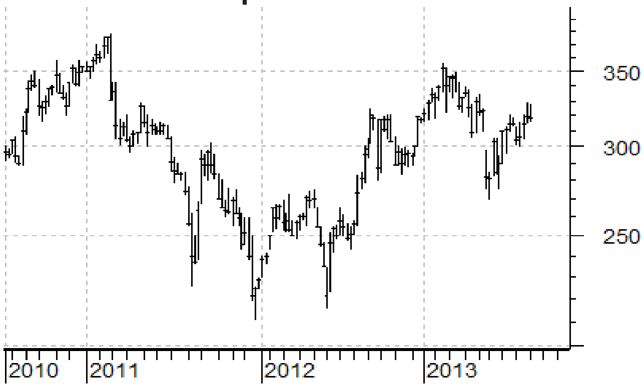
Steel & Tube Holdings



Nuplex Industries has reported revenues up 3.0% to $1,664.9 million for the year to 30 June 2013. Net profits (before impairment charges) were down 11.9% at $56,800,000 (28.7 cents per share). A final dividend of 11.0 cents will maintain a steady annual dividend of 21.0 cents (but with no tax credits).

The net operating cash surplus was 131% higher at $111.8 million.

Nuplex Industries



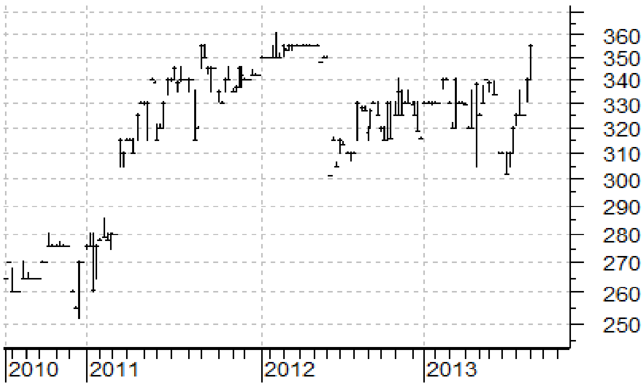
South Port NZ lifted revenues 11.6% to $29.5 million for the year to June 2013, with net profits up 8.6% to $6,503,000 (24.8 cents per share). A final dividend of 15.5 cents will lift the annual dividend 10.0% to 22.0 cents (plus full imputation tax credits).

The net operating cash surplus grew 33% to $8.9 million.

The **Southland Cool Stores** business was integrated into the company's existing cold store business and this "expanded cold storage division provided an important contribution" to group profits. A 6000m^2 dry warehouse was completed in June and is now fully tenanted, providing additional rental income. A further 7 hectares of land is available for further development.

At this stage the port company predicts that profits may decline 5-10% over the next year.

South Port NZ



Australian Shares

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

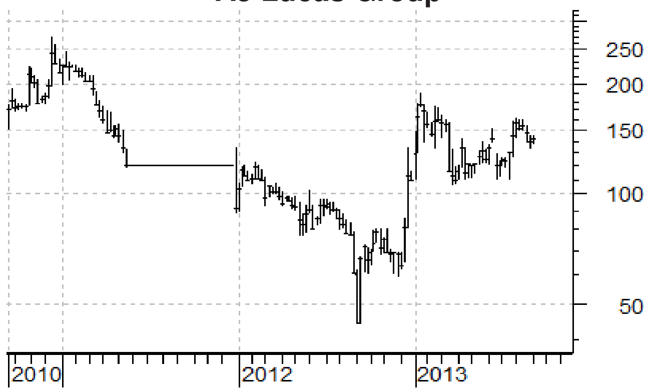
AJ Lucas Group reports revenues down 41.5% to $294.8 million for the year to 30 June 2013. The trading *loss* increased 27.8% to $83,385,000 (*minus* 39.4 cents per share). In addition, the company wrote down the value of goodwill and plant and equipment.

The net operating cash *deficit* increased 94% to $21.9 million.

During the year the group increased its shareholding in **Cuadrilla Resources Holdings** from 42.97% to 44.0%. Since balance date it has realised a net $13.1 million from the redemption of preference shares less the cost of purchasing another 1.0% of the ordinary shares to lift its ownership to 45.0%.

The *Engineering & Construction* division experienced a 58% drop in revenues, which the company believes was owing to customers being reluctant to award contracts prior to the group being recapitalised. The division has "exited general contracting activities" and will "focus on specialist engineering activities, specifically pipelines and related infrastructure, gathering systems, horizontal directional drilling and trenchless technology". Since balance date this division has won $66 million in new business which will commence immediately.

AJ Lucas Group



ALS Ltd placed shares not taken up by shareholders in the recent cash issue at 875 cents. After deducting the 780 cents subscription price that leaves 95 cents per share entitlement which was distributed to the relevant shareholders on 23 August.

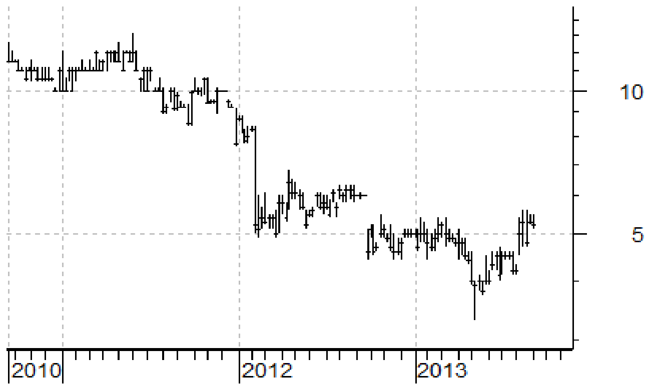
Atlas Pearls and Perfumes is changing its balance date from 31 December to 30 June - so has reported for the six month "year" to 30 June 2013.

Revenues were $3.5 million but the company operated at a *loss* of $2,194,645 (*minus* 1.0 cents per share). No dividend is payable and there was a net operating *deficit* of $1.1 million.

Pearl sales were delayed until July (when the company realised $2.3 million), so there was little revenue in this reporting period.

The company states that this result "does not reflect the underlying current performance of the group" and that it "is anticipating a profit" for the year to June 2014.

Atlas Pearls & Perfumes



Ausenco Ltd's revenues fell 17.4% to $258.9 million for the six months to June 2013, with profits down 82.9% to $3,488,000 (2.8 cents per share). The interim dividend will be cut 80.0% to 2.0 cents.

The business generated a strong operating cash surplus of $19.6 million, although down 48%.

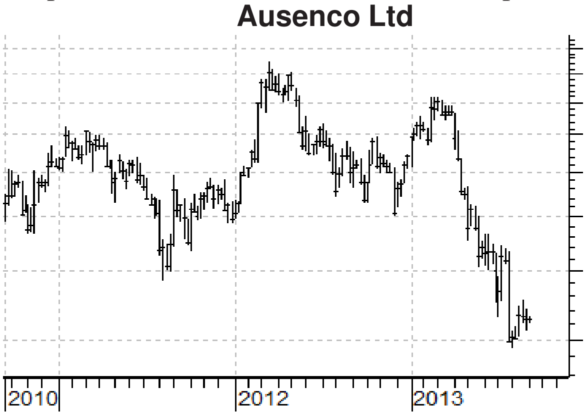
Work on hand is currently $308 million (from over 200 assignments), but down from $451 million in February. This includes Evaluate and Innovate assignments which could lead to Create development work on up to $11.7 billion of new development projects. 70% of this work on hand is from outside Australia, with 76% involving existing project expansions, optimisation and de-bottlenecking.

The company predicts full 2013 revenues at $490-520 million and underlying *(Continued on Page 6)*

Recommended Investments

(Continued from Page 5)

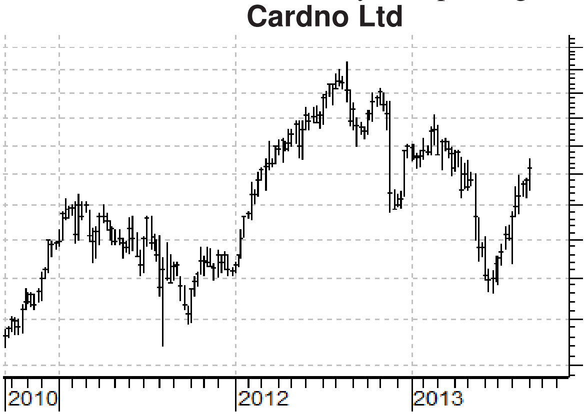
net profits of $14-16 million (11-13 cents per share).



Cardno Ltd lifted revenues 23.8% to $1,195.4 million for the year to 30 June, with net profits up 4.7% at $77,639,000 (54.0 cents per share, up 0.6%). An 18.0 cents final dividend maintains the annual dividend at 36.0 cents.

The net operating cash surplus rose 32% to $95.7 million.

Work on hand is $710 million, up from $671 million a year earlier. Australian conditions remain difficult, but the group earns 50% of its revenue in the United States where economic activity is improving.



Cellnet Group's revenues rose 20.8% to $76.5 million over the year to 30 June 2013, but net profits slipped 12.1% to $1,091,000 (2.0 cents per share). No dividend will be paid.

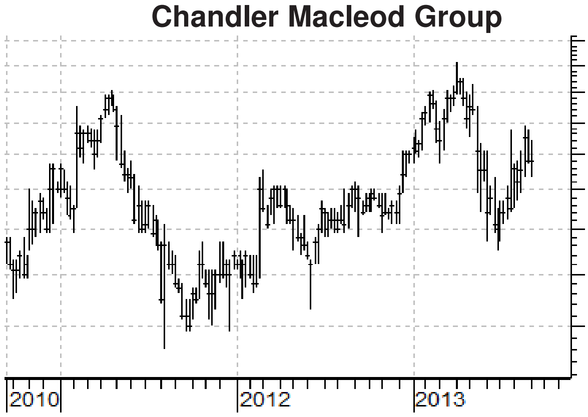
The net operating *deficit* almost doubled to $2.4 million (mainly owing to a $3.8 million increase in inventory to $9.0 million).

The underlying performance is better than the profit numbers above would suggest. The 2012 result was boosted by significant interest (on surplus capital repaid to shareholders in that period), with business net profits of $533,000. The 2013 result was also after $380,000 (pre-tax) of non-recurring costs to restructure the company.

In March the group acquired **Stuff Products Pty** for $400,000 (i.e. $300,000 in cash with a further $100,000 of deferred consideration). For the three months this contributed revenues of $305,000 and pre-tax profits of $45,000. That indicates a Price/Sales ratio of 0.33 and a Price/Earnings ratio of around 3.

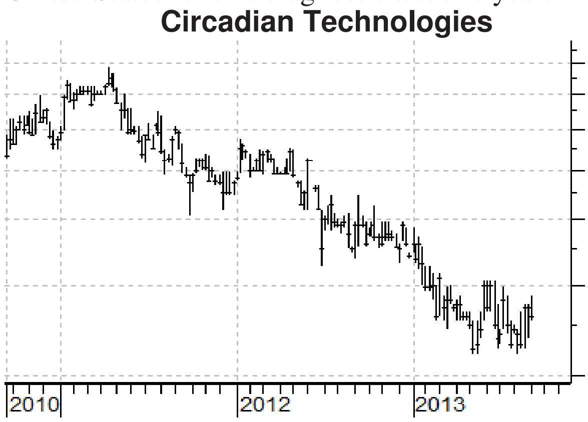
Chandler Macleod Group's revenues were 2.9% lower at $1,503.9 million for the year to 30 June 2013, but *trading* profits rose 14.1% to $18,618,000 (4.1 cents per share). In addition, there were restructuring costs of $7.3 million. A 1.8 cents final dividend will lift the annual dividend 14.3% to 3.2 cents.

The business generated a strong net operating surplus, up 26% to $40.6 million. Interest bearing debts, however, have increased $26.5 million to $116.6 million, mainly owing to the acquisition of **Vivir Healthcare** for $35 million.



Circadian Technologies reported revenues down 22.4% to $1.2 million for the year to June 2013. Interest income fell 46% to $530,986 as the company spends its cash, while royalties and licence fees rose 22% to $622,701. The net *loss* was $5,004,506 (*minus* 10.3 cents per share), with a net operating cash *deficit* of $5.6 million.

The company has cash of $11.0 million and shares worth $2.3 million, but predicts a cash spend of $5-8 million over the next year. The company expects further growth in royalties for its Cancer of Unknown Primaries test, plus expects to form partnerships in Europe and the United States for this diagnostic test this year.



Clarius Group experienced a 17.6% drop in revenues to $225.3 million for the year to June 2013 and a *loss* of $1,303,000 (*minus* 1.5 cents per share). In addition, the company wrote-off all goodwill of $40.9 million, but that is a non-cash item with no impact upon anything. No dividend will be paid.

The business generated a net operating cash surplus of $4.4 million (up from a *deficit* of $2.0 million last year).

Clarius Group remains both an "asset situation" and a "recovery situation". The company has cash of just under $1.0 million, trade receivables of $48.8 million plus a tax refund of $1.4 million, but just $0.7 million in debts, $17.9 million in trade payables and $2.0 million owing to staff. So one could close the business tomorrow and quickly turn those assets and liabilities into $30.6 million of cash in the bank. That is 34.2 cents per share.

So there is the potential that the directors may just close the business down as the stockmarket is valuing this "going concern" at a 27% discount to its net working capital or liquidation value. Or a competitor could seek to acquire this company at this less than working capital valuation!

As a young boy, your Editor read how value investors during the 1930's Depression were able to buy shares at less than the value of their net working capital! Of course, business activity was depressed and money was scarce in the 1930's . . . but how stupid was "the market" 80 years ago to price shares at less than liquidation value?

Clarius Group

CPT Global suffered an 11.1% decline in revenues to $35.1 million over the year to 30 June 2013, with net profits falling 47.0% to $322,000 (0.9 cents per share). No dividend will be paid for the year owing to the lower annual profit and the "need to retain cash to fund our overseas growth".

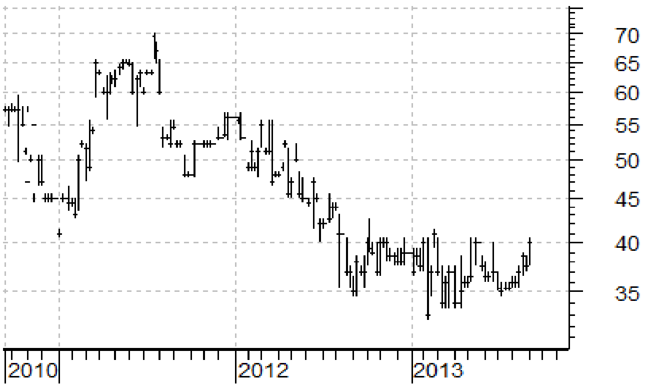
There was a net operating cash surplus of $907,000 (down 36%).

The company *lost* $1.0 million in the first half, so returned to profitability - earning $1.3 million - in the second half of the year. The company states it "has finally begun to reap the rewards from the extensive pipeline of potential business which we have built over a number of years in the international markets".

The Chairman also notes that "the tide is turning and CPT Global's substantial efforts in developing relationships with many of the world's most significant companies are finally to be rewarded with the conversion of this potential into more sustainable and significant revenue and profits".

Higher business volumes and revenues would significantly boost the profitability of CPT Global's business (which has invested heavily in expansion, ahead of delayed revenue growth) - while the lower Australian dollar exchange rate will also have a major impact on profit margins (i.e. lower Australian costs while boosting foreign revenues).

CPT Global



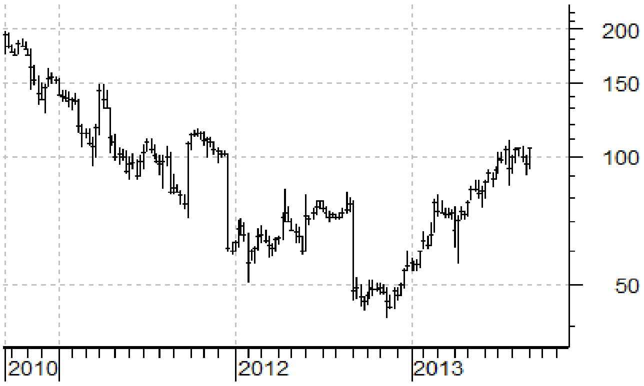
CSG Ltd reports revenues 9.0% lower at $184.6 million for the year to June 2013, but returned to profitability, earning a net profit of $8,717,000 (3.1 cents per share). The company is not paying any regular dividends, but over the last year paid a special dividend of 25.0 cents and made a capital repayment of 9.0 cents. The company intends to continue to make annual capital repayments of 9.0 cents per share (with a 4.0 cents capital repayment planned for December). So effectively the company is planning a 9.0 cents per share annual distribution to shareholders, paid as "capital" rather than "income".

There was a net operating cash *deficit* of $25.9 million - but mainly owing to $23.4 million of income tax payable on the realised gain on selling its IT division the previous year.

Earnings (before interest, depreciation and tax) are forecast to rise 16-25% to $27-29 million. With fewer "one-off" expenses and relatively stable interest and depreciation costs this should lead to a strong increase in net profits.

The new *CSG Finance Solutions* business expects to increase its lease receivables 30% to $150 million over the current financial year. The group also expects to launch (undisclosed) "new service offerings" in January 2014.

CSG Ltd



Devine Ltd's revenues were 0.9% lower at $311.1 million for the year to 30 June 2013, with trading profits down 14.9% at $9,441,000 (5.9 cents per share). In addition, the company wrote-down a property value by $10.0 million. No dividend will be paid. The net operating cash surplus was $26.5 million, down 4%.

Net asset backing per share is 198 cents, making this an "under-valued asset" and/or "recovery" investment.

The company is required to change its balance date to 31 December to align its financial year with its controlling shareholder, **Leighton**.

Devine has also announced two new apartment projects. It has acquired a 1919m^2 site in Newstead, Brisbane, where it proposes to build an 11-storey building with 157 apartments with one or two bedrooms. This $80 million inner city apartment is expected to be launched in late 2013, with construction to begin in 2014 and settlements in 2015.

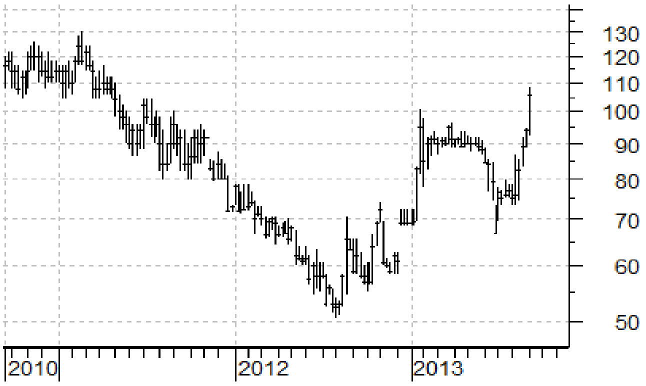
The company has also acquired a 2.25 hectare site adjacent to the Parramatta CBD where it plans a staged development of "a number of multistorey buildings" with up to 350 apartments and a completed project value of $180 million. Marketing is expected to begin in January 2015 with construction to start in 2016.

(Continued on Page 8)

Recommended Investments

(Continued from Page 7)

Devine

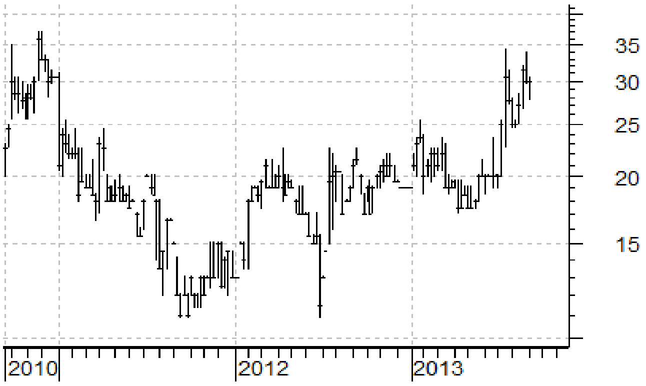


Ellex Medical Lasers reported a 9.9% drop in revenues to $42.8 million over the year to June 2013, resulting in a *loss* of $816,000 (*minus* 1.0 cents per share). No dividend will be paid.

The net operating cash surplus was 6% higher at $1.9 million.

70% of revenues are received in US dollars, Euros and Japanese Yen, so the strong Australia dollar throughout the year weakened demand and depressed revenues. The new financial year should benefit from the lower Australian dollar exchange rate, access to the US glaucoma laser market and other new product releases.

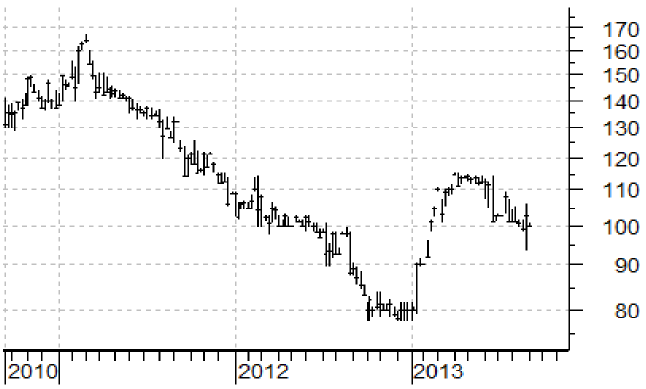
Ellex Medical Lasers



Fiducian Portfolio Services' revenues slipped 3.9% to $21.8 million over the last year, but net profits recovered 47.4% to $3,266,000 (10.1 cents per share). A final dividend of 3.6 cents will lift the annual dividend rate 40.0% to 7.0 cents.

The net operating cash surplus more than *tripled* to $4.8 million. The company is debt-free with cash in the bank of $9.44 million (29 cents per share).

Fiducian Portfolio Services



At 100 cents, Fiducian Portfolio Services shares trade on a Price/Earnings ratio of 10 and a Dividend Yield of 7.0%. This business is cyclical with the stockmarket, but offers a high income, good value and the potential for steady long term growth.

Finbar Group lifted revenues 22.2% to $143.8 million for the year to 30 June 2013, with net profits up 16.3% at $31,176,885 (14.3 cents per share). As previously reported, the annual dividend will be 5.6% higher at 9.5 cents.

There was a net operating *deficit* of $14.3 million, but that represents the higher investment in current construction projects.

Finbar Group has received development approval for 59 residential apartments plus four commercial lots at 280 Lord Street, Perth. Marketing of this $32 million end value project (50% owned by Finbar Group) will begin in October, construction will begin in early 2014, with completion and settlement in mid-2015 (i.e. contributing to both the June 2015 and June 2016 financial years).

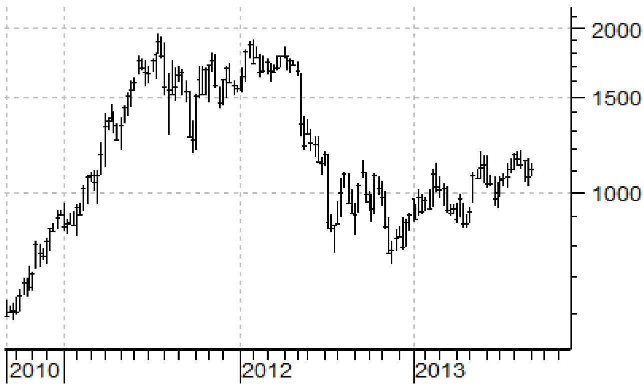
Finbar Group has also negotiated a new joint venture development. Its 50% partner, **Ventrade Maylands Pty**, will pay $16.71 million to acquire a 17,279m² site in Maylands, 4½ km from the Perth CBD. Finbar Group will contribute $8.36 million cash for working capital and a 50% share in the project. A two-stage development is expected to build around 336 apartments plus 2100m² of commercial office space, with an end value of about $183 million. Marketing is expected to begin in early 2014, with settlements in the June 2016 and 2017 financial years.

Finbar Group

Iluka Resources' revenues fell 39.7% to $428.9 million over the six months to 30 June 2013 - as a result of lower selling prices - with net profits down 87.5% to $34.3 million (8.2 cents per share). The interim dividend will be 80.0% lower at 5.0 cents.

There was a cash operating *deficit* of $11.9 million, mainly as a result of paying $124.0 million in income tax.

Iluka Resources



Integrated Research's results for the June 2013 year are virtually unchanged from a year earlier. Revenues were up 0.5% at $48.9 million and net profits up 0.5% at $9,078,000 (5.4 cents per share). The annual dividend rate remains steady at 5.0 cents.

The cash operating surplus was 19% higher at $17.5 million, lifting cash (and deposits) $1.7 million to $15.55 million (9 cents per share). Cash was up to $18.1 million at the end of July.

Revenues and profits were flat in the June 2013 after a slow first half year and as a result of moving from direct to indirect selling methods, but all of its software services should be capable of strong growth over the medium to long term. This is a sound business, with recurring revenues, cash in the bank and no debt.

At 98 cents the shares trade on a Price/Earnings ratio of 18 and offer a Dividend Yield of 5.1%, which still offers good value.

Integrated Research

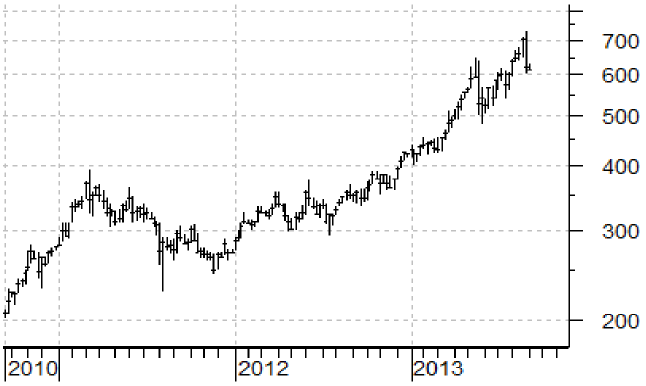
M2 Telecommunications lifted revenues 73.1% to $681.0 million for the year to 30 June 2013, with net profits up 33.4% at $44,052,000. Earnings per share were up 17.1% at 24.7 cents. A 10.0 cents final dividend will lift the annual dividend rate 11.1% to 20.0 cents.

The company is predicting 42-54% revenue growth to $970-1030 million for the new financial year to June 2014, with net profits up 35-60% at $60-70 million (34-39 cents per share).

At 614 cents, M2 Telecommunications trade on a high Price/Earnings ratio of 25, although 35-60% growth over the next year would lower that to 16-18½. Investors who are heavily over-weighted in M2 Telecommunications shares could consider some partial profit-taking, but we are in no hurry to heavily sell down an investment in a company which is still growing very rapidly.

M2 Telecommunications is lending $5.5 million to a 32% owned associate **Aggregato Global**, a specialist provider of fixed and mobile pre-paid calling products, to enable it to acquire a US based complementary pre-paid calling business. This three year, secured loan also includes the option for M2 Telecommunications to convert some or all of the loan into equity at repayment or when Aggregato Global makes an initial public offering.

M2 Telecommunications



Melbourne IT's revenues fell 42.9% to $51.3 million for the half year to 30 June 2013 - mainly owing to the sale of a major business. Net profits (excluding the gain on sale) were 32.8% lower at $3,909,000 (4.7 cents per share).

The company will not pay a regular interim dividend, but recently paid a special 25.0 cents dividend and is considering a capital return to shareholders.

The net operating cash surplus was 49% lower at $5.9 million.

The company still owns businesses generating about half of its previous revenues and profits - in addition to a large cash hoard. At 30 June the company was debt-free with cash in the bank of $95.2 million, but has since sold its *FTR* business for $6.3 million, increasing that cash to $101.5 million or 123 cents per share.

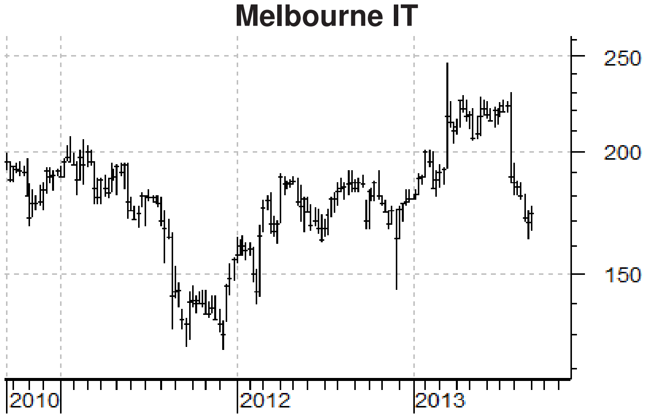
The existing businesses would appear capable of earning around $8 million (9 cents per share) annually. With the shares trading at 172½ cents - but deducting the surplus 123 cents - the market is valuing these businesses at just 52½ cents. That is a Price/Earnings ratio of 6.

These are attractive businesses with 94% of revenue now "annuity-based" (i.e. monthly or annual services purchased by customers). The delayed *Transformation Project* will be completed this year, lowering future costs and enabling the company to better cross sell services. A project to migrate 90% of the company's existing technology infrastructure to cloud-based systems is expected to reduce costs $3-4 million annually from 2016. Melbourne IT also continues to invest in undisclosed "compelling new products and services" which it will begin launching in the near future and *double* its marketing in 2014 to promote these products.

The creation of new gTLDs should increase its domain name registration and renewal business.

The company's large cash holding (and its ability to borrow against reliable revenues) also offers the potential to make significant acquisitions.

Melbourne IT



Nomad Building Solutions reported revenues down 31.5% to $79.1 million for the year to 30 June 2013. Net profits from continuing businesses were down 49.2% to $4,880,000 (1.8 cents per share), but the company also wrote-down deferred tax assets (i.e. a non-cash item, writing down the balance sheet value of past tax losses) by $9.3 million and there were losses on discontinued businesses of a further *(Continued on Page 10)*

Recommended Investments

(Continued from Page 9)

$9.3 million (of which $5 million was impairment of goodwill). No dividend will be paid.

The business generated a net operating surplus of $11.0 million, up from $3.6 million a year earlier. The company is debt-free with cash of $11.3 million (4.1 cents per share) and $3.55 million (1.3 cents per share) of assets held for sale.

The weak Resource sector has reduced demand, with Nomad Building Solutions seeking to "provide highly competitive bids on the limited opportunities that will be available" in the current financial year. This is a "challenging period" so the "ongoing emphasis is on minimising costs within the business" but with no debt and cash in the bank the company should survive.

Nomad Buildings Solutions

Novarise Renewable Resources International suffered a 15.7% drop in revenues to $30.6 million for the six months to 30 June 2013. Net profits were down 45.8% to $4,223,440 (1.0 cents per share). No dividend will be paid.

There was a net operating *deficit* of $4.2 million.

Penrice Soda Holdings' revenues were down 2.6% to $145.9 million for the year to 30 June 2013. There was a trading *loss* of $21,435,000 (*minus* 23.5 cents per share). In addition, the company wrote-down fixed assets in its Chemical business by $21.2 million and incurred restructuring costs of $8.8 million.

The net operating cash *deficit* was just $3.0 million.

These losses and write-downs have reduced Shareholders Equity to *minus* $46.6 million and increased interest bearing debts to $112.1 million.

Negative shareholders equity (in the balance sheet) and high debt levels are certainly not favourable . . . but the true value (if any) of this business to shareholders will depend upon the future *profitability* of its restructured business, their ability to generate cash operating surpluses (to repay debt) and/or realising assets or businesses at value in excess of book values.

The company sees the current periods as a "transition year" but with "improved underlying earnings". That should be followed by "another material uplift" in earnings in the year to June 2015.

The new soda ash business (i.e. importing, rather than manufacturing) "should deliver increased and positive earnings" this year, while sodium bicarbonate "should remain a solid performer" with all production sold out, while the new lime business is "on track to achieve its first year sales plan".

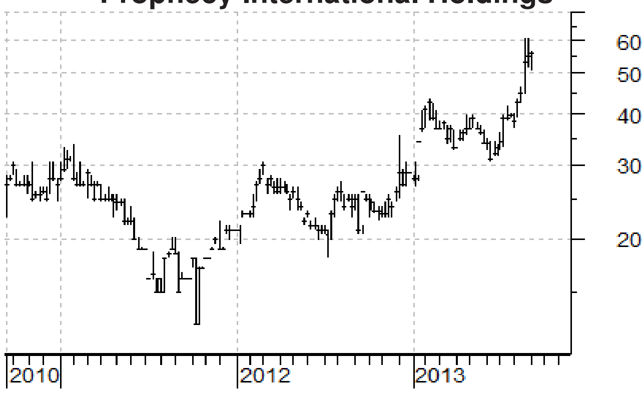
The quarry business profitability should improve with "more efficient and productive operations" and some modest growth in demand for quarry products.

Penrice Soda Holdings

Prophecy International Holdings lifted revenues just 2.8% to $6.9 million for the year to 30 June, but net profits rose 58.1% to $1,268,507 (2.5 cents per share). A 1.5 cents final dividend will lift the annual dividend rate 55.6% to 3.5 cents. The net operating cash surplus was up 2½-fold at $2.3 million.

The company notes that the high Australian dollar held revenues and profits below expectations but that the lower exchange rate will help revenues and profits in the new financial year. "Further growth is expected for the 2013-2014 year for revenues, profit and dividends" and "prospects for the next half year look bright again".

Prophecy International Holdings



Skilled Group's revenues were 1.2% lower at $1,868.2 million for the year to June 2013, but net profits rose 25.1% to $56,159,000 (24.0 cents per share). A 9.0 cents final dividend will lift the annual dividend 23.1% to 16.0 cents. The net operating cash surplus was $61.9 million (down 39%).

Business remains difficult in the resources sector, but with increased activity in telecommunications and continued growth in marine services. The recent **Broadsword** acquisition is expected to add $16-17 million (17-18%) to earnings (before interest, tax and depreciation) and the transformation and cost reduction program is expected to reduce costs by another $10 million.

Skilled Group

TFS Corporation lifted revenues 18.8% to $122.9 million for the year to 30 June 2013, plus there was other income of $64.8 million (up 176%) - which is mainly the gain in the value of plantation assets. Net profit was up 115.4% to $55,729,000 (19.9 cents per share). The company will reinstate dividends, paying 3.0 cents per share.

The business generated a net operating cash surplus of $21.8 million, compared with a *deficit* of $60.5 million last year.

At 30 June, the company managed 7,581 hectares of plantations, with direct ownership of 1,346 hectares and indirect ownership in 738 hectares (based upon deferred fees on MIS owned plantations). Since then the company has acquired a further 359 hectares from previous investors, increasing its ownership to around 2,443 hectares.

The company's recent announcement also confirms (as we have previously suggested) that TFS Corporation "expects to generate significant performance fees from the *Beyond Carbon* investors upon the harvest and sale of their plantations".

The first annual harvest will consist of 30 hectares in September, a halt during the October to March wet season and then the remaining 114 hectares in April to June 2014. The company directly owns 42 hectares, with the remainder owned by two *Managed Investment Schemes*. The harvest should be sold (either to TFS Corporation for further processing or to an external buyer) by September 2014, with investors paid out by December 2014.

Tree survival rates for these early plantations were very low, with only 40-50% surviving the first year and about 30-40% surviving to harvest. The company has "refined and improved its intellectual property and silvicultural techniques over time", with one year survival rates now over 95% and expected survival rate to harvest after 14 years in excess of 90%.

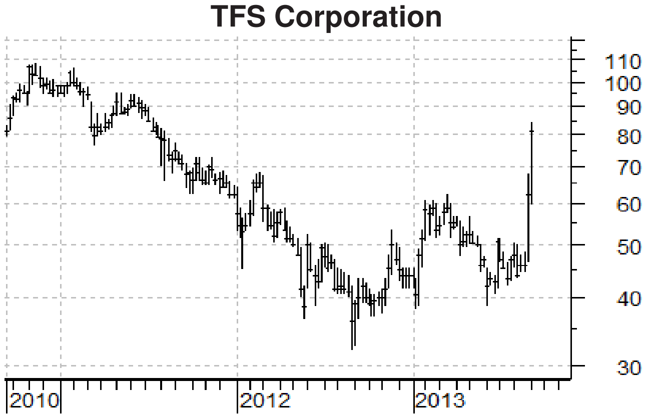
TFS Corporation shares have risen very strongly over the last two weeks, but this represents a recovery from a very low valuation, rather than any over-valuation now. As we pointed out in September last year, at June 2012 the company had net financial assets of $87.5 million (31.3 cents per share) and Land & Plantations of $127.5 million (45.6 cents per share), for a net asset value of 76.9 cents - although the shares traded at just 39 cents.

At June 2013 net financial assets are $66.5 million (23.8 cents per share) and Land & Plantations $249.3 million (89.2 cents per share). That gives a current asset value of 113 cents.

Profitability and net operating cash flows have improved significantly over the last year - placing the company in a more secure (less insecure?) financial position.

As we have noted over recent months, TFS Corporation should benefit strongly from the lower Australian dollar. Land and operating costs are in Australian dollars while the ultimate markets for Sandalwood and oils are offshore and priced in US dollars (although this is *partially* hedged with US$150 million of debt).

The company also reports that Indian Sandalwood Oil is trading around US$4000 per kilogram, up 60-100% from the US$2000-2500/kg reported in 2010-2012. Higher end product revenues significantly improves the viability and potential profitability of this Indian Sandalwood plantation business.



The Reject Shop lifted revenues 11.3% to $618.0 million for the year to 30 June 2013, with net profits *down* 11.3% at $19,451,000. Earnings per share were *down* 19.7% at 67.5 cents, owing to the slight increase in the issued capital. A final 13.0 cents dividend will lift the annual dividend 10.4% to 37.0 cents.

The net operating cash surplus was down 58% at $17.0 million.

Recent results have also been depressed by the rapid store expansion, with new store establishment costs depressing the first year profitability before contributing to profits in the second and subsequent years. The company estimates new store openings cost $900,000 (after tax) in 2012 (when 18 new stores were opened) and $2,500,000 (to open 41 new stores) in the year to June 2013.

During the current financial year the company plans to open a further 43 new stores. 14 have already opened and it expects to have at least another 16 operating ahead of the peak Christmas period.

The company "expects solid profit growth" in the current financial year, helped by stores opened in 2013, and "also expects strong profit growth" in the year to June 2015, helped by the current year's new stores.

At June 2012 the company had 239 stores. That rose 17% to 280 stores in June 2013 and should be over 320 stores (up +14%) by June 2014. Longer term, The Reject Shop now sees the potential to expand to around 492 stores (up another 54%) with this growth providing "significant financial leverage" of its existing distribution infrastructure.

Village Roadshow experienced just a 1.0% rise in revenues to $936.4 million for the year to 30 June 2013, but net profits rose 50.8% to $50,931,000 (32.0 cents per share). A 13.0 cents final dividend will lift the annual dividend 18.2% to 26.0 cents.

The net operating cash surplus rose 20% to $150.7 million. *(Continued on Page 16)*

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	64	+4.2	+0.3	19	0-2	-	0.7	4	1.2	17	5.5	0.15	34
Turners & Grow.	166	+2.1	+0.6	32	1-0	-	0.6	4	0.8	16	3.6	0.22	188
Col Motor Co	460	+5.4	+2.6	15	1-0	-	1.1	11	0.5	11	9.3	0.24	150
Air New Zealand	143	+2.1	-2.8	33	0-7	6	0.9	10	1.0	9	8.0	0.34	1,573
Ebos Group Ltd	988	+3.9	-2.7	21	0-0	-	2.1	9	0.5	23	4.3	0.36	648
Abano Health.	680	+2.9	+4.2	23	0-0	2	1.6	4	0.7	41	4.4	0.56	116
Infratil NZ	237	+1.6	+0.5	35	0-3	4	1.4	0	0.7	409	5.6	0.58	1,382
Allied Work.	297	+6.5	-5.4	13	0-1	-	3.5	25	1.0	14	7.5	0.59	77
Steel & Tube	285	+2.1	+2.2	29	1-0	4	1.6	10	0.8	16	7.5	0.64	252
Warehouse Group	368	+2.9	-2.5	24	3-1	7	3.6	28	0.7	13	7.8	0.66	1,145
Turners Auction	197	+1.4	+2.0	36	2-1	-	3.1	21	0.8	15	12.3	0.72	54
Fletcher Build.	928	+1.5	+1.0	35	7-14	-	1.8	9	0.5	20	4.3	0.75	6,367
Sanford Limited	450	+1.4	-2.1	37	0-0	3	0.8	4	0.4	20	7.3	0.92	421
Michael Hill	140	+0.9	+0.0	39	0-3	2	2.6	19	0.8	13	4.6	0.98	536
BEST PERFORMING SHARES: Strongest Shares, P/E < 20, P/S < 1.0													
Allied Work.	297	+6.5	-5.4	13	0-1	-	3.5	25	0.8	14	7.5	0.59	77
Finzsoft Sol'ns	42	+6.2	-0.1	14	0-0	-	1.3	15	0.9	9	Nil	0.39	3
Col Motor Co	460	+5.4	+2.6	15	1-0	-	1.1	11	0.4	11	9.3	0.24	150
Smiths City	64	+4.2	+0.3	19	0-2	-	0.7	4	0.9	17	5.5	0.15	34
Warehouse Group	368	+2.9	-2.5	24	3-1	7	3.6	28	0.6	13	7.8	0.66	1,145
Steel & Tube	285	+2.1	+2.2	29	1-0	4	1.6	10	0.7	16	7.5	0.64	252
Turners & Grow.	166	+2.1	+0.6	32	1-0	-	0.6	4	0.6	16	3.6	0.22	188
Air New Zealand	143	+2.1	-2.8	33	0-7	6	0.9	10	0.8	9	8.0	0.34	1,573
Fletcher Build.	928	+1.5	+1.0	35	7-14	-	1.8	9	0.5	20	4.3	0.75	6,367
Turners Auction	197	+1.4	+2.0	36	2-1	-	3.1	21	0.6	15	12.3	0.72	54
Michael Hill	140	+0.9	+0.0	39	0-3	2	2.6	19	0.6	13	4.6	0.98	536
INCOME SHARES: Highest Yields, Capitalisation > NZ$100 million													
Chorus Ltd	294	-1.3	+4.2	63	4-0	10	1.8	27	0.4	7	12.4	1.08	1,145
Telecom Corp	221	-2.9	-0.2	73	2-4	11	2.9	17	0.5	17	10.3	0.96	4,016
NZ Oil & Gas	85	-1.6	+0.4	66	1-0	6	1.0	7	1.1	14	10.1	3.55	352
Hallenstein G.	468	-6.7	-3.1	83	0-1	5	4.2	32	0.5	13	9.6	1.29	279
Col Motor Co	460	+5.4	+2.6	15	1-0	-	1.1	11	0.3	11	9.3	0.24	150
PGG Wrightsons	34	-6.6	+4.8	82	1-0	4	1.0	6	1.2	18	9.2	0.23	257
Restaurant Brds	280	-0.4	-2.2	54	0-0	3	4.5	27	0.6	17	8.2	0.88	274
Trust Power Ltd	706	-4.0	-0.2	77	0-0	5	1.4	8	0.4	18	8.1	2.75	2,217
Air New Zealand	143	+2.1	-2.8	33	0-7	6	0.9	10	0.8	9	8.0	0.34	1,573
Vector Ltd	268	-2.3	-1.0	72	3-0	6	1.2	9	0.5	13	8.0	2.09	2,669
INSIDER BUYING: Most Insider Buying, Relative Strength > 0													
Pharmacybrands	134	+2.2	-2.7	29	3-0	-	2.3	18	0.6	13	3.7	1.59	167
Metro. LifeCare	319	+0.7	-1.1	41	3-0	3	0.9	8	0.5	12	0.6	7.17	661
Briscoe Group	248	+0.8	-2.5	40	3-0	3	3.7	20	0.5	19	5.8	1.20	526
GuocoLeisure	76	+1.9	-3.0	33	2-0	-	0.7	4	0.9	18	Nil	1.74	993
Warehouse Group	368	+2.9	-2.5	24	3-1	7	3.6	28	0.5	13	7.8	0.66	1,145
Port Tauranga	1490	+1.7	-0.2	34	1-0	7	2.5	14	0.3	18	4.4	8.18	1,998
Trade-Me Ltd	457	+1.2	-3.5	38	1-0	11	2.8	12	0.5	23	4.9	N/A	1,811
Steel & Tube	285	+2.1	+2.2	29	1-0	4	1.6	10	0.6	16	7.5	0.64	252
Col Motor Co	460	+5.4	+2.6	15	1-0	-	1.1	11	0.3	11	9.3	0.24	150
Comvita	422	+2.9	+0.8	24	1-0	1	1.5	9	0.5	17	4.4	1.19	123
OVER-VALUED SHARES: Highest Price/Sales Ratios, Relative Strength < 0													
Goodman Prop.	104	-1.7	-1.3	67	2-2	7	1.1	0	0.5	231	6.0	8.32	1,250
Vital Health PT	138	-58.3	+0.0	98	10-0	4	1.5	11	0.5	13	5.7	8.06	466
Argosy Property	95	-0.5	-1.9	56	1-0	5	1.2	7	0.6	17	6.3	7.33	647
Snakk Media Ltd	9	-17.4	-3.8	93	0-0	-	28.8	-	1.6	NE	Nil	6.62	24
Blis Technology	1	-15.4	+2.0	90	0-0	-	2.1	-	4.3	NE	Nil	6.47	7
Kiwi Property	114	-1.4	-0.1	64	0-0	7	1.0	10	0.5	10	7.0	5.69	1,131
Fonterra S/H Fd	695	-0.5	-3.0	58	0-7	-	6.4	-	0.6	NE	4.6	4.57	680
Charlie's Group	43	-58.3	+0.0	97	0-0	-	7.7	15	1.2	51	Nil	4.00	126
NZ Oil & Gas	85	-1.6	+0.4	66	1-0	6	1.0	7	1.0	14	10.1	3.55	352
South Port NZ	355	-0.9	+0.2	61	0-0	-	3.0	21	0.3	14	8.9	3.15	93
Trust Power Ltd	706	-4.0	-0.2	77	0-0	5	1.4	8	0.3	18	8.1	2.75	2,217
Dorchester Pac	22	-8.5	-3.7	85	0-0	-	1.4	5	1.4	29	Nil	2.39	46
Sky City Ltd	389	-0.2	-2.9	51	1-2	10	2.8	16	0.5	18	7.3	2.38	2,244
NZ Windfarms	7	-14.0	+2.3	90	0-0	-	0.3	2	1.9	12	Nil	2.32	19
NZ Refining Co	236	-4.6	+2.2	79	3-0	4	1.2	6	0.5	19	7.3	2.27	661
Vector Ltd	268	-2.3	-1.0	72	3-0	6	1.2	9	0.4	13	8.0	2.09	2,669

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	138	-58.3	+0.0	98	10-0	4	1.5	11	0.5	13	5.7	8.06	466
Charlie's Group	43	-58.3	+0.0	97	0-0	-	7.7	15	1.2	51	Nil	4.00	126
Bathurst Res.	18	-17.6	-4.4	93	1-1	-	-	-	1.2	NE	Nil	N/A	128
Snakk Media Ltd	9	-17.4	-3.8	93	0-0	-	28.8	-	1.5	NE	Nil	6.62	24
Blis Technology	1	-15.4	+2.0	90	0-0	-	2.1	-	3.9	NE	Nil	6.47	7
NZ Windfarms	7	-14.0	+2.3	90	0-0	-	0.3	2	1.8	12	Nil	2.32	19
Pumpkin Patch	112	-13.8	+0.1	89	0-2	4	5.6	31	0.8	18	Nil	0.63	188
Veritas Invest.	140	-12.3	+2.2	88	3-0	-	20.9	-	0.4	NE	Nil	1.73	52
Kirkcaldie & St	190	-10.9	+0.4	87	0-0	-	1.0	-	0.3	NE	Nil	0.51	19
Moa Group Ltd	84	-9.2	-7.2	86	1-0	1	1.7	13	0.8	13	Nil	N/A	25
Dorchester Pac	22	-8.5	-3.7	85	0-0	-	1.4	5	1.4	29	Nil	2.39	46
Cavalier Corp	174	-6.5	-0.5	81	1-0	3	1.3	7	0.7	18	3.3	0.59	119
NZX Aust MidCap	459	-5.8	+0.5	80	0-0	-	-	-	0.6	NE	Nil	N/A	39
Hellaby Hold.	291	-5.1	+0.7	79	2-0	3	1.4	9	1.0	15	6.4	0.50	271
Scott Tech. Ltd	233	-4.5	-0.8	78	0-0	-	2.4	17	0.6	14	4.9	1.49	95
Opus Int'l Cons	190	-4.4	+1.3	77	1-0	4	2.5	22	0.5	11	6.4	0.69	275
Freightways Ltd	422	-2.7	-0.9	72	1-1	7	3.5	22	0.5	16	6.3	1.60	650
WN Drive Tech.	16	-2.1	+4.7	70	0-0	-	0.9	-	1.8	NE	Nil	0.31	11
INSIDER SELLING: Most Insider Selling, Relative Strength < 0													
Fonterra S/H Fd	695	-0.5	-3.0	58	0-7	-	6.4	-	0.6	NE	4.6	4.57	680
Barramundi Ltd	71	-0.5	+0.5	56	0-4	-	0.9	17	0.8	5	10.0	N/A	85
DNZ Property	163	-0.5	-0.4	57	0-4	5	1.1	5	0.6	19	5.2	N/A	402
Pumpkin Patch	112	-13.8	+0.1	89	0-2	4	5.6	31	0.8	18	Nil	0.63	188
Diligent Board	535	-1.9	-13.9	70	0-2	2	-	32	0.5	374	Nil	N/A	438
Telecom Corp	221	-2.9	-0.2	73	2-4	11	2.9	17	0.4	17	10.3	0.96	4,016
TeamTalk Ltd	254	-3.5	+0.1	76	0-1	1	1.8	9	0.4	20	11.2	1.56	72
NZ Wool Service	42	-0.2	+0.1	52	0-1	-	1.0	-	0.7	NE	Nil	0.19	29
Hallenstein G.	468	-6.7	-3.1	83	0-1	5	4.2	32	0.4	13	9.6	1.29	279
NZ Experience	35	-1.7	+0.5	67	0-1	-	1.9	21	0.8	9	11.8	1.11	13

"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 Company	Market Capital-isation (NZ$ Mill.)	Company	No. of Brokers Following Company	Market Capital-isation (NZ$ Mill.)
Abano Health.	2	116	NPT Limited	2	101
Air New Zealand	6	1,573	NZ Exchange Ltd	3	324
Akd Int Airport	10	4,119	NZ Oil & Gas	6	352
Argosy Property	5	647	NZ Refining Co	4	661
Briscoe Group	3	526	Nuplex Indust	6	630
Cavalier Corp	3	119	Opus Int'l Cons	4	275
Chorus Ltd	10	1,145	PGG Wrightsons	4	257
Comvita	1	123	Port Tauranga	7	1,998
Contact Energy	8	3,813	Property F Ind.	5	286
DNZ Property	5	402	Pumpkin Patch	4	188
Delegat's Group	3	394	Rakon Ltd	3	42
Diligent Board	2	438	Restaurant Brds	3	274
F & P Health.	7	1,895	Ryman Health.	7	3,413
Freightways Ltd	7	650	Sanford Limited	3	421
Goodman Prop.	7	1,250	Skellerup Hold.	3	307
Guinness Peat	3	170	Sky Network TV	10	2,269
Hallenstein G.	5	279	Sky City Ltd	10	2,244
Heartland BS	2	334	Steel & Tube	4	252
Hellaby Hold.	3	271	Summerset Group	5	638
Infratil NZ	4	1,382	TeamTalk Ltd	1	72
Kathmandu Ltd	6	550	Telecom Corp	11	4,016
Kiwi Property	7	1,131	Tourism Hold.	1	83
Lyttelton Port	1	276	Tower Limited	4	484
Mainfreight Grp	5	1,050	Trade-Me Ltd	11	1,811
Methven Limited	5	85	Trust Power Ltd	5	2,217
Metro. LifeCare	3	661	Vector Ltd	6	2,669
Michael Hill	2	536	Vital Health PT	4	466
Mighty River	8	3,164	Warehouse Group	7	1,145
Moa Group Ltd	1	25	Xero Ltd	1	2,112

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	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													
Aust Pharm. Ind	46	+1.3	+1.0	25	2-0	7	0.6	8	1.1	7	6.6	0.07	222
Careers Multi.	12	+1.2	+3.8	25	0-0	-	-	-	2.0	9	8.3	0.10	7
Raptis Group	40	+0.0	+0.0	30	0-0	-	-	-	1.0	NE	12.5	0.11	28
CFT Energy	6	+0.0	+0.0	30	0-0	-	-	-	2.8	0	33.3	0.11	3
TTA Holdings	6	+4.1	-7.2	18	0-0	-	0.6	14	2.9	4	7.3	0.14	8
Lindsay Aust	20	+7.0	+3.5	13	1-0	-	1.1	17	1.5	6	9.5	0.16	44
Ruralco Hold.	330	+2.1	+1.5	23	0-0	4	1.9	14	0.4	13	5.5	0.16	182
Pro Maintenance	250	+4.5	+1.3	17	2-0	11	2.5	27	0.5	9	6.0	0.19	295
Scott Corp Ltd	52	+5.9	+3.2	15	2-0	-	1.2	14	1.1	9	5.8	0.21	38
Vita Group Ltd	67	+11.3	+0.6	9	0-0	-	11.1	73	0.9	15	2.8	0.22	95
Merchant House	19	+18.1	+7.3	4	0-0	-	0.7	12	1.5	6	7.9	0.22	18
Automotive Hold	394	+0.8	+2.5	26	0-2	10	4.2	27	0.6	15	5.1	0.24	1,027
Dicker Data Ltd	91	+12.2	-4.3	8	1-0	-	7.0	50	1.1	14	3.7	0.25	115
HGL Limited	54	+4.0	+2.3	18	1-0	-	0.7	-	0.9	NE	11.1	0.26	30
Arrium Limited	125	+9.3	+9.2	11	0-0	13	1.0	0	0.9	283	2.4	0.28	1,688
Aust Vintage	44	+0.5	-1.1	27	0-0	1	0.4	2	1.1	20	11.8	0.28	58
WDS Limited	68	+3.8	+16.9	19	3-0	4	1.0	11	1.0	9	4.0	0.28	98
Traffic Tech.	7	+3.4	+4.2	20	0-0	-	-	-	2.6	4	5.6	0.29	13
Greencap Ltd	8	+4.0	+9.4	18	0-0	-	-	-	2.5	7	3.2	0.31	20
TransMetro Corp	86	+5.7	-2.0	15	0-0	-	0.6	-	0.7	NE	5.8	0.31	11
ERM Power Ltd	265	+5.9	-3.0	15	1-0	4	2.5	17	0.6	15	4.0	0.34	539
Colorpak Ltd	78	+8.6	+0.9	11	0-0	3	3.0	35	0.8	8	4.5	0.37	64
Chalmers	280	+1.2	+1.3	25	0-0	-	0.7	7	0.4	10	5.4	0.37	21
Collins Foods	172	+5.5	+0.4	15	0-0	5	2.8	29	0.8	10	5.5	0.39	160
Seymour Whyte	142	+6.7	+7.3	13	2-1	2	2.8	22	0.8	12	4.2	0.40	111
E & A Limited	64	+2.5	-0.1	22	0-0	-	63.5	-	1.0	23	6.3	0.40	66
Skilled Group	341	+3.0	+6.6	21	0-0	9	13.6	96	0.6	14	4.7	0.42	796
Calliden Group	35	+34.6	-3.0	2	0-0	-	1.8	3	1.2	72	1.2	0.44	78
Regional Exp.	110	+0.3	+0.2	27	0-0	2	0.7	15	0.8	5	8.2	0.44	121
Toll Holdings	548	+1.5	+2.4	24	2-0	14	4.1	10	0.6	43	4.9	0.45	3,930
Bega Cheese Ltd	316	+8.3	+0.2	12	0-0	6	2.0	11	0.6	19	2.4	0.48	480
PTB Group Ltd	37	+3.2	-7.1	20	2-0	-	0.3	1	1.2	37	13.8	0.49	14
W'bool Cheese	445	+6.1	+1.0	14	1-0	3	1.5	10	0.4	16	3.4	0.49	243
Schaffer Corp	499	+6.4	+2.1	14	0-0	-	1.3	16	0.3	8	4.6	0.51	70
RCR Tomlinson	350	+13.5	+8.9	7	0-0	8	3.2	26	0.5	12	2.4	0.53	462
Myer Holdings	285	+0.1	+2.8	29	2-1	15	-	-	0.7	12	6.7	0.53	1,663
Pacific Brands	77	+2.5	+1.0	22	2-0	13	6.4	67	1.1	9	6.5	0.55	698
Gazal Corp	269	+0.6	-3.9	27	0-0	-	2.8	21	0.4	13	6.7	0.56	152
Tamawood Ltd	296	+5.4	+2.8	16	0-3	-	8.5	94	0.4	9	7.1	0.58	76
Landmark White	41	+3.8	+5.6	19	0-3	-	5.9	37	1.0	16	7.9	0.58	11
Country Road	354	+1.8	-0.2	23	0-0	-	2.9	19	0.3	15	2.1	0.58	244
JB Hi-Fi Ltd	1951	+18.0	+1.3	4	0-1	15	21.4	-	0.4	17	3.7	0.58	1,930
UXC Limited	115	+2.7	+3.7	22	0-1	5	11.5	74	0.9	16	4.6	0.59	354
Goodman Fielder	70	+3.0	-0.6	21	3-0	12	-	-	1.0	13	4.3	0.64	1,369
Wesfarmers Ltd	4040	+1.1	-0.2	25	0-1	14	9.1	50	0.3	18	4.5	0.68	40,670
Maxi TRANS	140	+5.1	+3.5	16	1-0	2	4.7	47	0.7	10	6.1	0.71	258
Nib Holdings	209	+0.0	-2.4	29	2-1	8	3.5	25	0.6	14	4.8	0.71	918
C.S.R. Ltd	237	+8.2	+1.0	12	0-0	14	1.0	3	0.6	37	2.2	0.71	1,199
Pac. Star Netwk	20	+3.2	-0.5	20	0-0	-	1.8	15	1.5	12	5.2	0.74	11
Woolworths Ltd	3523	+1.6	+0.8	24	2-2	14	14.9	75	0.2	20	3.6	0.79	43,400
Graincorp	1243	+2.3	-1.4	22	0-0	13	2.3	18	0.3	13	2.8	0.79	2,616
The Reject Shop	1702	+4.1	+0.1	18	0-0	10	6.5	26	0.4	25	2.2	0.79	490
Payce Consol.	415	+10.4	-3.3	10	0-0	-	1.1	16	0.4	6	2.4	0.81	123
Brisbane Bronco	28	+3.0	-1.3	21	1-0	-	2.0	16	1.2	13	6.4	0.82	27
RHG Ltd	49	+6.2	+4.9	14	0-0	-	-	-	1.1	5	24.7	0.87	150
Logicamms Ltd	169	+6.0	+4.8	14	0-0	3	3.5	32	0.7	11	5.3	0.93	120
Hills Holdings	188	+17.8	+13.3	5	18-0	6	1.5	6	0.7	24	1.7	0.94	463
Q.B.E. Insur.	1533	+11.1	-3.2	9	1-0	16	3.4	14	0.5	25	3.3	0.97	18,346
Suncorp Group	1257	+5.5	-1.1	15	6-0	-	2.0	6	0.4	33	4.4	1.00	16,173
Agri. Land Trt	10	+9.7	+0.9	10	0-0	-	0.5	-	2.2	NE	29.7	1.01	10
iiNet	597	+10.5	-1.2	10	2-2	15	-	-	0.4	16	3.2	1.02	963
Tandou Ltd	47	+4.7	+3.2	17	0-0	1	0.9	8	1.0	11	2.1	1.02	67
Amcor Ltd	1062	+9.2	-0.5	11	1-4	14	11.1	52	0.3	21	3.5	1.03	12,815
Beyond Int'l	174	+16.8	+2.9	5	1-0	-	3.6	32	0.5	12	4.0	1.04	107
Supply Network	185	+0.9	+5.3	26	0-0	-	3.9	25	0.5	16	3.8	1.04	63
Run Corporation	24	+11.1	+1.9	9	2-0	-	-	-	1.3	19	3.3	1.04	29
Bank of Q'land	1004	+4.4	+1.9	17	2-1	17	1.4	-	0.5	NE	5.2	1.11	3,100
F.F.I. Holdings	399	+1.8	-0.0	23	0-0	-	1.4	12	0.4	12	5.9	1.12	34
Saunders Int'l	87	+8.5	+5.4	11	0-2	-	4.0	34	0.8	12	5.7	1.12	68
Village Road.	664	+16.4	+2.5	6	0-3	5	4.4	21	0.4	21	3.9	1.13	1,059

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
BEST PERFORMING SHARES: Strongest Shares, P/E < 20, P/S < 1.0													
Oriental Tech.	10	+73.9	+41.3	0	0-0	-	0.6	4	1.5	15	Nil	0.17	12
Tel.Pacific Ltd	7	+43.1	-7.4	1	3-0	-	-	-	1.9	2	Nil	0.09	7
Scantech	96	+37.3	+23.2	2	2-0	-	2.2	41	0.5	5	Nil	0.95	17
E-Bet Limited	235	+29.7	+11.5	2	3-0	-	-	-	0.5	7	Nil	0.79	36
Reverse Corp	4	+27.1	-18.5	3	1-0	-	1.5	13	2.4	11	Nil	0.56	4
Merchant House	19	+18.1	+7.3	4	0-0	-	0.7	12	1.1	6	7.9	0.22	18
JB Hi-Fi Ltd	1951	+18.0	+1.3	4	0-1	15	21.4	-	0.4	17	3.7	0.58	1,930
Kupang Res Ltd	12	+15.9	+3.5	6	0-0	-	-	-	1.3	2	Nil	0.85	21
RCR Tomlinson	350	+13.5	+8.9	7	0-0	8	3.2	26	0.4	12	2.4	0.53	462
Dicker Data Ltd	91	+12.2	-4.3	8	1-0	-	7.0	50	1.0	14	3.7	0.25	115
Vita Group Ltd	67	+11.3	+0.6	9	0-0	-	11.1	73	0.7	15	2.8	0.22	95
Nido Petroleum	4	+10.5	+11.2	10	0-0	-	-	-	3.0	14	Nil	0.85	54
Payce Consol.	415	+10.4	-3.3	10	0-0	-	1.1	16	0.4	6	2.4	0.81	123
Colorpak Ltd	78	+8.6	+0.9	11	0-0	3	3.0	35	0.6	8	4.5	0.37	64
Bega Cheese Ltd	316	+8.3	+0.2	12	0-0	6	2.0	11	0.5	19	2.4	0.48	480
Lindsay Aust	20	+7.0	+3.5	13	1-0	-	1.1	17	1.0	6	9.5	0.16	44
Seymour Whyte	142	+6.7	+7.3	13	2-1	2	2.8	22	0.6	12	4.2	0.40	111
Schaffer Corp	499	+6.4	+2.1	14	0-0	-	1.3	16	0.3	8	4.6	0.51	70
Hi Tech Group	8	+6.4	+4.9	14	0-0	-	0.8	18	1.6	4	Nil	0.25	2
RHG Ltd	49	+6.2	+4.9	14	0-0	-	-	-	0.8	5	24.7	0.87	150
W'bool Cheese	445	+6.1	+1.0	14	1-0	3	1.5	10	0.3	16	3.4	0.49	243
Logicamms Ltd	169	+6.0	+4.8	14	0-0	3	3.5	32	0.6	11	5.3	0.93	120
ERM Power Ltd	265	+5.9	-3.0	15	1-0	4	2.5	17	0.5	15	4.0	0.34	539
Scott Corp Ltd	52	+5.9	+3.2	15	2-0	-	1.2	14	0.9	9	5.8	0.21	38
Collins Foods	172	+5.5	+0.4	15	0-0	5	2.8	29	0.7	10	5.5	0.39	160
Adacel Tech.	34	+5.5	-0.9	15	0-0	-	2.4	39	0.8	6	Nil	0.71	27
Tamawood Ltd	296	+5.4	+2.8	16	0-3	-	8.5	94	0.3	9	7.1	0.58	76
Maxi TRANS	140	+5.1	+3.5	16	1-0	2	4.7	47	0.5	10	6.1	0.71	258
Pro Maintenance	250	+4.5	+1.3	17	2-0	11	2.5	27	0.4	9	6.0	0.19	295
TTA Holdings	6	+4.1	-7.2	18	0-0	-	0.6	14	2.0	4	7.3	0.14	8
Greencap Ltd	8	+4.0	+9.4	18	0-0	-	-	-	1.7	7	3.2	0.31	20
Landmark White	41	+3.8	+5.6	19	0-3	-	5.9	37	0.7	16	7.9	0.58	11
WDS Limited	68	+3.8	+16.9	19	3-0	4	1.0	11	0.8	9	4.0	0.28	98
Traffic Tech.	7	+3.4	+4.2	20	0-0	-	-	-	1.9	4	5.6	0.29	13
Pac. Star Netwk	20	+3.2	-0.5	20	0-0	-	1.8	15	1.1	12	5.2	0.74	11
Skilled Group	341	+3.0	+6.6	21	0-0	9	13.6	96	0.5	14	4.7	0.42	796
Goodman Fielder	70	+3.0	-0.6	21	3-0	12	-	-	0.8	13	4.3	0.64	1,369
Brisbane Bronco	28	+3.0	-1.3	21	1-0	-	2.0	16	0.9	13	6.4	0.82	27
Austal Limited	87	+2.9	+5.1	21	1-2	2	0.6	4	0.6	14	Nil	0.25	163
Hillcrest Litig	1	+2.9	+2.1	21	1-0	-	0.4	2	5.0	19	Nil	0.73	1
UXC Limited	115	+2.7	+3.7	22	0-1	5	11.5	74	0.7	16	4.6	0.59	354
Diploma Group	3	+2.6	+2.7	22	2-0	-	1.6	51	2.8	3	Nil	0.03	5
Pacific Brands	77	+2.5	+1.0	22	2-0	13	6.4	67	0.9	9	6.5	0.55	698
Graincorp	1243	+2.3	-1.4	22	0-0	13	2.3	18	0.3	13	2.8	0.79	2,616
Ruralco Hold.	330	+2.1	+1.5	23	0-0	4	1.9	14	0.3	13	5.5	0.16	182
Otoc Limited	12	+2.1	+18.7	23	4-0	-	2.3	81	1.8	3	Nil	0.12	18
Country Road	354	+1.8	-0.2	23	0-0	-	2.9	19	0.2	15	2.1	0.58	244
Woolworths Ltd	3523	+1.6	+0.8	24	2-2	14	14.9	75	0.2	20	3.6	0.79	43,400
Richfield Int'l	8	+1.4	+4.6	24	1-1	-	0.6	4	1.7	17	Nil	0.78	5
Cellnet Group	16	+1.4	-0.8	24	0-0	-	0.8	10	1.2	8	Nil	0.12	9
Aust Pharm. Ind	46	+1.3	+1.0	25	2-0	7	0.6	8	0.8	7	6.6	0.07	222
Probiotec Ltd	35	+1.3	+4.5	25	5-0	-	0.5	3	0.8	18	Nil	0.28	19
Careers Multi.	12	+1.2	+3.8	25	0-0	-	-	-	1.5	9	8.3	0.10	7
Chalmers	280	+1.2	+1.3	25	0-0	-	0.7	7	0.3	10	5.4	0.37	21
Wesfarmers Ltd	4040	+1.1	-0.2	25	0-1	14	9.1	50	0.3	18	4.5	0.68	40,670
Automotive Hold	394	+0.8	+2.5	26	0-2	10	4.2	27	0.5	15	5.1	0.24	1,027
Gazal Corp	269	+0.6	-3.9	27	0-0	-	2.8	21	0.3	13	6.7	0.56	152
Regional Exp.	110	+0.3	+0.2	27	0-0	2	0.7	15	0.6	5	8.2	0.44	121
EVZ Ltd	5	+0.2	+7.0	28	5-0	-	2.6	22	2.2	12	Nil	0.19	11
Myer Holdings	285	+0.1	+2.8	29	2-1	15	-	-	0.5	12	6.7	0.53	1,663
Nib Holdings	209	+0.0	-2.4	29	2-1	8	3.5	25	0.4	14	4.8	0.71	918
CFT Energy	6	+0.0	+0.0	30	0-0	-	-	-	2.0	0	33.3	0.11	3
Skyward Limited	0	+0.0	+0.0	31	0-0	-	-	-	22.7	20	Nil	0.22	5
Air Change Int.	10	+0.0	+0.0	31	0-0	-	0.5	22	1.7	2	Nil	0.13	2
INCOME SHARES: Highest Yields, Capitalisation > A$250 million													
Sigma Pharm.	64	-3.1	-5.7	41	0-0	13	1.1	3	0.5	40	14.8	0.25	744
DUET Group	210	-2.6	-2.7	40	0-0	-	1.5	0	0.3	368	11.5	1.90	2,496
Seven West Med.	234	+4.6	+1.5	17	3-0	14	-	-	0.6	7	10.7	1.24	2,335

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
Kingsgate Cons.	195	-27.1	+7.9	84	1-0	9	-	-	0.6	4	10.3	0.83	295
Ridley Corp.	84	-8.9	+2.9	52	4-1	7	1.1	5	0.5	22	8.9	0.36	259
BC Iron Ltd	400	+8.9	+6.4	11	1-4	10	-	-	0.5	10	8.8	1.52	493
Metcash Ltd	322	-6.5	-2.4	47	3-1	15	-	-	0.4	14	8.7	0.22	2,836
G.U.D. Holdings	602	-10.6	-1.1	56	0-1	11	4.2	31	0.3	14	8.6	0.72	429
NRW Holdings	154	-18.1	+7.1	69	5-0	14	1.4	24	0.6	6	8.4	0.31	429
Deutsche Ind Tr	196	+0.0	+0.0	30	0-0	-	1.2	10	0.3	12	8.1	6.49	663
Ausdrill Ltd	184	-25.7	+7.4	82	2-0	14	0.8	16	0.6	5	7.9	0.53	559
Growthpoint Pro	241	+0.2	-2.0	28	4-0	3	1.2	12	0.3	10	7.6	5.66	971
Oroton Group	670	-2.8	-1.2	40	0-0	9	7.7	70	0.3	11	7.5	1.48	274
Abacus Property	225	+0.3	-1.9	27	0-0	4	1.0	1	0.4	122	7.3	4.14	979
Chart H Retail	370	-2.3	-3.0	39	0-0	11	1.1	5	0.3	24	7.2	7.24	1,249
OZ Minerals Ltd	416	-15.9	+3.4	65	13-0	20	0.5	6	0.7	9	7.2	1.33	1,308
Aust Leaders Fd	168	+5.5	+3.0	15	0-4	-	1.3	11	0.4	12	7.1	N/A	276
Deutsche Div Tr	131	+0.0	+0.0	30	0-0	-	1.1	8	0.3	14	7.1	6.10	1,306
SP Ausnet	116	+0.1	-1.7	29	1-0	14	1.3	11	0.5	12	7.1	2.05	3,360
Cabcharge Ltd	425	-6.2	+0.6	47	3-5	9	-	-	0.3	8	7.1	2.60	512
Chal Div Prop	253	-2.2	-0.9	39	2-1	4	0.9	7	0.3	14	7.0	5.74	542
Cromwell Prop.	104	+3.0	-1.6	21	1-4	4	1.6	4	0.4	39	7.0	7.73	1,782
CFS Retail Prop	199	-0.8	-0.1	35	0-0	13	1.0	5	0.5	19	6.8	7.62	5,629
Aust Education	158	+5.6	+0.9	15	1-0	-	1.3	19	0.4	7	6.8	4.48	277
Myer Holdings	285	+0.1	+2.8	29	2-1	15	-	-	0.5	12	6.7	0.53	1,663

INSIDER BUYING: Most Insider Buying, Relative 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
Hills Holdings	188	+17.8	+13.3	5	18-0	6	1.5	6	0.5	24	1.7	0.94	463
Impedimed Ltd	19	+19.4	+22.7	4	10-0	-	2.1	-	1.0	NE	Nil	N/A	34
360 Capital Ind	212	+4.4	-2.8	17	8-0	-	-	-	0.7	58	2.1	N/A	791
Sundance Energy	106	+6.0	+2.9	14	8-0	4	-	-	0.8	41	Nil	N/A	293
Suncorp Group	1257	+5.5	-1.1	15	6-0	-	2.0	6	0.3	33	4.4	1.00	16,173
Cellmid Ltd	3	+6.2	-0.3	14	6-0	-	-	-	2.1	NE	Nil	N/A	15
Aust Power Gas	51	+7.4	+10.3	13	6-0	-	25.5	-	0.5	NE	Nil	0.20	98
Bluescope Steel	518	+11.0	-3.3	9	6-0	-	5.7	-	0.6	NE	Nil	0.40	2,892
Emerg. Leaders	87	+2.5	+0.5	22	7-1	-	1.0	4	0.5	29	7.8	N/A	44
Primary Health	512	+4.8	-0.5	16	9-3	15	-	-	0.4	17	3.4	1.77	2,580
Milton Corp.	1981	+2.9	-0.2	21	5-0	-	1.2	5	0.2	22	4.1	N/A	2,420
TFS Corporation	82	+2.3	+7.8	22	5-0	1	1.2	30	0.5	4	3.7	1.85	228
Select harvest	435	+33.9	+0.3	2	5-0	6	1.9	2	0.3	87	2.8	1.31	250
EVZ Ltd	5	+0.2	+7.0	28	5-0	-	2.6	22	1.6	12	Nil	0.19	11
Peet Ltd	133	+0.6	+0.7	26	5-0	6	1.1	1	0.6	81	Nil	2.90	426
Nearmap Ltd	36	+70.6	-16.1	1	5-0	-	35.5	-	0.6	NE	Nil	N/A	115
Iselect Limited	146	+1.8	+0.2	23	5-0	-	-	-	0.7	NE	Nil	N/A	N/A
Ingenia Com Grp	40	+15.0	+0.2	7	5-0	-	1.2	2	0.8	71	2.5	6.93	200
Probiotec Ltd	35	+1.3	+4.5	25	5-0	-	0.5	3	0.6	18	Nil	0.28	19
Macarthurcook P	7	+8.9	+3.7	11	4-0	-	0.3	-	1.4	NE	Nil	9.73	37
Sino Gas & En.	18	+7.6	+9.1	12	4-0	2	-	-	0.9	NE	Nil	N/A	202
Mirvac Group	165	+1.4	-1.1	24	4-0	-	1.0	2	0.4	43	5.3	4.11	6,039
Villa World Ltd	167	+23.4	+4.6	3	4-0	-	0.8	-	0.3	NE	Nil	0.72	123
Aurizon Hold.	461	+6.6	-0.3	14	4-0	17	1.5	7	0.4	22	2.7	2.62	9,853
Growthpoint Pro	241	+0.2	-2.0	28	4-0	3	1.2	12	0.3	10	7.6	5.66	971
Perpetual Ltd	3730	+1.2	-3.6	25	4-0	12	11.5	15	0.3	75	2.4	3.92	1,566
Folkestone Ltd	19	+14.6	+1.2	7	4-0	-	1.5	3	0.7	58	Nil	6.80	69
Otoc Limited	12	+2.1	+18.7	23	4-0	-	2.3	81	1.4	3	Nil	0.12	18
Harvey Norman	309	+7.0	+2.9	13	4-0	13	1.4	7	0.5	19	2.9	2.33	3,283
Dart Energy Ltd	13	+5.2	+17.1	16	4-0	1	-	-	1.5	NE	Nil	N/A	107
XRF Scientific	35	+1.3	+1.7	25	4-0	-	3.2	26	0.7	12	4.9	2.03	46
Ardent Leisure	188	+9.5	-0.3	11	4-0	8	2.4	9	0.5	26	6.4	2.10	943
BKI Invest Coy	160	+4.1	+0.3	18	4-0	-	1.2	6	0.4	21	4.2	N/A	714
PPK Group Ltd	48	+3.4	-0.3	20	4-0	-	0.9	6	0.5	16	2.1	2.19	25
Senex Energy	78	+0.1	+4.9	28	3-0	9	-	-	0.5	NE	Nil	N/A	678
Drillsearch	137	+1.6	+6.6	24	3-0	9	3.3	7	0.6	47	Nil	N/A	509
Aust Foundation	580	+4.0	+0.0	18	3-0	-	1.3	5	0.3	25	3.8	N/A	6,016
I-Property Grp	130	+11.6	+13.8	8	3-0	1	21.7	-	0.6	NE	Nil	N/A	235
Galilee Energy	15	+4.4	+7.5	17	3-0	-	-	-	1.1	NE	Nil	9.48	22
Armour Energy	35	+1.7	+7.4	24	3-0	-	-	-	1.0	NE	Nil	N/A	104
WDS Limited	68	+3.8	+16.9	19	3-0	4	1.0	11	0.6	9	4.0	0.28	98
Tabcorp Holding	313	+0.7	-1.8	26	3-0	13	-	-	0.3	16	6.1	1.16	2,331
Mortgage Choice	244	+12.7	-0.4	8	3-0	5	3.1	20	0.4	16	5.3	1.92	300
Techniche Ltd	6	+16.0	+12.0	6	3-0	-	6.0	23	1.4	26	Nil	1.73	13
Seven West Med.	234	+4.6	+1.5	17	3-0	14	-	-	0.5	7	10.7	1.24	2,335
Platina Res.	7	+0.1	+22.0	29	3-0	-	-	-	1.8	NE	Nil	N/A	11
Adslot Ltd	6	+22.3	+9.0	3	3-0	-	3.0	-	1.6	NE	Nil	8.68	41
Santana Mineral	14	+32.7	+15.6	2	3-0	-	-	-	1.3	NE	Nil	N/A	N/A
Tel.Pacific Ltd	7	+43.1	-7.4	1	3-0	-	-	-	1.3	2	Nil	0.09	7
Centuria Cap'l	77	+11.2	-5.5	9	3-0	-	1.7	5	0.5	32	1.6	1.36	63
Countplus Ltd	176	+3.2	-1.2	21	3-0	-	58.7	-	0.5	18	6.8	1.69	194
Alexium Int'l	11	+33.8	-3.0	2	3-0	-	-	-	1.0	NE	Nil	N/A	14
SDI Limited	68	+36.3	+3.0	2	3-0	-	3.4	20	0.5	17	0.7	1.43	81
Lonestar Res.	27	+2.5	+13.4	22	3-0	-	0.8	-	0.8	NE	Nil	N/A	185
Pulse Health	8	+18.2	-3.5	4	3-0	-	-	-	1.2	53	Nil	0.95	38
Praemium Ltd	11	+7.7	+10.1	12	3-0	-	5.3	58	1.2	9	Nil	2.78	39
E-Bet Limited	235	+29.7	+11.5	2	3-0	-	-	-	0.4	7	Nil	0.79	36
Bendigo Bank	998	+4.0	-0.8	18	3-0	17	1.6	13	0.4	13	6.1	1.22	4,112
Altium Limited	258	+46.1	+9.0	1	3-0	-	-	-	0.3	44	1.9	4.90	264
Fitzroy River	37	+2.3	+4.5	22	3-0	-	-	-	0.6	NE	Nil	N/A	131
Goodman Fielder	70	+3.0	-0.6	21	3-0	12	-	-	0.6	13	4.3	0.64	1,369
ANZ Bank	2969	+3.6	+0.8	20	4-1	18	-	-	0.3	14	4.9	2.23	80,678
Tassal Group	317	+26.4	+6.1	3	2-0	6	1.8	13	0.3	14	3.0	1.74	464
Brockman Mining	6	+0.2	-1.0	28	2-0	-	-	-	1.9	NE	Nil	N/A	395
Thinksmart Ltd	36	+15.2	+4.4	6	2-0	-	1.8	9	0.7	20	Nil	1.44	57
Blue Energy Ltd	9	+40.7	+19.2	1	2-0	-	-	-	1.5	NE	Nil	N/A	97
Pacific Mining	45	+15.1	+3.0	7	2-0	-	0.9	3	0.5	29	Nil	9.85	6
Scott Corp Ltd	52	+5.9	+3.2	15	2-0	-	1.2	14	0.7	9	5.8	0.21	38
Insurance Aust.	555	+4.6	-0.6	17	2-0	17	4.6	0	0.3	NE	6.5	1.26	11,539
GBM Resources	5	+21.4	+18.8	3	2-0	-	-	-	1.8	NE	Nil	N/A	12

"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 Company	Market Capital-isation ($ Mill.)
21st Century F.	7	81,688
A.P. Eagers	2	828
ALS Limited	18	3,658
AMP Ltd	14	13,539
ANZ Bank	18	80,678
APA Group	14	5,015
APN News Media	12	225
ARB Corporation	7	884
ASG Group Ltd	4	80
ASX Limited	17	6,677
AWE Limited	12	668
Abacus Property	4	979
Acrux Ltd	5	520
Adelaide Bright	16	2,218
Ainsworth Game	6	1,362
Alacer Gold	9	902
Alchemia Ltd	2	125
Ale Property	2	544
Alkane Explor.	3	129
Alliance Aviat.	3	169
Altona Mining	1	81
Alumina Ltd	15	2,806
Amalgamated Hld	2	1,325
Amcom Telecom.	9	473
Amcor Ltd	14	12,815

Company	No. of Brokers Following Company	Market Capital-isation ($ Mill.)
Ampella Mining	4	36
Aneka Tambang	6	2,098
Ansell Ltd	14	2,629
Antares Energy	1	132
Aquarius Plat.	5	383
Aquila Res.	5	873
Ardent Leisure	8	943
Aristocrat Leis	12	2,559
Arrium Limited	13	1,688
Asciano Limited	16	5,599
Aspire Mining	1	30
Astro Japan Pro	2	202
Atlas Iron Ltd	22	746
Aurizon Hold.	17	9,853
Aurora Oil Gas	12	1,491
Ausdrill Ltd	14	559
Ausenco Ltd	9	203
Australand Prop	12	1,944
Austal Limited	2	163
Aust Vintage	1	58
Austin Eng.	6	271
Aust Agricult.	2	358
Austbrokers	6	637
Aust Pharm. Ind	7	222
Automotive Hold	10	1,027

Company	No. of Brokers Following Company	Market Capital-isation ($ Mill.)
BC Iron Ltd	10	493
BHP Billiton	19	187,754
BT Invest Mgmt	7	910
BWP Trust	7	1,237
Bandanna Energy	7	124
Bank of Q'land	17	3,100
Bannerman Res.	1	16
Base Resources	4	191
Beach Energy	13	1,719
Beadell Res.	11	620
Bega Cheese Ltd	6	480
Bendigo Bank	17	4,112
Berkeley Res.	1	50
Bigair Group	2	117
Billabong Int'l	8	213
Bionomics Ltd	3	268
Blackmores Ltd	6	467
Blackthorn Res.	2	59
Boart Longyear	14	234
Boom Logistics	4	66
Boral Limited	14	3,560
Bradken Ltd	16	1,034
Brambles Ltd	13	13,938
Bravura Sol.	1	170
Breville Group	10	1,145

Company	No. of Brokers Following Company	Market Capital-isation ($ Mill.)
Brickworks Ltd	4	1,849
Buru Energy Ltd	4	443
C'wth Prop Off.	12	2,676
C.S.R. Ltd	14	1,199
CFS Retail Prop	13	5,629
CSG Ltd	2	291
CSL Limited	13	32,555
Cabcharge Ltd	9	512
Calibre Group	3	160
Caltex Austrlia	10	5,079
Capral Limited	2	72
Carabella Res.	4	38
Cardno Ltd	9	949
Carindale Prop	2	388
Carnarvon Pet.	2	42
Carsales.com	17	2,664
Cash Converters	3	517
Cedar Woods Prp	2	492
Centaurus Metal	5	21
Challenger Ltd	17	2,624
Chal Div Prop	4	542
Chandler McLeod	3	221
Chart H Retail	11	1,249
Charter Hall GR	8	1,094
Clarius Group	4	22

Company	No. of Brokers Following Company	Market Capital-isation ($ Mill.)
Clearview Wlth	1	274
Clough Limited	4	1,138
Coal of Africa	2	93
Coalspur Mines	1	186
Cobar Cons Res.	1	38
CocaCola Amatil	14	9,275
Cochlear Ltd	15	3,235
Cockatoo Coal	4	3
Codan Ltd	2	354
Coffey Int'l	4	64
Cokal Limited	2	82
Collection Hse	4	200
Collins Foods	5	160
Colorpak Ltd	3	64
Com'wealth Bank	17	117,484
Comet Ridge Ltd	2	57
Computershare	17	5,386
Cooper Energy	5	147
Corp Travel M.	6	329
Coventry Group	1	108
Credit Corp	5	491
Cromwell Prop.	4	1,782
Crown Ltd	11	10,926
Crowe Horwath	6	167
DWS Limited	6	208
Dart Energy Ltd	1	107
Data 3 Ltd	2	185
David Jones	15	1,493
Decmil Group	9	437
Devine	1	168
Dexus Property	12	4,749
Discovery Metal	3	57
Domino's Pizza	12	1,139
Doray Minerals	2	54
Downer EDI Ltd	16	1,929
Dragon Mining	1	24
Drillsearch	9	509
DuluxGroup Ltd	12	1,760
ERM Power Ltd	4	539
Echo Ent Group	12	2,196
Elders Limited	6	43
Emeco Holdings	12	135
Endeavour Min.	3	97
Energy Resource	7	650
Energy Develop.	2	813
Engenco Ltd	1	53
Envestra	12	2,048
Equatorial Res.	2	72
Equity Trustees	1	147
Evolution Min.	13	598
Fairfax Media	14	1,300
Fantastic Hold.	7	226
Federation Cent	12	3,226
Finders Res.	3	63
Fleetwood Corp	10	202
Flexicorp Ltd	9	1,322
Flight Centre	19	4,695
Flinders Mines	1	78
Focus Minerals	1	60
Forge Group Ltd	4	483
Fortescue Metal	19	14,137
Funtastic Ltd	2	91
G.U.D. Holdings	11	429
G8 Education	3	716
GI Dynamics	2	201
GPT Group	13	6,403
GR Engineering	1	107
GWA Group Ltd	12	963
Geodynamics Ltd	1	37
Gindalbie Met.	10	175
Global Con Serv	1	89
Gold One Int'l	3	269
Goodman Group	12	8,121
Goodman Fielder	12	1,369
Graincorp	13	2,616
Grange Resource	4	248
Growthpoint Pro	3	971
Gryphon Mineral	9	63
Guildford Coal	2	74
HFA Holdings	1	86
Hansen Tech.	2	174
Harvey Norman	13	3,283
Hawkley Oil Gas	1	8
Heartware Inc.	1	1,204
Henderson Group	14	3,399
Hillgrove Res.	3	83
Hills Holdings	6	463
Horizon Oil Ltd	7	439
Hutchison Tel.	4	624
I-Property Grp	1	235
IMF (Aust) Ltd	4	243
IOOF Holdings	13	1,959
IRESS Limited	9	1,459
IiNet	15	963
Iluka Resources	15	4,604
Imdex Limited	12	164
Incitec Pivot	15	4,284
Independ. Group	12	913
Infigen Energy	5	198
Infomedia Ltd	2	172
Inova Resources	2	157
Insurance Aust.	17	11,539
Int Research	3	165
Investa Office	12	1,812
Invocare Ltd	12	1,227
Iron Ore Hold.	1	145
JB Hi-Fi Ltd	15	1,930
James Hardie	13	4,209
Jetset Travel	5	184
Jumbo Interact.	4	94
Jupiter Energy	1	64
K&S Corporation	4	164
K2 Asset Mgmt	1	128
KGL Resources	1	112
Kardoon Gas	10	1,196
Kasbah Resource	2	61
Kina Petroleum	2	74
Kingrose Mining	1	123
Kingsgate Cons.	9	295
Korvest Ltd	1	47
Kula Gold Ltd	2	16
Lachlan Star	3	26
Legend Corp.	2	71
Leighton Hold	16	6,170
Lend Lease Grp	15	5,640
Linc Energy Ltd	3	801
Logicamms Ltd	3	120
Lycopodium Ltd	1	183
Lynas Corp Ltd	7	711
M2 Telecom. Grp	11	1,095
MacMahon Hold	10	177
Maca Limited	6	417
Macquarie Group	16	15,675
Macquarie Atlas	4	1,105
Macquarie C Tel	3	161
Magellan Fin Gp	5	1,688
Mastermyne Grp	4	72
Matrix Comp.	3	76
Maverick Drill.	1	138
Maxi TRANS	2	258
Mayne Pharma Gr	3	324
McMillan Shake.	6	999
McPherson's Ltd	4	102
Medusa Mining	7	451
Melbourne IT	2	142
Mermaid Marine	13	842
Mesoblast Ltd	9	1,581
Metcash Ltd	15	2,836
Miclyn Express	6	602
Millennium Min.	1	5
Mincor Resource	3	115
Mineral Deposit	5	271
Mineral Res.	9	2,118
Minemakers Ltd	1	33
Mirabela Nickel	6	70
Monadelphous Gr	16	1,882
Mortgage Choice	5	300
Mt Gibson Iron	14	834
Myer Holdings	15	1,663
Mystate Ltd	8	400
NRW Holdings	14	429
Nanosonics Ltd	4	231
Nat'l Aust Bank	18	70,552
Navitas Ltd	10	2,230
Neon Energy Ltd	3	168
Neuren Pharm.	1	112
New Hope Corp.	8	3,554
New Standard En	2	33
Newcrest Mining	17	9,811
Nextdc Limited	6	457
Nexus Energy	6	94
Nib Holdings	8	918
Nick Scali Ltd	2	207
Noble Mineral	1	7
Northern Iron	2	91
Nthn Star Res.	5	359
Nucoal Res.	2	53
Nufarm Limited	13	1,319
OZ Minerals Ltd	20	1,308
Oakton Limited	10	137
Oil Search Ltd	16	11,212
OnTheHouse Hold	2	53
Orica Ltd	16	7,276
Origin Energy	15	15,090
Orocobre Ltd	3	215
Oroton Group	9	274
Ottoman Energy	2	106
PMI Gold Corp.	4	73
Pacific Brands	13	698
Pacific Energy	2	153
Paladin Energy	15	460
Panaust Ltd	19	1,300
Panoramic Res.	6	66
Paperlin X Ltd	2	32
Papillon Res.	9	246
Patties Foods	5	190
Peet Ltd	6	426
Perilya Mines	1	242
Perpetual Ltd	12	1,566
Perseus Mining	16	285
Pharmaxis Ltd	6	43
Phosphagenics	4	90
Premier Invest	12	1,256
Prime Media Grp	10	401
Primary Health	15	2,580
Primeag Aust.	1	107
Pro Maintenance	11	295
Q.B.E. Insur.	16	18,346
QRXPharma Ltd	5	105
Qantas Airways	13	2,990
Qube Holdings	13	1,811
RCG Corporation	2	155
RCR Tomlinson	8	462
REA Group Ltd	12	4,972
Ramelius Res.	1	66
Ramsay Health	13	7,362
Range Resources	1	62
Reckon Limited	9	277
Red Fork Energy	2	116
Red 5 Ltd	2	80
Redflex Holding	1	136
Reece Australia	2	2,532
Reef Casino Trt	1	129
Regional Exp.	2	121
Regis Resources	20	1,810
Resource Equip.	4	42
Resource Gener.	6	116
Resolute Mining	6	522
Retail Food Grp	7	499
Reva Medical	2	206
Rex Minerals	4	98
Rialto Energy	2	7
Ridley Corp.	7	259
Rio Tinto Ltd	17	26,621
Roc Oil Company	8	362
Royal Wolf Hold	6	342
Ruralco Hold.	4	182
SAI Global Ltd	14	858
SFG Australian	3	540
SMS Mgmt & Tech	12	343
SP Ausnet	14	3,360
STW Comm Group	7	630
Salmat Ltd	6	332
Sandfire Res.	13	961
Santos Ltd	14	14,379
Saracen Mineral	5	137
Sedgman Ltd	8	155
Seek Ltd	17	3,823
Select harvest	6	250
Senex Energy	9	678
Service Stream	1	43
Servcorp Ltd	1	354
Seven West Med.	14	2,335
Seven Group	9	2,419
Seymour Whyte	2	111
Sigma Pharm.	13	744
Sihayo Gold Ltd	1	31
Silex Systems	4	460
Silver Chef Ltd	5	242
Silver Lake Res	9	186
Sims Metal Mgmt	13	1,929
Sino Gas & En.	2	202
Sirius Res. NL	7	456
Sirtex Medical	6	730
Skilled Group	9	796
Slater & Gordon	8	745
Smart Parking	1	24
Sonic Health	14	6,144
Soul Pattinson	1	3,285
Spark Infrastru	13	2,149
Spec Fashion	9	192
St Barbara Ltd	9	329
Starpharma Hold	5	304
Sth Cross Elect	4	188
Sth Cross Media	12	1,255
Stockland	14	8,826
Strike Energy	2	34
Sundance Energy	4	293
Sunland Group	1	331
Super Retail Gr	18	2,366
Swick Min Serv	3	56
Sydney Airport	11	6,905
TFS Corporation	1	228
TPG Telecom Ltd	14	2,889
Tabcorp Holding	13	2,331
Tanami Gold NL	1	34
Tandou Ltd	1	67
Tap Oil	4	121
Tassal Group	6	464
Tatts Group Ltd	13	4,306
Technology One	8	611
Telstra	18	59,727
Ten Network	12	828
Teranga Gold	4	184
The Reject Shop	10	490
Thorn Group Ltd	8	336
Tiger Resources	4	174
Tigers Realm	2	71
Tissue Therapy	2	73
Toll Holdings	14	3,930
Tox Free Sol.	10	447
TransPacific In	9	1,531
Transurban Grp	12	9,749
Transfield Serv	13	607
Treasury Group	2	192
Treasury Wine	12	2,951
Troy Resources	4	149
Trust Company	3	228
UGL Limited	16	1,314
UXC Limited	5	354
Un. Biosensors	1	130
Unity Mining	2	40
Venture Min.	1	48
Village Road.	5	1,059
Virgin Aust	12	920
Vocus Comm.	2	146
W'bool Cheese	3	243
WDS Limited	4	98
Watpac Ltd	1	132
Webjet NL	14	337
Wellcom Group	3	96
Wesfarmers Ltd	14	40,670
Westfield Ret.	12	8,773
Western Desert	2	173
Westpac Banking	18	97,483
Westfield Group	12	23,359
Western Areas	14	585
Whitehaven Coal	19	2,174
Wide Bay Aust.	2	184
Woodside Petrol	14	32,314
Woolworths Ltd	14	43,400
Worley Group	14	5,471
Wotif.com Hold.	21	1,016
YTC Resources	2	65
Yancoal Aust.	7	636

Recommended Investments

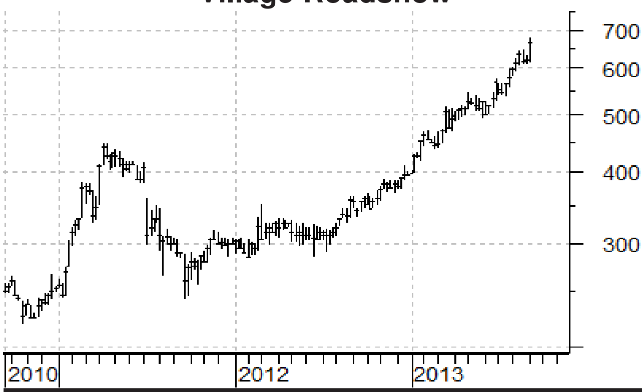
(Continued from Page 11)

The group opened its 51% owned *Wet'n'Wild* Las Vegas theme park on Memorial day, late May 2013 "on time and on budget". June trading was "above budget" but with an initial loss owing to $2 million in pre-opening costs, but this park will make a full year's contribution to profits this year. *Wet'n'Wild* Sydney is on schedule to open in December 2013 - adding further to the Theme Park division's revenues and profits. The first stage of the Hainan Island, China, mega-park is scheduled to open in late 2014. The Theme Park division's "primary focus in the future will be to explore development and management opportunities in Asia".

At 664 cents, Village Roadshow shares trade on a Price/Earings ratio of 21 and offer a Dividend Yield of 3.9%. That is not cheap and investors over-weighted in this share may consider some partial profit-taking, but the Theme Park division will contribute to growth over the next year, there is potential hidden value in its Film Production division (which has a book value of nil) and the business generates those very high cashflows (i.e. $150 million - or about $1 per share - which could finance further cash distributions to shareholders, acquisitions or further expansion).

Village Roadshow shares will be included in the ASX300 Index from 20 September. This will require "index funds" to buy Village Roadshow shares - at 10-times the price we bought into the company just four years ago - which should help support the share price in the short to medium term. We just love "index funds" - where *other people's money* and retirement savings work hard to boost the value of our investment portfolio!

Village Roadshow



Total Return Index for All Listed Shares

Aug 12	1431.83	Aug 19	1430.61
Aug 13	1431.77	Aug 20	1427.21
Aug 14	1425.99	Aug 21	1432.22
Aug 15	1430.81	Aug 22	1433.18
Aug 16	1425.52	Aug 23	1438.45
Aug 26	1444.28	Sep 2	1458.47
Aug 27	1445.67	Sep 3	1456.77
Aug 28	1439.95	Sep 4	1462.00
Aug 29	1441.62	Sep 5	1467.31
Aug 30	1449.71	Sep 6	1465.41

Dividend$

Company	Cents per Share	Ex-Date	Payable	Tax Credit
Air New Zealand	5.00	13-09	23-09	Full
Auckland Int'l Airport	6.25	03-10	17-10	Full
Barramundi	1.61	13-09	27-09	-
Cavalier Corporation	4.00	04-10	18-10	Full
Chorus Ltd	15.50	27-09	11-10	Full
Colonial Motor Company	21.00	11-10	21-10	Full
Contact Energy	14.00	04-09	16-09	Full
Delegat's Group	10.00	27-09	11-10	Full
Ebos Group	15.00	08-10	22-10	2.91667
Fletcher Buildings	17.00	27-09	16-10	Full
Freightways	9.75	13-09	01-10	Full
Goodman Property Trust	1.5625	12-09	26-09	0.0597
Heartland BS	2.50	20-09	04-10	Full
Hellaby Holdings	8.00	11-10	18-10	Full
Marlin Global	1.77	13-09	27-09	-
Metro. LifeCare	2.00	03-10	17-10	Nil
Michael Hill International	4.00	27-09	04-10	Nil
Mighty River Power	7.20	11-09	30-09	Full
NZ Oil & Gas	3.00	13-09	27-09	Full
Northland Port	5.50	13-09	20-09	Full
Nuplex Industries	11.00	27-09	11-10	Nil
Port of Tauranga	26.00	20-09	04-10	Full
Skellerup Holdings	5.00	04-10	17-10	Full
Sky City	10.00	20-09	04-10	Full
Sky Network TV	12.00	06-09	13-09	Full
South Port NZ	15.50	20-09	08-11	Full
Steel & Tube Holdings	8.50	13-09	30-09	Full
TeamTalk	10.00	11-10	18-10	Full
Telecom NZ	8.00	20-09	04-10	Full
Tourism Holdings	2.00	17-10	24-10	Full
Trade-Me	8.30	13-09	24-09	Full
Vector Ltd	7.75	06-09	13-09	Full
Vital Health PT	2.125	11-09	25-09	-
Australian Shares				
Ausenco Ltd	2.00	29-08	18-09	
Cardno Ltd	18.00	09-09	11-10	
Chandler Macleod Group	1.80	04-09	01-10	
CSG Ltd (capital)	4.00		Dec	
Fiducian Portfolio Services	3.60	02-09	20-09	
Finbar Group	6.00	29-07	11-09	
Iluka Resources	5.00	29-08	02-10	
Integrated Research	3.00	23-08	13-09	
M2 Telecommunications	10.00	30-09	25-10	
Prophecy International	1.50	05-09	02-10	
Skilled Group	9.00	20-09	16-10	
TFS Corporation	3.00	08-10	08-11	
The Reject Shop	13.00	23-09	14-10	
Village Roadshow	13.00	04-09	01-10	

Next Issue:

The next issue of *Market Analysis* will be emailed in five weeks time on Monday October 14, 2013.

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

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