

Market Analysis

Issue No. 500

www.stockmarket.co.nz

February 10, 2014

Inside Market Analysis

Finbar Group plans new projects	5	Australian Warrant / Option Analysis	9, 10, 11
Penrice Soda Holdings to expand Sodium Bicarbonate business	6	EXERCISE Euroz Options	11
The Reject Shop falls after "disappointing sales"	6		

Founder: James R Cornell (B.Com.)

Summary and Recommended Investment Strategy.

Stockmarket forecasts are neutral, economic data (as always) is conflicted and stockmarkets fluctuate wildly in value. That is just the "normal" stockmarket environment . . . from which investors can earn significant returns over the medium to long term. We shall remain fully invested in shares!

Investment Outlook.

Our stockmarket forecasts are Neutral (see at right), in part reflecting conflicting data and its impact on world stockmarkets.

US Auto sales fell 3.7% in January (compared with January 2013) and Retail Sales were also down - with one news service reporting "a tough end to the most competitive holiday season for US retailers since the 2007-2009 recession". Official retail sales statistics for January will be released later this month, but most major retailers have announced lower revenues and discounting.

China's economy has made a large contribution to global economic growth over recent years, but China's manufacturing sector also slowed in January.

Poor retail sales (and lower re-ordering) in January probably contributed to slow employment growth. US Payroll data shows 113,000 new jobs in January - significantly *slower* growth than the 180,000 expected.

All of which helped depress the US and world stockmarkets during January.

On the other hand, US corporate earnings reports are generally positive, with an average 4% profit growth expected this reporting quarter (which, of course, relates to the October-December 2013 period).

The real cause of this downturn in consumer spending is, however, probably not a recession but the loss of shopping days as consumers stay home to avoid unusually cold January weather.

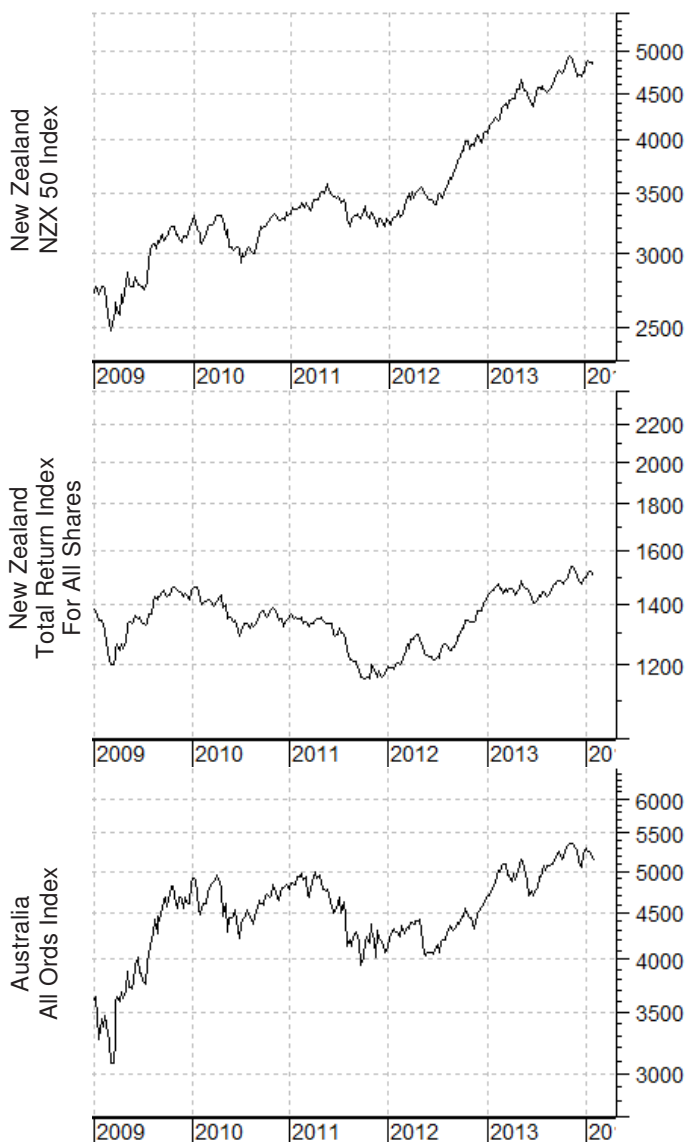
The US Auto industry predicts total 2014 sales volumes will be between 1% *lower* and 2% higher than in 2013. Economists predict US Retail sales will grow 4.1% in 2014. The unemployment rate fell 0.1% to 6.6% in January, significantly down on the 10.2% in late 2009. US corporate earnings are forecast to rise 8.5% for the 2014 year.

Stockmarkets anticipate the future as investors make predictions based upon incomplete (or outdated) information. Sometimes a blip in economic data is not a new trend but just a random blip.

The stockmarket has rewarded us very well for owning shares over the last 33 years (a period that may have included more than a few economic recessions and crises). We see no reason to change our investment strategy and will remain fully invested in shares.

Stockmarket Forecasts

	<u>One-Month</u>	<u>One-Year</u>
Australia:	56% (Neutral)	57% (Neutral)
New Zealand:	59% (Neutral)	42% (Neutral)



Performance Forecasts

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

Performance Forecast	Price	Price/Sales Ratio	P/E Ratio	Gross Yield	Performance Forecast	Price	Price/Sales Ratio	P/E Ratio	Gross Yield	Performance Forecast	Price	Price/Sales Ratio	P/E Ratio	Gross Yield			
AMP Limited	B	457	1.03	10	8.6	Jasons Media	D	10	0.19	NE	Nil	Restaurant Brds	C	279	0.87	17	8.2
AMP Office Trt	C	99	7.75	22	5.7	Just Water Int.	D	10	0.32	5	Nil	Rubicon Limited	C	40	0.32	NE	Nil
Amano Health.	B	620	0.51	38	4.8	Kathmandu Ltd	B	313	1.63	14	5.3	Ryman Health.	A	775	N/A	28	0.7
Air New Zealand	A	168	0.40	10	6.8	Kermadec Prop.	C	67	6.58	11	4.5	SLI Systems Ltd	B	265	N/A	NE	Nil
Akd Int Airport	A	366	N/A	27	4.7	Kingfish Ltd	E	129	N/A	6	7.1	Sanford Limited	C	460	0.94	21	7.1
Allied Farmers	C	4.9	0.12	NE	Nil	Kirkcaldie & St	E	197	0.53	NE	Nil	Satara Co-op	C	58	0.19	NE	Nil
Allied Work.	B	270	0.53	13	8.3	Kiwi Property	C	1.1	5.54	10	7.2	Savoy Equities	C	5.5	N/A	NE	Nil
Aorere Res. *	N/R	1.0	N/A	NE	Nil	L&M Energy	C	7.3	N/A	NE	Nil	Scott Tech. Ltd	B	180	1.23	13	6.2
Argosy Property	C	92	7.10	16	6.5	Lytelton Port	E	3.5	2.82	18	Nil	Sealegs Corp	E	15	1.14	91	Nil
Barramundi Ltd	C	69	N/A	5	10.3	Mainfreight Grp	A	1298	0.68	19	3.0	Seeka Kiwifruit	C	220	0.23	NE	Nil
Bathurst Res.	E	18	N/A	NE	Nil	Marlin Global	C	81	N/A	9	8.6	Skellerup Hold.	A	173	1.76	18	6.6
Blis Technology	C	2.0	N/A	NE	Nil	Mercer Group	D	24	1.48	75	Nil	Sky Network TV	B	577	2.54	18	5.9
Briscoe Group	C	240	1.16	18	6.0	Meridian Energy	E	100	N/A	NE	Nil	Sky City Ltd	C	372	2.27	17	7.7
Burger Fuel	C	242	N/A	NE	Nil	Methven Limited	A	140	0.95	18	7.4	Smartpay NZ Ltd	C	33	6.65	NE	Nil
CDL Investments	E	56	N/A	38	3.6	Metro. LifeCare	B	410	9.22	15	0.5	Smiths City	D	58	0.14	15	6.0
Cavalier Corp	B	182	0.62	19	3.1	Michael Hill	C	140	0.98	13	4.6	Snakk Media Ltd	D	10	7.48	NE	Nil
Cavotec MSL	B	245	1.08	20	1.6	Mid-Cap Index	D	285	N/A	NE	Nil	Sol. Dynamics	C	40	0.50	NE	Nil
Charlie's Group	D	43	4.00	51	Nil	Mighty River	C	199	1.62	25	8.6	South Port NZ	B	341	3.03	14	9.2
Chorus Ltd	C	149	0.55	3	24.4	Millennium & C.	C	66	2.32	11	2.6	Speirs Group	D	5.0	0.04	NE	Nil
Claridge Cap'l	D	1.5	N/A	NE	Nil	Moa Group Ltd	C	64	7.86	10	Nil	Steel & Tube	B	309	0.69	18	6.9
Col Motor Co	B	460	0.24	11	9.3	Mowbray Collect	D	42	1.74	44	Nil	Sunmasset Group	D	342	N/A	NE	Nil
Comvita	C	343	0.96	14	5.4	NPT Limited	D	60	5.96	3	4.4	Synlait Milk	C	374	1.30	47	Nil
Contact Energy	C	525	1.54	19	6.8	NZ Exchange Ltd	C	125	6.42	25	6.0	TeamTalk Ltd	B	215	1.32	17	13.3
Cynotech Hold.	E	0.2	0.09	NE	Nil	NZ Experience	B	35	1.11	9	11.8	Telecom Corp	B	233	1.01	18	9.8
DNZ Property	C	153	N/A	18	5.6	NZ Finance Hold	E	1.0	0.13	NE	Nil	Tenon Ltd	C	142	0.20	NE	Nil
Delegat's Group	C	366	1.61	9	3.9	NZ Farming Sys.	D	65	1.53	NE	Nil	Tourism Hold.	B	96	0.47	28	6.0
Diligent Board	D	447	N/A	NE	Nil	NZ Oil & Gas *	N/R	77	3.21	12	11.1	Tower Limited	C	174	0.97	11	6.3
Dorchester Pac	E	23	2.50	30	Nil	NZ Refining Co	C	200	1.92	16	8.6	Trade-Me Ltd	C	380	9.18	19	5.9
Ebos Group Ltd	B	970	0.35	23	4.4	NZ Wool Service	E	42	0.19	NE	Nil	Training Sol.	D	0.1	N/A	NE	Nil
Ecoya Ltd	D	92	2.11	NE	Nil	NZ Windfarms	E	6.8	2.43	13	Nil	Trust Power Ltd	C	660	2.57	17	8.7
F & P Health.	A	405	3.85	28	4.4	NZSX 50 Port.	D	165	N/A	NE	Nil	Turners & Grow.	A	185	0.25	17	3.2
Finzsoft Sol'ns	B	42	0.39	9	Nil	NZSX 10 Fund	D	114	N/A	NE	Nil	Turners Auction	B	230	0.84	17	10.6
Fletcher Build.	B	900	0.73	19	4.5	NZX Aust MidCap	E	430	N/A	NE	Nil	Vector Ltd	C	248	1.93	12	8.6
Foley Fam Wines	C	170	2.39	43	Nil	New Image Group	D	25	0.79	NE	Nil	Velo Capital	D	7.0	N/A	NE	Nil
Fonterra S/H Fd	C	618	0.21	19	5.2	Northland Port	A	306	N/A	19	4.7	Veritas Invest.	E	128	1.58	NE	Nil
Freightways Ltd	A	460	1.74	18	5.8	Nuplex Indust	B	335	0.40	12	6.3	Vetlot Limited	D	0.2	1.33	NE	Nil
Genesis Res.	D	1.8	N/A	NE	Nil	Opus Int'l Cons	B	215	0.78	13	5.6	Vital Health PT	C	127	7.41	12	6.2
GeoOP Ltd	D	250	N/A	NE	Nil	Ozzy (Tortis)	E	360	N/A	NE	Nil	WN Drive Tech.	C	18	0.35	NE	Nil
Goodman Prop.	C	97	7.72	15	6.5	PGG Wrightsons	B	41	0.27	21	7.7	Wakefield Hlth	B	565	1.23	17	3.5
Guinness Peat	B	67	0.10	3	2.3	Pac Edge Bio.	D	164	N/A	NE	Nil	Warehouse Group	C	346	0.48	7	8.4
GuocoLeisure	C	78	1.79	18	Nil	Pharmacybrands	C	121	1.44	11	4.1	Windflow Tech.	D	10	0.54	NE	Nil
Hallenstein G.	C	305	0.83	10	15.3	Port Tauranga	B	1421	7.80	17	4.6	Wool Equities	E	2.0	0.30	NE	Nil
Heartland BS	C	88	1.50	49	7.3	Postie Plus Grp	D	9.3	0.04	NE	Nil	World Index Fd	E	100	N/A	NE	Nil
Hellaby Hold.	A	314	0.54	16	5.9	Property F Ind.	D	128	8.53	28	6.4	Wynyard Group	D	271	N/A	NE	Nil
Heritage Gold *	N/R	1.8	N/A	NE	Nil	Pumpkin Patch	E	68	0.40	21	Nil	Xero Ltd	E	4001	N/A	NE	Nil
Horizon Energy	C	300	1.12	40	4.8	Pyne Gould Corp	B	42	3.01	4	Nil	Z Energy Ltd	D	369	N/A	NE	Nil
Infratil NZ	E	220	0.53	NE	6.0	Rakon Ltd	D	21	0.23	NE	Nil	Zintel Comm.	D	44	0.54	NE	Nil
Insured Group	D	1.5	0.20	NE	Nil	Renaissance	D	13	0.13	NE	Nil	Ave of 144 Cos	C	230	0.45	21	3.4
21st Century F.	A	3507	2.72	11	0.6	Cromwell Prop.	B	97	7.21	36	7.5	Oil Search Ltd	B	823	N/A	65	0.5
360 Capital Ind	A	202	N/A	55	2.2	Crown Resorts	B	1654	6.28	25	2.2	Orica Ltd	A	2318	1.24	14	4.1
A.P. Eagers	A	510	0.33	16	3.9	DUET Group	B	208	1.88	NE	11.7	Origin Energy	B	1451	1.22	16	3.4
AGL Energy Ltd	B	1495	0.85	21	4.2	David Jones	A	306	0.89	17	5.6	Ozforex Group	B	300	N/A	63	Nil
ALS Limited	B	780	1.87	11	6.2	Deutsche Div Tr	B	131	6.10	14	7.1	Panaust Ltd	B	164	1.37	7	4.3
AMP Ltd	B	424	2.59	18	5.9	Dexus Property	B	102	7.73	9	5.9	Perpetual Ltd	A	4657	4.92	34	1.9
ANZ Bank	A	2945	2.39	13	5.6	Djerriwarrh	B	449	N/A	28	5.8	Platinum Asset	A	669	N/A	30	3.3
APA Group	A	608	3.99	17	5.8	Domino's Pizza	A	1669	4.07	42	1.8	Premier Invest	B	755	1.15	7	5.0
ARB Corporation	A	1082	2.69	19	2.6	Downer EDI Ltd	B	486	0.25	10	4.3	Primary Health	B	480	1.66	16	3.6
ASX Limited	A	3474	8.55	19	4.9	Dulux Group Ltd	A	540	1.37	26	3.2	Q.B.E. Insur.	B	1096	0.69	18	4.6
AVEO Group	A	216	2.40	NE	0.5	Echo Ent Group	B	238	1.13	24	2.5	Qantas Airways	E	107	0.15	NE	Nil
AWE Limited	B	139	2.40	36	Nil	Energy Develop.	A	600	2.50	18	1.8	Qube Holdings	B	203	1.74	23	2.2
Abacus Property	A	224	3.61	17	7.4	Envestra	B	116	4.09	19	5.1	REA Group Ltd	A	4572	N/A	55	0.9
Adelaide Bright	A	387	2.10	16	4.3	Fairfax Media	A	68	0.79	11	2.9	Ramsay Health	A	4258	2.06	32	1.7
Ainsworth Game	A	424	6.89	26	1.9	Federation Cent	B	233	6.09	16	6.1	Reece Australia	A	3200	2.08	27	1.9
Alacer Gold	E	252	1.05	NE	Nil	Flexicorp Ltd	B	410	4.35	19	3.5	Regis Resources	C	284	3.37	10	Nil
Alumina Ltd	C	127	N/A	NE	Nil	Flight Centre	B	4513	2.28	18	3.0	Rio Tinto Ltd	B	6596	0.59	3	2.4
Amalgamated Hld	B	814	1.62	16	5.2	Fortescue Metal	B	560	1.96	9	1.8	S/Tracks ASX200	B	4813	N/A	5	4.0
Amcor Ltd	B	1062	1.03	21	3.5	G8 Education	B	329	4.50	42	2.1	SAI Global Ltd	B	380	1.66	19	3.9
Aneka Tambang	D	110	N/A	NE	0.0	GPT Group	B	360	6.41	11	5.3	SP Ausnet	B	123	2.16	13	6.7
Ansell Ltd	A	1915	1.87	18	2.0	GWA Group Ltd	B	301	1.63	28	4.8	Sandfire Res.	C	593	1.82	10	Nil
Aquila Res.	C	252	N/A	NE	Nil	Goodman Group	A	478	9.49	51	4.1	Santos Ltd	B	1368	4.08	25	2.2
Ardent Leisure	B	202	2.26	28	5.9	Goodman Fielder	B	64	0.59	12	4.7	Seek Ltd	B	1214	6.54	29	1.8
Argo Investment	B	734	N/A	27	3.5	Graincorp	B	760	0.39	12	5.3	Senex Energy	C	69	5.28	13	Nil
Aristocrat Leis	B	468	3.19	24	3.1	Growthpoint Pro	A	241	6.21	11	7.6	Seven West Med.	B	212	1.12	7	11.8
Arrium Limited	B	159	0.35	NE	1.9	Harvey Norman	B	304	2.44	23	3.0	Seven Group	B	791	0.51	5	5.1
Asciano Limited	B	550	1.45	16	2.1	Henderson Group	A	409	4.43	29	2.7	Sims Metal Mgmt	C	1009	0.29	NE	Nil
Atlas Iron Ltd	C	104	1.36	NE	2.9	Hutchinson Tel.	D	7.7	N/A	NE	Nil	Sirtex Medical	A	1395	8.08	42	0.7
Aurizon Hold.	B	487	2.76	23	2.5	IOOF Holdings	B	887	3.00	26	4.7	Slater & Gordon	A	443	3.01	21	1.5
Aurora Oil Gas	C	409	6.34	32	Nil	IRESS Limited	B	894	5.68	30	4.3	Sonic Health	A	1635	1.86	19	3.8
Aust United In	A	794	N/A	24	3.7	liiNet	A	676	1.16	18	2.8	Soul Pattinson	B	1501	4.54	22	3.1
Aust Foundation	B	603	N/A	26	3.6	IluKa Resources	B	874	3.14	10	4.0	Spark Infrastru	B	166	7.35	13	3.2
Australand Prop	B	380	2.39	12	5.7	Incitec Pivot	B	295	1.41	13	3.1	Spooning Centre	C	151	N/A	NE	7.4
Automotive Hold	B	361	0.22	14	5.5	Independ. Group	B	368	3.79	47	0.5	Steamships Trad	A	3600	2.43	11	4.1
BHP Billiton	B	3609	2.92	16	3.5	Insurance Aust.	C	539	1.23	NE	6.7	Steadfast Group	D	163	N/A	NE	Nil
BK1 Invest Coy	B	163	N/A	22	4.1	Investa Office	B	305	N/A	12	5.8	Sth Cross Media	B	156	1.71	11	5.8
BT Invest Mgmt	A	222	5.91	30	2.9	Invocare Ltd	B	1039	3.10	27	3.3	Stockland	B	366	4.88	81	6.6
BWP Trust	B	624	N/A	11	6.3	JB Hi-Fi Ltd	B	109	0.57	16	3.8	Suncorp Group	B	1202	0.96	31	4.6
Bank of Q'land	A	1104	1.41	19	5.3	James Hardie	A	1333	4.64	NE	1.3	Super Retail Gr	B	1064	1.03	20	3.6
Beach Energy	A	143	2.60	12	1.9	Kangaroo Island	C	185	N/A	NE							

Recommended Investments

Michael Hill International reports total store revenues up 10.0% to A\$270.8 million. *Professional Care Plan* revenues were 23.3% higher at A\$17.6 million. This “growth” is helped by the company now reporting in Australian dollars. Reported in NZ dollars, store revenues would be down 3%.

Canadian same store revenues rose 7.9% to C\$29.1 million (or up 15.9% in Australian currency to A\$39.4 million), with total revenues up 28.5% at C\$37.9 million (up 38.0% at A\$39.4 million).

New Zealand same store sales fell 4.1% to NZ\$60.5 million (but up 9.0% to A\$54.2 million, owing to the weaker Australian dollar).

It is likely that the Canadian stores will generate higher revenues than NZ stores within about 12-18 months, although they are still significantly less profitable.

Earnings (before interest and tax) for the half year are expected at A\$29-30 million, up from A\$28.6 million a year earlier. *(Continued on Page 4)*

Portfolio of Recommended Investments

CURRENT ADVICE	Company	Code	Initial Recommendation - Date -	Price	Performance Forecast	Issued Shares (mil.)	Vola- tility Ratio	Price/ Sales Ratio	Price/ Earnings Ratio	Gross Dividend Yield	Recent Share Price	Cash Dividends Rec'd	Total Return %
NZ Shares													
BUY	CDL Investments Ltd	CDI	12/01/99	25	E	258.2	1.2	12.84	38	3.6	56	23.4	+218%
BUY	Cavalier Corporation	CAV	05/12/95	156*	B	68.3	1.1	0.62	19	3.1	182	282.0	+197%
HOLD	Colonial Motor Company	CMO	10/11/92	128*	B	32.7	0.5	0.24	11	9.3	460	392.3	+566%
HOLD	Lyttelton Port Company	LPC	12/12/00	150	B	102.2	0.8	2.82	18	Nil	305	77.7	+155%
BUY	Michael Hill Int'l Ltd	MHI	11/06/91	5*	C	382.8	0.9	0.98	13	4.6	140	48.4	+3668%
BUY	Nuplex Industries Ltd	NPX	11/02/97	523*	B	198.1	1.1	0.40	12	6.3	335	451.0	+50%
HOLD	Renaissance Corp	RNS	13/08/96	85*	D	43.6	4.3	0.13	NE	Nil	13	53.9	-22%
HOLD	Smiths City Group	SCY	09/10/06	64	D	52.7	1.2	0.14	15	6.0	58	23.0	+27%
HOLD	South Port New Zealand	SPN	13/02/96	120	B	26.2	0.6	3.03	14	9.2	341	196.3	+348%
HOLD+	Steel & Tube Holdings	STU	08/08/00	146	B	88.4	0.9	0.69	18	6.9	309	281.6	+305%
Australian Shares (in Aust cents)													
HOLD+	AJ Lucas Group	AJL	13/05/03	107*	D	211.5	0.8	0.86	NE	Nil	120	36.4	+46%
HOLD+	ALS Limited	ALQ	12/10/99	77*	B	374.8	0.4	1.87	11	6.2	780	244.5	+1231%
BUY	AtCor Medical Ltd	ACG	11/11/13	15	B	150.8	2.4	2.41	8	Nil	15	Nil	-3%
HOLD+	Atlas South Sea Pearl	ATP	14/05/96	73	C	281.7	3.6	2.41	NE	Nil	6	17.5	-68%
BUY	Ausenco Ltd	AAX	10/06/13	191*	B	168.4	1.3	0.15	2	30.0	67	1.8	-64%
HOLD+	Brickworks Ltd	BKW	12/11/12	1115	B	147.8	0.3	3.47	21	2.8	1423	40.5	+31%
HOLD	Cardno Ltd	CDD	14/12/09	391*	B	143.7	0.5	0.73	11	5.9	609	115.3	+85%
HOLD	Cellnet Group Ltd	CLT	12/02/02	147*	B	55.7	1.9	0.15	10	Nil	21	55.9	-48%
BUY	Chandler Macleod Group	CMG	14/08/01	51*	B	450.9	1.4	0.13	10	7.6	42	28.9	+39%
HOLD	Circadian Technologies	CIR	10/02/04	188	D	48.6	1.9	8.86	NE	Nil	21	65.0	-54%
HOLD+	Clarius Group Ltd	CND	08/04/03	82*	E	89.6	2.1	0.08	NE	Nil	19	70.5	+9%
BUY	CPT Global Ltd	CGO	10/03/08	88	B	36.7	1.1	0.78	85	Nil	75	11.3	-2%
HOLD	CSG Limited	CSV	11/10/10	175	C	278.2	1.1	1.55	33	Nil	103	41.0	-18%
HOLD	Devine Ltd	DVN	13/11/06	334*	E	158.7	1.0	0.39	NE	Nil	77	79.6	-53%
BUY	Ellex Medical Lasers	ELX	14/03/06	49	B	84.9	1.6	0.79	NE	Nil	40	Nil	-18%
BUY	Fiducian Portfolio Ser	FPS	11/02/08	260	A	31.5	0.8	2.32	15	4.4	160	43.8	-22%
BUY	Finbar Group Ltd	FRI	12/04/10	106	A	218.0	0.8	2.55	12	5.7	168	30.5	+87%
HOLD+	Iluka Resources Ltd	ILU	12/10/04	471	B	417.1	0.6	3.14	10	4.0	874	187.0	+125%
BUY	Integrated Research	IRI	14/01/08	40	A	168.4	0.8	3.93	21	4.4	114	24.0	+245%
HOLD	M2 Telecommunications	MTU	09/10/06	33	B	178.3	0.4	1.59	25	3.3	607	67.5	+1944%
BUY	Melbourne IT	MLB	10/02/04	53	B	82.5	0.7	0.64	10	10.5	133	175.0	+481%
HOLD	Nomad Building Solutio	NOD	16/08/10	13*	C	277.5	3.9	0.20	3	Nil	6	Nil	-57%
HOLD	Novarise Renewable Res	NOE	14/03/11	25	C	415.1	2.4	0.76	4	Nil	15	Nil	-40%
HOLD	Penrice Soda Holdings	PSH	11/07/11	17	D	91.4	4.1	0.03	NE	Nil	5	Nil	-72%
HOLD+	Probiotec Ltd	PBP	11/02/08	116	B	52.9	1.3	0.33	21	Nil	42	9.3	-56%
HOLD+	Prophecy International	PRO	08/09/08	26	A	55.4	1.3	4.09	22	6.3	56	13.0	+165%
HOLD	Skilled Group Ltd	SKE	12/03/02	126	B	233.5	0.7	0.34	12	5.8	278	164.0	+251%
HOLD	Technology One Ltd	TNE	11/11/03	44	A	307.2	0.5	3.71	25	2.6	218	42.7	+492%
BUY	TFS Corporation Ltd	TFC	08/01/07	45	A	279.6	0.8	2.55	6	2.7	112	17.2	+187%
HOLD+	The Reject Shop Ltd	TRS	11/01/05	257	B	28.8	0.4	0.50	16	3.4	1075	345.5	+453%
HOLD	Village Roadshow	VRL	10/08/09	77	A	159.5	0.4	1.24	23	3.6	727	211.0	+1118%

The average Total Return (i.e. both Capital Gains/Losses plus Dividends received) of all current investments from initial recommendation is +299.3%. This is equal to an average annual rate of +31.6%, based upon the length of time each position has been held.

The average annual rate of gain of ALL recommendations (both the 41 current and 154 closed out) is +31.3%, 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)

Michael Hill International

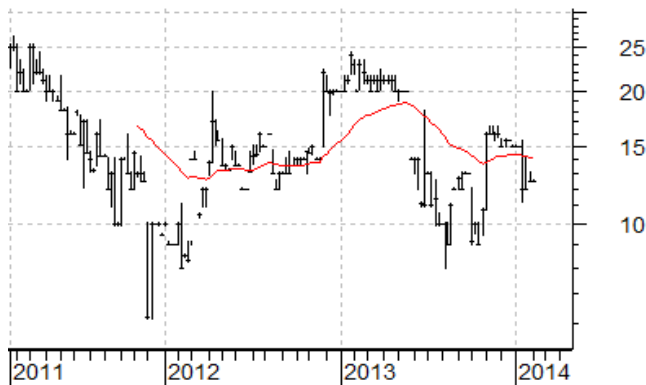


Renaissance Corporation shareholders have approved the sale of the *Yoobee School of Design* but the consent of one third party (to agree to assign its contract) is required before settlement. The expected proceeds will be \$13.3 million - with up to another \$1.0 million earnout based upon profits to September 2014. That is 30.5-32.8 cents per share.

The company has interest bearing debts and other liabilities of around \$4 million (9 cents per share) - so around 21½-23½ cents per share in surplus cash.

The directors hope to distribute this cash to shareholders (which will be a non-taxable return of capital), but want to “fix” the retail business first. They report that “another party is looking to acquire the retail operations” which would be the quickest resolution.

Renaissance Corporation



Australian Shares

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

AtCor Medical reports that its SphygmoCor XCEL system has been approved by **Health Canada** and the **China Food & Drug Administration** for sale in Canada and China respectively.

Ausenco Ltd has won an “Innovate phase” project from **Bandanna Energy** for its *Springsure Creek Coal Project* in Queensland. Ausenco will finalise the project's capital cost, provide project management advice, engineering support and procurement services to produce an engineering budget, schedule and execution plan for the project by June 2014. This will enable Bandanna Energy to obtain competitive tenders for the development of Stage I of its underground coal mine, with production scheduled from mid-2015.

Ausenco Ltd



Atlas Pearls and Perfumes reports revenues for the six months to 31 December will be up about 25% to \$8.6 million, mainly owing to the “significant increases in pearl prices” over the last year.

90% of the company's options were exercised last month, raising \$1.37 million in new equity from the issue of almost 27.4 million shares.

Atlas Pearls and Perfumes



Brickworks has sold the 23.5 hectare surplus land at its *Rochedale North* site to the **Goodman Joint Venture Industrial Trust** (in which it holds a 50% interest) for \$25,930,000. The site in Rochedale, Brisbane, adjacent to the *Gateway Motorway* will be renamed the *Rochedale Motorway Estate* and developed into 125,000m² of industrial properties. This will have an end value of over \$180 million and generate annual rentals in excess of \$14 million.

The Perpetual/Carnegie general meeting has again been postponed until 10 April.

CPT Global expects to report a net profit of \$1.45-1.65 million (4-4½ cents per share) for the half year to December 2013. This compares with a loss of \$1.0 million in the same period a year earlier.

This is “a continuation of a major turnaround in the business which commenced in the second half of the 2013 financial year” in which period the company earned a profit of \$1.3 million owing to “substantial growth of the International business”.

The company also expects “to reinstate the payment of fully franked dividends”.

CPT Global



Circadian Technologies has signed a commercial licence with Swiss based **Selexis GA** to use the CHO-M Cell Line for the production of OPT-302 (formerly VGX-300), a soluble form of human VEGFR-3 being tested to treat wet AMD.

Selexis GA's technology will allow the "rapid generation of the CHO cell lines" allowing the "several fold" increase in the production of OPT-302.

OPT-302 blocks the VEGF-C and VEGF-D vascular endothelial growth factors and also has potential applications to slow the growth of cancer tumours.

Circadian Technologies



Ellex Medical Lasers expects group revenues 17% higher at \$25.9 million for the half year to December 2013, with pre-tax profits up ten-fold to \$650,000 (but which is still only about half a cent per share).

United States revenues are up 100% since the company was allowed to sell its SLT laser from July, but the company has experienced "difficult trading conditions" in Japan and Europe.

Ellex Medical Lasers



Finbar Group expects to report a half year profit of \$19 million and a full year profit (to June 2014) at least equal to last year's \$31 million.

The full year profit, however, could show a "material increase" if the *Au Residential* apartments are settled before 30 June 2014. The project will reach practical completion this financial year, but the company is uncertain in which financial year it will receive final settlements.

Finbar Group has also upscaled its planned **Port Hedland project**, increasing its final value from \$300 million to \$400 million. The previous project was to involve 367 short stay apartments and 3900m² of ground level commercial lots while the new plan is for 550 permanent residential apartments, 163 short stay apartments and 2300m² of commercial lots over four stages within a 10 storey building.

The first stage will involve 138 apartments and 800m² of commercial space. Construction will begin once pre-sales "underpin the viability of the project".

The company has also formed a new joint venture to develop a 4,000m² site at 172 Railway Parade, West Leederville, 1.5km from Perth's CBD, into approximately 142 apartments and three office lots in an eight and nine level structure. The land owner will contribute the land and Finbar Group \$4,750,000 in cash for a 50% share of the development profits plus a fee for obtaining development financing and managing the redevelopment. Marketing of this \$90 million project is expected within six months, with settlements in the June 2017 financial year.

Finbar Group



Iluka Resources lowered Zircon, Rutile and Synthetic Rutile production 42.0% in 2013 to 471,100 tonnes, with cash production costs 35.5% lower at \$376.1 million.

Sales volumes increased 19.5% to 584,400 tonnes (enabling the company to reduce stockpiles), but prices fell 41.1%, so revenues were down 29.6% at \$685.8 million.

Ilmenite revenues were 19.6% lower at \$77.2 million, taking total revenues to \$763.0 million (down 28.7%).

Heavy Mineral concentrate inventories increased by 500,000 tonnes. Iluka Resources plans to maintain the current low production volumes during 2014 but to increase processing of this concentrate to meet expected higher demand.

(Continued on Page 6)

Recommended Investments*(Continued from Page 5)***Iluka Resources**

Melbourne IT shareholders have approved the 54 cents capital repayment which will be paid on 19 February.

Melbourne IT

Penrice Soda Holdings has announced a strategic partnership and expansion of its Sodium Bicarbonate business. The company is finalising the terms for a partnership with Novacarb (a division of French based Novacap Group) to jointly market Sodium Bicarbonate in the Asian region under a common brand.

Novacarb is the second largest Sodium Bicarbonate producer in Europe, with capacity of 140,000 tonnes annually, and is building a 50,000 tonnes capacity plant in Thailand.

The two companies merging their marketing and selling a common brand has two benefits: Firstly removing a competitor from the market and secondly eliminating duplicate marketing costs, potentially reducing marketing expenses by almost 50% (i.e. boosting profit margins).

Penrice Soda will also expand its Sodium Bicarbonate production by 50,000 tonnes annually (to 150,000 tonnes), with Novacarb financing this expansion and purchasing all of the additional production, presumably at an attractive wholesale price, which will then be marketed by the partnership.

Sodium Bicarbonate production yields a high rate of return on the necessary capital investment, so although this deal will initially further increase Penrice Soda's debt levels (i.e. with additional debt to Novacarb) it should lift earnings and allow Penrice Soda to better service (and eventually reduce) its high debt levels.

The partnership is also planning to build a jointly owned 50,000 tonnes facility in South-East Asia to be operational by July 2016.

Penrice Soda Holdings

Prophecy International Holdings expects to report a steady \$4 million in first half revenues (to December 2013), but with pre-tax profits about 9% lower at \$1.37 million. It plans to pay a steady interim dividend of 2.0 cents. Cash on hand was \$4.8 million - which the company still hopes to use to finance an acquisition when they can "find the right business to buy".

The Reject Shop's share price fell very sharply after announcing "disappointing sales over the peak weeks leading into Christmas".

Overall, earnings (before interest, depreciation, tax and new store opening costs) will be up 5-6% at \$36.5-37 million - so the result is not as bad as the share price drop would indicate!

The first half net profit is expected to be \$16.6-16.9 million (down 6-8%, excluding an insurance receipt in 2012), while the annual profit to June 2014 is forecast at \$17-18 million (59-62 cents per share) - in line with last year's \$17.5 million.

The result is depressed by start-up costs for 33 new stores in the first half (although these performed above budget) and 12 new stores planned for the second half. The company also experienced higher than planned levels of markdowns and poor sales of some higher margin products.

The period of rapid store expansion - and the "significant amount of focus, time and incremental expenditure on new stores" - is "largely behind us", leaving the company to focus on improved results from its infrastructure and stores.

The Reject Shop

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	Current Price	4-Wk Chg.	Rank	Insider Buy/Sell	Brokers Following	Price to NTA	Return on Equity	Volatility	Price/Earn. Ratio	Dividend Yield	Price/Sales Ratio	Market Cap'n	Company	Share Price	Current Price	4-Wk Chg.	Rank	Insider Buy/Sell	Brokers Following	Price to NTA	Return on Equity	Volatility	Price/Earn. Ratio	Dividend Yield	Price/Sales Ratio	Market Cap'n
UNDER-VALUED SHARES: Lowest Price/Sales, Yld > 0, Rel Strength > 0														OVER-VALUED SHARES: Highest Price/Sales Ratios, Relative Strength < 0													
Guinness Peat	67	+6.4	+1.4	21	8-2	3	0.1	5	1.4	3	2.3	0.10	200	Trade-Me Ltd	380	-6.2	-1.4	85	2-1	10	2.3	12	0.5	19	5.9	9.18	1,506
Col Motor Co	460	+1.7	-2.8	33	1-0	-	1.1	11	0.5	11	9.3	0.24	150	Property F Ind.	128	-1.9	-0.1	67	0-1	9	1.2	4	0.4	28	6.4	8.53	277
Turners & Grow.	185	+4.8	+0.7	25	0-0	-	0.7	4	0.7	17	3.2	0.25	209	Moa Group Ltd	64	-18.1	+0.9	94	1-0	1	1.3	13	0.8	10	Nil	7.86	19
PGG Wrightsons	41	+7.7	-1.3	15	1-0	4	1.2	6	1.7	21	7.7	0.27	309	Port Tauranga	1421	-0.9	+1.8	59	1-4	7	2.4	14	0.3	17	4.6	7.80	1,905
Nuplex Indust	335	+2.2	-1.7	30	0-0	6	1.2	10	1.1	12	6.3	0.40	664	Goodman Prop.	97	-3.4	-0.9	75	0-1	7	1.0	7	0.5	15	6.5	7.72	1,160
Air New Zealand	168	+7.5	-1.1	18	0-7	6	1.0	10	1.0	10	6.8	0.40	1,855	Vital Health PT	127	-58.3	+0.0	98	9-0	4	1.4	11	0.5	12	6.2	7.41	429
Tourism Hold.	96	+20.5	+1.0	7	2-0	1	0.5	2	1.1	28	6.0	0.47	106	Argosy Property	92	-2.2	+0.3	68	1-0	5	1.1	7	0.5	16	6.5	7.10	719
Hellaby Hold.	314	+4.9	+2.4	24	0-0	3	1.5	9	1.2	16	5.9	0.54	292	NZ Exchange Ltd	125	-2.5	+0.2	71	1-0	3	4.1	17	0.7	25	6.0	6.42	322
Cavalier Corp	182	+0.8	-0.4	39	0-0	3	1.3	7	1.1	19	3.1	0.62	124	NPT Limited	60	-2.2	+0.2	68	0-0	2	0.8	29	0.5	3	4.4	5.96	97
Mainfreight Grp	1298	+6.5	+1.6	20	4-5	5	3.3	17	0.6	19	3.0	0.68	1,285	Kiwi Property	111	-1.3	+0.7	62	1-0	7	1.0	10	0.6	10	7.2	5.54	1,101
Steel & Tube	309	+5.8	-2.1	23	1-0	4	1.7	10	0.9	18	6.9	0.69	273	Charlie's Group	43	-58.3	+0.0	99	0-0	-	7.7	15	1.0	51	Nil	4.00	126
Opus Int'l Cons	215	+7.4	+0.5	19	1-0	4	2.8	22	0.9	13	5.6	0.78	312	NZ Oil & Gas	77	-2.4	-1.4	70	0-0	6	0.9	7	0.9	12	11.1	3.21	319
Turners Auction	230	+14.3	-0.2	8	2-0	-	3.7	21	0.9	17	10.6	0.84	63	South Port NZ	341	-0.0	+0.8	47	0-0	-	2.9	21	0.4	14	9.2	3.03	89
Sanford Limited	460	+0.8	-0.3	38	0-0	3	0.8	4	0.5	21	7.1	0.94	431	Trust Power Ltd	660	-5.1	+0.5	82	1-0	6	1.3	8	0.4	17	8.7	2.57	2,072
Methven Limited	140	+3.8	-2.5	26	0-0	5	2.1	11	1.0	18	7.4	0.95	93	Dorchester Pac	23	-3.8	+1.6	77	0-0	-	1.4	5	1.4	30	Nil	2.50	48
Michael Hill	140	+1.2	-3.0	36	0-5	2	2.6	19	0.9	13	4.6	0.98	536	NZ Windfarms	7	-4.1	+1.9	78	0-0	-	0.3	2	1.7	13	Nil	2.43	20
BEST PERFORMING SHARES: Strongest Shares, P/E < 20, P/S < 1.0														WORST PERFORMING SHARES: Weakest Shares, P/S Ratio > 0.25, Yield < Twice Average													
Turners Auction	230	+14.3	-0.2	8	2-0	-	3.7	21	0.8	17	10.6	0.84	63	Charlie's Group	43	-58.3	+0.0	99	0-0	-	7.7	15	0.9	51	Nil	4.00	126
Air New Zealand	168	+7.5	-1.1	18	0-7	6	1.0	10	0.8	10	6.8	0.40	1,855	Vital Health PT	127	-58.3	+0.0	98	9-0	4	1.4	11	0.4	12	6.2	7.41	429
Opus Int'l Cons	215	+7.4	+0.5	19	1-0	4	2.8	22	0.8	13	5.6	0.78	312	Moa Group Ltd	64	-18.1	+0.9	94	1-0	1	1.3	13	0.8	10	Nil	7.86	19
Mainfreight Grp	1298	+6.5	+1.6	20	4-5	5	3.3	17	0.5	19	3.0	0.68	1,285	Diligent Board	447	-15.0	+4.1	92	0-1	4	-	32	0.7	313	Nil	N/A	366
Guinness Peat	67	+6.4	+1.4	21	8-2	3	0.1	5	1.1	3	2.3	0.10	200	Pumpkin Patch	68	-13.7	-4.5	91	0-2	4	2.1	10	1.2	21	Nil	0.40	115
Steel & Tube	309	+5.8	-2.1	23	1-0	4	1.7	10	0.7	18	6.9	0.69	273	Scott Tech. Ltd	180	-7.0	-1.7	87	0-0	-	1.7	13	0.6	13	6.2	1.23	74
Hellaby Hold.	314	+4.9	+2.4	24	0-0	3	1.5	9	1.0	16	5.9	0.54	292	Just Water Int.	10	-7.0	-1.5	86	1-0	-	1.3	26	2.6	5	Nil	0.32	9
Turners & Grow.	185	+4.8	+0.7	25	0-0	-	0.7	4	0.5	17	3.2	0.25	209	Trade-Me Ltd	380	-6.2	-1.4	85	2-1	10	2.3	12	0.5	19	5.9	9.18	1,506
Methven Limited	140	+3.8	-2.5	26	0-0	5	2.1	11	0.8	18	7.4	0.95	93	Veritas Invest.	128	-6.2	+1.1	84	4-0	-	19.1	-	0.6	NE	Nil	1.58	47
Nuplex Indust	335	+2.2	-1.7	30	0-0	6	1.2	10	1.0	12	6.3	0.40	664	Bathurst Res.	18	-6.0	+1.6	84	1-0	-	-	-	1.3	NE	Nil	N/A	128
Col Motor Co	460	+1.7	-2.8	33	1-0	-	1.1	11	0.4	11	9.3	0.24	150	GeoOP Ltd	250	-5.4	+1.7	82	0-0	-	-	-	0.8	NE	Nil	N/A	68
Finzsoft Sol'ns	42	+1.3	-0.4	35	0-0	-	1.3	15	0.9	9	Nil	0.39	3	Kirkcaldie & St	197	-4.9	+1.4	81	0-0	-	1.1	-	0.3	NE	Nil	0.53	20
Michael Hill	140	+1.2	-3.0	36	0-5	2	2.6	19	0.7	13	4.6	0.98	536	Comvita	343	-4.2	-0.4	79	1-0	1	1.2	9	0.5	14	5.4	0.96	100
Cavalier Corp	182	+0.8	-0.4	39	0-0	3	1.3	7	0.9	19	3.1	0.62	124	Meridian Energy	100	-4.1	-1.0	79	0-0	3	-	-	0.7	NE	Nil	N/A	1,256
INCOME SHARES: Highest Yields, Capitalisation > NZ\$100 million														INSIDER SELLING: Most Insider Selling, Relative Strength < 0													
Chorus Ltd	149	-25.8	-3.5	95	1-0	10	0.9	27	0.8	3	24.4	0.55	580	Fletcher Build.	900	-0.4	-2.2	57	6-10	-	1.7	9	0.5	19	4.5	0.73	6,175
Hallenstein G.	305	-15.5	-6.0	93	0-0	5	2.7	28	0.8	10	15.3	0.83	182	DNZ Property	153	-3.5	-0.0	76	0-3	5	1.0	5	0.5	18	5.6	N/A	379
NZ Oil & Gas	77	-2.4	-1.4	70	0-0	6	0.9	7	1.0	12	11.1	3.21	319	Port Tauranga	1421	-0.9	+1.8	59	1-4	7	2.4	14	0.3	17	4.6	7.80	1,905
Telecom Corp	233	+0.2	+0.2	40	0-1	11	3.0	17	0.6	18	9.8	1.01	4,225	Pumpkin Patch	68	-13.7	-4.5	91	0-2	4	2.1	10	1.2	21	Nil	0.40	115
Col Motor Co	460	+1.7	-2.8	33	1-0	-	1.1	11	0.3	11	9.3	0.24	150	Smiths City	58	-1.4	-1.1	64	0-1	-	0.7	4	0.5	15	6.0	0.14	31
Trust Power Ltd	660	-5.1	+0.5	82	1-0	6	1.3	8	0.4	17	8.7	2.57	2,072	Allied Work.	270	-1.9	-2.3	66	0-1	-	3.2	25	0.7	13	8.3	0.53	70
Vector Ltd	248	-2.8	+0.0	73	6-0	6	1.1	9	0.5	12	8.6	1.93	2,469	Diligent Board	447	-15.0	+4.1	92	0-1	4	-	32	0.7	313	Nil	N/A	366
AMP Limited	457	-8.0	-1.5	88	0-0	-	2.7	26	0.9	10	8.6	1.03	9,451	Property F Ind.	128	-1.9	-0.1	67	0-1	9	1.2	4	0.4	28	6.4	8.53	277
Mighty River	199	-6.8	-0.7	86	5-2	8	0.9	4	0.8	25	8.6	1.62	2,786	TeamTalk Ltd	215	-9.4	-0.1	90	0-1	1	1.5	9	0.5	17	13.3	1.32	61
NZ Refining Co	200	-5.7	-1.7	83	3-0	4	1.0	6	0.8	16	8.6	1.92	560	Goodman Prop.	97	-3.4	-0.9	75	0-1	7	1.0	7	0.5	15	6.5	7.72	1,160
INSIDER BUYING: Most Insider Buying, Relative Strength > 0																											
Guinness Peat	67	+6.4	+1.4	21	8-2	3	0.1	5	0.9	3	2.3	0.10	200														
Metro. LifeCare	410	+12.9	-3.4	10	3-0	4	1.2	8	0.7	15	0.5	9.22	850														
Seeka Kiwifruit	220	+7.5	+2.6	17	3-0	-	0.6	-	0.3	NE	Nil	0.23	32														
Tourism Hold.	96	+20.5	+1.0	7	2-0	1	0.5	2	0.7	28	6.0	0.47	106														
Turners Auction	230	+14.3	-0.2	8	2-0	-	3.7	21	0.7	17	10.6	0.84	63														
Col Motor Co	460	+1.7	-2.8	33	1-0	-	1.1	11	0.3	11	9.3	0.24	150														
PGG Wrightsons	41	+7.7	-1.3	15	1-0	4	1.2	6	1.1	21	7.7	0.27	309														
Rubicon Limited	40	+10.6	+3.3	11	1-0	-	0.8	-	1.2	NE	Nil	0.32	152														
Skellerup Hold.	173	+7.6	-0.8	16	1-0	3	2.7	15	0.9	18	6.6	1.76	334														
Steel & Tube	309	+5.8	-2.1	23	1-0	4	1.7	10	0.7	18	6.9	0.69	273														

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.

STRENGTH RATING														STRENGTH RATING																											
Company	Share Price	Cur- rent	4-Wk Chg.	Rank 0-99	Buyer's Bubbles Below	Price to NTA	Return on Equity	Vola- tility	Price Earnings Ratio	Divi- dend Yield	Price Sales Ratio	Market Cap'n	Company	Share Price	Cur- rent	4-Wk Chg.	Rank 0-99	Buyer's Bubbles Below	Price to NTA	Return on Equity	Vola- tility	Price Earnings Ratio	Divi- dend Yield	Price Sales Ratio	Market Cap'n																
OVER-VALUED SHARES: Highest Price/Sales Ratios, Relative Strength < 0																																									
Galaxy Res.	7	-32.9	+5.5	96	0-0	-	-	1.4	NE	Nil	9.94	75	Marengo Mining	2	-35.1	+1.9	97	0-0	-	-	2.4	NE	Nil	N/A	18																
Monax Mining	3	-15.3	+3.9	78	0-0	-	-	2.0	NE	Nil	9.94	6	Torian Res.	0	-34.9	+0.8	96	0-0	-	-	5.9	NE	Nil	N/A	12																
Hastings Hi-Yld	33	-14.0	+3.0	75	0-0	-	0.7	5	0.7	15%	292.09.79	34	Nucoal Res.	2	-34.9	-6.0	96	0-0	3	-	2.0	NE	Nil	N/A	16																
Carsales.com	886	-3.0	-3.0	53	1-5	17	29.5	-	0.3	25	3.2	9.67	2,093	Cape Alumina	3	-33.9	-5.2	96	0-0	-	-	1.6	NE	Nil	N/A	6															
Indophil Res.	17	-17.2	+4.5	81	0-0	1	-	-	1.0	37	Nil	9.66	205	Golden Rim Res.	1	-33.4	+2.0	96	0-0	-	-	2.9	NE	Nil	N/A	6															
Samson Oil/Gas	3	-6.1	+3.1	60	1-0	-	-	-	2.0	NE	Nil	9.57	58	Galaxy Res.	7	-32.9	+5.5	96	0-0	-	-	1.3	NE	Nil	9.94	75															
JSX Limited	11	-2.6	-4.9	52	0-0	-	5.5	-	0.9	NE	Nil	9.57	11	St Barbara Ltd	31	-32.2	+0.4	95	6-0	8	0.2	5	0.7	5	Nil	0.30	151														
Jupiter Energy	36	-9.9	+0.3	67	0-0	1	-	-	0.8	NE	Nil	9.56	55	Ezeatm Limited	10	-31.7	+0.8	95	1-0	-	1.7	-	1.4	NE	Nil	0.37	7														
Goodman Group	478	-1.1	-1.6	47	0-1	12	1.8	3	0.4	51	4.1	9.49	8,189	Dart Mining NL	4	-31.6	-6.6	95	0-0	-	-	-	1.8	2	Nil	1.32	7														
Optiscan Image	5	-10.7	+1.7	69	2-0	-	5.4	-	1.4	NE	Nil	9.39	9	Metrocoal Ltd	3	-31.6	+3.1	95	1-0	-	-	-	1.9	NE	Nil	N/A	6														
Carbon Minerals	51	-25.0	+1.3	90	0-0	-	-	-	0.4	NE	Nil	9.04	10	Norwest Energy	2	-31.3	+2.0	95	2-0	-	-	-	2.7	NE	Nil	N/A	15														
Circadian Tech	21	-10.4	+0.4	68	2-0	-	0.6	-	0.7	NE	Nil	8.86	10	Hawkley Oil Gas	2	-30.6	+2.1	94	0-0	1	-	-	1.9	NE	Nil	0.42	6														
Carbon Energy	2	-13.5	+1.5	74	0-0	-	-	-	2.2	NE	Nil	8.85	17	Tungsten Mining	8	-30.5	-4.3	94	1-0	-	-	-	1.4	NE	Nil	N/A	6														
MEO Australia	5	-17.5	-1.6	82	2-0	-	-	-	1.7	NE	Nil	8.69	29	Sabre Resources	4	-29.6	+0.8	94	0-0	-	-	-	1.5	NE	Nil	N/A	9														
Globe Metals	4	-13.8	+2.3	75	0-0	-	-	-	1.7	NE	Nil	8.61	17	Sihayo Gold Ltd	3	-29.5	+1.8	94	0-1	1	-	-	1.7	NE	Nil	N/A	25														
White Energy Co	17	-4.7	-8.9	57	2-0	-	-	-	1.1	NE	Nil	8.60	55	Forto Energy NL	1	-29.5	+2.5	94	1-0	-	-	-	3.9	NE	Nil	N/A	5														
Bullabulling G.	5	-10.7	+0.4	69	2-0	-	-	-	1.8	NE	Nil	8.55	14	Lemur Resources	3	-29.4	-1.3	94	0-0	-	-	-	2.0	7	Nil	4.91	5														
Kangaroo Res.	2	-21.2	+0.8	86	0-0	-	-	-	2.6	NE	Nil	8.33	52	Wasabi Energy	0	-29.3	-1.4	94	1-0	-	0.4	-	4.9	NE	Nil	5.41	30														
Target Energy	4	-17.3	-1.5	81	2-0	-	-	-	1.6	NE	Nil	7.91	18	Pharmaxis Ltd	14	-29.1	+4.6	94	1-0	6	0.8	-	1.3	NE	Nil	N/A	42														
Centrex Metals	13	-0.2	+2.4	44	2-0	-	-	-	1.1	41	Nil	7.88	41	Manas Resources	4	-28.7	+2.0	93	3-0	-	-	-	1.6	NE	Nil	N/A	8														
Westside Corp.	22	-5.2	+1.4	58	0-1	1	-	-	0.9	NE	Nil	7.77	79	PanTerra Gold	4	-28.5	-0.1	93	0-0	-	-	-	1.8	NE	Nil	1.86	22														
Dexus Property	102	-1.2	-0.9	48	1-0	12	1.0	10	0.4	9	5.9	7.73	4,796	Metallica Min.	5	-28.2	+1.3	93	1-0	-	-	-	1.3	NE	Nil	N/A	8														
Mineral Deposit	215	-11.0	-4.1	70	0-0	4	0.4	4	0.5	12	Nil	7.62	180	Guildford Coal	10	-28.1	+3.8	93	5-0	2	-	-	1.3	NE	Nil	N/A	61														
Bentham IMF Ltd	171	-2.9	+0.3	53	0-1	4	5.3	35	0.2	15	2.9	7.61	210	Triple Energy	1	-28.1	+5.4	93	0-0	-	-	-	3.0	NE	Nil	N/A	7														
Carindale Prop	543	-0.7	-0.0	46	0-0	3	0.8	6	0.2	15	5.3	7.56	380	Bluechip Ltd	6	-27.9	-6.5	93	1-1	-	5.5	-	1.3	NE	Nil	N/A	5														
Tasman Resource	3	-24.2	-4.8	89	0-0	-	-	-	2.1	NE	Nil	7.42	7	WHL Energy	1	-27.9	+1.4	93	0-0	-	-	-	3.2	NE	Nil	N/A	13														
CFS Retail Prop	193	-2.0	-0.6	50	0-0	13	0.9	5	0.4	19	7.0	7.39	5,459	Incremental Oil	7	-27.8	-2.2	93	0-0	-	0.5	12	3.4	4	Nil	0.75	12														
Spark Infrastru	166	-2.3	+0.4	51	1-1	13	0.9	7	0.4	13	3.2	7.35	2,202	Voyager Res Ltd	0	-27.5	+1.3	92	0-0	-	-	-	5.2	NE	Nil	N/A	6														
Astron Corp Ltd	75	-11.7	-1.9	71	0-0	-	-	-	0.7	NE	Nil	7.25	92	Celamin Hold.	4	-27.3	+6.6	92	7-0	-	-	-	1.6	NE	Nil	N/A	11														
Cromwell Prop.	97	-0.1	-0.3	43	2-5	4	1.4	4	0.4	36	7.5	7.21	1,662	Silver Lake Res	62	-27.1	+2.1	92	1-0	8	0.8	-	0.5	NE	Nil	N/A	233														
Maverick Drill.	43	-2.7	-4.6	52	4-0	1	-	-	0.6	52	Nil	7.09	195	MOD Resources	2	-26.6	-3.4	91	0-0	-	-	-	2.3	NE	Nil	N/A	8														
Horizon Oil Ltd	33	-6.1	+1.3	60	0-0	7	0.7	1	0.7	97	Nil	7.02	369	Fox Resources	1	-26.5	+1.0	91	2-0	-	-	-	3.0	NE	Nil	N/A	5														
Chart H Retail	357	-3.4	-2.2	54	0-0	11	1.1	5	0.4	23	7.5	6.99	1,205	Peak Resources	6	-26.3	-2.4	91	0-0	-	-	-	1.6	NE	Nil	N/A	19														
Noble Mineral	1	-36.0	+3.6	97	0-0	-	-	-	3.5	NE	Nil	6.77	7	Gujarat NRE	8	-25.5	+4.5	91	0-0	1	0.2	-	1.0	NE	Nil	0.59	183														
Aspen Group Ltd	130	-9.3	-1.8	66	3-0	-	5.9	-	0.3	NE	1.2	6.63	155	Troy Resources	127	-25.4	+1.8	91	21-2	4	0.8	6	0.3	13	Nil	1.05	213														
Entek Energy	3	-7.6	+2.5	63	8-0	-	-	-	2.0	NE	Nil	6.53	16	Metals Aust.	1	-25.3	-5.6	90	0-0	-	-	-	3.5	NE	Nil	N/A	6														
Deutsche Ind Tr	196	+0.0	+0.0	41	0-0	-	1.2	10	0.2	12	8.1	6.49	663	World Titanium	8	-25.2	-6.1	90	0-0	4	-	-	1.1	NE	Nil	N/A	26														
GPT Group	360	-2.3	-0.1	51	2-0	10	1.0	9	0.3	11	5.3	6.41	6,367	Wildhorse En.	3	-25.2	+2.7	90	0-0	-	-	-	2.0	NE	Nil	N/A	12														
Aurora Oil Gas	409	-4.6	+0.4	57	2-0	13	3.3	10	0.4	32	Nil	6.34	1,832	INSIDER SELLING: Most Insider Selling, Relative Strength < 0																											
Brain Resource	26	-10.8	-8.3	69	0-0	1	-	-	0.8	NE	Nil	6.31	25	Nthn Minerals	19	-2.4	-3.8	51	0-5	-	-	-	0.8	NE	Nil	N/A	51														
Murchison Metal	4	-4.8	-0.8	57	0-0	-	-	-	1.6	NE	Nil	6.25	19	Credit Corp	923	-1.7	-0.4	49	0-4	5	3.0	23	0.2	13	4.0	2.97	424														
Computronics	2	-0.5	+0.1	45	0-0	-	-	-	2.1	77	Nil	6.25	9	Lycopodium Ltd	438	-6.4	-0.5	61	0-4	-	2.7	35	0.2	8	8.2	0.69	170														
Westfield Group	994	-4.6	-0.9	57	0-0	12	1.4	11	0.2	13	5.0	6.15	22,092	GBM Gold Ltd	1	-4.4	-3.4	56	0-4	-	-	-	2.5	NE	Nil	N/A	8														
Transerv Energy	0	-9.8	+3.7	67	0-0	-	-	-	6.0	NE	Nil	6.14	16	Carsales.com	886	-3.0	-3.0	53	1-5	17	29.5	-	0.3	25	3.2	9.67	2,093														
Deutsche Div Tr	131	+0.0	+0.0	40	0-0	-	1.1	8	0.2	14	7.1	6.10	1,306	CocaCola Amatil	1139	-3.9	-0.6	55	1-5	14	6.0	32	0.2	19	4.9	1.69	8,681														
Federation Cent	233	-0.2	-1.3	44	1-0	12	1.0	7	0.5	16	6.1	6.09	3,326	Tamawood Ltd	283	-0.5	-5.7	45	0-3	-	8.6	59	0.2	15	7.4	0.76	72														
Bounty Oil Gas	1	-3.8	+0.6	55	0-0	-	-	-	2.7	NE	Nil	6.04	13	Hughes Drilling	28	-0.3	-3.5	45	0-3	2	0.8	16	0.6	5	Nil	1.02	51														
DGR Global Ltd	3	-15.0	-3.3	77	0-0	-	-	-	2.3	NE	Nil	5.83	9	Vision Eye Inst	64	-2.9	-0.7	53	0-3	1	-	-	0.6	11	Nil	0.94	101														
Adv Share Reg.	70	-0.0	+0.6	42	0-0	-	5.0	26	0.4	19	5.5	5.81	30	Flexicorp Ltd	410	-1.6	-3.7	49	0-3	9	-	-	0.3	19	3.5	4.35	1,235														
Chal Div Prop	252	-0.6	-0.5	45	3-1	4	0.9	7	0.3	14	7.1	5.72	540	Cromwell Prop.	97	-0.1	-0.3	43	2-5	4	1.4	4	0.4	36	7.5	7.21	1,662														
WORST PERFORMING SHARES: Weakest Shares, P/S Ratio > 0.25, Yield < Twice Average																																									
Red 5 Ltd	9	-50.1	-3.7	99	0-0	1	-	-	1.1	NE	Nil	0.42	12	Bougainville Co	47	-4.9	+4.3	57	0-2	-	1.1	-	0.5	NE	Nil	N/A	188														
Discovery Metal	4	-46.8	+0.5	99	0-1	2	-	-	1.5	NE	Nil	N/A	21	Western Desert	64	-0.9	-2.7	46	0-2	2	-	-	0.5	NE	Nil	N/A	231														
Style Limited	1	-43.3	+1.8	99	0-0	-	-	-	2.6	NE	Nil	N/A	8	Jumbo Interact.	175	-0.1	-7.2	43	0-2	4	5.5	21	0.5	26	1.7	3.03	76														
Tanami Gold NL	2	-40.3	-1.0	98	1-0	1	-	-	2.1	NE	Nil	0.30	22	Bradken Ltd	505	-2.4	-5.0	51	0-2	16	2.3	18	0.4	13	7.5	0.65	855														
Mungana Gold.	4	-40.1	+0.9	98	1-0	-	-	-	1.6	NE	Nil	N/A	6	Tatts Group Ltd	296	-2.1	-0.9	50	0-2	13	-	-	0.3	18	5.2	1.41	4,152														
Millennium Min.	17	-39.4	+1.1	98	1-0	2	-	-	1.9	NE	Nil	N/A	739	Cash Converters	91	-14.6	-0.4	76	0-2	3	3.4	32	0.3	11	4.4	1.41	386														
Kangaroo Island	185	-38.2	+3.4	98	0-0	-	0.2	-	0.3	NE	Nil	N/A	1,076	Imdex Limited	59	-19.7																									

Australian Warrant / Option Analysis

Company	Share Price	Exercise Price	Yr/Mth to Expiry	Option Price	Black-Scholes Valuation	Option Over/Under-Valued	Share Volatility	Option Leverage	Options to Buy 1 Share	Break-Even Rate	Company	Share Price	Exercise Price	Yr/Mth to Expiry	Option Price	Black-Scholes Valuation	Option Over/Under-Valued	Share Volatility	Option Leverage	Options to Buy 1 Share	Break-Even Rate
Actinogen	2.1	20	1-7	0.1	0.6	-83	1.55	1.57	1.0	+316	Cellmid Ltd	3.7	3.4	2-8	1.6	2.1	-23	0.88	1.41	1.0	+12
Agenix Ltd	2.4	5.0	1-4	0.5	0.5	-7	0.94	2.06	1.0	+86	Central Petroleum	38	16	0-1	0.6	22.0	-97	0.57	1.72	1.0	-100
Alcyone Resources	0.1	6.0	1-3	0.1	0.0	+999	1.86	1.84	1.0	+999	Central Petroleum	38	16	0-1	0.3	22.0	-99	0.57	1.72	1.0	-100
Alcyone Resources	0.1	1.0	1-5	0.1	0.0	+169	1.86	1.43	1.0	+443	Citation Resources	1.4	4.0	1-10	0.4	0.4	+2	1.05	1.76	1.0	+89
Aleator Energy	0.6	2.0	0-11	0.2	0.0	+451	0.91	2.99	1.0	+313	Classic Minerals	8.2	20	1-4	1.5	3.2	-53	1.38	1.55	1.0	+106
Allegiance Coal	1.5	25	0-1	0.1	0.0	+999	1.31	9.99	1.0	+999	Cleveland Mining	11	65	2-4	1.2	1.7	-31	0.96	1.93	1.0	+119
Anatolia Energy	6.5	18	3-4	0.2	3.1	-93	1.02	1.41	1.0	+37	Condor Blanco Mines	0.6	20	0-1	0.1	0.0	+999	1.37	9.99	1.0	+999
Antipa Minerals	2.3	8.0	0-10	0.2	0.2	+27	1.01	2.84	1.0	+360	Contango Microcap	105	120	0-0	0.1	0.0	+999	0.18	9.99	1.0	+999
Antisense Thera.	13	27	2-11	5.0	3.6	+39	0.70	1.87	1.0	+36	Continental Coal	2.0	50	1-4	0.2	0.0	+999	0.45	9.99	1.0	+999
Argentina Mining	1.8	20	1-0	0.1	0.0	+193	1.10	3.03	1.0	+953	Core Exploration	5.1	10	0-8	0.9	0.9	+4	1.13	2.37	1.0	+212
Armour Energy	15	50	0-6	1.9	0.0	+999	0.66	7.33	1.0	+999	Cott Oil & Gas	14	20	1-10	5.0	3.3	+52	0.67	2.17	1.0	+40
Artemis Resources	0.4	1.2	0-1	0.1	0.0	+999	1.06	9.99	1.0	+999	Cradle Resources	20	20	0-11	4.0	6.1	-35	0.86	2.08	1.0	+26
Artemis Resources	0.4	2.0	2-6	0.1	0.1	-12	1.06	1.65	1.0	+94	Crest Minerals	1.0	6.0	0-9	0.2	0.2	+13	1.74	1.89	1.0	+999
Arunta Resources	0.4	2.0	0-10	0.1	0.1	+92	1.43	2.14	1.0	+670	Crossland Uranium	2.3	15	0-9	0.2	0.0	+999	0.92	4.28	1.0	+999
Astro Resources	0.1	0.5	0-4	0.1	0.0	+999	0.00	9.99	1.0	+999	Cudeco Limited	145	250	1-10	50.0	25.9	+93	0.63	2.44	1.0	+49
Attila Resources	48	20	0-4	20.0	27.7	-28	0.54	1.71	1.0	-40	Cynata Therapeutics	40	20	0-10	25.0	23.7	+6	1.04	1.51	1.0	+15
Audalia Resources	9.0	20	0-2	1.5	0.2	+760	1.25	5.04	1.0	+999	Discovery Africa	6.0	20	2-10	1.7	1.7	+2	0.87	1.74	1.0	+58
Aura Energy	3.9	20	0-9	0.2	0.0	+999	0.76	5.23	1.0	+796	Donaco International	94	30	0-11	55.0	64.7	-15	0.46	1.45	1.0	-10
Ausquest Ltd	1.4	4.0	2-9	0.5	0.9	-43	1.42	1.24	1.0	+53	Dourado Resources	1.7	20	0-9	0.4	0.0	+999	0.55	1.00	1.0	+999
Aust Leaders Fund	165	137	0-7	28.0	30.3	-8	0.15	5.26	1.0	+0	Dragon Energy	8.0	35	0-9	0.6	0.8	-24	1.33	2.39	1.0	+675
Aust Minerals & Min.	9.0	20	0-1	0.1	0.0	+999	0.81	9.99	1.0	+999	Drake Resources	1.4	7.0	0-5	0.1	0.0	+999	0.89	6.35	1.0	+999
BBX Minerals	2.5	25	0-4	0.9	0.0	+999	1.15	6.57	1.0	+999	Eagle Nickel	0.3	20	1-10	0.1	0.0	+999	1.09	2.81	1.0	+891
Bass Metals	0.6	20	0-7	0.1	0.0	+999	0.96	9.99	1.0	+999	Eden Energy	1.2	20	0-4	0.1	0.0	+999	0.78	9.99	1.0	+999
Beacon Minerals	0.5	0.5	1-7	0.1	0.3	-66	1.31	1.34	1.0	+12	Elementos Ltd	1.9	6.0	0-1	0.1	0.0	+999	1.29	8.36	1.0	+999
Benitec Ltd	83	10	0-1	0.1	73.0	-100	0.79	1.14	1.0	-100	Energex NL	2.0	10	1-4	0.1	0.1	+31	0.82	3.07	1.0	+237
Black Mountain Res.	8.5	20	1-2	2.0	0.9	+115	0.79	2.71	1.0	+123	Enerji Ltd	0.1	20	2-10	0.3	0.0	+688	1.91	1.30	1.0	+552
Black Star Petroleum	17	20	3-10	5.0	5.3	-5	0.46	1.99	1.0	+11	Enerji Ltd	0.1	3.0	1-4	0.3	0.0	+999	1.91	1.58	1.0	+999
Boadicea Resources	20	20	0-1	1.0	2.1	-52	0.90	5.31	1.0	+80	Erin Resources	1.3	2.0	1-4	0.3	1.0	-70	2.30	1.13	1.0	+53
Botswana Metals	0.4	1.5	2-10	0.1	0.3	-65	1.64	1.16	1.0	+63	Euroz Ltd	122	75	0-0	39.5	1.0	+999	0.20	1.13	1.0	-100
Boulder Steel	1.6	10	1-4	0.3	0.0	+999	0.42	9.29	1.0	+304	Exalt Resources	2.0	20	1-10	0.5	0.7	-30	1.60	1.45	1.0	+256
Brazilian Metals	0.4	20	0-1	0.1	0.0	+999	1.16	9.99	1.0	+999	Exalt Resources	2.0	20	1-10	0.5	0.7	-30	1.60	1.45	1.0	+256
Breaker Resources	12	25	0-10	1.4	1.4	+2	0.93	2.68	1.0	+171	Fairstar Resources	0.9	10	0-6	0.3	0.0	+999	1.44	3.45	1.0	+999
Brockman Mining	5.7	20	0-7	0.1	0.0	+911	0.65	6.85	1.0	+767	Firestone Energy	0.8	4.0	0-3	0.1	0.0	+999	0.67	9.99	1.0	+999
Buxton Resources	27	30	1-11	10.0	16.1	-38	1.27	1.32	1.0	+24	Forte Consolidated	4.5	20	0-2	0.9	0.0	+999	0.65	9.99	1.0	+999
Cadence Capital	143	143	1-6	6.7	15.7	-57	0.19	5.55	1.0	+3	GBM Resources	3.2	3.5	2-4	0.7	1.2	-41	0.65	1.83	1.0	+12
Canyon Resources	6.9	16	2-0	1.5	1.5	+2	0.79	2.06	1.0	+59	Galaxy Resources	6.7	8.0	0-10	1.6	1.6	+0	0.82	2.37	1.0	+54
Capital Mining	0.9	2.0	2-10	0.1	0.6	-83	1.37	1.23	1.0	+35	General Mining	1.6	13	1-6	0.5	0.1	+352	1.03	2.40	1.0	+301
Caravel Minerals	1.9	7.0	1-4	0.2	0.3	-28	1.05	2.17	1.0	+180	General Mining	1.6	10	0-6	0.5	0.0	+999	1.03	4.77	1.0	+999
Caravel Minerals	1.9	3.5	2-3	0.6	0.8	-29	1.05	1.50	1.0	+41	Gladiator Resources	1.0	10	1-4	0.1	0.1	+30	1.20	2.25	1.0	+467
Carbon Conscious	2.3	8.0	1-1	0.3	0.1	+111	0.86	2.94	1.0	+227	Gleneagle Gold	0.2	1.0	1-4	0.1	0.1	+27	1.71	1.45	1.0	+259
Carbon Energy	2.1	6.0	2-5	0.5	0.4	+19	0.77	2.03	1.0	+60	Global Geoscience	3.2	5.0	0-4	0.6	0.2	+184	0.88	4.09	1.0	+436
Carbon Polymers	2.0	30	0-1	1.0	0.0	+999	0.72	9.99	1.0	+999	Global Metal Exp	0.5	2.0	1-8	0.2	0.3	-42	2.11	1.18	1.0	+143
Cardia Bioplastics	0.3	1.5	1-4	0.1	0.1	+10	1.50	1.61	1.0	+251	Golden Gate Petroleum	0.1	5.0	0-10	0.1	0.0	+999	1.99	2.07	1.0	+999
Cardinal Resources	2.3	20	0-4	0.4	0.0	+999	0.92	9.17	1.0	+999	Golden Gate Petroleum	0.1	2.0	0-10	0.1	0.0	+685	1.99	1.84	1.0	+999
Camaron Petrol.	5.7	10	1-10	2.2	0.7	+228	0.52	2.98	1.0	+51	Goldsearch	0.4	2.5	0-4	0.1	0.0	+999	1.09	6.03	1.0	+999
Celamin Holdings	3.5	20	0-1	0.8	0.0	+999	0.83	9.99	1.0	+999	Green Rock Energy	0.1	1.2	0-11	0.1	0.0	+104	2.71	1.29	1.0	+999

Company	Share Price	Exercise Price	Yr/Mth to Expiry	Option Price	Black-Scholes Valuation	Option Over/Under-Valued	Share Volatility	Option Leverage	Options to Buy 1 Share	Break-Even Rate	Company	Share Price	Exercise Price	Yr/Mth to Expiry	Option Price	Black-Scholes Valuation	Option Over/Under-Valued	Share Volatility	Option Leverage	Options to Buy 1 Share	Break-Even Rate
Greenland Minerals	18	60	0-7	6.6	0.1	+999	0.67	6.14	1.0	+799	Nemex Resources	1.8	5.0	0-10	0.1	0.3	-62	1.15	2.30	1.0	+249
Hastings Rare Metals	4.8	15	0-1	0.1	0.0	+999	0.93	9.99	1.0	+999	Nemex Resources	1.8	20	0-1	0.1	0.0	+999	1.15	9.99	1.0	+999
Havilah Resources	24	75	0-1	0.3	0.0	+999	0.73	9.99	1.0	+999	New Horizon Minerals	1.7	20	0-10	0.1	0.0	+999	0.90	4.88	1.0	+999
Hawkley Oil & Gas	2.1	20	0-1	0.1	0.0	+999	0.89	9.99	1.0	+999	Noble Minerals Res	0.9	48	1-2	1.5	0.0	+999	0.65	9.99	1.0	+999
Helix Resources	3.3	1.5	0-7	1.8	1.9	-5	0.84	1.64	1.0	+0	Northern Manganese	2.4	5.0	0-2	0.2	0.1	+247	1.24	4.91	1.0	+999
Hill End Gold	0.6	10	0-3	0.2	0.0	+999	1.05	9.99	1.0	+999	OBJ Ltd	4.0	1.0	0-10	3.0	3.0	-1	0.77	1.31	1.0	+0
Hot Chili Ltd	42	75	0-9	2.0	1.1	+87	0.50	5.44	1.0	+124	Odyssey Energy	1.3	5.0	0-10	0.5	0.2	+215	1.25	2.29	1.0	+465
IM Medical	0.2	1.0	2-7	0.1	0.2	-40	2.14	1.08	1.0	+93	Oil Basins	2.0	4.0	0-4	0.5	0.1	+691	0.90	4.62	1.0	+999
IMX Resources	5.0	60	1-7	0.3	0.0	+999	0.67	4.72	1.0	+403	Oilex Ltd	9.4	15	1-6	1.8	2.0	-11	0.73	2.26	1.0	+47
Immuron Ltd	0.6	4.0	1-2	0.1	0.3	-60	2.00	1.40	1.0	+419	Orecorp Ltd	8.0	27	1-2	1.1	0.0	+999	0.45	6.62	1.0	+186
Invigor Group	1.1	5.0	4-4	0.7	1.0	-30	1.91	1.04	1.0	+46	Orinoco Gold	13	25	1-3	2.3	4.1	-43	1.18	1.73	1.0	+87
Isonea Ltd	28	14	0-4	14.0	15.1	-8	1.18	1.69	1.0	+0	Orion Gold NL	7.0	20	1-6	1.0	2.8	-65	1.41	1.50	1.0	+108
Jacka Resources	8.5	35	0-11	0.5	0.3	+89	0.87	3.40	1.0	+376	Oroya Mining	0.1	0.3	1-4	0.1	0.1	+71	1.95	1.27	1.0	+183
Jatenergy Ltd	1.5	25	0-0	0.1	0.3	-62	0.84	3.40	1.0	+999	Otis Energy	0.1	5.0	1-10	0.1	0.0	+120	2.21	1.28	1.0	+754
Kaboko Mining	0.3	1.2	2-6	0.1	0.1	-25	1.26	1.41	1.0	+80	PBD Developments	2.2	2.3	1-10	0.3	0.9	-65	0.75	1.78	1.0	+8
King River Copper	4.8	20	1-4	1.3	1.8	-26	1.57	1.51	1.0	+206	PM Capital Global	99	100	1-4	7.8	2.9	+168	0.03	9.99	1.0	+7
Kingston Resources	2.7	20	1-10	1.0	0.4	+130	1.13	1.91	1.0	+206	Padbury Mining	0.7	2.0	0-4	0.1	0.1	+65	1.56	2.77	1.0	+999
Korab Resources	3.1	25	0-6	0.3	0.0	+999	0.70	9.99	1.0	+999	Panterra Gold	3.6	18	0-10	1.0	0.0	+999	0.79	4.44	1.0	+613
Krakatoa Resources	23	20	1-4	3.5	13.3	-74	1.28	1.39	1.0	+2	Paynes Find Gold	0.3	3.0	1-4	0.1	0.1	-2	1.85	1.47	1.0	+476
Laconia Resources	0.9	6.0	4-7	0.2	0.7	-70	1.44	1.14	1.0	+52	Peak Resources	5.7	10	1-4	1.2	0.6	+103	0.58	3.14	1.0	+66
Latin Resources	5.6	20	0-8	0.1	0.0	+437	0.67	6.01	1.0	+633	Peak Resources	5.7	25	0-5	0.2	0.0	+999	0.58	9.99	1.0	+999
Lindian Resources	0.7	8.0	0-10	0.1	0.1	-14	1.90	1.81	1.0	+999	Pelican Resources	0.8	4.0	0-4	0.1	0.0	+999	0.76	9.99	1.0	+999
Lion Selection Group	52	80	0-9	3.5	1.3	+165	0.40	6.29	1.0	+83	Peninsula Energy	2.3	3.0	1-10	0.9	0.4	+127	0.47	2.83	1.0	+33
Liontown Resources	1.2	5.0	1-7	0.4	0.1	+222	0.89	2.39	1.0	+160	Pental Ltd	3.3	2.0	0-6	1.3	1.4	-8	0.65	2.12	1.0	+0
Lithex Resources	3.6	8.0	1-10	0.4	1.8	-78	1.35	1.39	1.0	+59	Petratherm Ltd	1.0	3.0	0-8	0.1	0.1	-30	1.33	2.28	1.0	+446
Lucapa Diamond	0.7	1.0	1-6	0.3	0.3	-5	1.17	1.53	1.0	+51	PharmAust Ltd	1.6	2.0	1-6	0.5	0.8	-38	1.21	1.46	1.0	+35
MRG Metals	16	25	2-7	4.5	2.4	+88	0.44	2.81	1.0	+27	Pharmnet Group	0.1	0.5	1-10	0.1	0.1	+45	2.10	1.17	1.0	+166
MRL Corporation	3.5	20	2-8	0.4	0.5	-27	0.87	1.99	1.0	+96	Phoenix Gold	16	25	0-9	1.5	1.6	-9	0.73	3.22	1.0	+104
Magellan Financial	1155	300	2-4	816.0	873.2	-7	0.38	1.32	1.0	-1	Phylogica Ltd	3.2	9.0	2-4	1.1	0.8	+45	0.84	1.90	1.0	+64
Magellan Flagship	165	105	3-8	56.0	71.7	-22	0.23	2.13	1.0	-1	Platypus Minerals	0.1	1.0	0-2	0.1	0.0	+999	2.07	4.45	1.0	+999
Malachite Resources	0.7	1.5	1-1	0.2	0.1	+62	0.95	2.28	1.0	+127	Potash Minerals	5.1	20	1-9	0.6	0.5	+15	0.82	2.43	1.0	+122
Manas Resources	3.6	8.0	1-1	0.5	0.3	+81	0.70	3.19	1.0	+121	Prima Biomed	5.4	20	3-4	2.3	2.3	+1	1.03	1.45	1.0	+54
Mantle Mining	2.5	4.5	1-4	1.0	0.6	+58	0.93	2.00	1.0	+81	Primary Gold	5.0	10	1-10	0.6	2.3	-74	1.24	1.45	1.0	+51
Metals of Africa	8.1	15	2-10	1.0	2.0	-51	0.63	2.02	1.0	+27	Primary Gold	5.0	20	1-1	1.5	0.8	+77	1.24	2.03	1.0	+284
Minera Gold	0.5	18	0-2	0.1	0.0	+999	1.07	9.99	1.0	+999	Proto Res & Inv	0.1	5.5	3-1	0.1	0.0	+416	1.34	1.58	1.0	+272
Minerals Corp	0.3	1.0	1-10	0.1	0.1	-27	1.43	1.41	1.0	+103	Proto Res & Inv.	0.1	5.0	0-6	0.1	0.0	+999	1.34	5.31	1.0	+999
Mining Corporation	1.9	5.0	1-4	0.6	0.4	+52	1.02	2.02	1.0	+125	Quest Petroleum	0.2	1.5	2-4	0.1	0.1	-1	1.59	1.30	1.0	+144
Mining Group	1.9	20	0-4	0.1	0.0	+999	1.02	8.28	1.0	+999	RMG Ltd	0.1	2.0	0-2	0.1	0.0	+999	2.42	4.16	1.0	+999
Mining Projects	0.3	1.0	2-4	0.1	0.2	-34	1.35	1.35	1.0	+75	Rampart Energy	5.8	0.7	1-11	1.7	5.3	-68	1.45	1.07	1.0	-37
Mining Projects	0.3	1.5	0-9	0.1	0.0	+259	1.35	2.37	1.0	+832	Range Resources	2.3	5.0	1-11	0.8	0.2	+323	0.52	3.16	1.0	+62
Mining Projects Group	0.3	10	0-4	0.1	0.0	+999	1.35	6.75	1.0	+999	Raya Group	1.2	1.5	2-5	0.1	1.1	-91	2.11	1.06	1.0	+13
Moko.Mobi Ltd	22	5.0	1-4	15.0	17.6	-15	1.00	1.21	1.0	-7	Raya Group	1.2	10	0-10	0.1	0.3	-71	2.11	1.57	1.0	+999
Mongolian Resources	3.5	40	0-10	0.5	0.0	+999	0.87	5.12	1.0	+999	Raya Group	1.2	1.5	2-5	0.5	1.1	-53	2.11	1.06	1.0	+24
Mt Magnet South	1.5	7.0	0-6	0.3	0.1	+230	1.45	2.73	1.0	+999	Red Gum Resources	1.3	10	2-0	0.1	0.1	+97	0.79	2.78	1.0	+179
Mutiny Gold	2.8	5.0	1-6	0.7	0.8	-10	0.93	1.91	1.0	+63	Red Mountain Mining	3.0	3.0	2-4	1.7	2.9	-42	2.82	1.02	1.0	+21
NKWE Platinum	9.0	10	2-1	3.4	3.7	-8	0.78	1.70	1.0	+21	Red Mountain Mining	3.0	1.5	0-4	1.6	2.2	-26	2.82	1.24	1.0	+10
Naos Emerging Opps.	107	100	0-11	16.0	11.9	+34	0.16	6.71	1.0	+9	Redstone Resources	6.2	20	2-0	1.0	1.2	-19	0.89	1.99	1.0	+84
Naracoota Resources	1.8	9.0	1-7	0.2	0.0	+636	0.63	3.85	1.0	+180	Regalpoint Resources	2.2	20	0-1	0.1	0.0	+999	1.11	9.99	1.0	+999
Navigator Resources	0.1	4.0	0-5	0.1	0.0	+999	0.00	9.99	1.0	+999	Reward Minerals	52	25	2-4	38.0	37.2	+2	1.00	1.26	1.0	+9

Company	Share Price	Exercise Price	Yr/Mth to Expiry	Option Price	Black-Scholes Valuation	Option Over/Under-Valued	Share Volatility	Option Leverage	Options to Buy 1 Share	Break-Even Rate
Rhinomed Ltd	4.0	6.0	3-2	1.7	3.9	-56	2.59	1.01	1.0	+23
Rumble Resources	2.6	25	0-5	0.3	0.0	+999	1.20	5.06	1.0	+999
Rumble Resources	2.6	8.0	1-4	0.9	0.7	+36	1.20	1.81	1.0	+152
Rumble Resources	2.6	35	1-8	0.8	0.2	+241	1.20	2.08	1.0	+382
Rutila Resources	23	20	0-5	2.0	5.4	-63	0.72	2.89	1.0	-5
SML Corporation	3.0	20	1-9	0.2	0.0	+999	0.39	8.86	1.0	+200
Samson Oil & Gas	2.6	3.8	3-1	1.2	1.4	-13	0.95	1.40	1.0	+24
Sandon Capital	95	100	1-5	4.5	0.1	+999	0.02	9.99	1.0	+7
Select Exploration	0.7	35	1-7	0.1	0.0	+410	1.31	2.32	1.0	+999
Shoply Ltd	2.1	2.1	0-4	0.6	0.5	+14	1.10	2.50	1.0	+113
Sierra Mining	22	10	0-10	12.5	13.0	-4	0.84	1.57	1.0	+3
Silver City Minerals	8.2	25	0-10	1.5	0.4	+281	0.88	3.31	1.0	+333
Sino Aust Oil & Gas	49	75	2-9	2.5	1.8	+39	0.22	5.76	1.0	+18
Spectrum Rare Earths	3.5	20	0-6	0.3	0.0	+999	0.90	6.13	1.0	+999
Spitfire Resources	1.1	12	2-1	0.2	0.1	+70	1.05	2.05	1.0	+217
St George Mining	11	20	0-9	1.7	1.2	+42	0.87	2.87	1.0	+163
Sth Amer Ferro Mtls	6.7	20	0-10	1.5	0.3	+393	0.84	3.39	1.0	+305
Style Ltd	1.4	50	0-5	0.2	0.1	+107	2.78	2.01	1.0	+999
Syndicated Metals	3.3	20	0-9	0.1	0.5	-80	1.65	1.98	1.0	+975
TNG Limited	4.0	8.0	1-5	1.3	0.4	+204	0.64	2.92	1.0	+81
Tag Pacific	18	20	3-7	4.0	5.0	-21	0.41	2.19	1.0	+9
Tamaska Oil & Gas	0.1	0.5	1-6	0.1	0.0	+999	0.00	9.99	1.0	+242
Titan Energy	2.7	3.0	1-8	0.3	1.3	-76	1.01	1.55	1.0	+13
Trafford Resources	11	20	1-3	1.7	1.7	+0	0.78	2.46	1.0	+79
Trafford Resources	11	30	0-7	2.1	0.2	+946	0.78	4.45	1.0	+512
Tychean Resources	0.4	0.6	0-7	0.1	0.1	-26	1.56	1.79	1.0	+168
Uranex Ltd	11	10	3-3	3.4	8.0	-58	1.28	1.16	1.0	+8
Valence Industries	25	25	2-5	8.0	5.8	+38	0.36	2.69	1.0	+13
Valmec Ltd	24	25	3-10	8.5	17.8	-52	1.14	1.18	1.0	+9
Vector Resources	2.9	25	0-11	0.2	0.0	+391	1.03	3.38	1.0	+957
Victory Mines	0.6	20	1-1	0.1	0.0	+674	1.41	2.53	1.0	+999
Vmoto Ltd	4.1	4.0	0-10	1.7	1.3	+28	0.87	2.08	1.0	+48
Volta Mining	5.7	20	0-4	0.5	0.2	+161	1.36	3.49	1.0	+999
Voyager Resources	0.4	3.0	0-10	0.1	0.0	+999	0.94	3.95	1.0	+999
Voyager Resources	0.4	6.0	1-4	0.1	0.0	+999	0.94	3.34	1.0	+672
WAM Research	114	120	1-4	5.0	8.9	-44	0.19	6.53	1.0	+7
WHL Energy	0.9	4.0	0-9	0.1	0.0	+999	0.73	5.23	1.0	+655
Wasabi Energy	0.4	0.8	0-1	0.1	0.0	+999	0.99	9.99	1.0	+999
Watermark Fund	102	100	0-10	4.5	5.1	-13	0.07	9.99	1.0	+3
West Wits Mining	1.5	8.0	0-5	0.1	0.0	+999	0.84	7.30	1.0	+999
Western Mining Net.	11	10	0-4	1.5	3.2	-53	1.11	2.36	1.0	+14
White Cliff Minerals	1.5	6.0	0-7	0.1	0.2	-35	1.45	2.40	1.0	+999
Wolf Petroleum	6.0	5.0	4-5	3.9	3.8	+3	0.75	1.32	1.0	+9
Wolf Petroleum	6.0	20	1-10	2.0	0.6	+218	0.75	2.50	1.0	+103
Yowie Group	33	20	1-10	12.0	18.3	-35	0.76	1.53	1.0	-2
Zeta Petroleum	0.7	4.0	1-4	0.3	0.2	+70	1.45	1.69	1.0	+290
Zeta Petroleum	0.7	30	1-5	1.0	0.0	+999	1.45	2.20	1.0	+999
Zeta Resources	50	100	2-3	1.0	0.3	+287	0.22	8.23	1.0	+36

Euroz Options

Euroz (codes EZL and EZLO).

Euroz options - which we reviewed in May 2013 - expire on 1 March 2014. These options allow investors to buy a Euroz share for 75 cents, so as these shares trade on-market at around 122 cents, the options have an intrinsic value of about 47 cents.

If investors do nothing, then these options will expire on 1 March 2014 and become worthless. So investors must realise the value in these options in one of two ways:

1. An investor owning these options can sell them on-market by 21 February (at which date the options will be delisted). The options are currently traded at 39-43 cents, so selling on-market will realise about 39 cents.

2. An investor can exercise the options, paying 75 cents to the company to purchase ordinary shares. The ordinary shares are quoted at 122-125 cents, so exercising the shares realises a value of 47-50 cents. The company requires payment by Friday 28 February.

Exercising the options offers the best choice to maximise the value of these options. If an investor exercises the options, then there are two choices for the shares - either sell on-market (to realise their value in cash) or hold as an investment.

The *new* shares issued by the company can be sold on a "deferred settlement" from 24 February (through until about 24 March) but at some stage through that period will trade equally with existing shares.

To maximise the value of the options in cash, it would probably be best to first exercise the options, then sell the resulting shares on-market.

Euroz shares should also be attractive as a medium to long term investment - although this is a small stockbroking and funds management business so it can be volatile and cyclical.

For the six months to December 2013 the company reported net profits up 28.4% to \$12,387,574 (8.5 cents per share) and paid a 16.7% higher interim dividend of 1.75 cents.

We intend to exercise our options immediately and retain the shares as a medium to longer term investment.

Euroz



Dividend \$

Company	Cents per Share	Ex-Date	Pay-able	Tax Credit
Smith City Group	1.00	07-02	14-02	Nil
	<u>Australian Shares</u>			
Melbourne IT (capital)	54.00	30-01	19-02	

Total Return Index for All Listed Shares

Jan 13	1514.90	Jan 20	1525.92
Jan 14	1518.15	Jan 21	1526.43
Jan 15	1522.28	Jan 22	1527.77
Jan 16	1524.38	Jan 23	1519.70
Jan 17	1522.52	Jan 24	1517.89
Jan 27	1509.57	Feb 3	1498.35
Jan 28	1507.50	Feb 4	1493.16
Jan 29	1513.35	Feb 5	1497.23
Jan 30	1502.82	Feb 6	Holiday
Jan 31	1507.07	Feb 7	1498.30

Next Issue:

The next issue of *Market Analysis* will be emailed in four weeks time on Monday March 10, 2014.

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

MARKET ANALYSIS is published 12 times per year by Securities Research Company Limited, P.O. Box 34-162, Birkenhead, Auckland. Subscribe online at www.stockmarket.co.nz or email james@stockmarket.co.nz.

Readers are advised that they should not assume that every recommendation made in the future will be profitable or equal the performance of recommendations made in the past. A summary of all prior recommendations is published on the website. The information presented has been obtained from original and published sources believed to be reliable, but its accuracy cannot be guaranteed.

The entire contents are copyright. Reproduction in whole or part is strictly forbidden without the approval of the publisher.