Thirty Four 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 see good value and growth potential in many of our Recommended Portfolio shares. Remain fully invested.

Investment Outlook.

Not a single month goes by without at least one subscriber to this newsletter asking us to comment on some newspaper or internet report predicting a stockmarket crash "in the immediate future".

Just do an internet search for "The coming crash of 2015" and you'll get 391 million hits! That is enough to get anyone worried . . . until you do a search on "The coming crash of *2014*".

Then you will still find 147.0 million results. The first article (published February 2014) listed by Google predicts "Crash of 2014: Like 1929, you'll never hear it coming", while the second (from May 2014) predicts the "2014 crash will be worse than 1987" and stock prices will fall at least 30%. A Forbes article (June 2014) predicts a "Stock market crash WORSE than the 1930's" and also forecasts the "collapse of the dollar". Another (from January 2014) offered "Six signs that 2014 will be the year of the Super Crash".

How will the current 2015 crash predictions work out? No-one yet knows, but we do know how well these predictions have performed in the past.

Over the last 50 years, the US stockmarket has <u>never</u> fallen 50% in value. In 2008 it did fall 38.5%. In 1974 it fell 29.7% and in 2002 was down 23.4%. So there is perhaps a 2% chance of a 30% decline (in any calendar year) and virtually a zero chance of a 90% "super crash".

Even if we define a "crash" (a *"mild* crash"?) as a 20% decline there is only about a 6% chance of the Doom and Gloom predictions being right.

As the *same people* predict "a coming stock market crash" *year after year*, <u>we know that they are *wrong* 94-100% of the time</u>! Few other forecasters can match this *consistent level of <u>inaccuracy</u>* - making <u>widespread Doom and Gloom a very reliable and almost perfect "contrary opinion" buy-and-hold indicator</u>!

While playing around on the internet you may be interested to search on "The coming boom of 2015" (or 2016). That will yield articles on medicine, politics, house prices and solar energy - but little or nothing on the stockmarket. Search on "The coming stock market *boom* of 2015" and you will again get articles about the coming crash! If it is "good news" then it just isn't news!

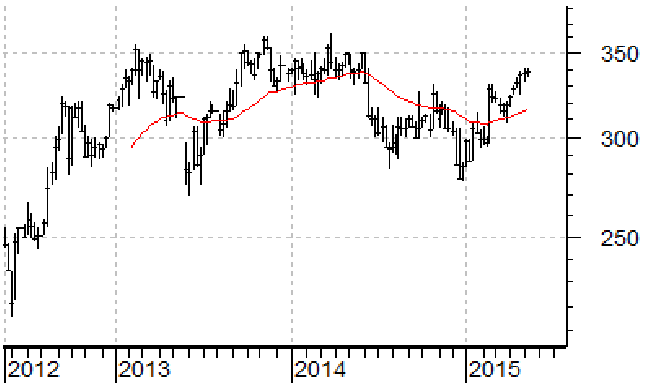
<u>Stockmarket Forecasts</u>

	<u>One-Month</u>	<u>One-Year</u>
Australia:	**29%** (Bearish)	**65%** (Bullish)
New Zealand:	**51%** (Bullish)	**43%** (Neutral)

Recommended Investments

Nuplex Industries has released *Acure*, an "innovative technology" that "delivers very fast dry times, extremely long pot life and cures at low temperatures" and which is suitable for "almost all the different coatings markets".

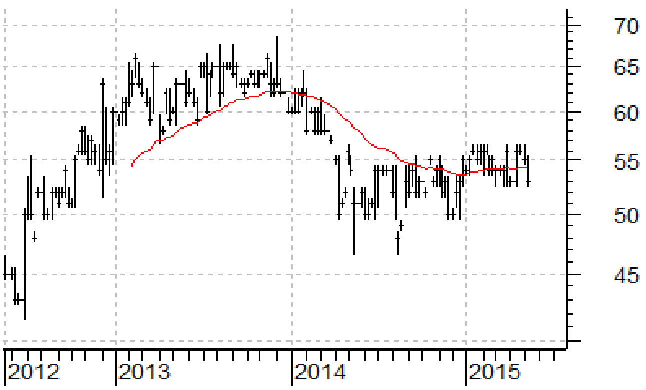
Nuplex Industries



Smiths City Group has received a final payment of $5,600,000 (plus GST) relating to damage to its Christchurch property. This follows $2,875,000 received in the first half of the year. This $8,475,000 (pre-tax) will be recorded as an extraordinary profit for the year to the end of April 2015.

The company also reports that "retail trading conditions have softened following a strong Christmas period". Annual revenues were similar to the 2014 financial year, but "cost and margin pressures" have reduced the second half trading profit.

Smiths City Group



Australian Shares

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

Acrux Ltd reports *Axiron* sales of US$39.1 million in the March 2015 quarter. Previous quarterly sales were US$39.5 million in March 2014, US$47.1 million in June 2014, US$36.3 million in September 2014 and US$47.6 million in December 2014.

Royalty receipts will be steady in US dollar terms, but significantly higher in Australian dollars owing to the lower exchange rate. Acrux pays about 30% of its royalty revenue as a royalty to Monash University but only until February 2017. So in two year's time Acrux's *net* royalty income will rise about 40%.

Acrux Limited

ALS Ltd unaudited accounts indicate an underlying net profit to 31 March 2015 of $135 million (33 cents per share), down 21% on the previous year.

Profits have been steady at $67.3 million, $67.7 million and $71.1 million over the last three half yearly periods.

The company also expects to make a non-cash write-down in its oil and gas businesses of $290 million. In retrospect, ALS Ltd obviously paid too much to acquire **Reservoir Group** in August 2013 for US$533 million, especially given the decline in the oil price last year. We did note at the time that was a "fairly high price" but the acquisition was expected to provide ALS Ltd's "existing laboratory businesses with additional work from Reservoir Group's customers". Those benefits have also been less than expected.

Acquisitions allow the company to enter new businesses, but shareholder wealth is created from *organic* growth (i.e. growing the existing businesses).

ALS Ltd is planning a mix of growth from acquisitions (to establish new businesses) and organic growth to expand those businesses. It plans to open a new $10 million oil and gas laboratory in Houston later this year. Last month it completed the acquisition of **ControlVet**, the "premier full service food testing laboratory in Portugal" with assets also in Spain and Poland, with other small food testing acquisitions in Europe and

North America planned for this year. The company now has "an appropriate integration platform" from which it can grow its food testing business. It is also building a new $5 million pharmaceutical laboratory in Ely, UK. As these businesses grow, ALS Ltd will be less dependent upon its cyclical Minerals division, so future earnings should be less volatile.

On a share price of 546 cents, the shares trade on a Price/Earnings Ratio of 16½. That is good value for a high quality company with a high return on equity and

(Continued on Page 4)

ALS Limited

Portfolio of Recommended Investments

CURRENT ADVICE	Company	Code	Initial Recommendation - Date -	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	E	275.5	1.2	3.90	12	4.9	63	27.6	+260%
HOLD	Cavalier Corporation	CAV	05/12/95	156*	E	68.7	1.8	0.13	5	10.7	39	282.0	+106%
HOLD	Colonial Motor Company	CMO	10/11/92	128*	B	32.7	0.6	0.27	10	8.5	570	440.3	+689%
BUY	Michael Hill Int'l Ltd	MHI	11/06/91	5*	E	383.0	1.0	0.85	13	5.7	115	57.4	+3348%
HOLD	Nuplex Industries Ltd	NPX	11/02/97	523*	A	198.1	1.0	0.41	13	6.2	338	483.0	+57%
HOLD	Smiths City Group	SCY	09/10/06	64	D	52.7	1.4	0.13	7	6.6	53	26.5	+24%
HOLD	South Port New Zealand	SPN	13/02/96	120	A	26.2	0.6	3.44	16	7.4	412	225.3	+431%
BUY	Steel & Tube Holdings	STU	08/08/00	146	B	88.5	0.7	0.58	14	7.7	288	308.6	+309%
	Australian Shares (in Aust cents)												
BUY	Acrux Limited	ACR	12/05/14	99	B	166.5	1.0	2.67	5	9.2	87	8.0	-5%
HOLD+	AJ Lucas Group	AJL	13/05/03	107*	C	267.4	1.6	0.35	NE	Nil	30	36.4	-38%
BUY	ALS Limited	ALQ	12/10/99	77*	B	407.2	0.5	1.43	14	7.1	546	275.5	+967%
BUY	AtCor Medical Ltd	ACG	11/11/13	15	B	157.4	1.9	7.31	NE	Nil	24	Nil	+57%
HOLD+	Atlas Pearls & Perfume	ATP	14/05/96	73	D	399.4	4.4	0.96	9	Nil	5	17.5	-69%
BUY	Ausenco Ltd	AAX	10/06/13	191*	D	168.4	1.8	0.13	NE	Nil	27	1.8	-85%
HOLD+	Brickworks Ltd	BKW	12/11/12	1115	A	148.4	0.3	3.22	21	2.9	1458	82.5	+38%
BUY	Cardno Ltd	CDD	14/12/09	391*	B	165.6	0.7	0.42	7	10.7	337	164.3	+28%
HOLD	Circadian Technologies	CIR	10/02/04	188	D	68.1	2.2	9.07	NE	Nil	16	65.0	-57%
HOLD+	Clarius Group Ltd	CND	08/04/03	82*	D	89.6	1.9	0.13	NE	Nil	27	70.5	+19%
BUY	CPT Global Ltd	CGO	10/03/08	88	C	36.7	1.3	0.57	12	7.5	60	15.8	-14%
HOLD	CSG Limited	CSV	11/10/10	175	B	284.1	0.9	2.21	36	5.7	158	50.0	+19%
BUY	Ellex Medical Lasers	ELX	14/03/06	49	C	107.6	1.7	0.67	46	Nil	34	Nil	-31%
BUY	Fiducian Group	FID	11/02/08	260	B	30.8	0.8	2.52	14	4.9	185	57.4	-7%
BUY	Finbar Group Ltd	FRI	12/04/10	106	B	229.6	0.9	1.03	8	7.9	126	44.5	+61%
HOLD+	Iluka Resources Ltd	ILU	12/10/04	471	B	418.7	0.5	4.46	0	2.2	846	210.0	+124%
HOLD+	Integrated Research	IRI	14/01/08	40	B	169.7	0.6	5.71	36	2.8	180	32.5	+431%
HOLD-	M2 Group Ltd	MTU	09/10/06	33	A	183.1	0.3	1.90	29	2.4	1079	94.0	+3455%
HOLD+	Melbourne IT	MLB	10/02/04	53	C	92.9	0.8	1.11	19	Nil	138	180.0	+500%
BUY	Mt Gibson Iron	MGX	10/11/14	44	A	1090.8	2.0	0.26	2	18.6	22	Nil	-51%
HOLD	Nomad Building Solutions	NOD	16/08/10	13*	C	277.5	3.8	0.45	NE	Nil	6	Nil	-52%
HOLD	Novarise Renewable Res	NOE	14/03/11	25	C	415.1	2.3	0.70	7	Nil	16	Nil	-36%
HOLD	Probiotec Ltd	PBP	11/02/08	116	D	52.9	2.2	0.14	10	Nil	18	9.3	-77%
HOLD+	Prophecy International	PRO	08/09/08	26	B	55.4	1.1	6.34	35	3.4	81	17.8	+280%
BUY	Skilled Group Ltd	SKE	12/03/02	126	B	235.9	1.2	0.16	7	13.5	126	188.5	+149%
HOLD-	Technology One Ltd	TNE	11/11/03	44	A	309.2	0.6	6.32	40	1.5	399	50.8	+922%
BUY	TFS Corporation Ltd	TFC	08/01/07	45	A	327.0	0.7	3.99	7	3.3	180	20.2	+345%
HOLD+	The Reject Shop Ltd	TRS	11/01/05	257	B	28.8	0.6	0.28	14	4.4	686	392.0	+319%
HOLD	Village Roadshow	VRL	10/08/09	77	B	159.5	0.4	0.95	20	4.7	574	267.0	+992%

The average Total Return (i.e. both Capital Gains/Losses plus Dividends received) of all current investments from initial recommendation is +371.7%. This is equal to an average annual rate of +37.3%, based upon the length of time each position has been held.

The average annual rate of gain of ALL recommendations (both the 37 current and 160 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)

sound growth prospects. Factoring in that earnings are at a cyclical low - and likely to rise strongly over the next several years - then ALS shares offer excellent value and strong potential for capital appreciation . . . as well as a high current income yield. "Buy".

AtCor Medical has received *CE Mark* certification for *Oscar 2* (i.e. the ambulatory blood pressure monitoring device developed as a joint venture with **SunTech Medical**) which allows commercial marketing and sales in Europe, Australia and some Asian countries. The company expects to receive **FDA** 510k clearance later this year, which will allow sales in the United States and many other countries.

Following the recent CPT-1 code for *SphygmoCor*, AtCor Medical has "expanded go-to-market plans" for a "high impact launch" and expects "sustainable, long term growth" from the Clinical Specialist market.

An attractive feature of this business is a high gross profit margin of around 85% on a US$15,000 *SphygmoCor* device. This is a relatively simple hardware device (costing only a few thousand dollars to produce) but which has significant value in its *software* and Intellectual Property (with the usual potentially high profit margins and economies of scale of any software business).

Most importantly, that high gross profit margin should help the company to largely finance its marketing plans and future growth internally from operating cash flow (i.e. as Michael Hill International has done, without the need to raise large amounts of additional capital and *dilute* earnings per share growth). The business could then become very profitable and generate large operating cash surpluses as sales volumes expand to cover the fixed overhead costs of running a business.

The device has a useful working life of about five years, so while this is not a Software-as-a-Service (SaaS) business with recurring monthly or annual revenues, once the company has won a customer with an initial sale it should be able to achieve "recurring" replacement sales every five years or so.

AtCor Medical will also provide the device on a "market cost per test rental" - which provides "annuity style revenues without the capital cost for smaller centres and private practices" - and recurring monthly revenues for AtCor Medical - but without a huge investment in working capital. AtCor Medical's investment in working capital for these rentals is its cost, not the selling price, which we estimate should be repaid over about two to 13 weeks!

This is all a very favourable financial situation which makes AtCor Medical a very attractive "software" business - significantly more so than those software companies which need to regularly raise additional equity capital to finance massive cash outflows on marketing (and product development) to win customers who may not become profitable for many years (if ever).

"Buy" AtCor Medical for capital growth.

AtCor Medical

Atlas Pearls & Perfumes' shareholders contributed $723,363 to the recent $3.1 million cash issue, subscribing to just 23% of the shares. The remaining 77% will be taken up by the underwriters.

The company has completed the sale of a 50% interest in **Essential Oils of Tasmania** to **Westwood Properties**. Essential Oils of Tasmania has also contracted to sell 100% of **Cannabinoid Extracts Australia**, a medical marijuana venture (subject to law reforms and obtaining government licences) to **Capital Mining**. Essential Oils of Tasmania will receive $125,000 in 60 days time and, subject to obtaining government licences to operate its business, a further $125,000 in cash plus 500,000 Capital Mining shares (after a proposed 33 to 1 share consolidation, worth around $100,000), plus 500,000 options (at an exercise price of 30 cents each) plus reimbursement of $51,924 of legal fees spent to date on licence applications. Capital Mining will fund ongoing licencing application costs. If this business proceeds, then Cannibiniod Extracts will grow industrial hemp under hot-house conditions and contract for Essential Oils of Tasmania to extract cannabidiol oil using its supercritical CO_2 extraction technology.

Atlas Pearls & Perfumes

Ausenco Ltd continues to predict revenues to December 2015 will be similar to last year, but “expects a material improvement” in earnings owing to the cost reduction program. Costs were reduced by $29 million in 2014 with a further $20 million in savings expected this year.

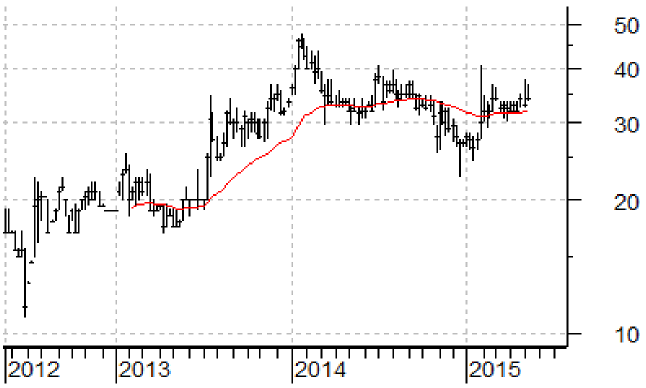
The company also reports that it is bidding for a “large number of very significant brownfield or expansion type projects”.

Ausenco Ltd

Ellex Medical Lasers increased its global market share from 12.7% to 14.2% in the ophthalmic laser market over the last year according to a report by **Market Scope LLC**, just slightly behind the largest company with a 14.5% share.

In the sub-market for glaucoma treatment lasers, Ellex Medical Lasers was the global leader with a 50% market share, up from 41% a year earlier. The company was also the largest producer of photodisruptor YAG lasers, with its market share up from 15.3% to 18.7%, helped by its new *Tango SLT* laser and *Ultra Q Reflex* YAG laser.

Ellex Medical Lasers



Finbar Group has acquired a 1019m² site, containing the heritage listed **Australia Post** building, which will be included in its 7,206m² **Civic Triangle** site redevelopment in South Perth. Buildings on the original site - except the heritage listed Police Station - have been demolished ahead of the future development of around 300 apartments, commercial space and local amenities.

This acquisition of the Australia Post site will “achieve better architectural and development outcomes” from incorporating both heritage buildings in the new development design.

Settlement will be in July 2015 and **Australia Post** will lease the heritage building for at least the next seven years.

Finbar Group has also finalised terms for the acquisition of the 3.15 hectare former **Port Hedland Hospital** site, directly opposite the **Port Hedland Yacht Club** and overlooking the proposed **Spoilbank Marina** precinct. The company was selected as the preferred developer of this site in July 2012. The scheme amendment to allow permanent residential apartment housing was approved in January 2014 and will allow Finbar Group to develop a four stage project totalling 518 permanent apartments, 163 short stay apartments and 2300m² of commercial lots in 8-10 level buildings with an end value of $390 million.

Finbar Group will acquire the site from **Landcorp** (i.e. the **Western Australia** government's land development agency) for $5.95 million - but has removed much of the project risk by making this purchase conditional on obtaining development approval *and* marketing success (i.e. reaching an undisclosed level of pre-sales for the first stage of the development, consisting of 109 apartments plus 654m² of commercial lots). Marketing is expected in the second half of the current calendar year.

Finbar Group

Iluka Resources has presented **Kenmare Resources plc** with a non-binding proposal to acquire the company. Under this proposal, Iluka Resources would offer 0.016 new Iluka Resources shares for each Kenmare Resources share, valuing Kenmare Resources at about 6.8 pence per share. Kenmare Resources shareholders would own 9.6% of Iluka Resources after this takeover.

The proposal is subject to a number of conditions, including the Mozambique government's approval for the change of ownership of Kenmare's mining assets, support of the Kenmare board and Kenmare's lenders waiving all early repayment penalties and fees. If it acquires the company, Iluka Resources intends to repay all of Kenmare's high interest rate debt which would be refinanced at lower rates from its existing undrawn facilities. *(Continued on Page 6)*

Recommended Investments

(Continued from Page 5)

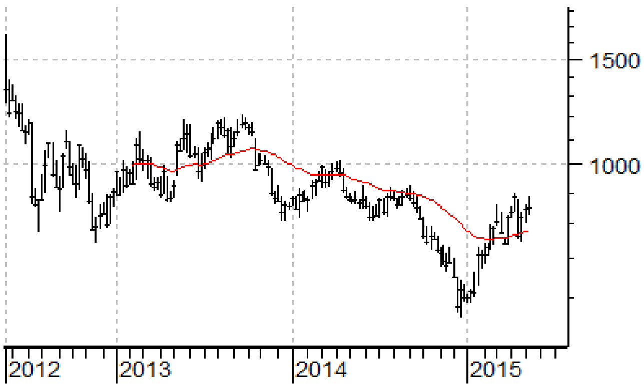
The company notes that "even if all preconditions are waived or satisfied, Iluka is not bound to proceed with any offer".

Iluka Resources believes that this acquisition would "consolidate complementary assets, reserves and skills", "enhance current and future production flexibility, product range and marketing effectiveness" and improve Kenmare's operations with Iluka's "industry-specific technical expertise and market knowledge, access and reach". Removing a financially weak, heavily indebted, desperate for cashflow, competitor from the market could also help stabilise Mineral Sands selling prices!

Iluka Resources reports low production volumes during the March quarter - mainly owing to the idling of capacity. Total Mineral Sands production for the quarter was 167.2 thousand tonnes, down 24.4% on the March 2014 quarter and down 19.2% on the December 2014 quarter.

Sales and revenues were also down, in part resulting from a suspension of Zircon sales and deliveries in March as the company "engaged with customers in relation to a new pricing and payments framework".

Iluka Resources



Integrated Research has acquired US based **IQ Services** which expands its interests in Unified Communications and offers other growth opportunities. The company will pay US$1.5 million in cash at settlement on 1 July 2015 plus up to US$3.5 million over the next three years, subject to achieving earnings milestones (for a maximum cost of US$5.0 million in cash).

The acquisition will bring together Integrated Research's *Prognosis* performance management with IQ Services' cloud based SaaS testing capabilities. Combining these operations "will create the world's most complete view of cloud, hybrid and traditional on premises operations for unified communications and collaboration and Contact Centre solutions".

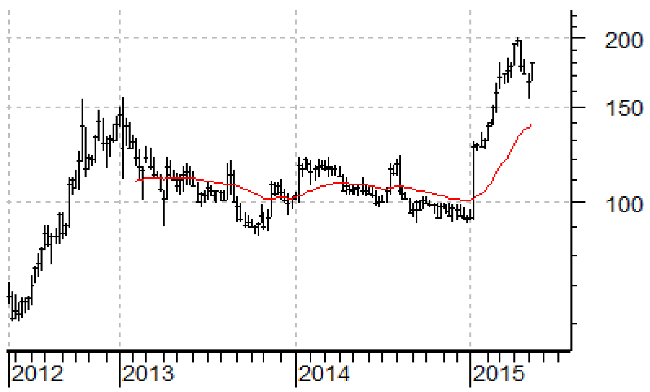
IQ Services also "uniquely provides the means to generate voice, data and video traffic to ensure WebRTC (i.e. web real-time communications) interactions work as intended". WebRTC is forecast to account for 15% of enterprise voice and video communications by 2019, up from just 1% today.

IQ Services operates only in North America, so Integrated Research will immediately expand the business to service customers in Europe and Asia.

This acquisition will also help Integrated Research expand its performance testing software into "next generation services such as web real-time communications, software defined networks, session initiation protocols, Lync and Skype for Business".

This relatively low cost acquisition strengthens Integrated Research's *Unified Communications* business and further enhances its long term growth potential.

Integrated Research



Mount Gibson Iron reports cash of $324 million (30 cents per share) at the end of March. That is down $30 million over the quarter, reflecting the temporary build up of ore stockpiles (to be sold in the current quarter) and working capital outflows of $26 million from winding down Koolan Island operations and paying creditors.

Iron ore cash production costs were A$47.80/tonne over the quarter (although down to A$43.80/tonne by March), but slightly less than selling prices which averaged US$47/tonne.

Mt Gibson Iron

Melbourne IT has formed a new alliance to provide "cloud migration capability to local organisations" by "initially offering *Cloud Factory* services" provided by US based **2nd Watch**.

Melbourne IT has completed the acquisition of **Uber Global Group**, a domain registration and hosting group, as we discussed in March.

Melbourne IT

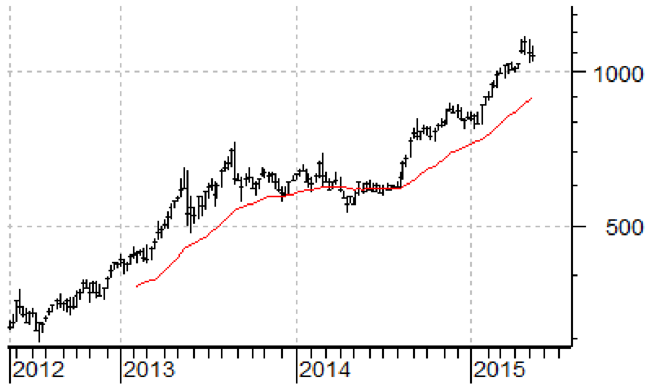
M2 Group has agreed to acquire **Call Plus Group**, New Zealand's third largest internet service provider for NZ$250 million in cash (on a debt-free, cash free basis). The business (trading under the brands *Slingshot*, *Orcon*, *Flip*, *Call Plus Business* and *2Talk*) is expected to generate annual revenues of NZ$250 million and earnings (before depreciation and tax) of NZ$45 million in the year to June 2016. Earnings were $24 million in 2014 and forecast to be $36 million this financial year.

This acquisition will be financed with debt - with the new and existing debt refinanced with new multi-year loan facilities. The acquisition is expected to add around 15% to earnings per share - mainly as the interest cost of borrowing is lower than the expected earnings from the business.

M2 Group had also sought to acquire Australian listed **iiNet** after an $8.66 takeover offer from **TPG Telecom** (which is 26.9% owned by **Washington H Soul Pattinson**, an associate of **Brickworks**), with a competing bid of 0.803 M2 Group shares plus 75 cents in cash (i.e. at an M2 Group share price of $10.79, this would be worth $9.41), which would combine two companies of similar size and result in iiNet shareholders owning 42% of the enlarged M2 Group.

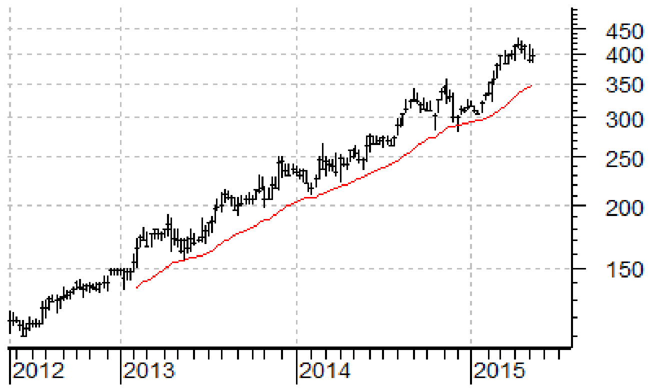
TPG Telecom has since increased their offer to $9.55 in cash - which the iiNet directors prefer owing to the "certain value of a cash offer" (although investors have the option of taking about 18% of the total consideration in TPG Telecom shares).

M2 Group



Technology One will pay up to $12 million in cash to purchase Australian based **Desktop Mapping Systems Pty** (trading as *Desktop Mapping Solutions*) to acquire "unique IP for the storage, retrieval and management of spatial data". This will be important for Technology One's enterprise software for local government, central government and asset intensive businesses.

Technology One



TFS Corporation has signed a contract to develop and manage 119 hectares of new plantations in the Northern Territories during May for the **Church Commissioners for England**. Settlement for the land and establishment fees is expected in June.

Galderma (a subsidiary of **Nestle**) has launched a social media campaign to promote *Benzac* which is now stocked in 23,000 US stores.

TFS Corporation

Australian Stockbroker and Australian Bank Account

Australian discount stockbrokers will not open an account for NZ residents. That *may* have something to do with compliance requirements - or it may simply be to boost revenues. **E*Trade Australia** (a subsidiary of **ANZ Banking Group**) will refer NZ investors to **ANZ Securities** (formerly **Direct Broking** and a subsidiary of ANZ Banking). **Commonwealth Securities** (a subsidiary of **Commonwealth Bank of Australia)** sends NZ investors to **ASB Securities** (also a subsidiary of CBA). The NZ stockbrokers then charge NZ investors an internet brokerage rate of 0.3%, almost three times higher than the 0.12% internet rate for Australian residents.

There is now one option for a New Zealand resident investor seeking access to an Australian discount broker and/or an Australian bank account.

Australian Discount Stockbroker Actively Seeks New Zealand Investors!

One small, independent Australian stockbroker, **Amscot Stockbroking** (the internet service of **One State Stockbroking**) - www.amscot.com.au - is actively seeking NZ resident investors! Its Executive Chairman and major shareholder has recently returned from a trip to NZ to promote its services to NZ clients (which we became aware of after receiving their spam email sent to NZ "investment advisers").

Unlike the NZ discount brokers, Amscot Stockbroking does charge a monthly "trading platform" fee of A$11 (for htmlIRESS) or $77 (for webIRESS) - although these fees are rebated if you make at least 5 or 15 trades in any month, but its actual brokerage fees are significantly lower. It offers two brokerage options: The "Value" rate is 0.088% with a minimum charge of $14.85 and the "Trader" rate charges just 0.044% with a higher minimum of A$33.

That will make the "Value" rate cheaper on trades up to $37,500 and the "Trader" better value only if you regularly make larger trades.

Note, however, that if an order is filled over two or more days, Amscot will charge the minimum $14.85 or $33 fee each day, while many other brokers will charge it as one transaction. So buying or selling inactively traded shares over several days could be significantly more expensive!

If you make just one small trade per month then you can save money with Amscot's $11 per month platform fee and $14.85 brokerage fee (for a total of A$25.85), rather than a minimum fee of A$29 or A$30 with the NZ internet brokers. In fact, if you make 10 or more trades per year the lower brokerage will more than cover the monthly platform fee. If you make a larger number of trades, or larger value trades, the savings could be significantly higher.

You can also purchase Australian dollars (and send them to your CMA) from your trading bank - or better yet, an online forex dealer like **Currency Online** (www.currencyonline.com) - at significantly better rates than offered by the NZ internet brokers!

An Australian Bank Account

All internet stockbrokers use a Cash Management Account (CMA) to settle share purchases and sales. With ANZ Securities and ASB Securities this CMA has no other features. Amscot Stockbroking will open a Macquarie Cash Management Account for its clients - and presumably its NZ clients. Macquarie stopped offering these accounts direct to NZ residents some years ago, but presumably are offering them to NZ residents that are clients of Amscot Stockbroking.

The Macquarie Cash Management Account is more of a bank account than a CMA. You can use it for everything that you can do with a regular bank account: write cheques, have dividends direct credited, make electronic payments to third parties, BPAY payments (e.g. to pay for cash issues) or setup regular payments. There are no monthly fees and no transaction fees.

If you want an Australian bank account and are having difficulties getting one, then opening a stockbroking account with Amscot Stockbroking could be the way to go. Some people have been able to open NAB accounts through BNZ or CBA accounts through ASB, but it is far from certain.

Sign Up Online

The Amscot Stockbroking internet site is very efficient and most NZ investors should be able to quickly sign up and open a brokerage account (and CMA account) online. The site will seek to verify your identification and residency information automatically from third parties, so in many cases it may not be necessary to post certified copies of documents to the company!

And Now some Bad News!

Amscot Stockbroking's parent company, One State Stockbroking, has the dubious distinction of having received the largest fine ever imposed by the **Australian Securities Exchange**. In 2009 it was fined $235,000 plus GST for market manipulation and "unprofessional conduct" after placing "phantom bids" (i.e. to inflate prices when seeking to sell) and 3303 transactions with no change in ownership (i.e. to make some shares appear more actively traded, to promote "day trading").

Summary and Recommendation

Stockbrokers seldom work in the interests of investors. "Full service" brokers will phone up to encourage unnecessary trading to generate commissions. The NZ internet brokers provide "cost plus" access to Australian brokers in their group (who won't deal directly with NZ residents). For some reason, this collusion and restraint of competition is not illegal! Amscot/One State Stockbroking seeks to earn commissions from encouraging "day trading". In all cases, it is necessary to avoid the high priced "services" that you don't want!

For a NZ resident investor seeking access to an Australian internet stockbroker, lower brokerage fees and an Australian bank account there is currently only one option: Amscot Stockbroking.

How Much You Need to Become Financially Independent. And How to Get There.

How to Become Financially Independent

The answer to becoming financially independent has nothing to do with your level of employment income. It is related to your expenditure and savings rate (and the rate of return on your savings and investments).

Before explaining how this works and looking at some examples, we must first make some assumptions:

Firstly, a person can usually withdraw "income" of about 4% from an investment portfolio annually. There are studies that indicate that a portfolio of shares and fixed interest investments will allow an annual withdrawal of between 3% to more than 8% annually over a 25-30 year retirement period. There are also a lot of people who will disagree with *any* figure we suggest here - so let's avoid a complicated argument and assume a 4% withdrawal rate is realistic.

Secondly, we suggest an investment portfolio weighted mainly towards *growth* investments (i.e. shares). Conventional wisdom suggests that a person own mainly *growth* investments (i.e. shares) while working and *saving* for retirement but then switch to lower risk, *income* investments (i.e. fixed interest) *during* retirement. Even at age 65, however, a retirement portfolio has a *long term* 20-30 year investment horizon - and shares offer the highest *long term* returns. With today's low interest rates, shares even offer higher current income returns! Just as importantly, our objective is not to become financially independent at age 65 but to do so much earlier. Our investment objective is not that the portfolio last only 20-30 years but (effectively) forever! So *growth* investments are important.

Thirdly, let's assume a 5% *rate of return* on the investment portfolio over the long term future. Historically the stockmarket has produced a return of about 10% (after inflation), but a lot of people (who will never become financially independent) will again disagree with any figure we may suggest here. A 5% return should be a conservative and achievable rate of return over the long term, but the stockmarket's historical average of 10% could also be realistic (and this newsletter's goal is to seek a substantially higher return over the long term).

So, to summarise, lets start by assuming one can withdraw "income" equal to 4% of the capital value of an investment portfolio, let's invest mainly in shares to maximise long term returns and let's assume a conservative 5% return (after inflation) on future investments. How soon can one become financially independent? The answer to that question has nothing to do with the size of your employment income and everything to do with your expenditure and savings rate!

Financial Independence and Your Savings Rate

With a savings rate of 10% it will take 51 years for an investment portfolio to grow to a stage where it can provide all the income needed to meet living expenses. Note that this is regardless of one's income. For a person earning \$10,000 (spending \$9,000 on living expenses and saving \$1000) it will take 51 years until the investment income grows to \$9,000 per year (i.e. 4% of the portfolio value of \$225,000). For a person earning \$200,000 (i.e. \$180,000 in expenses and \$20,000 in savings) it will take an identical 51 years to build an investment income of \$180,000 (from a portfolio worth \$4,500,000).

These figures indicate that most people probably need to save about 10% of their income *throughout their entire working life* to provide an adequate investment income during retirement.

Earning a higher income seldom improves a person's financial situation as living expenses often rise by a similar amount, leaving both the savings rate and the number of years needed to build a retirement portfolio unchanged.

The answer to becoming financially independent *faster* is to *lower one's living expenses* (or hold expenses steady as your income rises) and raise your *savings rate*.

A person able to save 20% of their income will become financially independent after about 36 years.

Cut all unnecessary expenditure and boost your savings rate to 50% - which is difficult, but not impossible - and you will become financially independent after just 16½ years! Such a person could retire in their early to mid-30's and enjoy a 55-60 year "retirement" living off their investment income.

Increasing your future rate of return on investments - the objective of this newsletter - would also have a significant impact on making one financially independent in a shorter period of time. Of course, lots of people will tell you this cannot be done over the long term. Perhaps we have just been very lucky over the last 34 years?

Anyone able to lift their investment returns to 10% per annum (i.e. the stockmarket's historical average) would be significantly better off:

With just a 10% savings rate they would become financially independent in 33 years.

With a 20% savings rate, financial independence is achieved in 25 years.

A person able to save 50% of their income would achieve financial independence in less than 13 years - after which the portfolio (and the annual income) would start to compound into some significant wealth!

At a 20% rate of return on your investments, a 10% savings rate will achieve financial independence in 20½ years, at a 20% savings rate it will take only 16½ years and at a 50% savings rate less than a decade!

By saving hard and investing wisely, *anyone* - regardless of their employment income - can become financially independent and then build significant investment wealth while living off their investment income!

How Much do You Need for Financial Independence?

How much capital you need depends solely upon the level of income needed to meet your future living expenses. We mentioned above being able to withdraw 4% of a portfolio each year, so divide your required income by 0.04 (i.e. or multiply it by 25).

So the capital sum required to become financially independent is probably about 25 times your required annual income. If you want a margin of safety, multiply by 30 or 35 (or a larger number).

So if you can live on $25,000 per year, then you probably need only $625,000 (although $750,000 to $875,000 would be better). Once you reach this sum (plus have a debt-free house) you could "retire" and live off your investment income - whether you are 25 or 65.

If you require $100,000 per year for living expenses, then you need to have a portfolio of at least $2,500,000 (or up to $3,500,000).

Summary and Recommendation

Regardless of income, a person who starts early and saves hard can become financially independent (i.e. where investment income exceeds living expenses) within a decade or a few decades. Financial independence then becomes an important inflection point after which excess investment returns start to compound to create higher levels of investment wealth over future years!

The most important factor in this wealth accumulation is one's savings rate - the percentage of income that can be saved and added to one's investment portfolio each year.

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 Current	STRENGTH RATING 4-Wk Chg.	STRENGTH RATING Rank 0-99	Insider Buy-Sell	Brokers Following	Price to NTA	Return on Equity	Vola-tility	Price Earn. Ratio	Divi-dend Yield	Price Sales Ratio	Market Cap'n
UNDER-VALUED SHARES: Lowest Price/Sales, Yld > 0, Rel Strength > 0													
Air New Zealand	278	+11.9	-1.8	8	2-11	6	0.2	14	0.9	1	5.0	0.07	310
Smiths City	53	+0.7	-0.7	51	0-0	-	0.7	10	1.4	7	6.6	0.13	28
Ebos Group Ltd	929	+3.4	-0.4	33	1-0	5	1.4	9	0.8	15	5.1	0.24	1,382
Col Motor Co	570	+3.5	-3.0	33	0-0	-	1.3	13	0.6	10	8.5	0.27	186
PGG Wrightsons	50	+6.1	-0.8	21	2-0	2	1.4	15	1.6	9	12.6	0.31	374
Turners & Grow.	192	+0.4	-1.2	51	0-0	-	0.8	6	0.7	14	2.2	0.31	225
Hellaby Hold.	300	+2.6	-1.5	41	1-0	4	1.6	15	1.2	11	6.9	0.39	285
Nuplex Indust	338	+4.2	+2.2	27	0-0	7	1.3	10	1.0	13	6.2	0.41	670
Seeka Kiwifruit	315	+2.7	+0.8	40	4-0	-	0.8	5	0.5	15	3.5	0.42	49
Genesis Energy	192	+4.4	-3.9	26	0-0	-	0.6	3	1.0	21	4.8	0.52	1,038
Z Energy Ltd	499	+8.3	-1.7	14	0-0	7	3.4	16	0.8	21	6.1	0.59	1,996
Abano Health.	760	+3.4	-4.4	34	0-0	2	1.7	5	0.6	32	3.8	0.74	156
Infratil NZ	314	+6.3	-2.0	19	2-2	4	1.8	0	0.8	541	4.2	0.76	1,832
Mainfreight Grp	1555	+1.4	-1.4	49	2-6	5	3.5	20	0.6	17	2.9	0.80	1,540
Methven Limited	117	+0.3	-0.5	53	0-1	3	1.8	11	1.1	17	11.2	0.81	78
Tourism Hold.	177	+7.0	-4.3	17	6-4	-	1.2	7	1.3	18	5.5	0.88	198
Scales Corp Ltd	170	+3.8	+1.4	29	0-0	-	1.6	12	1.0	13	2.5	0.90	238
Hallenstein G.	357	+2.5	+0.6	42	0-1	5	3.2	28	1.0	11	13.0	0.97	213
Sanford Limited	480	+1.9	-1.2	44	4-0	2	0.8	4	0.5	20	10.7	0.99	449
BEST PERFORMING SHARES: Strongest Shares, P/E < 20, P/S < 1.0													
Speirs Group	18	+23.5	-31.4	2	0-0	-	0.9	94	2.9	1	Nil	0.13	2
Air New Zealand	278	+11.9	-1.8	8	2-11	6	0.2	14	0.8	1	5.0	0.07	310
Tourism Hold.	177	+7.0	-4.3	17	6-4	-	1.2	7	1.1	18	5.5	0.88	198
PGG Wrightsons	50	+6.1	-0.8	21	2-0	2	1.4	15	1.3	9	12.6	0.31	374
Nuplex Indust	338	+4.2	+2.2	27	0-0	7	1.3	10	0.9	13	6.2	0.41	670
Scales Corp Ltd	170	+3.8	+1.4	29	0-0	-	1.6	12	0.8	13	2.5	0.90	238
Col Motor Co	570	+3.5	-3.0	33	0-0	-	1.3	13	0.5	10	8.5	0.27	186
Ebos Group Ltd	929	+3.4	-0.4	33	1-0	5	1.4	9	0.8	15	5.1	0.24	1,382
Seeka Kiwifruit	315	+2.7	+0.8	40	4-0	-	0.8	5	0.4	15	3.5	0.42	49
Hellaby Hold.	300	+2.6	-1.5	41	1-0	4	1.6	15	1.0	11	6.9	0.39	285
Hallenstein G.	357	+2.5	+0.6	42	0-1	5	3.2	28	0.8	11	13.0	0.97	213
Mainfreight Grp	1555	+1.4	-1.4	49	2-6	5	3.5	20	0.5	17	2.9	0.80	1,540
Just Water Int.	14	+1.3	-0.5	49	1-0	-	1.9	26	2.5	7	Nil	0.45	13
Smiths City	53	+0.7	-0.7	51	0-0	-	0.7	10	1.1	7	6.6	0.13	28
Turners & Grow.	192	+0.4	-1.2	51	0-0	-	0.8	6	0.5	14	2.2	0.31	225
Methven Limited	117	+0.3	-0.5	53	0-1	3	1.8	11	0.9	17	11.2	0.81	78
INCOME SHARES: Highest Yields, Capitalisation > NZ$100 million													
Hallenstein G.	357	+2.5	+0.6	42	0-1	5	3.2	28	0.8	11	13.0	0.97	213
PGG Wrightsons	50	+6.1	-0.8	21	2-0	2	1.4	15	1.1	9	12.6	0.31	374
Kathmandu Ltd	142	-26.8	+0.7	95	7-7	10	1.0	15	0.9	6	11.7	0.74	284
Sanford Limited	480	+1.9	-1.2	44	4-0	2	0.8	4	0.4	20	10.7	0.99	449
Warehouse Group	278	-4.8	+1.7	75	1-1	7	2.2	37	0.9	6	10.5	0.39	865
NZ Oil & Gas	62	-8.4	+0.7	86	1-1	2	0.8	3	1.1	26	9.8	2.52	261
Opus Int'l Cons	132	-5.5	+0.6	79	3-0	4	1.3	17	0.6	7	9.4	0.36	195
Col Motor Co	570	+3.5	-3.0	33	0-0	-	1.3	13	0.4	10	8.5	0.27	186
Skellerup Hold.	140	-3.4	+1.9	73	7-1	3	1.9	15	1.0	12	8.4	1.37	270
Kingfish Ltd	137	+1.4	-1.0	47	0-0	-	1.0	16	0.7	6	8.4	N/A	163

Company	Share Price	STRENGTH RATING Current	STRENGTH RATING 4-Wk Chg.	STRENGTH RATING Rank 0-99	Insider Buy-Sell	Brokers Following	Price to NTA	Return on Equity	Vola-tility	Price Earn. Ratio	Divi-dend Yield	Price Sales Ratio	Market Cap'n
INSIDER BUYING: Most Insider Buying, Relative Strength > 0													
Summerset Group	342	+8.3	+0.8	13	4-0	6	2.2	16	0.7	14	1.0	N/A	738
Sanford Limited	480	+1.9	-1.2	44	4-0	2	0.8	4	0.3	20	10.7	0.99	449
Seeka Kiwifruit	315	+2.7	+0.8	40	4-0	-	0.8	5	0.3	15	3.5	0.42	49
Trade-Me Ltd	379	+1.0	+0.9	50	3-0	10	2.3	12	0.7	19	6.0	9.15	0
NZ Refining Co	252	+15.0	-5.4	6	2-0	3	1.2	2	0.7	79	Nil	3.38	788
Argosy Property	113	+3.7	-1.4	30	2-0	5	1.2	12	0.5	10	5.4	8.51	894
PGG Wrightsons	50	+6.1	-0.8	21	2-0	2	1.4	15	1.0	9	12.6	0.31	374
Trust Power Ltd	788	+3.3	-2.4	35	2-0	6	1.6	8	0.3	21	6.5	3.04	2,466
Tourism Hold.	177	+7.0	-4.3	17	6-4	-	1.2	7	1.0	18	5.5	0.88	198
Hellaby Hold.	300	+2.6	-1.5	41	1-0	4	1.6	15	0.9	11	6.9	0.39	285
OVER-VALUED SHARES: Highest Price/Sales Ratios, Relative Strength < 0													
Pyne Gould Corp	34	-7.2	-2.6	83	0-0	-	0.5	-	1.1	NE	Nil	8.62	70
Vital Health PT	165	-58.3	-0.0	98	0-0	4	1.6	11	0.5	15	6.6	8.28	561
Wynyard Group	179	-5.8	-2.1	80	0-0	2	3.1	-	0.9	NE	Nil	7.96	207
NZ Exchange Ltd	113	-3.3	+0.3	72	0-0	3	5.6	26	0.7	22	7.4	4.40	287
Snakk Media Ltd	5	-18.9	-0.3	93	0-0	1	14.7	-	3.1	NE	Nil	3.38	12
Sky Network TV	626	-1.8	+1.6	69	0-0	10	2.0	13	0.5	15	6.4	2.68	2,436
SLI Systems Ltd	97	-7.6	+0.4	84	0-2	3	5.1	-	1.1	NE	Nil	2.62	59
NZ Oil & Gas	62	-8.4	+0.7	86	1-1	2	0.8	3	1.0	26	9.8	2.52	261
Moa Group Ltd	37	-8.5	+1.2	86	0-0	-	1.3	-	1.0	NE	Nil	2.44	11
Foley Fam Wines	140	-5.3	+0.1	77	0-0	-	0.9	4	0.7	22	Nil	2.36	73
WORST PERFORMING SHARES: Weakest Shares, P/S Ratio > 0.25, Yield < Twice Average													
Vital Health PT	165	-58.3	-0.0	98	0-0	4	1.6	11	0.5	15	6.6	8.28	561
WN Drive Tech.	3	-27.9	-2.8	96	0-0	-	1.1	-	2.7	NE	Nil	0.31	6
Snakk Media Ltd	5	-18.9	-0.3	93	0-0	1	14.7	-	3.0	NE	Nil	3.38	12
GeoOP Ltd	48	-12.5	+0.1	93	0-0	-	-	-	1.9	NE	Nil	N/A	13
Orion Health.	440	-11.8	-1.8	91	0-0	-	-	-	0.5	NE	Nil	N/A	706
Smartpay NZ Ltd	20	-10.1	+3.4	89	1-0	-	3.5	18	1.9	20	Nil	1.50	34
Promisia Integ.	3	-9.9	+2.7	88	0-0	-	-	-	3.1	NE	Nil	N/A	8
Moa Group Ltd	37	-8.5	+1.2	86	0-0	-	1.3	-	1.0	NE	Nil	2.44	11
Pac Edge Bio.	71	-8.3	+0.8	85	0-0	-	32.8	-	1.7	NE	Nil	N/A	226
SLI Systems Ltd	97	-7.6	+0.4	84	0-2	3	5.1	-	1.1	NE	Nil	2.62	59
Pyne Gould Corp	34	-7.2	-2.6	83	0-0	-	0.5	-	1.0	NE	Nil	8.62	70
IkeGPS Limited	78	-6.9	+1.5	83	0-0	-	-	-	0.8	NE	Nil	N/A	39
Sealegs Corp	10	-6.5	+0.2	82	0-0	-	1.5	-	1.4	NE	Nil	0.75	13
Synlait Milk	295	-6.4	-0.8	81	0-0	2	5.0	13	0.5	37	Nil	1.03	432
Wynyard Group	179	-5.8	-2.1	80	0-0	2	3.1	-	0.9	NE	Nil	7.96	207
Mercer Group	12	-5.7	-7.2	79	0-2	-	1.7	-	1.5	NE	Nil	0.87	35
Rubicon Limited	33	-5.4	-0.4	78	4-0	1	1.8	3	1.3	66	Nil	0.34	133
Allied Work.	231	-5.3	-1.0	77	1-0	-	2.9	19	0.5	15	4.6	0.41	60
Foley Fam Wines	140	-5.3	+0.1	77	0-0	-	0.9	4	0.6	22	Nil	2.36	73
Kirkcaldie & St	168	-4.3	+1.8	74	0-0	-	0.6	1	0.3	46	Nil	0.48	17
INSIDER SELLING: Most Insider Selling, Relative Strength < 0													
Mercer Group	12	-5.7	-7.2	79	0-2	-	1.7	-	1.4	NE	Nil	0.87	35
SLI Systems Ltd	97	-7.6	+0.4	84	0-2	3	5.1	-	1.1	NE	Nil	2.62	59
Fletcher Build.	849	-0.5	+0.2	67	2-4	6	1.7	10	0.5	17	5.9	0.69	5,818
Spark NZ Ltd	285	-0.2	-4.4	65	0-1	12	3.1	19	0.5	16	8.0	1.43	5,211
Coats Group plc	53	-3.6	+4.2	74	0-1	2	1.5	5	0.9	29	Nil	0.36	746

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

For an explanation of this table see the *Share Selection Methods* report available from our website. These shares are not formal "buy" and "sell" recommendations, but the "Under-Valued", "Best Performing" and "Income" shares should be considered for purchase, while the "Over-Valued" and "Worst Performing" shares can generally be sold to release money for re-investment in more attractive shares.

UNDER-VALUED SHARES: Lowest Price/Sales, Yld > 0, Rel Strength > 0

Company	Share Price	STRENGTH RATING Cur-rent	4-Wk Chg.	Rank 0-99	Insider Buy-Sell	Brokers Following	Short Interest	Price to NTA	ROE	Volatility	P/E Ratio	Div Yield	P/S Ratio	Market Cap'n
Raptis Group	40	+0.0	+0.0	39	0-0	-	-	-	-	1.1	NE	12.5	0.11	28
Data 3 Ltd	80	+7.1	+5.2	22	0-1	3	-	5.3	33	0.8	16	5.6	0.15	123
SRG Limited	65	+9.7	+0.8	18	13-0	-	-	0.7	2	1.1	32	6.2	0.18	41
Ruralco Hold.	351	+2.0	-0.3	33	0-0	3	-	2.5	13	0.4	19	5.7	0.20	271
Pro Maintenance	277	+0.5	+5.7	37	2-0	8	0.4	2.4	22	0.7	11	6.1	0.23	329
K&S Corporation	146	+4.8	+3.2	27	2-0	3	-	0.8	9	0.7	8	7.6	0.23	133
Aust Pharm. Ind	160	+57.8	+8.1	2	3-0	7	0.5	2.1	6	0.8	32	2.0	0.25	781
ERM Power Ltd	249	+9.6	+2.5	18	1-2	5	0.0	1.8	-	0.6	NE	4.6	0.28	603
Sims Metal Mgmt	1042	+3.9	-0.7	29	6-0	13	8.0	1.2	-	0.4	NE	1.0	0.30	2,134
Sigma Pharm.	83	+9.3	-0.8	18	0-1	11	1.0	1.7	12	0.8	13	4.8	0.31	908
Dicker Data Ltd	180	+3.4	+1.5	30	2-0	1	-	12.0	27	0.9	45	2.5	0.35	231
Caltex Austrlia	3309	+10.4	-2.9	17	0-0	9	0.0	3.7	1	0.4	448	2.1	0.37	8,934
Lindsay Aust	46	+12.5	-3.1	14	0-1	1	-	2.0	11	1.1	18	4.3	0.37	117
Chalmers	310	+6.1	+1.2	24	0-0	-	-	0.7	3	0.5	22	2.4	0.38	24
Centrepoint All	50	+4.1	+2.1	29	0-0	-	-	7.1	44	1.0	16	4.4	0.38	53
Ridley Corp.	111	+12.9	+1.9	14	1-0	3	0.0	2.5	13	0.8	19	3.4	0.39	342
CIMIC Group	2155	+1.1	+0.2	35	0-0	15	1.7	2.7	-	0.4	NE	5.1	0.43	7,295
Aust Vintage	40	+2.0	-2.7	33	2-0	1	0.0	0.5	6	1.1	9	5.5	0.43	93
Embelton Ltd	750	+4.0	+3.6	29	0-0	-	-	-	-	0.3	13	4.1	0.47	16
Automotive Hold	423	+6.5	+2.5	24	0-0	14	0.5	4.8	17	0.5	29	4.7	0.48	1,296
CI Resources	100	+4.3	+5.2	28	1-0	-	-	1.0	25	0.8	4	1.0	0.48	73
Fantastic Hold.	215	+8.8	+0.8	19	4-0	7	-	2.2	6	0.6	38	2.8	0.49	222
Sedgman Ltd	71	+16.7	+4.5	11	4-0	3	0.2	1.2	-	1.1	NE	7.0	0.51	161
Collins Foods	247	+6.1	-2.9	24	3-0	5	0.0	-	-	0.6	16	4.3	0.52	230
Vita Group Ltd	170	+26.2	-1.0	6	1-2	3	-	-	-	0.8	NE	2.7	0.54	242
Graincorp	999	+7.4	+0.7	21	5-0	13	5.1	1.8	4	0.4	45	2.0	0.56	2,286
A.P. Eagers	903	+22.5	+7.6	8	23-0	3	0.0	3.9	18	0.3	21	3.0	0.56	1,617
JB Hi-Fi Ltd	1986	+6.9	+2.4	23	0-0	17	8.0	8.6	56	0.4	15	4.2	0.56	1,966
CMI Limited	159	+7.3	+3.9	21	5-0	-	-	1.2	8	0.8	15	3.8	0.59	55
Citadel Group	378	+12.8	+10.2	14	0-0	-	-	-	-	0.7	8	5.3	0.65	32
Seven Group	720	+7.2	+6.7	21	6-1	8	2.5	1.0	13	0.5	8	5.6	0.71	2,133
Toll Holdings	900	+30.9	+5.9	5	3-0	14	0.1	6.3	28	0.3	23	3.1	0.73	6,457
Q.B.E. Insur.	1379	+10.8	+5.0	16	3-0	16	1.3	2.6	14	0.5	19	2.7	0.74	18,881
Nufarm Limited	743	+25.3	+1.0	6	1-2	13	2.1	2.6	5	0.4	52	1.1	0.75	1,969
Landmark White	50	+2.2	-0.7	33	1-0	-	-	8.3	70	1.1	12	7.5	0.75	14
Brisbane Bronco	28	+3.9	+1.8	29	0-0	-	-	1.9	14	1.4	14	1.8	0.78	27
Wesfarmers Ltd	4374	+1.4	-0.7	35	1-0	15	1.1	10.0	32	0.3	31	4.6	0.83	49,153
Newhaven Hotels	95	+4.5	-0.9	28	0-0	-	-	0.9	15	0.7	6	6.3	0.87	22
AGL Energy Ltd	1477	+5.0	+0.5	27	0-0	15	1.5	2.0	13	0.3	15	4.3	0.90	9,966
Villa World Ltd	223	+8.7	+0.6	19	5-0	2	0.1	1.2	11	0.6	11	6.7	0.91	246
G.U.D. Holdings	759	+8.2	-1.0	20	3-0	12	2.9	11.5	37	0.4	31	4.7	0.92	538
Super Retail Gr	990	+10.0	+2.0	17	0-1	18	7.3	47.1	-	0.5	18	4.0	0.92	1,951
AMP Ltd	637	+11.1	+1.3	16	1-0	16	0.2	4.7	18	0.6	26	3.6	0.93	18,841
Orora Limited	207	+13.9	-3.8	13	6-0	13	0.1	-	-	0.7	NE	2.9	0.94	2,498
Agri. Land Trt	9	+4.0	+1.9	29	0-0	-	-	0.8	-	2.4	NE	31.3	0.96	16
Basper Limited	50	+0.2	-0.1	37	0-0	-	-	0.9	-	1.0	NE	10.0	0.98	50
Beyond Int'l	147	+6.1	+2.1	24	2-0	-	-	2.4	21	0.6	11	6.1	1.01	90
Refresh Group	6	+1.7	-4.2	34	0-0	-	-	2.0	17	3.0	12	1.7	1.05	7
Pact Group Hold	413	+3.0	-4.0	31	1-0	9	0.6	-	-	0.5	21	2.3	1.06	1,215
Nib Holdings	370	+10.4	+0.7	17	3-1	11	0.6	6.4	27	0.6	23	3.0	1.07	1,624
Pac. Star Netwk	31	+1.4	-0.8	35	0-1	-	-	2.8	16	1.3	17	5.2	1.08	16
Boral Limited	619	+11.5	+1.2	15	0-0	15	1.0	1.9	4	0.5	46	2.4	1.09	4,845
Tox Free Sol.	302	+6.1	+1.6	24	2-2	13	0.5	5.0	27	0.5	19	2.0	1.09	405
C.S.R. Ltd	377	+5.7	-2.9	25	0-1	13	1.4	1.9	9	0.6	22	2.7	1.09	1,908
AV Jennings	72	+4.9	+1.4	27	0-0	1	-	0.9	6	0.9	15	2.8	1.09	274
GR Engineering	83	+7.9	-1.5	20	1-0	1	-	2.8	31	1.0	9	7.2	1.09	125
Empired Ltd	77	+8.8	+5.2	19	0-0	-	-	15.4	80	1.1	19	1.3	1.10	73
Orica Ltd	2034	+2.2	+2.8	33	4-0	17	13.1	4.6	36	0.4	13	4.6	1.12	7,582
Fairfax Media	101	+10.1	+2.0	17	0-0	12	1.2	3.7	23	0.9	16	2.0	1.17	2,445
Capilano Honey	1200	+35.5	+5.8	4	0-1	-	-	3.7	17	0.4	22	1.7	1.19	103
Laserbond Ltd	14	+4.9	+10.2	27	3-0	-	-	1.9	12	2.1	16	3.0	1.22	12
Tamawood Ltd	393	+2.5	+1.9	32	0-7	-	-	14.6	73	0.5	20	5.3	1.24	100
Evolution Min.	113	+14.2	-3.2	13	3-0	10	0.3	0.7	5	0.8	16	1.8	1.26	810
XRF Scientific	22	+4.8	+2.5	27	2-0	1	-	2.0	17	1.7	12	5.1	1.30	28
PS & C Limited	94	+7.9	+4.9	20	1-0	-	-	8.5	58	0.9	15	3.2	1.32	47
Nine Entertain.	227	+5.8	+6.8	25	3-0	13	2.8	-	-	0.8	37	1.9	1.38	2,134
CVC Limited	155	+4.2	+0.6	28	1-1	-	-	0.9	13	0.6	7	3.2	1.44	185
Ark Fund Ltd	41	+0.0	+0.0	40	0-0	-	-	0.4	7	1.1	5	26.2	1.44	10
DuluxGroup Ltd	630	+6.6	+0.7	23	0-2	13	0.3	-	-	0.4	23	3.3	1.49	2,448
Amcor Ltd	1348	+9.6	-0.5	18	1-2	13	0.2	-	-	0.3	22	3.2	1.50	16,200

BEST PERFORMING SHARES: Strongest Shares, P/E < 20, P/S < 1.0

Company	Share Price	STRENGTH RATING Cur-rent	4-Wk Chg.	Rank 0-99	Insider Buy-Sell	Brokers Following	Short Interest	Price to NTA	ROE	Volatility	P/E Ratio	Div Yield	P/S Ratio	Market Cap'n
World Reach Ltd	36	+79.5	+45.0	1	1-0	-	-	-	-	1.0	12	Nil	0.42	5
Multiplex Euro.	6	+28.0	+5.6	5	0-0	-	-	-	-	2.2	9	Nil	0.43	14
Farm Pride Food	30	+27.4	+6.8	6	0-0	-	-	0.8	10	1.3	8	Nil	0.17	17
Norton Gold	23	+24.9	-4.5	7	0-0	-	-	0.8	8	1.1	10	Nil	0.83	214
Pac Environment	10	+19.9	-5.0	9	0-0	-	-	-	-	1.7	7	Nil	0.81	10
Burson Group	326	+18.7	+5.9	9	1-0	-	0.0	-	-	0.6	13	Nil	0.45	533
Konekt Limited	16	+18.6	+3.2	10	1-0	-	-	2.7	23	2.0	12	Nil	0.37	12
Ridley Corp.	111	+12.9	+1.9	14	1-0	3	0.0	2.5	13	0.6	19	3.4	0.39	342
Citadel Group	378	+12.8	+10.2	14	0-0	-	-	-	-	0.6	8	5.3	0.65	32
Lindsay Aust	46	+12.5	-3.1	14	0-1	1	-	2.0	11	0.8	18	4.3	0.37	117
Q.B.E. Insur.	1379	+10.8	+5.0	16	3-0	16	1.3	2.6	14	0.5	19	2.7	0.74	18,881
Super Retail Gr	990	+10.0	+2.0	17	0-1	18	7.3	47.1	-	0.4	18	4.0	0.92	1,951
Godfreys Group	340	+9.9	+0.6	17	0-0	-	-	-	-	0.5	17	Nil	0.57	137
Novarise Renew.	16	+9.7	+8.4	18	1-0	-	-	0.6	8	1.4	7	Nil	0.70	66
Sigma Pharm.	83	+9.3	-0.8	18	0-1	11	1.0	1.7	12	0.6	13	4.8	0.31	908
Global Con Serv	53	+8.8	-0.4	19	0-1	1	-	0.6	6	0.8	11	Nil	0.62	89
Villa World Ltd	223	+8.7	+0.6	19	5-0	2	0.1	1.2	11	0.4	11	6.7	0.91	246
Tyrian Diagnost	0	+8.3	+15.7	20	0-0	-	-	-	-	24.5	0	Nil	0.00	1
CMI Limited	159	+7.3	+3.9	21	5-0	-	-	1.2	8	0.7	15	3.8	0.59	55
Seven Group	720	+7.2	+6.7	21	6-1	8	2.5	1.0	13	0.4	8	5.6	0.71	2,133
Data 3 Ltd	80	+7.1	+5.2	22	0-1	3	-	5.3	33	0.6	16	5.6	0.15	123
JB Hi-Fi Ltd	1986	+6.9	+2.4	23	0-0	17	8.0	8.6	56	0.4	15	4.2	0.56	1,966
Collins Foods	247	+6.1	-2.9	24	3-0	5	0.0	-	-	0.5	16	4.3	0.52	230
Teranga Gold	76	+6.0	+4.4	25	0-0	3	0.0	-	-	0.6	12	Nil	0.84	50
AGL Energy Ltd	1477	+5.0	+0.5	27	0-0	15	1.5	2.0	13	0.3	15	4.3	0.90	9,966
Eumundi Group	5	+4.9	-3.0	27	0-0	-	-	0.6	11	2.3	5	Nil	0.71	17
K&S Corporation	146	+4.8	+3.2	27	2-0	3	-	0.8	9	0.5	8	7.6	0.23	133
Newhaven Hotels	95	+4.5	-0.9	28	0-0	-	-	0.9	15	0.5	6	6.3	0.87	22
CI Resources	100	+4.3	+5.2	28	1-0	-	-	1.0	25	0.6	4	1.0	0.48	73
Int'l Equities	6	+4.1	-1.4	28	0-0	-	-	0.4	7	2.1	5	Nil	0.28	8
Centrepoint All	50	+4.1	+2.1	29	0-0	-	-	7.1	44	0.7	16	4.4	0.38	53
Embelton Ltd	750	+4.0	+3.6	29	0-0	-	-	-	-	0.2	13	4.1	0.47	16
Brisbane Bronco	28	+3.9	+1.8	29	0-0	-	-	1.9	14	1.0	14	1.8	0.78	27
Landmark White	50	+2.2	-0.7	33	1-0	-	-	8.3	70	0.8	12	7.5	0.75	14
Aust Vintage	40	+2.0	-2.7	33	2-0	1	0.0	0.5	6	0.8	9	5.5	0.43	93
Ruralco Hold.	351	+2.0	-0.3	33	0-0	3	-	2.5	13	0.3	19	5.7	0.20	271
Regional Exp.	97	+0.6	-3.0	36	2-1	-	-	0.6	4	0.6	14	Nil	0.42	106
Pro Maintenance	277	+0.5	+5.7	37	2-0	8	0.4	2.4	22	0.5	11	6.1	0.23	329
Redbank Energy	800	+0.0	-0.0	38	0-0	-	0.0	0.3	-	0.2	0	Nil	0.07	6
Air Change Int.	10	+0.0	+0.0	39	0-0	-	-	0.5	9	1.6	5	Nil	0.09	2
CB Australia	0	+0.0	+0.0	39	0-0	-	-	0.0	6	11.7	0	Nil	0.06	0

INCOME SHARES: Highest Yields, Capitalisation > A$250 million

Company	Share Price	STRENGTH RATING Cur-rent	4-Wk Chg.	Rank 0-99	Insider Buy-Sell	Brokers Following	Short Interest	Price to NTA	ROE	Volatility	P/E Ratio	Div Yield	P/S Ratio	Market Cap'n
Arrium Limited	18	-31.3	+2.2	93	6-0	11	7.8	0.1	10	1.3	1	50.0	0.04	529
Metcash Ltd	127	-21.1	+1.7	83	4-0	15	17.9	-	-	0.6	7	14.6	0.08	1,174
Skilled Group	126	-19.3	+2.3	81	2-1	10	3.8	7.8	-	0.8	7	13.5	0.16	296
Monadelphous Gr	962	-8.9	+4.4	64	3-0	16	14.4	2.6	42	0.5	6	12.8	0.38	897
Cardno Ltd	337	-15.4	+6.3	74	8-1	10	10.8	37.4	-	0.5	7	10.7	0.42	558
Myer Holdings	136	-10.0	-1.1	66	3-0	16	19.5	-	-	0.7	8	10.7	0.25	797
STW Comm Group	64	-22.4	-1.8	85	1-0	8	5.4	-	-	0.7	6	10.6	0.55	270
Bradken Ltd	250	-26.6	-1.8	89	0-0	13	3.0	1.1	5	0.4	20	10.4	0.37	428
Seven West Med.	123	-6.4	+1.9	60	2-0	13	5.4	-	-	0.6	8	9.8	0.69	1,224
Scentre Group	378	+5.0	-2.5	27	0-0	13	0.4	-	-	0.5	11	9.6	9.28	20,126
Aust Leaders Fd	127	-8.3	+0.1	63	0-1	-	-	0.8	11	0.4	7	9.4	N/A	296
Mineral Res.	668	-10.1	+1.1	66	0-2	8	14.7	1.2	22	0.4	5	9.3	0.66	1,253
Woodside Petrol	3380	-4.8	+1.5	55	0-0	16	0.7	1.6	17	0.3	9	9.2	3.07	27,848
Worley Group	988	-10.0	+5.1	66	2-0	15	11.1	20.2	-	0.4	10	8.6	0.25	2,415
Fortescue Metal	250	-19.0	+3.2	80	6-0	22	10.7	1.0	38	0.5	3	8.0	0.62	7,784
Prime Media Grp	86	-2.6	+0.6	50	0-0	6	0.2	-	-	0.5	10	8.0	1.20	313
Finbar Group	126	-5.2	+1.0	57	6-0	-	0.0	1.3	17	0.5	8	7.9	1.03	289
360 Capital Ind	247	+4.1	-2.6	29	0-0	2	1.2	-	-	0.4	7	7.5	7.32	309
Sth Cross Media	104	-0.9	+0.4	45	5-0	12	3.3	-	-	0.6	4	7.2	1.14	758
ALS Limited	546	-6.5	+1.9	60	4-0	17	9.6	-	-	0.3	14	7.1	1.43	2,224
Cadence Capital	140	-0.1	+0.1	42	0-0	-	0.1	1.0	6	0.4	16	7.1	1.55	314
Insurance Aust.	550	-2.6	-2.0	51	1-3	16	0.8	3.1	30	0.3	10	7.1	1.19	12,879
Cromwell Prop.	110	+6.2	-1.2	24	2-6	9	3.0	1.5	15	0.4	10	6.9	5.70	1,912
WAM Capital Ltd	191	+0.2	-1.0	37	0-0	-	0.0	1.0	11	0.4	10	6.8	N/A	859
DUET Group	249	+2.9	-0.7	31	2-0	13	1.7	1.8	10	0.3	17	6.3	2.64	3,719

Company	Share Price	STRENGTH RATING Cur-rent	4-Wk Chg.	Rank 0-99	Insider Buy-Sell	Brokers Following	Short Interest	Price to NTA	ROE	Volatility	P/E Ratio	Div Yield	P/S Ratio	Market Cap'n
INSIDER BUYING: Most Insider Buying, Relative Strength > 0														
A.P. Eagers	903	+22.5	+7.6	8	23-0	3	0.0	3.9	18	0.2	21	3.0	0.56	1,617
Sth Boulder Min	32	+28.8	+6.8	5	14-0	-	-	-	-	0.8	NE	Nil	N/A	45
Freelancer Ltd	100	+16.1	+9.8	11	14-0	2	-	-	-	0.7	NE	Nil	N/A	436
SRG Limited	65	+9.7	+0.8	18	13-0	-	-	0.7	2	0.7	32	6.2	0.18	41
Recall Holdings	734	+14.6	-3.1	13	10-0	12	0.9	-	-	0.3	52	Nil	3.53	2,302
Soul Pattinson	1457	+2.6	+3.6	32	10-0	1	0.0	1.2	5	0.2	22	3.2	4.41	3,488
Blackwall Prop.	115	+8.0	+1.2	20	13-4	-	-	3.3	39	0.4	8	0.3	4.25	54
I-College Ltd	18	+11.9	+7.7	15	8-0	-	-	-	-	1.6	NE	Nil	N/A	58
Thorney Opp.	47	+2.4	+1.0	33	8-0	-	-	1.0	-	0.7	NE	Nil	N/A	117
CSG Ltd	158	+15.2	+4.0	12	9-1	3	0.3	6.3	17	0.5	36	5.7	2.21	449
Thorn Group Ltd	271	+0.5	-2.0	37	11-3	7	0.1	3.0	21	0.4	14	3.9	1.73	410
Easton Invest.	71	+1.4	+3.3	35	7-0	-	-	3.2	-	0.4	NE	Nil	3.48	19
ASX Limited	4209	+9.1	+0.7	18	7-0	16	1.9	6.4	30	0.3	22	4.2	N/A	8,148
Qantas Airways	340	+37.5	+0.3	3	6-0	13	0.0	1.5	-	0.4	NE	Nil	0.49	7,468
EZA Corporation	12	+6.8	+2.1	23	6-0	-	-	4.0	-	1.3	NE	Nil	0.48	9
IOOF Holdings	1007	+8.6	-0.1	19	6-0	12	3.2	-	-	0.3	23	4.7	3.16	3,022
Mystate Ltd	527	+5.9	+0.9	25	6-0	4	0.0	2.2	14	0.3	16	5.4	2.16	460
Orora Limited	207	+13.9	-3.8	13	6-0	13	0.1	-	-	0.5	NE	2.9	0.94	2,498
Sims Metal Mgmt	1042	+3.9	-0.7	29	6-0	13	8.0	1.2	-	0.3	NE	1.0	0.30	2,134
Techniche Ltd	8	+1.6	-2.1	34	6-0	-	-	4.0	55	1.3	7	2.8	1.96	18
Prophecy Int'l	81	+27.5	+7.5	6	7-1	-	-	9.0	26	0.5	35	3.4	6.34	45
Titan Energy	4	+23.7	+5.0	7	7-1	-	-	-	-	2.0	NE	Nil	7.63	11
Ambition Group	14	+4.2	-2.8	28	5-0	-	-	0.8	-	1.0	NE	Nil	0.11	9
Site Group Int.	30	+47.4	+22.6	2	5-0	-	-	15.0	-	0.8	NE	Nil	8.31	144
Medibank Priv.	215	+2.7	-2.8	32	5-0	-	0.9	-	-	0.5	NE	Nil	N/A	5,921
CMI Limited	159	+7.3	+3.9	21	5-0	-	-	1.2	8	0.5	15	3.8	0.59	55
Smartgroup Corp	193	+8.7	+4.0	19	5-0	-	-	-	-	0.6	22	3.2	2.67	196
Graincorp	999	+7.4	+0.7	21	5-0	13	5.1	1.8	4	0.2	45	2.0	0.56	2,286
Magnis Resource	24	+14.5	-1.0	13	5-0	-	-	-	-	1.1	NE	Nil	N/A	63
Macquarie Group	7918	+18.4	+4.0	10	5-0	16	0.2	2.5	12	0.2	20	3.3	3.13	26,403
Aust Foundation	614	+1.5	-0.0	34	5-0	-	-	1.1	4	0.3	25	3.6	N/A	6,668
Villa World Ltd	223	+8.7	+0.6	19	5-0	2	0.1	1.2	11	0.4	11	6.7	0.91	246
Mortgage Choice	275	+1.6	+1.5	34	6-1	5	0.1	3.7	20	0.4	18	5.6	1.88	342
Seven Group	720	+7.2	+6.7	21	6-1	8	2.5	1.0	13	0.4	8	5.6	0.71	2,133
Service Stream	22	+5.1	+1.0	26	4-0	-	-	1.7	5	0.8	36	Nil	0.21	83
Newcrest Mining	1375	+13.4	-4.0	14	4-0	17	1.0	1.1	9	0.2	12	Nil	2.61	10,540
KeyBridge Cap'l	20	+4.7	+0.5	28	4-0	-	-	0.8	-	0.8	NE	Nil	N/A	32
NetComm Wire.	57	+3.5	+4.6	30	4-0	-	-	5.2	7	0.5	72	Nil	1.14	73
Impedimed Ltd	85	+21.5	-10.7	8	4-0	3	0.1	28.2	-	1.0	NE	Nil	N/A	248
Cynata Therap.	110	+98.8	+26.5	1	4-0	-	-	10.0	-	0.4	NE	Nil	N/A	60
Monash IVF Grp	153	+0.0	+3.7	38	4-0	-	0.5	-	-	0.6	NE	Nil	3.09	352
King Island Sc.	17	+12.5	+5.1	14	4-0	-	-	8.3	-	1.0	NE	Nil	N/A	24
Emerald Res.	2	+0.3	-6.4	37	4-0	-	-	-	-	2.8	NE	Nil	N/A	30
FSA Group Ltd	129	+6.9	-1.0	22	4-0	1	-	2.9	26	0.5	11	4.7	2.09	161
SAI Global Ltd	409	+0.4	+0.3	37	4-0	11	0.2	-	-	0.4	24	3.8	1.63	866
Flight Centre	4384	+1.5	+4.4	34	4-0	18	12.7	6.3	29	0.2	21	3.5	1.97	4,419
MZI Resources	40	+8.6	+6.5	19	4-0	-	-	-	-	0.8	NE	Nil	N/A	28
Fantastic Hold.	215	+8.8	+0.8	19	4-0	7	-	2.2	6	0.4	38	2.8	0.49	222
Sedgman Ltd	71	+16.7	+4.5	11	4-0	3	0.2	1.2	-	0.7	NE	7.0	0.51	161
Orica Ltd	2034	+2.2	+2.8	33	4-0	17	13.1	4.6	36	0.3	13	4.6	1.12	7,582
Biotech Capital	11	+33.8	-7.2	4	4-0	-	-	0.1	-	1.1	NE	Nil	N/A	8
Anatara Life.	70	+36.0	+19.6	4	4-0	-	-	-	-	0.7	NE	Nil	N/A	N/A
Nomad Building	6	+14.5	+7.7	13	4-0	-	-	0.9	-	1.6	NE	Nil	0.45	17
Elders Limited	313	+13.4	-10.6	14	4-0	4	1.1	44.7	81	0.4	55	Nil	0.12	262
Pacific Niugini	7	+6.7	+5.3	23	4-0	-	-	-	-	1.5	NE	Nil	N/A	21
HUB24 Limited	112	+11.6	+5.1	15	4-0	-	-	3.3	-	0.7	NE	Nil	N/A	53
Seek Ltd	1569	+0.7	-2.0	36	5-1	15	4.4	-	-	0.5	27	1.9	7.38	5,399
Perpetual Ltd	5381	+10.3	+2.0	17	5-1	13	2.2	16.9	53	0.3	32	3.3	5.57	2,506
Nat'l Aust Bank	3520	+6.9	-0.6	22	3-0	17	0.5	2.4	16	0.2	15	5.4	1.82	85,223
Endeavour Min.	64	+0.7	+1.7	36	3-0	5	0.0	-	-	0.5	NE	Nil	0.08	29
Energy World	38	+8.7	+6.4	19	3-0	-	2.4	1.2	4	0.8	32	Nil	3.87	659
Collins Foods	247	+6.1	-2.9	24	3-0	5	0.0	-	-	0.4	16	4.3	0.52	230
Estia Health	629	+14.3	+3.3	13	3-0	-	1.2	-	-	0.5	NE	Nil	6.43	1,138
AMCIL Limited	89	+0.6	+0.7	36	3-0	-	-	1.0	3	0.6	32	2.8	N/A	203
Toll Holdings	900	+30.9	+5.9	5	3-0	14	0.1	6.3	28	0.2	23	3.1	0.73	6,457
Medtech Global	14	+6.2	-3.6	24	3-0	-	-	-	-	1.2	NE	Nil	0.84	14
Incitec Pivot	391	+17.6	-0.8	10	3-0	17	0.4	5.6	21	0.4	26	2.8	1.93	6,552
Praemium Ltd	36	+40.7	+2.3	3	3-0	1	-	8.9	-	0.8	NE	Nil	7.46	134
Div. United Inv	360	+2.9	+0.3	31	3-0	-	-	1.0	13	0.3	7	3.9	N/A	739
Aurora Minerals	4	+1.2	+6.0	35	3-0	-	-	-	-	1.8	NE	Nil	3.87	4

Australian Warrant / Option Analysis

Company	Share Price	Exercise Price	Yr/Mth to Expiry	Option Price	Black-Scholes Valuation	Option Over/Under-Valued	Share Vola-tility	Option Lever-age	Options to Buy 1 Share	Break-Even Rate
88 Energy	0.9	2.0	2-9	0.3	0.8	-60	1.90	1.09	1.0	+41
A1 Cons Gold	3.2	3.0	4-6	1.4	2.2	-36	0.89	1.24	1.0	+7
Acorn Capital	77	100	0-5	0.1	0.0	+423	0.16	9.99	1.0	+94
Actinogen	9.3	20	0-4	0.1	0.9	-89	1.34	2.96	1.0	+909
Adelaide Resources	2.2	5.0	1-4	0.4	0.1	+469	0.50	4.32	1.0	+96
Adv Braking Tech	0.6	1.2	1-3	0.3	0.1	+231	0.80	2.49	1.0	+113
Agenix Ltd	2.0	5.0	0-1	0.1	0.0	+999	0.76	9.99	1.0	+999
Agrimin Ltd	15	5.0	0-7	9.0	9.6	-6	0.75	1.49	1.0	-6
Alcyone Resources	0.1	1.0	0-2	0.1	0.0	+999	0.00	9.99	1.0	+999
American Patriot	15	25	1-5	2.3	2.8	-19	0.73	2.39	1.0	+53
Anatolia Energy	7.8	18	2-1	0.6	0.9	-34	0.60	2.68	1.0	+53
Antipa Minerals	0.5	1.0	0-12	0.1	0.1	+15	0.96	2.33	1.0	+128
Antisense Thera.	16	27	1-8	5.7	2.1	+175	0.55	2.88	1.0	+54
Applabs Tech.	15	25	0-12	1.2	0.7	+61	0.51	4.29	1.0	+83
Argent Minerals	2.3	18	0-10	0.3	0.0	+999	0.90	4.26	1.0	+999
Argonaut Resources	0.7	6.0	1-10	0.2	0.0	+450	0.90	2.54	1.0	+229
Arowana Aust Value	97	98	1-1	1.5	4.7	-68	0.10	9.99	1.0	+2
Artemis Resources	0.2	0.3	1-2	0.1	0.1	-19	1.83	1.28	1.0	+81
Artemis Resources	0.2	2.0	1-3	0.1	0.1	+63	1.83	1.52	1.0	+556
Arunta Resources	0.2	0.2	4-2	0.1	0.2	-49	2.13	1.01	1.0	+10
Ausquest Ltd	1.8	4.0	1-6	0.7	0.6	+10	1.18	1.64	1.0	+90
Ausquest Ltd	1.8	3.5	2-11	0.7	1.1	-34	1.18	1.30	1.0	+34
Bailador Tech Inv	90	100	0-10	6.5	1.3	+415	0.12	9.99	1.0	+22
Barrack St Invest.	90	100	1-3	2.5	6.1	-59	0.23	6.32	1.0	+11
Beacon Minerals	0.4	0.5	0-4	0.1	0.1	+21	1.24	2.53	1.0	+237
Biotron	13	12	1-4	6.0	4.3	+39	0.72	2.00	1.0	+31
Black Star Petroleum	0.2	20	2-7	0.4	0.2	+148	2.70	1.08	1.0	+499
Blackgold Int'l	7.0	8.0	1-2	1.7	1.8	-8	0.71	2.27	1.0	+32
Blue Sky Alt.	107	100	0-7	5.0	11.3	-56	0.21	6.83	1.0	-3
Botswana Metals	0.7	1.5	1-7	0.3	0.2	+23	1.12	1.66	1.0	+82
Boulder Steel	1.7	10	0-1	0.2	0.1	+97	3.89	2.60	1.0	+999
Buxton Resources	11	30	0-8	1.0	1.3	-23	1.23	2.43	1.0	+407
CBG Capital	101	100	1-4	3.5	7.6	-54	0.12	8.63	1.0	+2
Cadence Capital	140	143	0-3	1.0	2.5	-60	0.12	9.99	1.0	+12
Canyon Resources	4.0	16	0-9	0.5	0.1	+448	0.90	3.72	1.0	+562
Canyon Resources	4.0	6.0	1-8	0.6	1.3	-55	0.90	1.79	1.0	+35
Capital Mining	0.5	2.0	1-7	0.2	0.3	-23	1.74	1.32	1.0	+155
Caravel Minerals	1.0	3.5	1-0	0.1	0.1	-18	1.10	2.33	1.0	+260
Caravel Minerals	1.0	7.0	0-1	0.1	0.0	+999	1.10	9.99	1.0	+999
Carbon Energy	2.4	6.0	1-2	0.6	0.5	+10	1.11	1.97	1.0	+138
Cardinal Resources	6.8	15	4-4	1.8	4.8	-62	1.19	1.18	1.0	+23
Carnarvon Petrol.	12	10	0-7	4.8	4.9	-1	1.15	1.84	1.0	+43
Cellmid Ltd	2.4	3.4	1-5	0.8	0.3	+144	0.52	3.07	1.0	+49
Ceramic Fuel Cells	0.4	1.1	0-5	0.1	0.0	+999	0.70	6.89	1.0	+999
Challenger Energy	4.5	20	1-1	0.3	0.0	+841	0.65	4.71	1.0	+302
Circadian Tech	16	27	3-6	4.0	2.2	+85	0.37	2.88	1.0	+21
Citation Resources	0.1	4.0	0-7	0.3	0.0	+999	1.43	4.37	1.0	+999
Classic Minerals	1.0	20	0-1	0.5	0.0	+999	1.11	9.99	1.0	+999
Cleveland Mining	4.9	65	1-1	0.3	0.0	+999	0.92	3.90	1.0	+963
Clime Capital	93	104	0-5	0.2	0.1	+212	0.09	9.99	1.0	+35
Collaborate Corp	3.2	2.0	1-11	1.7	3.0	-43	2.53	1.03	1.0	+8
Connexion Media	23	20	1-9	6.2	11.0	-44	0.85	1.60	1.0	+8
Continental Coal	0.1	50	0-1	0.1	0.0	+999	2.34	9.99	1.0	+999
Cott Oil & Gas	3.5	20	0-7	1.0	0.0	+999	0.88	5.23	1.0	+999
Cudeco Limited	120	250	0-7	12.0	1.8	+564	0.60	5.69	1.0	+284
Diatreme Resources	0.9	2.0	0-9	0.2	0.2	-4	1.31	1.99	1.0	+213
Discovery Africa	0.6	20	1-7	0.1	0.0	+104	1.45	1.96	1.0	+841
Doray Minerals	45	48	0-3	5.5	4.1	+35	0.61	5.37	1.0	+119
Drake Resources	0.8	3.0	2-2	0.1	0.2	-57	1.06	1.68	1.0	+87
Drake Resources	0.8	5.0	0-2	0.1	0.0	+999	1.06	9.99	1.0	+999
Eagle Nickel	0.3	20	0-7	0.4	0.0	+999	0.00	9.99	1.0	+999
Eden Energy	1.2	3.0	3-4	0.3	0.3	+15	0.63	2.02	1.0	+35
Elemental Minerals	18	25	0-8	4.0	0.9	+337	0.48	5.18	1.0	+114
Elixir Petroleum	0.1	1.5	1-4	0.1	0.0	+645	1.50	1.87	1.0	+700
Elk Petroleum	2.5	25	2-2	0.1	0.1	-20	0.86	2.50	1.0	+193
Ellerston Global Inv.	117	100	2-10	30.0	25.6	+17	0.14	3.93	1.0	+4
Elysium Resources	0.5	20	0-10	0.1	0.0	+999	1.02	5.50	1.0	+999
Empire Oil	0.5	0.9	2-11	0.2	0.2	+7	0.79	1.65	1.0	+31
Enegex NL	1.4	10	0-1	0.1	0.0	+999	0.91	9.99	1.0	+999
Enerji Ltd	5.7	20	1-7	0.1	2.0	-95	1.35	1.56	1.0	+122

Company	Share Price	Exercise Price	Yr/Mth to Expiry	Option Price	Black-Scholes Valuation	Option Over/ Under-Valued	Share Vola-tility	Option Lever-age	Options to Buy 1 Share	Break-Even Rate
Enerji Ltd	5.7	3.0	0-1	0.1	2.7	-96	1.35	2.02	1.0	-100
Env. Clean Tech.	1.4	1.5	2-2	0.5	0.9	-42	1.20	1.30	1.0	+18
Env. Clean Tech.	1.4	0.9	2-2	0.7	1.0	-30	1.20	1.23	1.0	+6
Erin Resources	1.7	2.0	0-1	0.1	0.1	-33	1.29	4.60	1.0	+999
European Metals	14	10	1-1	4.9	7.3	-33	1.05	1.55	1.0	+6
Exalt Resources	1.5	20	0-7	0.2	0.0	+999	0.80	8.79	1.0	+999
Fatfish Internet	24	22	1-2	1.7	6.4	-73	0.52	2.57	1.0	-1
Firestrike Res.	2.2	4.0	1-7	0.5	0.4	+42	0.67	2.52	1.0	+57
First Growth Funds	0.8	0.8	0-9	0.2	0.5	-59	2.00	1.33	1.0	+37
Fox Resources	0.2	4.0	1-1	0.1	0.0	+999	1.06	3.49	1.0	+999
Future Generation IF	113	110	1-4	5.3	22.9	-77	0.40	3.14	1.0	+2
GBM Resources	1.9	3.5	1-1	0.2	0.5	-62	1.11	1.89	1.0	+85
Galicia Energy	1.0	8.0	0-1	0.1	0.0	+999	1.20	9.99	1.0	+999
General Mining	5.0	13	0-3	1.0	2.2	-55	3.46	1.46	1.0	+999
Gladiator Res.	0.4	0.6	2-1	0.1	0.1	-13	0.71	1.97	1.0	+31
Gladiator Resources	0.4	10	0-1	0.1	0.0	+999	0.71	9.99	1.0	+999
Gleneagle Gold	0.3	1.0	0-1	0.1	0.0	+999	2.06	5.07	1.0	+999
Global Metal Exp	0.5	2.0	0-5	0.1	0.0	+999	0.00	9.99	1.0	+999
Global Value Fund	103	100	0-10	5.9	6.4	-9	0.10	9.99	1.0	+4
Goldphyre Resources	2.8	8.0	1-4	0.5	1.0	-49	1.38	1.59	1.0	+130
Greenland M&E	8.6	20	1-1	1.6	0.8	+92	0.79	2.85	1.0	+134
Havilah Resources	29	30	2-1	7.1	11.5	-38	0.71	1.77	1.0	+13
High Peak Royalties	8.7	35	1-11	1.7	0.4	+302	0.66	3.05	1.0	+115
IM Medical	0.1	1.0	1-4	0.1	0.0	+257	1.72	1.56	1.0	+504
IMX Resources	1.1	60	0-4	0.3	0.0	+999	1.31	9.99	1.0	+999
Icollege Ltd	18	20	2-2	4.1	12.5	-67	1.42	1.22	1.0	+15
Impact Minerals	2.1	20	0-6	0.1	0.0	+999	1.03	5.52	1.0	+999
Indus Energy NL	1.2	30	1-1	0.1	0.2	-55	1.99	1.66	1.0	+999
Investigator Res.	1.0	10	1-10	0.4	0.0	+999	0.80	3.07	1.0	+259
Invigor Group	7.1	5.0	3-1	4.0	5.0	-20	1.03	1.23	1.0	+8
Isignthis	19	50	0-7	1.0	6.1	-84	1.98	1.65	1.0	+469
Jacka Resources	3.4	13	1-0	0.3	0.0	+999	0.52	6.56	1.0	+291
Kaboko Mining	0.1	1.2	1-3	0.1	0.0	+999	0.99	3.11	1.0	+678
Katana Capital	92	100	0-9	0.5	1.5	-67	0.12	9.99	1.0	+13
Kibaran Resources	19	20	0-2	8.0	3.7	+116	1.26	2.94	1.0	+729
King River Copper	3.6	20	0-1	0.1	0.0	+999	1.09	1.00	1.0	+999
Kingston Resources	1.8	20	0-7	1.0	0.0	+999	0.78	8.04	1.0	+999
Kogi Iron	2.3	8.0	2-0	1.0	0.4	+130	0.90	2.00	1.0	+98
Krakatoa Resources	11	20	0-1	1.5	0.0	+999	0.78	9.99	1.0	+999
Krucible Metals	7.3	5.0	0-8	1.8	2.6	-30	0.49	2.52	1.0	-10
Kunene Resources	4.0	25	0-2	0.1	0.0	+999	0.71	9.99	1.0	+999
Laconia Resources	0.2	6.0	3-4	0.1	0.1	-32	2.00	1.12	1.0	+179
Lindian Res.	0.5	2.0	3-2	0.2	0.2	-18	1.18	1.36	1.0	+60
Liontown Resources	0.8	5.0	0-4	0.1	0.0	+999	1.26	4.90	1.0	+999
Lithex Resources	1.4	8.0	0-7	0.2	0.4	-50	2.32	1.61	1.0	+999
Lodestar Minerals	0.9	3.0	0-10	0.2	0.3	-39	1.87	1.55	1.0	+358
Lucapa Diamond	20	1.0	0-3	1.6	19.0	-92	0.69	1.05	1.0	-100
Lynas Corporation	4.5	9.0	0-4	0.2	0.1	+69	0.92	4.91	1.0	+999
MRG Metals	12	25	1-4	1.5	1.9	-19	0.80	2.44	1.0	+83
MRL Corporation	3.4	20	1-5	0.3	0.2	+38	0.96	2.57	1.0	+267
Magellan Financial	1861	300	1-11	760.0	1568.6	+12	0.30	1.19	1.0	+10
Magellan Flagship	172	105	2-5	73.5	73.5	+0	0.20	2.27	1.0	+2
Magnis Resources	24	10	2-0	16.0	15.9	+0	0.73	1.39	1.0	+4
Mantle Mining	1.0	4.5	0-1	0.1	0.0	+999	0.97	1.00	1.0	+999
Marmota Energy	1.1	2.0	0-6	0.3	0.1	+265	0.86	3.52	1.0	+308
Metals of Africa	8.5	15	1-7	3.0	3.6	-17	1.19	1.54	1.0	+60
Minera Gold	0.2	1.2	1-6	0.1	0.1	+66	1.48	1.58	1.0	+246
Minerals Corp	6.2	1.0	0-7	0.1	6.0	-98	4.25	1.02	1.0	-95
Mining Corporation	0.8	5.0	0-1	0.1	0.0	+999	0.79	9.99	1.0	+999
Mining Projects	0.5	1.0	1-1	0.1	0.1	+2	0.96	2.21	1.0	+107
Mitchell Services	2.2	30	1-2	0.1	0.0	+546	0.96	3.51	1.0	+841
Moko.Mobi Ltd	16	5.0	0-1	11.0	11.0	-0	0.55	1.45	1.0	+0
Monax Mining	1.1	4.2	0-2	0.1	0.0	+999	1.15	7.81	1.0	+999
Money3 Corp.	140	130	2-12	45.0	40.8	+10	0.35	2.42	1.0	+8
Mozambi Resources	1.6	2.0	2-7	0.5	1.0	-49	1.14	1.30	1.0	+19
Mt Magnet South	0.2	0.6	3-7	0.1	0.2	-42	1.81	1.07	1.0	+42
NKWE Platinum	8.0	10	0-10	1.5	1.6	-4	0.74	2.65	1.0	+55
NSL Consolidated	0.7	1.0	1-7	0.3	0.3	-8	1.18	1.50	1.0	+48
Namibian Copper	0.3	1.5	3-11	0.2	0.2	-7	1.48	1.15	1.0	+56
Naos Absolute Opps	96	100	1-6	2.5	2.1	+20	0.05	9.99	1.0	+5
Naos Emerging	102	113	0-2	0.2	0.0	+999	0.11	9.99	1.0	+92
Naracoota Resources	3.5	9.0	0-4	0.2	0.0	+999	0.77	6.77	1.0	+999
New Talisman Gold	0.9	2.0	2-6	0.2	0.3	-42	0.96	1.58	1.0	+43
Newera Resources	0.2	0.5	1-2	0.1	0.2	-38	2.79	1.11	1.0	+156
Oilex Ltd	6.9	15	0-3	0.2	0.2	+30	1.03	4.90	1.0	+999
Ozgrowth	15	23	0-3	0.1	0.0	+999	0.28	9.99	1.0	+415
PBD Developments	1.6	2.3	0-7	0.1	0.1	-11	0.59	4.34	1.0	+93
PHW Cons.	0.5	1.0	3-4	0.3	0.4	-16	1.35	1.18	1.0	+33
PM Capital Asian	95	100	1-0	4.4	3.6	+23	0.13	9.99	1.0	+10
PM Capital Global	104	100	0-1	3.9	4.0	-1	0.12	9.99	1.0	+5
Paradigm Metals	0.2	0.2	1-7	0.1	0.2	-36	1.91	1.15	1.0	+29
Parmelia Resources	2.1	5.0	2-0	0.4	1.1	-62	1.34	1.38	1.0	+60
Paynes Find Gold	0.1	3.0	0-1	0.1	0.0	+999	1.99	9.99	1.0	+999
Peak Resources	8.8	10	0-1	0.3	0.2	+84	0.53	9.99	1.0	+560
Peninsula Energy	1.8	3.0	0-7	0.2	0.0	+718	0.44	7.16	1.0	+168
Peninsula Energy	1.8	5.0	3-7	0.6	0.2	+296	0.44	2.89	1.0	+37
Pental Ltd	43	3.0	0-0	0.5	40.0	-99	0.37	1.07	1.0	-100
Pepinnini Min.	1.3	5.0	0-1	0.1	0.0	+999	0.80	9.99	1.0	+999
Perpetual Equity	97	100	1-0	3.4	1.3	+167	0.04	9.99	1.0	+6
PharmAust Ltd	1.2	2.0	0-3	0.2	0.0	+806	0.74	6.42	1.0	+999
Pharmnet Group	0.1	0.5	0-7	0.1	0.0	+999	0.00	9.99	1.0	+999
Phylogica Ltd	3.1	9.0	1-1	0.8	0.1	+527	0.70	3.54	1.0	+189
Platina Resources	6.2	6.0	0-4	0.8	2.5	-69	1.81	1.74	1.0	+32
Platypus Minerals	1.4	3.5	1-6	0.3	0.2	+82	0.74	2.59	1.0	+95
Pluton Resources	3.4	5.5	1-10	0.9	0.0	+999	0.08	9.99	1.0	+41
Plymouth Minerals	4.0	25	0-1	0.1	0.0	+999	0.69	9.99	1.0	+999
Potash Minerals	2.3	20	0-6	0.1	0.0	+999	1.05	5.19	1.0	+999
Prima Biomed	2.1	20	2-1	0.4	0.0	+999	0.41	7.94	1.0	+203
Primary Gold	1.3	10	0-7	0.2	0.0	+790	1.28	3.32	1.0	+999
Proto Res & Inv	0.1	5.5	1-10	0.1	0.0	+999	0.00	9.99	1.0	+817
Pryme Energy	0.7	2.0	1-2	0.1	0.1	-12	1.04	2.19	1.0	+160
QV Equities	108	100	0-10	7.0	10.0	-30	0.06	9.99	1.0	-1
RTG Mining	58	150	2-0	10.5	4.0	+163	0.54	3.15	1.0	+66
Ram Resources	0.5	2.5	1-9	0.2	0.1	+129	1.07	1.95	1.0	+165
Ramelius Res.	13	12	0-2	3.2	2.2	+45	0.81	3.90	1.0	+155
Rampart Energy	0.2	0.7	0-8	0.1	0.1	+99	1.77	1.79	1.0	+700
Range Resources	1.0	5.0	0-8	0.4	0.0	+999	0.83	4.97	1.0	+999
Raya Group	0.5	1.5	1-2	0.3	0.1	+236	1.10	2.10	1.0	+208
Raya Group	0.5	1.5	1-2	0.1	0.1	+12	1.10	2.09	1.0	+177
Red Gum Resources	4.0	10	0-9	0.1	1.5	-93	1.82	1.58	1.0	+244
Red Gum Resources	4.0	1.0	2-6	0.1	3.7	-97	1.82	1.05	1.0	-41
Red Mountain Mining	0.3	3.0	1-1	0.1	0.0	+463	1.26	2.40	1.0	+763
Red Mountain Mining	0.3	1.2	0-10	0.1	0.0	+181	1.26	2.29	1.0	+481
Red Mountain Mining	0.3	0.6	1-1	0.1	0.1	+3	1.26	1.74	1.0	+119
Redstone Resources	1.3	20	0-9	0.1	0.0	+999	1.14	3.89	1.0	+999
Resource Star	1.0	0.4	0-10	0.6	0.7	-20	1.70	1.23	1.0	+0
Reward Minerals	62	25	1-1	34.0	38.0	-10	0.51	1.60	1.0	-4
Rhinomed Ltd	2.6	6.0	1-11	0.9	0.8	+19	0.95	1.79	1.0	+66
Rumble Resources	11	8.0	0-1	2.6	3.2	-20	1.07	3.00	1.0	-36
Rumble Resources	11	35	0-5	0.5	0.3	+91	1.07	3.99	1.0	+999
Rumble Resources	11	8.0	1-1	3.4	5.7	-41	1.07	1.54	1.0	+3
SML Corporation	1.0	20	0-6	0.1	0.0	+999	1.29	4.84	1.0	+999
Samson Oil & Gas	0.8	3.8	1-10	0.2	0.1	+206	0.81	2.51	1.0	+141
Sandon Capital	95	100	0-2	0.1	0.4	-74	0.12	9.99	1.0	+42
Select Exploration	0.6	35	0-4	0.1	0.0	+999	1.23	9.99	1.0	+999
Shoply Ltd	1.5	3.5	0-2	0.1	0.0	+999	0.71	9.99	1.0	+999
Siburan Resources	4.5	2.0	2-7	2.5	3.0	-18	0.73	1.35	1.0	+0
Sino Aust Oil & Gas	48	75	1-6	2.5	0.0	+999	0.00	9.99	1.0	+38
Sipa Resources	8.0	7.5	0-5	1.7	2.3	-26	1.00	2.34	1.0	+38
Southern Gold	1.2	1.5	0-6	0.1	0.2	-59	1.00	2.56	1.0	+78
Spitfire Reources	1.0	12	0-10	0.1	0.0	+999	0.81	5.74	1.0	+999
St George Mining	6.5	20	2-1	2.5	2.0	+23	1.06	1.66	1.0	+81
Sthn Hemi Mining	1.2	4.5	0-9	0.1	0.0	+113	0.96	3.28	1.0	+477
Sun Resources	0.1	2.5	2-4	0.1	0.1	+91	1.92	1.25	1.0	+304
TNG Limited	16	8.0	0-2	8.0	7.6	+5	1.00	1.96	1.0	+21
Tag Pacific	7.2	20	2-4	0.1	1.3	-92	0.73	2.15	1.0	+55
Talga Resources	44	35	0-6	14.0	13.5	+4	0.73	2.50	1.0	+24
Tamaska Oil & Gas	0.4	0.5	0-3	0.1	0.1	+87	1.17	3.33	1.0	+600
Tasman Resources	1.7	5.0	2-10	0.4	0.7	-45	1.06	1.46	1.0	+50
Titan Energy	3.5	3.0	0-5	0.3	1.0	-69	0.80	2.64	1.0	-13
Tychean Resources	0.2	0.6	0-1	0.1	0.0	+999	1.54	7.44	1.0	+999
US Residential Fund	75	95	1-2	2.0	5.9	-66	0.36	4.64	1.0	+25
VTX Holdings	1.3	2.5	0-5	0.3	0.5	-34	2.16	1.68	1.0	+581
Valence Industries	28	25	1-2	14.0	9.3	+50	0.67	2.13	1.0	+33
Valmec Ltd	18	25	2-7	5.0	3.9	+28	0.51	2.33	1.0	+23
Venus Metals	13	20	1-6	2.0	8.0	-75	1.63	1.28	1.0	+42
WAM Research	121	120	0-1	0.2	1.9	-89	0.11	9.99	1.0	-12
WHL Energy	3.0	18	1-6	1.5	0.2	+726	0.92	2.60	1.0	+248
Westoz Invest.	96	130	0-3	0.1	0.0	+999	0.19	9.99	1.0	+237
White Cliff Min.	0.7	3.0	1-9	0.2	0.0	+320	0.75	2.71	1.0	+134
Wolf Petroleum	2.4	5.0	3-2	0.9	1.2	-24	1.00	1.41	1.0	+33
Wolf Petroleum	2.4	20	0-7	0.5	0.0	+999	1.00	4.94	1.0	+999
YPB Group	29	20	2-5	12.5	18.8	-34	0.99	1.31	1.0	+5
Yowie Group	73	20	0-7	51.0	53.3	-4	0.61	1.37	1.0	-5
Zeta Petroleum	15	30	0-2	1.0	1.6	-37	2.18	2.89	1.0	+999
Zeta Petroleum	15	4.0	0-1	0.3	11.0	-97	2.18	1.35	1.0	-100
Zeta Resources	35	100	1-0	1.0	0.4	+163	0.55	5.18	1.0	+184
Ziptel Ltd	73	30	1-7	40.0	58.6	-32	1.58	1.15	1.0	-2

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	A	680	1.54	16	5.8
Abano Health.	B	760	0.74	32	3.8
Air New Zealand	A	278	0.07	1	5.0
Akd Int Airport	B	461	N/A	25	2.1
Allied Farmers	E	5.2	0.12	NE	Nil
Allied Work.	D	231	0.41	15	4.6
Aorere Res. *	N/R	0.3	3.17	NE	Nil
Argosy Property	D	113	8.51	10	5.4
Barramundi Ltd	C	68	N/A	NE	9.0
Bathurst Res.	E	18	N/A	NE	Nil
Blis Technology	D	2.0	N/A	NE	Nil
Briscoe Group	D	285	1.22	16	6.8
Burger Fuel	E	310	N/A	NE	Nil
CDL Investments	E	63	3.90	12	4.9
Cavalier Corp	E	39	0.13	5	10.7
Cavotec MSL	C	245	1.08	20	1.6
Chorus Ltd	B	299	1.12	8	Nil
Claridge Cap'l	D	1.5	N/A	NE	Nil
Coats Group plc	D	53	0.36	29	Nil
Col Motor Co	B	570	0.27	10	8.5
Comvita	C	413	1.14	17	Nil
Contact Energy	C	556	1.67	17	6.5
DNZ Property	B	200	9.35	14	5.7
Delegat Group	C	485	2.12	12	3.2
Diligent Board	C	561	4.59	44	Nil
EROAD Ltd	C	406	N/A	NE	Nil
Ebos Group Ltd	B	929	0.24	15	5.1
Evolve Educat.	E	104	N/A	NE	Nil
F & P Health.	C	645	5.69	37	2.7
Finzsoft Sol'ns	C	359	3.17	40	Nil
Fletcher Build.	B	849	0.69	17	5.9
Foley Fam Wines	E	140	2.36	22	Nil
Fonterra S/H Fd	D	518	0.18	16	6.2
Freightways Ltd	A	610	2.18	23	4.8
Genesis Energy	B	192	0.52	21	4.8
Gentech Group	B	243	4.58	52	2.1
GeoOP Ltd	C	48	N/A	NE	Nil
Goodman Prop.	D	117	8.90	11	5.6
Green Cross H.	C	230	2.73	22	2.2
Hallenstein G.	B	357	0.97	11	13.0
Heartland Bank	C	133	2.90	17	6.3
Hellaby Hold.	C	300	0.39	11	6.9
Heritage Gold *	N/R	1.8	N/A	NE	Nil
Horizon Energy	C	315	0.75	11	6.6
IkeGPS Limited	C	78	N/A	NE	Nil
Infratil NZ	B	314	0.76	NE	4.2
Insured Group	D	1.5	0.20	NE	Nil
Just Water Int.	D	14	0.45	7	Nil

	Performance Forecast	Price	Price/Sales Ratio	P/E Ratio	Gross Yield
Kathmandu Ltd	C	142	0.74	6	11.7
Kermadec Prop.	E	67	6.58	11	4.5
Kingfish Ltd	B	137	N/A	6	8.4
Kirkcaldie & St	E	168	0.48	46	Nil
Kiwi Property	D	126	6.12	13	5.1
L&M Energy	E	7.3	N/A	NE	Nil
Mainfreight Grp	A	1555	0.80	17	2.9
Marlin Global	C	85	N/A	8	8.7
Marsden Mar.	A	300	N/A	15	5.2
Mercer Group	E	12	0.87	NE	Nil
Meridian Energy	C	195	1.99	22	7.9
Methven Limited	D	117	0.81	17	11.2
Metro. LifeCare	B	485	N/A	15	0.8
Michael Hill	E	115	0.85	13	5.7
Mid-Cap Index	B	351	N/A	8	2.4
Mighty River	C	289	2.37	19	6.5
Millennium & C.	A	160	1.95	8	2.1
Moa Group Ltd	C	37	2.44	NE	Nil
Mowbray Collect	C	20	0.62	NE	Nil
NPT Limited	D	63	6.40	13	7.1
NZ Exchange Ltd	D	113	4.40	22	7.4
NZ Experience	C	35	1.11	9	11.8
NZ Finance Hold	C	1.0	5.55	NE	Nil
NZ Farming Sys.	D	65	1.53	NE	Nil
NZ Oil & Gas *	N/R	62	2.52	26	9.8
NZ Refining Co	B	252	3.38	79	Nil
NZ Windfarms	C	5.2	1.60	NE	Nil
NZ Wool Service	C	42	0.19	NE	Nil
NZSX 50 Port.	B	190	N/A	8	2.4
NZSX 10 Fund	C	122	N/A	7	3.2
NZX Aust MidCap	C	520	N/A	NE	3.7
New Image Group	D	25	0.79	NE	Nil
Nuplex Indust	A	338	0.41	13	6.2
Opus Int'l Cons	C	132	0.36	7	9.4
Orion Health.	D	440	N/A	NE	Nil
Ozzy (Tortis)	C	374	N/A	NE	3.2
PGG Wrightsons	C	50	0.31	9	12.6
Pac Edge Bio.	E	71	N/A	NE	Nil
Port Tauranga	A	1695	8.53	29	4.1
Precinct Prop.	E	115	7.34	10	6.6
Promisia Integ.	C	3.0	N/A	NE	Nil
Property F Ind.	C	158	N/A	11	6.2
Pumpkin Patch	D	29	0.17	9	Nil
Pushpay Hold.	B	445	N/A	NE	Nil
Pyne Gould Corp	D	34	8.62	NE	Nil
Rakon Ltd	D	36	0.45	NE	Nil
Restaurant Brds	C	420	1.24	21	5.5
Rubicon Limited	E	33	0.34	66	Nil

	Performance Forecast	Price	Price/Sales Ratio	P/E Ratio	Gross Yield
Ryman Health.	C	819	N/A	21	1.4
SLI Systems Ltd	D	97	2.62	NE	Nil
Sanford Limited	C	480	0.99	20	10.7
Satara Co-op	D	58	0.19	NE	Nil
Scales Corp Ltd	C	170	0.90	13	2.5
Scott Tech. Ltd	E	138	1.01	24	8.1
Sealegs Corp	D	10	0.75	NE	Nil
Seeka Kiwifruit	C	315	0.42	15	3.5
Serko Limited	E	90	N/A	NE	Nil
Skellerup Hold.	E	140	1.37	12	8.4
Sky City Ltd	A	408	2.89	24	6.8
Sky Network TV	B	626	2.68	15	6.4
Smartpay NZ Ltd	C	20	1.50	20	Nil
Smiths City	D	53	0.13	7	6.6
Snakk Media Ltd	E	4.7	3.38	NE	Nil
Snosaj12 Ltd	D	10	0.19	NE	Nil
Sol. Dynamics	B	90	1.16	25	Nil
South Port NZ	A	412	3.44	16	7.4
Spark NZ Ltd	C	285	1.43	16	8.0
Speirs Group	B	18	0.13	1	Nil
Steel & Tube	B	288	0.58	14	7.7
Summerset Group	B	342	N/A	14	1.0
Synlait Milk	C	295	1.03	37	Nil
TeamTalk Ltd	C	73	0.34	7	33.3
Tenon Ltd	B	200	0.27	54	Nil
Tourism Hold.	B	177	0.88	18	5.5
Tower Limited	B	208	1.21	17	7.0
Trade-Me Ltd	B	379	9.15	19	6.0
Training Sol.	D	0.2	N/A	NE	Nil
Trilogy Intern.	A	90	1.88	52	Nil
Trust Power Ltd	A	788	3.04	21	6.5
Turners Ltd	C	32	4.97	47	1.6
Turners & Grow.	D	192	0.31	14	2.2
Vector Ltd	B	319	2.52	19	6.6
Velo Capital	D	7.0	N/A	NE	Nil
Veritas Invest.	D	82	1.02	7	13.8
Vetilot Limited	B	0.5	N/A	NE	Nil
Vista Group Ltd	B	515	8.73	NE	Nil
Vital Health PT	D	165	8.28	15	6.6
WN Drive Tech.	E	3.4	0.31	NE	Nil
Warehouse Group	C	278	0.39	6	10.5
Windflow Tech.	C	5.0	0.27	NE	Nil
World Index Fd	D	100	N/A	NE	Nil
Wynyard Group	E	179	7.96	NE	Nil
Xero Ltd	B	1930	N/A	NE	Nil
Z Energy Ltd	B	499	0.59	21	6.1
Ave of 142 Cos	**C**	248	0.58	16	3.7

	Performance Forecast	Price	Price/Sales Ratio	P/E Ratio	Gross Yield
A.P. Eagers	A	903	0.56	21	3.0
AGL Energy Ltd	A	1477	0.90	15	4.3
ALS Limited	B	546	1.43	14	7.1
AMP Ltd	A	637	0.93	26	3.6
ANZ Bank	A	3235	2.62	14	5.1
APA Group	A	894	5.61	22	4.1
APN News Media	B	91	1.11	56	Nil
ARB Corporation	A	1251	3.02	21	2.3
ASX Limited	A	4209	N/A	22	4.2
AVEO Group	A	272	3.21	52	2.9
Abacus Property	A	291	4.71	22	5.7
Adelaide Bright	A	448	2.15	17	3.8
Ainsworth Game	A	291	3.84	15	3.4
Alumina Ltd	C	169	N/A	NE	0.9
Amalgamated Hld	A	1243	1.79	25	3.4
Amcor Ltd	A	1348	1.50	22	3.2
Aneka Tambang	D	110	N/A	NE	Nil
Ansell Ltd	B	2616	2.37	90	0.0
Ardent Leisure	B	212	1.69	18	6.1
Argo Investment	B	766	N/A	26	3.7
Aristocrat Leis	B	813	6.04	NE	2.0
Asaleo Care Ltd	B	183	1.75	NE	3.0
Asciano Limited	A	640	1.59	25	1.8
Aurizon Hold.	B	486	2.71	41	3.4
AusNet Services	B	145	2.55	15	5.7
Aust Foundation	B	614	N/A	25	3.6
Aust United In	B	842	N/A	8	3.8
Aust Agricult.	C	153	1.89	NE	Nil
Automotive Hold	A	423	0.48	29	4.7
BHP Billiton	A	3130	1.41	7	4.1
BKI Invest Coy	A	172	N/A	24	4.0
BT Invest Mgmt	A	990	9.41	48	1.8
BWP Trust	A	305	N/A	15	4.6
Bank of Q'land	A	1307	1.70	23	4.4
Beach Energy	A	112	1.37	14	2.7
Bendigo Bank	A	1216	1.69	15	5.3
Blackmores Ltd	A	6890	3.40	46	1.8
Bluescope Steel	B	358	0.25	NE	Nil
Boral Limited	A	619	1.09	46	2.4
Brambles Ltd	A	1092	2.98	13	2.4
Breville Group	A	749	1.80	20	3.6
Brickworks Ltd	A	1458	3.22	21	2.9
C.S.R. Ltd	A	377	1.09	22	2.7
CIMIC Group	B	2155	0.43	NE	5.1
CSL Limited	A	8966	7.52	31	1.3
Caltex Austrlia	B	3309	0.37	NE	2.1
Carlton Invest	A	3130	N/A	24	3.2
Carsales.com	B	930	9.37	23	3.5
Challenger Ltd	A	701	2.22	10	3.7
Charter Hall GR	A	500	N/A	21	4.5
Chart H Retail	A	434	8.68	12	6.3
CocaCola Amatil	A	989	1.51	20	4.2
Cochlear Ltd	A	8043	5.70	49	0.3
Com'wealth Bank	A	8264	3.24	15	4.9
Computershare	A	1223	3.18	26	2.4
Corp Travel M.	A	1055	8.65	58	1.1
Cromwell Prop.	B	110	5.70	10	6.9
Crown Resorts	B	1283	3.02	14	2.9
DUET Group	B	249	2.64	17	6.3
Dexus Property	A	734	9.50	16	0.9
Djerriwarrh	B	460	N/A	23	5.7
Domino's Pizza	A	3861	7.33	78	1.0
Downer EDI Ltd	A	481	0.25	10	4.4
DuluxGroup Ltd	A	630	1.49	23	3.3

	Performance Forecast	Price	Price/Sales Ratio	P/E Ratio	Gross Yield
Echo Ent Group	A	441	2.02	34	1.8
Energy Develop.	A	722	2.97	27	3.9
Estia Health	B	629	6.43	NE	Nil
Evolution Min.	B	113	1.26	16	1.8
Fairfax Media	B	101	1.17	16	2.0
Federation Cent	B	298	7.79	20	4.7
Flexicorp Ltd	A	333	3.20	18	5.0
Flight Centre	A	4384	1.97	21	3.5
Fortescue Metal	B	250	0.62	3	8.0
G8 Education	B	378	2.72	25	5.0
GPT Group	A	436	7.21	12	4.9
Genworth Mort.	C	316	N/A	NE	Nil
Goodman Group	A	622	9.09	16	3.3
Graincorp	A	999	0.56	45	2.0
Growthpoint Pro	A	310	9.72	14	6.1
Harvey Norman	A	435	3.10	22	2.1
Henderson Group	A	534	5.59	26	2.8
Hutchison Tel.	C	9.5	N/A	NE	Nil
IOOF Holdings	A	1007	3.16	23	4.7
IRESS Limited	A	1018	4.92	32	4.1
IiNet	A	994	1.70	26	1.9
Iluka Resources	B	846	4.46	NE	2.2
Incitec Pivot	A	391	1.93	26	2.8
Independ. Group	A	600	3.51	30	1.3
Insurance Aust.	B	550	1.19	10	7.1
Investa Office	A	369	N/A	12	5.0
Invocare Ltd	A	1307	3.40	26	2.8
JB Hi-Fi Ltd	A	1986	0.56	15	4.2
James Hardie	A	1493	5.20	NE	1.2
Lend Lease Grp	B	1623	N/A	NE	4.4
Liq Natural Gas	B	462	N/A	NE	Nil
M2 Group Ltd	A	1079	1.90	29	2.4
MNC Media Inv.	C	360	N/A	NE	Nil
MYOB Group	C	364	N/A	NE	Nil
Macquarie Atlas	B	331	N/A	NE	4.0
Macquarie Group	A	7918	3.13	20	3.3
Magellan Fin Gp	A	1861	N/A	36	2.1
Mantra Group	B	392	2.15	NE	Nil
Mayne Pharma Gr	B	124	5.21	35	Nil
McMillan Shake.	A	1161	2.49	16	4.5
Medibank Priv.	C	215	N/A	NE	Nil
Mesoblast Ltd	C	370	N/A	NE	Nil
Metcash Ltd	B	127	0.08	7	14.6
Milton Corp.	B	442	N/A	23	4.0
Mineral Res.	B	668	0.66	5	9.3
Mirvac Group	B	195	3.85	16	4.6
Monadelphous Gr	B	962	0.38	6	12.8
Nat'l Aust Bank	A	3520	1.82	15	5.4
Navitas Ltd	A	465	1.99	22	4.2
New Hope Corp.	A	215	3.15	31	3.7
Newcrest Mining	A	1375	2.61	12	Nil
News Corp.	A	1880	1.20	43	Nil
Nib Holdings	A	370	1.07	23	3.0
Nine Entertain.	A	227	1.38	37	1.9
Novion Property	A	251	10.00	19	5.4
Nthn Star Res.	B	209	4.08	50	1.2
Nufarm Limited	A	743	0.75	52	1.1
OZ Minerals Ltd	A	466	1.70	47	2.1
Oil Search Ltd	B	757	5.86	27	1.6
Orica Ltd	A	2034	1.12	13	4.6
Origin Energy	A	1243	0.94	22	4.0
Orora Limited	B	207	0.94	NE	2.9
Pact Group Hold	B	413	1.06	21	2.3
Panaust Ltd	B	173	1.53	40	1.7

	Performance Forecast	Price	Price/Sales Ratio	P/E Ratio	Gross Yield
Perpetual Ltd	A	5381	5.57	32	3.3
Platinum Asset	A	737	N/A	23	4.6
Premier Invest	A	1253	2.16	27	3.2
Primary Health	A	503	1.67	16	4.0
Q.B.E. Insur.	A	1379	0.74	19	2.7
Qantas Airways	B	340	0.49	NE	Nil
Qube Holdings	B	270	2.42	32	1.9
REA Group Ltd	A	4199	N/A	37	1.4
Ramsay Health	A	6210	2.54	41	1.4
Recall Holdings	B	734	3.53	52	Nil
Reece Australia	B	3380	1.89	27	1.9
Regis Health.	B	570	N/A	NE	Nil
Retail Food Grp	A	660	5.69	26	3.3
Rio Tinto Ltd	B	5843	1.88	9	3.6
S/Tracks ASX200	A	5294	N/A	7	4.2
SAI Global Ltd	B	409	1.63	24	3.8
Sandfire Res.	A	528	1.55	11	1.9
Santos Ltd	B	859	2.32	16	3.5
Scentre Group	A	378	9.28	11	9.6
Seek Ltd	B	1569	7.38	27	1.9
Seven West Med.	B	123	0.69	8	9.8
Seven Group	A	720	0.71	8	5.6
Shopping Centre	A	208	8.52	12	5.3
Sigma Pharm.	B	83	0.31	13	4.8
Sims Metal Mgmt	B	1042	0.30	NE	1.0
Sirius Res. NL	C	282	N/A	NE	Nil
Sirtex Medical	B	1997	8.66	47	0.5
Slater & Gordon	A	596	3.14	22	1.3
Sonic Health	A	1945	1.99	20	3.4
Soul Pattinson	A	1457	4.41	22	3.2
Spark Infrastru	B	191	N/A	22	6.0
Spotless Group	C	223	0.93	NE	Nil
Steamships Trad	B	2900	2.17	17	2.8
Steadfast Group	B	145	4.58	28	3.1
Stockland	A	435	5.21	19	5.5
Suncorp Group	B	1295	1.02	23	5.8
Super Retail Gr	A	990	0.92	18	4.0
Sydney Airport	B	519	9.89	NE	4.5
TPG Telecom Ltd	A	906	7.41	42	1.0
Tabcorp Holding	A	457	1.74	27	3.5
Tatts Group Ltd	A	391	1.96	28	3.5
Technology One	A	399	6.32	40	1.5
Telstra	A	617	2.92	17	4.8
Toll Holdings	A	900	0.73	23	3.1
TransPacific In	C	76	0.84	NE	2.0
Transfield Serv	B	157	0.21	12	Nil
Transurban Grp	A	974	N/A	76	3.6
Treasury Wine	A	508	1.84	18	2.6
Veda Group Ltd	B	231	6.44	86	1.7
Village Road.	B	574	0.95	20	4.7
Virgin Aust	C	50	0.41	NE	Nil
WAM Capital Ltd	A	191	N/A	10	6.8
Wesfarmers Ltd	A	4374	0.83	31	4.6
Western Areas	B	380	2.76	35	1.3
Westfield Ret.	B	328	8.95	13	3.0
Westfield Group	A	1084	5.46	14	4.7
Westfield Corp.	A	946	N/A	27	3.5
Westpac Banking	A	3405	2.73	16	5.1
Whitehaven Coal	B	155	2.10	NE	Nil
Woodside Petrol	A	3380	3.07	9	9.2
Woolworths Ltd	A	2738	0.57	14	5.0
Worley Group	A	988	0.25	10	8.6
Zimplats Hold.	C	825	1.45	9	Nil
Ave of 1954 Cos	**C**	170	0.18	10	1.4

D i v i d e n d $

Company	Cents per Share	Ex-Date	Pay-able	Tax Credit
Augusta Capital	1.25	08-05	15-05	Full
Kathmandu Holdings	3.00	05-06	19-06	Full
Millennium & Cop.	2.40	08-05	15-05	Full
Scott Technology	2.50	14-05	26-05	Full
Z Energy	16.50	22-05	03-06	Full
Australian Shares				
M2 Group	15.00	24-03	16-04	
The Reject Shop	16.50	19-03	13-04	

Total Return Index for All Listed Shares

Apr 13	1601.22	Apr 20	1601.73
Apr 14	1608.33	Apr 21	1599.89
Apr 15	1607.50	Apr 22	1593.74
Apr 16	1610.65	Apr 23	1590.20
Apr 17	1603.54	Apr 24	1586.57
Apr 27	Holiday	May 4	1577.36
Apr 28	1583.59	May 5	1579.35
Apr 29	1580.76	May 6	1570.77
Apr 30	1588.29	May 7	1567.87
May 1	1583.24	May 8	1570.22

Next Issue:

The next issue of *Market Analysis* will be emailed in four weeks time on Monday June 8, 2015.

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

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