Thirty Five 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.

Stockmarkets have weakened recently, but not only does this provide some attractive, under-valued buying opportunities but, as Buffet teaches us (see below) investors really should *want* share prices to *fall*! Remain fully invested in the recommended shares.

Investment Outlook.

Warren Buffet (from 1997): "Now for the final exam: If you expect to be a net saver during the next five years, should you hope for a higher or lower stock market during that period? <u>Many investors get this one wrong</u>. Even though they are going to be net buyers of stocks for many years to come, they are elated when stock prices rise and depressed when they fall. In effect, they rejoice because prices have risen for the "hamburgers" they will soon be buying. This reaction makes no sense. <u>Only those who will be sellers of equities in the near future should be happy at seeing stocks rise</u>. Prospective purchasers should much prefer sinking prices."

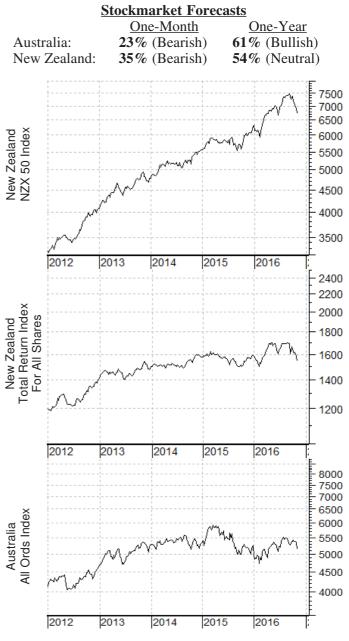
Buffett is, in fact, wrong to include the qualification about "If you expect to be a net saver". Even if you have no future net savings, if share prices fall then the dividend yields will be higher and you can re-invest in a greater number of additional shares. Lower share prices will result in returns compounding at a *higher rate* and *permanently low share prices* will ultimately be worth more (in dollar terms) than *permanently high share prices*. Only those who plan to sell shares and consume their capital should want higher share prices.

So (now that Buffett has told you the answer) would you prefer that share prices *rise and remain high* or that share prices *fall and remain low*? Most people will still get that wrong!

But let's explain about compounding returns: Suppose you invest \$10,000 in a diversified investment company, say 10,000 shares at \$1 each paying 4 cents in dividends (i.e. total income of \$400). After you buy, do you want share prices to *double* or *halve* and stay permanently at those high or low levels? [You should <u>know</u> the correct answer, we have already told you twice.]

Person A invests \$10,000 at \$1 per share just ahead of prices doubling to a new, permanent high of \$2. Their investment is now worth \$20,000 and produces \$400 in dividend income.

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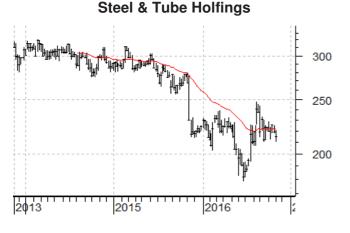
Recommended Investments

Steel & Tube Holdings has acquired Composite Floor Decks Ltd from its UK parent company for \$13.25 million in cash plus up to another \$3.0 million in earnout payments over the next two years. Last year the business generated revenues of \$18 million and earnings of \$4.3 million, so this acquisition is priced on a Price/Sales ratio of 0.90 and Price/Earnings ratio of about 7.

Revenues and earnings are expected to grow at around 25% per annum.

The *Comflor* system uses a profiled steel base, manufactured and marketed by Steel & Tube under licence, on which is laid a reinforced concrete floor. Composite Floor Decks is the installation business.

This \$16.25 million acquisition involves only \$2.7 million of tangible assets and \$13.55 million of intangibles - so this is a profitable, non-capital intensive business that can earn a high return on capital. Up to \$8 million of those intangibles are likely to be allocated to "customer relationships" (i.e. the value of current construction contracts to be completed over the next two years) and which will be amortised over that period. For accounting purposes that amortisation will effectively offset *reported* profits over the next two years although the company will still produce strong operating cashflows. After that amortisation, the business will contribute both reported profits and cashflows to the group.



<u>Australian Shares</u> (This section is in Australian currency, unless stated.)

<u>Acrux Ltd</u> reports September quarter *Axiron* net sales of US\$39.0 million. That is down 5.8% on the September 2015 quarter but up 33.1% on the June 2016 quarter.

Acrux has also filed a provisional patent application for ACR-065, "an improved formulation" of *Jublia* (which contains the anti-fungal agent efinaconazole) for its proposed treatment of onychomycosis (i.e. the most common infection of toenails). The company is also challenging the existing patents covering efinaconazole.



AJ Lucas Group's finance facilities require the company to raise "a minimum of US\$30 million of new equity, via a pro-rata entitlement offer" and use this to "repay a minimum of US\$25 million of the Kerogen Tranche 1 facility". Kerogen will subscribe to its entitlement under this issue and has offered to underwrite up to US\$25 million. The entitlement issue must now "be completed by March 2017".



<u>AtCor Medical</u> reports that "uptake to date" of the *SphygmoCor* system "has been slower than we had forecasted" but that the company's "approach is the appropriate one".

The company had thought that "small generalist practices" of one or two doctors would be a good target market, but has discovered "poor small practice economics", with many either "considering selling" to a larger health system or holding on till "near term retirement". In the immediate future the company will target just "multi-doctor, multi-office private cardiology and nephrology specialist practices and large local integrated healthcare delivery networks (IDN)".

The company has also realised that the sales cycle is longer than expected, taking 90-120 days from initial contact until sales. Offsetting these negative factors, an IDN will usually apply the technology across its entire network which is "a significant business opportunity". November 7, 2016.

AtCor Medical now has "a number of IDN's well along the sales process" and expects "to begin to enter contracts with these IDN's during the current half year".

Once an IDN offers a new service "other physician groups in the same region are almost compelled to offer corresponding services, thereby creating more demand for our technology".

The company has also focused on cost rationalisation, removing \$1 million in non-sales related costs.

In the year to June 2016 the company sold only 93 systems to clinical practices but now forecasts the sale of 163 units this financial year and 496 units in the year to June 2018. About half are sold for cash (at about

US\$14,000 each) and half on five-year leases (at about US\$5,280 per year, either at a fixed monthly amount or a fee per use). Those forecasts would lift clinical sales receipts from A\$854,000 (plus deferred lease revenues of A\$93,000) in 2016 to \$1.4 million (plus \$1.1 million in deferred revenues) this financial year to \$5.9 million (plus deferred revenues of \$5.0 million) in the year to June 2018.

Total group revenues (receivable in cash and excluding deferred lease receipts) would grow from \$5.0 million to June 2016 to \$6.1 million this year and \$11.4 million in the year to June 2018.

(Continued on Page 4)

	Portfolio	of	Rec	OW	me	end	led	Ī	nve	estr	nei	nts	
CURRENT	U	v			Perform-	Issued	Vola-	Price/	Price/	Gross	Recent	Cash	Total
ADVICE	Company	Code	Initial Recomn - Date -	Price	mance Forecast	Shares (mil.)	tility Ratio	Sales Ratio	Earnings Ratio	Dividend Yield	Share Price	Dividends Rec'd	Return %
	NZ Shares												
BUY	CDL Investments Ltd	CDI	12/01/99	25	Е	276.1	1.1	4.07	11	4.4	70	27.6	+290%
HOLD+	Cavalier Corporation	CAV	05/12/95	156*	В	68.7	1.4	0.22	14	Nil	62	282.0	+121%
HOLD	Colonial Motor Company	CMO	10/11/92	128*	Α	32.7	0.6	0.27	12	7.8	710	500.3	+846%
HOLD	Smiths City Group	SCY	09/10/06	64	В	52.7	1.4	0.17	12	3.6	70	30.0	+56%
HOLD	South Port New Zealand	SPN	13/02/96	120	Α	26.2	0.5	4.04	17	6.4	565	225.3	+559%
BUY	Steel & Tube Holdings	STU	08/08/00	146	В	90.6	0.9	0.38	10	12.3	215	351.1	+288%
	Australia (in Aust cents)												
HOLD+	Acrux Limited	ACR	12/05/14	99	С	166.5	1.7	1.90	4	Nil	33	14.0	-53%
HOLD+	AJ Lucas Group	AJL	13/05/03	107*	В	381.1	1.5	1.15	NE	Nil	38	36.4	-30%
BUY	ALS Limited	ALQ	12/10/99	72*	Α	504.2	0.5	2.22	30	2.3	600	282.4+	-1126%
BUY	AtCor Medical Ltd	ACG	11/11/13	15	D	201.7	3.4	3.70	NE	Nil	9	Nil	-39%
HOLD+	Atlas Pearls & Perfume	ATP	14/05/96	73	В	419.4	4.8	1.05	20	Nil	5	17.5	-70%
BUY	Brickworks Ltd	BKW	12/11/12	1115	В	149.1	0.3	2.65	25	4.5	1294	110.5	+26%
HOLD+	Cardno Ltd	CDD	14/12/09	223*	Α	479.6	1.0	0.39	62	Nil	97	98.0	-13%
HOLD	Clarius Group Ltd	CND	08/04/03	82*	D	89.6	2.9	0.06	NE	Nil	13	70.5	+1%
HOLD+	CPT Global Ltd	CGO	10/03/08	88	D	37.2	2.1	0.30	NE	Nil	23	15.8	-56%
HOLD	CSG Limited	CSV	11/10/10	175	В	315.0	0.9	1.66	23	7.0	129	64.0	+10%
HOLD	Ellex Medical Lasers	ELX	14/03/06	49	В	114.1	0.9	1.88	41	Nil	120	Nil	+145%
HOLD+	Fiducian Group	FID	11/02/08	260	Α	31.1	0.7	2.70	16	4.1	305	69.9	+44%
BUY	Finbar Group Ltd	FRI	12/04/10	106	В	231.6	1.1	1.96	8	8.0	87	57.5	+36%
BUY	Iluka Resources Ltd	ILU	12/10/04	471	В	418.7	0.5	2.72	45	4.3	575	238.0	+73%
HOLD	Integrated Research	IRI	14/01/08	40	В	170.6	0.6	4.58	24	2.9	227	43.0	+575%
BUY	McMillan Shakespeare	MMS	07/11/16	1041	В	83.2	0.4	1.72	11	6.1	1041	Nil	
HOLD	Melbourne IT	MLB	10/02/04	53	Α	100.7	0.7	1.19	27	2.6	193		+617%
HOLD+	Michael Hill Int'l Ltd	MHJ	11/06/91	4*	A	383.6	1.2	1.03	20	3.2	149		-5108%
BUY	Mt Gibson Iron	MGX	10/11/14	44	-	1096.6	1.8	1.36	NE	Nil	31	Nil	-31%
HOLD	Novarise Renewable Res	NOE	14/03/11	25	D	415.1	2.6	0.42	NE	Nil	16	Nil	-36%
HOLD	Onterran Ltd	OTR	16/08/10	13*	C	57.5	1.5	0.09	NE	Nil	41		+212%
HOLD-	Opthea Limited	OPT	10/02/04	188	E	160.2	1.3	NA	NE	Nil	72	65.0	-27%
BUY	OZ Minerals	OZL	14/03/16	522	В	303.5	0.4	2.42	16	2.8	702	6.0	+36%
HOLD+	Programmed Group	PRG	12/03/02	229*	В	257.3	1.0	0.15	56	8.4	137	386.0	+128%
BUY	Prophecy International	PRO	08/09/08	26	В	64.0	1.1	3.60	22	4.8	83		+309%
BUY	Reckon Limited	RKN	08/08/16	141	A	113.3	0.8	1.68	12	4.6	158	2.0	+13%
HOLD	Technology One Ltd	TNE	11/11/03	44	A	313.3	0.5	7.60	46	1.3	535		1252%
HOLD+	TFS Corporation Ltd	TFC	08/01/07	45	B	388.1	0.9	2.78	7	2.2	138		+264%
HOLD	The Reject Shop Ltd	TRS	11/01/05	257 77	B B	28.9	0.5	0.27	12 16	6.0 5.6	735		+361%
HOLD+	Village Roadshow	VRL	10/08/09		D	161.6	0.4	0.75	10	0.0	502	309.0	+953%

The average Total Return (i.e. both Capital Gains/Losses plus Dividends received) of all current investments from initial recommendation is +359.8%. This is equal to an average annual rate of +32.9%, based upon the length of time each position has been held. The average annual rate of gain of ALL recommendations (both the 36 current and 164 closed out) is +33.0%, compared with a market gain of +3.7% (by the SRC Total Return Index).

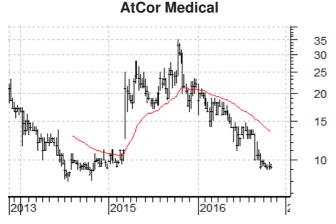
CURRENT ADVICE is either Buy, Hold+, Hold, Hold- or Sell. Hold+ indicates the most attractive shares not rated as Buy. Hold- indicates relatively less attractive issues.

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

Page 4 Recommended Investments

Market Analysis

(Continued from Page 3) That should make the company profitable and cashflow positive during the second half of the June 2018 financial year (and very profitable thereafter), but the cash situation could be tight over the next 12 months.



Atlas Pearls & Perfumes recorded first quarter revenues of \$1.4 million from an invitation-only private sale in Hong Kong. On 5-6 October it realised a further \$2.3 million from an auction in Kobe, Japan, despite withdrawing its best quality pearls which will be offered privately to selected clients. Another auction will be held in December.

Pearls harvested in the September quarter were the "best quality production groups to date, with significantly higher volumes of top quality pearls". These were the first harvest following new shell husbandry processes introduced in 2014/15.

The company has also signed a four-year contract (with rolling two year options to renew) to supply *Mother-of-Pearl* powder and protein extracts to US based **Guthy-Renker**, a direct marketing company that has developed and begun marketing a new beauty and skincare line called *Lumipearl*.



Fiducian Group reports the first quarter is "ahead of budget expectations", helped by a "good net inflow and funds performance". The company aims to grow earnings per share annually at "double-digit" rates (i.e. greater than 10%).



Finbar Group reports first quarter sales contracts for 93 units worth \$51.8 million. That compares with 454 units sold for \$318.2 million for the full 2016 financial year. That suggests an 18% lower volume and 34% lower value of sales and pre-sales (although reported revenues in any period reflect *settlements*). Overall the company currently has \$468.1 million in pre-sales contracts. It also holds \$63 million of completed but unsold properties (up from about \$60 million a year earlier, but down from \$90 million at the completion of *Linq* in May).



Iluka Resources reports September quarter Mineral Sands Production at 289.1 thousand tonnes, down 10% on the September 2015 quarter, although year to date production is only 0.6% lower at 787.5 thousand tonnes.

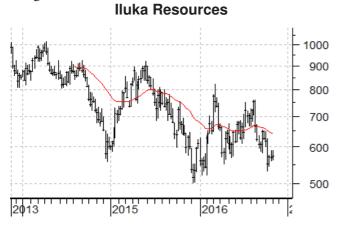
Year to date sales volumes are up 8.8% to 451.6 thousand tonnes, but revenues per tonne are down 13.5% to \$1002. Total revenues are down 11.8% to \$472.6 million.

Unit costs are down 14.6% at \$692 per tonne, so gross margins are down 10.9% at \$310 per tonne.

Plans to increase prices \$60/tonne were "moderated in light of competitor pricing actions and customer responses", with a "lower price increase" achieved.

The proposed "statutory merger" (i.e. takeover) of Sierra Rutile remains subject to review by the German Antitrust Authority. The Sierra Leone government has confirmed that Pala Investments (Sierra Rutile's largest shareholder) will have a capital gains tax to pay (if the merger is completed), but "no other taxes are November 7, 2016.

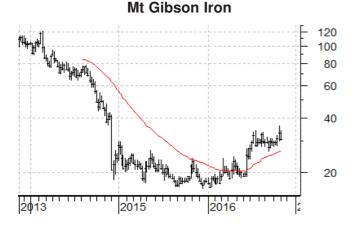
payable" by Iluka Resources, Sierra Rutile or any other Sierra Rutile shareholders "in connection with the merger".



<u>Mt Gibson Iron</u> reports cash of \$437 million (39.9 cents per share) at the end of September (up slightly from \$435 million in June).

The company is still negotiating its "business interruption" insurance claim.

Mining will end at the *Extension Hill* pit in November, with sales of stockpiled ore through to early 2017. Assuming development is approved, the company will spend \$2-3 million on a haul road and mine pre-stripping to bring *Iron Hill* into production.



<u>Michael Hill International</u> reports September quarter same-store revenues up 2.8% and total revenues up 6.8% to \$120.2 million.

Canada remains the main area of growth, with same store revenues up 7.6% and new stores lifting total revenues 18.3%. Over recent years this newsletter has commented on the potential for this revenue growth to produce economies of scale which lift Canadian net profits at a faster rate. The company has confirmed this, indicating that the current 10% earnings margin has the potential to grow to 18%.

So if Canadian revenues grow at 19% per annum then they would *double* in four years. If the profit margin expands from 10% to 18%, then Canadian profits would rise 180% (i.e. about 30% per annum compounded).

The company plans to open 10-15 Canadian stores per year, expanding the current 67 stores to 110 stores over the next 3-4 years. The *Emma & Roe* store rollout is another source of growth. This division lifted revenues 71.5%, but that is still only 2.2% of group revenues. This division could start to make a meaningful contribution to revenues and profits after about five years . . . after which it could start to make a significant contribution to group revenues and profits!

The December quarter (i.e. the Christmas trading period) is the most important for the company and five new *Michael Hill* stores and four *Emma & Roe* stores will open ahead of this peak trading period.

The Hill family has sold a further 16,000,000 shares, reducing their total shareholding from 52.68% to 48.65%.





Opthea Ltd has received an R&D tax incentive refund (equal to 45% of eligible expenditure) of \$2.64 million.



OZ Minerals has lowered its annual Gold production forecast from 125-135,000 ounces to 115-120,000 ounces following the recent loss of processing owing to a power outage. Copper production will remain unchanged at 115-125,000 tonnes.

The *Carrapateena* prefeasibility study is ahead of schedule and expected in November. Two autoclaves - the two longest lead items - were ordered for the concentration treatment plant.

The company also extended its gold hedging strategy, selling forward a further 19,119 ounces to increase its gold hedge to 190,319 ounces.

Cash was down \$55 million over the quarter to \$509 million (168 cents per share), mainly as a result of a \$57 million increase in trade receivables.

(Continued on Page 6)

Page 6 Recommended Investments

(Continued from Page 5) Procurement cost savings have "realised \$29 million of annualised savings to date" with a target of \$40 million.



Prophecy International Holdings reports September 2016 revenues of \$3.1 million, down 31% on the same quarter a year earlier which was boosted by a \$1 million contract. Average quarterly revenues the previous year were \$3.4 million.

The business is therefore not currently achieving growth, with revenues down slightly on the previous year.

The company is, however, working on new product development to expand its potential market. *SNARE* has been working with **IBM QRadar** security team and is now integrated with the IBM QRadar Security Intelligence Platform and available on the IBM Security App Exchange.

eMite has "progressed its relationship with **Interactive Intelligence**" (the leading supplier of Call Centre management software). This is expected to contribute to revenues in the current quarter and beyond.

eMite is also working with an undisclosed "well known service desk solution" to integrate its *eMite* dashboard over the top of the service desk systems. Integration with a third niche market software provider is expected to be "up and running" by June 2017, all contributing recurring subscription revenues.

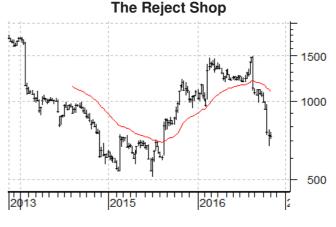


Market Analysis

<u>TFS Corporation</u> plans to change its name to **Quintis** Ltd.



<u>The Reject Shop</u> reports "patchy consumer sentiment" and managed to lift first quarter revenues only 0.3%.



Share Recommendation: Buy McMillan Shakespeare

BUY McMillan Shakespeare Group (code MMS).

McMillan Shakespeare Group's main business is "Group Remuneration Services" which involves administrative services in relation to salary packaging and settlement of motor vehicle novated leases (but not the vehicle financing). It is also involved in "Asset Management" (i.e. vehicle Fleet Management) and recently it has expanded into "Retail Financial Services". The core *Group Remuneration Services* is a profitable, high margin business. Competitive pressures are probably eroding these very high profit margins but the business is still growing, with McMillan Shakespeare winning new corporate customers *and* seeking to expand the range of services offered. In recent years it has also expanded into Fleet Management and Retail Financial Services (as a *broker*, earning a fee, rather than directly providing finance). It has also expanded all three divisions into the United Kingdom.

McMillan Shakespeare could prove an excellent "Growth at a Reasonable Price" (GARP) investment. Historically the business has grown rapidly, although with a glitch in 2013 (on suggested Fringe Benefit tax changes) from which it is recovering and diversifying into related businesses. On a Price/Earnings ratio of 10¹/₂ and a Dividend Yield of 6.0% the stockmarket currently places a very low valuation on this company!

Company History

This business started as a taxation and accounting service which, after the introduction of Fringe Benefits Tax, began to specialise in remuneration and administrative services. The company listed on the Australian stockmarket in 2004 after a public offering at 50 cents per share.

Seven months later (in October 2004) the group expanded with the acquisition of Queensland based **PKF Remuneration Services**.

In March 2010 the group acquired **Interleasing** (Australia) - which provides operating leases (54% of its business), novated leasing (9%) and fleet management services (37%). The business was acquired for \$208 million (being the discounted value of its lease receivables) which was funded from cash and bank debt.

McMillan Shakespeare expanded into the UK in early 2013, establishing **Maxxia** (UK) as a 50% joint venture (with the right to increase that to 100%) and expanded with the acquisition of **CLM Fleet Management** in October 2013.

In February 2015, the group purchased **Presidian Pty**, an independent provider of automotive finance, warranty and insurance products, for \$115 million (i.e. \$71 million in cash and 4,285,192 shares issued at \$10.73). The company provides services to 2500 used car dealers, 83 brokers and through 14 *Money Now* branches throughout Australia. This market is "highly fragmented" (i.e. meaning there is potential for consolidation and expansion by a larger business). Presidian is the largest provider of used car warranties and has "proprietary IT systems" making it easy for dealers and providing "operating efficiencies".

In July 2015 the Australian Finance business was expanded with the acquisition of **United Financial Services** for \$42 million (i.e. \$25.2 million in cash and 1,342,926 shares at \$12.51). The company is a financial agency and brokerage services business, offering consumer and commercial finance and insurance, mainly to the used vehicle market, through 1900 dealers and 28 branches.

In November 2015, UK based **Anglo Scottish Finance** was acquired for £7.7 million in cash (plus an earnout of up to £7.0 million over the next three years). This asset finance broker specialises in hire purchase, leasing facilities and personal loans. The company has access to over 40 mainstream and specialist funders. Combined with *Maxxia UK* this could be the largest independent asset finance broker and funder in the UK with over £250 million in annual business.

Business Fundamentals

The Group Remuneration Services (GRS) is based around "salary packaging" or "salary sacrifice" (to reduce the employee's income tax) and novated leasing (a three way agreement between the employer, employee and a vehicle leasing company, with the lease and running costs paid from pre-tax and post-tax salary - saving income tax, GST on the vehicle, plus discounts and rebates on the vehicle purchase, fuel, tyres and insurance). This business depends partially on the tax system, so the business (and the share price) were depressed when a review of Fringe Benefits Taxes was announced in July 2013, although no changes were ever made. Both main parties in Australia now promise to maintain the current tax rules. Government departments are major customers of the GRS division.

In the UK the company is seeking to establish a "Lifestyle Lease", salary sacrifice car scheme (similar to Australian "novated" leases) with no risk to the employer, savings in National Insurance Contributions for both employer and employee, income tax savings and portability (i.e. the employee can transfer the lease to a new employer). The UK tax department is currently reviewing its policy on salary sacrifice schemes.

Asset Management (i.e. Leasing and Fleet Management) earns its income from three major sources: Procurement and Services (i.e. discounts or rebates on new vehicles, petrol, tyres and insurance, some of which is shared with customers), Finance (an interest margin or brokerage fee) and Disposal (i.e. a margin on selling vehicles at the end of the lease).

The vehicle financing market is worth over \$31 billion annually in Australia, 45% as personal financing, 40% commercial financing and about 15% lease financing. The combined Presidian and United Financial Services businesses are the largest company in vehicle financing, with a 6% market share in personal financing and the opportunity to increase that share.

Recent Results

McMillan Shakespeare's business (and share price) suffered in mid-2013 when the Labour Government suggested a review of Fringe Benefits and novated leases. The uncertainty hurt the business even though no changes to the tax laws were ever made. The Labour opposition has recently announced they support the current rules for Fringe Benefits and novated leases.

In the year to June 2013, revenues rose 9.3% to \$330.1 million with net profits up 14.5% at \$62,163,000 (83.4 cents per share). Owing to the uncertainty over Fringe Benefit tax changes, a final dividend was <u>not</u> declared at the time of releasing the annual results, initially cutting the annual dividend 48.9% to 24.0 cents. In October 2013 a final dividend of 18.0 cents was declared, taking the annual rate to 42.0 cents, down 10.6%. The net operating cash surplus was 37% higher at \$27.5 million.

Revenues grew 5.3% to \$347.5 million in the year to June 2014, but net profits fell 11.5% to \$54,970,000 (73.8 cents per share). The annual dividend was raised 23.8% to 52.0 cents. *(Continued on Page 8)*

Page 8 BUY McMillan Shakespeare

(*Continued from Page 7*) The net operating cash surplus was 33.9% higher at \$36.9 million.

For the year to June 2015, revenues grew 12.1% to \$389.6 million with net profits up 22.8% to \$67,487,000 (90.6 cents per share). The dividend was steady at 52.0 cents. There was a cash operating *deficit* of \$13.2 million - mainly owing to a \$93 million higher investment in lease assets.

For the year to June 2016, revenues rose 29.5% to \$504.7 million and net profits grew 22.2% to \$82,469,000 (99.1 cents per share). The annual dividend was raised 21.2% to 63.0 cents. The net operating surplus recovered to \$95.0 million.

Group Remuneration Services generates around 37% of group revenues but this is a high profit margin business generating 69% of group earnings. The largest novated leasing client is seeking competitive tenders and, if re-appointed, the company expects this to reduce earnings from the division by 3-5%. This suggests that competitive pressure is depressing the current high profit margins in this division. Offsetting this, McMillan Shakespeare is winning new corporate clients. Furthermore, it is seeking to provide a wider range of services to a higher percentage of the employees of its corporate clients.

Asset Management generates around 41% of revenues and 17% of earnings. The new Retail Financial Services contributed 22% of revenues and 14% of earnings.

Investment Criteria

At \$10.41, McMillan Shakespeare shares trade on a Price/Sales ratio of 1.72, a Price/Earnings ratio of 10¹/₂ and a Dividend Yield of 6.1%. This is a large, sound business, with good growth potential, but the shares are trading at a low valuation. That offers a high current income yield, potential for capital and income growth and for the re-rating of the shares.

The Group Remuneration is a non-capital intensive business, generating high margins and a very high return on capital. Asset Management is capital intensive but provides reliable cash flows, and the group funds vehicle leases through bank debt. In Retail Financial Services the company operates mainly as a "capital light" *broker*, so again should be able to earn a high return on capital.

The very long term rate of return from an investment in shares is (1) the current Dividend Yield plus (2) the growth rate. So if McMillan Shakespeare can grow earnings per share at just 5-15% per annum then the long term total return from this investment would be 11-21% per annum.

The current share valuation is also low, so it is very likely that the shares will be re-rated to around a P/E of 15 and Yield of 4% at some time over the next 3-5 years. That would add a further 45-50% to capital appreciation (i.e. around 8-13% per annum), <u>boosting our possible future returns to 19-34% per annum</u>.

This isn't a glamorous, high growth, high tech investment, but neither does it involve very high risks of failure. This is a long established, well managed, soundly financed, medium to large company offering a potential 19-34% rate of return over the next several

The issued capital is 83,204,720 shares, giving a market capitalisation of \$866 million. The shares are very actively traded, with daily turnover of \$2-8 million.

The shares are moderately followed, with seven brokers following the company and preparing profit forecasts.

Most of the directors and senior management have reasonable shareholdings, while two Non-Executive Directors, who are also professional investors, have very large shareholdings in McMillan Shakespeare. The Chairman owns 19,000 shares and the Managing Director has 10,276 shares. Non-Executive Director J Bennetts owns 3,543,025 shares (4.3% of the company) and Non-Executive Director R Chessari owns 6,050,941 shares (7.3%).

There has been one *insider* trade on-market over the last year, with a new director, S Dahn, purchasing 3000 shares late last month at \$11.12 per share.

The Relative Strength Rating is -7.2%, ranked 75 (on a scale of 0-99). The shares peaked at \$14.46 in May and have been very weak over the last six months, but this has created the current under-valuation.

Summary and Recommendation

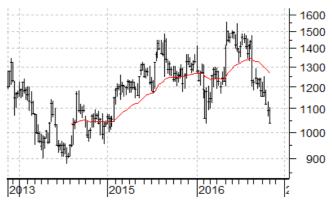
McMillan Shakespeare operates an attractive business that has consistently earned a high return on revenues and capital invested. The main division is partially dependent upon Fringe Benefit tax rules (which are supported by both major political parties in Australia) but the company is expanding into related businesses that are also capable of earning a high return on capital and expanding all three businesses into the United Kingdom.

A company with attractive business fundamentals *and* expanding to grow future revenues and profits should trade on a high valuation, but McMillan Shakespeare shares trade on a very low valuation (i.e. a P/E of $10\frac{1}{2}$ and Yield of 6.0%).

This is a medium to large company offering a high current income yield that should be attractive for lowrisk, income investors.

In addition, we expect the company to generate at least reasonable (5-15% per annum) long term growth. That would significantly boost our potential returns over the next 3-5 years, making it an attractive investment for all investors. "Buy" for the current income, but also for income growth and capital appreciation.





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.

UNDER-VALUED SHARES: Loss Prios States, Vis. 0, Rel Smrgh, 0 MISOER 1007 Series Corp. Sinte Corp. S	Company	Share Price		<u>NGTH R</u> 4-Wk Chg.	Rank	Insider Buy-Sell	Brokers Following	Price to NTA	Return on Equity	Vola- til- ity	Price Earn. Ratio	Divi- dend Yield	Price Sales Ratio	Market Cap'n	Company Share Price	STRE Cur- rent		ATING Rank 0-99	Insider Buy-Sell	Brokers Following	Price to NTA	Return on Equity	Vola- til- ity	Price Earn. Ratio	Divi- dend Yield	Price Sales Ratio	Market Cap'n
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Methom-funited 121 +20 -13 40 0.0 -18 14 11 15 0.6 88 Mana M	Green Cross H.	257	+0.5	-0.8	54	2-0			19	0.9	21	3.8	0.78	351	GeoOP Ltd 21	-15.2	-1.7	88	0-0			-			Nil	5.38	10
Abano Health. 900 +46 0.3 28 1.0 2 1.7 25 0.5 7 4.2 0.90 191 BEST PERFORMING SHARES: Strongest Shares, PIE < 20, PIS < 1.0 0.0 1.1 12 3.6 0.1 12 3.6 0.1 2.7 0.0 0.1 1.1 16 0.4 7.6 7.1 1.6 0.0 1.1 1.0 1.4 4.7 0.7 6 1.1 1.2 0.0 1.1 1.0 1.0 1.4 4.7 0.7 0.0 1.1 1.0 0.0 1.1 1.0 0.0 1.1 1.0 0.0 1.0 1.0 1.0 1.0 0.0 1.0 <th0< td=""><td>Mainfreight Grp</td><td>1832</td><td>+5.7</td><td>+1.0</td><td>23</td><td>1-9</td><td>6</td><td>3.1</td><td>15</td><td>0.5</td><td>21</td><td>2.8</td><td>0.80</td><td>1,824</td><td>SeaDragon Ltd 1</td><td>-12.4</td><td>-2.5</td><td>87</td><td>0-6</td><td>-</td><td>2.3</td><td>-</td><td>5.5</td><td>NE</td><td>Nil</td><td>5.07</td><td>28</td></th0<>	Mainfreight Grp	1832	+5.7	+1.0	23	1-9	6	3.1	15	0.5	21	2.8	0.80	1,824	SeaDragon Ltd 1	-12.4	-2.5	87	0-6	-	2.3	-	5.5	NE	Nil	5.07	28
BEST PERFORMING SHARES: Strongest Shares, PE<20, PIS < 10.	Methven Limited	121	+2.0	-1.3	40	0-0	-	1.8	14	1.1	13	7.6	0.85	88	Burger Fuel 145	-9.7	+2.3	84	0-0	-	6.8	-	1.2	NE	Nil	4.30	86
BEST PERFORMING SHARES: Strongers Fine- 20, PIS- 40 Iso A 10 A </td <td>Abano Health.</td> <td>900</td> <td>+4.6</td> <td>-0.3</td> <td>28</td> <td>1-0</td> <td>2</td> <td>1.7</td> <td>25</td> <td>0.5</td> <td>7</td> <td>4.2</td> <td>0.90</td> <td>191</td> <td>Augusta Capital 104</td> <td>-0.9</td> <td>-1.9</td> <td>68</td> <td>0-0</td> <td>-</td> <td>1.1</td> <td>16</td> <td>0.4</td> <td>7</td> <td>6.7</td> <td>4.15</td> <td>91</td>	Abano Health.	900	+4.6	-0.3	28	1-0	2	1.7	25	0.5	7	4.2	0.90	191	Augusta Capital 104	-0.9	-1.9	68	0-0	-	1.1	16	0.4	7	6.7	4.15	91
Smiths City 70 17.4 1.4 4 4 9 7 <th7< th=""> 7 7</th7<>															EROAD Ltd 175	-9.8	-0.8	85	2-6	1	2.1	-	0.7	NE	Nil	4.03	105
Piecker Muld. 972 14.0 92.7 5 9.2 12 18 10 6 14 47 77.4 6.690 Vector Lid 317 1.2 2.0 1 1.1 1.0 1 1.0 1 1.0 1 1.0 1 1.0 1 1.0 1 1.0 1 1.0 1 1.0 1 1.0 1 1.0 1 1.0 1 1.0 1 1.0 1 1.0 1 1.0 1 1.0 2	BEST PERFORMI	NG SH	ARES	: Stror	ngest	Share	s, P	/E < 2	20, P/S	6 < 1.	0				IkeGPS Limited 58	-7.6	-1.5	80	0-1	1	2.2	-	1.3	NE	Nil	3.41	29
Kathmandul Lid 195 138 -1.1 6 0 5 1	Smiths City	70	+17.4	+1.4	4	2-0	-	0.7	6	1.1	12	3.6	0.17	37	NZ Windfarms 8	-9.2	-2.1	83	0-0	-	0.4		1.8	NE	Nil	3.13	22
Kathmandulud 195 1513 1.1 6 0.3 5 1.3 1 <td></td> <td>972</td> <td>+14.0</td> <td>-2.5</td> <td>5</td> <td>9-2</td> <td>12</td> <td>1.8</td> <td>13</td> <td>0.6</td> <td>14</td> <td>4.7</td> <td>0.74</td> <td>6,690</td> <td>Vector Ltd 317</td> <td>-1.2</td> <td>-2.0</td> <td>70</td> <td>1-0</td> <td>6</td> <td>1.3</td> <td>2</td> <td>0.5</td> <td>56</td> <td>6.9</td> <td>2.76</td> <td>3,156</td>		972	+14.0	-2.5	5	9-2	12	1.8	13	0.6	14	4.7	0.74	6,690	Vector Ltd 317	-1.2	-2.0	70	1-0	6	1.3	2	0.5	56	6.9	2.76	3,156
PGG Wightsons 48 129 1.2 8 0.0 2 1.3 1.4 1.4 9 0.0 0.1 382 48 0.6 4 7.7 0 0.0 1.5 NE NI 2.21 4.70 Cavaier Corp 62 1.5 7.47 13 0.3 2 0.6 0.57 2.22 1.0 1.0 1.0 1.6 8.0 0.57 2.22 1.0 1.1 1.2 2.1 1.2 2.2 2.2 2.0 3.0 2.2 2.2 2.0 3.0 2.2 2.2 2.0 3.0 2.2 2.2 2.0 3.0 2.2 2.2 2.0 3.0 2.2 2.2 2.0 3.0 2.2 2.2 2.0 3.0 2.2	Kathmandu Ltd	195	+13.8	-1.1	6						19			393	Sky City Ltd 362	-3.1	-5.5	76	0-12	11	2.1	13	0.5	16			2,378
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NZ Windfarms 8 -9.2 -2.1 83 0.0 - 0.4 - 1.7 NE Nil 3.13 222 INCOME SHARES: Highest Yields, Capitalisation > NZ\$100 million - 0.6 2 0.5 33 19.8 N/A 2,531 Port Tauranga 372 +0.9 -1.2 50 4.0 6 0.6 2 0.5 33 19.8 N/A 2,531 Tower Limited 87 -20.8 -3.2 94 1.0 2 0.5 - 0.9 NE 18.4 0.49 148 Opus Int' Cons 84 -17.7 -3.8 92 2.0 3 0.9 11 0.7 8 18.2 0.25 126 MI 1.4 NE NI 2.24 433 Air New Zealand 187 -1.6 -1.4 86 3.12 7 1.1 NE NI 1.0 2.24 4.3 Air New Zealand 187 -1.6 -1.4 86 3.12 7 1.1 NE NI 1.0																											
INCOME SHARES: Highest Yields, Capitalisation > NZ\$100 million Rakon Ltd 19 -8.7 -0.5 82 0.0 - 1.3 NI 0.32 366 Port Tauranga 372 +0.9 -1.2 50 4.0 6 0.6 2 0.5 33 19.8 N/A 2,531 Tower Limited 87 -20.8 -3.2 94 10 2 0.5 -5 0.9 NE 18.4 0.49 148 0.49 14.9 0.5 1.6 0.4 0.5 1.6 0.9 0.3 0.5 1.6 0.9 0.3 0.5	Genesis Energy	192	+1.3	-3.5	47	1-2	1	1.0	9	0.8	10	11.2	0.95	1,919													
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Trust Power Ltd 479 -1.8 -3.3 72 0.0 -0.8 3 0.6 24 12.2 2.12 1,499 Air New Zealand 187 -1.1.6 -1.4 86 3-12 7 1.1 17 0.9 6 11.9 0.43 2,098 Genesis Energy 192 +1.3 -3.5 47 1.2 7 1.0 9 0.8 10 11.2 0.95 1,919 NZ Oli & Gas 51 +6.9 +1.5 21 2 1.8 -1.1 NE 11.0 1.47 174 PGG Wrightsons 48 +12.9 -1.2 8 0.0 2 1.3 14 1.2 9 10.9 0.31 362 Sky Network TV 431 +0.0 -1.4 57 4.0 6 1.3 11 0.5 1.4 1.67 Sky Network TV 431 +0.0 -1.4 57 1.0 1.0 1.1 9.7 1.81 1.677 Sky City Ltd 362 -3.1 -5.5 76																											
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PGG Wrightsons 48 +12.9 -1.2 8 0-0 2 1.3 14 1.2 9 10.9 0.31 362 Sky Network TV 431 +0.0 -1.4 57 4-0 6 1.3 11 0.5 11 9.7 1.81 1,677 Sky Network TV 431 +0.0 -1.4 57 4-0 6 1.3 11 0.5 11 9.7 1.81 1,677 Sky Network TV 431 +0.0 -1.4 57 4-0 6 1.3 11 0.5 11 9.7 1.81 1,677 Sky Network TV 431 +0.0 -1.4 57 4-0 6 1.3 11 0.5 11 9.7 1.81 1,677 Sky Network TV 431 -1.4 57 6 0-12 11 0.1 1.9 2.38 0.1 6.6 0.95 1.692 Air New Zealand 187 -11.6 -1.4 86 -0.1 4.0 3 0.6 1.9 0.43 2.096 </td <td>Genesis Energy</td> <td>192</td> <td></td> <td>Smartpay NZ Ltd 15</td> <td>-2.7</td> <td>-8.8</td> <td>74</td> <td>0-4</td> <td>-</td> <td>2.2</td> <td>2</td> <td>1.7</td> <td>117</td> <td>Nil</td> <td>1.23</td> <td>25</td>	Genesis Energy	192													Smartpay NZ Ltd 15	-2.7	-8.8	74	0-4	-	2.2	2	1.7	117	Nil	1.23	25
Sky Network TV 431 +0.0 -1.4 57 4-0 6 1.3 11 0.5 11 9.7 1.81 1,677 Sky City Ltd 362 -3.1 -5.5 76 0-12 11 2.1 13 0.5 16 5.9 2.38 2,376 Infratil NZ 299 -1.6 -2.8 71 0-9 4 0.9 3 0.6 29 6.6 0.95 1,695 Air New Zealand 187 -11.6 -1.4 86 3-12 7 1.1 17 0.8 6 11.9 0.43 2,096 F & P Health. 868 -0.1 -4.2 63 1-9 8 9.0 26 0.6 34 2.7 5.98 4,894 SeaDragon Ltd 1 -12.4 -2.5 87 0-6 -2.3 -4.7 NE Nil 5.07 28	NZ Oil & Gas										NE	11.0	1.47														
Infratil NZ 299 -1.6 -2.8 71 0-9 4 0.9 3 0.6 29 6.6 0.95 1,695 Air New Zealand 187 -11.6 -1.4 86 3-12 7 1.1 17 0.8 6 11.9 0.43 2,096 F & P Health. 868 -0.1 -4.2 63 1-9 8 9.0 26 0.6 34 2.7 5.98 4,894 SeaDragon Ltd 1 -12.4 -2.5 87 0-6 - 2.3 - 4.7 NE Nil 5.07 28	PGG Wrightsons	48	+12.9	-1.2	8	0-0	2	1.3	14	1.2	9	10.9	0.31	362	INSIDER SELLING: Most			<u> </u>				< 0					
Air New Zealand 187 -11.6 -1.4 86 3-12 7 1.1 17 0.8 6 11.9 0.43 2,096 F & P Health. 868 -0.1 -4.2 63 1-9 8 9.0 26 0.6 34 2.7 5.98 4,894 SeaDragon Ltd 1 -12.4 -2.5 87 0-6 - 2.3 - 4.7 NE Nil 5.07 26	Sky Network TV	431	+0.0	-1.4	57	4-0	6	1.3	11	0.5	11	9.7	1.81	1,677	Sky City Ltd 362							13	0.5	16	5.9	2.38	2,378
F & P Health. 868 -0.1 -4.2 63 1-9 8 9.0 26 0.6 34 2.7 5.98 4,894 SeaDragon Ltd 1 -12.4 -2.5 87 0-6 - 2.3 - 4.7 NE Nil 5.07 28															Infratil NZ 299	-1.6	-2.8	71	0-9	4	0.9	3	0.6	29	6.6	0.95	1,695
SeaDragon Ltd 1 -12.4 -2.5 87 0-6 - 2.3 - 4.7 NE Nil 5.07 28															Air New Zealand 187	-11.6	-1.4	86	3-12	7	1.1	17	0.8	6	11.9	0.43	2,098
SeaDragon Ltd 1 -12.4 -2.5 87 0-6 - 2.3 - 4.7 NE Nil 5.07 28															F & P Health. 868	-0.1	-4.2	63	1-9	8	9.0	26	0.6	34	2.7	5.98	4,894
															SeaDragon Ltd 1	-12.4	-2.5	87	0-6	-	2.3	-	4.7	NE	Nil	5.07	28
															Orion Health. 300	-9.3	-8.8	84	0-6	4	7.7	-	0.6	NE	Nil	2.31	477

Comvita

Smartpay NZ Ltd

EROAD Ltd

Goodman Prop.

912 -1.1 -3.2 70 2-7 3 2.8 11 0.4 25 2.2 2.03

 15
 -2.7
 -8.8
 74
 0-4
 2.2
 2
 1.7
 117
 Nil
 1.23

 175
 -9.8
 -0.8
 85
 2-6
 1
 2.1
 0.6
 NE
 Nil
 4.03

124 -0.0 -1.5 62 1-4 7 1.1 13 0.4 8 7.2 9.10 1,518

375

25

105

Page 10 Computer Selections of Australian Shares based upon our Comprehensive Share Selection Criteria

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

Company	Share Cur- 4-Wk Rank 250 K 200	STRENGTH RATING 법정 유민 가 유민
UNDER-VALUED	SHARES: Lowest Price/Sales, Yld > 0, Rel Strength > 0	SRG Limited 148 +43.0 +0.0 5 0-0 1.6 11 0.6 15 4.1 0.52 93
Cellnet Group	26 +15.8 +4.6 18 2-0 1.3 17 1.5 8 4.8 0.18 13	GR Engineering 163 +36.9 +2.0 6 1-2 1 - 5.8 45 0.6 13 6.2 0.97 248
Finders Res. Automotive Hold	18 +6.6 -4.3 31 0-0 1 1.9 122.9 0.19 32 392 +3.5 -3.5 39 2-1 10 2.5 0.4 3 0.5 13 5.7 0.21 1,300	Alliance Aviat. 78 +35.3 +1.4 6 3-0 1 - 0.7 10 0.6 7 2.6 0.51 94 Engenco Ltd 14 +32.1 +1.5 8 0-0 - - 1.8 10 1.4 17 Nil 0.33 44
Data 3 Ltd	146 +22.0 +2.3 13 0-2 - 8.1 50 0.8 16 5.5 0.23 224	Maca Limited 163 +28.6 -11.2 9 1-1 1 0.0 2.1 13 0.7 16 5.2 0.88 380
Aust Pharm. Ind	174 +1.6 -0.8 45 1-0 5 0.4 2.3 12 0.8 20 2.6 0.25 852	Service Stream 100 +28.3 +2.5 10 2-2 - 0.1 4.7 26 0.6 18 2.5 0.82 363
Inabox Limited	120 +14.7 +4.2 19 4-0 - 24.0 86 0.7 28 1.4 0.27 24	Konekt Limited 55 +28.2 -0.6 10 0-1 1.2 16 0.9 0.91 40
Myer Holdings PMP Limited	112 +3.9 -4.3 38 2-0 10 17.5 1.0 13 4.5 0.28 920 83 +15.9 +5.7 18 0-0 - 0.2 1.1 0 0.9 NE 3.6 0.32 264	Seven Group 848 +26.1 +0.8 10 1-0 5 2.3 1.9 15 0.3 12 4.7 0.84 2,385 Otoc Limited 28 +26.1 -12.1 10 0-3 - - 5.5 - 1.2 4 Nil 0.61 73
Dicker Data Ltd	220 +14.3 +4.2 20 10-0 - 0.0 16.9 99 0.7 17 5.5 0.33 352	Downer EDI Ltd 555 +22.9 +3.5 13 0-0 10 7.5 2.3 18 0.4 13 4.3 0.34 2,358
Sth Cross Elect	43 +7.1 -3.3 30 3-0 1.0 7 1.5 14 6.3 0.33 69	Vietnam Indust. 29 +22.6 +4.5 13 0-0 1.1 26 1.0 4 Nil 0.12 41
Maxi TRANS Schaffer Corp	60 +13.7 +4.3 21 1-0 2 - 2.0 10 1.0 20 5.0 0.33 110 517 +2.7 -0.2 41 0-0 1.3 11 0.4 12 4.8 0.34 72	Shriro Holdings 128 +22.5 +4.8 13 1-0 - - - 0.8 17 4.7 0.65 121 Data 3 Ltd 146 +22.0 +2.3 13 0-2 - - 8.1 50 0.6 16 5.5 0.23 224
The Pas Group	67 +8.0 +1.6 29 0-0 1.5 18 1.0 9 7.8 0.34 92	Payce Consol. 1240 +21.2 +4.3 14 0-0 3.2 - 0.2 3 Nil 0.65 246
Downer EDI Ltd	555 +22.9 +3.5 13 0-0 10 7.5 2.3 18 0.5 13 4.3 0.34 2,358	Joyce Corp. 141 +21.0 -0.3 14 2-0 3.3 19 0.7 17 4.3 0.69 39
McPherson's Ltd RCR Tomlinson	105 +14.0 -4.2 20 3-0 - 0.0 0.8 10 7.7 0.35 108 235 +30.0 -1.7 9 3-0 3 0.7 2.2 6 0.6 37 0.7 0.37 329	Vita Group Ltd 359 +19.5 -9.4 15 1-6 3 0.0 59.8 - 0.5 14 3.9 0.84 546 Tempo Australia 22 +16.6 -4.9 17 2-0 - - - 1.4 6 Nil 0.54 43
Bisalloy Steel	48 +1.9 +4.9 44 3-0 1.1 9 1.2 12 8.3 0.38 21	Cellnet Group 26 +15.8 +4.6 18 2-0 1.3 17 1.1 8 4.8 0.18 13
Legend Corp.	21 +2.6 +0.7 41 4-0 1 - 3.0 34 1.6 9 5.7 0.39 46	JB Hi-Fi Ltd 2672 +15.0 -0.8 19 4-0 15 3.3 29.4 - 0.3 17 3.7 0.67 3,056
Sigma Pharm. Embelton Ltd	125 +13.3 -2.6 21 1-2 7 0.2 2.2 8 0.7 27 4.0 0.39 1,342 825 +2.8 -0.2 41 1-0 1.6 18 0.3 9 4.5 0.39 18	Dicker Data Ltd 220 +14.3 +4.2 20 10-0 - 0.0 16.9 99 0.6 17 5.5 0.33 352 Bluescope Steel 742 +14.1 -8.6 20 5-3 12 0.3 8.2 68 0.3 12 0.8 0.46 4,258
Austal Limited	151 +4.7 +7.5 36 2-0 4 3.0 1.0 - 0.7 NE 1.3 0.39 527	McPherson's Ltd 105 +14.0 -4.2 20 3-0 - 0.0 0.6 10 7.7 0.35 108
Swick Min Serv	25 +42.8 -1.2 5 1-0 0.6 - 1.6 NE 1.6 0.43 53	Aurelia Metals 15 +13.8 -21.1 20 0-0 1 1.4 5 Nil 0.63 58
Sims Metal Mgmt	1024 +7.9 +2.3 29 3-0 11 7.1 1.2 - 0.3 NE 2.1 0.43 2,025	Waterco Ltd 134 +13.7 +0.9 20 0-0 1.1 6 0.5 18 3.7 0.60 50
Pro-Pac Pack. Bluescope Steel	45 +3.4 -0.9 39 0-0 2.5 16 1.1 16 6.1 0.45 108 742 +14.1 -8.6 20 5-3 12 0.3 8.2 68 0.4 12 0.8 0.46 4.258	Gale Pacific 38 +12.8 -3.6 22 3-0 - - 2.0 18 1.0 11 4.6 0.65 113 Decmil Group 100 +12.5 +5.8 22 2-0 2 0.8 0.9 11 0.7 9 4.0 0.56 169
HGL Limited	45 +1.4 -0.4 45 1-0 - 0.5 9 1.3 6 3.4 0.46 24	Tasmania Mines 142 +11.9 +4.2 23 0-0 - 0.7 17 0.6 4 Nil 0.64 26
Ive Group	205 +1.2 -1.4 46 0-0 0.8 12 4.2 0.50 183	Landmark White 61 +11.8 +0.1 23 3-1 8.7 86 0.7 10 7.4 0.74 17
Aust Finance Gr Woolworths Ltd	120 +11.2 +2.3 23 0-0 1.0 13 8.0 0.50 258 2296 +3.3 +0.9 39 5-0 14 6.4 9.7 27 0.2 37 3.4 0.5129,576	Scigen Ltd 2 +11.7 +16.9 23 0-0 - - - 4.4 5 Nil 0.29 9 Aust Finance Gr 120 +11.2 +2.3 23 0-0 - - - 0.8 13 8.0 0.50 258
LendLease Group		Patties Foods 168 +10.1 -4.4 25 0-0 2 - 4.1 23 0.4 18 1.6 0.96 236
PTB Group Ltd	46 +6.5 +1.7 32 0-0 0.4 4 1.2 9 10.9 0.51 22	Monadelphous Gr 885 +9.4 -7.1 26 1-0 13 10.3 3.3 26 0.4 12 6.8 0.61 831
Alliance Aviat. Neptune Marine	78 +35.3 +1.4 6 3-0 1 - 0.7 10 0.9 7 2.6 0.51 94 100 +4.3 -7.5 37 0-1 33.3 - 0.8 NE 8.0 0.52 61	Tamawood Ltd 380 +9.4 +3.6 26 6-0 - 10.9 90 0.4 12 6.6 0.95 97 The Pas Group 67 +8.0 +1.6 29 0-0 - - 1.5 18 0.8 9 7.8 0.34 92
SRG Limited	148 +43.0 +0.0 5 0-0 - 1.6 11 0.8 15 4.1 0.52 93	Aeris Resources 5 +7.6 -4.9 29 0-0 2.8 0 Nil 0.03 7
Global Con Serv	48 +5.5 +4.4 34 1-0 1 - 0.6 11 1.2 6 2.1 0.54 96	Sth Cross Elect 43 +7.1 -3.3 30 3-0 - 1.0 7 1.2 14 6.3 0.33 69
AV Jennings Decmil Group	61 +6.6 -4.0 31 0-0 2 - 0.6 11 1.1 6 8.3 0.55 231 100 +12.5 +5.8 22 2-0 2 0.8 0.9 11 0.9 9 4.0 0.56 169	Metcash Ltd 191 +7.1 -3.6 30 1-0 12 10.9 - - 0.5 8 Nil 0.13 1,863 Desane Group 80 +6.7 +0.1 31 1-0 - - 1.0 17 0.7 6 8.4 0.95 30
Bega Cheese Ltd		Finders Res. 18 +6.6 -4.3 31 0-0 1 1.4 1 22.9 0.19 32
Waterco Ltd	134 +13.7 +0.9 20 0-0 1.1 6 0.7 18 3.7 0.60 50	AV Jennings 61 +6.6 -4.0 31 0-0 2 - 0.6 11 0.8 6 8.3 0.55 231
Monadelphous Gr Villa World Ltd	885 +9.4 -7.1 26 1-0 13 10.3 3.3 26 0.5 12 6.8 0.61 831 225 +4.2 -2.1 37 0-1 3 1.0 1.1 15 0.5 7 8.0 0.64 256	Ten Network 100 +6.6 +1.0 31 0-0 6 2.7 - 0.7 9 Nil 0.41 362 Nib Holdings 464 +6.5 -2.0 32 1-0 14 0.7 7.7 42 0.4 19 3.2 0.94 2,037
Shriro Holdings	128 +22.5 +4.8 13 1-0 1.0 17 4.7 0.65 121	PTB Group Ltd 46 +6.5 +1.7 32 0-0 - 0.4 4 0.8 9 10.9 0.51 22
Gale Pacific	38 +12.8 -3.6 22 3-0 2.0 18 1.3 11 4.6 0.65 113	GLG Corporation 26 +5.7 +6.6 33 0-0 0.5 9 1.0 5 Nil 0.09 19
Fantastic Hold.	346 +22.0 +6.8 13 0-0 4 - 3.6 11 0.5 31 4.0 0.66 357 2672 +15.0 -0.8 19 4-0 15 3.3 29.4 - 0.3 17 3.7 0.67 3.056	Global Con Serv 48 +5.5 +4.4 34 1-0 1 - 0.6 11 0.9 6 2.1 0.54 96
JB Hi-Fi Ltd Joyce Corp.	2672 +15.0 -0.8 19 4-0 15 3.3 29.4 - 0.3 17 3.7 0.67 3,056 141 +21.0 -0.3 14 2-0 3.3 19 0.9 17 4.3 0.69 39	Royal Wolf Hold 136 +5.4 +3.4 34 5-0 4 - 0.7 4 0.5 17 4.0 0.83 137 Villa World Ltd 225 +4.2 -2.1 37 0-1 3 1.0 1.1 15 0.4 7 8.0 0.64 256
Wesfarmers Ltd	4040 +2.7 -0.6 41 1-1 15 1.1 9.1 8 0.2112 4.6 0.6945,600	Collins Foods 479 +3.9 +2.7 38 0-0 6 0.0 7.9 51 0.3 15 2.9 0.78 459
Beyond Int'l	117 +0.1 +2.3 51 1-1 - 2.4 18 0.7 13 8.5 0.71 72	Myer Holdings 112 +3.9 -4.3 38 2-0 10 17.5 0.8 13 4.5 0.28 920
Landmark White Super Retail Gr	61 +11.8 +0.1 23 3-1 8.7 86 1.0 10 7.4 0.74 17 945 +6.4 -0.5 32 1-1 13 4.1 39.4 - 0.4 30 4.4 0.77 1,864	Pac. Star Netwk 30 +3.7 +2.0 38 3-1 - - 2.7 14 1.0 19 8.0 0.88 21 Automotive Hold 392 +3.5 -3.5 39 2-1 10 2.5 0.4 3 0.4 13 5.7 0.21 1,300
Countplus Ltd	81 +2.4 -4.2 42 0-0 27.0 - 0.9 7 9.9 0.77 92	Pro-Pac Pack. 45 +3.4 -0.9 39 0-0 2.5 16 0.8 16 6.1 0.45 108
Collins Foods	479 +3.9 +2.7 38 0-0 6 0.0 7.9 51 0.4 15 2.9 0.78 459	C.S.R. Ltd 389 +3.4 -1.9 39 1-2 13 5.0 1.7 12 0.4 14 6.0 0.86 1,962
LifeHealthCare Centrepoint All	213 +3.3 +3.4 39 3-0 - 2.7 22 0.7 12 5.9 0.79 91 60 +18.4 +5.3 15 0-0 - 1.7 8 1.0 22 3.7 0.80 92	LifeHealthCare 213 +3.3 +3.4 39 3-0 2.7 22 0.6 12 5.9 0.79 91 Enero Group Ltd 110 +3.0 -4.0 40 2-0 0.7 14 Nil 0.44 94
Service Stream	100 +28.3 +2.5 10 2-2 - 0.1 4.7 26 0.8 18 2.5 0.82 363	LendLease Group 1313 +2.9 +0.3 40 1-1 11 1.5 3.0 27 0.2 11 4.6 0.51 7,655
Homeloans Ltd	44 +1.3 -3.7 46 0-0 1.6 18 1.2 9 9.1 0.82 47	Embelton Ltd 825 +2.8 -0.2 41 1-0 1.6 18 0.2 9 4.5 0.39 18
News Corp. Nufarm Limited	1584 +3.3 -1.5 39 0-0 - 6.6 7.9 - 0.4 NE 0.8 0.82 808 852 +9.0 +0.0 27 5-0 12 1.5 2.9 6 0.3 52 1.2 0.83 2,271	Schaffer Corp 517 +2.7 -0.2 41 0-0 - - 1.3 11 0.3 12 4.8 0.34 72 Legend Corp. 21 +2.6 +0.7 41 4-0 1 - 3.0 34 1.2 9 5.7 0.39 46
Royal Wolf Hold	136 +5.4 +3.4 34 5-0 4 - 0.7 4 0.7 17 4.0 0.83 137	Saunders Int'l 53 +2.5 +0.8 42 3-0 - 2.4 17 0.8 14 3.8 1.00 42
Seven Group	848 +26.1 +0.8 10 1-0 5 2.3 1.9 15 0.4 12 4.7 0.84 2,385	Countplus Ltd 81 +2.4 -4.2 42 0-0 27.0 - 0.6 7 9.9 0.77 92
Vita Group Ltd Lycopodium Ltd	359 +19.5 -9.4 15 1-6 3 0.0 59.8 - 0.6 14 3.9 0.84 546 265 +32.1 -4.7 7 0-0 1.9 6 0.5 33 1.7 0.85 105	Boral Limited 578 +1.9 -2.8 43 0-0 12 2.5 1.7 10 0.3 17 28.9 1.00 4,298 Bisalloy Steel 48 +1.9 +4.9 44 3-0 - - 1.1 9 0.9 12 8.3 0.38 21
Energy Action	110 +13.1 +6.5 21 5-0 3.1 - 0.7 NE 5.7 0.85 29	Aust Pharm. Ind 174 +1.6 -0.8 45 1-0 5 0.4 2.3 12 0.5 0.25 852
C.S.R. Ltd	389 +3.4 -1.9 39 1-2 13 5.0 1.7 12 0.5 14 6.0 0.86 1,962	HGL Limited 45 +1.4 -0.4 45 1-0 0.5 9 1.0 6 3.4 0.46 24
Pac. Star Netwk Maca Limited	30 +3.7 +2.0 38 3-1 2.7 14 1.4 19 8.0 0.88 21 163 +28.6 -11.2 9 1-1 1 0.0 2.1 13 0.8 16 5.2 0.88 380	Sunland Group 152 +1.3 +0.9 45 4-0 2 0.0 0.8 11 0.5 8 5.3 0.96 249
Thorn Group Ltd	175 +0.8 +7.4 48 2-0 4 0.6 2.3 17 0.6 13 6.6 0.89 273	INCOME SHARES: Highest Yields, Capitalisation > A\$250 million
Konekt Limited	55 +28.2 -0.6 10 0-1 1.5 16 0.9 0.91 40	Boral Limited 578 +1.9 -2.8 43 0-0 12 2.5 1.7 10 0.3 17 28.9 1.00 4,298
Nib Holdings	464 +6.5 -2.0 32 1-0 14 0.7 7.7 42 0.5 19 3.2 0.94 2,037 80 +6.7 +0.1 31 1-0 1.0 17 0.9 6 8.4 0.95 30	Nine Entertain. 94 -13.9 -0.5 87 5-0 9 10.7 - 0.7 7 12.8 0.64 815 Saven West Med 68 -15.6 -12 89 0.0 8 35 - 0.7 6 11.8 0.60 1.025
Desane Group	טע דט.י דט. דעי ווט ויט - י טיו וט א.ש א.ש. 30 סט א.ש. איז	Seven West Med. 68 -15.6 -4.2 89 0-0 8 3.5 - - 0.7 6 11.8 0.60 1,025 ERM Power Ltd 113 -9.5 +5.6 79 7-1 3 1.3 1.1 14 0.5 8 10.7 0.10 283
	ING SHARES: Strongest Shares, P/E < 20, P/S < 1.0	Genworth Mort. 279 +4.0 -2.2 37 0-2 6 4.7 0.5 7 9.5 3.27 1,421
NRW Holdings	53 +82.9 -22.1 1 5-0 - 0.1 0.5 7 1.0 7 Nil 0.51 168 117 +75.0 -27.8 2 0-0 3 0.1 0.5 8 0.6 6 Nil 0.49 364	Cromwell Prop. 90 -4.8 -3.8 70 2-3 9 1.0 1.3 28 0.5 5 9.1 4.84 1,580 Estia Health 283 -23.3 -6.0 94 6-0 - 7.9 - 0.4 19 9.0 1.20 533
Ausdrill Ltd Resource Dev.	117 +75.0 -27.8 2 0-0 3 0.1 0.5 8 0.6 6 Nil 0.49 364 3 +71.7 -1.1 2 0-0 0.9 30 3.7 3 Nil 0.25 17	Estia Health 283 -23.3 -6.0 94 6-0 - 7.9 - - 0.4 19 9.0 1.20 533 360 Capital Ind 244 -0.1 -2.4 54 0-0 2 0.1 - 0.4 10 8.6 6.89 517
Delta SBD Ltd	22 +44.0 +18.0 5 1-2 0.4 5 1.3 9 Nil 0.15 10	Spotless Group 100 -10.3 -2.0 81 7-0 6 5.0 0.6 9 8.5 0.34 1,093

November	November 7, 2016. Page 11											
0	Share Cur- 4-Wk Rank Scher Cur- 4-Wk Rank Cur- 4-Wk	Company Share Cur- 4-Wk Rank See Capin See Cap										
Company	Share Cur- 4-Wk Rank 등 실험 유명 위험 이 가 다 Market Price rent Chg. 0-99 도 유명 유명 유명 위험 이 가 다 Market	Company Share Cur- 4 Wk Rank See See Cap A Company Share Cur- 4 Wk Rank See Cap Company Share Cur- 4 Wk Rank See Cap										
Pro Maintenance	9 137 -2.4 -5.8 64 8-0 5 2.4 1.4 2 0.6 56 8.4 0.15 353	Nufarm Limited 852 +9.0 +0.0 27 5-0 12 1.5 2.9 6 0.2 52 1.2 0.83 2,271										
WPP AUNZ Ltd	83 -0.3 -9.4 56 3-1 5 0.4 0.6 14 8.1 0.72 703	NRW Holdings 53 +82.9 -22.1 1 5-0 - 0.1 0.5 7 0.8 7 Nil 0.51 168										
Villa World Ltd	225 +4.2 -2.1 37 0-1 3 1.0 1.1 15 0.3 7 8.0 0.64 256	Century Aust In 85 +2.2 -0.7 43 5-0 1.0 2 0.5 51 4.1 N/A 69										
Aust Finance Gr	120 +11.2 +2.3 23 0-0 0.7 13 8.0 0.50 258	Dragon Mining 31 +0.8 -3.3 48 5-0 0.5 5 0.8 11 Nil 0.35 27										
GDI Property	97 +4.5 -0.7 36 2-0 2 0.1 1.0 9 0.5 11 8.0 6.47 523	Energy Action 110 +13.1 +6.5 21 5-0 3.1 - 0.4 NE 5.7 0.85 29										
DUET Group	231 +1.2 -3.9 46 2-0 12 1.0 1.6 3 0.3 53 7.8 3.50 5,620	Dempsey Min. 6 +1.2 -2.6 46 5-0 1.6 NE Nil N/A 2										
Mortgage Choice		Nat'l Aust Bank 2588 +1.3 +1.0 46 5-0 16 1.1 1.9 18 0.2 11 7.7 3.5268,763										
Nat'l Aust Bank	2588 +1.3 +1.0 46 5-0 16 1.1 1.9 18 0.2 11 7.7 3.5268,763	APN Property 41 +5.3 -7.9 34 5-0 2.3 88 0.9 3 27.8 6.40 127										
Select harvest	605 -4.6 -4.3 69 4-0 8 3.1 2.7 21 0.2 13 7.6 1.54 445	Galilee Energy 12 +6.9+13.9 31 5-0 1.2 NE Nil N/A 17										
Adairs Limited	152 -0.7 -1.3 57 3-0 - 1.8 0.7 9 7.6 1.00 252	Royal Wolf Hold 136 +5.4 +3.4 34 5-0 4 - 0.7 4 0.4 17 4.0 0.83 137										
Cadence Capital		Aurizon Hold. 471 +0.5 -2.5 49 5-0 15 0.6 1.6 1 0.2134 5.2 2.79 9,664										
Industria REIT		Aust Agricult. 170 +5.1 -6.0 35 5-0 - 3.8 0.8 6 0.3 13 Nil 1.18 947 Clime Capital 83 +10 +12 47 5-0 - 07 - 04 NE 5.8 N/A 65										
Bank of Q'land G8 Education	1002 -2.8 +1.2 65 7-1 15 4.4 1.4 12 0.2 12 7.4 3.46 3,828 330 -9.6 -2.5 79 3-0 10 8.5 0.3 14 7.3 1.74 1.262	Clime Capital 83 +1.0 +1.2 47 5-0 0.7 - 0.4 NE 5.8 N/A 65 Spark Infrastru 222 +1.8 -5.9 44 5-0 11 1.2 1.3 3 0.3 42 5.4 N/A 3.734										
Mystate Ltd	392 -2.3 +0.0 64 7-0 4 - 1.7 14 0.3 12 7.3 1.58 344	Bendigo Bank 1053 +5.7 +1.2 33 6-1 15 7.4 1.7 15 0.2 11 6.3 3.10 4,913										
HFA Holdings	227 -0.9 +0.0 59 0-0 2 0.0 56.8 - 0.5 19 7.2 4.02 368	IOOF Holdings 805 +0.0 -2.3 52 6-1 13 7.4 67.1 - 0.2 12 7.0 2.66 2,416										
Th A Holdings	227 -0.3 +0.0 33 0-0 2 0.0 30.0 - 0.3 13 7.2 4.02 300	Magnis Resource 63 +9.3 -11.7 26 6-1 - 0.1 0.7 NE Nil N/A 278										
INSIDER BUYING	G: Most Insider Buying, Relative Strength > 0	Ellerton Global 100 +1.0 +0.5 47 4-0 0.9 - 0.6 NE 1.0 N/A 76										
Glennon Sm Cove		Po Valley Ener. 2 +21.5 -21.7 13 4-0 2.7 NE 50.0 3.08 10										
Dicker Data Ltd	220 +14.3 +4.2 20 10-0 - 0.0 16.9 99 0.5 17 5.5 0.33 352	Tabcorp Holding 469 +5.7 -1.5 33 4-0 10 3.7 0.2 23 5.1 1.77 3.917										
Shine Corporate	125 +3.9 +4.0 38 10-0 4 0.4 1.7 12 0.5 15 2.0 1.42 216	Nat Veterinary 207 +20.2 +5.9 14 4-0 0.5 92 Nil 2.39 106										
Equity Trustees	1601 +6.7 -0.4 31 9-0 - 0.5 9.3 38 0.1 24 4.2 3.88 321	Sheffield Res. 52 +15.9 -10.2 18 4-0 0.8 NE Nil N/A 70										
Hunter H Global	135 +6.1 -3.0 33 8-0 1.6 15 0.4 11 4.8 N/A 328	Inabox Limited 120 +14.7 +4.2 19 4-0 24.0 86 0.4 28 1.4 0.27 24										
Echo Resources	25 +18.5 -10.9 15 7-0 0.8 NE Nil N/A 35	Watpac Ltd 90 +1.2 +1.2 46 4-0 1 0.4 0.8 - 0.5 NE Nil 0.14 167										
Ozgrowth Ltd	16 +9.4 -0.7 26 7-0 0.7 1 1.1 98 3.1 N/A 58	Cott Oil & Gas 4 +9.5 +0.1 26 4-0 2.0 NE Nil N/A 3										
Black Rock Min.	14 +52.7 -63.2 3 7-0 1.4 NE Nil N/A 44	Over The Wire 300 +30.1 -1.7 8 4-0 0.5 46 Nil 5.53 131										
Metgasco Ltd	7 +8.8 +2.8 27 7-0 1.8 NE Nil N/A 27	Ad Braking Tech 1 +0.0 -6.9 51 4-0 0.8 - 4.6 NE Nil 4.01 18										
Red Hill Iron	41 +1.0 +0.9 47 6-0 0.6 NE Nil N/A 20	Cassini Res Ltd 5 +21.5 +7.8 13 4-0 2.0 NE Nil N/A 12										
Cazaly Res Ltd	6 +24.3 -14.7 11 6-0 1.8 NE Nil N/A 8	Sunland Group 152 +1.3 +0.9 45 4-0 2 0.0 0.8 11 0.4 8 5.3 0.96 249										
Tamawood Ltd	380 +9.4 +3.6 26 6-0 10.9 90 0.3 12 6.6 0.95 97	Paringa Res Ltd 33 +13.7 +18.0 20 4-0 1.0 NE Nil N/A 45										
Breville Group	876 +9.5 +1.7 26 6-0 9 1.1 10.6 46 0.2 23 3.3 1.98 1,140	Grays eCommerce 133 +11.6 -1.6 23 4-0 1.3 1 0.6102 Nil 0.93 170										
Hazer Group Ltd		G.U.D. Holdings 956 +10.3 -2.9 25 4-0 9 3.9 6.7 28 0.2 24 4.5 1.37 820 BARD1 Life Sci. 4 +14.3 +10.9 20 4-0 2.0 NE Nii N/A 12										
AMCIL Limited		BARD1 Life Sci. 4 +14.3 +10.9 20 4-0 2.0 NE Nil N/A 12 Cedar Woods Prp 454 +4.4 -1.9 37 4-0 3 0.2 1.8 22 0.2 8 6.3 2.04 358										
Garda Div Prop Smartgroup Corp		Investa Office 418 +2.0 -2.6 43 4-0 9 0.5 1.3 26 0.2 5 4.7 N/A 2.567										
Treasury Wine	1045 +10.8 +1.1 24 6-0 12 0.9 3.4 8 0.3 43 1.5 3.29 7.714	Orica Ltd 1690 +5.9 +4.3 33 4-0 15 7.9 8.2 - 0.2 NE 5.7 1.11 6,336										
Bell Financial	69 +17.9 -2.7 16 6-0 3.6 31 0.6 12 6.5 1.04 184	JCurve Solution 2 +25.8 -34.9 11 4-0 0.9 - 3.5 NE Nil 0.63 6										
Euroz Limited	97 +13.8 +4.1 20 7-1 0.5 43 4.1 3.67 154	Danakali Ltd 41 +9.1 -5.5 27 4-0 0.7 NE Nil N/A 72										
CocaCola Amatil		Reckon Limited 158 +0.6 +3.1 49 4-0 5 0.0 0.3 12 4.6 1.68 179										
Primary Health	366 +3.7 -2.6 38 5-0 13 6.3 0.3 26 3.3 1.17 1.908	New Hope Corp. 183 +7.8 +3.2 29 4-0 5 0.0 0.7 3 0.4 20 3.6 3.00 1,521										
Central Petrol.	13 +4.4 +6.2 36 5-0 1.6 NE Nil 4.47 53	Legend Corp. 21 +2.6 +0.7 41 4-0 1 - 3.0 34 0.8 9 5.7 0.39 46										
Metaliko Res.	9 +30.4 -1.1 8 5-0 1.4 NE Nil N/A 29	OZ Minerals Ltd 702 +8.7 -4.8 27 4-0 16 3.1 0.9 5 0.2 16 2.8 2.42 2.130										
Maverick Drill.	9 +10.3 +0.1 25 5-0 1.5 NE Nil 4.46 47	BHP Billiton 2227 +8.4 +2.0 28 4-0 18 2.0 2.0 - 0.2 NE 1.8 1.7871,524										
Woolworths Ltd	2296 +3.3 +0.9 39 5-0 14 6.4 9.7 27 0.1 37 3.4 0.51 29,576	Zeta Resources 37 +49.9 +5.9 4 4-0 0.7 - 0.7 NE Nil N/A 37										

Australian Warrant / Option Analysis

Company	Share Price	Exercis Price		Option Price	Black- Scholes Valuation	Option Over/ Under- Valued	Share Vola- tility	Option Lever- age	Options to Buy 1 Share	Even	Company	Share Price	Exercis Price		Option Price	Black- Scholes Valuation	Över/	Vola-	Option Lever- age	Options to Buy 1 Share	Even
88 Energy	3.6	2.0	1-3	2.7	2.6	+4	1.54	1.23	1.0	+24	Bidenergy Ltd	6.5	10	2-7	3.0	2.6	+14	0.84	1.62	1.0	+31
8IP Emerging Coys	101	100	0-1	2.0	2.1	-4	0.18	9.99	1.0	+27	Big Un Ltd	15	25	1-1	2.4	2.6	-8	0.80	2.48	1.0	+74
A1 Cons Gold	2.7	3.0	3-0	1.5	1.4	+4	0.86	1.43	1.0	+19	Birimian Gold	31	1.5	1-7	7.5	29.1	-74	1.19	1.05	1.0	-55
Absolute Equity Perf.	104	110	0-12	3.0	5.1	-41	0.17	8.82	1.0	+10	Bisan	0.3	1.5	1-7	0.1	0.0	+338	0.88	2.53	1.0	+188
Alara Resources	1.9	2.0	0-5	0.5	0.4	+19	0.94	2.67	1.0	+93	Black Rock Mining	14	7.5	2-0	11.0	9.9	+11	1.12	1.26	1.0	+15
Alive Queen Ltd	3.7	3.0	0-10	1.5	1.5	+2	0.90	1.89	1.0	+26	Black Rock Mining	14	5.0	0-4	13.5	9.1	+48	1.12	1.49	1.0	+141
American Patriot O&	G 8.7	25	1-11	1.3	1.1	+22	0.72	2.45	1.0	+80	Black Star Petroleum	0.2	20	1-1	0.1	0.1	+47	2.81	1.35	1.0	+999
Analytica Ltd	0.7	1.4	1-3	0.3	0.3	-3	1.46	1.48	1.0	+103	Botswana Metals	0.2	1.5	0-1	0.1	0.0	+999	1.74	9.99	1.0	+999
Anson Resources	3.1	3.0	0-8	0.7	1.2	-43	1.26	1.78	1.0	+33	Broken Hill Pros.	7.5	8.0	2-11	2.5	4.0	-37	0.85	1.44	1.0	+12
Antilles Oil & Gas	1.9	10	0-2	0.2	0.0	+999	0.77	1.00	1.0	+999	Brookside Energy	0.9	2.0	2-1	0.3	0.2	+31	0.83	1.91	1.0	+57
Antipodes Global	105	110	1-11	3.8	0.8	+365	0.02	9.99	1.0	+5	Burey Gold	6.7	5.0	0-8	2.2	2.7	-20	0.94	1.91	1.0	+11
Antisense Thera.	3.8	27	0-2	0.3	0.0	+999	0.90	1.00	1.0	+999	CV Check	9.1	30	0-10	0.4	0.3	+34	0.83	3.60	1.0	+325
Argent Minerals	2.6	10	2-7	0.6	0.3	+103	0.69	2.36	1.0	+72	Cabral Resources	3.0	4.0	2-11	0.6	3.0	-80	4.86	1.00	1.0	+16
Argo Global	171	200	0-4	0.2	0.2	-17	0.15	9.99	1.0	+62	Canyon Resources	14	6.0	0-2	5.3	7.5	-30	0.77	1.79	1.0	-66
Argonaut Resources	0.8	6.0	0-4	0.1	0.0	+999	1.37	4.49	1.0	+999	Capital Mining	0.2	2.0	0-1	0.1	0.0	+999	1.57	1.00	1.0	+999
Aspire Mining	3.5	3.0	0-7	1.0	1.8	-46	1.76	1.49	1.0	+28	Cardinal Resources	63	15	2-10	50.0	50.4	-1	0.70	1.21	1.0	+1
Atlas Iron	1.3	7.5	0-7	0.1	0.0	+999	0.95	4.69	1.0	+999	Catalyst Metals	50	50	1-7	20.0	15.5	+29	0.62	2.12	1.0	+24
Aura Energy	3.1	5.0	0-7	0.5	0.3	+51	0.87	3.19	1.0	+188	Cazaly Resources	6.2	11	1-9	1.7	2.5	-33	1.11	1.57	1.0	+51
Ausquest Ltd	0.8	4.0	0-0	0.1	0.3	-70	1.00	3.19	1.0	+999	Centaurus Metals	0.6	5.0	0-4	0.2	0.0	+999	1.36	4.73	1.0	+999
Ausquest Ltd	0.8	3.5	1-5	0.3	0.1	+217	1.00	2.26	1.0	+200	Citation Resources	5.9	5.0	0-7	1.2	1.4	-13	0.49	3.20	1.0	+9
Aust Rural Capital	55	50	3-9	18.0	29.9	-40	0.70	1.45	1.0	+6	Clancy Exploration	0.3	0.4	2-5	0.2	0.3	-25	2.10	1.06	1.0	+33
Aust Vanadium	1.6	2.0	2-1	0.8	0.7		0.95		1.0	+31	Collaborate Corp	2.1	2.0	0-5	0.5	0.4	+15	0.71	3.10	1.0	+52
Austin Exploration	0.6	3.0	0-10	0.4	0.1	+607	1.32	2.36	1.0	+774	Connexion Media	11	20	0-3	0.3	0.0	+537	0.66	8.50	1.0	+999
Austin Exploration	0.6	0.6	2-7	0.3	0.4	-30	1.32	1.20	1.0	+17	Contango Income	94	100	1-4	1.2	4.9	-76	0.15	8.67	1.0	+6
Avalon Minerals	2.2	3.0	2-9	0.8	1.7		1.60		1.0	+22	Core Exploration	8.2	5.0	0-9	4.8	4.9	-1	1.40	1.43	1.0	+27
Bass Metals	1.7	2.5	2-1	0.5	1.1	-53	1.37	1.28	1.0	+31						(Co	ontin	ued	on I	Page	12)

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Company	Share Price	Exercise Price		Option Price	Black- Scholes Valuation	Option Over/ Under- Valued	Share Vola- tility	Option Lever- age	Options to Buy 1 Share	Break- Even Rate	Company	Yr/Mth Share Exercise to Price Price Expiry	Option Price	Black- Scholes Valuation	Option Over/ Under- Valued	Share Op Vola- Lev tility ag	ver- t	Options o Buy Share	Break- Even Rate
Corizon Ltd	2.0	5.0	1-1	0.8	0.0	+999	0.50	5.24	1.0	+167	New Talisman Gold	0.5 2.0 1-0	0.4	0.1	+205	1.54 1.	73 1	1.0 -	+380
Dempsey Minerals	6.0	14	2-1	1.9	0.2	+808	0.41	-	1.0	+60	Novogen Ltd	8.5 40 3-6	3.1	0.2	+999	0.45 3.	42 1	1.0	+59
Discovery Africa	1.2	20	0-1	0.1		+999	1.35		1.0	+999	OZGrowth Ltd	16 18 0-9	0.3	0.9		0.27 6.		1.0	+20
Drake Resources Droneshield Ltd	0.2 20	3.0 22	0-8 1-7	0.1 2.0	0.0 3.0		1.78 0.36		1.0 1.0	+999 +13	Oklo Resources Omni Market Tide	17 13 0-7 1.5 10 2-1	9.0 0.3	6.1 0.2		0.85 2. 0.93 2.		1.0 1.0 -	+57 +152
Duxton Water	105	110	1-7	2.0	3.5		0.08	9.99	1.0	+13	Opthea	72 27 1-12	50.0	47.6		0.93 2.		1.0	+152
Eden Energy	20		1-10	17.0	17.4		1.01		1.0	+0	Orinoco Gold	12 25 1-2	5.0	-		0.63 3.		-	+127
Egan Street Res	34	25	1-4	9.6	9.2		0.16	3.51	1.0	+3	Orinoco Gold	12 11 0-0	1.4	0.7				-	+999
Elk Petroleum	6.5	25	0-8	0.2			0.62		1.0	+715	Pacific American Coal		2.8	2.1		1.02 2.			+135
Ellerston Asian Inv. Ellerston Global Inv.	90 100	100 100	2-3 1-4	3.7 4.1	12.0 9.1		0.27 0.17	3.86	1.0 1.0	+7 +3	Pacific Niugini Panterra Gold	18 6.0 0-9 8.9 15 2-1	13.5 4.7	12.1 2.7		0.60 1.		1.0 1.0	+12 +46
Empire Oil	30	0.9	1-4	3.5	28.6		0.68	1.03	1.0	-74	Pelican Resources	1.0 2.0 0-7	0.2			0.67 4.	-	-	+286
Enerji Ltd	0.5	20	0-1	0.1	0.0		1.25	9.99	1.0	+999	Peninsula Energy	52 5.0 2-1	10.0	47.2				1.0	-45
Env. Clean Tech.	2.0	0.9	0-8	1.3	1.2			1.63	1.0	+15	Petrel Energy	1.0 4.0 0-9	0.2		+274				+578
Env. Clean Tech.	2.0	1.5	0-8 0-6	1.1 0.7	0.7 0.7		0.79 1.68	2.10	1.0 1.0	+48 +704	Pioneer Resources	1.8 6.0 0-8 91 100 0-6	0.6	0.2 0.9	+229	1.25 2. 0.14 9.	-	1.0 - 1.0	+602 +26
Epat Technologies Fertoz Ltd	3.3 10	7.9 15	1-0	3.0	2.0	+3 +49	0.83		1.0	+704	Platinum Asia Inv Platypus Minerals	91 100 0-6 1.4 3.5 0-0	1.3 0.1	0.9		1.39 9.		-	+20 +999
First Graphite	9.5	10	0-6	3.1	1.6		0.68		1.0	+97	Prescient Thera.	9.7 18 1-7	5.4			0.67 2.		1.0	+74
First Growth Funds	0.7	2.0	1-3	0.3	0.1	+194		2.29	1.0	+163	Prima Biomed	3.3 20 0-7	0.3	0.0		0.32 9.	.99 1	1.0 -	+999
First Growth Funds	0.7	2.0	1-3	0.5	-	+400	0.96		1.0	+186	Proteomics Int'l	29 20 1-4	8.3	12.6		0.68 1.		1.0	-1
Future Global Opp. Gladiator Res.	108 0.6	110 0.6	0-10 0-7	1.5 0.1	5.0 0.3	-70 -68	0.13 1.85	9.99 1.46	1.0 1.0	+4 +30	Proto Res & Inv RTG Mining	0.1 5.5 0-4 34 150 0-6	0.1 1.4			0.00 9.			+999 +999
Greenland Minerals	6.7		1-10	2.2	2.2		0.70		1.0	+26	Ram Resources	0.1 2.5 0-3	7.5					-	+999
Greenpower Energy	2.3	1.0	2-11	1.5	2.1	-30	1.85	1.04	1.0	+3	Red Mountain Min.	1.2 0.2 1-4	0.3	1.1	-73	2.11 1.	05 1	1.0	-52
Gulf Manganese	2.0	0.5	2-5	1.5	1.9		2.01		1.0	+0	Red Mountain Mining		0.2	1.0		2.11 1.		1.0	-61
Havilah Resources Hazer Group	69 45	30 30	0-7 2-1	42.0 25.0	40.2 24.2		0.76 0.74	1.65 1.54	1.0 1.0	+8 +10	Redstone Resources Regalpouint Res	0.8 3.0 0-8 1.3 2.0 1-10	0.1 0.3	0.1 0.5		1.35 2. 0.98 1.		1.0 - 1.0	+663 +37
Henry Morgan	119	100	1-9	28.0	29.3		0.74		1.0	+10	Rhinomed Ltd	1.7 6.0 0-5	0.3			0.30 1.		-	+999
High Peak Royalties	4.2	35	0-5	0.1			0.45	9.99	1.0	+999	Rimfire Pacific Min.	2.2 3.5 0-6	0.3			0.75 4.			+229
IODM Ltd	2.8	4.0	0-1	0.1	0.3			3.63	1.0	+999	Ryder Capital	109 125 2-0	8.0			0.12 9.		1.0	+10
Icandy Interactive	17	21	3-2	1.0	5.8	-83	0.56	1.89	1.0	+8	Samson Oil & Gas	0.5 3.8 0-4	0.1						+999
Icollege Ltd Icollege Ltd	2.6 2.6	20 8.0	0-8 2-8	0.3 0.6	0.0 0.7	+999	0.89 0.89	5.25 1.73	1.0 1.0	+999 +58	Sayona Mining Shareroot Ltd	2.4 3.0 0-1 1.7 5.0 1-1	0.3 0.7	0.1		1.05 6. 1.32 1.			+999 +205
Imugene Ltd	1.0	1.5	0-4	0.0	-		0.52		1.0	+310	Siburan Resources	0.7 2.0 1-1	4.6	-		0.99 2.			+693
Intermin Resources	11	7.5	0-7	8.0		+116	0.65	2.35	1.0	+95	Silver Mines	20 30 1-7	8.0	12.4		1.66 1.		1.0	+54
Intiger Group	4.6	0.8	1-1	3.7	3.8		0.77	1.20	1.0	-2	Silver Mines	20 0.3 0-11	6.0	19.2		1.66 1.		1.0	-73
Investigator Res. Invigor Group	3.5 2.2	10 5.0	0-4 1-7	0.5 0.4	0.1	+809 +38	1.03 0.71	4.67 2.55	1.0 1.0	+999 +76	Spirit Teleocom St George Mining	2.5 3.9 2-8 14 20 0-7	0.3 3.8	0.5 2.6		0.54 2.		1.0 1.0 -	+22 +148
KBL Mining	0.1	0.5	1-8	0.1			1.63		1.0	+191	Stargroup	3.5 5.0 2-0	1.5	0.9		0.66 2.		1.0	+36
Kabuni Ltd	2.6	30	1-9	0.7	0.1	+999	0.88	2.88	1.0	+317	Strata-X Energy	2.3 12 0-2	0.9	0.0	+999	1.07 9.	.99 1	1.0 -	+999
Kairos Minerals	3.9	10	0-8	0.7	0.4	+63	1.11		1.0	+338	Sun Resources	1.2 2.5 0-10	0.1	1.1		4.23 1.			+153
Kalina Power Kidman Resources	13 50	5.0 15	0-9 1-5	7.8 32.5	8.8 37.6	-12 -14	1.50 1.00	1.29 1.26	1.0 1.0	+3 -4	Sundance Resources TV2U International	0.2 0.6 0-9 1.7 4.0 2-4	0.1 0.7	0.0 0.7		1.41 2. 1.08 1.		1.0 - 1.0	+431 +55
King River Copper	0.8	10	1-7	7.5				1.96	1.0	+602	Tag Pacific	6.1 20 0-10	0.2			0.61 5.			+315
King River Copper	0.8	10	1-7	0.1	0.1	+6	1.29	1.96	1.0	+396	Talga Resources	28 45 2-1	7.5	4.4	+72	0.52 2.	68 1	1.0	+35
Kogi Iron	2.0	8.0	0-6	0.1	0.1		1.33		1.0	+999	Tanga Resources	5.0 5.0 0-1	1.5	0.9		1.75 3.			+999
Krakatoa Resources Laconia Resources	21 0.2	20 6.0	0-4	3.0 0.1	3.7	-18 +999	0.65		1.0 1.0	+31 +545	Target Energy Tasman Resources	0.1 1.2 0-3 16 5.0 1-4	0.1 12.0	0.0 11.8		2.39 2. 0.96 1.		1.0 - 1.0	+999 +5
Land & Homes	4.0	20	4-9	1.2	3.9		2.40		1.0	+43	Tomizone	5.2 40 1-10	0.2	0.2		0.80 2.			+205
Latin Resources	1.2	2.0	0-3	0.3		+157			1.0	+999	Transcendence Tech		1.0	0.6		0.56 2.		1.0	+29
Leigh Greek Energy	12	50	1-6	1.0	1.6			2.17	1.0	+160	Triton Minerals	6.1 15 0-4	1.4			0.42 9.			+999
Lindian Res. Linius Technologies	0.2 6.0	2.0 4.0	1-8 0-1	0.1 1.5	0.2 2.0		2.83 0.56		1.0 1.0	+310 -65	Tyranna Resources Valmec Ltd	3.5 4.0 0-9 14 25 1-1	0.8 0.4	0.6 2.5		0.66 2. 0.83 2.		1.0 1.0	+54 +71
Lionhub Group	14	4.0	4-0	1.3	2.0 1.9		0.30		1.0	+14	Vango Minerals	4.9 6.0 1-4	1.3	2.0		1.05 1.		1.0	+36
Lodestar Minerals	1.1	3.0	2-11	0.4	0.7		1.39		1.0	+47	Variscan Mines	2.0 1.5 0-5	0.8	0.7	+15	0.86 2.		1.0	+38
Lucapa Diamond	44		0-10	33.0			0.58		1.0	+25	Velpic Ltd	2.0 6.0 1-7	0.6			0.66 3.			+113
MGC Pharma.	108	6.5	2-7		101.4		0.68		1.0	-55	Venus Metals	18 20 0-0	0.7			0.88 3.			+999
MRG Metals MSC Services	1.6 2.8	15 44	3-9 0-12	0.6 0.1	0.4 0.0	+40	0.97		1.0 1.0	+84 +999	Veriluma Ltd Volt Resources	6.5 5.0 0-6 7.2 2.0 1-1	3.1 5.0	2.0 5.3		0.68 2. 0.79 1.		1.0 1.0	+55 -3
Magellan Flagship	169	105		70.0	66.0		0.17		1.0	+4	Volta Mining	2.2 5.0 2-11	0.5	1.0		0.97 1.		1.0	+37
Magnis Resources	63	10	0-6	53.0	52.6		0.69		1.0	+2	WAM Active	111 114 1-10	4.4	11.4		0.18 5.		1.0	+4
Mantle Mining	1.0	1.5	1-0	0.5		+120			1.0	+100	WAM Leaders	109 110 0-12	3.7	3.2		0.06 9.		1.0	+5
Marindi Metals Metallica Minerals	1.8 4.5	2.0 4.5	0-1 0-7	0.2 1.5	0.1 1.1		1.03	5.41 2.62	1.0 1.0	+999 +64	WHL Energy WHL Energy	0.1 18 0-0 0.1 0.2 1-7	0.1 0.1	3.2 0.0		1.40 9. 1.40 1.			+999 +100
Metals of Africa	9.8	15	0-1	1.3	0.1	+999	0.89	8.64	1.0	+999	WPG Resources	8.6 4.0 0-1	4.7	4.6		0.68 1.		1.0	+15
Minera Gold	0.1	1.2	0-0	0.1	0.0	+999	0.00	9.99	1.0	+999	Wealth Defender	77 100 0-1	0.1		+999	0.19 9.	.99 1		+999
Minotaur Exploration		9.5	1-0	2.5	3.5		0.88		1.0	+22	Westoz Inv Coy	94 105 0-9	1.2	2.1		0.17 9.		1.0	+19
Mod Resources Monash Abs. Inv.	2.4 90	1.0 100	1-5 0-10	2.3 1.2	2.0 1.7		1.82 0.14		1.0 1.0	+25 +15	White Cliff Min. Wolf Petroleum	0.8 3.0 0-3 1.6 5.0 1-8	0.1 0.7	0.0 1.1		1.12 5. 2.07 1.		-	+999 +114
Money3 Corp.	159		1-6	65.0	42.3		0.14		1.0	+15	XTV Networks	0.8 2.0 1-6	0.7	0.5		1.88 1.			+102
Mustang Resources	3.4	25	0-7	0.5	0.0	+999	0.87	5.94	1.0	+999	YPB Group	17 20 0-11	8.0	2.6	+203	0.55 3.	20 1	1.0	+72
NSL Consolidated	3.9	1.0	0-1	2.8	2.9		0.87		1.0	-27	Zenith Minerals	12 10 1-1	7.5	4.6		0.87 1.		1.0	+47
Namibian Copper Naos Absolute Opps	0.3 115	1.5 100	2-5 0-0	0.1 15.0	0.1 0.1	+16 +999	1.09		1.0 1.0	+100 +999	Zinc of Ireland Ziptel Ltd	1.3 2.0 0-8 15 30 0-1	0.5 0.2			0.90 2. 1.00 9.		1.0 - 1.0	+178 +9
nuos mosoinie Opps	.15	100	00	10.0	0.1	1000	0.11	1.04	1.0	1000		10 00 0-1	0.2	0.0	, 000	1.00 9.			τJ

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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 Price/Sales PIE Gross
PErformance PICE/Sales PIE Gross
PErforma

Performance Forecast Price	Price/Sales Ratio		Gross Yield	Performance Forecast Price	Price/Sales Ratio	P/E Gross Ratio Yield	Performance Forecast Price	Price/Sales Ratio	P/E Gross Ratio Yield
	Ratio 24.661 3.7.661 3.7.661 1.0.94 0.380 0.0.437 1.0.5/A 1.7.82 3.4.10 1.0.5/A 1.0.5/A 1.0.5/A 1.0.5/A 1.0.2 1.0.	Image: Constraint of the second system of						Ratio 0.8299 0.1.29 0.4687 0.2299 0.4687 0.2299 0.4687 0.2299 0.4687 0.2299 0.4687 0.2299 0.4687 0.220 0.331 2.1.33 0.954 0.954 0.958 N/A 0.298 0.4209 0.420 0.208 N/A 0.298 0.298 0.4209 0.420 0.208 N/A 0.298 0.298 0.299 0.468 0.299 0.468 0.299 0.468 0.299 0.468 0.299 0.468 0.299 0.468 0.299 0.468 0.299 0.468 0.299 0.468 0.299 0.468 0.299 0.468 0.299 0.468 0.299 0.468 0.299 0.409 0.288 0.299 0.208 0.209 0.208 N/A 0.298 0.298 0.299 0.208 0.209 0.200 0.200 0.200 0.200 0.249 0.221 1.205 0.221 0.249 0.221 1.207 0.2279 0.2414 0.221 1.207 0.2279 0.2279 0.2279 0.2279 0.2277 0.27	
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Page 14 Investment Outlook

(Continued from Page 1)

Person B buys 10,000 shares at \$1 per share, only to see the shares fall to a permanent low price of 50 cents. That investment is now worth only \$5,000 but also produces \$400 in income.

Perhaps you are thinking this was a trick question? Perhaps you would like to change your answer? Let's look into the future and see how things work out . . .

Person A earns \$400 in dividends the first year which can be re-invested in 200 additional shares (at \$2). That generates \$408 in dividends the second year which can be re-invested in 204 additional shares. The third year income is \$416 which re-invests in 208 additional shares ... and so on.

Person B also earns \$400 in dividends in the first year but that can be re-invested in 800 shares (at 50 cents). In year two the dividend income is \$432 which re-invests in 864 additional shares and the third year income of \$466.56 re-invests in 933 additional shares... and so on.

After 10 years, Person A has 12,190 shares worth \$2 per share or \$24,380. Person B has 21,589 shares worth 50 cents per share or \$10,794.

After 20 years A has 14,859 shares at \$2 worth \$29,718 while B has 46,610 shares at 50 cents worth \$23,305.

After 30 years A has 18,114 shares at \$2 worth \$36,228 and B has 100,627 shares at 50 cents worth \$50,314.

After 40 years A has 22,080 shares at \$2 worth \$44,160 and B has 217,245 shares at 50 cents worth \$108,622.

So even if share prices stay <u>permanently high</u> or <u>permanently low</u> an investor with *no additional net savings to invest in the stockmarket* will be better off <u>with permanently *low* share prices</u> after about 25 years - which is about the investment horizon of a 40-45 year old person investing for retirement.

If our hypothetical investors have \$1000 per year of savings to invest, then Person B will catch up and overtake Person A in less that 16 years (and then quickly become significantly wealthier).

And, of course, if the high \$2 shares drop back to \$1 (i.e. it wasn't a permanent high, just a stockmarket boom) or the low 50 cent shares recover to \$1 (i.e. it wasn't a permanent low, just a period of depressed share prices), then Person B is ahead of Person A over *any* time period.

Dividend

	Cents per	Ex-	Pay- Tax
Company	Share	Date	able Credit
Augusta Capital	1.375	04-11	18-11 Full
AWF Madison Group	8.00	28-11	05-12 Full
Enprise Group	2.00	01-11	18-11 Nil
Hallenstein Glasson	16.50	25-11	02-12 Full
Kathmandu	8.00	14-11	25-11 Full
Restaurant Brands	9.50	03-11	08-11 Full
Scott Technology	5.50	25-11	29-11 Full
South Port NZ	18.50	26-10	07-11 Full
Warehouse Group	5.00	25-11	08-12 Full
Aus	stralian Shar	es	
Prophecy International	2.00	17-10	08-11
TFS Corporation	3.00	07-10	08-11

Total Ret	urn Index f	for All List	ted Shares
Oct 10	1616.35	Oct 17	1605.00
Oct 11	1613.20	Oct 18	1593.32
Oct 12	1612.11	Oct 19	1595.55
Oct 13	1619.11	Oct 20	1599.95
Oct 14	1613.16	Oct 21	1613.59
Oct 24	Holiday	Oct 31	1577.02
Oct 25	1611.04	Nov 1	1573.28
Oct 26	1593.19	Nov 2	1562.16
Oct 27	1585.89	Nov 3	1549.43
Oct 28	1582.78	Nov 4	1547.69

Next Issue:

The next issue of *Market Analysis* will be emailed in five weeks time on <u>Monday December 12, 2016</u>.

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

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