

# Market Analysis

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## Inside Market Analysis

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## Summary and Recommended Investment Strategy.

Shares - not cryptocurrencies - remain the best long term investments (including shares in companies that use blockchain technology) so remain fully invested in the recommended shares!

## Investment Outlook.

“A Diamond is Forever” - at least according to **De Beers'** 1948 advertising slogan which is still in use today. Blockchain technology (invented in January 2009) is also forever. Bitcoins on the other hand . . .

Bitcoin is an excellent “proof of concept” for both blockchain technology and cryptocurrencies but it suffers from its own “first mover *disadvantage*”. Cryptocurrencies may be the way we pay in the future, but it will certainly *not* be with Bitcoins. Why? There are many reasons:

Firstly, the Bitcoin system can only ever handle a maximum of seven transactions per second. By comparison, Visa can handle thousands of transactions per second *and* is scalable.

Secondly, Bitcoin transactions are recorded every 10 minutes, but not processed for another 50 minutes (as many transactions are rolled back). On average it takes 78 minutes to process a Bitcoin transaction. That is rather a long time to hang around while your retail transaction, paid for with Bitcoins, is being processed!

In last month's boom, processing times peaked at 20 hours!!! If more people were using Bitcoin for more regular payment transactions then this processing time would only grow longer.

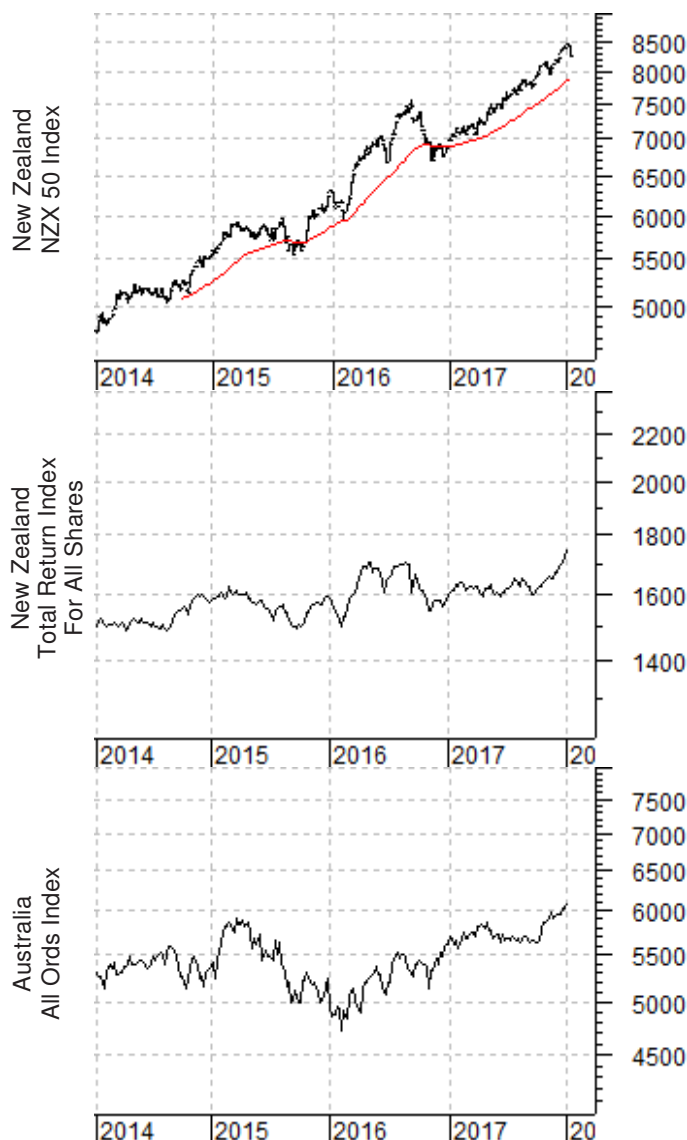
Thirdly, while it costs a couple of hundred dollars per year to have a credit card and \$5 per year for a debit card, there is no “per transaction” fee (for the payer) to make a payment with a credit card, debit card, electronic bank transfer or with cash. Not so with Bitcoin. Of course, the Bitcoin transaction fee (paid by the sender) is voluntary, but without it there is no incentive for the “miners” to process your transaction and include it in the next “block”. The average transaction fee is currently around US\$28 (after peaking at US\$55 in the December boom).

Bitcoin's *high cost structure* is a result of its complicated algorithm and an *excessive* number of “miners” - over 5000 - processing transactions. This consumes the same

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### Stockmarket Forecasts

	One-Month	One-Year
Australia:	60% (Neutral)	71% (Bullish)
New Zealand:	71% (Bullish)	71% (Bullish)



# Recommended Investments

## 2017 Annual Returns

Our *Recommended Portfolio* made a small overall gain in 2017 (i.e. from January 13, 2017 to January 12, 2018).

Overall the portfolio grew +5.5% in value. That was slightly behind the ASX300 index which rose +6.3%. The NZX50 Index was up +20.1% (showing continued strong gains by NZ's largest company shares) but the equally weighted Total Return Index was up only +8.1%.

**Melbourne IT** rose +101.9% (including dividends), **McMillan Shakespeare** +99.8%, **Programmed Group** was taken over for a gain of +62.5%, **Fiducian Group** rose +51.8% and **Integrated Research** was up a further +49.8%.

Offsetting that **Quintis** fell 82.2%, **AtCor Medical** 44.8%, **Prophecy International** 43.2%, **Cavalier** 39.7% and **CSG** 39.4%.

As we have previously pointed out, these annual returns assume an equal dollar amount invested in each company at the beginning of every year, but *it is not our recommended strategy to annually re-balance the portfolio!* We seek to find big winners. Shares that will increase “many-fold in value over many years”. Annual rebalancing would require partially selling these winners each year and re-investing in losers - *eliminating most of the long term gains on any 5-bagger, 10-bagger or 20-bagger investments!*

**Smiths City Group** reports “tough trading conditions” resulting in the business just breaking even for the half year:

### Six Months to 31/10/2017

	Latest	Previous	Change
Revenues	\$108.6m	\$113.9m	-4.6%
Net Profit	\$0.002m	\$2.065m	-99.9%
Net Cash Surplus	\$1.029m	\$1.845m	-44.2%
Earnings per share	-	3.9c	-99.9%
Dividends per share	1.0c	1.0c	-

A steady 1.0 cent dividend, with full imputation tax credits, will be paid in February.

As previously announced, the company has deferred its planned \$5.7 million capital repayment but holds cash of \$9.9 million. All of its \$55.9 million of interest bearing debt is in the Finance division.

The Finance profits rose 8% to \$2.4 million, helped by lower borrowing costs. Loans rose 1% to \$64.7 million.

### Smiths City Group



**South Port NZ** has received a claim from the **Invercargill City Council** who have begun High Court proceedings over three parcels of land “transferred in error” when the port company was established 30 years ago in 1988.

South Port will defend this action but market value of the land is only \$1,275,000 and the annual rental value “less than \$10,000 per annum” so this is “not considered material”.

### South Port NZ



### Australian Shares

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

**AJ Lucas Group** plans to raise \$22.5 million from the placement of 70.5 million shares at 32 cents and \$31.2 million from a 1 for 6 cash issue to shareholders at the same price.

The issue will be non-renounceable (i.e. shareholders can not sell “rights) with a closing date in the first half of March. Details to be announced later this month.

Cuadrilla Resources reports the first two wells have been drilled to 2700 metres with “extensive cores successfully recovered” to “determine where best to place the first two horizontal wells”. These will be up to 1000 metres in length with up to 46 hydraulic stimulation stages. The horizontal drilling will be done this quarter with hydraulic stimulation likely in the June quarter.

AJ Lucas has also received “a number of incomplete proposals” to acquire its *Engineering & Construction* division.

### AJ Lucas Group



**AtCor Medical** has signed a contract worth \$1 million to supply *SphygmoCor* systems and clinical trial support for a treatment for heart failure. The Phase II trial will run in several European countries over the next 18-24 months, with most revenues being received in the June 2019 financial year.

The company has also entered a two-year agreement to supply *SphygmoCor* systems to **PhysioAge Systems LLC**. 11 units (worth US\$165,000) were sold in December 2017 and further units will be installed at up to 100 sites during 2018 (i.e. worth about US\$1,500,000 at US\$15,000 per unit).

There is still the "risk" of a further capital raising needed around late February or March.

### AtCor Medical



(Continued on Page 4)

## 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 %
<b>New Zealand Shares</b>													
BUY	CDL Investments Ltd	CDI	12/01/99	25	E	276.9	1.1	3.50	10	4.4	94	32.8	+407%
HOLD+	Cavalier Corporation	CAV	05/12/95	156*	D	68.7	1.8	0.19	NE	Nil	44	282.0	+109%
HOLD	Colonial Motor Company	CMO	10/11/92	128*	B	32.7	0.5	0.29	11	7.9	770	544.3	+927%
HOLD+	Smiths City Group	SCY	09/10/06	64	D	52.7	1.4	0.13	15	8.4	58	36.0	+47%
HOLD	South Port New Zealand	SPN	13/02/96	120	B	26.2	0.5	4.34	19	5.9	610	277.3	+639%
BUY	Steel & Tube Holdings	STU	08/08/00	146	D	90.6	0.9	0.40	10	10.0	223	363.6	+302%
<b>Australian Shares (in Aust cents)</b>													
HOLD+	Acrux Limited	ACR	12/05/14	99	A	166.5	2.4	1.18	4	Nil	17	14.0	-69%
HOLD+	AJ Lucas Group	AJL	13/05/03	107*	B	585.2	1.8	1.70	NE	Nil	36	36.4	-33%
HOLD	ALQ Limited	ALQ	12/10/99	72*	B	500.8	0.5	2.89	33	1.9	729	303.9	+1335%
HOLD	AtCor Medical Ltd	ACG	11/11/13	15	C	233.6	5.9	2.00	NE	Nil	4	Nil	-75%
HOLD+	Atlas Pearls & Perfume	ATP	14/05/96	73	C	422.9	5.8	0.96	17	Nil	4	17.5	-71%
HOLD+	Brickworks Ltd	BKW	12/11/12	1115	A	149.4	0.3	2.49	11	3.6	1404	209.5	+45%
HOLD-	Cardno Ltd	CDD	14/12/09	223*	B	479.6	1.0	0.59	35	Nil	146	98.0	+9%
HOLD	Clarius Group Ltd	CND	08/04/03	82*	C	89.6	3.3	0.06	NE	Nil	10	70.5	-2%
HOLD	CPT Global Ltd	CGO	10/03/08	88	C	37.3	2.4	0.24	NE	Nil	18	19.0	-59%
HOLD	CSG Limited	CSV	11/10/10	175	C	322.4	1.5	0.66	15	Nil	50	64.0	-35%
BUY	Cynata Thera.	CYP	13/03/17	50	E	90.1	1.4	NA	NE	Nil	59	Nil	+17%
HOLD	Ellex Medical Lasers	ELX	14/03/06	49	E	121.1	1.4	1.63	NE	Nil	97	Nil	+97%
BUY	Fastbrick Robotics	FBR	07/07/17	14	C	1042.3	2.5	NA	NE	Nil	19	Nil	+32%
HOLD	Fiducian Group	FID	11/02/08	260	A	31.3	0.5	4.14	22	3.0	535	85.8	+139%
BUY	Finbar Group Ltd	FRI	12/04/10	106	A	231.4	1.0	1.87	21	6.0	100	65.5	+56%
HOLD+	Iluka Resources Ltd	ILU	12/10/04	471	C	418.7	0.5	5.38	NE	0.3	995	247.0	+164%
HOLD	Integrated Research	IRI	14/01/08	40	B	171.7	0.4	7.39	38	1.6	395	49.5	+1011%
HOLD	McMillan Shakespeare G	MMS	07/11/16	1041	A	83.2	0.4	2.68	16	4.0	1652	66.0	+65%
HOLD-	Melbourne IT	MLB	10/02/04	53	A	117.4	0.6	2.14	34	2.2	356	210.5	+969%
HOLD+	Michael Hill Int'l Ltd	MHJ	11/06/91	4*	B	387.4	1.0	0.82	17	4.0	124	64.8	+4608%
HOLD+	Mt Gibson Iron	MGX	10/11/14	44	B	1096.6	2.1	2.71	18	4.7	43	2.0	+2%
HOLD	Novarise Renewable Res	NOE	14/03/11	25	E	415.1	2.5	0.42	NE	Nil	16	Nil	-36%
HOLD	Onterran Ltd	OTR	16/08/10	13*	D	57.5	1.9	0.07	NE	Nil	32	Nil	+142%
HOLD+	Opthea Limited	OPT	10/02/04	188	C	200.6	1.7	NA	NE	Nil	70	65.0	-28%
BUY	OZ Minerals	OZL	14/03/16	522	A	298.7	0.5	3.24	25	2.2	892	26.0	+76%
HOLD+	Prophecy International	PRO	08/09/08	26	C	64.0	1.6	2.93	NE	Nil	42	24.0	+154%
HOLD	Quintis Limited	QIN	08/01/07	45	C	390.3	2.5	1.18	NE	Nil	30	33.2	+39%
BUY	Reckon Limited	RKN	08/08/16	141	B	113.3	0.7	1.83	16	3.2	158	5.0	+30%
BUY	Silver Chef Ltd	SIV	13/11/17	740	B	39.0	0.4	0.98	14	5.3	720	Nil	-3%
HOLD	Technology One Ltd	TNE	11/11/03	44	B	315.5	0.6	5.68	35	1.7	492	80.1	+1200%
BUY	The Reject Shop Ltd	TRS	11/01/05	257	A	28.9	0.5	0.23	15	3.8	627	486.5	+333%
BUY	Village Roadshow	VRL	10/08/09	77	B	161.9	0.5	0.62	27	Nil	396	308.0	+814%

The average Total Return (i.e. both Capital Gains/Losses plus Dividends received) of all current investments from initial recommendation is +339.3%. This is equal to an average annual rate of +31.4%, based upon the length of time each position has been held.

The average annual rate of gain of ALL recommendations (both the 38 current and 165 closed out) is +32.1%, compared with a market gain of +4.0% (by the SRC Total Return Index).

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

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

(1) Reckon Ltd's return includes 1/3 share of GetBusy (GETB) worth 35 pence (60.7 Aust cents)

**Recommended Investments**

*(Continued from Page 3)*

**Atlas Pearls** realised \$1.8 million from pearl sales in Kobe, Japan, on 5-6 December. Demand was strong with 48 of the 50 buyers making bids. Prices were stable.

Atlas Pearls seeded a record number of oysters in the year to 30 June 2017, 15% more than its previous best year. Pearls from these oysters will be harvested in the year to June 2019. Quality is more important than quantity, but the company also reports “promising quality improvements in pearl skin and lustre” from “changed farm operating methods”.

**Atlas Pearls**



**Cynata Therapeutics** has received \$1,328,649 from an R&D Tax Incentive Refund for the June 2017 year.

The company's GvHD clinical trial now has seven sites recruiting patients in the UK and Australia. Subject to the **Data & Safety Monitoring Board** review, this should accelerate patient enrolment for the second half of the trial.

**Cynata Therapeutics**



**Ellex Medical Lasers** raised just \$582,000 in its *Share Purchase Plan*. Shareholders bought a total of 555,000 shares at 105 cents. That low amount is to be expected given that the market price dipped below the SPP price.

**Ellex Medical Lasers**



**Fastbrick Robotics** has appointed two new senior executives: a General Manager of Operations and a Chief Financial Officer.

It has also appointed **EY-Parthenon** as its global strategic adviser on the commercialisation of its *Hadrian X* robotic bricklayer.

**Fastbrick Robotics**



**Fiducian Group** has acquired three financial planning client bases in Perth, Melbourne and the Sunshine Coast for \$1.1 million. These clients have \$40.9 million of funds under advice and will be serviced by Fiducian Group's existing salaried financial planners in these areas.

**Fiducian Group**



**Iuka Resources** will proceed with its \$200-275 million *Cataby* mineral sands project after securing several five-year “take or pay” offtake agreements for at least 85% (and up to 95%) of planned Synthetic Rutile annual production.

Contract selling prices are in US dollars and will reflect market prices, but with minimum floor prices adjusted for inflation. This provides “a high level of certainty in respect of a minimum level of US dollar revenues” and minimises project risk. As operating costs will be in Australian dollars, Iluka Resources plans to hedge a portion of these future US dollar revenues.

The mine life will be 8½ years, with the potential to extend that by another four years.

This a profitable project, with a Net Present Value of \$390 million, an internal rate of return of 36% and with the initial capital cost repaid in just two years.

The company also plans to increase its rehabilitation provision for its closed US operations by US\$90 million for the financial year to 31 December 2017.

**Iluka Resources**



**Mt Gibson Iron** has entered a second offtake agreement with **SCIT Trading** (subject to shareholder approval as this is a related entity to the company's second largest shareholder). Together with the current offtake agreement, SCIT will purchase around 82% of lumps and 83% of fines ore until July this year and (if an option to extend the first agreement is not extended) then about 75% of lumps and fines ore from the *Iron Hill* mine.

As with previous agreements, sales are made at “market reflective pricing”.

**Mt Gibson Iron**



**McMillan Shakespeare** expects profits in its first half to 31 December 2017 will be about 9% higher at \$44.0 million and the full year about 12½% higher at \$93.6 million (112 cents per share), excluding some small

impairment in goodwill.

The *Group Remuneration Services* business is “exceeding expectations” and *Asset Management* is “in line with expectations”.

*Retail Financial Services* has been reorganised into two businesses, an aggregation business and a retail business. The performance of the retail business (which generates just 3% of group earnings) is being impacted by “regulatory uncertainty”.

**McMillan Shakespeare**



**Michael Hill International** reports six month revenues to 31 December up 4.7% at \$341.5 million. Same store sales were up 0.5%.

Australian total revenues - which make up 54% of group revenues - were up just 4.1%, with same store revenues down just 0.1%. United States total revenues (an insignificant 1.7% of group revenues) fell 14.6% with same stores sales down 10.0%.

New Zealand and Canada performed well. NZ sales (20% of group revenues) were up 4.1% with same store sales up 3.4%. New stores boosted Canadian revenues (21% of group revenues) by 18.1% with same store sales up 4.8%.

eCommerce sales (included in the country totals) rose 71% but still account for only 1.6% of group revenues.

*Emma & Roe* revenues were up 20.1% (although still a relatively insignificant 3.1% of group sales), but same store sales fell 5.4%. The company is now in “the final stages of its comprehensive brand review”

**Michael Hill International**



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## Recommended Investments

(Continued from Page 5)

**Opthea Ltd** has received a \$2.7 million R&D tax credit refund for expenditure in the June 2017 year.

The company has also commenced its Phase 1b/2a trial to evaluate the safety and efficacy of OPT-302 in treating Diabetic Macular Edema (DME). The trial will recruit around 117 patients at multiple sites in the US and Australia.

### Opthea Ltd



**OZ Minerals** has awarded an Engineering, Procurement and Construction (EPC) contract worth \$312 million to a **Downer EPI/Ausenco Pty** joint venture for the *Carrapateena* minerals processing plant, site power distribution, the development of water supply bores and plant plus full communication and telemetry network.

OZ Minerals has also entered a new earn-in agreement with **Red Metals** covering the *Punt Hill* and *Pernatty Lagoon* copper-gold projects 30km south of *Carrapateena*.

OZ minerals will spend about \$2.4 million to drill 6000 metres to test six targets. One untested target, *PH1*, is considered a “Carrapateena look alike” and a priority for “proof of concept” drill tests.

Overall OZ Minerals must spend \$4 million on exploration over the next 18 months to earn a 51% interest. After that it can spend a further \$5 million over the next two years to increase that to a 70% interest.

### OZ Minerals



**Prophecy International Holdings** reports that *eMite* has completed “a series of customer wins and successful projects for their *CX* and *Operational Intelligence* platforms.

The business has signed “more than 50 *CX Intelligence* customers in 2017” in more than ten countries. New sales for the first five months of the current financial year exceed the whole of the year to June 2017.

This is a *Software-as-a-Service* business, so generates recurring monthly revenues. The company is re-investing in growth by “growing our *eMite* sales team in Australia and the US”.

### Prophecy International Holdings



A group of **Quintis Ltd** shareholders have requisitioned a shareholders meeting (which must be held within the next two months) seeking to remove three existing directors and replace them with three new directors.

The group claims to have support from investors owning 20% of Quintis shares. Most of those shares are held by the former Managing Director Frank Wilson.

The main objective of the group - if they gain control of the board - is to re-appoint Mr Wilson as Managing Director.

Of course, most of the company's current problems relate to the operation of the business (and the non-disclosure of information to the market) while Mr Wilson was in control of the company, not to the current directors who have come in to “clean up his mess” after resigning from the company once the problems came to light.

The vote is still a couple of month's away, so more information may come to light, but we will probably NOT be supporting the Wilson shareholder group and will vote our shares for the existing directors.

What is really going on here? Mr Wilson is almost certainly involved with one of the groups negotiating for the recapitalisation of Quintis. This proxy fight for

control of the board is most likely simply a way to pressure the directors to accept the Wilson backed recapitalisation.

The very worst outcome for the minority shareholders would be a Wilson (or anyone else) controlled board negotiating the recapitalisation with a Wilson (or anyone else) backed consortium. The board of directors needs to be independent of the people with whom it is negotiating the recapitalisation!

Quintis Ltd has acquired all of the 38.1 tonnes of Indian Sandalwood harvested for growers in 2017. The company's tender of A\$79 per kilogram (or a total of about \$3 million) was higher than other bidders but *down 40%* on the successful 2016 tender price of A\$131/kg.

**Silver Chef** announced that it has executed its new \$200 million securitisation warehouse facility (SWF) in conjunction with **Westpac Banking Corporation**. This facility has a three year life but should be fully drawn by September 2018 at which time it will likely be “extended to accommodate future growth”. If not renewed or extended, this off-balance sheet borrowing can “run off on a self-funding basis” (i.e. revenue from the securitised receivables will repay this without recourse to Silver Chef).

The SWF debt will be consolidated for accounting purposes, but Silver Chef has no legal liability beyond the specific rental contracts securitised and the underlying equipment being rented under those contracts.

As use of the SWF expands, full recourse borrowing by Silver Chef will continue to reduce. This will also allow a “higher level of [non-recourse] financial leverage to be achieved”, lower the need to raise additional equity financing in the future and a “reduced weighted average cost of capital for the business”.

The core business is performing “in line with plan” which includes lower levels of *GoGetta* business following last year's decision to withdraw from funding Light Commercial vehicles.

That discontinued business is showing poor credit performance and the collection of arrears is “lagging against internal targets” while the recovery of rental assets is “in line with expectations”.

Silver Chef shares have dipped back slightly below our initial recommendation price of two months ago. At 720 cents the shares are an attractive “Buy” for capital appreciation and offer a very high current Dividend Yield of 5.4%.

Silver Chef



**Village Roadshow** has completed the sale and lease back of 154 hectares of land on which *Warner Bros. Movie World, Wet'n'Wild Gold Coast, Paradise Country, Australian Outback Spectacular, Village Roadshow Studios* and *Topgolf* (under construction) are located.

The company has received about \$100 million from the sale. The lease rental is \$6.2 million per annum, with 3% per annum rent reviews. The lease term is for an initial term of 30 years, with 10 year rights of renewal, up to a total of 90 years.

The long term return on an investment is the current income yield *plus* the *growth in income*. That suggests the total return to the land investor will be around 9.2% per annum - that is, the 6.2% current yield plus the 3% income growth (part of which will be reflected by the long term growth in the capital value of the land). The long term (pre-tax) cost of this financing to Village Roadshow should be a similar 9.2% (although only 6.2% will show as an expense in the Income Statement in the short term).

While the land is a low risk, long term investment, a trading company like Village Roadshow should be able to generate a higher than 9.2% (pre-tax) return on capital.

Village Roadshow



# Blockchain Technology and Investment Opportunities

”Blockchain” is the technology behind crypto-currencies like Bitcoin but its potential applications go far beyond currencies. In fact, the use of crypto-currencies - there are over 1300, most of which are worth less than 1 cent - is a barrier to the wider commercial application of blockchain technology.

## What is a Blockchain?

Blockchain is a “distributed ledger” which can very securely store any kind of information, kept on two or more - or hundreds - of computers. The main advantage of this technology is that the *distributed information* can be *trusted to be accurate* by individuals or businesses or organisations or governments.

The information is *secure* and can be *trusted* as it is stored in multiple locations and not under the control of any one party. A corrupt government would not be able to change land ownership records stored on a blockchain. A poorly run business could not change the negative feedback from customers. Parties who do not know or trust each other will be able to trust the information on a blockchain as it cannot be falsified.

Blockchain information is very secure against hacking. To change the information a hacker would need to simultaneously gain access and change *over 50%* of the computers maintaining the blockchain.

The blockchain maintaining Bitcoin has a difficult algorithm. That does not increase security but just creates the need for a lot of computing power to maintain that particular blockchain. As a result it costs US\$500-1000 (depending on the computer equipment and the cost of electricity) to “mine” one Bitcoin - which is the payment to the people maintaining that blockchain. Most blockchains could be designed to require little processing and little expense and could be hosted free of charge by a number of interested parties. For example, a group of lawyers (or NGO's and consumer groups) could donate a small amount of inexpensive computer processing to maintain a land registry blockchain.

## Commercialisation Problems

The distributed processing provides the security of blockchains but has also created the biggest problem in the commercialisation of this technology. As no one party *controls* the blockchain, most blockchain businesses have been set up as independent economic systems - which do not interface with a wider economy.

The blockchain business can raise capital from an Initial Coin Offering (ICO), similarly to the way a company can raise capital from an Initial Public Offering (IPO). Just like an IPO, an ICO could raise cash for the business (to finance its growth) or for the Promoter (to enrich the person selling an idea). The blockchain business will then operate as an independent economic system - selling its services only for its own crypto-currency coins and paying suppliers only with its own

coins.

As a result, there are over 1300 blockchain businesses, each using its own crypto-currency coins. Even if these were viable businesses (and many are not and many are just scams) it would be very inconvenient to need to buy a different crypto-currency for every service provided by a blockchain business.

## Large Blockchain Businesses

The largest blockchain businesses - all of which use coins (and therefore do not interface easily with the wider economy - include **Bitcoin** (a cryptocurrency), **Ethereum** (smart contracts), **Bitcoin Cash** (another cryptocurrency recently split off from Bitcoin), **Monero** (an anonymous cryptocurrency), **Factom** (notary, i.e. proof of existence/process/audit), **Dash** (another cryptocurrency), **Golem** (decentralised supercomputing), **Siacoin** (cloud storage), **Ripple** (a cryptocurrency for banks) and **Civic** (digital identification).

Golem and Siacoin allow people to sell computer power and storage (on laptops through to data centres) which is available to provide supercomputing and cloud storage to other users. The disadvantage of these (and most blockchain) businesses is that both the suppliers and users are paid or pay with the relevant blockchain cryptocurrency. These businesses can not operate with regular currencies.

## Impact of Blockchain Technology

The primary function of many institutions (e.g. governments, banks, stockbrokers, stock exchanges, lawyers) is to provide *trust* and a set of enforceable rules that enable individuals who do not know or trust each other to engage in transactions as they *trust the institution* to ensure the transactions will be settled accurately.

Many modern companies - Amazon.com or TradeMe - provide a similar function. Amazon.com does not manufacture anything, but manufacturers trust Amazon.com to pay them. Consumers trust that Amazon.com will provide the goods as stated and honour warranties. Amazon.com provides the trust between buyers and sellers who do not know or trust each other. If you have ever bought anything *direct* from a Chinese manufacturer then you probably know that the enforceability of their “two year warranty” effectively expires two seconds after your credit card payment is processed! Blockchain technology could store a manufacturer's full and unchangeable trading history and customer feedback. Customers could trust the seller (and the seller would need to honour warranties) as all this information can be stored on the blockchain and accessible by potential future customers. Sellers would have access to similar blockchain stored feedback and credit information on potential customers!

Blockchain technology will, therefore, kill



Amazon.com and TradeMe. It won't happen this year and probably not this decade, but it will happen. Of course, someone will need to write a small friendly app to read the blockchains information and, in the future, any company without a 99.999% positive feedback rating won't stay in business very long.

Lawyers are involved in conveyancing as they guarantee that an unknown seller will provide clear title to a property to an unknown purchaser who will provide legal payment. If land ownership and money ownership are put on blockchains then the owner of the property and the owner of the cash can each provide certain delivery to each other, without the need for a guarantee provided by a lawyer. The parties will not need to know or trust each other as they can trust the blockchain to deliver the transfer of assets.

Share ownership and share transfers could similarly be recorded (and changed) on a blockchain. That could remove (or reduce) the need for sharebrokers, stock exchanges and share registries.

As with most new technologies, the blockchain will destroy a lot of existing jobs and businesses and companies and existing wealth. Picking the losers from a new technology is always easier than picking the winners (especially as these businesses and companies probably do not yet exist). We can, however, identify the likely characteristics of a successful blockchain business. If you find such a company, then it could be worth considering for at least a small investment.

**A Warning and an Opportunity:  
Separating the “Blockchain Pretenders”  
and Scams from the Commercially  
Successful Blockchain Businesses**

While we can only guess at what investment opportunities may be available to investors in the future, we can be fairly certain what *characteristics* a potentially successful business will possess.

Firstly, avoid all companies that put the word “blockchain” in their company name. This is probably

just to boost their share price. In October 2017, US based **Bioptix** (with has a blood test for appendicitis) renamed itself **RIOT Blockchain** (with plans to invest in Bitcoin mining). The shares jumped from around \$3 to a high of \$42 in December. It then made a placement of shares at \$22½ to raise US\$37 million and later sought shareholder approval to give US\$27 million worth of new free shares to management!

Struggling **Long Island Iced Tea** (trading around \$2 and under threat of being delisted by Nasdaq) changed its name to **Long Blockchain** in December . . . sending its share price up to \$9! This company (whose largest shareholder is Eric Watson) then sought to place 1.6 million shares at \$5.25 to raise \$8½ million (with plans to become involved in Bitcoin mining) but that placement was cancelled last week.

Media reports suggest that at least another one hundred “Blockchain Pretenders” can be expected during 2018!

Secondly, avoid all Initial Coin Offerings. These are not the equivalent of a company's *Initial Public Offering*. Many ICOs are scams, but even if this is a genuine business venture then it is unlikely to interface easily with the real economy. This is a major handicap that will prevent most traditional blockchain businesses from becoming successful. It is generally assumed that the coin holders also own the blockchain business, but there is no legal equivalent of the Companies Act to define the rights of coin holders.

On the other hand, a genuine and potentially successful blockchain business will likely have the following characteristics:

1. a normal business ownership structure (i.e. the “old” but proven limited liability company, trust or limited liability partnership business structure),
2. own a business that uses blockchain technology and
3. uses normal currencies (i.e. NZD or USD or GBP), not its own cryptocurrency coins, allowing it to easily transact with customers (and suppliers).

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## *Company Review:* *Kyckr Ltd*

### **Kyckr Ltd (code KYK).**

Kyckr Ltd is a regulatory compliance technology company providing *Know Your Customer* (KYC) information on corporate entities worldwide. Its current business is likely to become cashflow positive and profitable within the next two years.

It has also developed a blockchain corporate identity application which could become a “valuable business” over the longer term.

### **Company History**

This business started in Ireland in 2007 as **Global Business Registries** and listed in Australia (as Kyckr Ltd) in July 2016 after an initial public offering of

25,962,186 shares at 20 cents to raise \$5.2 million to finance further development of its business.

A further \$2 million was raised in October 2017 from the placement of 11,760,000 shares at 17 cents.

In April 2018 the company will move its operating head office to the UK to focus on growth in its US and European businesses.

### **Current Business**

Kyckr provides an interface between 180 company registries, covering over 80 million companies in over 120 countries and users of that information (e.g. banks and other financial organisations required to collect

*(Continued on Page 10)*

## Company Review: Kyckr Ltd

(Continued from Page 9)

information on client company directors and shareholders). That information can be provided via a search of the Kyckr web portal, via an Application Programming Interface (API) which allows the process to be automated and is also provided via third party information vendors (e.g. Bloomberg).

Every search requires access of the relevant company data base, which ensures (1) data accuracy, (2) official information, (3) self updating (with Kyckr's *Company Watch* offering) and (4) avoids Data Protection Regulation problems (as no data is stored and the registries are a legal source of information that can be distributed).

In the year to 30 June 2017 the company generated \$1,381,728 in revenues and a loss of \$3,447,237. The net operating cash deficit was \$1,966,836. Over the next two years the company expects strong revenue growth leading to it achieving a cash flow positive position and profitability.

Over the short to medium term revenue growth is expected from third party information vendors.

In May 2017 it partnered with **The Mizen Group**. Mizen will integrate Kyckr's corporate registry access (via an API) in its anti-money laundering *Smart Data Investigative Platform* (SDIP) for US and European clients and provide a white label version of Kyckr's platform. Kyckr will market SDIP globally. The companies will share revenues from the sale of each other's services.

In July 2017 it signed a partnership agreement with **Bloomberg** with the initial phase integrated in December 2017 and expected to begin generating revenues in the immediate future. This "first part of a multi-phase collaboration" gives Bloomberg users "seamless access to corporate registry data and documents". Bloomberg provides access to a "substantial percentage of Kyckr's addressable market".

In September 2017, the company signed a *Master Services Agreement* with **IBM** under which IBM will use Kyckr's registry data services for client projects globally.

Major enterprise users of Kyckr's services include **Equiniti KYC Solutions** since September 2016, **Citi-Group** with first revenues from February 2017 and **Elavon** (a top 5 global payments processor) from July 2017.

Another, undisclosed, "global payment provider" signed with the company last week, at a fixed annual subscription of \$150,000 payable quarterly and starting immediately.

In September 2017, **Prudential Singapore** began a "proof of concept" to test Kyckr's data with its "smart client onboarding services" for insurance customers. If this is successful then Prudential will likely expand this to its global markets.

In October 2016 the Kyckr corporate identity blockchain solution was awarded first place in the **Canadian Institute Fintech Challenge**, from 56 qualified entries.

## Investment Criteria

Kyckr has little revenues (giving a Price/Sales ratio of 19) and operates at a loss and with a cash operating deficit . . . but this is a startup business. Agreements put in place last year will start to produce high margin recurring revenues from the start of 2018. All aspects of the business are growing and produce high margin recurring revenues.

The business generates high margin revenues - varying from 40% (from sales to small users via its website) to 60-75% (to business and enterprise customers via API interfaces) to over 90% (to aggregates such as Bloomberg or IBM).

While the company currently earns no revenue from its Corporate Identity blockchain solution this "presents an even more valuable business model for Kyckr's future".

The issued capital is 112,723,186 shares giving the company a very low market capitalisation of \$26.5 million. In addition there are 20.0 million performance shares (50% converting to ordinary shares when the company achieves annual revenues of \$5 million and the balance on annual revenues of \$10 million) and 8.0 million unlisted options (exercisable at 20 cents) and 5.0 million options (exercisable at 30 cents).

Directors hold large investments in the company. Founders and Executive Directors BH Cronin and R Leslie own 8,529,129 and 9,619,247 shares respectively plus 6,500,000 performance shares each. The current Chairman J Van Der Wielen has 789,404 shares and 2,000,000 options. The Chief Executive DG Cassidy holds 4,930,212 shares, 1,500,000 options plus 3,000,000 performance shares. Non-Executive Director AYL Wong holds 5,130,213 shares, 1,500,000 options and 3,000,000 performance shares. Another NED holds just 300,000 shares while a fourth has only 1,000,000 options.

There have been two *insider* buys (and two smaller buys) and no sells over the last year: J Walsh purchased 50,000 shares at 17 cents in March 2017, taking his holding to 300,000 shares. AYL Wong purchased 200,000 shares at 15 cents in December 2017, lifting his holding to 5,130,213 shares. The Chairman purchased 30,000 shares at 19 cents in March and 55,000 shares at 16½ cents in December, taking his holding to 789,404 shares - but as these trades were under \$10,000 and less than 10% of his holding we do not count them in our tally of buys and sells.

**Tesco Bank** CEO Benny Higgins will take over as Chairman on 1 March 2018 and will be issued 1,000,000 options exercisable at 20 cents and 1,000,000 options exercisable at 26 cents.

The share price trend has been relatively flat but the share price has been very volatile.

## Summary and Recommendation

We are not formally recommending Kyckr as it is a very small company with little revenues, but it is potentially an exciting emerging growth business.

The company is helping banks, lawyers and accountants to *automate* their "know your customer" requirements for corporate customers. Business

relationships built over the last year (and still expanding) should now start to build high margin recurring revenues. Within two years the company should be cashflow positive and profitable - with further strong growth after that.

The company has already developed a commercial application of blockchain technology - a blockchain Corporate Identity product. As this technology is adopted, Kyckr could earn recurring revenues from a very large number of users.

High risk investors seeking maximum capital appreciation could consider a small investment in Kyckr shares.

Kyckr Ltd



## Computer Selections of NZ Shares based upon our Comprehensive Share Selection Criteria

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

Company	STRENGTH RATING				Insider Buy-Sell	Brokers Following	Price to NTA	Return on Equity	Volatility	Price/Earn. Ratio	Dividend Yield	Price/Sales Ratio	Market Cap'n
	Share Price	Cur. Chg.	4-Wk Rank	Rank 0-99									
<b>UNDER-VALUED SHARES:</b> Lowest Price/Sales, Yld > 0, Rel Strength > 0													
Col Motor Co	770	+0.2	-0.5	56	4-0	-	1.4	12	0.5	11	7.9	0.29	252
Ebos Group Ltd	1820	+1.6	+1.4	45	0-1	6	2.4	12	0.7	21	4.8	0.36	2,765
PGG Wrightsons	58	+0.4	+0.4	54	0-0	2	1.5	16	1.6	10	9.0	0.39	438
NZME Limited	84	+1.4	-1.8	47	3-0	2	0.6	21	1.2	3	15.7	0.40	165
Tenon Ltd	36	+4.9	-1.7	27	0-0	-	0.2	-	2.6	NE	18.3	0.47	12
Fonterra S/H Fd	666	+2.8	+0.8	37	2-0	5	1.5	10	0.5	15	6.0	0.56	10,702
Opus Int'l Cons	181	+19.1	-7.8	7	0-0	1	2.5	-	0.9	NE	3.1	0.57	268
Seeka Kiwifruit	647	+9.9	+4.2	13	0-0	-	1.3	12	0.6	11	4.3	0.59	113
Fliway Group	121	+7.3	+2.9	19	0-0	1	1.6	12	1.1	14	6.9	0.64	55
Air New Zealand	300	+1.5	-3.3	45	3-10	7	1.7	19	0.8	9	9.7	0.66	3,363
Tegel Group	118	+0.1	-3.2	58	1-0	4	0.9	7	1.1	12	8.9	0.68	420
Z Energy Ltd	774	+0.5	+1.5	53	0-1	7	4.1	23	0.7	18	5.3	0.81	3,096
Abano Health.	988	+3.5	+0.7	32	7-0	2	1.8	9	0.4	19	5.1	0.91	212
Horizon Energy	435	+0.0	-0.0	60	0-0	-	1.6	6	0.5	27	4.5	0.97	109
Infratil NZ	335	+4.3	+0.6	30	2-3	-	1.0	3	0.7	28	6.5	0.98	1,873
<b>BEST PERFORMING SHARES:</b> Strongest Shares, P/E < 20, P/S < 1.0													
Seeka Kiwifruit	647	+9.9	+4.2	13	0-0	-	1.3	12	0.5	11	4.3	0.59	113
Fliway Group	121	+7.3	+2.9	19	0-0	1	1.6	12	0.8	14	6.9	0.64	55
TeamTalk Ltd	94	+7.1	+3.4	20	0-0	-	1.1	21	1.0	5	Nil	0.78	27
Abano Health.	988	+3.5	+0.7	32	7-0	2	1.8	9	0.4	19	5.1	0.91	212
Fonterra S/H Fd	666	+2.8	+0.8	37	2-0	5	1.5	10	0.4	15	6.0	0.56	10,702
Air New Zealand	300	+1.5	-3.3	45	3-10	7	1.7	19	0.7	9	9.7	0.66	3,363
NZME Limited	84	+1.4	-1.8	47	3-0	2	0.6	21	0.9	3	15.7	0.40	165
Z Energy Ltd	774	+0.5	+1.5	53	0-1	7	4.1	23	0.6	18	5.3	0.81	3,096
PGG Wrightsons	58	+0.4	+0.4	54	0-0	2	1.5	16	1.2	10	9.0	0.39	438
Col Motor Co	770	+0.2	-0.5	56	4-0	-	1.4	12	0.4	11	7.9	0.29	252
Wellington Mer.	340	+0.1	-0.0	57	0-0	-	0.9	9	0.4	10	Nil	0.67	7
Tegel Group	118	+0.1	-3.2	58	1-0	4	0.9	7	0.9	12	8.9	0.68	420
<b>INCOME SHARES:</b> Highest Yields, Capitalisation > NZ\$100 million													
NZME Limited	84	+1.4	-1.8	47	3-0	2	0.6	21	0.8	3	15.7	0.40	165
Warehouse Group	203	-3.2	+0.1	78	3-1	6	1.4	15	0.5	9	10.9	0.24	699
Metro Per Glass	97	-15.3	+2.9	91	6-0	5	1.2	14	0.8	9	10.9	0.95	179
Hallenstein G.	417	+9.2	+4.6	15	1-0	3	4.2	30	0.7	14	10.5	1.03	246
Steel & Tube	223	-4.6	+2.6	81	6-0	4	1.0	9	0.7	10	10.0	0.40	202
Air New Zealand	300	+1.5	-3.3	45	3-10	7	1.7	19	0.6	9	9.7	0.66	3,363
Genesis Energy	246	+2.8	+0.5	38	1-0	7	1.2	6	0.7	21	9.4	1.26	2,459
PGG Wrightsons	58	+0.4	+0.4	54	0-0	2	1.5	16	1.1	10	9.0	0.39	438
Tegel Group	118	+0.1	-3.2	58	1-0	4	0.9	7	0.8	12	8.9	0.68	420
Spark NZ Ltd	357	-1.5	+0.1	72	4-12	10	4.0	25	0.5	16	8.6	1.81	6,534
<b>INSIDER BUYING:</b> Most Insider Buying, Relative Strength > 0													
Skellerup Hold.	193	+7.1	+1.2	21	15-0	4	2.3	14	0.6	17	4.9	1.77	372
Abano Health.	988	+3.5	+0.7	32	7-0	2	1.8	9	0.3	19	5.1	0.91	212
Comvita	851	+8.7	+1.4	16	9-4	1	2.3	6	0.5	38	0.3	2.42	377
Col Motor Co	770	+0.2	-0.5	56	4-0	-	1.4	12	0.4	11	7.9	0.29	252
Summerset Group	550	+2.4	+1.4	42	4-0	4	2.2	27	0.5	8	1.5	N/A	1,197
Port Tauranga	508	+6.8	+2.4	22	4-0	6	3.7	9	0.4	41	3.1	N/A	3,456
NZME Limited	84	+1.4	-1.8	47	3-0	2	0.6	21	0.7	3	15.7	0.40	165
Argosy Property	107	+1.5	+0.7	46	3-0	6	1.1	10	0.6	11	5.6	8.37	869
Mercury NZ	338	+1.2	-0.4	48	3-0	7	1.4	6	0.5	25	6.0	2.92	4,656
AMP Limited	560	+2.4	+1.4	41	2-0	11	1.8	20	0.6	9	5.3	1.11	16,563

Company	STRENGTH RATING				Insider Buy-Sell	Brokers Following	Price to NTA	Return on Equity	Volatility	Price/Earn. Ratio	Dividend Yield	Price/Sales Ratio	Market Cap'n
	Share Price	Cur. Chg.	4-Wk Rank	Rank 0-99									
<b>OVER-VALUED SHARES:</b> Highest Price/Sales Ratios, Relative Strength < 0													
Trade-Me Ltd	470	-2.7	+2.5	77	0-0	7	2.6	13	0.5	20	5.5	7.94	1,866
Kiwi Property	136	-0.7	+1.1	70	0-1	7	1.0	8	0.5	12	5.0	7.42	1,767
Vista Group Ltd	304	-1.6	+1.8	73	0-3	3	2.0	19	0.6	10	2.1	5.62	498
NPT Limited	60	-0.6	+1.1	69	0-0	2	0.8	3	0.7	32	6.0	5.42	97
SeaDragon Ltd	1	-10.1	-1.8	86	0-0	-	1.3	-	7.8	NE	Nil	5.27	23
Arvida Group	126	-2.7	+1.6	76	0-0	2	1.1	14	0.7	8	1.2	4.15	421
Promisia Integ.	2	-19.6	+1.6	94	0-0	-	6.5	-	3.8	NE	Nil	4.12	11
NZ Exchange Ltd	113	-0.4	-1.7	68	5-0	3	4.4	13	0.6	33	7.4	3.91	303
Tilt Renewables	214	-1.6	+0.8	73	3-0	-	1.3	3	0.5	41	4.3	3.84	670
Blis Technology	2	-25.4	-3.1	95	2-0	-	5.3	-	4.0	NE	Nil	3.72	21
Plexure Group	23	-2.2	+12.4	75	0-0	-	5.6	-	1.2	NE	Nil	2.93	21
Sky City Ltd	394	-0.4	+2.7	69	4-1	11	2.5	4	0.5	59	7.1	2.84	2,629
Moa Group Ltd	53	-8.0	+6.8	85	2-0	-	3.7	-	1.0	NE	Nil	2.77	28
Burger Fuel	86	-17.0	-2.7	92	0-0	-	3.8	7	0.9	58	Nil	2.31	51
<b>WORST PERFORMING SHARES:</b> Weakest Shares, P/S Ratio > 0.25, Yield < Twice Average													
Vital Health PT	218	-58.3	+0.0	98	0-1	3	1.1	25	0.4	4	3.9	N/A	934
Blis Technology	2	-25.4	-3.1	95	2-0	-	5.3	-	3.7	NE	Nil	3.72	21
Promisia Integ.	2	-19.6	+1.6	94	0-0	-	6.5	-	3.5	NE	Nil	4.12	11
Orion Health.	91	-17.9	+0.5	93	0-0	4	5.1	-	0.9	NE	Nil	0.73	145
Tower Limited	69	-17.4	-0.4	93	5-0	2	0.5	-	0.7	NE	Nil	0.38	116
Burger Fuel	86	-17.0	-2.7	92	0-0	-	3.8	7	0.8	58	Nil	2.31	51
Pac Edge Bio.	36	-14.6	+0.9	91	0-0	3	6.9	-	1.3	NE	Nil	N/A	144
SLI Systems Ltd	25	-13.9	-0.0	90	0-0	2	3.3	-	1.2	NE	Nil	0.48	15
WN Drive Tech.	18	-12.4	+0.3	89	0-1	-	17.8	-	1.8	NE	Nil	1.39	49
Green Cross H.	187	-11.5	-1.4	88	1-0	-	2.4	18	0.5	13	2.6	0.53	261
Sky Network TV	281	-11.3	+3.3	87	3-0	7	0.8	9	0.4	9	7.4	1.22	1,093
SeaDragon Ltd	1	-10.1	-1.8	86	0-0	-	1.3	-	7.1	NE	Nil	5.27	23
Moa Group Ltd	53	-8.0	+6.8	85	2-0	-	3.7	-	1.0	NE	Nil	2.77	28
Briscoe Group	349	-7.7	+2.7	84	3-1	3	3.7	29	0.5	13	7.2	1.32	768
Sol. Dynamics	200	-6.9	+1.2	83	0-0	-	9.4	34	0.5	28	3.6	1.74	28
Fletcher Build.	757	-6.0	+1.2	82	6-0	12	1.5	3	0.5	56	7.2	0.56	5,237
CBL Corporation	303	-4.0	+1.6	80	2-1	3	2.7	11	0.6	24	2.3	1.83	714
Methven Limited	108	-3.8	+2.0	80	3-0	2	1.7	12	0.6	14	7.1	0.79	79
Rubicon Limited	24	-3.5	+4.8	79	0-0	-	0.5	-	1.3	NE	Nil	0.83	115
AFT Pharma.	239	-3.0	-0.8	78	1-0	-	0.9	-	0.4	NE	Nil	0.76	231
<b>INSIDER SELLING:</b> Most Insider Selling, Relative Strength < 0													
Spark NZ Ltd	357	-1.5	+0.1	72	4-12	10	4.0	25	0.4	16	8.6	1.81	6,534
Vista Group Ltd	304	-1.6	+1.8	73	0-3	3	2.0	19	0.6	10	2.1	5.62	498
Evolve Educat.	82	-7.4	+2.9	84	0-2	1	0.9	9	0.6	9	8.5	0.96	146
WN Drive Tech.	18	-12.4	+0.3	89	0-1	-	17.8	-	1.8	NE	Nil	1.39	49
Vital Health PT	218	-58.3	+0.0	98	0-1	3	1.1	25	0.4	4	3.9	N/A	934
Kiwi Property													

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

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

Company	STRENGTH RATING					Insider Buy/Sell	Brokers Following	Short Interest	Price to P/E	ROE	Volatility	P/E Ratio	Div Yield	P/S Ratio	Market Cap'n	Company	STRENGTH RATING					Insider Buy/Sell	Brokers Following	Short Interest	Price to P/E	ROE	Volatility	P/E Ratio	Div Yield	P/S Ratio	Market Cap'n
	Share Price	Cur- rent	4-Wk Chg.	Rank 0-99	Rank 0-99												Cur- rent	4-Wk Chg.	Rank 0-99	Cur- rent	4-Wk Chg.										
<b>UNDER-VALUED SHARES: Lowest Price/Sales, Yld &gt; 0, Rel Strength &gt; 0</b>																															
ERM Power Ltd	143	+4.5	+0.8	39	0-0	2	0.0	0.7	-	0.9	NE	5.2	0.12	368	Elders Limited	849	+26.9	+13.2	13	3-1	4	1.1	9.4	-	0.2	8	0.9	0.60	983		
Ruralco Hold.	308	+1.2	+2.7	50	6-0	3	-	3.9	28	0.5	14	3.2	0.18	322	Moelis Aust.	640	+25.4	-2.7	14	0-0	-	-	-	-	0.5	6	Nil	0.85	984		
Capral Limited	16	+2.1	+3.7	47	1-0	-	-	0.6	12	2.1	5	7.8	0.18	76	Global Con Serv	90	+24.7	-2.5	14	0-2	-	-	1.5	9	0.6	17	2.2	0.92	189		
Automotive Hold	352	+0.3	+2.3	54	1-0	11	5.7	4.0	19	0.5	21	5.4	0.19	1,167	Grange Resource	19	+23.2	+10.8	15	0-0	-	-	0.7	28	1.6	2	7.9	0.80	220		
TPC Cons.	127	+16.8	+7.6	19	0-0	-	-	63.5	-	0.9	11	2.4	0.21	14	Enice Holdings	35	+21.0	-4.1	16	0-0	-	-	1.9	18	1.1	11	Nil	0.90	91		
The Reject Shop	627	+6.0	+8.8	35	3-0	4	0.5	1.3	9	0.5	15	3.8	0.23	181	Cellnet Group	42	+19.3	+10.2	17	0-0	-	-	1.5	14	0.9	11	3.0	0.27	22		
Data 3 Ltd	176	+4.3	-1.5	39	1-1	2	-	10.4	59	0.7	18	5.1	0.25	271	Regional Exp.	150	+17.3	-5.3	19	1-1	-	-	0.8	6	0.5	13	6.7	0.59	165		
K&S Corporation	162	+1.5	-2.9	49	0-0	-	-	1.0	3	0.7	30	2.2	0.26	198	TPC Cons.	127	+16.8	+7.6	19	0-0	-	-	63.5	-	0.7	18	2.4	0.21	14		
Cellnet Group	42	+19.3	+10.2	17	0-0	-	-	1.5	14	1.3	11	3.0	0.27	22	Shriro Holdings	162	+15.4	+3.3	21	0-2	1	-	3.4	29	0.7	12	6.2	0.84	154		
Globe Int'l Ltd	110	+9.7	-1.2	28	0-0	-	-	1.4	15	1.0	9	7.3	0.32	46	CTI Logistics	114	+15.3	+2.5	21	0-2	-	-	1.4	10	0.8	13	3.1	0.53	82		
BSA Ltd	39	+2.9	+1.5	43	4-0	3	-	7.7	19	1.5	41	1.3	0.33	163	Lyopodium Ltd	505	+15.2	-3.3	21	0-3	-	-	3.2	17	0.3	19	3.6	0.93	201		
Lindsay Aust	42	+4.3	+1.4	39	0-1	-	-	1.6	8	1.4	19	3.8	0.37	123	SRG Limited	180	+12.9	+5.0	24	0-0	1	-	-	-	0.5	15	3.9	0.50	115		
Chalmers	355	+6.2	+2.0	35	0-0	-	-	0.8	1	0.5	56	1.0	0.41	27	Bluescope Steel	1582	+12.7	+7.3	24	3-0	8	0.4	2.6	23	0.4	11	0.6	0.83	8,813		
Spotless Group	114	+1.4	+1.4	49	3-1	6	0.0	-	1.0	19	1.2	0.41	1,251	Atlas Iron Ltd	4	+12.5	+17.9	24	1-0	2	0.2	1.2	17	3.6	7	Nil	3.7	325			
RCR Tomlinson	385	+5.5	-4.5	36	1-1	4	0.1	5.1	24	0.5	21	1.6	0.42	637	Delecta Ltd	1	+12.3	+3.7	24	0-0	-	-	0.3	10	9.9	3	Nil	0.17	3		
Dicker Data Ltd	310	+10.6	+2.2	27	6-0	-	-	-	0.6	19	5.0	0.42	497	Metcash Ltd	310	+11.9	+3.1	25	2-2	11	8.5	6.2	47	0.5	13	Nil	0.21	3,024			
Maxi TRANS	78	+6.4	+1.2	34	1-0	2	-	1.6	12	0.9	13	4.5	0.42	144	PTB Group Ltd	71	+11.9	+1.7	25	3-3	-	-	1.1	7	0.9	15	2.1	0.96	45		
TransMetro Corp	107	+2.4	-0.4	46	0-0	-	-	1.2	7	0.8	18	4.7	0.43	14	Homeloans Ltd	53	+10.9	+4.1	26	6-4	-	-	1.8	13	0.9	13	2.8	0.75	209		
Pro-Pac Pack.	45	+5.3	+1.0	37	2-0	-	-	2.6	12	1.2	22	4.4	0.47	109	CMI Limited	131	+10.6	-1.3	26	3-0	-	-	1.1	8	0.7	15	4.6	0.93	41		
Legend Corp.	25	+9.2	+4.3	29	0-0	1	-	2.7	19	1.8	15	4.9	0.48	53	Dicker Data Ltd	310	+10.6	+2.2	27	6-0	-	-	-	-	0.5	19	5.0	0.42	497		
Austal Limited	183	+2.6	+3.1	44	0-0	4	0.3	-	0.7	41	2.2	0.49	641	Globe Int'l Ltd	110	+9.7	-1.2	28	0-0	-	-	1.4	15	0.8	9	7.3	0.32	46			
SRG Limited	180	+12.9	+5.0	24	0-0	1	-	-	0.6	15	3.9	0.50	115	Winka Commerce	55	+9.6	-9.9	28	1-0	-	-	-	-	1.0	2	6.4	0.59	53			
Fleetwood Corp	280	+4.2	-1.3	39	0-0	1	0.0	1.3	7	0.6	18	1.8	0.52	171	Legend Corp.	25	+9.2	+4.3	29	0-0	1	-	2.7	19	1.4	15	4.9	0.48	53		
CTI Logistics	114	+15.3	+2.5	21	0-2	-	-	1.4	10	1.0	13	3.1	0.53	82	LifeHealthCare	265	+9.0	+1.6	29	1-1	3	-	-	0.6	16	5.2	0.90	119			
Noni B Limited	207	+4.2	-0.4	40	0-0	-	-	-	0.6	51	1.9	0.53	166	Tempo Australia	22	+8.8	+6.0	29	0-0	-	-	2.0	61	1.5	3	Nil	0.22	18			
Inghams Group	345	+0.4	-3.8	54	2-0	9	4.4	5.9	27	0.6	22	3.5	0.54	1,312	Bega Cheese Ltd	698	+7.6	-1.5	32	1-3	5	4.6	2.2	25	0.4	9	1.4	1.00	1,292		
Bisalloy Steel	81	+21.9	-8.6	16	0-0	-	-	1.6	7	0.9	24	3.2	0.56	36	Aust Finance Gr	177	+7.6	-2.0	32	0-2	2	0.9	3.5	36	0.6	10	4.8	0.65	379		
Aust Vintage	47	+0.7	+1.6	52	1-0	1	-	0.6	2	1.2	30	2.2	0.57	128	Villa World Ltd	278	+7.2	+2.2	33	0-0	3	0.1	1.2	13	0.5	9	6.7	0.91	353		
Downer EDI Ltd	698	+4.5	-0.4	39	0-0	7	1.6	5.9	26	0.4	23	1.7	0.57	4,151	Sims Metal Mgmt	1768	+6.7	+4.9	34	0-2	8	2.9	1.9	11	0.3	17	2.3	0.69	3,564		
JB Hi-Fi Ltd	2836	+0.9	+3.8	51	3-2	14	15.8	-	0.2	19	4.2	0.58	3,258	Maxi TRANS	78	+6.4	+1.2	34	1-0	2	-	1.6	12	0.7	13	4.5	0.42	144			
Regional Exp.	150	+17.3	-5.3	19	1-1	-	-	0.8	6	0.7	13	6.7	0.59	165	The Reject Shop	627	+6.0	+8.8	35	3-0	4	0.5	1.3	9	0.4	15	3.8	0.23	181		
Winka Commerce	55	+9.6	-9.9	28	1-0	-	-	-	1.3	2	6.4	0.59	53	Energy Action	90	+6.0	+1.7	35	3-0	-	-	-	-	0.7	13	1.6	0.71	23			
Elders Limited	849	+26.9	+13.2	13	3-1	4	1.1	9.4	-	0.3	8	0.9	0.60	983	Laserbond Ltd	15	+5.7	+1.0	36	1-0	-	-	1.3	10	2.1	12	3.3	0.99	14		
Sth Cross Elect	77	+12.4	-3.6	24	4-0	-	-	5.5	-	1.1	NE	1.8	0.61	123	C.S.R. Ltd	468	+4.5	-1.2	39	1-1	11	6.0	2.3	18	0.4	13	5.6	0.96	2,360		
Environm't Grp	9	+63.2	-2.8	4	0-0	-	-	-	3.6	12	0.6	0.62	20	Lindsay Aust	42	+4.3	+1.4	39	0-1	-	-	1.6	8	1.0	19	3.8	0.37	123			
Embelton Ltd	1300	+3.5	-1.0	41	0-0	-	-	1.8	14	0.2	13	3.2	0.63	28	Data 3 Ltd	176	+4.3	-1.5	39	1-1	2	-	10.4	59	0.5	18	5.1	0.25	271		
Woolworths Grp	2725	+2.4	+1.9	46	6-0	14	4.8	11.8	48	0.3	25	3.1	0.64	35,554	Fleetwood Corp	280	+4.2	-1.3	39	0-0	1	0.0	1.3	7	0.4	18	1.8	0.52	171		
Aust Finance Gr	177	+7.6	-2.0	32	0-2	2	0.9	3.5	36	0.8	10	4.8	0.65	379	Base Resources	27	+3.8	-3.7	41	0-0	2	0.0	-	1.3	10	Nil	0.97	296			
Big River Ind.	219	+13.2	-1.1	23	0-0	-	-	-	0.8	29	1.6	0.65	115	Embelton Ltd	1300	+3.5	-1.0	41	0-0	-	-	1.8	14	0.2	13	3.2	0.63	28			
Qantas Airways	503	+2.0	-6.9	47	3-0	7	0.2	3.2	30	0.5	11	2.8	0.66	8,778	Cash Converters	36	+3.2	-4.1	42	1-1	1	0.1	1.4	16	1.1	9	Nil	0.65	178		
Sims Metal Mgmt	1768	+6.7	+4.9	34	0-2	8	2.9	1.9	11	0.4	17	2.3	0.69	3,564	Tamawood Ltd	400	+3.1	-2.0	43	1-1	-	-	8.7	77	0.4	11	6.8	0.83	102		
AV Jennings	73	+2.3	-0.1	46	1-0	2	-	0.7	9	1.0	8	6.9	0.69	279	Wesfarmers Ltd	4373	+2.6	+1.2	45	4-2	15	1.7	9.8	57	0.2	17	5.1	0.72	49,583		
Sunland Group	176	+0.6	+1.5	52	0-0	2	0.0	0.7	9	0.7	8	5.7	0.70	271	TransMetro Corp	107	+2.4	-0.4	46	0-0	-	-	1.2	7	0.6	18	4.7	0.43	14		
Energy Action	90	+6.0	+1.7	35	3-0	-	-	-	1.0	13	1.6	0.71	23	AV Jennings	73	+2.3	-0.1	46	1-0	2	-	0.7	9	0.7	8	6.9	0.69	279			
Schaffer Corp	1110	+26.5	+6.3	13	1-0	-	-	2.1	8	0.4	27	2.3	0.72	155	Capral Limited	16	+2.1	+3.7	47	1-0	-	-	0.6	12	1.5	5	7.8	0.18	76		
Westfarmers Ltd	4373	+2.6	+1.2	45	4-2	15	1.7	9.8	57	0.2	17	5.1	0.72	49,583	Qantas Airways	503	+2.0	-6.9	47	3-0	7	0.2	3.2	30	0.4	11	2.8	0.66	8,778		
Homeloans Ltd	53	+10.9	+4.1	26	6-4	-	-	1.8	13	1.2	13	2.8	0.75	209	Midway Limited	253	+1.7	+2.1	48	4-0	-	-	2.1	17	0.5	13	7.1	0.90	189		
Probiotec Ltd	91	+29.6	+9.1	12	7-1	-	-	-	1.1	21	2.2	0.77	48	Apiani Animal H	87	+1.5	+2.6	49	3-0	2	-	-	0.8	18	1.8	0.90	88				
Grange Resource	19	+23.2	+10.8	15	0-0	-	-	0.7	28	2.1	2	7.9	0.80	220	Spotless Group	114	+1.4	+1.4	49	3-1	6	0.0	-	0.8	19	1.2	0.41	1,251			
Tamawood Ltd	400	+3.1	-2.0	43	1-1	-	-	8.7	77	0.5	11	6.8	0.83	102	Ruralco Hold.	308	+1.2	+2.7	50	6-0	3	-	3.9	28	0.4	14	3.2	0.18	322		
Bluescope Steel	1582	+1																													

Company	Share Price	STRENGTH RATING				Insider Buy-Sell	Brokers Following	Short Interest	Price to P/E	ROE	Volatility	P/E Ratio	Div Yield	P/S Ratio	Market Cap'n	Company	Share Price	STRENGTH RATING				Insider Buy-Sell	Brokers Following	Short Interest	Price to P/E	ROE	Volatility	P/E Ratio	Div Yield	P/S Ratio	Market Cap'n
		Cur-rent	4-Wk Chg.	Rank 0-99	Rank 0-99													Cur-rent	4-Wk Chg.	Rank 0-99	Rank 0-99										
G8 Education	341	+1.0	-6.7	50	6-0	9	2.1	-	-	0.4	16	7.0	1.70	1,530	Swift Networks	43	+29.7	-2.5	11	5-0	-	-	43.0	-	0.8	NE	Nil	2.28	39		
AV Jennings	73	+2.3	-0.1	46	1-0	2	-	0.7	9	0.6	8	6.9	0.69	279	Nextdc Limited	596	+18.8	+4.4	18	5-0	11	7.1	3.4	5	0.4	74	Nil	N/A	1,701		
Sth Cross Media	115	-5.0	+1.1	73	4-0	7	0.4	-	-	0.5	8	6.7	1.29	884	Excelsior Gold	5	+8.6	-4.6	30	5-0	-	-	-	-	1.8	NE	Nil	0.86	44		
Nat'l Aust Grp	2953	-1.1	-1.6	62	3-0	16	0.4	1.9	12	0.3	15	6.7	2.45	80,300	Perseus Mining	40	+2.2	+2.3	46	5-0	10	5.3	0.6	-	0.9	NE	Nil	1.44	408		
Monash IVF Grp	132	-10.8	-0.4	83	5-0	4	0.2	-	-	0.8	10	6.7	1.99	310	PSC Insurance	298	+13.7	-3.3	23	5-0	-	0.0	-	-	0.3	62	1.2	N/A	728		
Seven West Med.	60	-8.5	+0.2	80	0-0	7	0.9	-	-	0.8	4	6.7	0.54	905	Strategic Min.	40	+8.1	+7.5	31	5-0	-	-	-	-	0.7	NE	Nil	N/A	25		
Villa World Ltd	278	+7.2	+2.2	33	0-0	3	0.1	1.2	13	0.4	9	6.7	0.91	353	Smartgroup Corp	1136	+20.0	-1.3	17	5-0	7	0.0	-	-	0.4	41	2.2	9.32	1,400		
Asaleo Care Ltd	151	-1.3	-0.7	63	2-0	5	2.9	7.9	57	0.6	14	6.6	1.36	817	Blue Sky Alt In	1365	+23.5	+0.5	15	5-0	4	1.4	6.1	14	0.3	45	1.7	N/A	939		
Djerriwarrah	362	-0.4	+1.3	59	7-0	-	-	1.1	6	0.3	19	6.6	N/A	791	Skyfii Limited	12	+20.5	+21.1	16	5-0	-	-	6.0	-	1.4	NE	Nil	9.76	31		

**INSIDER BUYING:** Most Insider Buying, Relative Strength > 0

MFF Capital Inv	229	+8.2	+2.4	31	18-0	-	-	1.2	17	0.3	7	0.9	N/A	1,108
K2fy Ltd	32	+61.5	+52.3	4	13-0	-	-	10.7	-	1.5	NE	Nil	N/A	16
Future Gen Glb	126	+6.7	+2.3	33	12-0	-	-	1.1	0	0.5	NE	Nil	N/A	286
Blackwall Prop.	142	+3.7	-0.3	41	13-1	-	-	1.0	18	0.3	6	7.7	8.61	95
Copper Strike	34	+16.2	-2.9	20	10-0	-	-	-	0.8	NE	Nil	N/A	36	
Freedom Foods	500	+7.4	+4.4	32	10-0	-	0.9	4.6	3	0.5133	0.9	3.83	1,008	
Marmota Ltd	2	+12.7	+7.6	24	9-0	-	-	-	3.0	NE	Nil	N/A	10	
Helloworld Trav	495	+8.4	+0.2	30	7-0	5	-	-	0.2	28	2.8	1.82	600	
Adairs Limited	220	+20.6	+0.8	16	7-0	4	0.2	-	0.5	17	3.6	1.38	365	
Breville Group	1221	+11.3	-0.6	26	7-0	9	0.3	9.9	34	0.2	30	2.5	2.62	1,588
Coventry Group	117	+16.4	-5.1	20	7-0	-	-	0.9	-	0.4	NE	Nil	0.26	44
Independ. Group	495	+16.1	+5.5	20	7-0	16	17.2	1.7	1	0.4171	0.4	6.88	2,905	
Advance NanoTek	49	+25.1	-16.3	14	7-0	-	-	49.0	96	0.7	51	Nil	5.63	287
Bank of Q'land	1259	+2.7	-1.4	44	8-1	15	2.7	1.7	12	0.3	14	6.0	2.17	4,943
Cynata Therap.	59	+1.1	-3.7	50	6-0	2	-	58.5	-	0.7	NE	Nil	N/A	53
Ruralco Hold.	308	+1.2	+2.7	50	6-0	3	-	3.9	28	0.3	14	3.2	0.18	322
Navitas Ltd	539	+8.2	+3.3	31	6-0	10	2.2	-	0.3	23	3.6	2.02	1,930	
Dicker Data Ltd	310	+10.6	+2.2	27	6-0	-	-	-	0.4	19	5.0	0.42	497	
Echo Resources	32	+43.1	+0.9	7	6-0	-	-	-	0.8	NE	Nil	N/A	119	
Euroz Limited	120	+6.2	+1.8	35	6-0	-	-	-	0.5	10	6.0	3.04	188	
Duxton Water	111	+3.1	+1.3	42	6-0	-	-	1.0	-	0.5	NE	Nil	N/A	71
OZ Minerals Ltd	892	+6.2	+3.4	35	6-0	16	2.5	1.2	5	0.3	25	2.2	3.24	2,664
Woolworths Grp	2725	+2.4	+1.9	46	6-0	14	4.8	11.8	48	0.2	25	3.1	0.64	35,554
Whitefield Ltd	480	+3.7	+1.0	41	6-0	-	-	1.1	12	0.3	9	3.5	N/A	402
Xtek Ltd	54	+12.0	+3.9	25	6-0	-	-	10.8	3	0.7316	Nil	2.14	19	
G8 Education	341	+1.0	-6.7	50	6-0	9	2.1	-	-	0.3	16	7.0	1.70	1,530
Infomedia Ltd	89	+5.1	+2.2	37	6-0	3	0.0	29.5	-	0.6	23	3.3	3.89	275
Boadicea Res.	16	+0.0	-1.3	56	6-0	-	-	-	1.3	NE	Nil	N/A	8	
Polynovo Ltd	54	+46.5	+12.5	7	6-0	1	-	27.0	-	0.7	NE	Nil	N/A	306
Probiotec Ltd	91	+29.6	+9.1	12	7-1	-	-	-	0.7	21	2.2	0.77	48	

Service Stream	131	+0.5	-3.1	53	5-0	2	0.0	8.2	49	0.6	17	3.4	0.95	478
Pinnacle Invest	388	+15.7	+1.7	20	5-0	-	-	8.3	19	0.3	44	1.8	N/A	581
Genera Bio.	18	+9.0	-1.3	29	5-0	-	-	-	-	1.0	NE	Nil	N/A	18
Orocobre Ltd	703	+36.7	+4.8	9	5-0	10	6.8	5.2	-	0.3	NE	Nil	N/A	1,484
Equity Trustees	2083	+6.5	+2.1	34	5-0	2	0.0	12.0	44	0.3	27	3.4	5.24	422
Eclixp Group	385	+4.2	-2.4	40	5-0	8	1.0	9.6	44	0.4	22	3.6	1.97	1,209
Rumble Resource	8	+38.7	-20.1	9	5-0	-	-	-	-	1.6	NE	Nil	N/A	21
Red Hill Iron	62	+3.1	-3.3	43	5-0	-	-	-	-	0.5	NE	Nil	N/A	34
Valmec Limited	30	+28.2	-4.3	12	5-0	-	-	1.6	11	1.5	15	Nil	0.33	24
Bravura Sol.	188	+6.7	+0.3	34	5-0	-	-	-	-	0.5	28	2.4	2.10	403
Reward Minerals	29	+3.4	+3.4	42	5-0	-	-	-	-	0.8	NE	Nil	N/A	39
Wealth Defender	90	+4.3	-0.3	39	5-0	-	-	0.9	6	0.6	15	1.1	N/A	113
Bathurst Res.	19	+14.0	-1.3	22	5-0	-	-	-	-	1.0	NE	Nil	4.50	187
AGL Energy Ltd	2425	+1.1	+1.1	50	6-1	12	0.8	3.7	13	0.2	30	3.8	1.26	15,904
Aurelia Metals	29	+14.0	-0.7	22	4-0	1	0.1	-	-	0.9	6	Nil	1.15	155
Integral Diag.	231	+19.8	+7.1	17	4-0	4	-	-	-	0.4	22	3.0	1.86	335
Resonance Hlth	2	+1.4	+3.9	49	4-0	-	-	-	-	3.2	NE	Nil	3.89	10
360 Capital Grp	106	+4.0	+1.1	40	4-0	2	-	1.8	30	0.4	6	5.9	7.27	220
Primary Health	356	+2.4	+3.1	46	4-0	10	3.6	-	-	0.4	26	3.0	1.12	1,857
Nine Entertain.	152	+8.6	+0.5	30	4-0	7	4.9	2.1	-	0.6	NE	6.3	1.06	1,324
Nzuri Copper	48	+30.3	+26.2	11	4-0	-	-	-	-	1.1	NE	Nil	N/A	111
Ozgrowth Ltd	19	+6.3	+1.6	34	4-0	-	-	1.0	11	1.0	9	2.7	N/A	66
Rift Valley Res	3	+5.7	-3.9	36	4-0	-	-	-	-	2.6	NE	Nil	N/A	19
Midway Limited	253	+1.7	+2.1	48	4-0	-	-	2.1	17	0.4	13	7.1	0.90	189
Kangaroo Island	245	+4.5	+1.4	39	4-0	-	-	1.2	41	0.4	3	Nil	N/A	100
BSA Ltd	39	+2.9	+1.5	43	4-0	3	-	7.7	19	0.9	41	1.3	0.33	163
Galena Mining	107	+89.9	+36.0	3	4-0	-	-	-	-	0.8	NE	Nil	N/A	9
VGI P. Global	212	+4.7	+1.2	38	4-0	-	-	-	-	0.6	NE	Nil	N/A	N/A
Medibank Priv.	319	+7.1	+0.5	33	4-0	14	0.4	6.3	32	0.4	20	3.8	1.29	8,785
Vicinity Centre	264	+0.1	+0.6	55	4-0	12	1.6	0.9	14	0.3	7	6.6	7.97	10,221
Uil Energy	5	+3.9	+4.5	40	4-0	-	-	-	-	2.5	NE	Nil	N/A	9

## “Insider” Trades in NZ Shares

The table below shows the number of Purchases and Sales of a company's shares by its Directors over the last twelve months (excluding “Neutral” situations where the number of Buyers and Sellers were equal). Shares where many “insiders” have been buying can outperform the market for up to two years, while shares where many “insiders” have sold can under-perform for a similar period.

**“Insider” Indicators**  
 Last 5 wks: 64.9% Buyers  
 Last 13 wks: 54.7% Buyers

Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers
A2 Milk Company	9-8	Comvita	9-4	Infratil NZ	2-3	Port Tauranga	4-0	Synlait Milk	1-0
AFT Pharma.	1-0	Contact Energy	1-2	Kathmandu Ltd	0-1	Precinct Prop.	2-1	Tegel Group	1-0
AMP Limited	2-0	Ebos Group Ltd	0-1	Kiwi Property	0-1	Property F Ind.	1-0	Tilt Renewables	3-0
AWF Madison Grp	3-0	Evolve Educat.	0-2	Mainfreight Grp	0-2	Restaurant Brds	2-0	Tourism Hold.	2-4
Abano Health.	7-0	F & P Health.	0-15	Marlin Global	1-0	Ryman Health.	0-1	Tower Limited	5-0
Air New Zealand	3-10	Fletcher Build.	6-0	Mercury NZ	3-0	Scales Corp Ltd	0-9	Turners Ltd	0-1
Allied Farmers	0-1	Fonterra S/H Fd	2-0	Meridian Energy	2-0	Serko Limited	0-1	Vector Ltd	1-0
Argosy Property	3-0	Genesis Energy	1-0	MetLifeCare	0-2	Skellerup Hold.	15-0	Vista Group Ltd	0-3
Blis Technology	2-0	Gentech Group	0-1	Methven Limited	3-0	Sky City Ltd	4-1	Vital Health PT	0-1
Briscoe Group	3-1	Goodman Prop.	0-1	Metro Per Glass	6-0	Sky Network TV	3-0	WN Drive Tech.	0-1
CBL Corporation	2-1	Green Cross H.	1-0	Moa Group Ltd					

# “Insider” Trades in Australian Shares

The table below shows the number of Purchases and Sales of a company's shares by its Directors over the last twelve months (excluding “Neutral” situations where the number of Buyers and Sellers were equal). Shares where many “insiders” have been buying can outperform the market for up to two years, while shares where many “insiders” have sold can under-perform for a similar period.

## “Insider” Indicators

Last 5 wks: 73.6% Buyers

Last 13 wks: 75.9% Buyers

Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers
1300 Smiles Ltd	0-1	Alto Metals	1-0	Autosports Grp	1-0	Breville Group	7-0	Clime Capital	3-0
1ST Group Ltd	2-0	Altura Mining	0-1	Aventus Retail	1-0	Brickworks Ltd	2-1	Clime Inv Mgmt	5-2
360 Capital Grp	4-0	Alumina Ltd	1-0	Avita Medical	1-0	Brisbane Bronco	1-0	Clover Corp.	3-0
360 Capital TR	1-0	Amaysim Aust.	1-0	Axiom Property	2-0	Brookside En.	1-0	CocaCola Amatil	4-0
3P Learning	4-0	Amcor Ltd	2-3	Azure Minerals	1-0	BuildingIQ Inc	1-0	Cochlear Ltd	1-2
8I Holdings	4-0	Ansell Ltd	2-0	Azure Health.	1-0	Bulletproof Grp	0-1	Codan Ltd	3-0
A.P. Eagers	13-1	Anteo Diagnost.	1-0	BCI Minerals	1-0	Buru Energy Ltd	1-0	Cogstate Ltd	3-0
ABM Resources	2-0	Antisense T.	1-0	BHP Billiton	4-0	CBG Capital	2-0	Collection Hse	2-0
AGL Energy Ltd	6-1	Antipodes Gbl	0-1	BKI Invest Coy	1-0	CCP Technology	1-0	Collins Foods	4-0
AJ Lucas	1-0	Apiam Animal H	3-0	BSA Ltd	4-0	CFoam Limited	3-0	Com'wealth Bank	0-1
ALS Limited	6-2	Arc Exploration	2-0	BT Invest Mgmt	2-1	CMI Limited	3-0	ComOps Limited	1-0
AMCIL Limited	4-0	Ardent Leisure	2-0	BWX Limited	0-1	CSG Ltd	3-0	Compumedics Ltd	1-0
AMP Ltd	1-0	Ardea Resources	1-0	Baby Bunting Gr	2-1	CSL Limited	0-2	Computershare	1-9
ANZ Bank	4-0	Argo Global LI	4-0	Bank of Q'land	8-1	CTI Logistics	0-2	Cons Zinc Ltd	2-1
APA Group	4-0	Argonaut Res.	1-0	Bapcor Limited	2-1	CV Check Ltd	1-0	Cons Operations	3-0
APN Property	2-1	Argo Explor.	1-0	Bass Metals Ltd	2-0	Cabcharge Ltd	5-0	Contango Global	2-0
APN Outdoor Grp	0-1	Argo Investment	4-1	Bass Oil Ltd	0-2	Cadence Capital	1-0	Cooper Energy	0-1
ASX Limited	2-0	Argosy Minerals	4-1	Bathurst Res.	5-0	Calidus Res.	1-0	Copper Strike	10-0
AUB Group	1-0	Aristocrat Leis	1-2	Battery Mineral	1-0	Caltex Austria	3-0	Corazon Mining	2-0
AV Jennings	1-0	Asaleo Care Ltd	2-0	Beacon Lighting	1-0	Capital Mining	0-1	Costa Group	3-5
AVEO Group	4-0	Ashley Services	1-0	Beacon Minerals	2-0	Capricorn Metal	1-0	Countplus Ltd	6-0
AVZ Minerals	0-2	Aspen Group Ltd	1-0	Beach Energy	1-4	Capral Limited	1-0	Covata Limited	3-0
Aberdeen Leader	1-0	Asset Owl Ltd	0-2	Beadell Res.	2-0	Cardno Ltd	1-0	Coventry Group	7-0
Absolute Equity	2-0	Atlas Iron Ltd	1-0	Bega Cheese Ltd	1-3	Carnarvon Pet.	1-0	Cradle Res.	1-0
Academies Aust.	2-0	Atrum Coal Ltd	3-0	Bellamy's Aust.	3-0	Carnegie Clean	0-1	Cromwell Prop.	1-0
Accent Group	1-3	Audinate Group	1-0	Bell Financial	2-0	Carsales.com	1-2	Crowd Mobile	0-1
Activex Ltd	0-1	Aurelia Metals	4-0	Bendigo Bank	2-1	Cassini Res Ltd	1-0	Crown Resorts	0-1
Actinogen Med.	1-0	Aurizon Hold.	2-0	Benjamin Horn.	3-0	Castillo Copper	2-0	Cryosite Ltd	2-0
Ad Braking Tech	3-0	Auroch Minerals	0-1	Bentley Capital	1-0	Cazaly Res Ltd	6-0	Cue Energy Res.	1-0
Adacel Tech.	0-2	Aurora Minerals	1-0	Berkut Minerals	3-0	Cedar Woods Prp	1-0	Cullen Resource	1-0
Adairs Limited	7-0	AusNet Services	3-0	Beston Glb Food	11-0	Cellmid Ltd	2-0	Cyclopharm Ltd	2-0
Adavale Res.	1-0	Ausgold Ltd	2-0	Beyond Int'l	1-0	Celsius Res.	4-0	Cyclig Group	2-0
Adelaide Bright	5-1	Ausquest Ltd	1-0	Bingo Indust.	1-0	Central Petrol.	5-0	Cynata Therap.	6-0
Adslot Ltd	6-0	Australis O & G	3-0	Biotron Limited	1-0	Centrepont All	1-0	DTI Group	2-0
Advance NanoTek	7-0	Aust Bauxite	4-0	Blackwall Prop.	13-1	Century Aust In	2-0	Dart Mining NL	1-0
Aeris Tech Ltd	1-0	Aust Pharm. Ind	5-0	Blackmores Ltd	1-0	Centrex Metals	1-0	Datadot Tech.	1-0
Ainsworth Game	1-0	Aust Finance Gr	0-2	Blackham Res.	0-2	Chalice Gold	3-0	De.men Limited	1-0
Alacer Gold	1-0	Aust Vanadium	0-1	Blackstone Min.	4-0	Champion Iron	0-1	Decimal Soft.	1-0
Alchemy Res.	2-0	Austock Group	3-9	Black Rock Min.	5-0	Chapmans Ltd	4-0	Decmil Group	3-0
Alcidian Group	0-2	Aust Gov Master	1-0	Bligh Resources	3-0	Chesser Res.	1-0	Desane Group	2-0
Ale Property	1-0	Aust Leaders Fd	3-1	Bluechip Ltd	1-0	China Dairy	3-0	Dexus	0-1
Alexium Int'l	4-0	Aust Agricult.	7-0	Bluescope Steel	3-0	Cirralto Ltd	2-0	Dicker Data Ltd	6-0
Algae.Tec Ltd	0-1	Austin Eng.	3-0	Blue Sky Alt In	5-0	Cirrus Networks	1-0	Digital CC Ltd	0-2
Alkane Explor.	1-0	Aust Dairy Farm	5-0	Bluglass Ltd	1-0	Citadel Group	1-3	Dimeriz Limited	2-0
Alliance Aviat.	1-4	Aust Ethical In	0-1	Boadicea Res.	6-0	Clarius Group	3-0	DirectMoney	3-0
Alligator En.	1-0	Aust Foundation	3-0	Boart Longyear	0-1	Class Limited	4-1	Div. United Inv	3-0
Alseran Res.	1-0	Aust Vintage	1-0	Brain Resource	2-0	Clean Teq Hold.	2-0	Djerriwarrh	7-0
Altech Chemical	0-2	Automotive Hold	1-0	Brambles Ltd	3-0	Cleanaway Waste	2-0	Domacom Ltd	1-0
Altium Limited	5-4	Auto. Solutions	1-0	Bravura Sol.	5-0	Clean Seas Sea.	3-1	Dome Gold Mines	0-3

Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers
Domino's Pizza	0-5	Future Gen Inv	2-0	HotCopper Hold.	1-0	Kina Securities	0-1	Metals X Ltd	1-0
Donaco Inter'l	3-1	Future Gen Glb	12-0	I-SignThis Ltd	2-0	Kingsland Gbl	0-1	Metalicity Ltd	3-0
Dongfang Modern	7-1	Future Fibre T.	2-0	IDP Education	0-1	King River Cop.	2-0	Metallica Min.	1-0
Doray Minerals	1-0	G Medical Inn.	3-0	IDT Australia	2-0	Kogan.com Ltd	3-2	Metalstech Ltd	1-0
Dotz Nano Ltd	4-0	G.U.D. Holdings	2-0	IOOF Holdings	2-0	Konekt Limited	0-1	Metals Aust.	1-0
Dragon Mining	1-0	G8 Education	6-0	IPH Limited	1-0	Korvest Ltd	1-0	Metgasco Ltd	3-0
Draig Resources	2-0	GBST Holdings	7-0	IRESS Limited	2-1	Kula Gold Ltd	2-0	Metminco Ltd	1-0
Duketon Mining	3-0	GDI Property	3-0	ITL Health Grp	0-2	LWP Tech.	1-0	Micro-X Limited	1-0
DuluxGroup Ltd	0-2	GPS Alliance	3-0	Icar Asia Ltd	0-1	Landmark White	2-0	Midway Limited	4-0
Duxton Water	6-0	GPT Group	4-0	Icon Energy	1-0	Laramide Res.	3-0	Millennium Serv	3-0
EHR REsources	1-0	GWA Group Ltd	6-0	Iluka Resources	2-0	Laserbond Ltd	1-0	Mincor Resource	2-0
EML Payments	1-2	Galaxy Res.	4-0	Image Resources	2-0	Latam Autos	1-0	Mineral Res.	1-2
EVE Investments	1-0	Galena Mining	4-0	Imahio Biosyst.	1-0	Latin Resources	0-1	Mineral Commod.	3-0
EVZ Ltd	3-0	Galilee Energy	1-0	Imdex Limited	0-1	Legacy Iron Ore	1-0	Minotaur Exp.	1-0
Easton Invest.	12-0	Garda Capital	3-0	Immuron Ltd	2-0	Legend Mining	2-0	Mint Payments	1-0
Echo Resources	6-0	Gascoyne Res.	1-0	Impedimed Ltd	2-0	Lepidico Ltd	0-3	Mirrabooka Inv.	1-0
Eclixp Group	5-0	Gateway Life.	3-0	Imperial Pac.	2-0	Lifestyle Com.	0-1	Mitula Group	5-0
Elanor Investor	1-0	Genera Bio.	5-0	Inabox Limited	6-0	Lindsay Aust	0-1	Mobilicom Ltd	4-0
Elders Limited	3-1	Genetic Tech.	0-1	Incitec Pivot	1-0	Liq Natural Gas	3-0	Monash IVF Grp	5-0
Elk Petroleum	3-0	Genetic Sign.	3-0	Independ. Group	7-0	Logicamms Ltd	1-0	Monax Mining	2-0
Ellerton Global	2-0	Genworth Mort.	2-0	Indiana Res.	1-0	London City Eq.	3-0	Money3 Corp Ltd	2-0
Emmerson Res.	1-0	Geopacific Res.	1-0	Indoor Skydive	1-0	Lycopodium Ltd	0-3	Montezuma Min.	1-0
Empired Ltd	1-0	Global Con Serv	0-2	Infigen Energy	2-0	MCS Services	4-0	Moreton Res Ltd	3-0
Enegex Limited	1-0	Global Health	2-0	Infomedia Ltd	6-0	MFF Capital Inv	18-0	Morphic Ethical	1-0
Energy World	4-0	Global Energy V	2-0	Ingenia Com Grp	4-2	MG Unit Trust	2-0	Mortgage Choice	2-0
Energy Action	3-0	Godfreys Group	3-4	Inghams Group	2-0	MMA Offshore	1-0	Motorcycle Hold	3-0
Engenco Ltd	1-0	Gold Road Res.	1-0	Innate Immuno.	0-2	MNF Group	0-2	Mt Ridley Mines	0-1
Entek Energy	3-0	Golden Deeps	0-1	Insurance Aust.	2-0	MOQ Ltd	2-1	Murray River Or	6-0
Envirosuite Ltd	0-1	Golden Mile Res	1-0	Int Payment Tec	3-0	MSL Solutions	2-0	Murray Cod Aust	1-0
Equity Trustees	5-0	Goodman Group	0-10	Int Research	3-1	MYOB Group	3-0	Myer Holdings	1-0
Estia Health	3-0	Gowing Brothers	2-0	Integral Diag.	4-0	MacMahon Hold	2-1	Myfiziq Limited	2-0
Estrella Res.	1-0	Graincorp	8-0	Intiger Group	1-0	Maca Limited	2-0	Mystate Ltd	3-0
Eureka Group	5-0	Greatcell Solar	3-0	Investigator R.	1-0	Mach7 Tech.	1-0	NAOS Small Cap	2-0
Euroz Limited	6-0	Greencross Ltd	2-0	Investsmart Grp	1-0	Macquarie Atlas	2-0	NGE Capital	3-2
European Cobalt	2-0	Gt Western Exp.	1-0	Ironbark Cap'l	1-0	Macquarie Group	4-0	NSL Cons. Ltd	2-0
Euro. Lithium	1-0	HT&E Limited	3-0	Iselect Limited	0-1	Magellan Fin Gp	0-3	NTM Gold Ltd	1-0
Event Hospital.	3-1	HUB24 Limited	2-1	Isentric Ltd	0-1	Magmatic Res.	1-0	NVOI Limited	3-0
Excelsior Gold	5-0	Hammer Metals	1-0	Isentia Group	3-0	Magnetic Res.	3-1	Namoi Cotton	1-0
Experience Co	0-1	Hansen Tech.	1-0	Ive Group	6-2	Magnis Resource	5-0	Naos Emerging	1-0
FAR Ltd	1-0	Haoma Mining NL	1-0	JB Hi-Fi Ltd	3-2	Managed Account	2-0	Naos Absolute	2-0
FE Investments	1-0	Haranga Res Ltd	0-1	JCurve Solution	2-0	Mantra Group	2-1	Nat Veterinary	2-1
Farmaforce Ltd	2-0	Harvey Norman	4-2	JV Global Ltd	0-1	Marindi Metals	1-0	Nat'l Aust Bank	3-0
Fastbrick Robot	0-1	Hastings Rare M	1-0	Jameson Res.	3-0	Marmota Ltd	9-0	Navitas Ltd	6-0
Fat Prophets Gl	2-0	Healthscope	5-1	James Hardie	2-0	Matador Mining	2-0	Nearmap Ltd	1-0
Fe Limited	1-0	Hearmeout Ltd	1-0	Janus Henderson	0-3	Matrix Comp.	2-1	Neometals Ltd	0-3
Finbar Group	2-0	Helix Resources	1-0	Jayex Health.	1-0	Matsa Resources	1-0	NetComm Wire.	2-0
Finders Res.	2-0	Helloworld Trav	7-0	Jervois Mining	0-1	Maxi TRANS	1-0	New Hope Corp.	2-0
First Gth Funds	1-0	Henry Morgan	1-0	Joyce Corp.	1-0	Mayne Pharma Gr	2-1	Newcrest Mining	3-0
Firstwave Cloud	3-1	Heron Resources	1-0	JustKapital Ltd	2-0	Mayur Resources	1-0	Nextdc Limited	5-0
Fitzroy River	1-0	Hexagon Res.	1-0	K2 Asset Mgmt	0-10	McMillan Shake.	1-0	Nexus Minerals	1-0
Flagship Invest	1-0	Hi Tech Group	0-1	K2fly Ltd	13-0	McPherson's Ltd	1-0	Nib Holdings	3-1
Flexicorp Ltd	1-0	Highfield Res.	2-0	KYCKR Limited	2-0	MedAdvisor Ltd	2-0	Nick Scali Ltd	0-1
Folkestone Educ	0-1	Hills Limited	3-0	Kalamazoo Res.	2-0	Medibio Limited	5-0	Nine Entertain.	4-0
Fortescue Metal	3-1	Holista Coll.	0-1	Kangaroo Island	4-0	Medical Dev Int	0-2	Niuminco Group	0-1
Freedom Foods	10-0	Homeloans Ltd	6-4	Kardoon Gas	1-2	Medibank Priv.	4-0	Norwest Energy	0-1
Freelancer Ltd	19-0	Horizon Oil Ltd	1-0	Kasbah Resource	3-0	Megaport Ltd	4-0	Norwood Systems	1-2
Freedom Insur.	0-1	Horseshoe Metal	1-0	Katana Capital	0-1	Mejority Cap'l	1-0	Nthn Star Res.	1-5
Frontier Digit.	4-0	Hot Chili Ltd	2-1	Kidman Res Ltd	1-0	Melbourne IT	5-3	NuEnergy Cap'l	0-1

Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers	Company	Insider Buyers-Sellers
Nusantara Res.	2-0	Praemium Ltd	4-0	Riedel Resource	2-0	Starpharma Hold	3-0	UUV Aquabotix	2-0
Nzuri Copper	4-0	Prairie Mining	1-0	Rift Valley Res	4-0	Star Entertain.	4-1	Uil Energy	4-0
OFX Group	3-0	Premier Invest	1-0	Rimfire Pacific	0-1	Steadfast Group	0-2	Un. Biosensors	1-0
OZ Minerals Ltd	6-0	Primary Gold	1-0	Rio Tinto Ltd	1-0	Stellar Res.	4-0	VGI P. Global	4-0
Objective Corp.	0-1	Prime Financial	1-0	Rision Limited	5-0	Stemcell United	0-1	Valmec Limited	5-0
Oil Search Ltd	0-1	Prime Media Grp	0-1	Riva Resources	1-0	Sth Cross Media	4-0	Variscan Mines	0-1
Oklo Resources	3-0	Primary Health	4-0	Rubicor Group	1-0	Sth Cross Elect	4-0	Venus Metals	0-3
Oldfields Hold	1-0	Pro Medicus Ltd	1-0	Rumble Resource	5-0	Stockland	3-1	Verdant Mineral	2-0
Oliver's Real F	3-0	Pro-Pac Pack.	2-0	Ruralco Hold.	6-0	Strandline Res.	1-0	Veris Ltd	3-0
Oneview Health.	1-0	Probiotec Ltd	7-1	S2 Resources	1-0	Strategic Min.	5-0	Vicinity Centre	4-0
Onevue Holdings	0-1	Property Conn.	6-0	SDI Limited	1-0	Strike Energy	7-0	Viking Mines	2-0
Ookami Limited	1-0	PropertyLink	2-1	SG Fleet Group	0-2	Structural Mon.	0-1	Village Road.	0-3
Optiscan Image	0-1	Prophecy Int'l	2-0	SIV Asset Mgmt	0-1	Suda Pharm.	4-0	Virtus Health	1-0
Orbital Corp	4-0	Prospect Res.	0-1	Sacgasco Ltd	1-0	Suncorp Group	3-0	Visioneering T.	1-0
OreCorp Ltd	2-0	Pura Vida En.	1-0	Saferoads Hold.	1-0	Sundance Res.	0-3	Vista Group	0-3
Oro Verde Ltd	0-2	Pure Minerals	1-0	Sandon Capital	1-0	Super Retail Gr	4-2	Vita Group Ltd	5-0
Orocobre Ltd	5-0	Pure Profile	4-0	Sandfire Res.	0-1	Swift Networks	5-0	Vivid Tech.	4-0
Orora Limited	1-0	Pursuit Mineral	1-0	Saracen Mineral	0-1	Sydney Airport	1-0	Vmoto Ltd	2-0
Oroton Group	1-0	Q.B.E. Insur.	3-0	Sayona Mining	0-2	Syndicated Met.	1-0	Vocus Group Ltd	3-0
Ottoman Energy	1-0	QMS Media	2-1	Scentre Group	4-1	Syrah Resources	3-0	Volt Resources	5-0
Oventus Medical	4-0	QV Equities Ltd	1-0	Schaffer Corp	1-0	Tag Pacific	0-1	WAM Leaders	2-1
Over The Wire	2-3	Qantas Airways	3-0	Sealink Travel	2-1	Tainmei Bev.	1-0	WAM Capital Ltd	0-1
Overland Res.	2-0	Qube Holdings	0-3	Seek Ltd	1-3	Talga Resources	1-0	WAM Research	0-1
Ozgrowth Ltd	4-0	Quickstep Hold.	7-0	Select harvest	2-0	Talisman Mining	3-0	WPP AUNZ Ltd	2-0
P2P Transport	1-0	Quintis Ltd	1-0	Senex Energy	3-0	Talon Petroleum	0-1	Walkabout Res.	1-0
PM Capital Asia	1-0	RBR Group	1-0	Sensera Limited	8-0	Tap Oil	1-0	Wangle Tech.	3-0
PMP Limited	1-2	REA Group Ltd	1-0	Service Stream	5-0	Tassal Group	2-0	Water Resources	1-0
PPK Group Ltd	1-0	RTG Mining Inc.	3-0	Servcorp Ltd	5-0	Tawana Resource	1-0	Watermark Fund	2-0
PSC Insurance	5-0	RXP Services	3-0	Servtech Global	2-0	Technology One	5-0	Watermark Glb.	1-0
PWR Holdings	1-0	Race Oncology	2-0	Seven Group	2-1	Techniche Ltd	3-0	Watpac Ltd	3-0
Pac Amer Coal	5-0	Ramsay Health	2-4	Shaver Shop Grp	3-1	Tech Mpire Ltd	2-0	Wealth Defender	5-0
Pacific Current	1-0	Rand Mining	0-1	Sheffield Res.	2-1	Telstra	2-0	Webjet NL	6-0
Pacific Smiles	3-0	Real Energy	1-0	Shine Corporate	2-0	Temple Webster	3-0	Weebit Nano Ltd	0-4
Pact Group Hold	3-0	Realm Resources	1-0	Shopping Centre	2-3	Templeton Globa	2-0	Wellcom Group	6-0
Pantoro Limited	1-0	Recce Limited	0-1	Shriro Holdings	0-2	Tesserent Ltd	1-0	Wesfarmers Ltd	4-2
Paradigm Bio.	1-0	Red Hill Iron	5-0	Sienna Cancer	1-0	The Pas Group	5-0	Westoz Invest.	3-0
Paringa Res Ltd	1-0	Redbank Copper	3-0	Sigma Health.	1-0	The Reject Shop	3-0	Westfield Corp.	2-3
Pengana Capital	3-0	Redbubble Ltd	1-0	Sihayo Gold Ltd	0-3	Thorney Tech.	3-0	Whitehaven Coal	1-3
Peninsula Mines	1-0	Redflex Holding	3-0	Silver Lake Res	1-0	Thorn Group Ltd	4-0	White Cliff Min	2-0
Peninsula En.	3-1	Redhill Educat.	0-1	Silver Mines	1-0	Thred Ltd	5-0	Whitefield Ltd	6-0
Pental Limited	2-0	Redstone Res.	1-0	Silver City Min	1-0	Thunselarra Ltd	2-0	Winchester En.	1-0
Pepinnini Lith.	0-1	Reedy Lagoon	2-0	Silver Heritage	3-0	Tinybeans Group	1-0	Winka Commerce	1-0
Perp Equity Inv	3-0	Regeneus Ltd	1-0	Sims Metal Mgmt	0-2	Titan Minerals	2-0	Wisetech Global	1-3
Perpetual Ltd	1-5	Regis Resources	0-1	Sino Gas & En.	3-0	Tomizone Ltd	0-2	Woolworths Grp	6-0
Perseus Mining	5-0	Rent.com.au Ltd	3-0	Sirtex Medical	2-0	Topbeta Hold.	0-2	World Reach Ltd	2-0
Phosphagenics	1-0	Renu Energy Ltd	2-0	Skyfii Limited	5-0	Toptung Limited	1-0	XRF Scientific	2-0
Phoslock Water	3-0	ResAoo Health	2-0	Smartgroup Corp	5-0	Torian Res.	0-1	XTD Limited	2-0
Phylogica Ltd	0-3	Resolute Mining	4-0	Soul Pattinson	2-0	Tox Free Sol.	2-0	Xanadu Mines	3-1
Piedmont Lith.	2-0	Resonance Hlth	4-0	Southern Gold	3-0	Traka Resources	1-0	Xtek Ltd	6-0
Pilbara Mineral	0-3	Retail Food Grp	1-0	Spark Infrastru	2-0	Transurban Grp	2-1	YPB Group Ltd	1-0
Pinnacle Invest	5-0	Retech Tech.	0-1	Spherra Em Cos	1-0	Treasury Wine	6-2	Yancoal Aust.	2-0
Pioneer Credit	0-2	Rewardle Hold.	1-0	Spitfire Mater.	3-0	Trek Metals Ltd	1-0	Yellow Brick Rd	3-0
Platinum Asset	2-0	Reward Minerals	5-0	Spookfish Ltd	0-1	Triangle Energy	1-0	Yonder & Beyond	2-0
Platinum Cap'l	1-0	Rex Minerals	2-0	Spotless Group	3-1	Trustees Aust.	4-1	Yowie Group Ltd	5-0
Plukka Limited	2-0	Rey Resources	0-1	Spring FG Ltd	1-0	Truscott Mining	0-1	Zelda Thera.	0-1
Plymouth Min.	1-0	Rhinomed Ltd	2-0	St Barbara Ltd	0-2	Tyranna Res.	9-0	Zeta Resources	2-0
Polynovo Ltd	6-0	Rhipe Limited	2-1	Stanmore Coal	3-0	URB Investments	1-0	Zip Co Ltd	2-0
Powerhouse Ven.	2-0	Ridley Corp.	3-0	StarGroup Ltd	2-1	US Masters Res.	1-0	ZipTel Limited	0-1
								Zyber Holdings	1-0





## Investment Outlook

(Continued from Page 1)

amount of electricity as 100,000 homes.

Fourthly, instead of making the Bitcoin blockchain more secure, this large number of “miners” is a *security risk*. A miner operating alone could wait 1000 years before receiving a very big payoff - so most join “mining pools” and receive a regular small share of the pool's income. The four largest pools control over 55% of Bitcoin miners - so a hacker would only need to gain control of the four main computers that, via the internet, control each of the individual computers in each mining pool to completely rewrite the Bitcoin blockchain (i.e. to transfer Bitcoins to their accounts, probably including a full history to show that they had always owned them!).

Fifthly, Chinese pools control 81% of Bitcoin “mining”. This is a result of electricity being cheap in China . . . but the security of a “distributed ledger” must surely be compromised if its computers are clustered in one country whose government regularly controls the flow of information over the internet?

In the future we may all use cryptocurrencies (probably mainly national cryptocurrencies, created and supervised by governments) but it will not be Bitcoin. Of course, an independent cryptocurrency - similar to Bitcoin but without its processing limitations, slow processing times, over-complicated processing, excessive electricity usage and high transaction costs is possible, but existing electronic payment technologies are better, faster and cheaper and likely to be used in most transactions far into the future. A cryptocurrency may find applications in specialised, higher value transactions, such as secure settlement for property or share investment transactions.

No-one will be hanging around the supermarket for an hour while their Bitcoin payment clears!

Bitcoin is not the next payments solution. Bitcoin is not a real commodity (like Gold). Bitcoin is not an investment (as it pays no interest or dividends). If Bitcoin has no real economic purpose (and **Monero**, an anonymous cryptocurrency, would be better for your drug and other illegal transactions on the “dark web”) then Bitcoin will not be a store of value.

It is, at best, an example of the *Greater Fool Theory*: The price of a security is not determined by its intrinsic value, but by irrational beliefs and expectations. People will buy shares/gold/artworks/tulip bulbs/crypto-currencies at a foolishly high price in the expectation that it can be resold to a “greater fool” at a higher price in the future.

## Dividend\$

Company	Cents per Share	Ex-Date	Pay-able	Tax Credit
Abano Healthcare	16.00	09-01	19-01	Full
Smiths City Group	1.00	02-02	09-02	Full

### Total Return Index for All Listed Shares

Dec 11	1675.27		
Dec 12	1679.60		
Dec 13	1677.13		
Dec 14	1684.04		
Dec 15	1691.68		
Dec 18	1694.56	Dec 25	Holiday
Dec 19	1699.68	Dec 26	Holiday
Dec 20	1705.81	Dec 27	1719.39
Dec 21	1705.95	Dec 28	1722.18
Dec 22	1706.08	Dec 29	1722.66
Jan 1	Holiday	Jan 8	1748.65
Jan 2	Holiday	Jan 9	1755.51
Jan 3	1740.40	Jan 10	1748.66
Jan 4	1745.18	Jan 11	1737.28
Jan 5	1742.17	Jan 12	1745.13

### Next Issue:

The next issue of *Market Analysis* will be emailed in four weeks time on Monday February 12, 2018.

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

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