

Listed Investment Companies

August 2011 NTAs

Update | 15 September 2011  
Listed Investment Companies | Australia

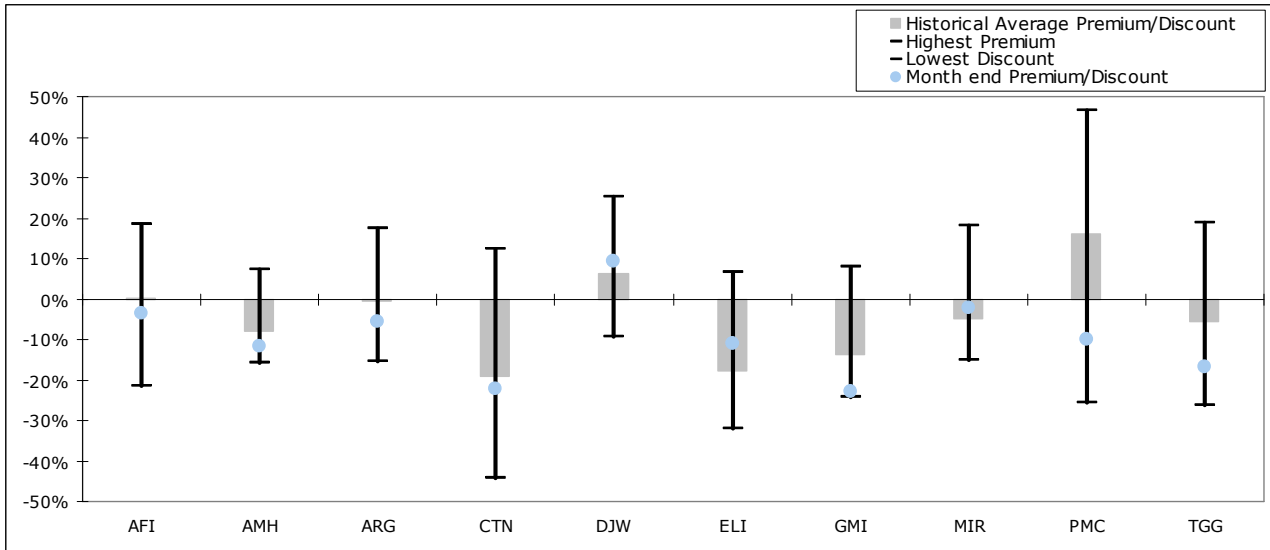
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- The S&P/ASX 200 Accumulation Index finished the month with a 1.91% fall in a month of high volatility. The local index had a trading range of over 750 points during the month, the third highest in the last 3 years. This is also the fifth month in a row the market has closed lower. Uncertainty in international markets again was one of the reasons for the turbulent conditions. The world was concerned with the August 2<sup>nd</sup> deadline for the US government to raise their debt ceiling, but a compromise on fiscal spending eventually saw the bill passed. To top it off, S&P downgraded the credit rating of the US government.
- The end of August marked the end of reporting season for the Listed Investment Companies. Outlook comments across the whole were cautious, highlighting the uncertain global economic environment. There was little surprise amongst company results, with the majority of the LICs reporting higher revenue due to increased income from dividends and a higher close in markets. The majority of the LICs kept dividend payments in line with past levels or were slightly higher.
- The main exception was PMC which struggled for performance during the 12 months to the end of June. Dividends were reduced and with no retained earnings balance to provide a buffer, future dividends will be dependant solely on earnings and underlying fund performance. This has seen the premium come out of the share price and PMC is now trading at a discount, which has historically occurred rarely.
- Premiums and discounts to closing prices and performance data are summarised as per below:

Company Name	15-Sep-11 Price cps	31-Aug-11 Price cps	31-Aug-11 NTA before provision for tax on unrealised gains cps	31-Aug-11 NTA after provision for tax on unrealised gains cps	31-Aug-11 NTA Prem/(Dis) Before provision for tax on unrealised gains	31-Aug-11 NTA Prem/(Dis) After provision for tax on unrealised gains	3 year average Premium (Discount) Before provision for tax
<b>Active Strategies</b>							
<b>Australian Equity Portfolios</b>							
AFI AFIC	397	423	438	385	-3.4%	9.9%	3.7%
ALF Australian Leaders Fund Limited *	116	119	129	129	-8.1%	-8.1%	**
ALR Aberdeen Leaders Limited *	100	105	111	113	-5.4%	-7.1%	-2.9%
AMH AMCIL Limited	63	65	73	70	-11.6%	-7.9%	-10.7%
AOD Aurora Sandringham Dividend Income Fund *	89	93	92	NA	1.1%	NA	0.3%
ARG Argo Investments	501	526	557	514	-5.6%	2.3%	3.3%
AUI Australian United *	548	583	648	581	-10.0%	0.3%	-4.2%
BKI Brickworks Investment Company *	110	112	131	126	-14.5%	-11.1%	-12.0%
CTN Contango MicroCap Limited	94	111	143	136	-22.3%	-18.5%	-29.6%
CYA Century Australian Investments *	60	63	83	86	-23.7%	-26.4%	-15.6%
DJW Djerrirwarh Investments Limited	348	350	320	319	9.4%	9.7%	13.1%
DUI Diversified United Investments *	234	237	275	252	-13.8%	-6.0%	-5.3%
ELI Emerging Leaders Investments Limited	82	90	101	103	-10.9%	-12.6%	-20.6%
IBC Ironbark Capital Limited (BTE) *	46	48	56	55	-14.0%	-12.1%	**
LRF LinQ Resources Fund *	75	76	135	NA	-43.7%	NA	**
MIR Mirrabooka Investments Limited	167	175	179	167	-2.2%	4.8%	-0.6%
MLT Milton Corporation *	1394	1485	1604	1510	-7.4%	-1.7%	-2.8%
WAM WAM Capital Limited *	141	152	164	161	-7.5%	-5.5%	-19.7%
WHF Whitefield Limited *	257	270	302	321	-10.6%	-15.9%	-8.7%
WAX WAM Research Limited*	71	72	85	91	-15.8%	-21.6%	**
<b>International Equity Portfolios</b>							
AGF AMP Capital China Growth Fund *	68	69	93	NA	-26.3%	NA	**
GMI Global Mining Investments Limited	104	106	137	133	-23.0%	-20.7%	-15.2%
PMC Platinum Capital Limited	97	100	110	109	-9.9%	-8.3%	7.6%
TGG Templeton Global Growth	66	70	84	84	-16.7%	-16.7%	-18.2%
XKO S&P/ASX 300 Index	4078	4301			-5.18%	% Change since end of month	

Source: JBWere, IRESS. \* Not covered. \*\* 3 Year average not available

Current and historical NTA



Exchange traded funds

Company Name	15-Sep-11	31-Aug-11	15-Sep-11	15-Sep-11	15-Sep-11	15-Sep-11	3 year average Premium (Discount) Before provision for tax
	Price cps	Price cps	NTA before provision for tax on unrealised gains cps	NTA after provision for tax on unrealised gains cps	NTA Premi/(Dis) Before provision for tax on unrealised gains	NTA Premi/(Dis) After provision for tax on unrealised gains	
<b>ETFs - Passive Strategies</b>							
<b>Australian Equity Portfolios</b>							
SFY SPDR S&P/ASX 50 Fund	3975	4142	3987	3987	-0.3%	-0.3%	**
SLF SPDR S&P/ASX 200 Property Fund	698	742	703	703	-0.7%	-0.7%	**
STW SPDR S&P/ASX 200 Fund	3864	4056	3866	3866	-0.1%	-0.1%	**
VAS Vanguard Australian Shares Index	5307	5572	5332	5332	-0.5%	-0.5%	**
<b>International Equity Portfolios</b>							
IOO iShares S&P Global 100 #	5400	5406	5357	5357	0.8%	0.8%	**
IVV iShares S&P 500 #	11691	11373	11751	11751	-0.5%	-0.5%	**
IJH iShares S&P MidCap 400 #	8322	8099	8400	8400	-0.9%	-0.9%	**
IJR iShares S&P SmallCap 600 #	6245	6099	6235	6235	0.2%	0.2%	**
IVE iShares MSCI EAGG #	4840	4930	4790	4790	1.0%	1.0%	**
IEU iShares S&P Europe 350 #	3224	3363	3200	3200	0.7%	0.7%	**
IJP iShares MSCI Japan #	931	913	920	920	1.2%	1.2%	**
IEM iShares MSCI Emerging Markets #	3880	3929	3870	3870	0.3%	0.3%	**
ITW iShares MSCI Taiwan #	1275	1255	1238	1238	3.0%	3.0%	**
IKO iShares MSCI South Korea #	5050	5183	4985	4985	1.3%	1.3%	**
IZZ iShares FTSE/Xinhua China 25 #	3514	3549	3496	3496	0.5%	0.5%	**
IHK iShares MSCI Hong Kong #	1605	1621	1597	1597	0.5%	0.5%	**
ISG iShares MSCI Singapore #	1170	1187	1179	1179	-0.8%	-0.8%	**
IAA iShares Asia 50 #	3880	3910	3864	3864	0.4%	0.4%	**
IBK iShares MSCI BRIC #	3806	3870	3826	3826	-0.5%	-0.5%	**
IRU iShares Russell 2000 #	6858	6815	6915	6915	-0.8%	-0.8%	**
IXP iShares Global Telecommunications #	5220	5370	5394	5394	-3.2%	-3.2%	**
IXJ iShares Global Healthcare #	5134	5060	5154	5154	-0.4%	-0.4%	**
IXI iShares Consumer Staples #	6167	6023	6147	6147	0.3%	0.3%	**
VEU Vanguard All-World ex-US Shares Index #	4035	4103	4050	4050	-0.4%	-0.4%	**
VTS Vanguard US Total Market Shares Index #	5990	5837	6021	6021	-0.5%	-0.5%	**

Source: JBWere, IRESS. \*\* 3 Year average not available

# NTA as at 14 September 2011 - converted using AUD/USD exchange rate at 4.00pm London Time the previous day (Source: IRESS)

In relation to the International ETFs, please note that any premiums / discounts to NTA may arise as a result of the time period between the Australian and US share markets close.

## Investment Performance as at 31 August 2011 (Based on NTA movements including dividends)

### Australian Equity Portfolios

	1 Year	3 Years pa	5 Years pa	7 Years pa	10 Years pa	15 Years pa	20 Years pa
Australian Foundation Investment Company Ltd	1.8%	-0.2%	2.7%	7.8%	8.1%	10.7%	11.4%
Aberdeen Leaders Limited *	-7.7%	-6.0%	-2.8%	4.8%	4.1%	6.9%	-
AMCIL Limited	7.7%	6.5%	7.7%	10.0%	15.5%	-	-
Argo Investments	-0.4%	-1.2%	1.0%	6.4%	7.5%	10.1%	10.7%
Australian Leaders Fund Limited *	16.9%	14.8%	8.5%	11.9%	-	-	-
Australian United Limited *	-0.4%	-1.9%	0.7%	7.8%	7.9%	10.5%	-
Brickworks Investment Company *	4.4%	1.1%	2.9%	7.5%	-	-	-
Contango MicroCap Limited	18.0%	-0.1%	1.9%	8.9%	-	-	-
Century Australian Investments Limited *	1.8%	0.9%	0.2%	4.7%	-	-	-
Djerrivarrh Investments Limited	1.3%	-1.2%	0.8%	6.6%	6.4%	8.3%	9.2%
Diversified United Investments Limited *	-2.9%	-3.2%	0.0%	7.8%	7.3%	8.9%	-
Emerging Leaders Investments Limited	18.9%	1.0%	2.5%	-	-	-	-
Hunter Hall Global Value Limited *	1.4%	2.4%	-3.0%	2.6%	-	-	-
Ironbark Capital Limited *	6.8%	5.6%	1.6%	4.7%	3.8%	5.6%	6.3%
Mirraboooka Investments Limited	9.7%	2.9%	3.8%	8.5%	9.7%	-	-
Milton Corporation *	1.4%	-1.1%	0.9%	6.4%	7.9%	11.4%	-
Spider S&P/ASX 50 Fund	1.5%	-0.6%	1.3%	7.4%	6.7%	-	-
Spider S&P/ASX 200 Property Fund	-6.7%	-12.4%	-12.1%	-4.6%	-	-	-
Spider S&P/ASX 200 Fund	2.4%	-1.1%	0.9%	7.2%	7.0%	-	-
WAM Capital Limited *	7.5%	8.4%	3.8%	6.9%	8.8%	-	-
Whitefield Limited *	-1.2%	-1.1%	-3.9%	2.2%	-	-	-
WAM Research Limited*	8.1%	2.0%	-2.4%	1.2%	-	-	-
<i>S&amp;P/ASX All Ordinaries Accumulation Index</i>	2.6%	-1.6%	1.2%	7.3%	7.4%	8.8%	9.4%
<i>S&amp;P/ASX 50 Leaders Accumulation Index</i>	1.4%	-0.8%	1.2%	7.5%	6.8%	9.1%	9.9%

### International Equity Portfolios

	1 Year	3 Years pa	5 Years pa	7 Years pa	10 Years pa	15 Years pa	20 Years pa
AMP Capital China Growth Fund	-5.9%	-1.1%	-	-	-	-	-
Global Mining Investments Limited	11.8%	-4.2%	4.3%	8.3%	-	-	-
Platinum Capital Limited	-10.2%	2.2%	-1.9%	2.2%	4.2%	9.1%	-
Templeton Global Growth	-6.7%	-9.5%	-8.0%	-2.5%	-3.4%	1.7%	3.6%
<i>MSCI World Accumulation Index</i>	-4.6%	-7.9%	-6.4%	-1.2%	-3.0%	3.2%	5.1%

## Share Price Performance as at 31 August 2011 (Based on Share Price movements including dividends)

### Australian Equity Portfolios

	1 Year	3 Years pa	5 Years pa	7 Years pa	10 Years pa	15 Years pa	20 Years pa
Australian Foundation Investment Company Ltd	-4.0%	-1.1%	2.3%	8.0%	7.6%	9.6%	8.7%
Aberdeen Leaders Limited *	-7.6%	-6.4%	-1.9%	6.5%	5.1%	8.4%	11.5%
AMCIL Limited	13.3%	4.0%	6.0%	9.6%	16.3%	-	-
Argo Investments Limited	-3.8%	-5.1%	-1.3%	5.4%	6.9%	9.9%	9.8%
Australian Leaders Fund Limited *	16.7%	20.9%	9.0%	12.4%	-	-	-
Australian United Limited *	-5.0%	-3.9%	-0.8%	6.7%	6.8%	10.7%	11.6%
Brickworks Investment Company *	2.4%	0.3%	1.6%	7.0%	-	-	-
Contango MicroCap Limited	31.1%	2.1%	3.1%	7.6%	-	-	-
Century Australian Investments Limited *	-12.5%	-6.6%	-3.4%	1.6%	-	-	-
Djerrivarrh Investments Limited	-5.1%	0.3%	1.4%	6.4%	6.1%	8.0%	-
Diversified United Investments Limited *	-8.5%	-6.2%	-2.1%	7.2%	6.5%	10.1%	-
Emerging Leaders Investments Limited	20.4%	4.6%	1.9%	-	-	-	-
Hunter Hall Global Value Limited *	-0.9%	-1.5%	-2.8%	-0.2%	-	-	-
Ironbark Capital Limited *	12.3%	5.3%	1.3%	4.4%	2.9%	4.9%	5.0%
Mirraboooka Investments Limited	12.6%	2.3%	3.5%	9.8%	10.6%	-	-
Milton Corporation *	1.6%	-2.4%	-1.4%	4.8%	6.7%	12.2%	12.1%
Spider S&P/ASX 50 Fund	0.3%	-1.2%	1.0%	7.0%	6.4%	-	-
Spider S&P/ASX 200 Property Fund	-3.6%	-12.2%	-11.5%	-4.1%	-	-	-
Spider S&P/ASX 200 Fund	1.3%	-1.8%	0.5%	6.8%	6.8%	-	-
WAM Capital Limited *	22.4%	17.7%	5.0%	7.3%	10.5%	-	-
Whitefield Limited *	-4.7%	0.5%	-2.9%	2.2%	-	-	-
WAM Research Limited*	10.1%	7.6%	0.5%	1.8%	-	-	-
<i>S&amp;P/ASX All Ordinaries Accumulation Index</i>	2.6%	-1.6%	1.2%	7.3%	7.4%	8.8%	9.4%
<i>S&amp;P/ASX 50 Leaders Accumulation Index</i>	1.4%	-0.8%	1.2%	7.5%	6.8%	9.1%	9.9%

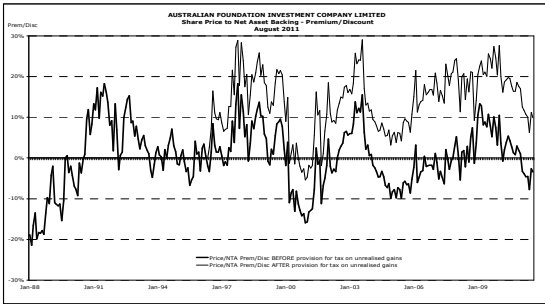
### International Equity Portfolios

	1 Year	3 Years pa	5 Years pa	7 Years pa	10 Years pa	15 Years pa	20 Years pa
AMP Capital China Growth Fund *	-16.4%	-5.7%	-	-	-	-	-
Global Mining Investments Limited*	0.8%	-15.3%	-0.8%	4.6%	-	-	-
Platinum Capital Limited	-24.9%	-0.4%	-9.2%	-4.6%	0.3%	7.4%	-
Templeton Global Growth*	-4.5%	-9.2%	-11.4%	-4.3%	-5.8%	0.7%	4.0%
<i>MSCI World Accumulation Index</i>	-4.6%	-7.9%	-6.4%	-1.2%	-3.0%	3.2%	5.1%

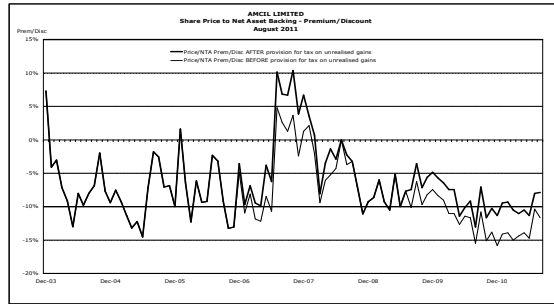
Source: Company Data, IRESS \*Not covered by JBWere Research

The following charts depict graphically the historical premium and discounts to NTA that the LICs under our research coverage have traded at over time.

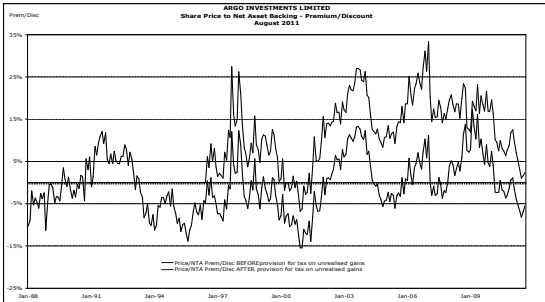
**Australian Foundation Investment Company Ltd (AFI)**



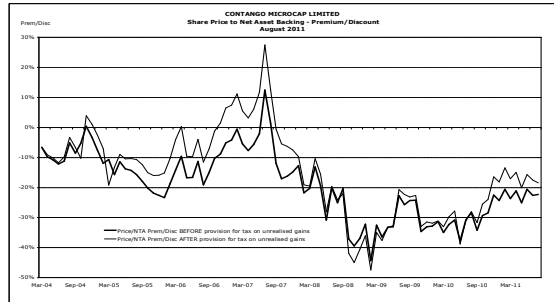
**AMCIL Ltd (AMH)**



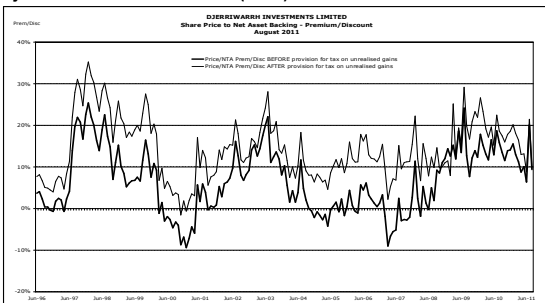
**Argo Investments Ltd (ARG)**



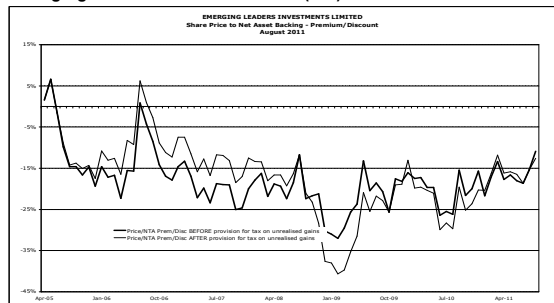
**Contango Microcap Ltd (CTN)**



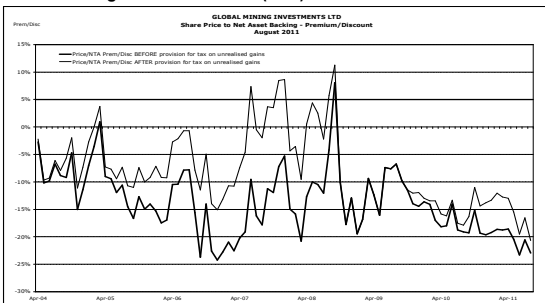
**Djerriwarrh Investments Ltd (DJW)**



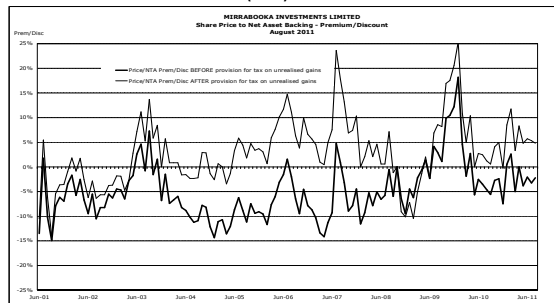
**Emerging Leaders Investments Ltd (ELI)**



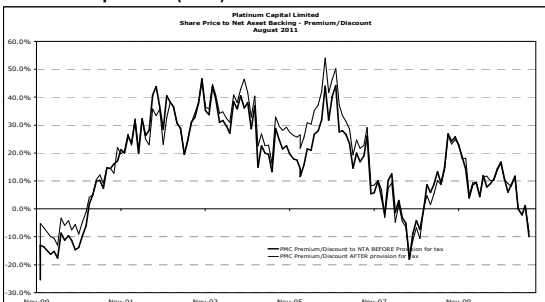
**Global Mining Investments Ltd (GMI)**



**Mirraboopa Investments Ltd (MIR)**



**Platinum Capital Ltd (PMC)**



Source: Manager Data, IRESS

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Sell (S)	Stock is expected to underperform the S&P/ASX 200 for 12 months
Hold (H)	Stock is expected to perform in line with the S&P/ASX 200 for 12 months
Buy (B)	Stock is expected to outperform the S&P/ASX 200 for 12 months

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CS	Coverage Suspended. JBW has suspended coverage of this company.
NC	Not Covered. JBW does not cover this company.

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