

Listed Investment Companies

December 2012 NTAs

Update | January 16, 2013
Listed Investment Companies | Australia

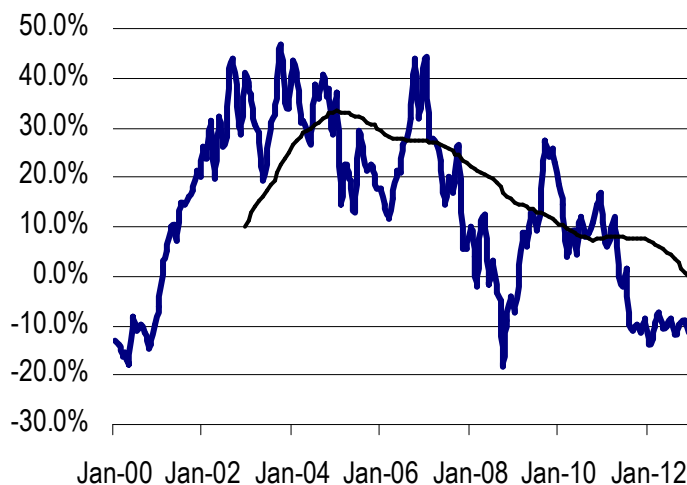
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- **Domestic:** The S&P/ASX 300 Accumulation Index rose 3.43% in December. With markets gaining ground on positive macro news as it became obvious that the US would resolve the fiscal cliff and the price of iron ore found support.
- **International:** The MSCI World ex Australia Accumulation index registered a large gain with the index up 2.39% on the same thematic.
- **LIC Comment:** December saw a very strong rally in the share prices of domestic LICs, which rose at a much faster pace than NTA performance. Across the domestic LICs almost all premiums/(discounts) to NTA rose/(closed). On the International LICs the reverse occurred.

Recommendations

- **Trading BUY:** Platinum Capital (PMC) has had a strong run in NTA performance (NTA up some 12.2% over the last 6 months). Currently the discount to NTA is ~5%. We list two reasons why PMC is our top pick in the global LIC space.
 - Attractive price for a proven manager: We are attracted to the long term track record of outperformance and the deep investment experience of the PMC team. We believe that PMC's contrarian and value approach is currently obtaining traction and this could see sentiment shift and PMC rerate from a discount to NTA.
 - Potential Catalyst – Dividends: As of the 30th June 2012. PMC was in a negative retained earnings position of 10.5c and unable to pay a dividend. The increase in portfolio value over the last 6 months is comforting (+12.2%, 13.2c per share) and should that run continue PMC may be in a position to reinstate the dividend in the second half of the year. Franking is not an issue with the company's franking account (as of June-12) almost in the position to fully frank a 10c dividend.

PMC - Discount to NTA (Before Tax)



PMC Portfolio Distribution

Geographic Split	Dec-12	Sep-12
North America	28%	29%
Europe	25%	26%
Asia	22%	20%
Japan	21%	15%
Africa	2%	2%
South America	1%	1%
Australia	0%	0%
Cash	1%	6%
Shorts	10%	15%

- PMC has recovered from the ~10% discount to NTA at the end of December and remains cheap at a ~5% discount to NTA.

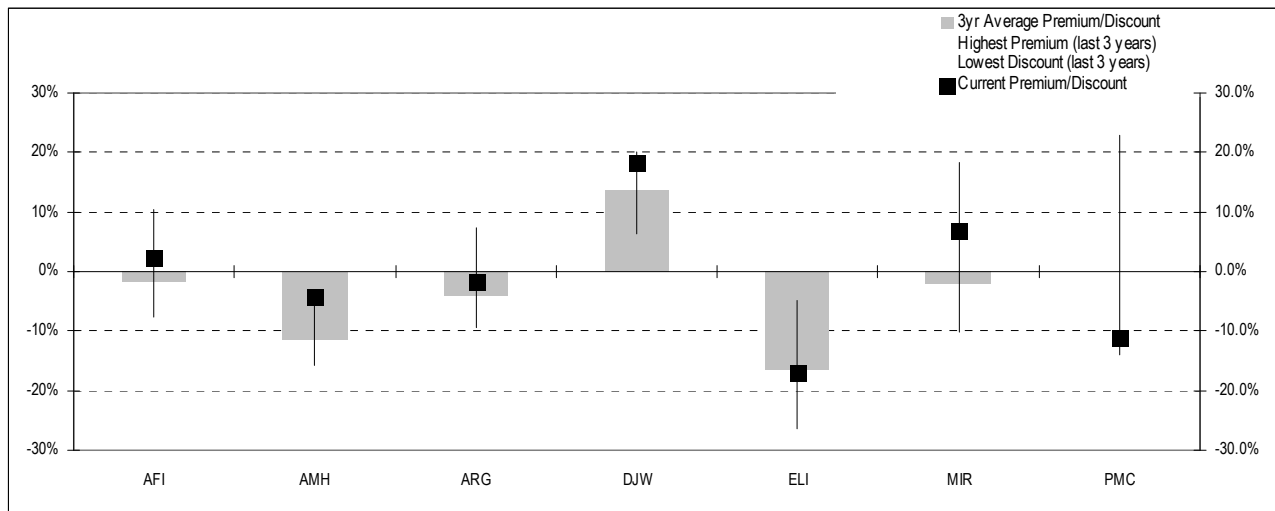
LIC Prices and Discount to NTA

15/01/2013

At End of Month (December 2012)

		Current Price	Price	NTA before Tax	Premium/ (Discount) to NTA	3yr Avg Premium/ (Discount)
Australian Equities Core						
AFI	Australian Foundation Investment Company Limited	\$5.24	\$5.04	\$4.93	2.2%	-1.7%
ALF	Australian Leaders Fund Limited	\$1.40	\$1.38	\$1.41	-2.5%	-12.7%
ALR	Aberdeen Leaders Limited	\$1.17	\$1.16	\$1.13	2.7%	-3.2%
AOD	Aurora Sandringham Dividend Income Trust	\$0.97	\$0.95	Not yet reported		
AQF	Australian Governance Masters Index Fund Limited	\$1.69	\$1.65	\$1.62	1.9%	
ARG	Argo Investments Limited	\$6.34	\$6.15	\$6.26	-1.8%	-4.1%
AUI	Australian United Investment Company Limited	\$6.86	\$6.58	\$7.15	-8.0%	-8.2%
BEL	Bentley Capital Limited	\$0.16	\$0.17	\$0.26	-35.4%	-40.8%
BKI	BKI Investment Company Limited	\$1.41	\$1.38	\$1.45	-5.2%	-11.7%
CAM	Clime Capital Limited	\$1.08	\$1.06	\$1.16	-8.6%	-21.0%
CIN	Carlton Investments Limited	\$20.23	\$19.70	\$23.36	-15.7%	-20.4%
COT	Continuation Investments Limited	\$0.07	\$0.08	\$0.09	-19.8%	
CYA	Century Australia Investments Limited	\$0.74	\$0.72	\$0.78	-7.7%	-19.3%
DUI	Diversified United Investment Limited	\$2.95	\$2.85	\$3.12	-8.7%	-8.8%
FSI	Flagship Investments Limited	\$1.25	\$1.25	\$1.43	-12.4%	
IBC	Ironbark Capital Limited	\$0.54	\$0.54	\$0.57	-5.5%	-16.0%
MLT	Milton Corporation Limited	\$18.05	\$17.68	\$18.42	-4.0%	-6.7%
Australian Equities Satellite						
AMH	AMCIL Limited	\$0.86	\$0.80	\$0.83	-4.2%	-11.3%
AUP	Aurora Property Buy-Write Income Trust	\$5.48	\$5.36	Not yet reported		
CTN	Contango Microcap Limited	\$1.03	\$1.00	\$1.15	-13.8%	-25.2%
DJW	Djerriwarrh Investments Limited	\$4.22	\$4.08	\$3.45	18.3%	13.8%
ELI	Emerging Leaders Investments Limited	\$0.79	\$0.76	\$0.92	-17.0%	-16.4%
MEF	Merricks Capital Special Opportunity Fund Limited	\$0.44	\$0.44	\$0.64	-32.0%	
MIR	Mirrabooka Investments Limited	\$2.20	\$2.16	\$2.02	6.9%	-2.0%
MVT	Mercantile Investment Company Ltd	\$0.11	\$0.12	\$0.10	17.3%	
OEQ	Orion Equities Limited	\$0.27	\$0.25	\$0.69	-64.0%	
OZG	Ozgrowth Limited	\$0.19	\$0.18	\$0.24	-24.1%	
WAA	WAM Active Limited	\$1.14	\$1.12	\$1.09	2.6%	
WAM	WAM Capital Limited	\$1.67	\$1.67	\$1.72	-2.8%	-10.4%
WAX	WAM Research Limited	\$0.95	\$0.91	\$0.94	-3.5%	-15.7%
WHF	Whitefield Limited	\$3.16	\$3.09	\$3.40	-9.1%	-10.3%
WIC	Westoz Investment Company Limited	\$1.14	\$1.08	\$1.43	-24.4%	-30.9%
Global						
AGF	Amp Capital China Growth Fund	\$0.70	\$0.67	\$0.85	-21.8%	-22.0%
AUF	Asian Masters Fund Limited	\$0.99	\$0.96	\$0.94	2.1%	
GFL	Global Masters Fund Limited	\$0.70	\$0.69	\$0.97	-28.6%	
HHV	Hunter Hall Global Value Limited	\$0.84	\$0.82	\$0.97	-15.9%	-20.6%
LRF	LinQ Resources Fund	\$0.67	\$0.69	\$0.93	-26.3%	-36.6%
MFF	Magellan Flagship Fund Limited	\$0.99	\$0.97	\$0.99	-2.1%	
PET	Peters MacGregor Investments Limited	\$0.88	\$0.84	\$1.10	-23.8%	-28.3%
PMC	Platinum Capital Limited	\$1.16	\$1.07	\$1.21	-11.3%	0.0%
TGG	Templeton Global Growth Fund Limited	\$0.84	\$0.79	\$0.96	-17.7%	-17.8%
Alternative						
ABW	Aurora Absolute Return Fund	\$1.06	\$1.07	\$1.06	0.7%	
AIQ	Alternative Investment Trust	\$0.41	\$0.41	\$0.54	-25.0%	-27.0%
CDM	Cadence Capital Limited	\$1.44	\$1.45	\$1.35	7.3%	
IPE	ING Private Equity Access Limited	\$0.36	\$0.37	\$0.46	-20.8%	

Current and historical NTA



LIC Liquidity

		Avg Weekly T/O (\$m)	Weekly T/O (% Mkt Cap)	Days to Trade \$100,000**			Avg Weekly T/O (\$m)	Weekly T/O (% Mkt Cap)	Days to Trade \$100,000**
Australian Equities Core					Australian Equities Satellite				
AFI	Australian Foundation Investment Company Limited	\$ 6.38	0.1%	0.39	AMH	AMCIL Limited	\$ 0.32	0.2%	7.86
ALF	Australian Leaders Fund Limited	\$ 0.34	0.3%	7.27	AUP	Aurora Property Buy-Write Income Trust	\$ 0.04	0.3%	56.42
ALR	Aberdeen Leaders Limited	\$ 0.22	0.3%	11.18	CTN	Contango Microcap Limited	\$ 0.77	0.5%	3.25
AOD	Aurora Sandringham Dividend Income Trust	\$ 0.10	0.4%	25.34	DJW	Djerriwarrh Investments Limited	\$ 1.76	0.2%	1.42
AQF	Australian Governance Masters Index Fund Limited	\$ 0.24	0.4%	10.58	ELI	Emerging Leaders Investments Limited	\$ 0.06	0.2%	43.74
ARG	Argo Investments Limited	\$ 4.57	0.1%	0.55	MEF	Merricks Capital Special Opportunity Fu	\$ 0.03	0.2%	96.61
AUI	Australian United Investment Company Limited	\$ 0.27	0.0%	9.40	MIR	Mirrabooka Investments Limited	\$ 0.46	0.2%	5.45
BEL	Bentley Capital Limited	\$ 0.04	0.4%	57.89	MVT	Mercantile Investment Company Ltd	\$ 0.08	0.3%	32.26
BKI	BKI Investment Company Limited	\$ 0.97	0.2%	2.59	OEQ	Orion Equities Limited	\$ 0.01	0.1%	427.48
CAM	Clime Capital Limited	\$ 0.11	0.2%	23.34	OZG	Ozgrowth Limited	\$ 0.22	0.3%	11.32
CIN	Carlton Investments Limited	\$ 0.21	0.0%	11.74	WAA	WAM Active Limited	\$ 0.12	0.6%	20.14
CYA	Century Australia Investments Limited	\$ 0.28	0.5%	8.86	WAX	WAM Research Limited	\$ 0.35	0.3%	7.11
DUI	Diversified United Investment Limited	\$ 0.43	0.1%	5.86	WHF	Whitefield Limited	\$ 0.44	0.2%	5.72
FSI	Flagship Investments Limited	\$ 0.09	0.3%	26.39	WIC	Westoz Investment Company Limited	\$ 0.43	0.3%	5.87
IBC	Ironbark Capital Limited	\$ 0.14	0.2%	18.46					
MLT	Milton Corporation Limited	\$ 1.58	0.1%	1.58					
Global									
AGF	Amp Capital China Growth Fund	\$ 1.07	0.4%	2.33					
AUF	Asian Masters Fund Limited	\$ 0.57	0.4%	4.36					
GFL	Global Masters Fund Limited	\$ 0.01	0.2%	270.34					
HHV	Hunter Hall Global Value Limited	\$ 0.87	0.5%	2.89					
LRP	LinQ Resources Fund	\$ 0.28	0.2%	8.95					
MFF	Magellan Flagship Fund Limited	\$ 1.58	0.5%	1.58					
PET	Peters MacGregor Investments Limited	\$ 0.04	0.2%	66.96					
PMC	Platinum Capital Limited	\$ 0.93	0.5%	2.69					
TGG	Templeton Global Growth Fund Limited	\$ 0.48	0.4%	5.25					
Alternative									
ABW	Aurora Absolute Return Fund	\$ 0.11	1.1%	22.46					
AIQ	Alternative Investment Trust	\$ 0.65	1.2%	3.83					
CDM	Cadence Capital Limited	\$ 0.28	0.3%	8.83					
IPE	ING Private Equity Access Limited	\$ 0.08	0.2%	29.65					

We are currently rebuilding our accumulation series. At present NTA history for some LICs is incomplete.

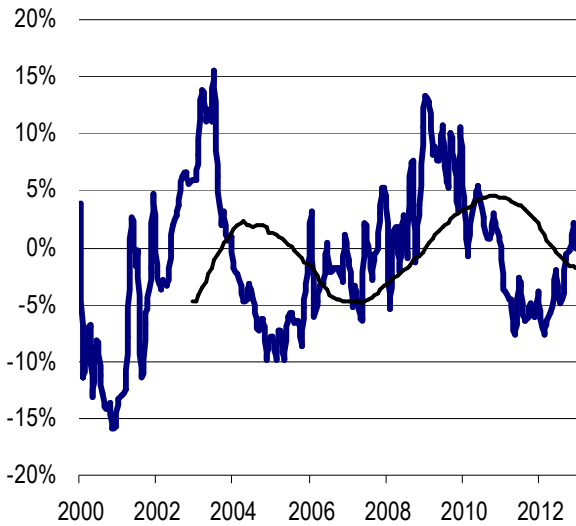
NTA Performance (Based on NTA plus dividends)

		1 Year	3 Year (pa)	5 Year (pa)	7 Year (pa)	10 Year (pa)	15 Year (pa)
Australian Equities Core							
<i>Benchmark</i>	<i>S&P/ASX300 Accumulation</i>	19.7%	2.8%	-1.8%	4.1%	9.1%	8.4%
AFI	Australian Foundation Investment Company Limited	20.3%	3.9%	0.8%	5.5%	9.8%	9.4%
ALF	Australian Leaders Fund Limited	25.4%	6.5%	9.0%	11.0%		
ALR	Aberdeen Leaders Limited	17.7%	-2.1%	-5.1%	1.3%	7.4%	5.8%
ARG	Argo Investments Limited	21.3%	2.8%	-0.7%	4.1%	9.0%	8.9%
AUI	Australian United Investment Company Limited	20.9%	1.7%	-1.6%	4.0%	9.7%	9.6%
BEL	Bentley Capital Limited	4.2%	-1.8%	-1.5%	-0.2%	1.0%	
BKI	BKI Investment Company Limited	15.1%	5.0%	2.4%	5.2%		
CAM	Clime Capital Limited	9.7%	2.5%	3.3%	8.0%		
CIN	Carlton Investments Limited	22.3%	7.1%	2.5%	6.9%	10.7%	
CYA	Century Australia Investments Limited	0.4%	-0.8%	-1.8%	1.6%		
DUI	Diversified United Investment Limited	23.7%	1.9%	-1.7%	4.0%	10.2%	9.1%
IBC	Ironbark Capital Limited	6.9%	5.5%	2.1%	4.0%	6.5%	
MLT	Milton Corporation Limited	20.0%	4.7%	0.1%	4.4%	9.4%	10.2%
Australian Equities Satellite							
AMH	AMCIL Limited	15.7%	7.6%	4.7%	9.1%	18.2%	
CTN	Contango Microcap Limited	0.5%	-3.0%	-6.5%	4.6%		
DJW	Djerriwarrh Investments Limited	18.5%	2.2%	-0.7%	4.5%	8.5%	7.6%
ELI	Emerging Leaders Investments Limited	6.3%	-1.6%	-2.7%			
MIR	Mirrabooka Investments Limited	18.4%	8.2%	1.7%	6.4%	11.8%	
WAM	WAM Capital Limited	20.0%	8.7%	5.0%	9.5%	13.0%	
WAX	WAM Research Limited	26.5%	7.5%	0.0%	3.6%		
WHF	Whitefield Limited	31.0%	4.6%	-2.0%	1.9%	6.0%	
Global							
AGF	Amp Capital China Growth Fund	4.0%	-11.6%	-12.8%			
HHV	Hunter Hall Global Value Limited	10.6%	-0.9%	-2.3%	-0.6%		
LRF	LinQ Resources Fund	-11.1%	0.4%	-11.8%	2.3%		
PET	Peters MacGregor Investments Limited	13.3%	6.6%	-0.4%	2.7%		
PMC	Platinum Capital Limited	16.7%	-0.5%	0.3%	0.5%	5.0%	
TGG	Templeton Global Growth Fund Limited	17.6%	0.5%	-6.0%	-2.9%	0.9%	
Alternative							
AIQ	Alternative Investment Trust	18.0%	8.3%	-9.4%			

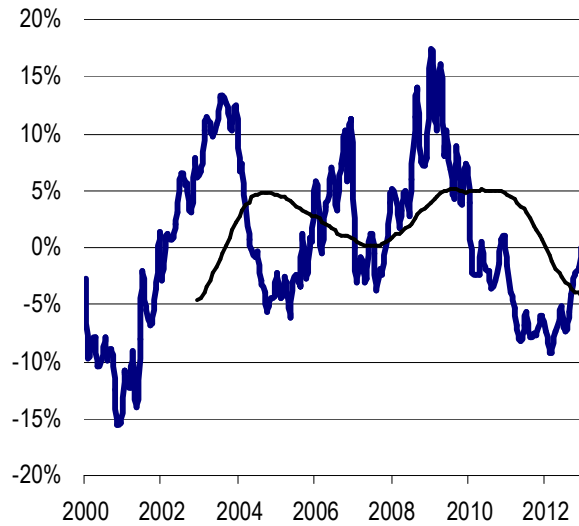
Share Price Performance (Based on Share Price plus dividends)

		1 Year	3 Year (pa)	5 Year (pa)	7 Year (pa)	10 Year (pa)	15 Year (pa)
Australian Equities Core							
	<i>S&P/ASX300 Accumulation</i>	19.7%	2.8%	-1.8%	4.1%	9.1%	8.4%
AFI	Australian Foundation Investment Company Limited	31.3%	3.7%	0.6%	6.7%	9.4%	8.5%
ALF	Australian Leaders Fund Limited	43.1%	16.7%	12.5%	14.9%		
ALR	Aberdeen Leaders Limited	22.2%	1.4%	-4.0%	4.0%	7.8%	8.9%
AOD	Aurora Sandringham Dividend Income Trust	11.5%	2.7%	1.9%	1.6%		
AQF	Australian Governance Masters Index Fund Limited	15.6%					
ARG	Argo Investments Limited	27.7%	1.1%	-1.2%	3.6%	7.9%	8.6%
AUI	Australian United Investment Company Limited	26.3%	0.4%	-2.3%	4.2%	8.9%	10.8%
BEL	Bentley Capital Limited	4.5%	1.3%	-3.8%	-0.2%	-3.3%	-0.5%
BKI	BKI Investment Company Limited	25.5%	7.9%	5.0%	6.5%		
CAM	Clime Capital Limited	23.5%	10.4%	2.7%	8.7%		
CIN	Carlton Investments Limited	34.1%	7.9%	4.0%	6.5%	10.9%	9.3%
CYA	Century Australia Investments Limited	19.5%	3.7%	-2.3%	2.9%		
DUI	Diversified United Investment Limited	31.0%	1.0%	-1.9%	5.1%	10.0%	10.2%
FSI	Flagship Investments Limited	13.6%	-0.1%	-2.0%	3.9%	6.7%	
IBC	Ironbark Capital Limited	23.1%	10.8%	2.4%	5.7%	7.2%	5.5%
MLT	Milton Corporation Limited	28.2%	4.2%	-0.3%	3.2%	8.8%	10.4%
Australian Equities Satellite							
	<i>S&P/ASX300 Accumulation</i>	19.7%	2.8%	-1.8%	4.1%	9.1%	8.4%
AMH	AMCIL Limited	28.5%	9.4%	3.9%	10.4%	18.7%	
AUP	Aurora Property Buy-Write Income Trust	18.7%	11.1%	-0.3%			
CTN	Contango Microcap Limited	21.4%	7.7%	-5.0%	7.5%		
DJW	Djerriwarrh Investments Limited	24.3%	3.0%	1.3%	6.3%	8.8%	6.8%
ELI	Emerging Leaders Investments Limited	-0.1%	-0.9%	-1.6%			
MEF	Merricks Capital Special Opportunity Fund Limited	-33.1%	-21.4%	-14.3%			
MIR	Mirrabooka Investments Limited	35.8%	6.4%	4.1%	9.0%	13.4%	
MVT	Mercantile Investment Company Ltd	76.5%	25.7%				
OEQ	Orion Equities Limited	-3.8%	-21.7%	-27.9%	-11.2%	20.1%	28.1%
OZG	Ozgrowth Limited	32.1%	9.8%				
WAA	WAM Active Limited	20.4%	12.2%				
WAM	WAM Capital Limited	24.1%	17.2%	6.2%	10.7%	11.7%	
WAX	WAM Research Limited	48.4%	15.8%	5.4%	7.1%		
WHF	Whitefield Limited	35.0%	4.3%	-1.2%	2.9%	5.5%	7.2%
WIC	Westoz Investment Company Limited	29.6%	7.8%				
Global							
	<i>MSCI World ex Australia (\$A)</i>	14.9%	2.5%	-4.0%	-1.4%	1.6%	1.4%
AGF	Amp Capital China Growth Fund	6.8%	-11.5%	-12.1%			
AUF	Asian Masters Fund Limited	12.7%	0.8%				
GFL	Global Masters Fund Limited	7.8%	0.0%	-6.2%			
HHV	Hunter Hall Global Value Limited	21.5%	1.7%	-2.2%	0.7%		
LRF	LinQ Resources Fund	6.7%	8.1%	-9.9%	3.4%		
MFF	Magellan Flagship Fund Limited	39.3%	15.1%	4.4%			
PET	Peters MacGregor Investments Limited	30.2%	11.7%	-0.5%	0.5%		
PMC	Platinum Capital Limited	13.2%	-11.0%	-3.3%	-4.1%	-0.8%	8.0%
TGG	Templeton Global Growth Fund Limited	21.1%	0.4%	-7.7%	-5.7%	-1.9%	0.3%
Alternative							
ABW	Aurora Absolute Return Fund	4.5%	3.8%	-1.2%			
AIQ	Alternative Investment Trust	15.1%	10.5%	-8.2%			
CDM	Cadence Capital Limited	28.6%	31.8%	13.1%			
IPE	ING Private Equity Access Limited	17.6%	11.6%	-10.1%	-4.2%		

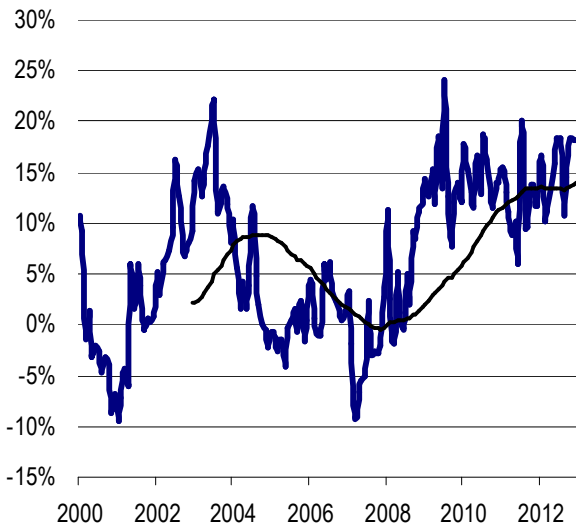
AFI - Premium/(Discount) to before tax NTA



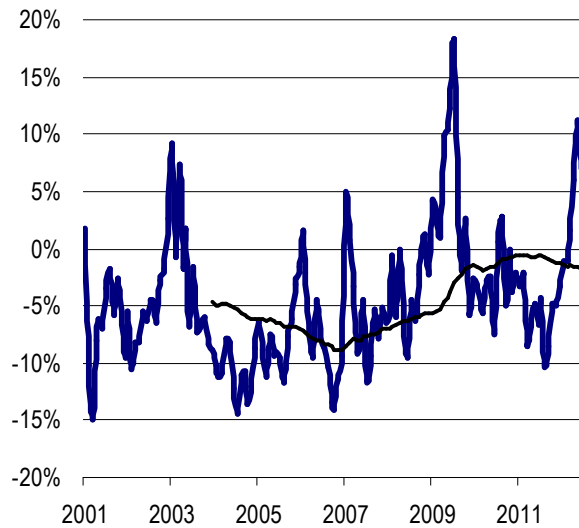
ARG - Premium/(Discount) to before tax NTA



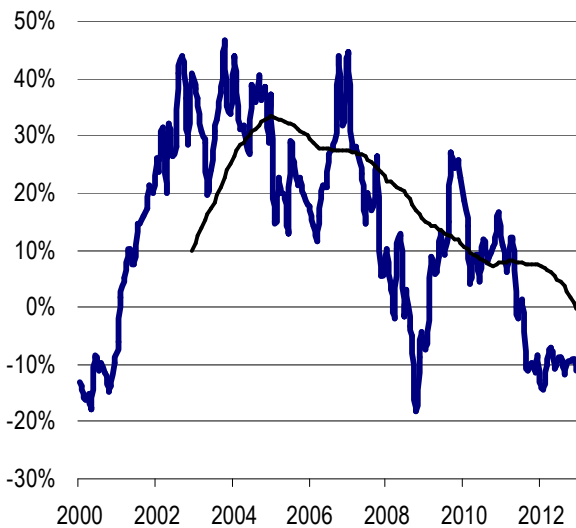
DJW - Premium/(Discount) to before tax NTA



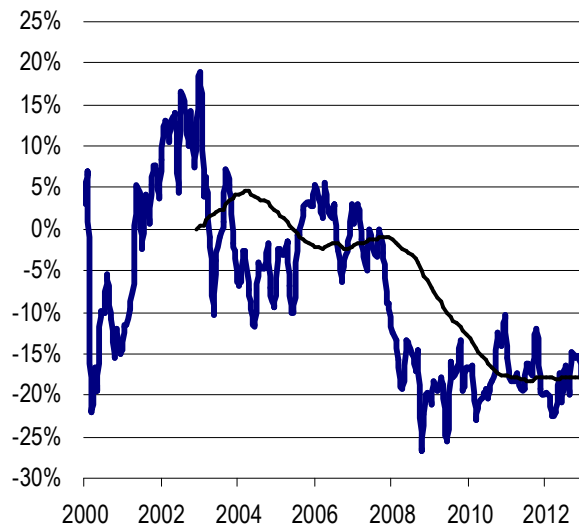
MIR - Premium/(Discount) to before tax NTA



PMC - Premium/(Discount) to before tax NTA



TGG - Premium/(Discount) to before tax NTA



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