

Discount to NTA Still Below Historical Levels

Listed investment companies are essentially listed equivalents of managed funds but with a few notable differences. LICs have higher levels of transparency, tend to charge lower fees than their unlisted counterparts and are closed end funds. This means investors buy and sell the LIC vehicle so the LIC managers are not under pressure to meet redemptions. A key risk is that LICs cannot be redeemed for their underlying face value and share prices may deviate significantly from their underlying NTA. Prices are as at 9 August 2012.

9 August 2012

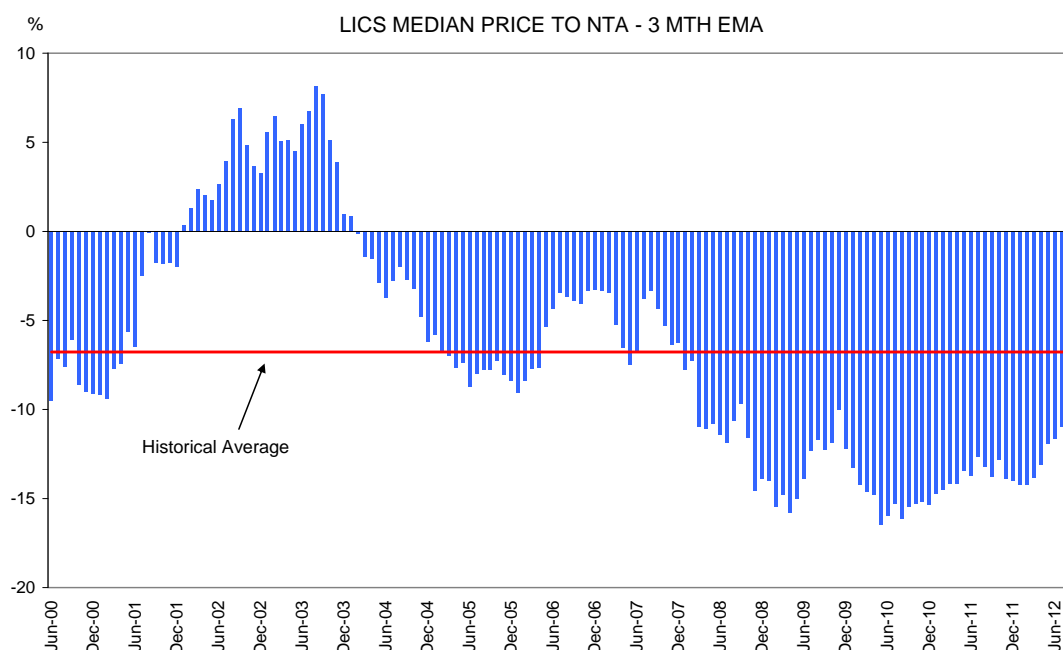
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This report compares 31 different LICs and identifies those that are most attractive on a number of quantitative measures including price to NTA, dividend yield, NTA growth, and total returns. The key criterion in the evaluation of a LIC is its track record. Those with the best long-term performances (measured by total return, dividend and NTA growth) are the ones likely to give the best future returns. In the Appendix, we provide a list of top 20 holdings and a historical price to NTA chart for each LIC.

Key Ideas:

- The LICs with the strongest NTA growth over the year has been Magellan Flagship (MFF) and Carlton Invest. (CIN). Over five years, Cadence Capital (CDM) and AMCIL (AMH) have achieved the strongest growth in NTA. The best performers (total return) over the last five years were Australian Leaders (ALF), Cadence Capital (CDM), and WAM Capital (WAM).
- A comparison of price to NTA and long term NTA growth reveals that AMCIL (AMH) offers the best value. Other attractively priced LICs include ALF (Australian Leaders), Magellan Flagship (MFF), Clime Capital (CAM) and Carlton Invest. (CIN). On the other hand, Djerriwarrh (DJW), Aberdeen Leaders (ALR), Mirrabooka (MIR), and Australian Foundation (AFI) appear expensive.
- Most LICs are trading at premiums to their historical price to NTA levels. Those that are trading at premiums to their NTA are Djerriwarrh (DJW), Cadence Capital (CDM), and Aberdeen Leaders (ALR).
- On average, the LICs sector has a dividend yield of about 8% (gross). The highest yielding LICs (based on most recent reported dividends) are Aberdeen Leaders (ALR), Australian Leaders (ALF), and WAM Research (WAX). The LICs which have cut their distributions over the last year are Ironbark (IBC), LinQ Resources (LRF), Century Aust. (CYA), and AMCIL (AMH). Look for LICs which have been increasing dividends such as Milton (MLT), Aust. United (AUI), Carlton (CIN), BKI Invest. (BKI), Contango Microcap (CTN) and ING Private Equity (IPE).

The trend in the median premium to NTA (pre-tax) of LICs since June 2000 is shown in the chart below. The discount between price and NTA has expanded to about 15% since the GFC. Despite an improvement in recent months, the median discount to NTA is now currently at 10%, well below the long term average discount of about 6.8%.



WHY BUY LICs?

For conservative investors wishing to match or possibly beat the long-term returns of the All Ordinaries Index, especially those with a limited amount of capital, a number of LICs can provide the necessary spread of investments. Although many investors focus on whether a LIC is trading at a discount or premium to net tangible asset backing (NTA), in reality, the better performing LICs trade at a premium and the poor performers often trade at deep discounts.

The removal of trailing commissions from unlisted mutual funds will provide a renewed focus on the listed investment funds sector. As closed end funds, the LIC managers do not have to sell stock at the bottom of bear markets to meet redemptions when prices are low and, conversely, they do not need to buy stock when prices are high. This allows an LIC to concentrate on investment selection without having to factor in the possibility of money leaving the fund unexpectedly as in the case of a managed fund.

Most of the better performing LICs have long-term investment horizons, which provide stability and steady returns. Management expense ratios for the larger established LICs (typically less than 0.3%) are generally much lower than those of unlisted funds. Usually this is a result of long-term buy and hold strategies which cost less and usually LICs are internally managed which results in lower costs. Generally, funds which are focused on smaller or emerging companies may incur higher costs as a result of the requirement for additional inhouse research. Investors should be aware that being listed means that LICs cannot be redeemed for their underlying share face value and share prices may deviate significantly from their underlying NTA.

Unlike managed funds, LICs provide a post tax calculation which includes realised capital gains taxed at the corporate rate. As a result, LICs are disadvantaged as franking benefits are usually not incorporated in the performance calculations. In our calculations, we will be using pre-tax NTA figures to provide reporting consistency with unlisted managed funds.

The most important criterion in the evaluation of a LIC is its track record. Those with the best long-term performances (measured by total return, dividend and NTA growth) are the ones likely to give the best future returns. However, given the lack of track record of the newer LICs, a closer focus on investment philosophy, NTA backing and the investment manager's skill are most important in making a valuation call.

LICs that rely on a theme are unlikely to out-perform the market over the long term, but can provide strong returns over a short to medium term time frame. Gearing (e.g. Aberdeen Leaders) is potentially a positive when markets are moving higher but can be a negative when Bear markets prevail.

GLOBAL AND THEME LICs

Templeton Global (TGG), Platinum Capital (PMC), Global Mining Investments (GMI), Linq Resources (LRF), Magellan Flagship Fund (MFF) and Hunter Hall Global (HHV) have a global spread of investments and may be appropriate for investors wishing to diversify beyond Australia. Of these, Platinum has the ability to apply derivatives to protect against loss. Templeton is still suffering from its heavy exposure to the U.S. and European equity markets and continues to under-perform. AMP Capital China Fund provides exposure to China A shares. Djerrirwarrh (DJW) specialises in purchasing local option stocks and writing call options against them. Other stocks with a specific focus include Contango (CTN), which mainly targets domestic microcaps, and Hastings High Yield (HHY), which invests in high yield securities such as those in infrastructure and private equity.

INVESTMENT FOCUS:

Code	Company	Manager	Focus	Benchmark
Domestic - Large				
AFI	Australian Foundat.	Internal	Large/mid cap, value, active, long only	ASX200 Accum.
ARG	Argo Investments	Internal	Large/mid cap, balanced, active, long only	All Ords Accum.
MLT	Milton Corporation	Internal	Large/mid/small cap, balanced, active, long only	All Ords Accum.
DJW	Djerriwarrh	Internal	Large, value, active, long only	ASX50 Accum.
AUI	Australian United In	Internal	Large/mid cap, balanced, passive, long only	ASX300 Accum.
BKI	BKI Investment Ltd	Internal	Large/small, balanced, passive, long only	ASX300 Accum.
DUI	Diversified United	Internal	Large, balanced, passive, long only	ASX300 Accum.
CIN	Carlton Investments	Internal	Large blue chips, balanced, active, long only	ASX200 Accum.
Domestic – Small				
MIR	Mirrabooka Invest.	Internal	Mid/small cap, value, active, long only	Midcap 50%; Small Accum (50%)
WHF	Whitefield Ltd	White Funds Mgt.	Large, style neutral, balanced, active, long only	ASX200 Accum.
WAM	WAM Capital Limited	Wilson Asset Mgt.	Mid/small cap, balanced, active, long/short	All Ords Accum.
AMH	AMCIL Limited	Internal	Large/mid/small, value, active, long only	ASX200 Accum.
CTN	Contango Microcap	Contango Asset Mgt.	Small cap, balanced, active, long only	All Ords Accum.
WIC	Westoz Inv Ltd	Westoz Funds Mgt.	WA stocks outside top 100, value, long only	Positive return (p.a)
WAX	WAM Research Ltd	Wilson Asset Mgt.	Mid/small cap, balanced, active, long	All Ords Accum.
ALF	Australian Leaders	Watermark Funds Mgt	At least 70% of the fund in the ASX100, value, long/short	All Ords Accum.
IBC	Ironbark Capital Ltd	Kaplan Funds Mgt	Large/mid cap, hybrids, long only	ASX300 Accum.
ALR	Aberdeen Leaders	Aberdeen Asset Mgt	Large/mid cap blue chips, value, active, long only	ASX200 Accum.
CDM	Cadence Capital	Cadence Asset Mgt	Large/mid/small cap, value/technical, active, long only	All Ords Accum.
CYA	Century Australia	Perennial Value Mgt	Large, value, active, long only	ASX300 Accum.
CAM	Clime Capital	Clime Asset Mgt	Large/mid/small, value, quantitative, active, long only	All Ords Accum.
KAT	Katana Capital	Katana Asset Mgt.	Large/mid/small, Value, style neutral, technical, long only	All Ords Accum.
International				
MFF	Magellan Flagship	Magellan Asset Mgt	Global (US focus), large, value, active, long only	MSCI World Price Index (AUD)
AGF	Amp Capital China	AMP Capital	China A shares; large, balanced, active, long only	CTIC 300 TR Index (AUD)
HHV	Hunter Hall Global	Hunter Hall Invest. Mgt	Global, mid/small cap, value, active, long only	MSCI World Accum (AUD)
PMC	Platinum Capital Ltd	Platinum Asset Mgt	Large, absolute return, active, long/short	MSCI All Country World Net
TGG	Templeton Global	Templeton Global Equity	Global, large, value, active, long only	MSCI All Country World (AUD)
PRV	Premium Investors	Treasury Group	Global/domestic, large, balanced, active, long only	5 Yr Govt bonds + 3%p.a
Specialist				
GMI	Global Mining	Blackrock Invest. Mgt	Global/domestic, metals & mining, mid/small cap, balance/ growth, active, long only	HSBC Global Mining (AUD)
HHY	Hastings High Yield	Hastings Funds Mgt	high yield infrastructure, large, value, active, long only	10% absolute return p.a
LRF	LinQ Resources Fund	LinQ Capital	Small/mid cap resources, domestic/global, long only	ASX Small resources
IPE	ING Private Equity	ING Investment Mgt	invests in about 16 private equity funds	Positive return (p.a)

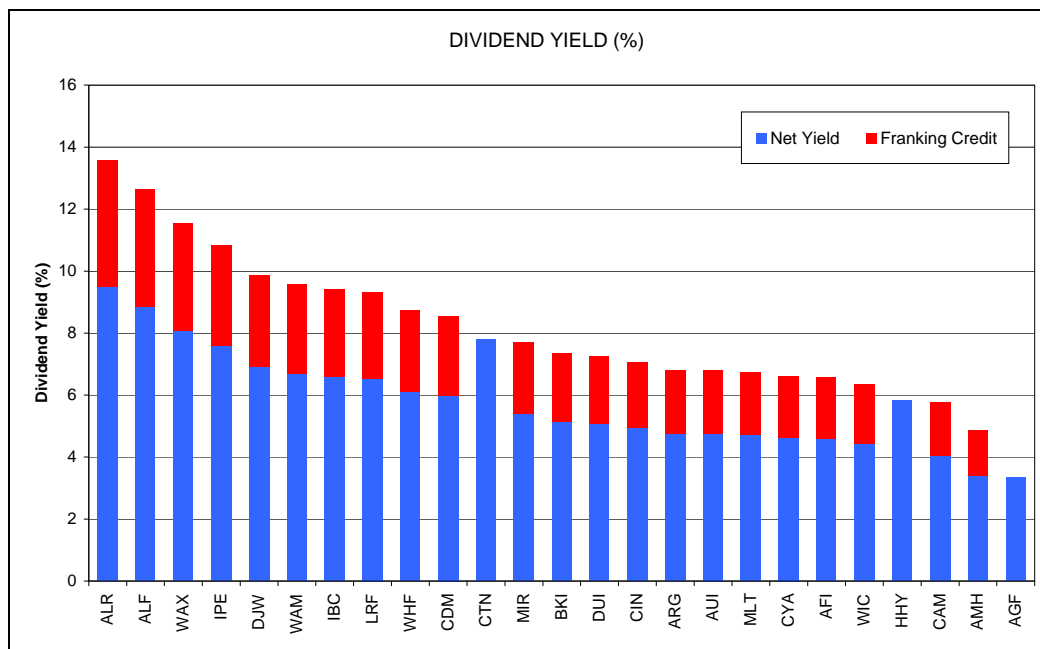
SUMMARY TABLE:

Code	Company	Price (\$) 09.08.12	Pre-tax NTA (\$)	Prem/Disc to NTA (%)	Approx. DPS (c)	Net Yield (%)	Gross Yield (\$)	Franking (%)	5 Yr Return (%p.a)	Market Cap (\$M)
Domestic - Large										
AFI	Australian Foundat.	4.53	4.56	-0.7	21.0	4.6	6.6	100	-1.6	4,666
ARG	Argo Investments	5.45	5.71	-4.6	26.0	4.8	6.8	100	-3.8	3,411
MLT	Milton Corporation	16.40	17.08	-4.0	78.0	4.8	6.8	100	-2.9	1,982
DJW	Djerriwarrh	3.71	3.33	11.4	26.0	7.0	10.0	100	0.0	805
AUI	Australian United In	5.95	6.87	-13.4	27.5	4.6	6.6	100	-4.7	622
BKI	BKI Investment Ltd	1.26	1.30	-3.5	6.4	5.1	7.3	100	0.4	534
CIN	Carlton Investments	16.50	21.12	-21.9	80.0	4.8	6.9	100	-3.1	437
DUI	Diversified United	2.60	2.91	-10.7	13.0	5.0	7.1	100	-4.8	433
Domestic - Small										
MIR	Mirrabooka Invest.	1.86	1.84	1.1	10.0	5.4	7.7	100	-2.7	254
WHF	Whitefield Ltd	2.80	2.93	-4.4	17.0	6.1	8.7	100	-5.5	212
WAM	WAM Capital Limited	1.64	1.62	1.5	10.9	6.6	9.5	100	1.6	175
AMH	AMCIL Limited	0.73	0.79	-7.6	2.5	3.4	4.9	100	0.6	153
CTN	Contango Microcap	1.00	1.18	-14.9	7.8	7.8	7.8	0	-10.8	148
WIC	Westoz Inv Ltd	0.92	1.33	-31.0	4.0	4.4	6.2	100	-4.3	117
WAX	WAM Research Ltd	0.81	0.84	-3.7	6.5	8.1	11.5	100	-1.5	96
ALF	Australian Leaders	1.25	1.30	-4.2	11.0	8.8	12.6	100	8.0	86
IBC	Ironbark Capital Ltd	0.51	0.55	-7.8	3.3	6.5	9.3	100	-0.5	71
ALR	Aberdeen Leaders	1.01	0.97	4.1	9.5	9.4	13.4	100	-6.2	61
CDM	Cadence Capital	1.31	1.30	1.2	8.0	6.1	8.7	100	5.3	50
CYA	Century Australia	0.59	0.68	-14.0	2.7	4.6	6.6	100	-6.2	46
CAM	Clime Capital	0.97	1.13	-14.6	3.9	4.0	5.8	100	-2.6	46
KAT	Katana Capital	0.64	0.85	-25.2	0.0	0.0	0.0	100	-7.1	24
International										
MFF	Magellan Flagship	0.84	0.93	-9.9	0.0	0.0	0.0	0	-1.0	291
AGF	Amp Capital China	0.62	0.85	-27.6	2.1	3.3	3.3	0	-8.1	221
HHV	Hunter Hall Global	0.70	0.83	-16.5	0.0	0.0	0.0	100	-7.0	164
PMC	Platinum Capital Ltd	0.96	1.07	-10.7	0.0	0.0	0.0	100	-7.0	159
TGG	Templeton Global	0.74	0.86	-14.5	0.0	0.0	0.0	100	-11.2	107
PRV	Premium Investors	0.66	0.84	-21.2	0.0	0.0	0.0	100	-5.3	67
Specialist										
GMI	Global Mining	0.94	1.00	-6.0	0.0	0.0	0.0	100	-8.4	167
HHY	Hastings High Yield	1.30	1.44	-10.1	7.5	5.8	5.8	0	0.4	133
LRF	LinQ Resources Fund	0.47	0.92	-49.5	3.0	6.5	9.2	100	-12.5	84
IPE	ING Private Equity	0.33	0.47	-29.2	2.5	7.6	10.8	100	-12.2	45

NB: dividends are based on most recent reported figures and are not expected future distributions. NAV is used for AGF instead of NTA. HHY and LRF report after tax NTA. 5 year annualised return from 31st July 2007 to 31st July 2012.

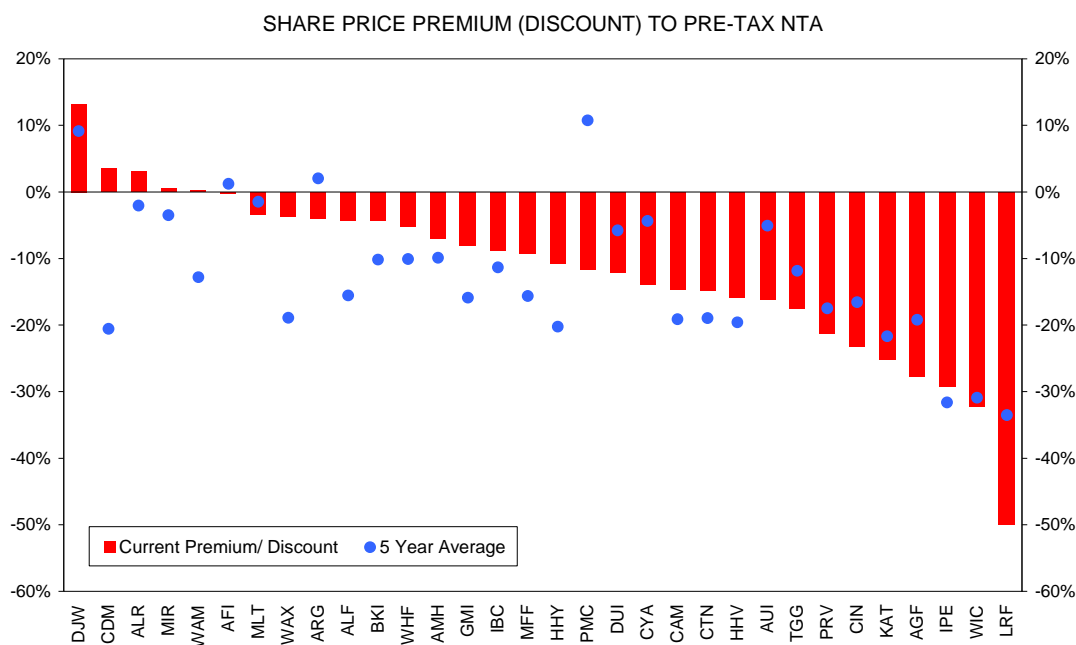
DIVIDEND YIELD

The following chart displays the LICs annual dividend yield based on the most recent reported dividend payments. Although dividends are an important feature of investing, investors should note that there is no guarantee these dividends will continue into the future. The LICs which have cut their distributions over the last year are IBC, LRF, CYA, and AMH. On the other hand, those which have increased distributions are IPE, CTN, BKI, CIN, AUI, and MLT. LICs that are currently not paying dividends are HHV, PRV, GMI, PMC, TGG and MFF.



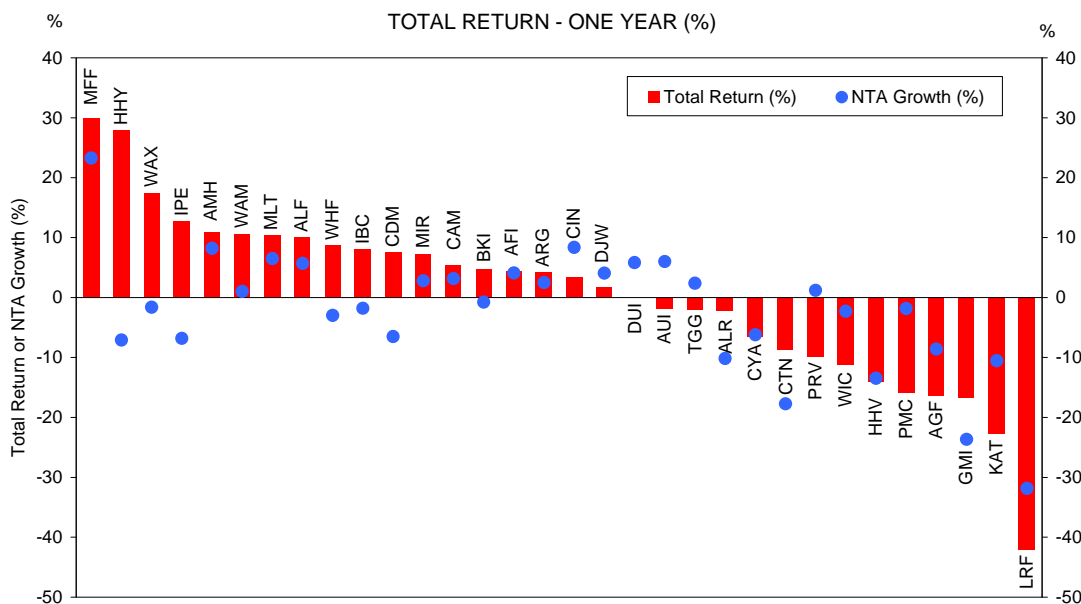
PREMIUM/ DISCOUNT TO NTA

The table below summarises the premium/ discount of our LICs universe and compares them to their five year historical averages. Some that are trading below their historical levels include DUI, CYA, MLT, and AUI. Most LICs are trading at premiums to their historical levels. Currently DJW is trading at a 13% premium to NTA.

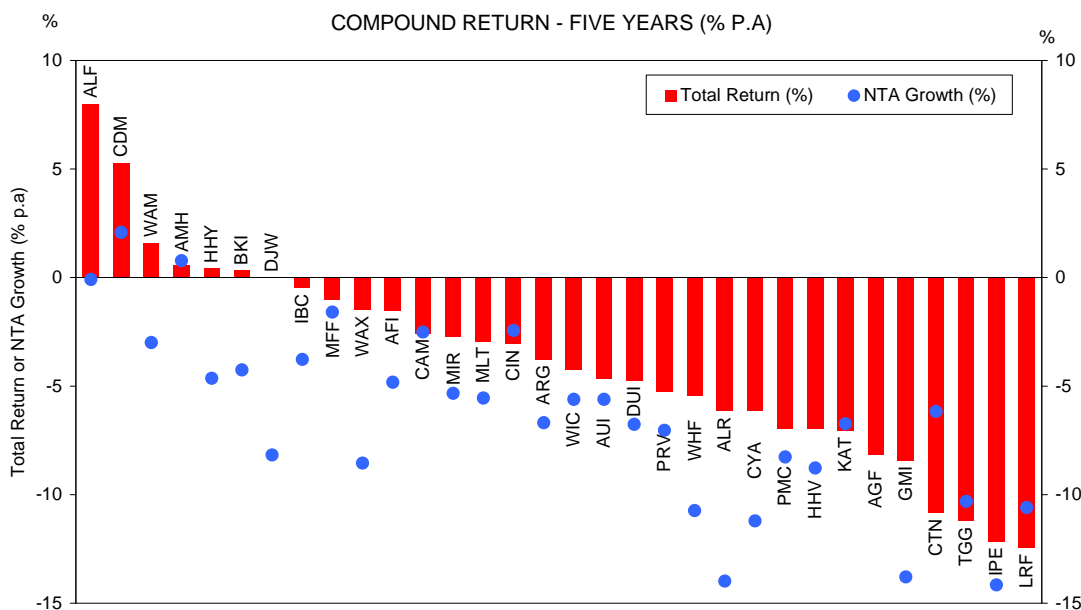


TOTAL RETURN AND NTA GROWTH

The following charts summarises the LICs return over one and five year periods and compares them to the underlying NTA growth. Those LICs where price rises have significantly surpassed their NTA growth rates are HHY, WAX, IPE, WHF, and IBC. Meanwhile, MFF, CIN, AMH and MLT have achieved the best NTA growth over the year.



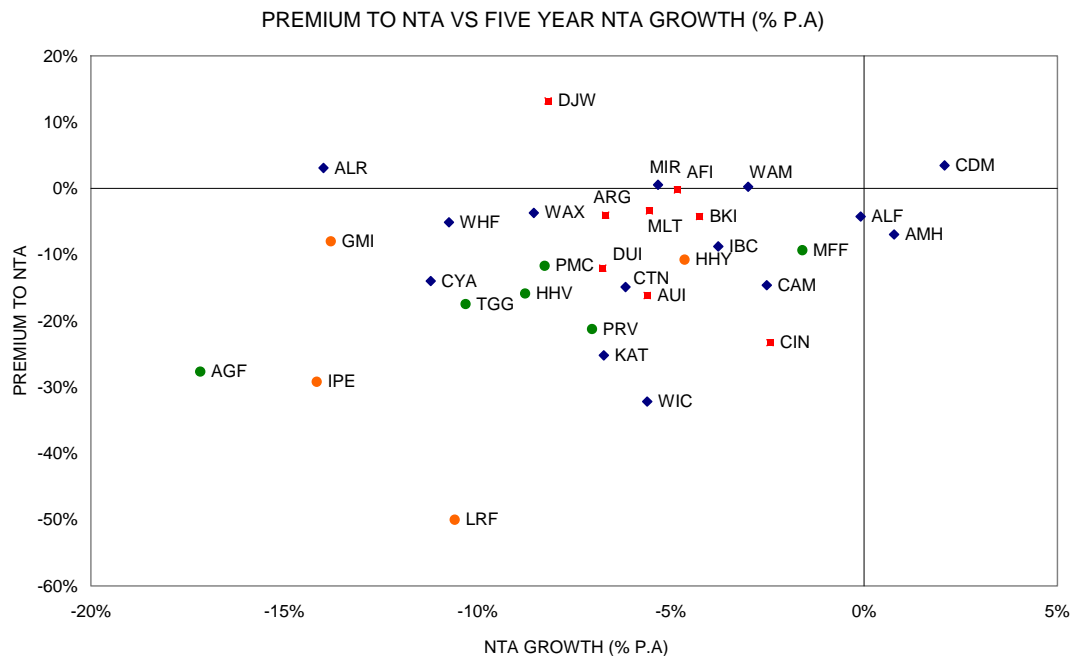
Over a five year period, the best performers have been ALF, CDM, WAM, AMH, and HHY. The worst performer was the LinQ Resources Fund. The LICs which have achieved the best NTA growth over the last five years have been CDM, AMH, ALF, and MFF. The worst companies to invest in based on a history of NTA growth are AGF, IPE, ALR, GMI, and CYA. The majority of LICs were unable to outperform the ASX200 Accumulation Index which returned about 2.7% p.a over the last five years (up to 31st July 2012).



PREMIUM TO NTA VS NTA GROWTH

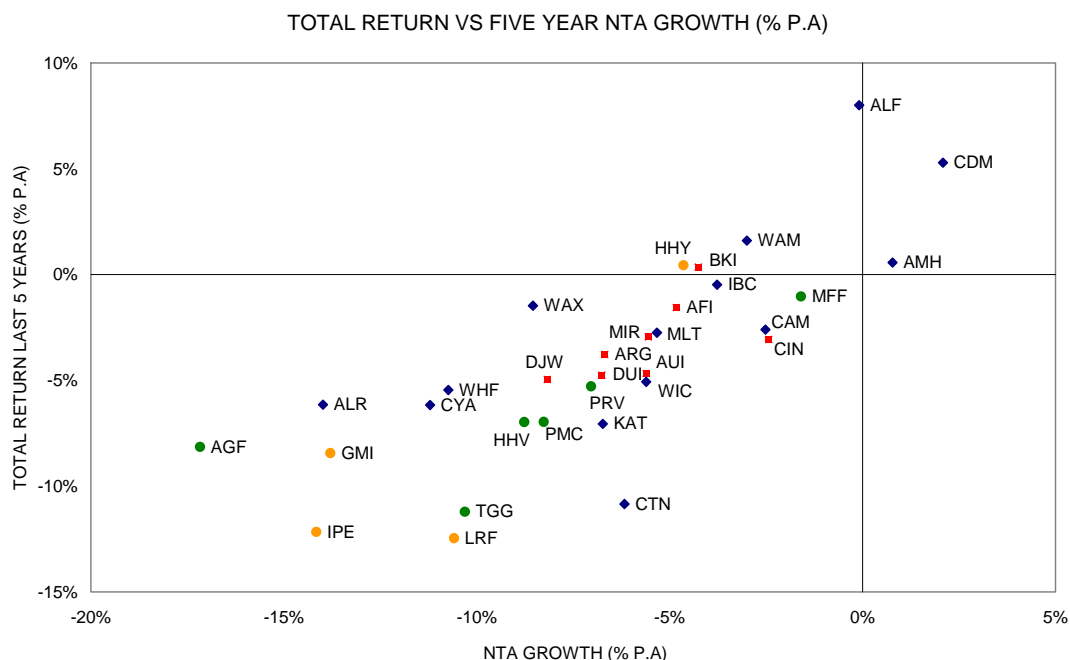
In the charts below, the large domestic LICs are represented by red squares, the small domestic LICs by blue diamonds, international LICs by green circles, and specialist LICs by orange circles.

The most attractive LICs are the ones positioned on the right bottom corner eg. AMH, ALF, MFF, CAM, and CIN. On the other hand, DJW, ALR, MIR, and AFI appear expensive.



TOTAL RETURN VS NTA GROWTH

In theory, we would expect share price gains to reflect NTA growth over the long term. However, increasing market uncertainty often means scope to invest when there is a significant disparity between total return and NTA growth. For example, the chart below shows that share prices have not fully reflected the NTA growth for CTN while ALF appears to have run ahead of itself.



Domestic Exchange Traded Funds

Exchange Traded Funds are listed, managed, open-ended funds (new units are created when you invest in the fund) that invest in a portfolio of securities, which may include Australian shares, international shares, fixed income securities, listed property trusts, commodities, currencies or a combination of asset classes. ETFs can be classed as conventional, which are backed by physical assets, or synthetic, which rely on financial instruments like derivatives. Most ETFs in Australia are conventional, ETFs that track common indices. The three State Street Global Advisors funds shown in the table below are passive funds linked to three of the S&P/ASX indexes (the 200 Leaders, the 50 Leaders and the property trusts from the 200 Leaders index). These index funds provide returns that replicate the performances of the underlying indexes, completely eliminating manager performance risk in the process. Yields are based on the aggregate yields of the component stocks. Management fees tend to be low, in the range 0.07 to 0.5%.

Exchange Traded Funds	Code	Listing Date	Market Cap. (\$M)	Price 8.08.12 (\$)	Dividend Yield (%)	Franking (%)	1 Year Return (%)
SPDR ASX200	STW	27.08.01	2,546	40.44	4.2	71.6	13.09
SPDR ASX50	SFY	27.08.01	259	42.50	4.3	75.8	16.10
SPDR ASX200 Prop. Tr. Fund	SLF	18.02.02	291	8.44	4.2	0.0	33.41

Note; the exchange is AXW not ASX.

Vanguard also has a domestic fund called the Vanguard Australian Shares Index (VAS), which covers the S&P/ASX 300 index.

Australian Index Investments (Aii) also offers a range of sector-specific funds targeting financials (banking, finance and real estate), financials excluding A-REITS, resources (including energy), REITS, metals and mining, industrials (capital goods and commercial services) and energy. The table below gives the codes and source indices.

Aii Sector ETF	ASX Code (.AXW)
Aii S&P/ASX 200 Financials	FIN
Aii S&P/ASX 200 Financials x-A-REITS	FIX
Aii S&P/ASX 200 Resources	RSR
Aii S&P/ASX 200 Metals & Mining	MAM
Aii S&P/ASX 200 Industrials	IDD
Aii S&P/ASX 200 Energy	ENY

Relatively new to the Australian market is the ETF issuer BetaShares, which currently offers six ETFs covering gold bullion, currencies (U.S., U.K. and Euros), Australian resources companies and Australian financials. All the funds are held with third party custodians so unitholders have no credit risk on BetaShares. BetaShares is also affiliated with Horizon BetaPro, the largest ETF issuer in Canada with approximately 3bn in funds under management.

Description	ASX Code (.AXW)
Currency hedged gold bullion tracking the US\$ Gold bullion price (physically backed by gold in the JP Morgan Chase London vault)	QAU
Physical US Dollars held in a custodial bank account with JP Morgan Chase	USD
Physical British pounds held in a custodial bank account with JP Morgan Chase	POU
Physical Euros held in a custodial bank account with JP Morgan Chase	EEU
S&P/ASX 200 Resources Index (backed by physical stock held with RBC Dexia)	QRE
S&P/ASX 200 Financials-x-A-REITS index (backed by physical stock held with RBC Dexia).	QFN

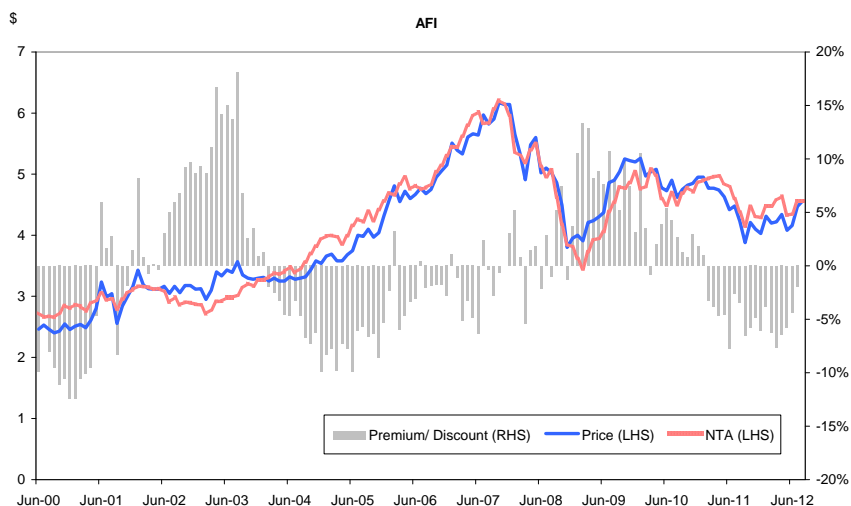
Another ETF that may be of interest to local investors is the Russell High Dividend Australian Shares ETF (code RDV), which tracks the new Russell Australia High Dividend Index.

APPENDIX

In the following section we provide a list of top holdings for the domestic LICs and a chart comparing the NTA and share price trends for LICs which have sufficient history. The charts are in the same order as the list on page 3.

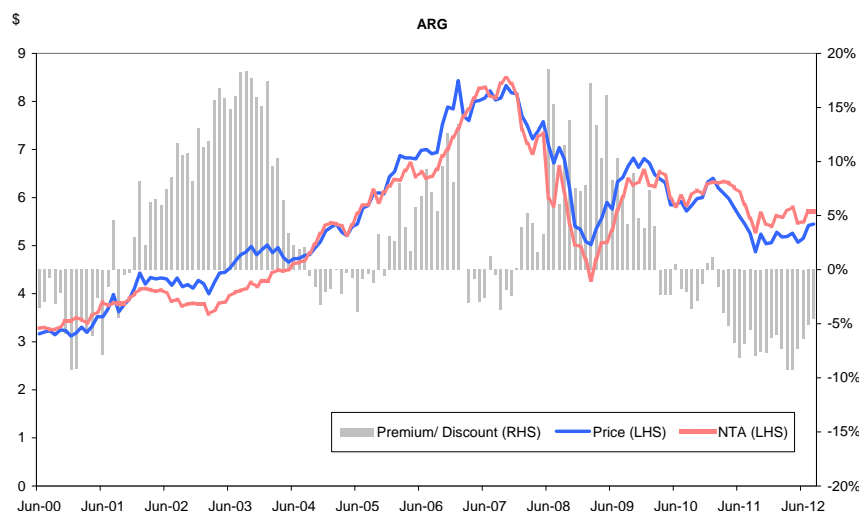
Australian Foundation

Code	Company	% Portfolio
AFI	As at 31 July 2012	0.19
CBA	Commonwealth Bank.	10.3
BHP	BHP Billiton Limited	9.6
WBC	Westpac Banking Corp	9.0
WES	Wesfarmers Limited	5.3
NAB	National Aust. Bank	5.3
TLS	Telstra Corporation.	4.5
ANZ	ANZ Banking Grp Ltd	4.4
RIO	Rio Tinto Limited	4.0
WOW	Woolworths Limited	3.7
WPL	Woodside Petroleum	2.2
OSH	Oil Search Ltd	2.2
TCL	Transurban Group	2.1
AMC	Amcor Limited	2.0
AIX	Australian Infrastr.	1.9
QBE	QBE Insurance Group	1.9
STO	Santos Ltd	1.8
ORG	Origin Energy	1.8
AMP	AMP Limited	1.7
AGK	AGL Energy Limited	1.6
HDF	Hastings Diversified	1.5
CASH		16.3



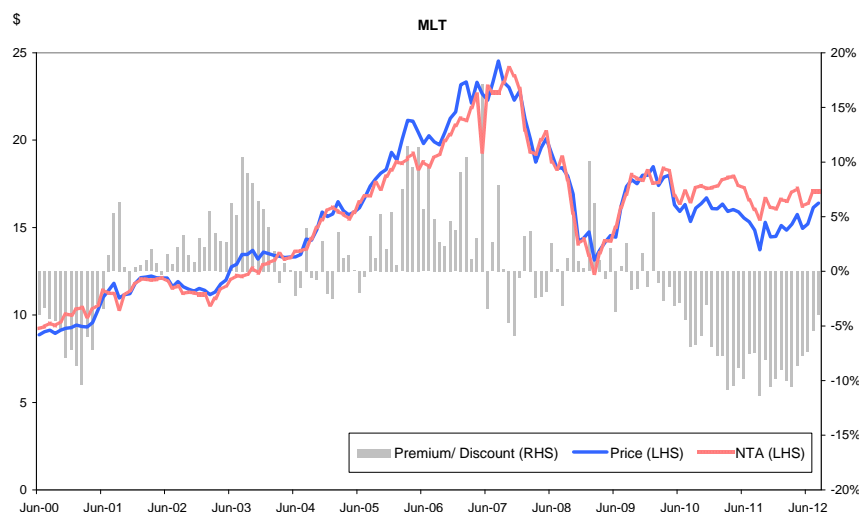
Argo Investments

Code	Company	% Portfolio
ARG	As at 31 July 2012	0.18
BHP	BHP Billiton Limited	6
WBC	Westpac Banking Corp	5.2
ANZ	ANZ Banking Grp Ltd	4.5
WES	Wesfarmers Limited	4.4
CBA	Commonwealth Bank.	3.9
TLS	Telstra Corporation.	3.7
MLT	Milton Corporation	3.6
RIO	Rio Tinto Limited	3.6
NAB	National Aust. Bank	3.2
WOW	Woolworths Limited	3.2
AUI	Australian United In	2.2
MOG	Macquarie Group Ltd	2.2
ORG	Origin Energy	1.6
WPL	Woodside Petroleum	1.6
QBE	QBE Insurance Group	1.5
ORI	Orica Limited	1.4
CSL	CSL Limited	1.4
AGK	AGL Energy Limited	1.4
AMP	AMP Limited	1.4
STO	Santos Ltd	1.2
CASH		4.7



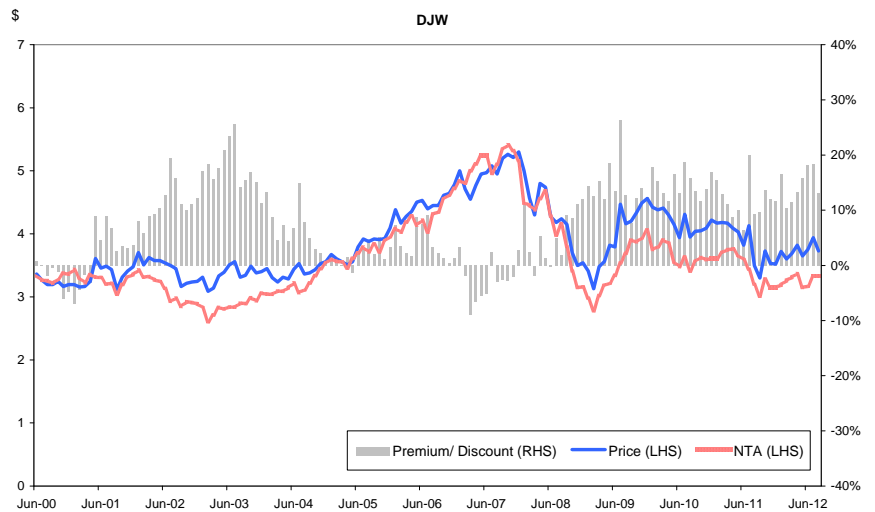
Milton Corp.

Code	Company	% Portfolio
MLT	As at 31 July 2012	0.17
WBC	Westpac Banking Corp	11.6
CBA	Commonwealth Bank.	8.3
SOL	Soul Pattinson (W.H)	5.8
NAB	National Aust. Bank	5.2
BHP	BHP Billiton Limited	4.9
CPB	Campbell Brothers	4.9
WES	Wesfarmers Limited	4.5
WOW	Woolworths Limited	3.6
ANZ	ANZ Banking Grp Ltd	3.2
BOQ	Bank of Queensland.	2.4
TLS	Telstra Corporation.	2.3
BEN	Bendigo and Adelaide	2.3
QBE	QBE Insurance Group	1.8
AGK	AGL Energy Limited	1.7
BKW	Brickworks Limited	1.6
WPL	Woodside Petroleum	1.3
CSL	CSL Limited	1.2
SUN	Suncorp Group Ltd	1.2
RIO	Rio Tinto Limited	1.2
APE	A.P. Eagers Limited	1.0



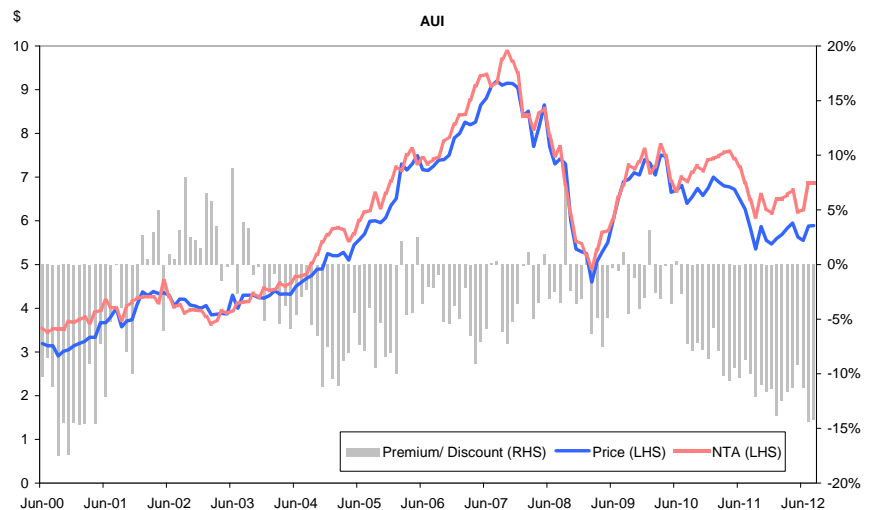
Djerriwarrh

DJW As at 31 July 2012		0.38
Code	Company	% Portfolio
BHP	BHP Billiton Limited	75.9
WBC	Westpac Banking Corp	73.1
CBA	Commonwealth Bank.	66.0
ANZ	ANZ Banking Grp Ltd	53.7
TLS	Telstra Corporation.	53.1
NAB	National Aust. Bank	52.1
OSH	Oil Search Ltd	34.7
WPL	Woodside Petroleum	31.6
HDF	Hastings Diversified	27.9
AMP	AMP Limited	23.9
WES	Wesfarmers Limited	22.9
TCL	Transurban Group	22.1
QBE	QBE Insurance Group	20.9
RIO	Rio Tinto Limited	19.6
STO	Santos Ltd	19.2
BXB	Brambles Limited	16.9
WOW	Woolworths Limited	14.0
ORG	Origin Energy	13.8
AMC	Amcor Limited	12.8
AIX	Australian Infrastr.	12.0
CASH		12.5



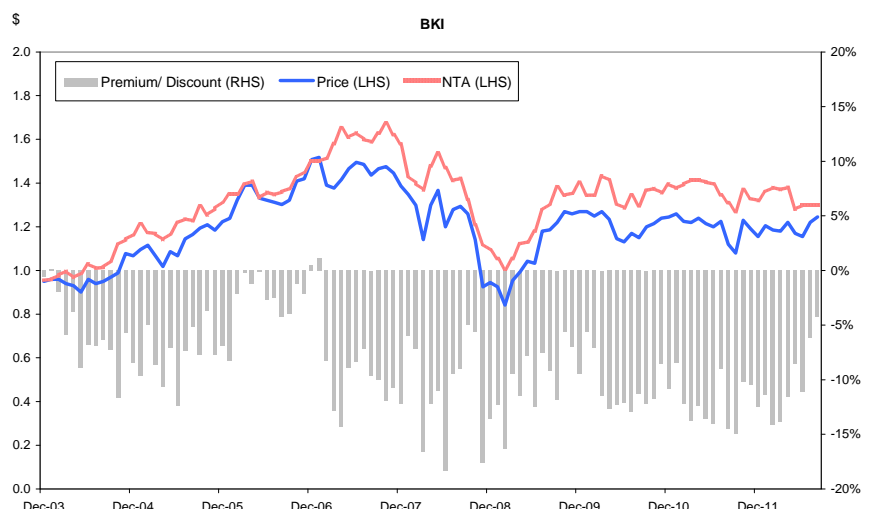
Australian United

AUI As at 30 June 2012		0.12
Code	Company	% Portfolio
BHP	BHP Billiton Limited	8.7
ANZ	ANZ Banking Grp Ltd	7.7
CBA	Commonwealth Bank.	7
RIO	Rio Tinto Limited	6.8
NAB	National Aust. Bank	6.2
WBC	Westpac Banking Corp	6.1
WES	Wesfarmers Limited	5.7
WPL	Woodside Petroleum	5.1
WOW	Woolworths Limited	4.2
DUI	Diversified United	3.8
ORI	Orica Limited	2.6
QBE	QBE Insurance Group	3.3
AGK	AGL Energy Limited	2.3
ORG	Origin Energy	1.9
BXB	Brambles Limited	1.7
SPN	SP AusNet	1.6
AMP	AMP Limited	1.6
TCL	Transurban Group	1.6
CSL	CSL Limited	1.6
TLS	Telstra Corporation.	1.5



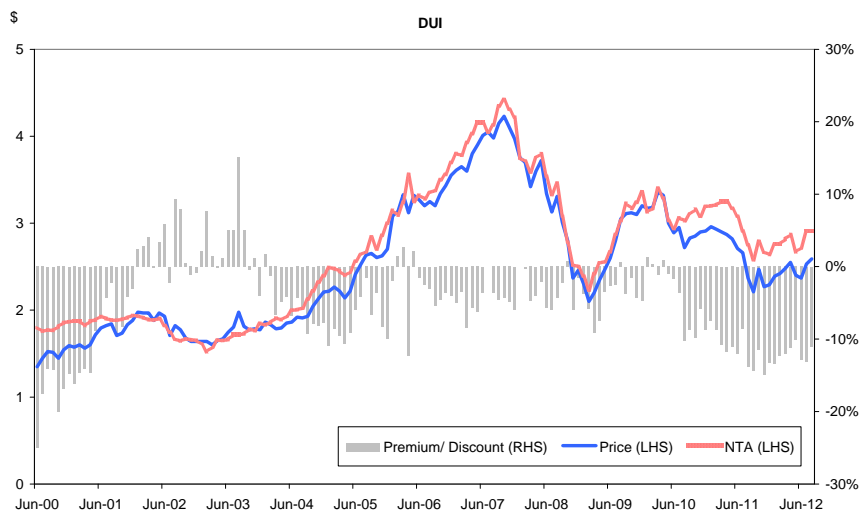
BKI Investment

BKI As at 30 June 2012		
Code	Company	% Portfolio
NWH	NRW Holdings Limited	10.6
CBA	Commonwealth Bank.	9.0
NAB	National Aust. Bank	8.5
BHP	BHP Billiton Limited	7.7
WBC	Westpac Banking Corp	6.0
TLS	Telstra Corporation.	4.8
WES	Wesfarmers Limited	4.1
CPB	Campbell Brothers	3.8
WOW	Woolworths Limited	3.6
AGK	AGL Energy Limited	3.0
ANZ	ANZ Banking Grp Ltd	2.7
WPL	Woodside Petroleum	2.2
CCL	Coca-Cola Amatil	2.0
QBE	QBE Insurance Group	1.8
MTS	Metcash Limited	1.7
TPG	Cvc Property Fund	1.4
ARB	Pacific Energy	1.4
IVC	InvoCare Limited	1.4
ASX	ASX Limited	1.2
MLT	Milton Corporation	1.1
CASH		5.5



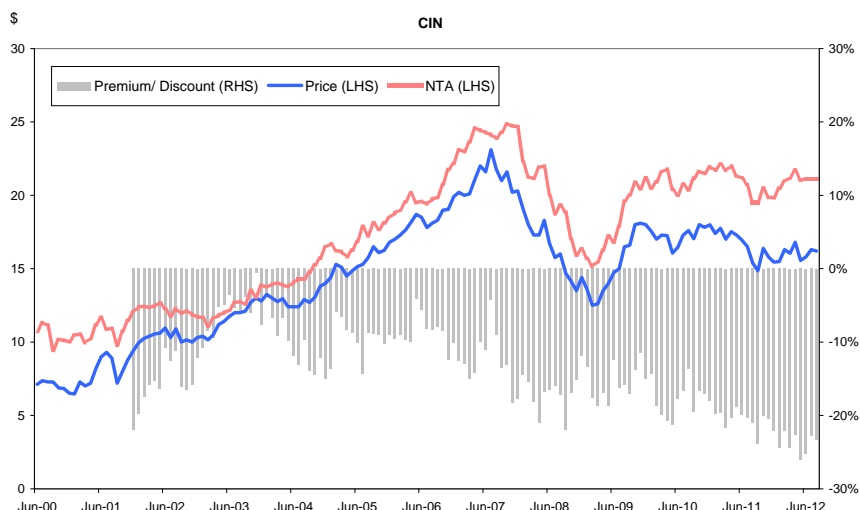
Diversified United

DUI	As at 30 June 2012	0.17
Code	Company	% Portfolio
BHP	BHP Billiton Limited	9.1
CBA	Commonwealth Bank.	8.2
ANZ	ANZ Banking Grp Ltd	8.1
WBC	Westpac Banking Corp	6.5
WPL	Woodside Petroleum	6.3
RIO	Rio Tinto Limited	5.7
NAB	National Aust. Bank	5.4
CSL	CSL Limited	4.3
QBE	QBE Insurance Group	4.0
WOW	Woolworths Limited	3.6
TCL	Transurban Group	3.3
WES	Wesfarmers Limited	2.7
AGK	AGL Energy Limited	2.6
SOL	Soul Pattinson (W.H)	2.4
AIX	Australian Infrastr.	2.1
WDC	Westfield Group	1.8
MYS	MyState Limited	1.5
AMP	AMP Limited	1.5
CMJ	Consolidated Media.	1.3
AIO	Asciano Limited	1.2



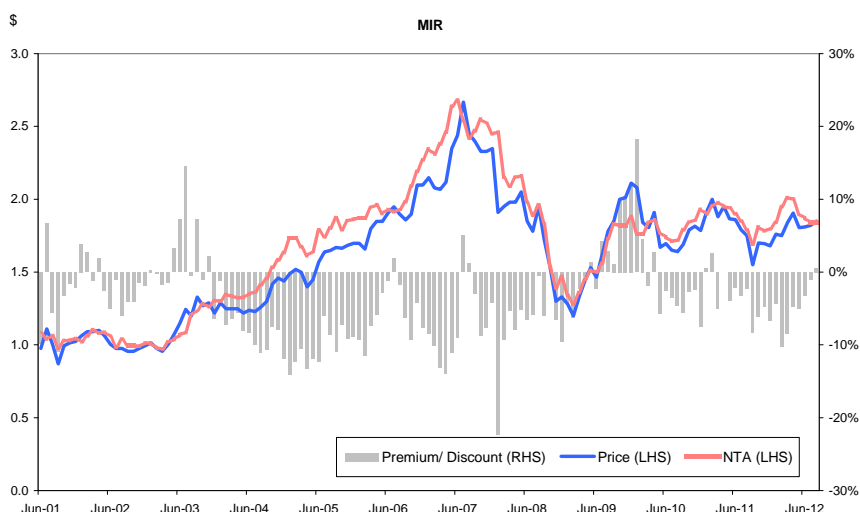
Carlton Investments

CIN	As at 30 June 2012	0.11
Code	Company	% Portfolio
AHD	Amalgamated Holdings	35.8
NAB	National Aust. Bank	8.3
WBC	Westpac Banking Corp	6.8
CBA	Commonwealth Bank.	5.3
BHP	BHP Billiton Limited	4.0
ANZ	ANZ Banking Grp Ltd	3.7
AGK	AGL Energy Limited	3.5
WES	Wesfarmers Limited	3.4
ORI	Orica Limited	2.4
TLS	Telstra Corporation.	2.3
GOW	Gowing Bros. Limited	1.6
ORG	Origin Energy	1.2
BOQ	Bank of Queensland.	1.2
CCL	Coca-Cola Amatil	1.1
AMC	Amcor Limited	1.1
PPT	Perpetual Limited	1.1
BEN	Bendigo and Adelaide	1.0
RIO	Rio Tinto Limited	0.9
STO	Santos Ltd	0.9
JHX	James Hardie Indust	0.9
CASH		5.6



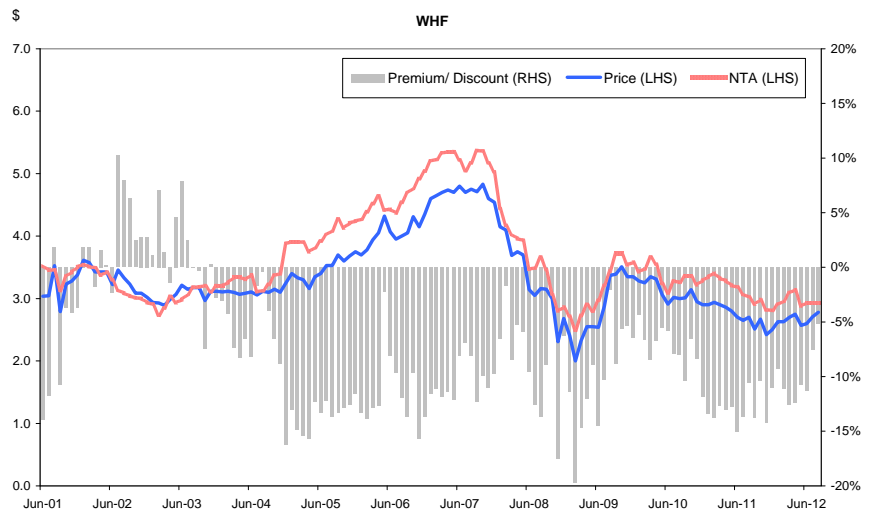
Mirrabooka Investments

MIR	As at 31 July 2012	0.79
Code	Company	% Portfolio
HDF	Hastings Diversified	8.4
AIX	Australian Infrastr.	5.6
CPB	Campbell Brothers	5.3
TOX	Tox Free Solutions	4.8
OSH	Oil Search Ltd	4.3
JHX	James Hardie Indust	3.9
FWD	Fleetwood Corp	3.9
IVC	InvoCare Limited	3.6
IRE	IRESS Limited	3.4
CCL	Coca-Cola Amatil	3.4
AUB	Austbrokers Holdings	3.4
ANN	Ansell Limited	3.1
RHC	Ramsay Health Care	2.6
REA	REA Group	2.2
SXY	Senex Energy Limited	2.1
BKN	Bradken Limited	2.1
WLL	Wellcom Group Ltd	2.1
EQT	Equity Trustees	1.9
MRM	Mermaid Marine	1.8
ARP	ARB Corporation	1.5
CASH		30.6



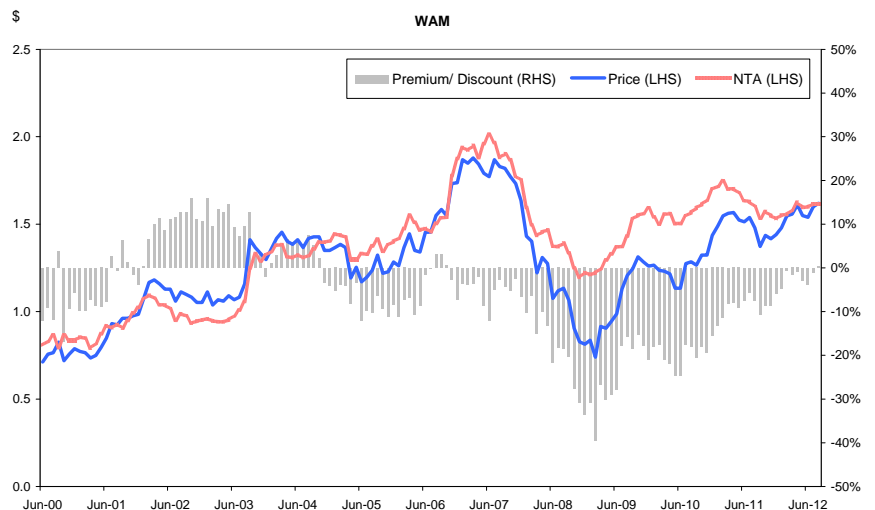
Whitefield

Code	Company	% Portfolio
WHF	As at 30 June 2012	0.35
CBA	Commonwealth Bank.	10.7
WBC	Westpac Banking Corp	8.2
ANZ	ANZ Banking Grp Ltd	7.5
NAB	National Aust. Bank	6.7
TLS	Telstra Corporation.	4.9
WOW	Woolworths Limited	4.2
WES	Wesfarmers Limited	4.0
CSL	CSL Limited	3.7
QBE	QBE Insurance Group	3.2
MQG	Macquarie Group Ltd	3.2
AMP	AMP Limited	2.9
SVW	Seven Group Holdings	2.4
CWN	Crown Limited	2.3
AIO	Asclano Limited	1.9
NWSLV	News Corp - A Non-Voting Cc	1.7
WDC	Westfield Group	1.5
IVC	InvoCare Limited	1.3
SUN	Suncorp Group Ltd	1.3
UGL	UGL Limited	1.3
BXB	Brambles Limited	1.2
CASH		0.5



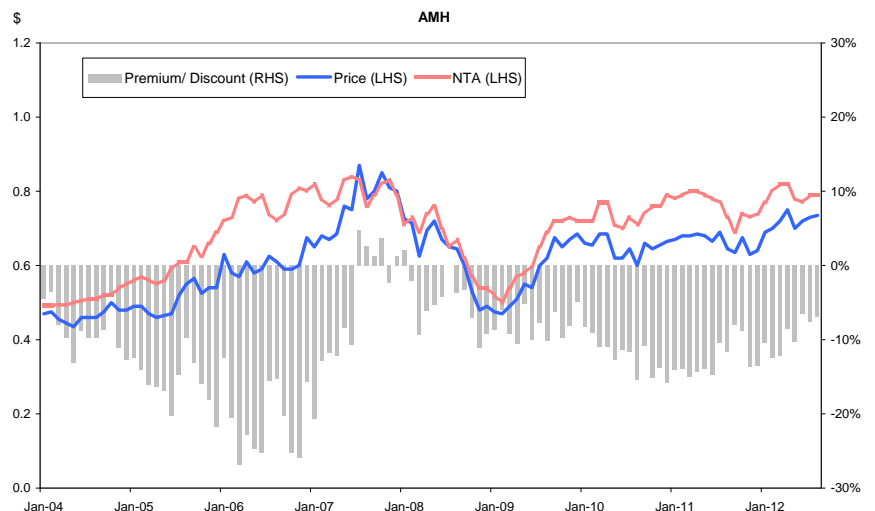
WAM Capital

Code	Company	% Portfolio
WAM	As at 31 July 2012	
CBAPB	Perp.Exc.(Perls Iv)	3.7
ALS	Alesco Corporation	3.1
ELI	Emerging Leaders Inv	2.5
IBC	Ironbark Capital Ltd	2.3
BRG	Breville Group Ltd	1.9
TWO	Talent2 Internation	1.9
CCQ	Contango Capital	1.7
CYG	Coventry Group	1.5
CYA	Century Australia	1.5
MMS	McMillan Shakespeare	1.4
INA	Ingenia Group	1.4
RHG	RHG Limited	1.4
SDG	Sunland Group Ltd	1.4
EPX	Ethane Pipeline	1.3
AMM	Amcom Telecomm.	1.2
CIF	Challenger Infrastr.	1.2
RKN	Reckon Limited	1.1
LWB	Little World Bev.	1.1
WEB	Webjet Limited	1.1
FRI	Finbar Group Limited	1.1
CASH		39.4



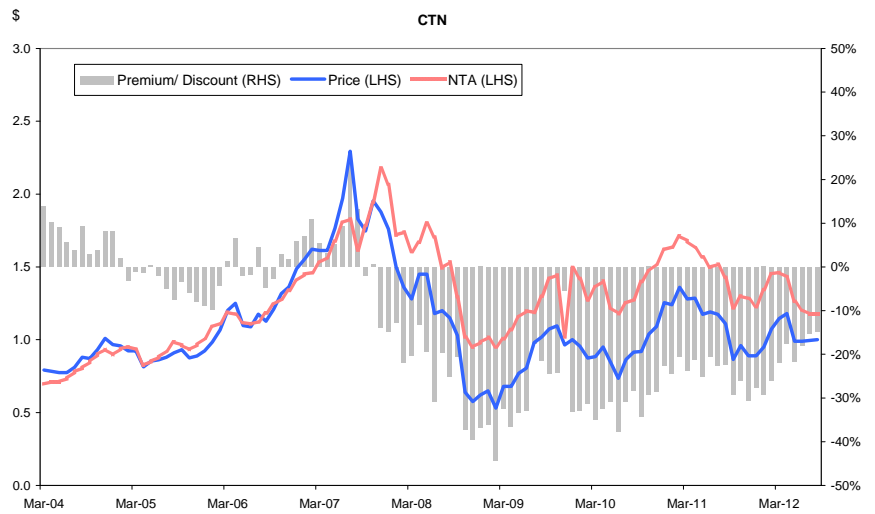
AMCIL

Code	Company	% Portfolio
AMH	As at 31 July 2012	0.8
HDF	Hastings Diversified	7.3
CBA	Commonwealth Bank.	6.8
WBC	Westpac Banking Corp	5.3
TCL	Transurban Group	5.0
OSH	Oil Search Ltd	4.6
NAB	National Aust. Bank	4.5
TLS	Telstra Corporation.	4.3
ANZ	ANZ Banking Grp Ltd	4.3
TOX	Tox Free Solutions	4.2
BHP	BHP Billiton Limited	4.2
AIX	Australian Infrastr.	3.9
CCL	Coca-Cola Amatil	3.3
SXY	Senex Energy Limited	3.0
AMP	AMP Limited	2.8
AMC	Amcor Limited	2.7
ORG	Origin Energy	2.6
BXB	Brambles Limited	2.6
IPL	Incitec Pivot	2.2
CPB	Campbell Brothers	2.2
BKN	Bradken Limited	2.1
CASH		22.2



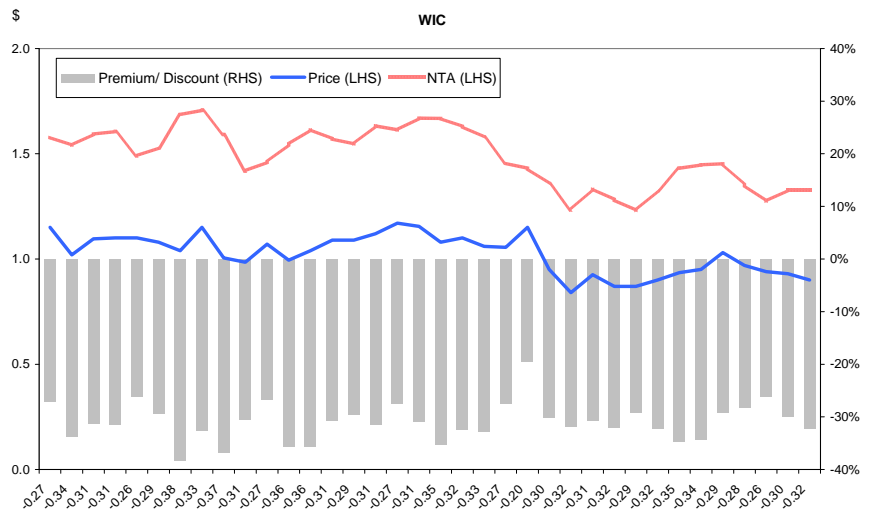
Contango Microcap

CTN As at 31 July 2012		
Code	Company	% Portfolio
MMS	McMillan Shakespeare	3.1
CDD	Cardno Limited	2.3
ASL	Ausdrill Limited	2.2
MTU	M2 Telecommunication	2.2
DLS	Drillsearch Energy	2.0
ANG	Austin Engineering	2.0
FXL	FlexiGroup Limited	1.9
MYE	Mastermyne Group Ltd	1.9
AUB	Austbrokers Holdings	1.9
SXY	Senex Energy Limited	1.8
MLD	MACA Limited	1.8
MAD	Maverick Drilling	1.8
NFE	Northern Iron Ltd	1.8
FGE	Forge Group Limited	1.7
TOX	Tox Free Solutions	1.6
AUT	Aurora Oil & Gas	1.6
BDR	Beadell Resource Ltd	1.6
ACR	AcruX Limited	1.6
TWO	Talent2 Internation	1.5
TRY	Troy Resources Ltd	1.5



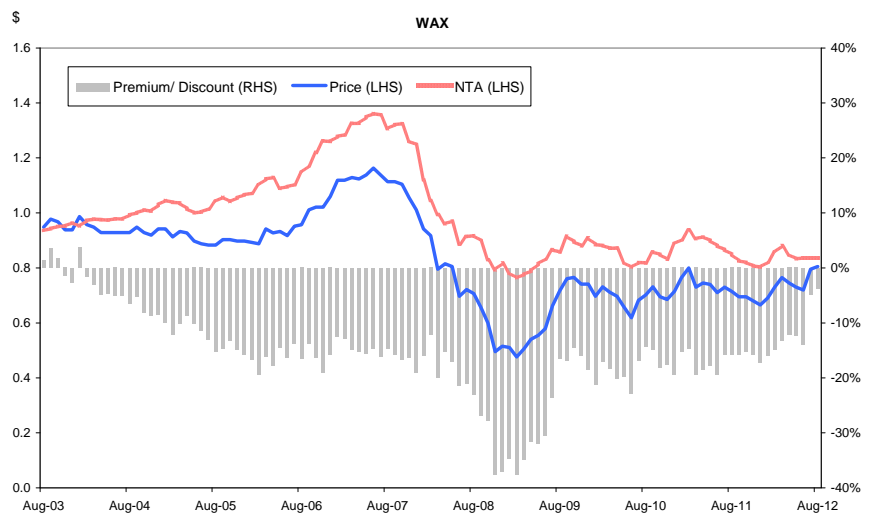
Westoz Inv

WIC As at 30 June 2012		
Code	Company	% Portfolio
IIN	iNet	16.8
AHE	Automotive Holdings	12.6
AUT	Aurora Oil & Gas	11.5
RRL	Regis Resources	10.2
CLO	Clough	9.4
NFE	Northern Iron	8.7
RSG	Resolute Mining	5.3
TGZ	Teranga Gold	4.1
IRN	Indophil Resources	3.8
CWP	Cedar Woods	3.6
MGX	Mount Gibson	3.6
RCR	RCR Tomlinson	2.8
SDL	Sundance Energy	2.4
BSE	Base Resources	2.2
MIN	Mineral Deposits	2.1
SRQ	Straits Resources	1.0
Cash		17.6



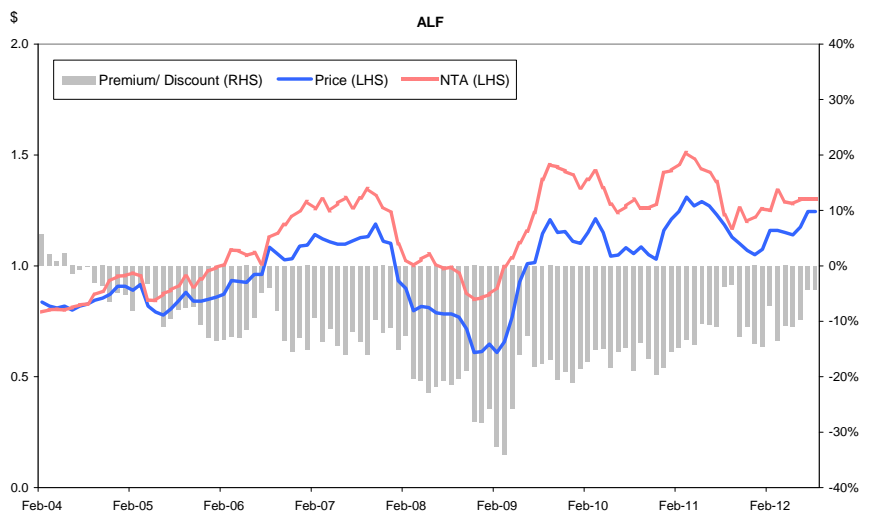
WAM Research

WAX As at 30 June 2012		
Code	Company	% Portfolio
APE	A. P. Eagers Limited	5.9
BRG	Breville Group Ltd	3.3
MMS	McMillan Shakespeare	3.0
CBAPA	Perp. Exc. (Perls V)	2.8
ARP	ARB Corporation	2.6
RKN	Reckon Limited	2.2
SKE	Skilled Group Ltd	2.2
AMM	Amcom Telecomm.	2.2
FXL	FlexiGroup Limited	2.1
WEB	Webjet Limited	2.0
IPP	Iproperty Group Ltd	1.7
MYS	MyState Limited	1.7
CIW	Clime Investment	1.6
NXT	Nextdc Limited	1.5
COF	Coffey International	1.5
FAN	Fantastic Holdings	1.5
TWO	Talent2 Internation	1.4
ONT	1300 Smiles Limited	1.2
CTD	Corp Travel Limited	1.1
RHG	RHG Limited	1.1
CASH		50.0



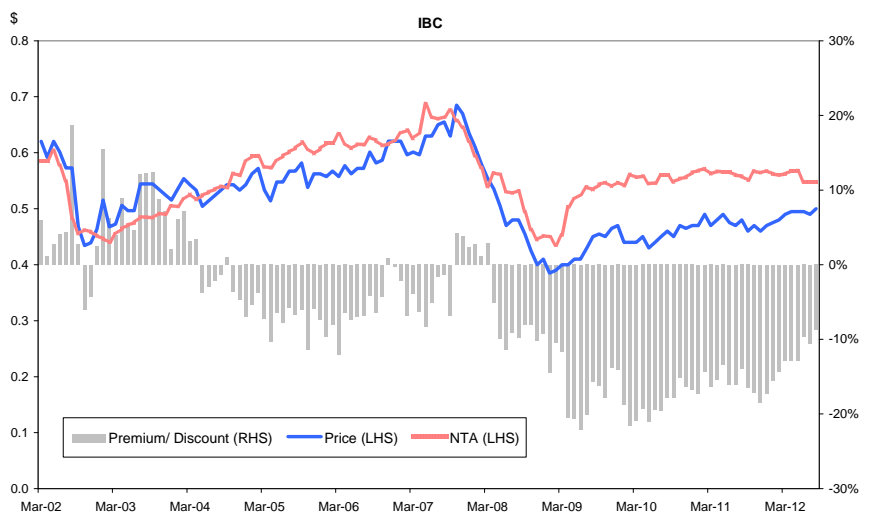
Australian Leaders

ALF As at 30 June 2012		
Code	Company	% Portfolio
RIO	Rio Tinto Limited	7.1
ANZ	ANZ Banking Grp Ltd	6.5
AGI	Ainsworth Game Tech.	6.3
TLS	Telstra Corporation.	6.1
WES	Wesfarmers Limited	5.0
TTS	Tatts Group Ltd	4.8
WBC	Westpac Banking Corp	4.8
BHP	BHP Billiton Limited	4.4
TCL	Transurban Group	4.3
WPL	Woodside Petroleum	3.3



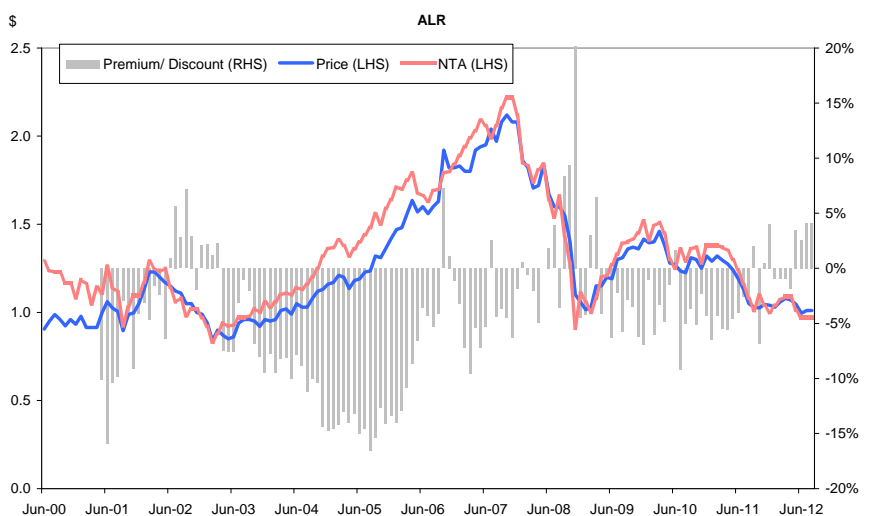
Ironbark Capital

IBC As at 31 December 2011		
Code	Company	% Portfolio
BHP	BHP Billiton Limited	13.2
CBAPA	Perp.Exc.(Peris V)	10.6
TLS	Telstra Corporation.	6.9
CBA	Commonwealth Bank.	6.6
ANZPA	Pref Share Cps2	6.0
ORGHA	Frn 22-Dec-71	5.2
NABHA	Nat.Inc.Sec. Stapled	4.6
WBC	Westpac Banking Corp	4.1
NAB	National Aust. Bank	3.7
WCTPA	Float.Rate.Cvn.Pref.	3.6
ANZ	ANZ Banking Grp Ltd	2.6
RHCPA	Cares	2.6
SVWPA	Conv. Red. Pref.	2.3
DUE	Duet Group	2.1
IANG	Perp.Reset Exch.Note	1.9
SBKPB	Pref Shares	1.8
IAGPA	5.63% Reset Cvn.Pref	1.5
STO	Santos Ltd	1.3
WOWHC	Frn II 24-Nov-36	1.2
SAKHA	Skies 20-Dec-16	1.1
CASH		7.7



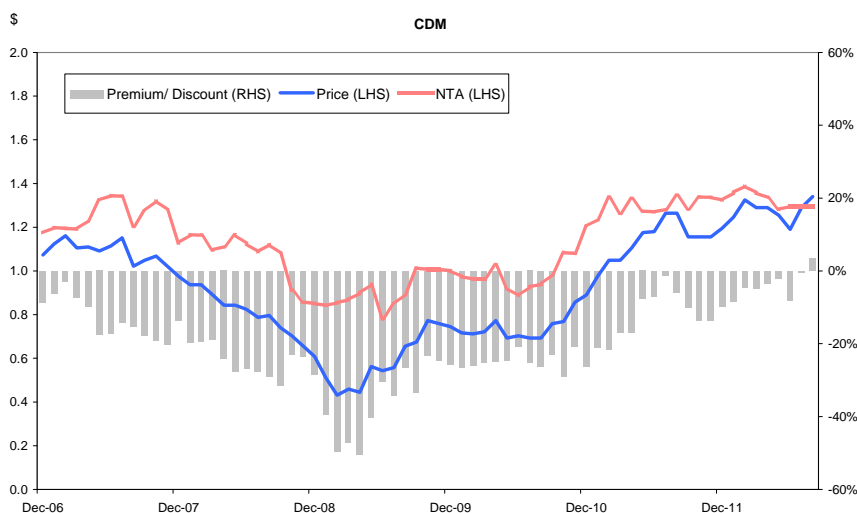
Aberdeen Leaders

ALR As at 27 July 2012		
Code	Company	% Portfolio
BHP	BHP Billiton Limited	9.6
WOW	Woolworths Limited	7.1
CBA	Commonwealth Bank.	6.5
QBE	QBE Insurance Group	6.5
RIO	Rio Tinto Limited	6.2
ANZ	ANZ Banking Grp Ltd	6.1
WDC	Westfield Group	4.4
AGK	AGL Energy Limited	4.1
WBC	Westpac Banking Corp	4.1
ASX	ASX Limited	4.1
SPN	SP AusNet	3.9
SGT	Singapore Telecomm.	3.4
CSL	CSL Limited	3.1
AMP	AMP Limited	3.0
NCM	Newcrest Mining	3.0
CPU	Computershare Ltd	2.9
CCL	Coca-Cola Amatil	3.9
TTS	Tatts Group Ltd	2.6
WPL	Woodside Petroleum	2.3
COH	Cochlear Limited	2.0
CASH		4.9



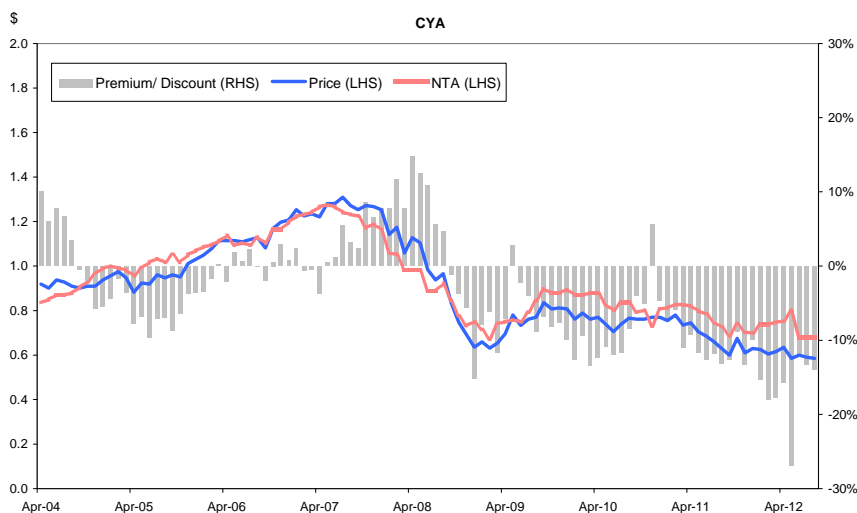
Cadence Capital

CDM As at 30 June 2012		
Code	Company	% Portfolio
RHG	RHG Limited	25.9
MMS	McMillan Shakespeare	7.5
FXL	FlexiGroup Limited	5.3
RKN	Reckon Limited	5.1
BVA	Bravura Solutions	4.8
ANZ	ANZ Banking Grp Ltd	3.9
NAB	National Aust. Bank	3.0
MOG	Macquarie Group Ltd	2.8
DCG	Decmil Group Limited	1.8
COF	Coffey International	1.6
SPT	Spotless Group Ltd	1.3
CTP	Central Petroleum	1.2
RFG	Retail Food Group	1.2
VMG	VDM Group Limited	1.1



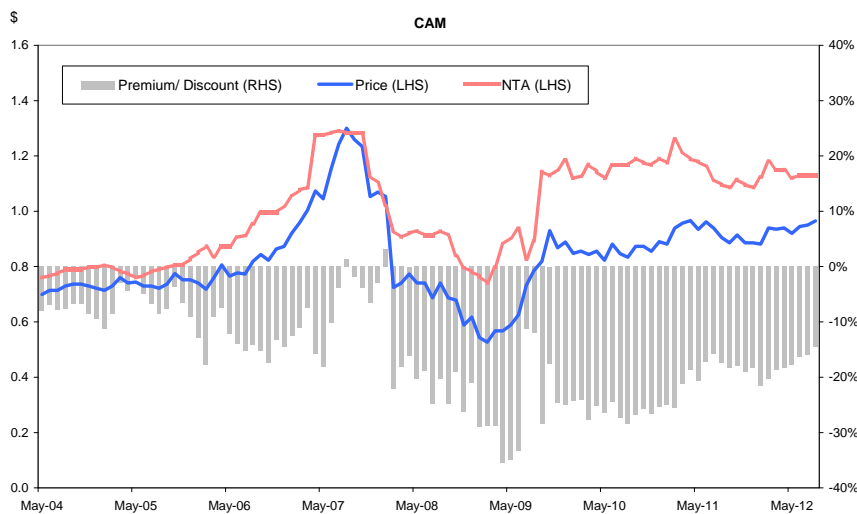
Century Australia

CYA As at 30 June 2012		
Code	Company	% Portfolio
ANZ	ANZ Banking Grp Ltd	8.3
CBA	Commonwealth Bank.	7.8
NAB	National Aust. Bank	7.4
TLS	Telstra Corporation.	7.3
BHP	BHP Billiton Limited	7.2
WBC	Westpac Banking Corp	5.1
RIO	Rio Tinto Limited	4.1
WPL	Woodside Petroleum	3.4
BXB	Brambles Limited	2.9
MOG	Macquarie Group Ltd	2.8
CASH		2.4



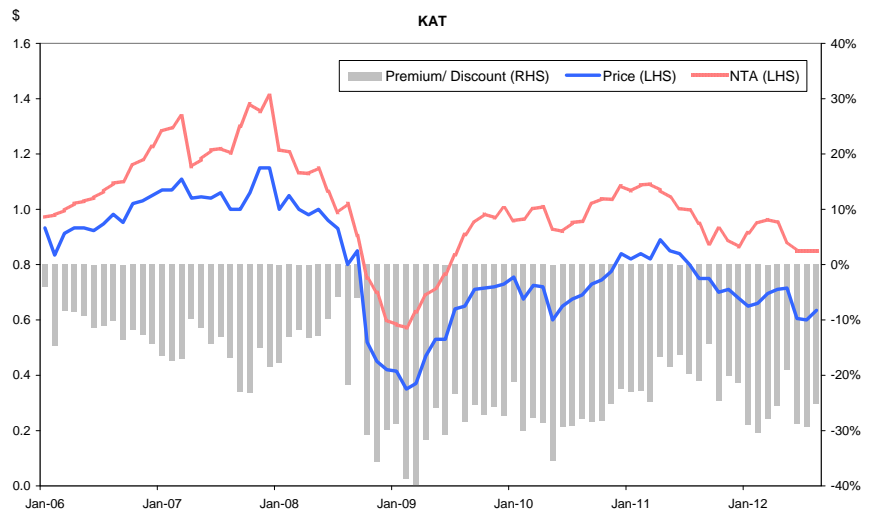
Clime Capital

CAM As at 30 June 2012		
Code	Company	% Portfolio
MMS	McMillan Shakespeare	7.7
TLS	Telstra Corporation.	7.3
BHP	BHP Billiton Limited	6.7
EPX	Ethane Pipeline	5.9
MXUPA	Sites	5.2
WOW	Woolworths Limited	5.1
ANZ	ANZ Banking Grp Ltd	5.0
BKW	Brickworks Limited	4.3
WBC	Westpac Banking Corp	4.1
CBA	Commonwealth Bank.	4.0

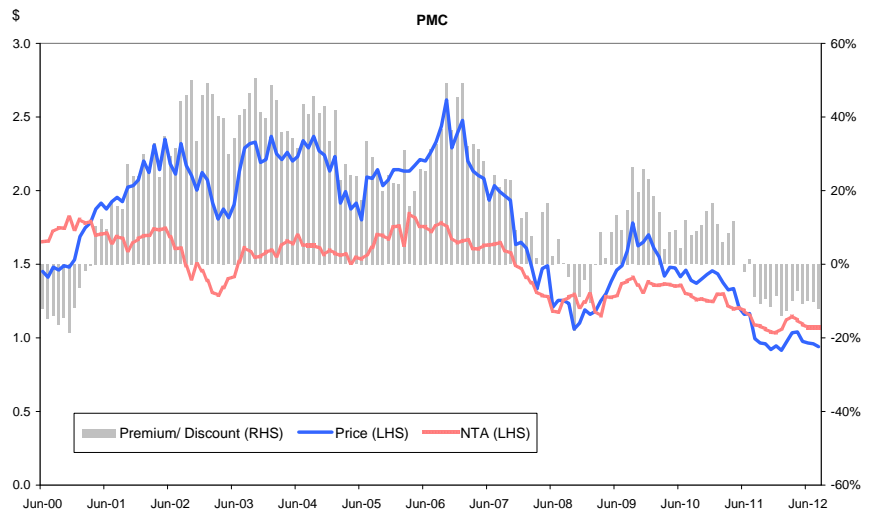


Katana

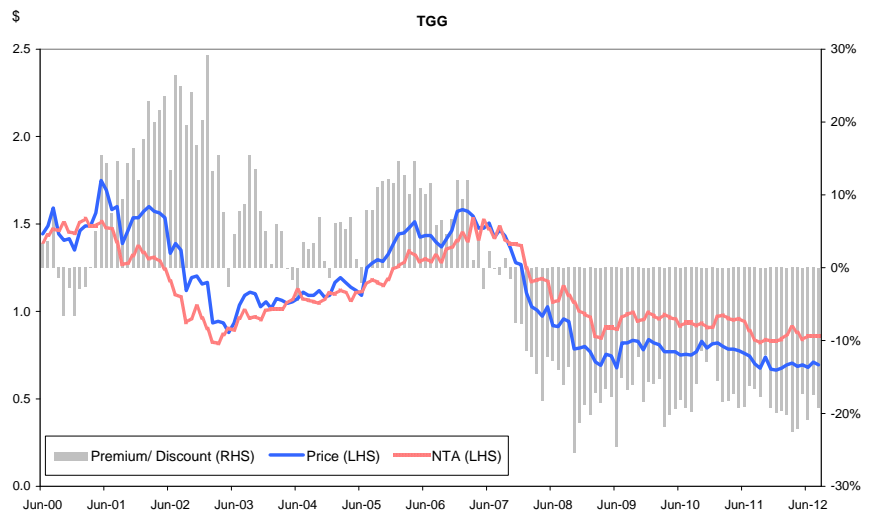
As at 31 March 2012		
Code	Company	% Portfolio
KAT	Katana	
MIN	Mineral Resources	6.7
BPT	Beach Energy Limited	6.1
BRU	Buru Energy	5.8
FMG	Fortescue Metals Grp	5.4
BHP	BHP Billiton Limited	5.2
IMF	IMF (Australia) Ltd	5.0
CGF	Challenger Limited	4.4
WBC	Westpac Banking Corp	4.4
RIO	Rio Tinto Limited	4.4
WPL	Woodside Petroleum	4.3
Cash		19.8



Platinum Capital

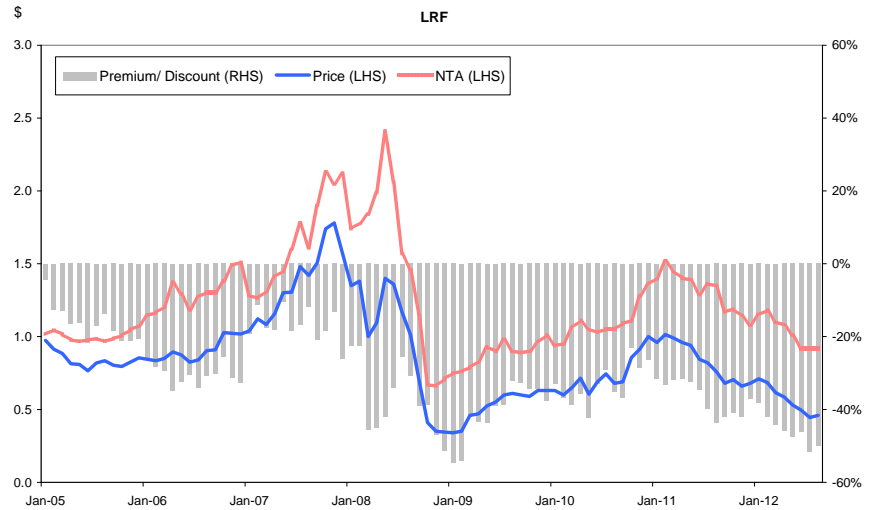


Templeton Global

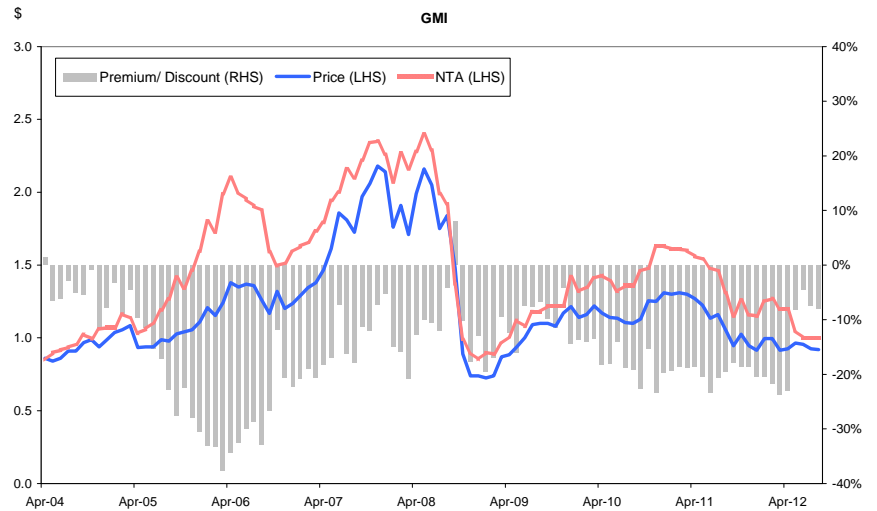


LinQ Resources

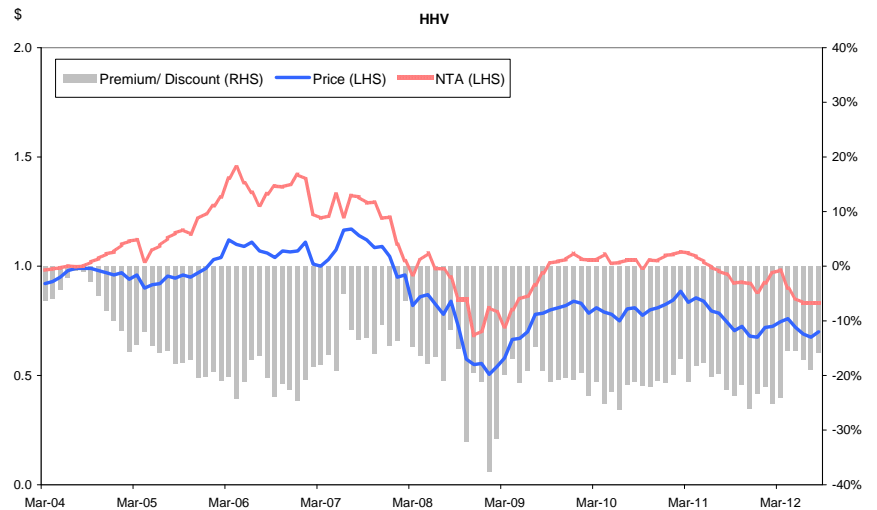
NB: NTA is after tax.



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