

Share Price and NTA Correlations Diverge

Listed investment companies are essentially listed equivalents of managed funds but have higher levels of transparency, tend to charge lower fees than its 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 its underlying face value and share prices may deviate significantly from its underlying NTA. Prices are at close on 13th December 2013.

This report compares 29 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, dividends and NTA growth) are the ones that are 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.

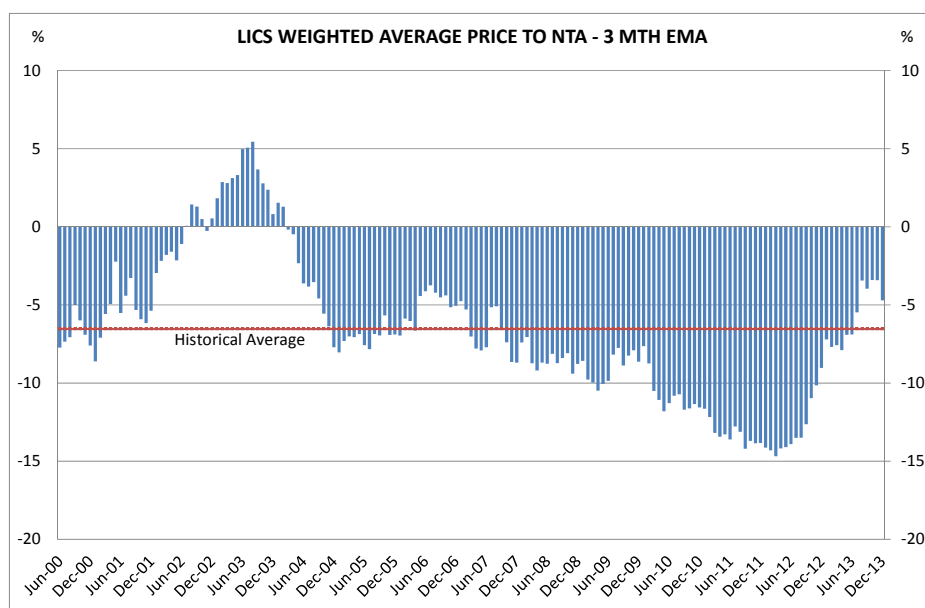
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Analyst: Kien Trinh
Phone: (+61 3) 9242 4027
Email: ktrinh@psl.com.au

Key Ideas:

- **Most Attractive** – A breakdown in correlation between NTA growth and price to NTA in the last quarter has provided better value opportunities. An analysis of price to NTA and long term NTA growth rates reveal that Cadence Capital (CDM), AMCIL (AMH), Carlton Investments (CIN), Magellan Flagship (MFF), and WAM Capital (WAM) offers the best value for growth profile. Australian Leaders (ALF), also a strong NTA growth contender, is now better value. The LICs that appear most expensive are Djerriwarrh (DJW), Aberdeen Leaders (ALR), Platinum Capital (PMC), and ING Private Equity (IPE).
- **Dividend Yield** – The average net yield for LICs has remained steady at 4.9% over the last three months. The highest yielding LICs are currently WAM Active (WAA; net yield of 8.0%), Westoz (WIC; 7.4%), Australian Leaders (ALF; 7.2%) and Cadence Capital (CDM; 7.0%). The yield for IPE is unusually high because there a surplus cash balance from recent asset sales.
- **Strongest NTA Growth** – The LICs with the strongest NTA growth over the year have mainly been the international players. These include Templeton Global (TGG), Magellan Flagship (MFF), Platinum Capital (PMC), and AMP Capital China (AGF). However more importantly, over the longer term, Australian Leaders (ALF) and Cadence Capital (CDM) have achieved the strongest growth in NTA.
- **Premiums to historical NTA** – the LICs which are trading below their historical average NTA levels are (ARG), MLT, AUI and WHF. Those that are trading at significant premiums to their historical average NTAs include ING Private Equity (IPE), Westoz (WIC) and Australian Leaders Fund (ALF). About 59% of LICs have outperformed the All Ordinaries Accumulation Index which has returned ~ 12.5% p.a. over the last five years.

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 converged over the last quarter and the median discount to NTA is now currently at 4.7%, above its historical average discount of 6.5%.



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 a LIC to concentrate on investment selection without having to factor in the consequences of money leaving the fund unexpectedly (as in the case of a managed fund). In addition, LICs have the potential to pass on franking credits to shareholders.

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 fewer transactions with long-term buy and hold strategies. LICs are also internally managed which results in lower costs. Generally, funds which focus on smaller or emerging companies tend to incur higher costs as a result of the requirement for additional in-house research. Investors should be aware that being listed means that LICs cannot be redeemed for its underlying share face value and share prices may deviate significantly from its underlying NTA.

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 may provide attractive income investments but clients need to be mindful that a number of LICs (eg DJW) rely on covered call strategies in order to boost dividend yields.

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 take hold.

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 model, we will be using pre-tax NTA figures to provide reporting consistency with unlisted managed funds.

GLOBAL AND THEME LICs

Templeton Global (TGG), Platinum Capital (PMC), 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. For Asian market exposure, AMP Capital China Fund (AGF) provides exposure to China A shares. Djerriwarrh (DJW) specialises in purchasing local option stocks and writing call options against them, while Contango (CTN) mainly targets domestic microcaps.

INVESTMENT FOCUS:

Code	Company	Manager	Focus	Benchmark
Domestic - Large				
AFI	Australian Foundat.	Internal	Large/mid cap, value, active, long only, use of options to enhance income	ASX200 Accum.
ARG	Argo Investments	Internal	Large/mid cap, balanced, active, long only	All Ords 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.
CIN	Carlton Investments	Internal	Large blue chips, balanced, active, long only	ASX200 Accum.
DJW	Djerriwarrh	Internal	Large, value, active, long only, use of options to enhance income	ASX50 Accum.
DUI	Diversified United	Internal	Large, balanced, passive, long only	ASX300 Accum.
MLT	Milton Corporation	Internal	Large/mid/small cap, balanced, active, long only, also invests in fixed interest, property and mortgages	All Ords Accum.
WAM	WAM Capital Limited	Wilson Asset Mgt. International	Mid/small cap, undervalued growth opportunities, active, arbitrage	All Ords Accum.
Domestic – Small				
ALF	Australian Leaders	Watermark Funds Mgt	At least 70% of the fund in the ASX100, value, long/short	All Ords Accum.
ALR	Aberdeen Leaders	Aberdeen Asset Mgt	Large/mid cap blue chips, value, active, long only, may use leverage	ASX200 Accum.
AMH	AMCIL Limited	Internal	Large/mid/small, value, active, long only	ASX200 Accum.
CAM	Clime Capital	Clime Asset Mgt	Large/mid/small, value, quantitative, active, long only	All Ords Accum.
CDM	Cadence Capital	Cadence Asset Mgt	Large/mid/small cap, value/technical, active, long/short, trading; may use leverage up to 40%	All Ords Accum.
CTN	Contango Microcap	Contango Asset Mgt.	Small cap, balanced, active, long only; typically holds 80-120 stocks	All Ords Accum.
CYA	Century Australia	Perennial Value Mgt	Large, value, active, long only, holds 25-50 stocks	ASX300 Accum.
IBC	Ironbark Capital Ltd	Kaplan Funds Mgt	Large/mid cap, hybrids, long only; may use derivatives	ASX300 Accum.
KAT	Katana Capital	Katana Asset Mgt.	Large/mid/small, Value, style neutral, technical, long only; may use trading	All Ords Accum.
MIR	Mirrabooka Invest.	Internal	Mid/small cap, value, active, long only; holds 50-80 stocks	Midcap 50%; Small Accum (50%)
WAA	WAM Active	Wilson Asset Mgt.	absolute returns, arbitrage opportunities, long/short, may hold cash	UBS Bank Bill Index
WAX	WAM Research Ltd	Wilson Asset Mgt.	Mid/small cap, undervalued growth opportunities, active, long	All Ords Accum.
WHF	Whitefield Ltd	White Funds Mgt.	Large, style neutral, balanced, active, long only; mostly in industrial stocks	ASX200 Accum.
WIC	Westoz Inv Ltd	Westoz Funds Mgt.	WA stocks outside top 100, value, long only, may use derivatives	Positive return (p.a)
International				
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)
MFF	Magellan Flagship	Magellan Asset Mgt	Global (US focus), large, value, active, long only	MSCI World Price Index (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)
Specialist				
IPE	ING Private Equity	ING Investment Mgt	invests in about 16 private equity funds	Positive return (p.a)

SUMMARY TABLE:

The table below provides a summary of the LICs in descending order of long term NTA growth.

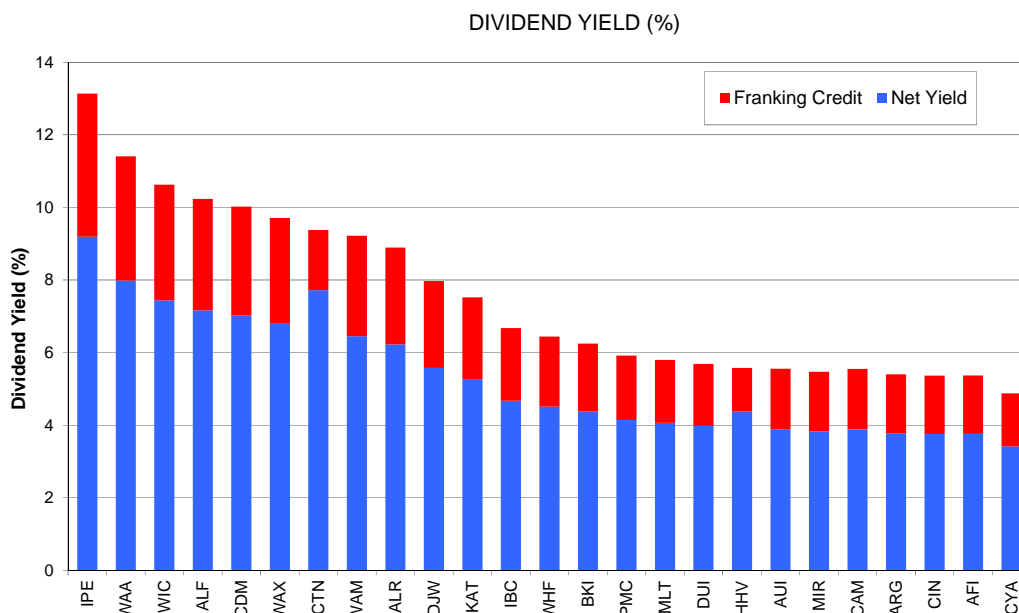
Code	Company	Price (\$) 13.12.13	Pre-tax NTA (\$)	Prem/Disc to NTA (%)	Approx. DPS (c)	Net Yield (%)	Gross Yield (\$)	Franking (%)	5 Yr Total Return (% p.a)	5 Yr NTA Growth (% p.a)	Market Cap (\$M)
Domestic - Large											
WAM	WAM Capital Limited	1.86	1.80	3.2	12.0	6.5	9.2	100	22.6	15.8	616
CIN	Carlton Investments	24.50	28.51	-14.1	92.0	3.8	5.4	100	16.3	15.3	654
AFI	Australian Foundat.	5.85	5.72	2.3	22.0	3.8	5.4	100	13.2	12.0	6,173
AUI	Australian United In	7.59	8.42	-9.9	29.5	3.9	5.6	100	11.2	12.0	827
MLT	Milton Corporation	4.04	4.28	-5.6	16.4	4.1	5.8	100	11.6	11.7	2,528
DUI	Diversified United	3.39	3.71	-8.6	13.5	4.0	5.7	100	11.5	11.6	579
ARG	Argo Investments	7.01	7.24	-3.2	26.5	3.8	5.4	100	9.4	11.2	4,550
BKI	BKI Investment Ltd	1.52	1.62	-6.2	6.7	4.4	6.3	100	18.5	11.1	796
DJW	Djerriwarrh	4.66	3.74	24.6	26.0	5.6	8.0	100	11.4	9.9	1,010
Domestic - Small											
CDM	Cadence Capital	1.43	1.46	-2.2	10.0	7.0	10.0	100	22.1	20.5	173
ALF	Australian Leaders	1.68	1.53	9.5	12.0	7.2	10.2	100	30.3	19.3	337
MIR	Mirrabooka Invest.	2.61	2.30	13.5	10.0	3.8	5.5	100	20.4	15.5	367
AMH	AMCIL Limited	0.88	0.91	-3.3	3.0	3.4	4.9	100	18.6	15.1	205
KAT	Katana Capital	0.86	1.00	-14.8	4.5	5.3	7.5	100	16.9	14.2	30
WAX	WAM Research Ltd	1.03	1.10	-6.7	7.0	6.8	9.7	100	22.9	13.9	142
WHF	Whitefield Ltd	3.77	4.24	-11.1	17.0	4.5	6.4	100	16.2	12.7	286
CAM	Clime Capital	1.03	1.11	-7.2	4.0	3.9	5.5	100	18.6	12.1	74
WAA	WAM Active Limited	1.19	1.11	7.6	9.5	8.0	11.4	100	15.1	12.0	38
CTN	Contango Microcap	1.01	1.23	-18.0	7.8	7.7	9.4	50	19.0	10.1	152
IBC	Ironbark Capital Ltd	0.54	0.58	-7.6	2.5	4.7	6.7	100	11.8	9.3	84
ALR	Aberdeen Leaders	1.29	1.19	8.0	8.0	6.2	8.9	100	10.4	8.3	82
CYA	Century Australia	0.84	0.92	-9.3	2.9	3.4	4.9	100	9.7	7.9	67
WIC	Westoz Inv Ltd	1.21	1.34	-9.5	9.0	7.4	10.6	100	6.9	1.5	153
International											
MFF	Magellan Flagship	1.46	1.45	1.0	2.0	1.4	1.4	0	20.6	14.5	518
HHV	Hunter Hall Global	0.96	1.14	-15.5	4.2	4.4	5.6	64	14.0	12.6	179
PMC	Platinum Capital Ltd	1.69	1.51	12.0	7.0	4.1	5.9	100	12.5	8.3	318
TGG	Templeton Global	1.31	1.38	-5.1	2.5	1.9	2.7	100	12.3	7.5	186
AGF	Amp Capital China	0.87	1.03	-16.0	2.4	2.7	2.7	0	6.6	1.4	313
Specialist											
IPE	IPE Ltd	0.44	0.41	5.1	4.0	9.2	13.1	100	5.3	-9.2	59
All Ords. Accumulation Index									12.5		
Arithmetic Average				-3.0		4.9		6.9		15.0	
Weighted Average				-1.0		4.1		5.8		13.2	

NB: dividends are approximated by our quant team

NAV is used for AGF instead of NTA. Note that WIC listed in September 2009 so does not have a full 5 year history. Returns and NTA growth are for the period ending 30th November 2013.

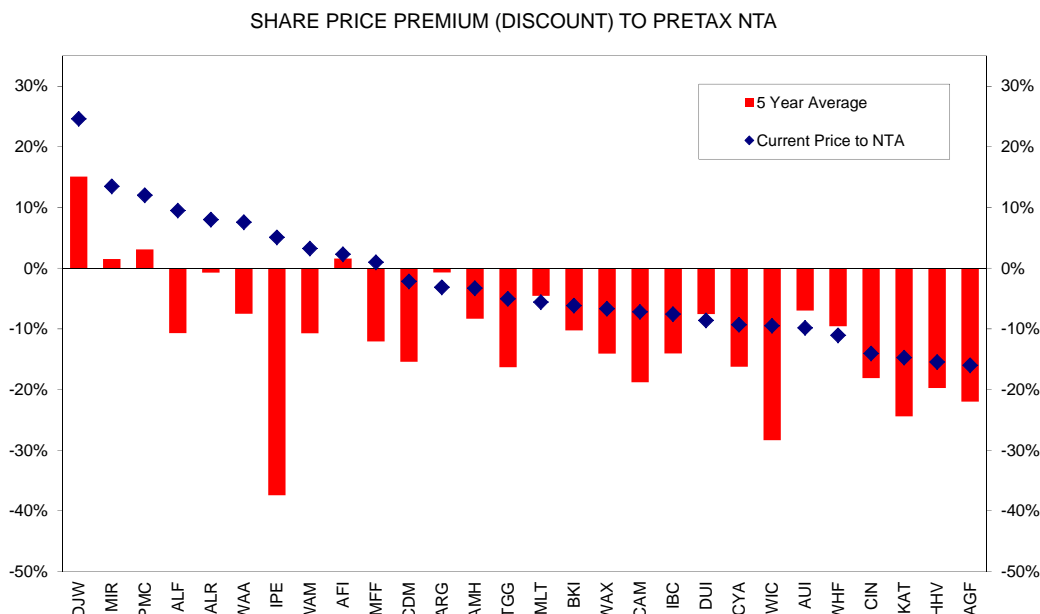
DIVIDEND YIELD

The following chart displays the LICS approximate annual dividend yield based on the trend in dividend payments over the last year. Although dividends are an important feature of investing, clients 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 CTN, ALR, and IBC. Despite this, most LICs were able to increase dividends as a result of improving market conditions. Note that the yield for IPE is high because there a surplus cash balance from recent asset sales. Also, the chart below does not account for the special dividends paid by MIR, MLT and AMH.



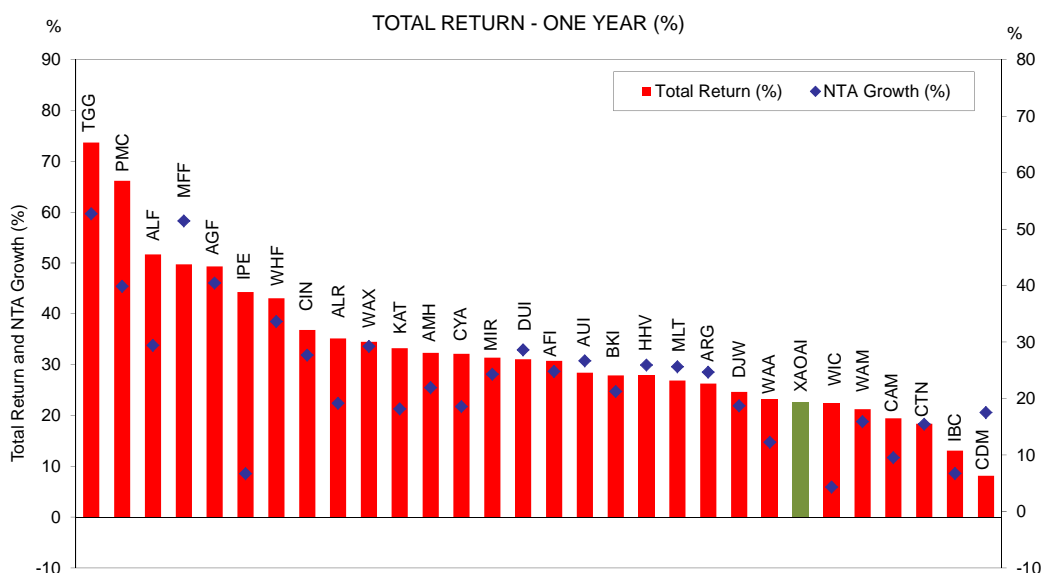
PREMIUM/ DISCOUNT TO NTA

The table below compares the premium/ discount of our universe of LICs to their five year historical averages. The majority of LICs are currently trading above their historical premium to NTA, suggesting that investors continue to be attracted to LICs given the high yields and strong NTA growth in recent times. The LICs which are currently trading below historical levels include ARG, MLT, DUI, AUI and WHF. Those that are trading at a large premium to their historical average NTA are IPE, ALF and WIC. The strongest share price performers over the last quarter have been IPE, TGG, KAT and PMC.

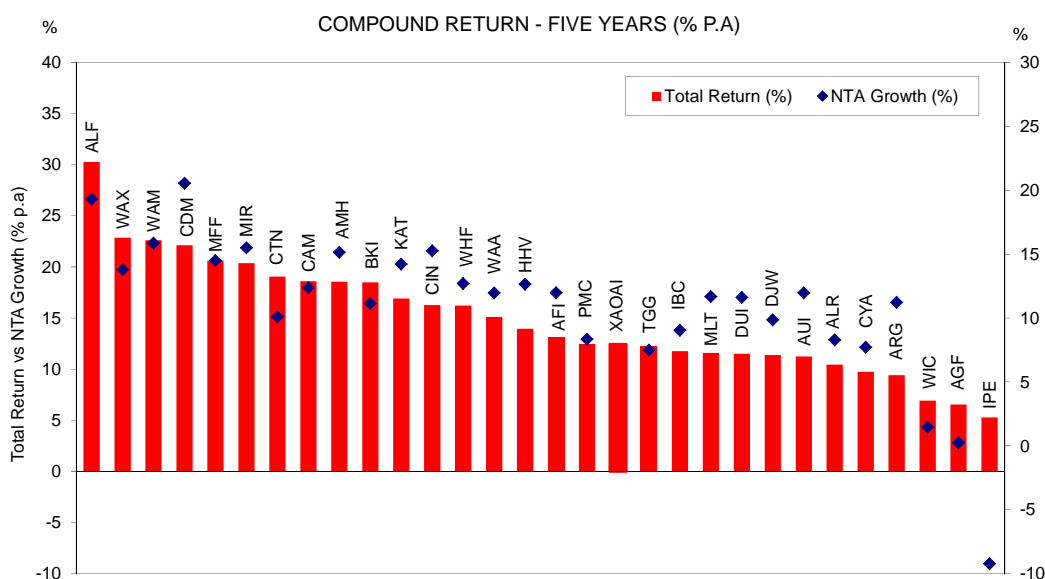


TOTAL RETURN AND NTA GROWTH

The following charts compare the one and five year total return with the underlying NTA growth for the LICs in our universe. Over the year to November 2013, the share price performance of most LICs has outperformed their respective growth in NTAs. As a result, most LICs have been able to outperform the All Ordinaries Accumulation Index (shaded in green below). The LICs with the strongest NTA growth over the year are TGG, MFF, AGF, WHF, and PMC. Those with the weakest NTA growth include IPE, WIC, IBC and CTN. Interestingly, despite the weak NTA growth, both IPE and WIC reported an increase in dividends for the year.

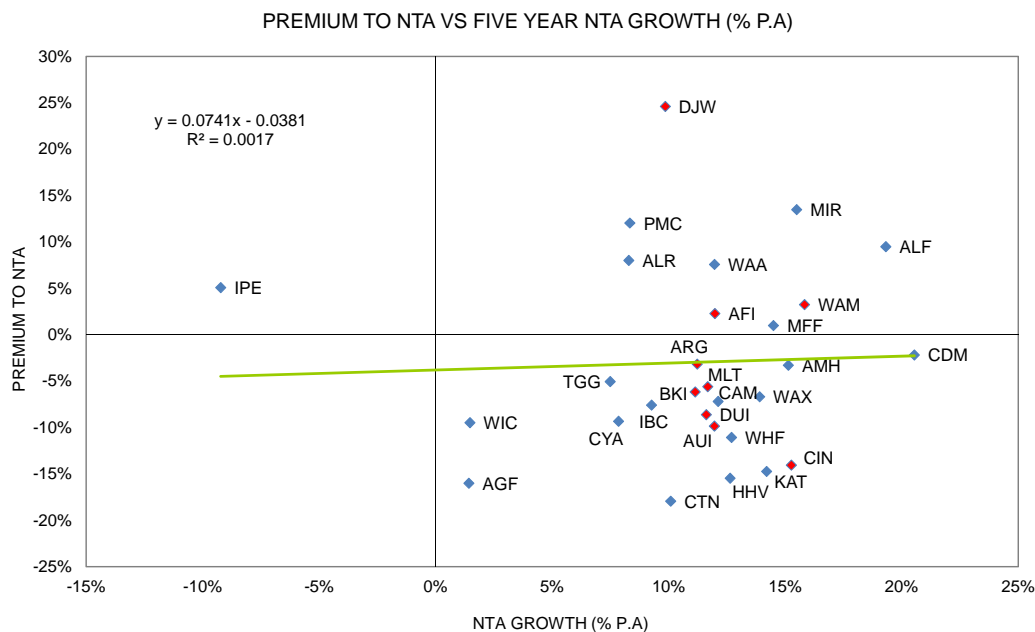


Over the five year period to 30th November 2013, the best performers have been ALF, WAX and WAM. However, over this period, the LICs that have experienced the strongest NTA growth have been CDM and ALF. The worst performing domestic funds were KAT, CYA, ALR and CTN. The poor returns from private equity, the Chinese sharemarket and Australian small caps have had a negative impact on IPE, AGF, and CTN. About 59% of LICs have outperformed the All Ordinaries Accumulation Index which has returned ~ 12.5% p.a. over the last five years.



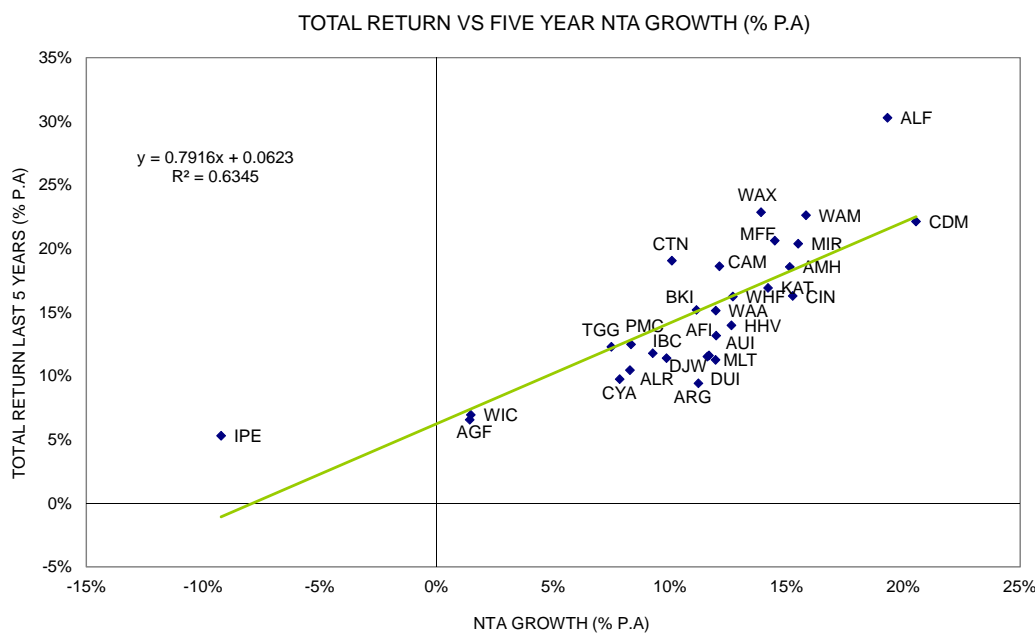
PREMIUM TO NTA VS NTA GROWTH

In the chart below, the large domestic LICs are represented by red markers. The most attractive LICs are the ones positioned on the lower right corner as these are the ones which are trading at a significant discount to NTA despite achieving positive growth in NTA over the last five years. The breakdown in correlation between NTA growth and price to NTA over the last few months has led to some attractive opportunities. Those that appear most attractive on our list are CDM, AMH, CIN, MFF and WAM. A strong performer, ALF, is beginning to look better value. The LICs that appear most expensive are DJW, IPE, ALR, and PMC.



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 provides opportunities to invest when there is a disparity between total return and NTA growth. In the chart below, the LICs that lie furthest away from the line of best fit towards the lower right quadrant represent these opportunities ie. when NTA growth exceeds total return by a wide margin.



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%.

Code	Exchange Traded Funds	Price 13.12.13 (\$)	Dividend Yield (%)	Dividend cps	Franking (%)	1 Year Return (%)	Market Cap. (\$M)	Listing Date
STW	SPDR ASX200	48.57	4.0	192.6	75.81	14.8	2,127	27.08.01
SFY	SPDR ASX50	52.19	3.9	203.6	80.74	17.0	339	27.08.01
SLF	SPDR ASX200 Prop. Tr. Fund	8.97	3.5	31.4	0	5.7	376	18.02.02

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

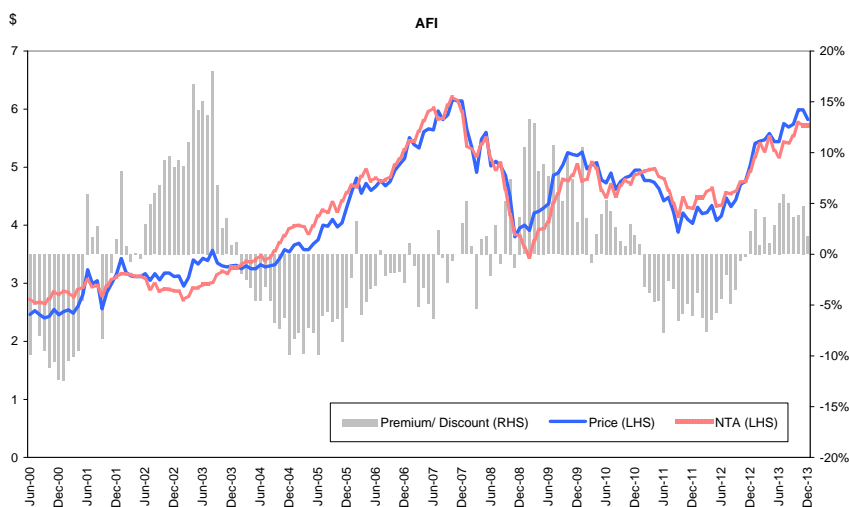
Another ETF that may be of interest to local investors is the Russell High Dividend Australian Shares ETF (code RDV), which tracks the new Russell Australia High Dividend Index.

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 history for LICs which have sufficient history. The charts are in alphabetical order.

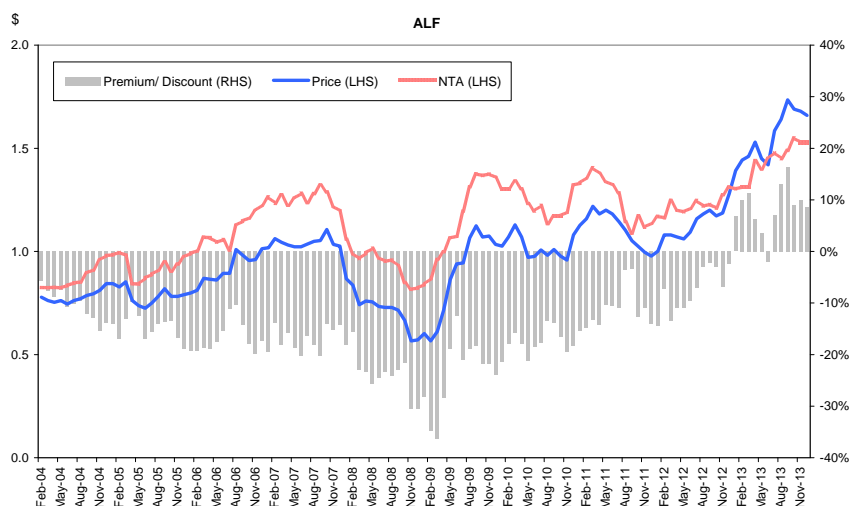
Australian Foundation

AFI As at 30 November 2013		
Code	Company	% Portfolio
CBA	Commonwealth Bank of Australia	13.2
WBC	Westpac Banking Corporation	12.0
BHP	BHP Billiton	11.2
NAB	National Australia Bank	6.6
WES	Wesfarmers (a)	6.5
TLS	Telstra Corporation	5.5
ANZ	ANZ Banking Group	5.4
RIO	Rio Tinto	5.0
WOW	Woolworths	4.2
AMC	Amcor	2.8
OSH	Oil Search	2.7
WPL	Woodside Petroleum	2.5
QBE	QBE Insurance Group	2.3
TCL	Transurban Group	2.2
STO	Santos	2.2
BXB	Brambles	2.1
ORG	Origin Energy	2.0
AMP	AMP	1.9
CPU	Computershare	1.8
AGK	AGL Energy	1.5



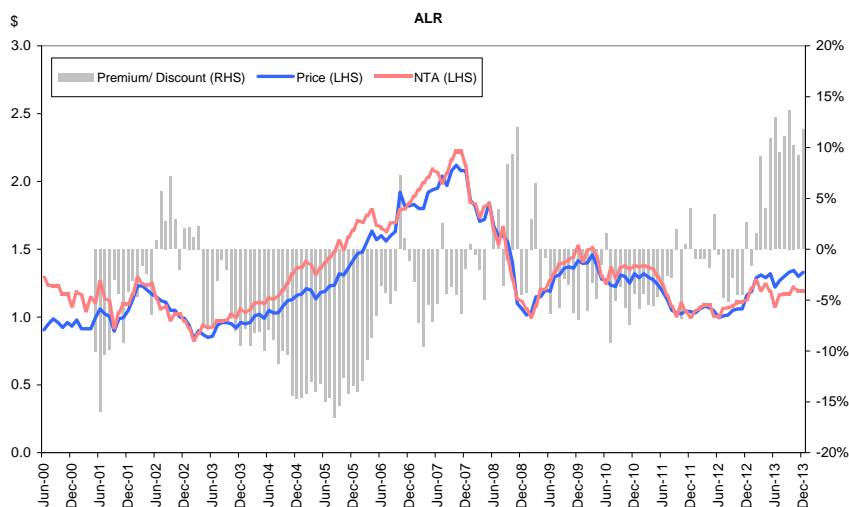
Australian Leaders

ALF As at 30 September 2013		
Code	Company	% Portfolio
ANZ	Australia and NZ Banking Group Limi	8.1
MYX	Mayne Pharma Group Limited	6.8
WES	Wesfarmers Limited	6.4
BHP	BHP Billiton Limited	5.4
WOR	Worleyparsons Limited	4.7
WES	Westpac Banking Corporation	4.5
TCL	Transurban Group Ltd.	4.3
NAB	National Australia Bank Limited	4.1
BXB	Brambles Limited	4.0
AZJ	Aurizon Holdings Ltd.	3.5



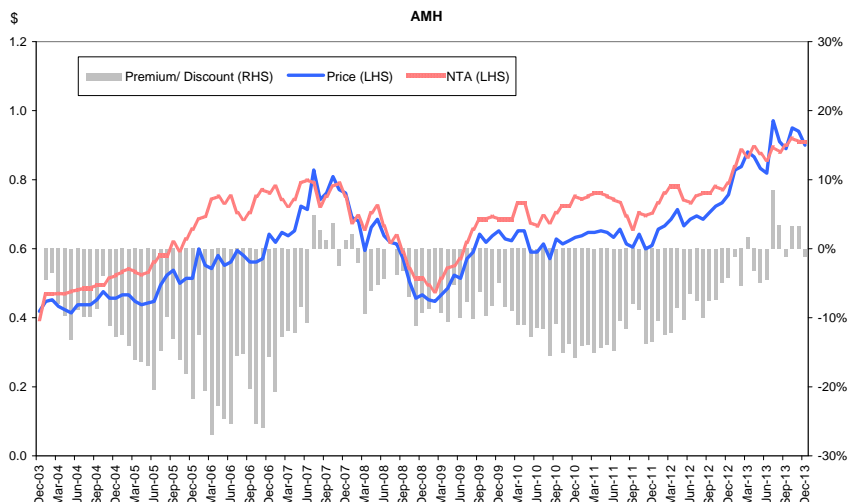
Aberdeen Leaders

ALR As at 30 November 2013		
Code	Company	% Portfolio
BHP	BHP Billiton Limited	10.6
RIO	Rio Tinto Limited	7.7
CBA	Commonwealth Bank	6.4
ANZ	ANZ Banking Group	6.3
WOW	QBE Insurance	5.8
WDC	Westfield Group	5.3
WOW	Woolworths Limited	5.2
AMP	AMP Limited	4.4
ASX	ASX Limited	4.2
SPN	SP AusNet	3.9
AGK	AGL Energy Limited	3.9
WBC	Westpac Banking Corp	3.8
CSL	CSL Limited	3.7
CCL	Coca cola Amatil	3.5
SGT	Singapore Telecom	3.4
CPU	Computershare Ltd	3.0
WPL	Woodside Petroleum	2.9
ORI	Orica Limited	1.9
COH	Cochlear Limited	1.7
WOR	WorleyParsons Limited	1.7



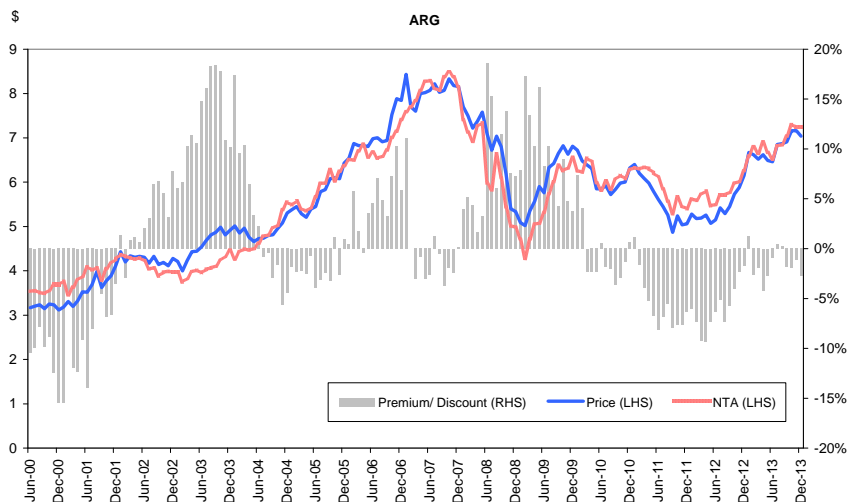
AMCIL

AMH As at 30 November 2013		
Code	Company	% Portfolio
OSH	Oil Search	10.0
BHP	BHP Billiton	8.7
NAB	National Australia Bank	7.4
CBA	Commonwealth Bank of Australia	6.5
STO	Santos	6.4
QBE	QBE Insurance Group	5.6
BXB	Brambles	5.5
ANZ	ANZ Banking Group Limited	5.4
WBC	Westpac Banking Corporation	5.4
TLS	Telstra Corporation	5.0
TOX	Tox Free Solutions	4.8
TCL	Transurban Group	4.7
AMP	AMP	4.3
CCL	Coca-Cola Amatil	3.6
AMC	Amcor	3.2
RIO	Rio Tinto	3.2
EQT	Equity Trustees	3.1
TGR	Tassal Group	2.7
SXY	Senex Energy	2.4
ANN	Ansell	2.2



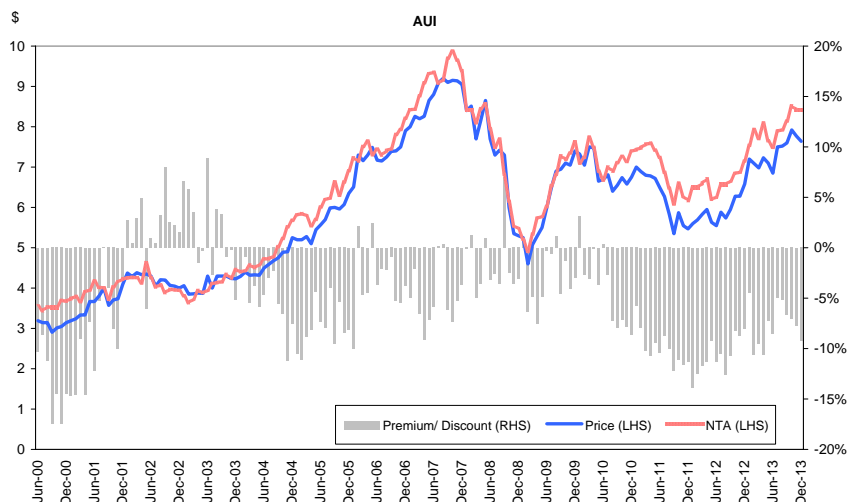
Argo Investments

ARG As at 30 November 2013		
Code	Company	% Portfolio
WBC	Westpac Banking Corporation	7.0
BHP	BHP Billiton Ltd.	6.4
ANZ	ANZ Banking Group	6.2
WES	Wesfarmers Ltd.	6.0
CBA	Commonwealth Bank of Australia	4.3
TLS	Telstra Corporation Limited	4.2
NAB	National Australia Bank	4.1
RIO	Rio Tinto Limited	3.5
MLT	Milton Corporation	3.5
WOW	Woolworths	3.0
MQG	Macquarie Group	2.9
AUI	Australian United Investment Compa	2.8
ORG	Origin Energy	2.0
CSL	CSL Limited	1.6
QBE	QBE Insurance Group Limited	1.4
STO	Santos Limited	1.4
WPL	Woodside Petroleum Limited	1.4
FOX	Twenty-First Century Fox, Inc.	1.3
ORI	Orica Limited	1.2
AMP	AMP Limited	1.2



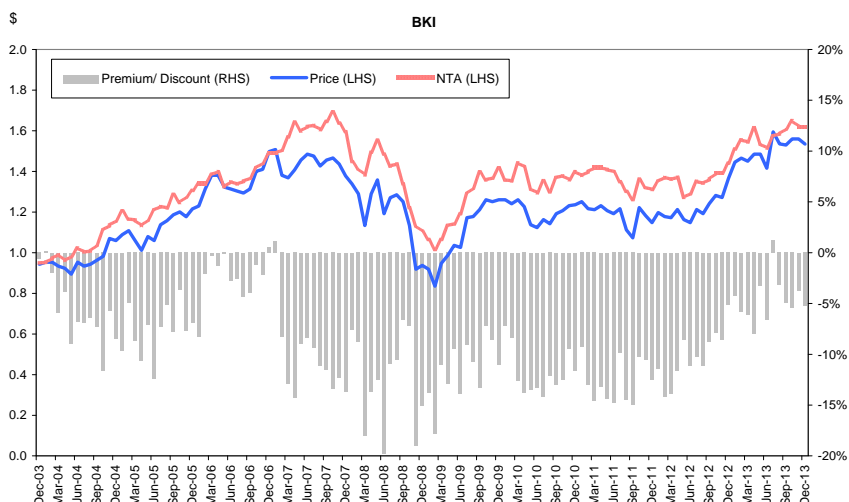
Australian United

AUI As at 30 November 2013		
Code	Company	% Portfolio
ANZ	ANZ Banking Group	8.7
CBA	Commonwealth Bank	7.7
WBC	Westpac Banking Corporation	7.6
BHP	BHP Billiton	7.6
NAB	National Australia Bank	7.2
WES	Wesfarmers Limited	6.1
RIO	Rio Tinto Limited	5.3
WPL	Woodside Petroleum Limited	4.6
DUI	Diversified United Investment Limite	4.1
WOW	Woolworths Limited	4.0
ORI	Orica Limited	2.3
ORG	Origin Energy Limited	2.1
CSL	CSL Limited	2.0
BXB	Brambles Limited	2.0
TCL	Transurban Group Limited	1.9
AMP	AMP Limited	1.6
OSH	Oil Search Limited	1.6
QBE	QBE Insurance Group Limited	1.5
TLS	Telstra Corporation Limited	1.5
STO	Santos Limited	1.4



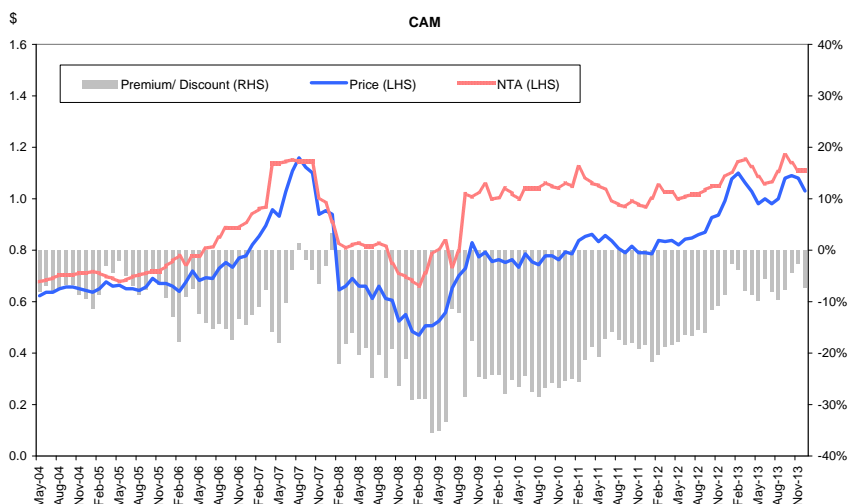
BKI Investment

BKI As at 30 November 2013		
Code	Company	% Portfolio
NAB	National Australia Bank	9.5
CBA	Commonwealth Bank	9.3
WBC	Westpac Banking Corporation	7.9
NHC	New Hope Corporation	6.1
BHP	BHP Billiton Limited	6.1
TLS	Telstra Corporation Limited	4.9
ANZ	ANZ Bank	4.7
WES	Wesfarmers Limited	4.2
WOW	Woolworths Limited	3.5
AGK	AGL Energy Limited	2.2
TPM	TPG Telecom Limited	2.2
ALQ	ALS Limited	2.0
WPL	Woodside Petroleum	1.9
IAG	Insurance Australia Group	1.5
IVC	InvoCare Limited	1.3
CCL	Coca Cola Amatil Limited	1.2
BOQ	Bank of Queensland Limited	1.2
ARP	ARB Corporation Limited	1.2
APA	APA Group	1.1
BEN	Bendigo and Adelaide Bank	1.1



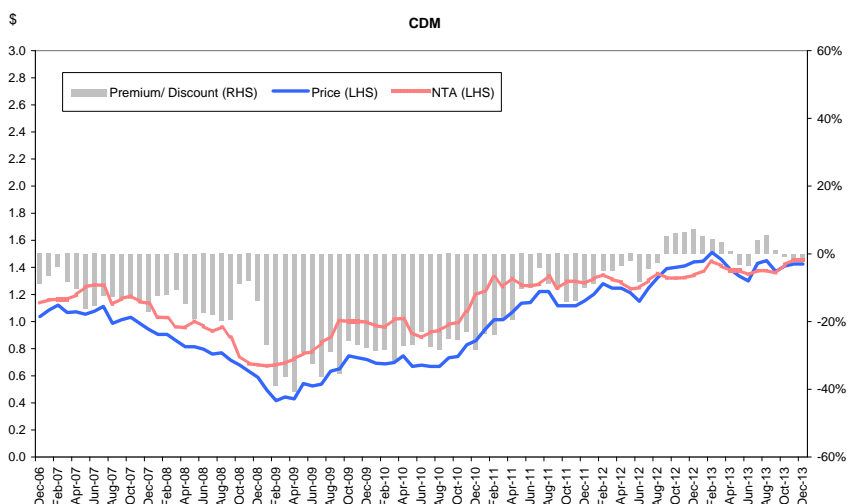
Clime Capital

CAM As at 30 November 2013		
Code	Company	% Portfolio
BHP	BHP Billiton Limited	8.8
ANZ	ANZ Banking Group Limited	5.0
BKW	Brickworks Limited	4.3
MXG	Multiplex	4.2
WBC	Westpac Banking Corporation	3.9
TLS	Telstra Corporation Limited	3.6
WOW	Woolworths Limited	3.5
MMS	McMillan Shakespeare Limited	3.5
SMX	SMS Management & Technology Limi	3.1
NAB	National Australia Bank	2.7
MIN	Mineral Resources Limited	2.4
MQG	Macquarie Group Capital	2.3
TRS	The Reject Shop Limited	2.2
SKI	Spark Infrastructure Group	2.0
TGA	Thorn Group Limited	2.0



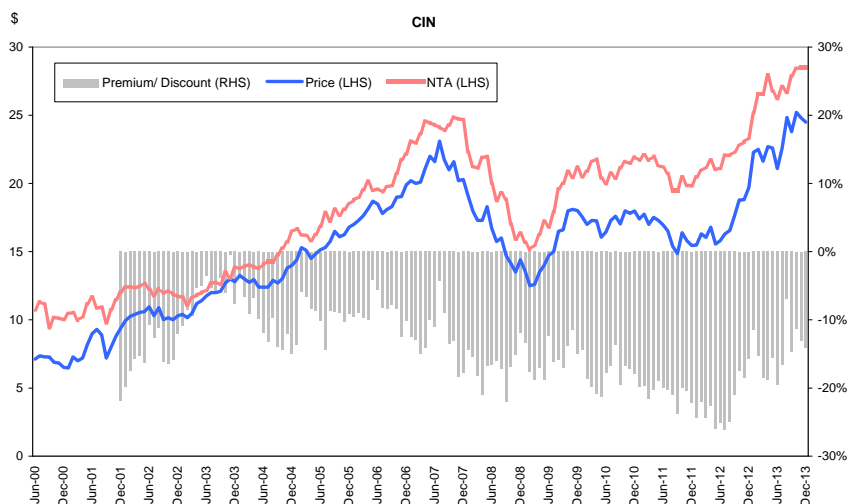
Cadence Capital

CDM As at 30 November 2013		
Code	Company	% Portfolio
MQG	Macquarie Group Limited	9.9
RHG	RHG Limited	9.7
HGG	Henderson Group Plc	8.2
ARI	Arrium Limited	6.3
NAB	National Australia Bank Limited	5.8
ANZ	ANZ Banking Group	4.6
QBE	QBE Insurance Group Limited	4.0
RFG	Retail Food Group	4.0
MMS	McMillan Shakespeare Limited	3.8
IIN	IInet Limited	3.5
FXL	Flexigroup Limited	3.5
BSL	Bluescope Steel Limited	3.3
AMC	Amcor Limited	2.9
ABP	Abacus Property Group	2.6
BOQ	Bank of Queensland	2.6
SDG	Sunland Group	2.5
RIO	Rio Tinto Limited	2.1
TOL	Toll Holdings	2.0
SUN	Suncorp Group Limited	2.0
FLT	Flight Centre Limited	1.9



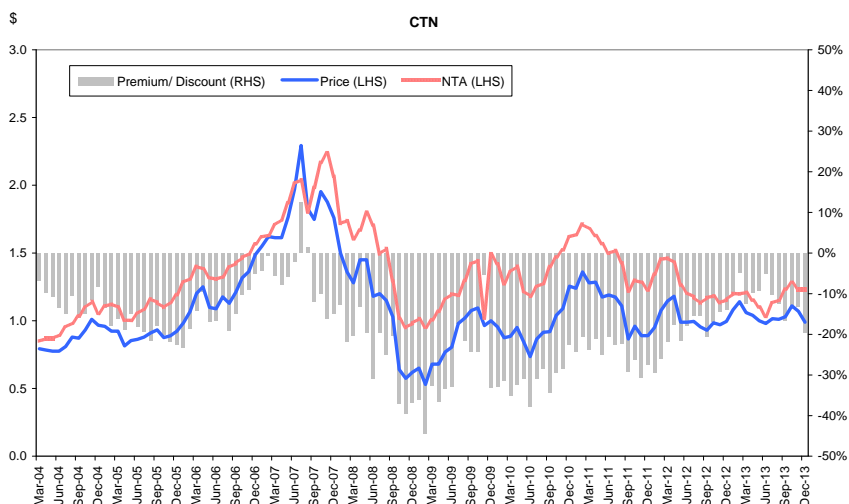
Carlton Investments

CIN	As at 30 September 2013	
Code	Company	% Portfolio
AHD	Amalgamated Holdings	35.1
NAB	National Australia Bank	9.1
WBC	Westpac Bank	7.8
CBA	Commonwealth Bank	5.3
ANZ	ANZ Banking Group	3.9
WES	Wesfarmers Limited	3.5
BHP	BHP Billiton Limited	3.4
AGK	AGL Limited	2.8
TLS	Telstra Limited	2.6
BOQ	Bank of Queensland	1.8
GOW	Gowing Bros Limited	1.6
ORI	Orica Limited	1.5
BEN	Bendigo & Adelaide Bank	1.5
PPT	Perpetual Limited	1.4
ORI	Origin Energy	1.3
AMC	Amcor Limited	1.2
STO	Santos Limited	1.0
JHX	James Hardie	0.9
TRU	The Trust Company	0.8
RIO	Rio Tinto Limited	0.8



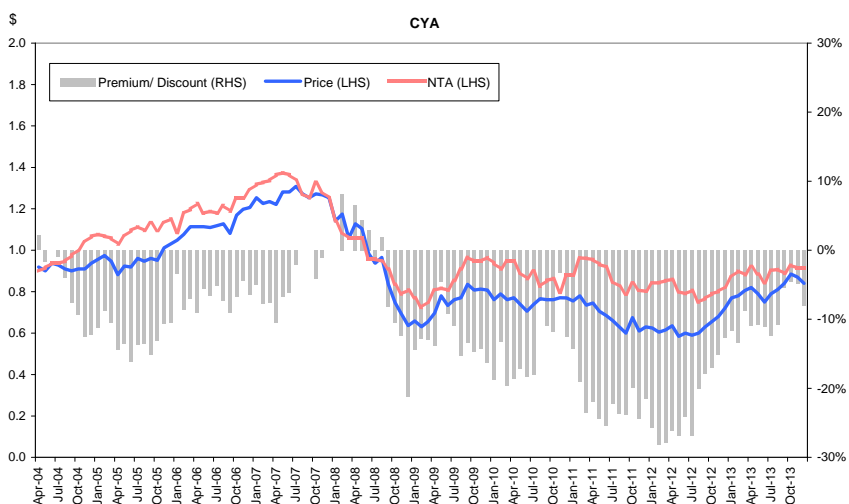
Contango Microcap

CTN	As at 30 November 2013	
Code	Company	% Portfolio
IPP	Iproperty Group Limited	3.2
SGH	Slater & Gordon Limited	3.2
TGS	Tiger Resources Limited	3.1
GEM	G8 Education Limited	3.1
MYX	Mayne Pharma Group Limited	3.0
AUB	Austbrokers Holdings Limited	2.9
BTT	BT Investment Mgmt Ltd	2.7
VRL	Village Roadshow Limited	2.6
INA	Ingenia Communities Group	2.3
CTD	Corporate Travel Mgmt Ltd	2.3
CWP	Cedar Woods Properties	2.2
SFW	Sfg Australia Limited	2.2
AHE	Automotive Hldgs Grp Ltd	2.2
PRT	Prime Media Group Limited	2.2
VLW	Villa World Limited	1.9
BDR	Beadell Resources Limited	1.9
TOX	Tox Free Solutions Ltd	1.8
NHF	NIB Holdings Limited	1.7
TTN	Titan Energy Services Ltd	1.7
MLD	MACA Limited	1.7



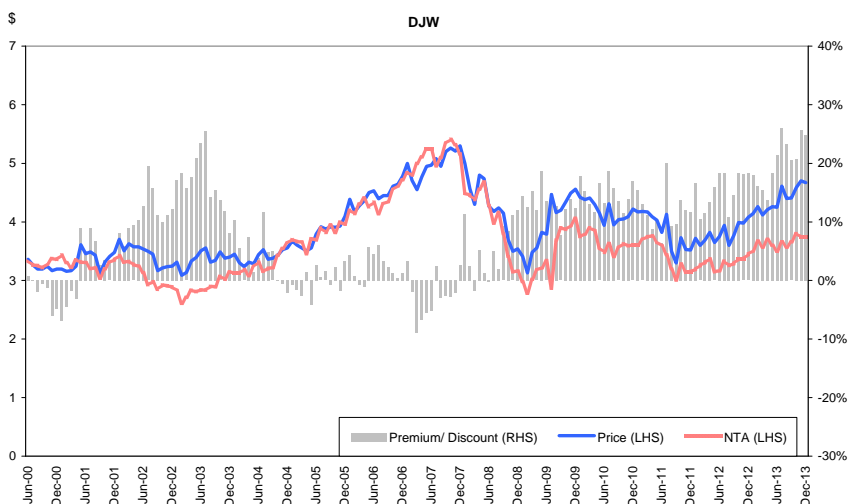
Century Australia

CYA	As at 30 November 2013	
Code	Company	% Portfolio
BHP	BHP Billiton Limited	10.0
WBC	Westpac Banking Corp	7.4
ANZ	ANZ Banking Grp Ltd	7.4
CBA	Commonwealth Bank	7.2
NAB	National Aust. Bank	6.9
TLS	Telstra Corporation	5.8
MQG	Macquarie Group Ltd	3.6
RIO	Rio Tinto Limited	2.9
WPL	Woodside Petroleum	2.8
BXB	Brambles Limited	2.5



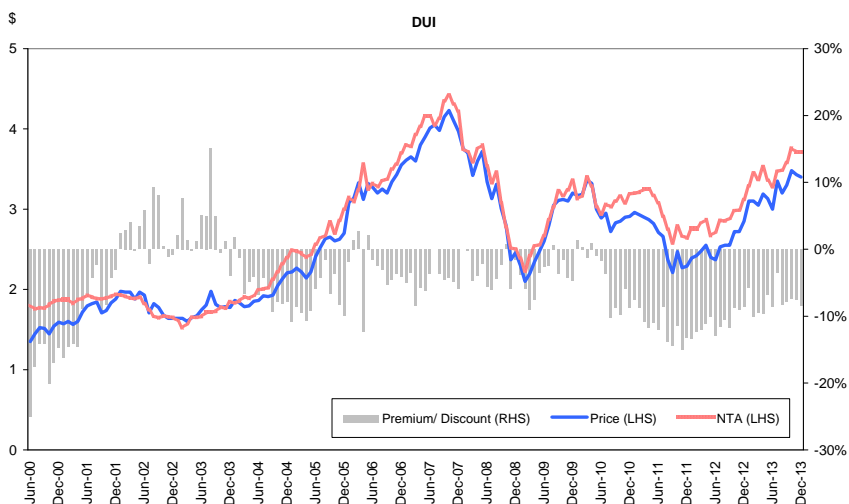
Djerriwarrh

DJW As at 30 November 2013		
Code	Company	% Portfolio
BHP	BHP Billiton	13.6
TLS	Telstra Corporation	8.0
WBC	Westpac Banking Corporation	7.9
NAB	National Australia Bank	7.8
CBA	Commonwealth Bank of Australia	7.4
ANZ	ANZ Banking Group	7.2
OSH	Oil Search Limited	5.8
WPL	Woodside Petroleum	5.5
RIO	Rio Tinto Limited	4.6
WES	Wesfarmers Limited	4.3
BXB	Brambles Limited	3.5
STO	Santos Limited	3.3
AMP	AMP Limited	3.2
QBE	QBE Insurance Group	3.2
SUN	Suncorp Group	2.7
APA	APA Group	2.6
TCL	Transurban Group	2.5
ORG	Origin Energy	2.5
WOW	Woolworths Limited	2.2
CCL	Coca-Cola Amatil	2.2



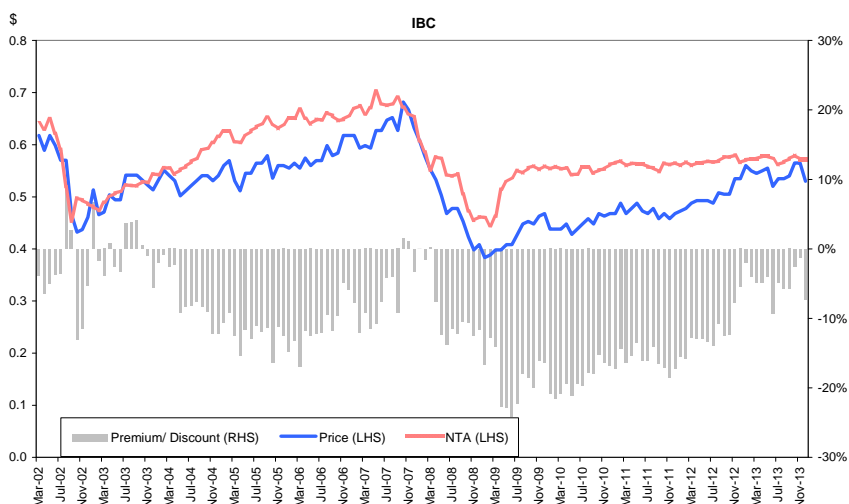
Diversified United

DUI As at 30 November 2013		
Code	Company	% Portfolio
CBA	Commonwealth Bank of Australia	8.9
ANZ	ANZ Banking Group	8.7
BHP	BHP Billiton	8.6
WBC	Westpac Banking Corporation	8.5
NAB	National Australia Bank	6.0
WPL	Woodside Petroleum	5.6
CSL	CSL Limited	5.6
RIO	Rio Tinto Limited	5.2
WOW	Woolworths Limited	3.4
TCL	Transurban Group	3.0
WES	Wesfarmers Limited	2.7
QBE	QBE Insurance Group	2.4
ORG	Origin Energy	2.3
SOL	Washington H Soul Pattinson & Co	2.1
MYS	Mystate Limited	1.8
AMP	AMP Limited	1.7
AIO	Asciano Limited	1.7
WDC	Westfield Group	1.5
BTT	BT Investment Management	1.4
OSH	Oil Search Limited	1.4

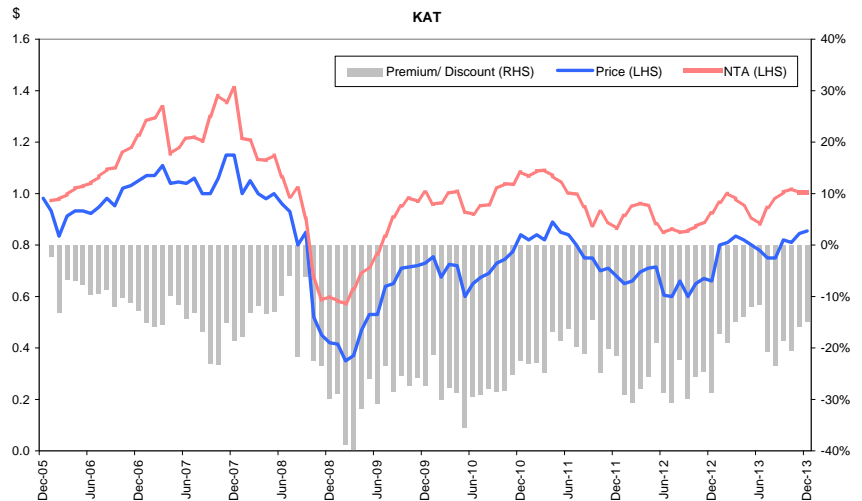


Ironbark Capital

IBC As at 30 September 2013		
Code	Company	% Portfolio
CBAPA	CBA Perls III & V & VI	9.5
BHP	BHP Billiton Limited	9.0
TLS	Telstra Corporation.	5.3
ORGHA	ORG Sub Notes	4.6
ANZPA	ANZ Convertible Pref Sec	4.6
SUNPC	SUN Convertible Pref Sec	3.9
IAGPC	IAG Convertible Pref Sec	3.5
SVWPA	SVW Convertible Pref Sec	3.2
CBA	Commonwealth Bank	3.2
IANG	IAG Perpetual Rest Ex Notes	2.9
NABPA	NAB Convertible Pref Sec	2.4
CTXHA	CTX Subordinated Notes	2.4
RHCPA	RHC Convertible Equity Sec	2.4
	ALE Notes II	2.3
WBC	Westpac Banking Corp	2.2
DUE	DUET Group	2.1
SCP	Shopping Centres Property	1.9

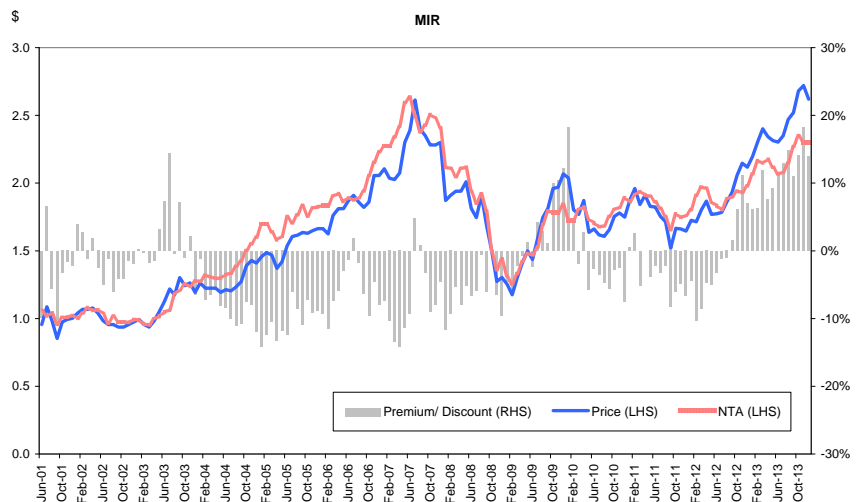


Katana



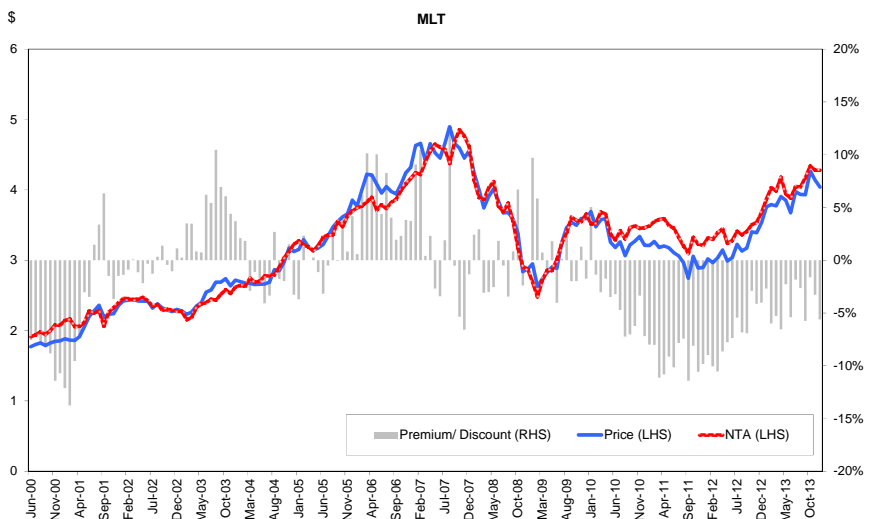
Mirrabooka Investments

MIR	As at 30 November 2013	
Code	Company	% Portfolio
JHX	James Hardie Industries	8.3
TOX	Tox Free Solutions	7.3
OSH	Oil Search Limited	7.1
ALQ	ALS Limited	6.6
ANN	Ansell Limited	6.3
AUB	Austbrokers Holdings	6.1
IRE	IRESS Limited	5.5
TGR	Tassal Group	5.2
IVC	InvoCare Limited	5.1
EQT	Equity Trustees	5.1
BGA	Bega Cheese Limited	4.9
CCL	Coca-Cola Amatil	4.2
SXY	Senex Energy	4.0
RHC	Ramsay Health Care	3.8
FBU	Fletcher Building	1.8
TOL	Toll Holdings Limited	3.5
PPT	Perpetual Limited	3.5
BGL	BigAir Group	3.4
SEK	SEEK Limited	3.3
AWC	Alumina Limited	3.2



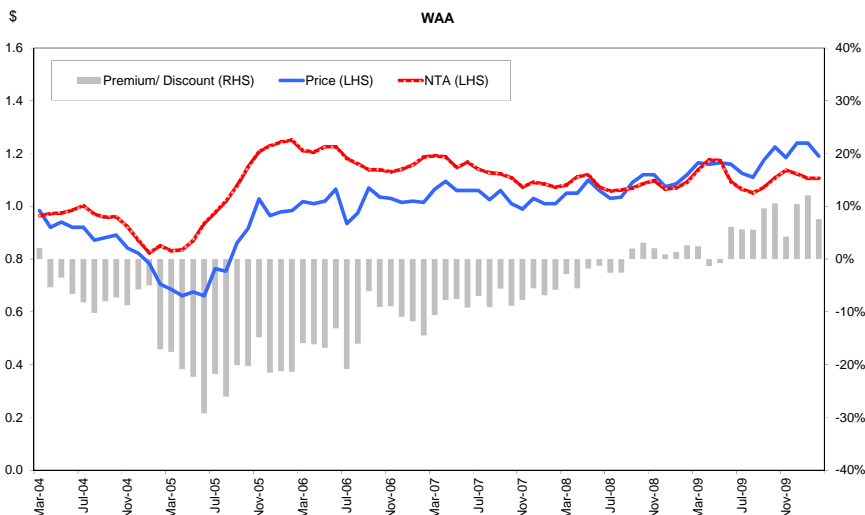
Milton Corp.

MLT	As at 30 November 2013	
Code	Company	% Portfolio
WBC	Westpac Banking Corporation	12.8
CBA	Commonwealth Bank of Australia	8.8
NAB	National Australia Bank	5.6
SOL	W H Soul Pattinson	5.0
BHP	BHP Billiton Limited	4.6
WES	Wesfarmers Limited	4.5
ANZ	ANZ Banking Group	4.5
ALO	ALS Limited	3.5
WOW	Woolworths Limited	3.4
BOQ	Bank of Queensland	3.0
TLS	Telstra Corporation	2.5
BEN	Bendigo and Adelaide Bank	2.4
BKW	Brickworks Limited	1.7
QBE	QBE Insurance	1.5
CSL	CSL Limited	1.5
SUN	Suncorp Group	1.5
PPT	Perpetual Limited	1.4
RIO	Rio Tinto Limited	1.3
AGK	AGL Energy	1.3
WPL	Woodside Petroleum Limited	1.1



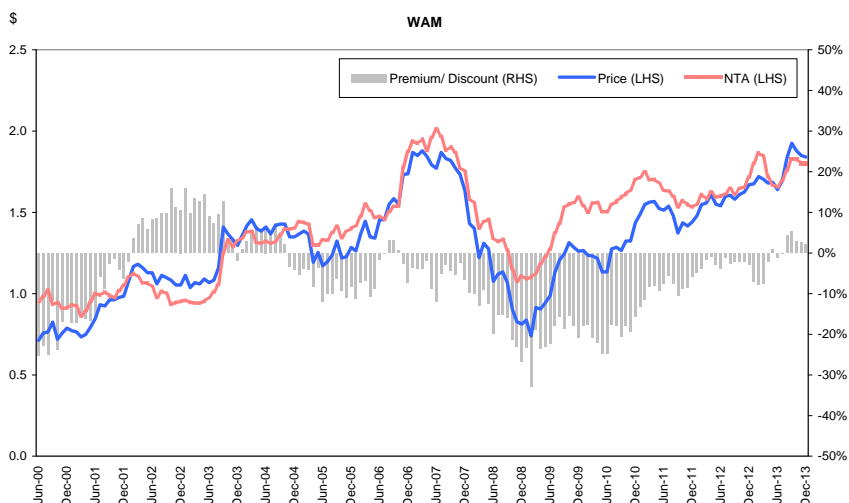
WAM Active

WAA	As at 30th November 2013	
Code	Company	% Portfolio
FKP	Aveo Group	6.8
CYA	Century Australia	3.9
WIC	Westoz Inv Ltd	3.2
MQG	Macquarie Group Ltd	3.0
HIL	Hills Ltd	2.8
GNC	GrainCorp Limited	2.6
IPE	IPE Ltd	2.6
TSE	Transfield Services	2.5
ELI	Emerging Leaders Inv	2.4
BKW	Brickworks Limited	2.3
CSR	CSR Limited	2.2
MCS	McAleese Ltd	2.1
MOA	Macq Atlas Roads Grp	2.0
CYG	Coventry Group	2.0
JBH	JB Hi-Fi Limited	1.8
PRT	Prime Media Grp Ltd	1.6
BXB	Brambles Limited	1.6
IBC	Ironbark Capital Ltd	1.6
WCB	Warmambool Cheese	1.6
MIO	Miclyn Exp Offshr	1.4



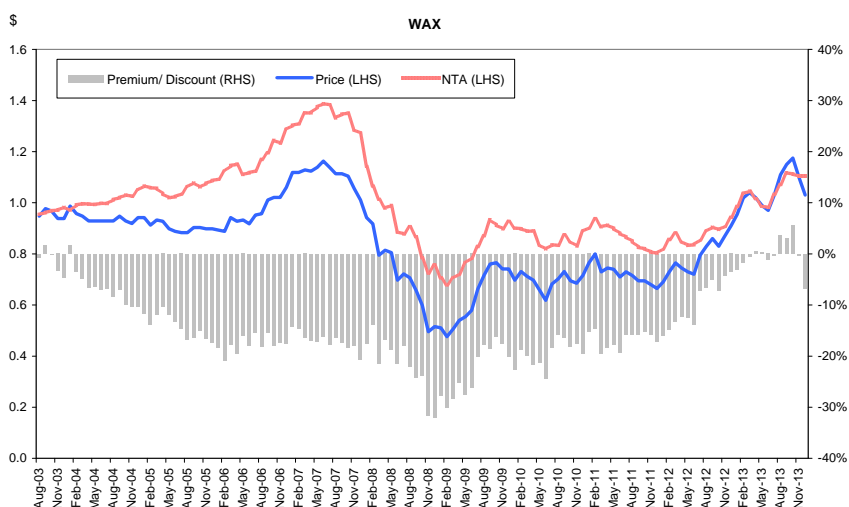
WAM Capital

WAM	As at 30 November 2013	
Code	Company	% Portfolio
FKP	FKP Property Group	3.5
GNC	Graincorp Limited	3.0
SGH	Slater & Gordon Limited	2.0
CYA	Century Australia Investments	2.0
WIC	Westoz Investment Company	1.7
NEA	Nearmap Limited	1.6
MQG	Macquarie Group Limited	1.6
AHE	Automotive Holdings Group	1.5
HIL	Hills Holdings Limited	1.4
IPE	ING Private Equity Access Limited	1.4
ELI	Emerging Leaders Investments	1.3
VOC	Vocus Communications Limited	1.3
TSE	Transfield Services Limited	1.3
SFW	SFG Australia Limited	1.3
BKW	Brickworks Limited	1.2
RHG	RHG Limited	1.2
NXT	NEXTDC Limited	1.2
CSR	CSR Limited	1.2
GWA	GWA Group Limited	1.1
SGN	STW Communications Group	1.1

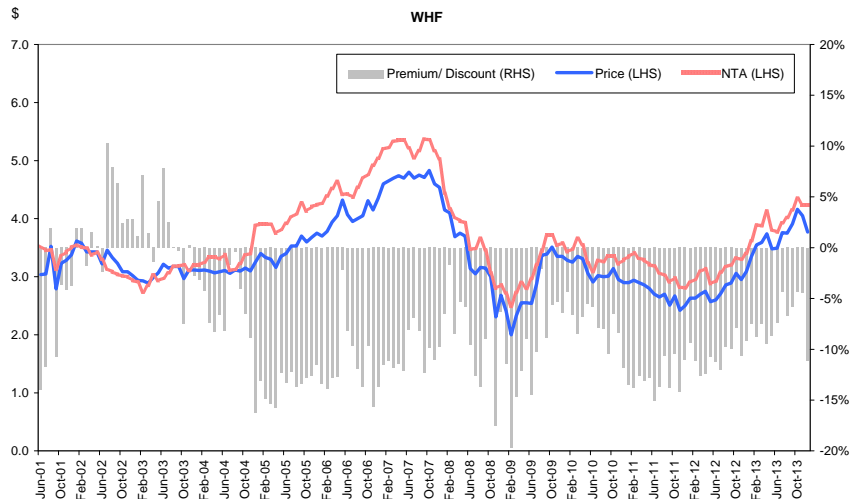


WAM Research

WAX	As at 30 November 2013	
Code	Company	% Portfolio
SGH	Slater & Gordon Limited	3.8
NEA	Nearmap Limited	3.1
AHE	Automotive Holdings Group Limited	3.0
GNC	Graincorp Limited	2.8
VOC	Vocus Communications Limited	2.6
SFW	SFG Australia Limited	2.5
NXT	NEXTDC Limited	2.5
GWA	GWA Group Limited	2.2
SGN	STW Communications Group Limited	2.2
TNE	Technology One Limited	2.2
PGH	Pact Group Holdings Limited	2.1
AAD	Ardent Leisure Group	2.1
CSV	CSG Limited	2.0
DNA	Donaco International Limited	2.0
CIW	Clime Investment Management Limit	1.9
RCR	RCR Tomlinson Limited	1.9
RWH	Royal Wolf Holdings Limited	1.6
IPP	iProperty Group Limited	1.5
WEB	Webjet Limited	1.4
OFX	Ozforex Group Limited	1.1

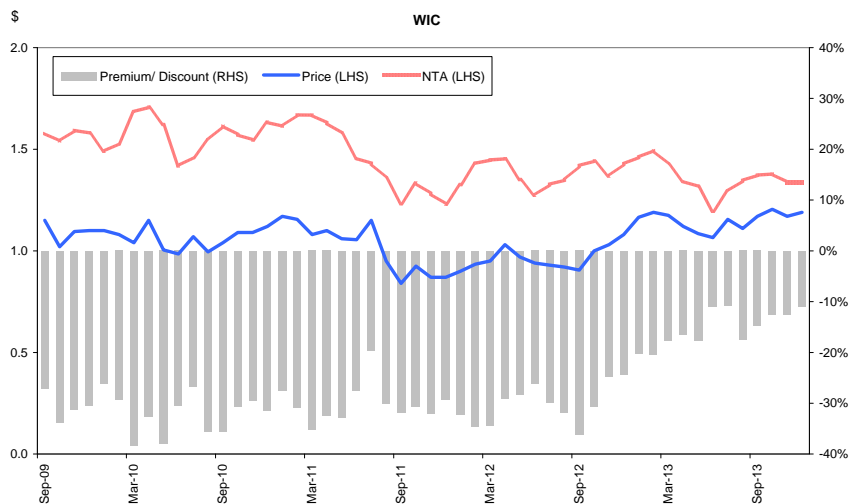


WHF As at 30 November 2013		
Code	Company	% Portfolio
CBA	Commonwealth Bank Of Australia	11.0
WBC	Westpac Banking Corporation	9.0
ANZ	ANZ Banking Group	7.6
NAB	National Australia Bank	7.1
TLS	Telstra Corporation Limited	5.5
MQG	Macquarie Group Limited	5.2
WES	Wesfarmers Limited	3.7
WOW	Woolworths Limited	3.7
CPU	Computershare Limited	2.8
BXB	Brambles Limited	2.7
CWN	Crown Limited	2.7
QBE	QBE Insurance Limited	2.6
CSL	CSL Limited	2.2
AMP	AMP Limited	2.1
AMC	Ancor Limited	1.7
FOXLV	Twenty-First Century FOX	1.7
AIO	Asciano Limited	1.6
SVW	Seven Group Holdings Limited	1.5
SUN	Suncorp Limited	1.5
IVC	InvoCare Limited	1.5



Westoz Inv

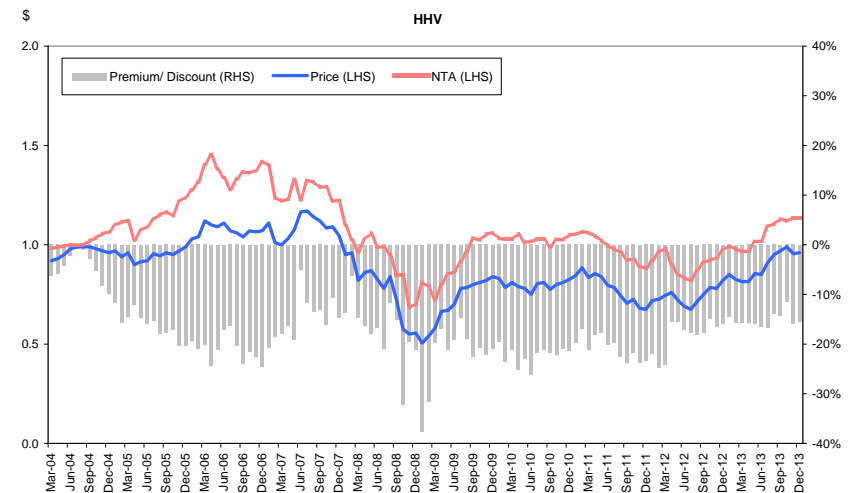
WIC As at 30 November 2013		
Code	Company	% Portfolio
AOA	Aquila Resources Limited	8.0
AUT	Aurora Oil & Gas Limited	8.0
AHE	Automotive Holdings Group Limited	8.0
FRI	Finbar Group Limited	8.0
CWP	Cedar Woods Properties Limited	6.0
MML	Medusa Mining Limited	6.0
RRL	Regis Resources Limited	4.0
MGX	Mount Gibson Iron Limited	4.0
AGO	Atlas Iron Limited	4.0



THEMATIC AND GLOBAL LICs

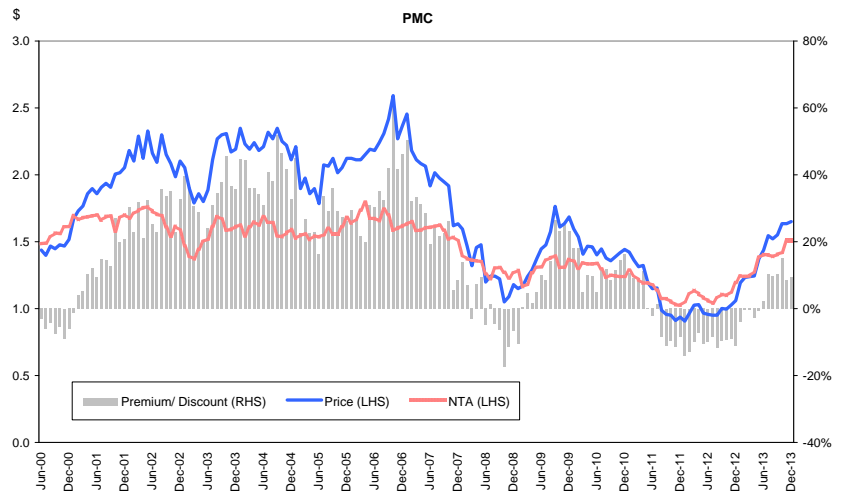
Hunter Hall Global

NB: NTA is after tax

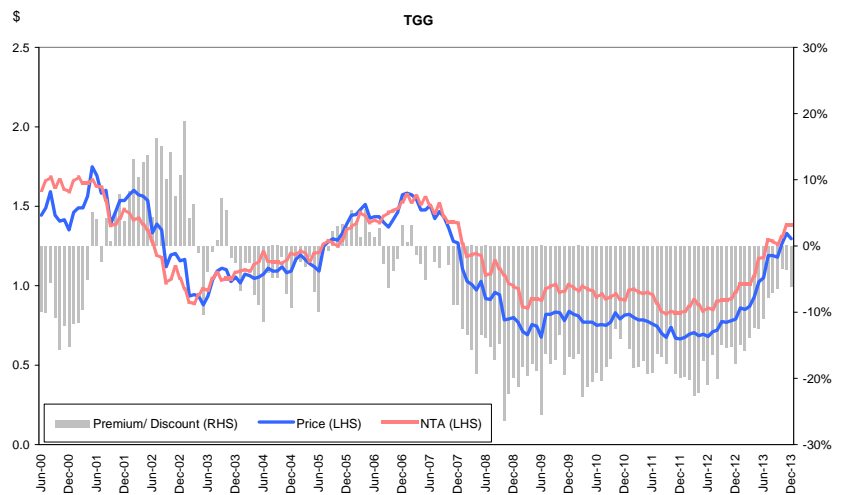


Platinum Capital

NB: NTA is after tax



Templeton Global



1300 582 256
patersons@psl.com.au
www.psl.com.au

Research

Rob Brierley – Head of Research	Phone: (+61 8) 9263 1611	Email: rbrierley@psl.com.au
Tony Farnham – Economist	Phone: (+61 2) 9258 8973	Email: tfarnham@psl.com.au
Andrew Quin – Research Strategy Coordinator	Phone: (+61 8) 9263 1152	Email: aquin@psl.com.au
Kien Trinh – Senior Quantitative Analyst	Phone: (+61 3) 9242 4027	Email: ktrinh@psl.com.au

Metals and Mining

Tim McCormack – Resources Analyst	Phone: (+61 8) 9263 1647	Email: tmccormack@psl.com.au
Simon Tonkin – Senior Resources Analyst	Phone: (+61 8) 9225 2816	Email: stonkin@psl.com.au
Matthew Trivett – Research Analyst	Phone: (+61 7) 3737 8053	Email: mtrivett@psl.com.au

Oil and Gas

Alexis Clark – Oil and Gas Analyst	Phone: (+61 3) 9224 4448	Email: aclark@psl.com.au
------------------------------------	--------------------------	--------------------------

Industrials

Digby Gilmour – Industrial Analyst	Phone: (+61 8) 9263 1664	Email: dgilmour@psl.com.au
Marcus Hamilton – Industrial Analyst	Phone: (+61 8) 9225 2836	Email: mhamilton@psl.com.au
Ben Kakoschke – Industrial Analyst	Phone: (+61 3) 9242 4181	Email: bkakoschke@psl.com.au

Institutional Dealing

Dan Bahen	Phone: (+61 8) 9263 1274	Email: dbahen@psl.com.au
Michael Brindal	Phone: (+61 8) 9263 1186	Email: mbrindal@psl.com.au
Artie Damaa	Phone: (+61 2) 8238 6215	Email: adamaa@psl.com.au
Paul Doherty	Phone: (+61 3) 8803 0108	Email: pdoherty@psl.com.au
Trent Foxe	Phone: (+61 2) 8238 6265	Email: tfoxe@psl.com.au
Peter Graham	Phone: (+61 3) 9242 4129	Email: pgraham@psl.com.au
Chris Kelly	Phone: (+61 3) 9242 4078	Email: ckelly@psl.com.au
Steven Kestel	Phone: (+61 8) 9263 1631	Email: skestel@psl.com.au
Jeremy Nugara	Phone: (+61 3) 8803 0166	Email: jnugara@psl.com.au
Phil Schofield	Phone: (+61 2) 8238 6223	Email: pschofield@psl.com.au
Josh Welch	Phone: (+61 8) 9263 1668	Email: jwelch@psl.com.au
Rob Willis	Phone: (+61 7) 3737 8021	Email: rwillis@psl.com.au
Sandy Wylie	Phone: (+61 8) 9263 1232	Email: swylie@psl.com.au

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