May 2011 NTAs

Update | 15 June 2011
Listed Investment Companies | Australia

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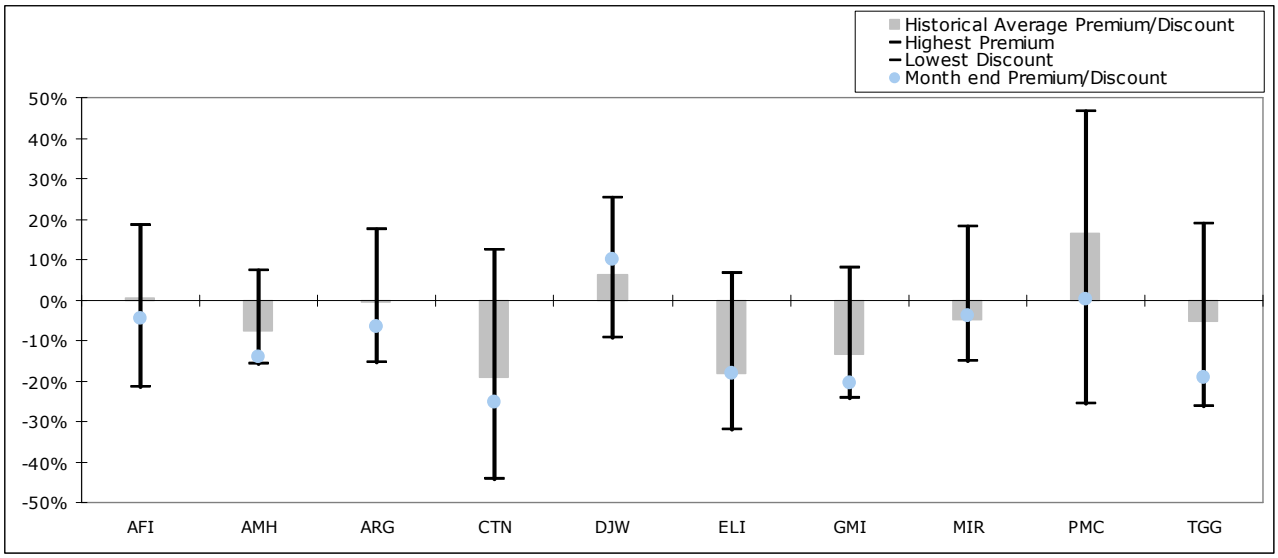
- The S&P/ASX 200 Index finished the month lower with a 2.4% fall during May. The market struggled as concerns around the picture of the global growth profile re-emerged with familiar issues resurfacing around the Chinese economy and European sovereign debt. Downgrades to Chinese growth forecasts from tighter monetary and fiscal conditions in that country have weighed on equity markets. Sovereign debt issues in Greece impacted the international banking sector as authorities debated the best course of action and what shape a rescue package may take.
- A number of the LICs are now displaying improved 12 month performance figures on an absolute basis, having cycled some tough comparable numbers during the past couple of months. Domestic investors should take note of the attractive absolute returns generated over the past year, particually amongst the small to mid cap managers.
- The divergence in the returns between the LIC share prices and their portfolio's continues. Interestingly, as a broad observation of some of the LICs that we cover, the share price performance of the smaller cap focussed LICs have outperformed their portfolios during the past twelve months. Conversely some of the larger cap LIC share prices have struggled to replicate the performance of their portfolios.
- Premiums and discounts to closing prices and perfromance data are summarised as per below:

	Company Name	15-Jun-11 Price cps	31-May-11 Price cps	31-May-11 NTA before provision for tax on unrealised gains cps	31-May-11 NTA after provision for tax on unrealised gains cps	31-May-11 NTA Prem/(Dis) Before provision for tax on unrealised gains	31-May-11 NTA Prem/(Dis) After provision for tax on unrealised gains	3 year average Premium (Discount) Before provision for tax
Active Strategies								
Australian Equity Portfolios								
AFI	AFIC	446	463	485	421	-4.5%	10.0%	4.0%
ALF	Australian Leaders Fund Limited *	126	129	144	141	-10.4%	-8.5%	**
ALR	Aberdeen Leaders Limited *	121	124	130	127	-4.6%	-2.4%	-2.5%
AMH	AMCIL Limited	67	68	79	76	-13.9%	-10.5%	-9.9%
AOD	Aurora Sandringham Dividend Income Fund *	97	98	102	NA	-4.0%	NA	0.3%
ARG	Argo Investments	565	579	621	562	-6.8%	3.0%	4.0%
AUI	Australian United *	658	672	742	648	-9.4%	3.7%	-3.8%
BKI	Brickworks Investment Company *	120	123	143	135	-14.3%	-9.3%	-12.0%
CTN	Contango MicroCap Limited	119	118	157	147	-25.1%	-20.0%	-29.8%
CYA	Century Australian Investments *	67	71	93	94	-24.4%	-25.1%	-13.6%
DJW	Djerriwarrh Investments Limited	393	403	366	356	10.1%	13.2%	12.5%
DUI	Diversified United Investments *	274	282	317	282	-11.0%	0.0%	-4.8%
ELI	Emerging Leaders Investments Limited	92	91	111	109	-18.0%	-16.5%	-20.8%
IBC	Ironbark Capital Limited (BTE) *	48	49	57	56	-13.4%	-12.3%	**
LRF	LinQ Resources Fund *	92	94	139	NA	-32.4%	NA	**
MIR	Mirrabooka Investments Limited	185	187	194	178	-3.9%	4.8%	-0.7%
MLT	Milton Corporation *	1540	1595	1755	1623	-9.1%	-1.7%	-2.1%
WAM	WAM Capital Limited *	157	157	172	166	-9.2%	-5.5%	-20.8%
WHF	Whitefield Limited *	271	280	321	331	-12.8%	-15.4%	-8.7%
WAX	WAM Research Limited*	74	74	90	94	-17.7%	-21.7%	**
International Equity Portfolios								
AGF	AMP Capital China Growth Fund *	73	73	96	NA	-24.0%	NA	**
GMI	Global Mining Investments Limited	118	123	154	145	-20.5%	-15.5%	-14.1%
PMC	Platinum Capital Limited	118	121	120	120	0.0%	0.0%	7.8%
TGG	Templeton Global Growth	77	78	96	96	-19.3%	-19.3%	-18.1%
XKO	S&P/ASX 300 Index	4572	4717		-3.06%	% Change since end of month		

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

Current and historical NTA



Exchange traded funds

	Company Name	15-Jun-11 Price cps	31-May-11 Price cps	14-Jun-11 NTA before provision for tax on unrealised gains cps	14-Jun-11 NTA after provision for tax on unrealised gains cps	14-Jun-11 NTA Prem/(Dis) Before provision for tax on unrealised gains	14-Jun-11 NTA Prem/(Dis) After provision for tax on unrealised gains	3 year average Premium (Discount) Before provision for tax
ETFs - Passive Strategies								
Australian Equity Portfolios								
SFY	SPDR S&P/ASX 50 Fund	4484	4616	4482	4482	0.1%	0.1%	**
SLF	SPDR S&P/ASX 200 Property Fund	795	794	791	791	0.5%	0.5%	**
STW	SPDR S&P/ASX 200 Fund	4372	4498	4367	4367	0.1%	0.1%	**
VAS	Vanguard Australian Shares Index	5929	6096	5922	5922	0.1%	0.1%	**
International Equity Portfolios								
IOO	iShares S&P Global 100 #	6059	6280	6069	6069	-0.2%	-0.2%	**
IVV	iShares S&P 500 #	12114	12594	12133	12133	-0.2%	-0.2%	**
IJH	iShares S&P MidCap 400 #	8773	9254	8851	8851	-0.9%	-0.9%	**
IJR	iShares S&P SmallCap 600 #	6623	6880	6581	6581	0.6%	0.6%	**
IVE	iShares MSCI EAGG #	5590	5760	5629	5629	-0.7%	-0.7%	**
IEU	iShares S&P Europe 350 #	3941	4041	3963	3963	-0.6%	-0.6%	**
IJP	iShares MSCI Japan #	952	947	947	947	0.5%	0.5%	**
IEM	iShares MSCI Emerging Markets #	4380	4517	4404	4404	-0.6%	-0.6%	**
ITW	iShares MSCI Taiwan #	1423	1425	1437	1437	-1.0%	-1.0%	**
IKO	iShares MSCI South Korea #	6004	6160	5961	5961	0.7%	0.7%	**
IZZ	iShares FTSE/Xinhua China 25 #	4023	4212	4033	4033	-0.2%	-0.2%	**
IHK	iShares MSCI Hong Kong #	1736	1800	1740	1740	-0.3%	-0.3%	**
ISG	iShares MSCI Singapore #	1279	1324	1278	1278	0.1%	0.1%	**
IAA	iShares Asia 50 #	4375	4546	4400	4400	-0.6%	-0.6%	**
IBK	iShares MSCI BRIC #	4430	4569	4454	4454	-0.5%	-0.5%	**
IRU	iShares Russell 2000 #	7417	7868	7429	7429	-0.2%	-0.2%	**
IXP	iShares Global Telecommunications #	5706	5800	5708	5708	0.0%	0.0%	**
IXJ	iShares Global Healthcare #	5466	5575	5464	5464	0.0%	0.0%	**
IXI	iShares Consumer Staples #	6255	6403	6264	6264	-0.1%	-0.1%	**
VEU	Vanguard All-World ex-US Shares Index #	4567	4682	4564	4564	0.1%	0.1%	**
VTS	Vanguard US Total Market Shares Index #	6247	6522	6247	6247	0.0%	0.0%	**

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

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

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

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

Australian Equity Portfolios

	1 Year	3 Years pa	5 Years pa	7 Years pa	10 Years pa	15 Years pa	20 Years pa
Australian Foundation Investment Company Ltd	10.2%	0.4%	4.7%	9.6%	9.1%	11.4%	11.7%
Aberdeen Leaders Limited *	2.7%	-4.8%	0.0%	7.6%	4.8%	7.4%	-
AMCIL Limited	14.4%	4.8%	8.7%	10.5%	15.2%	-	-
Argo Investments	8.2%	-0.9%	3.1%	8.6%	9.0%	11.1%	11.3%
Australian Leaders Fund Limited *	12.0%	13.8%	10.5%	12.5%	-	-	-
Australian United Limited *	11.5%	-1.2%	3.6%	10.5%	9.2%	11.4%	-
Brickworks Investment Company *	11.7%	1.1%	4.9%	9.1%	-	-	-
Contango MicroCap Limited	35.6%	-1.4%	5.0%	11.4%	-	-	-
Century Australian Investments Limited *	9.6%	3.6%	2.8%	6.3%	-	-	-
Djerriwarrh Investments Limited	10.6%	-1.0%	3.4%	8.3%	7.0%	9.0%	9.9%
Diversified United Investments Limited *	9.1%	-1.8%	3.3%	10.7%	8.5%	10.1%	-
Emerging Leaders Investments Limited	17.3%	0.3%	1.7%	-	-	-	-
Hunter Hall Global Value Limited *	6.9%	0.7%	-2.1%	3.6%	-	-	-
Ironbark Capital Limited *	10.5%	4.2%	2.5%	5.5%	3.5%	5.9%	6.6%
Mirrabooka Investments Limited	15.9%	2.3%	5.5%	10.5%	10.6%	-	-
Milton Corporation *	8.1%	-0.8%	3.3%	8.0%	9.0%	12.9%	-
Spider S&P/ASX 50 Fund	9.9%	-1.0%	3.4%	8.8%	-	-	-
Spider S&P/ASX 200 Property Fund	5.2%	-12.1%	-8.6%	-2.8%	-	-	-
Spider S&P/ASX 200 Fund	10.4%	-1.9%	2.8%	8.7%	-	-	-
WAM Capital Limited *	17.4%	8.2%	5.6%	8.2%	9.5%	-	-
Whitefield Limited *	1.7%	-2.3%	-2.0%	3.2%	-	-	-
WAM Research Limited*	14.3%	2.0%	-0.3%	2.3%	-	-	-
S&P/ASX All Ordinaries Accumulation Index	*11.9%*	*-1.9%*	*3.5%*	*9.2%*	*8.0%*	*9.4%*	*10.0%*
S&P/ASX 50 Leaders Accumulation Index	*10.2%*	*-0.8%*	*3.6%*	*9.2%*	*7.3%*	*9.7%*	*9.9%*

International Equity Portfolios

	1 Year	3 Years pa	5 Years pa	7 Years pa	10 Years pa	15 Years pa	20 Years pa
AMP Capital China Growth Fund	-1.1%	-7.4%	-	-	-	-	-
Global Mining Investments Limited	15.4%	-6.9%	5.3%	10.1%	-	-	-
Platinum Capital Limited	-4.4%	3.9%	-0.6%	3.4%	4.9%	8.9%	-
Templeton Global Growth	1.2%	-6.2%	-5.1%	-0.7%	-2.7%	2.7%	4.1%
MSCI World Accumulation Index	*1.0%*	*-4.9%*	*-3.9%*	*0.5%*	*-3.2%*	*3.9%*	*5.3%*

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

Australian Equity Portfolios

	1 Year	3 Years pa	5 Years pa	7 Years pa	10 Years pa	15 Years pa	20 Years pa
Australian Foundation Investment Company Ltd	1.3%	-1.9%	4.3%	9.6%	9.2%	10.3%	9.2%
Aberdeen Leaders Limited *	4.3%	-5.8%	1.6%	9.5%	6.6%	9.3%	11.5%
AMCIL Limited	13.3%	1.8%	7.8%	10.5%	15.2%	-	
Argo Investments Limited	3.3%	-4.5%	0.8%	7.3%	9.1%	10.8%	10.3%
Australian Leaders Fund Limited *	33.6%	23.9%	14.4%	13.9%	-	-	
Australian United Limited *	5.1%	-4.5%	1.2%	10.1%	9.0%	11.9%	11.6%
Brickworks Investment Company *	11.2%	1.0%	2.8%	9.0%	-	-	
Contango MicroCap Limited	50.3%	-2.6%	4.9%	10.4%	-	-	
Century Australian Investments Limited *	1.7%	-5.9%	-0.9%	3.4%	-	-	
Djerriwarrh Investments Limited	3.5%	1.0%	3.2%	8.7%	6.6%	8.7%	-
Diversified United Investments Limited *	-1.6%	-4.6%	0.7%	10.3%	8.8%	11.6%	-
Emerging Leaders Investments Limited	33.2%	3.3%	2.3%	-	-	-	
Hunter Hall Global Value Limited *	16.0%	1.3%	-0.5%	2.1%	-	-	
Ironbark Capital Limited *	22.7%	4.8%	3.1%	5.6%	3.6%	5.6%	5.5%
Mirrabooka Investments Limited	18.2%	2.7%	5.0%	11.2%	-	-	
Milton Corporation *	2.1%	-3.0%	-0.6%	6.7%	8.6%	12.7%	12.9%
Spider S&P/ASX 50 Fund	9.7%	-1.0%	3.1%	9.0%	-	-	
Spider S&P/ASX 200 Property Fund	6.1%	-12.4%	-8.7%	-2.7%	-	-	
Spider S&P/ASX 200 Fund	10.4%	-2.0%	2.8%	8.7%	-	-	
WAM Capital Limited *	42.8%	14.3%	8.7%	8.1%	12.5%	-	
Whitefield Limited *	-3.1%	-3.5%	-3.4%	3.1%	-	-	
WAM Research Limited*	21.6%	4.2%	1.7%	2.3%	-	-	
S&P/ASX All Ordinaries Accumulation Index	11.9%	-1.9%	3.5%	9.2%	8.0%	9.4%	10.0%
S&P/ASX 50 Leaders Accumulation Index	*10.2%*	*-0.8%*	*3.6%*	*9.2%*	*7.3%*	*9.7%*	*9.9%*

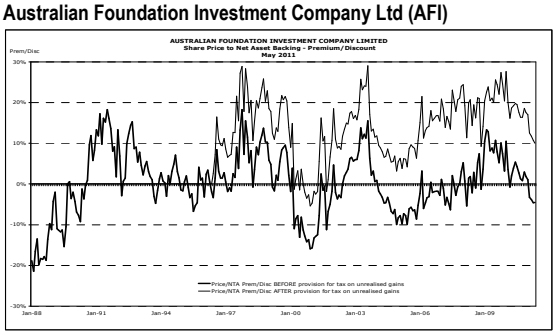
International Equity Portfolios

	1 Year	3 Years pa	5 Years pa	7 Years pa	10 Years pa	15 Years pa	20 Years pa
AMP Capital China Growth Fund *	1.0%	-9.4%	-	-	-	-	
Global Mining Investments Limited	13.0%	-14.7%	0.8%	8.0%	-	-	
Platinum Capital Limited	-12.9%	-0.4%	-5.1%	-1.7%	2.3%	8.8%	
Templeton Global Growth	3.0%	-8.2%	-9.9%	-2.4%	-5.7%	1.7%	4.8%
MSCI World Accumulation Index	1.0%	-4.9%	-3.9%	0.5%	-3.2%	3.9%	5.3%

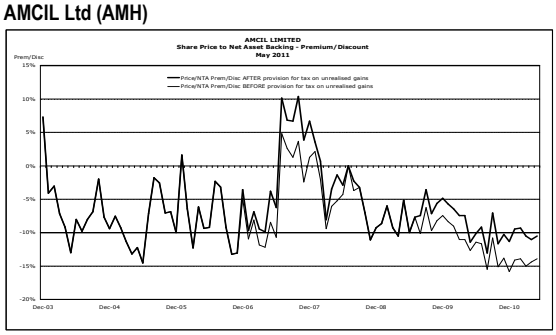
Source: Company Data, IRESS *Not covered by JBWere Research

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

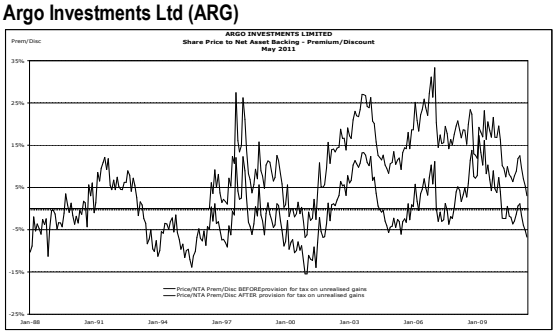
Australian Foundation Investment Company Ltd (AFI)



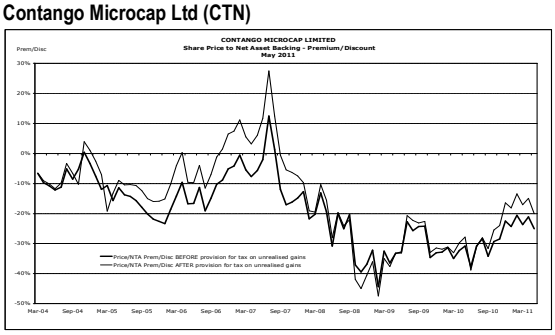
AMCIL Ltd (AMH)



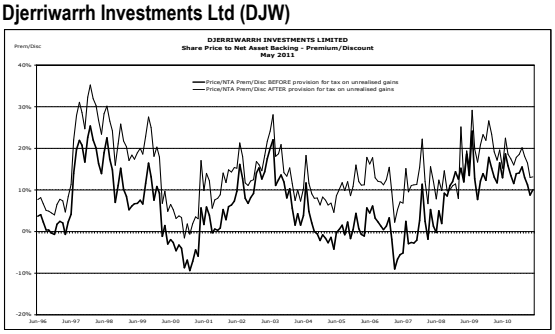
Argo Investments Ltd (ARG)



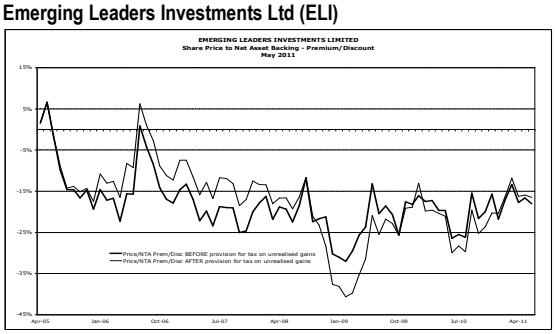
Contango Microcap Ltd (CTN)



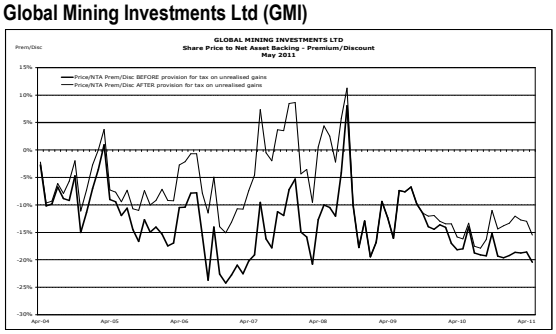
Djerriwarrh Investments Ltd (DJW)



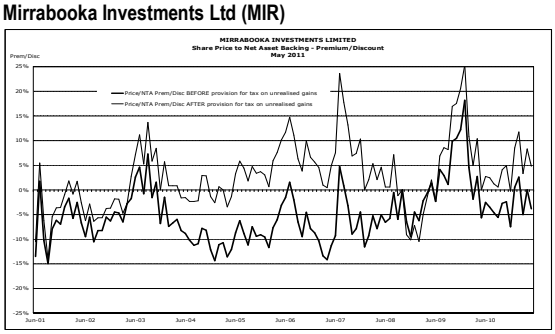
Emerging Leaders Investments Ltd (ELI)



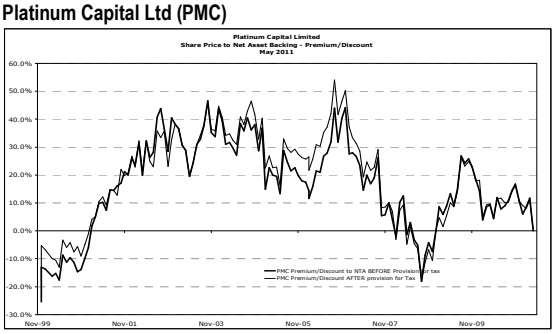
Global Mining Investments Ltd (GMI)



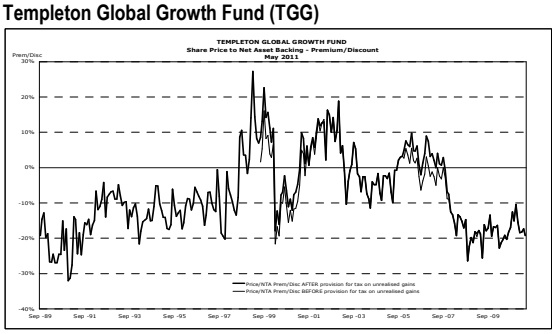
Mirrabooka Investments Ltd (MIR)



Platinum Capital Ltd (PMC)



Templeton Global Growth Fund (TGG)



Source: Manager Data, IRESS

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