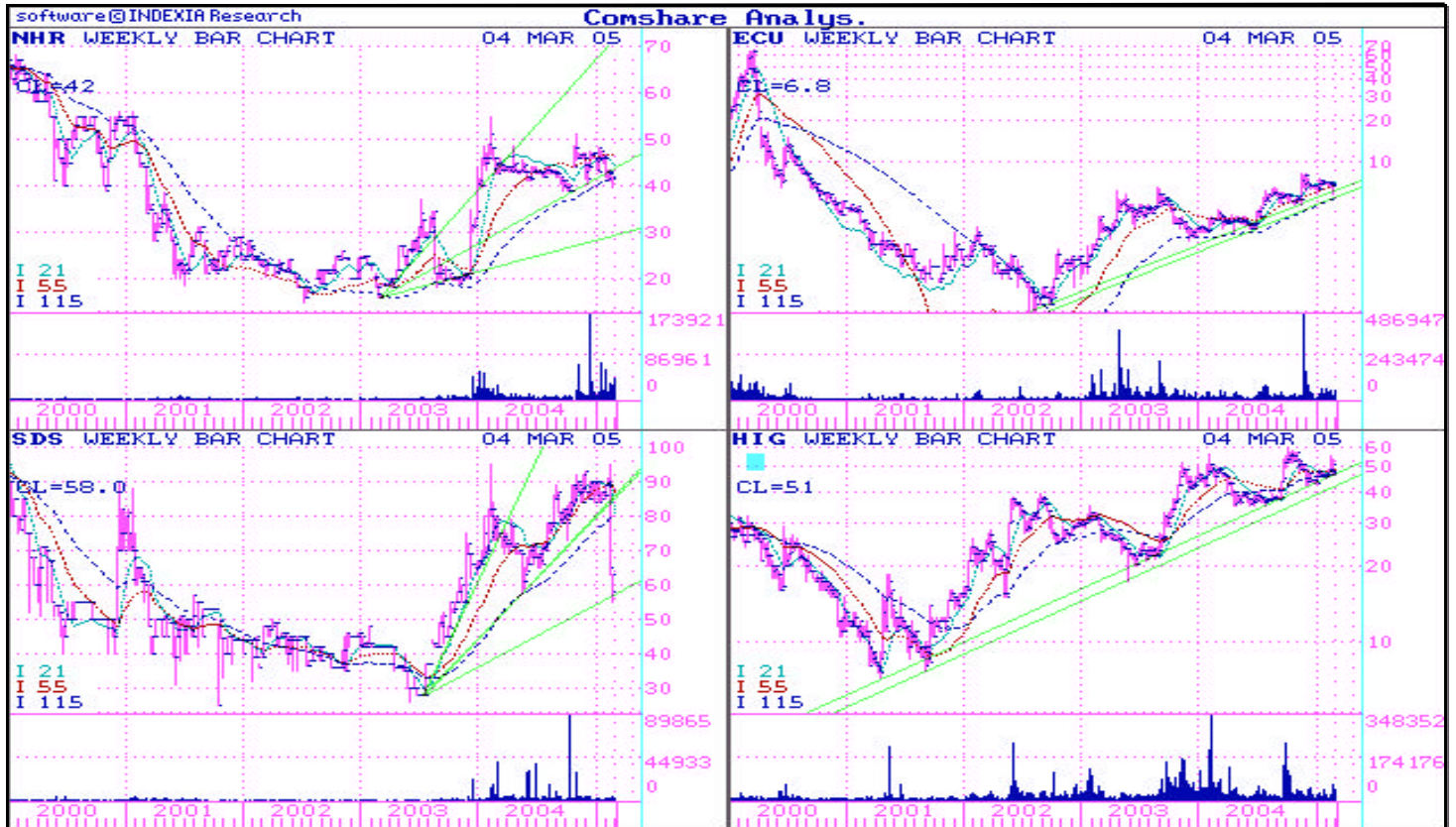




Comshare Analysis P/L ABN 43 008 891 398
 Australian Financial Services License No. 238993
 License Holder: R.J. Evans ABN 28 688 149 928
Postal Address: P.O.Box 1225,
 Morley, W.A. 6943.
Ph: (08) 9371 9904
Fax: (08) 9371 9905
Internet: www.comshare.net.au
Email: comshare@iinet.com.au

Market Dynamics No. SA190

March 8, 2005



National Hire: (NHR) The break of Speed Line suggests a possible retreat to around 30c. A rise above 50c would reverse this outlook.

SDS Corp.: (SDS) Speed Line support around 55c may hold. The fall was on low volume and the fundamentals appear to remain positive despite a short term setback.

Eastern Corp.: (ECU) Has broken above resistance after a long sideways consolidation and is maintaining its uptrend. Being in the coal industry, it seems likely to perform strongly at some point.

Highlands Gold: (HIG) Has reacted off its long term support line. The September 2004 moving averages cluster suggests much more upside.

Overseas Markets Strong:

The current theme is a weakening domestic economy but a still reasonably strong overseas economy. Consumer discretionary spending is slowing but capital spending is taking over as a driver of the Australian economy. The continuing rise in commodities is a reflection of international economic strength but also a lack of capacity to meet demand. Commodity prices seem destined to go higher and remain at reasonably high levels for some time until supply catches up.

Local interest rates are rising in response to a revival in the property market and also to capacity restraints. A lack of skilled workers is having an impact on some mining projects as is the cost of inputs, leading to cancelled projects. The current situation is reminiscent of the mid 1980's in the lead-up to the 1987 peak. The major gains in productivity were achieved in the first decade of the 20 year cycle when times were tougher. The second decade is a time of easier money and as we are seeing, excessive borrowing.

The current strong US and Australian economies are built on debt. The danger is that this situation may be considered by many as being normal. Extended periods of "prosperity" lead to plans to increase production capacity but if the demand is built largely on debt, there must eventually be a day of reckoning. At some point monetary expansion will cease and a contraction of the money supply will begin. That is when "the chickens will come home to roost" and heavily indebted businesses and individuals will go bust. That day may well be some time away but it is prudent to keep these facts in our mind in case we are tempted to over step the mark.

Currently the US is raising interest rates towards a

neutral level rather than an stimulatory level. The object of the exercise is to prolong growth, not bring on a recession. World stockmarkets seem comfortable with this scenario and are marching higher. If 2007 is to be the equivalent of 1987, then we may see strong stockmarkets for some time yet, interrupted by the usual corrections.

Opportunities in Stocks Exposed to the Domestic Economy:

With domestically exposed stocks reacting to the current consumer spending slowdown, opportunities are appearing. Full employment and a skills shortage leading to increased immigration are longer term positives and the strength of the overseas economy should ensure domestic conditions are still reasonably buoyant. The market's focus on the short term often delivers buying opportunities for those with a longer time horizon and the ability to look ahead.

Property should be reasonably well supported by underlying demand however the speculative element has dissipated so we are back to a more normal market in most areas. Funds deserting the property market have found their way into the stockmarket and this should remain the case until shares become wildly overvalued as they seem likely to in 2007. Then, when equities enter a major bear market, property will again attract the capital leaving the sharemarket. This should result in a property boom in 2009. When property has its major peak, the economy will slide into a major recession. That is the broad view.

Businesses and individuals would be well advised to learn from history and quell any desire to increase debt substantially in these buoyant times. It is too easy to be lulled

(Continued on page 8)

Industrial Stocks:

[C] **Adelaide Bank:** (\$11.14) ADB Support at \$7.90—\$8.60. If \$10.05 holds: Medium targets \$12.15—\$12.67; \$12.76—\$13.50. Major W3 target \$12.95—\$15.50.

[C] **AMP Ltd.:** (\$7.25) AMP Support around \$7.00. Extra small targets \$7.70—\$7.89; \$7.92—\$8.15. Small W2 target \$8.39—\$9.00. Minor W2 target \$9.34—\$10.82. Medium targets \$12.67—\$15.00; \$15.40—\$18.50. Major W1 target \$27.66.

[C] **Australian Agricultural Co.:** (\$1.90) AAC Support at \$1.50—\$1.68. If \$1.68 holds: Minor W2 target \$1.96—\$2.05. Medium targets \$2.10—\$2.22; \$2.24—\$2.40. Major W3 target \$2.38—\$2.80.

[B] **ASX Ltd.:** (\$21.00) ASX Support at \$19.00—\$20.00. Major W2 target \$25.48—\$27.85.

[C] **Bluescope Steel:** (\$9.55) BSL Support around \$9.00. Medium W2 target \$10.60—\$11.00. Major W3 target \$11.18—\$12.50.

[C] **Capral Aluminium:** (\$2.08) CAA Correction Target \$1.50—\$1.81. Medium targets \$3.90—\$4.42; \$4.51—\$5.20. Major W2 target \$7.25—\$8.73.

CAA recorded an annual net loss before tax of \$43.4 million. This is in line with previous announcements. Revenue from operating activities was down by 6.7% at \$356.8 million compared with \$382.3 million in 2003.

Capral has relocated its plant and will have the Bremer facility fully operational by June of this year. Wilson HTM suggest CAA could generate operating earnings of \$15M—\$20M in 2006.

[C] **Chiquita Brands:** (85c) CHQ Support at 70c—80c. Small W2 target \$1.00—\$1.14. Medium targets \$1.14—\$1.35; \$1.38—\$1.65. Major W1 target \$2.35—\$2.65.

Chiquita announced that net profit after tax (before significant items) increased 63% to \$5.3 million for the six months ended 31 December 2004 from \$3.3 million for the previous year. EBIT for continuing operations were \$8.8 million, up 14% on 2003. Sales for the period were \$110 million excluding discontinued operations, up from \$95.7 million in 2003. This represents an increase of 15% on 2003 driven by strong performances across both Agribusiness and Trading operations.

The period under review saw Chiquita expand in key areas of strength to ensure its vision to be market leader in its stated categories is realised. The recent acquisitions of PDA Mushrooms and Darling Downs Mushrooms in Queensland have strengthened the company's mushroom operations, and the expansion of the Western Australian mushroom operations is on track to complete in March 2005.

In November 2004 the Company also acquired Brooklyn Berries, a small raspberry farm in Tasmania. This acquisition is of strategic importance as a large proportion of Chiquita's raspberry planting material are Tasmanian grown. The aim is to continue to expand this operation as Tasmania has excellent growing conditions and 'pest free' status. Both blueberries and raspberries have had a strong start to the 2004/05 harvest season in terms of volume and results against budget. The good performance has also been driven by strong demand, particularly for blueberries, from the export market in Japan and the U.K.

Kangara has now been significantly restructured to reduce its risk profile. With the removal of citrus growing risk as a result of the sale of the farms to Timbercorp, the business receives stable fee income from farm management services provided, and has established a platform for growth.

The earnings expectation for the full year to June 2005 is an EBIT in excess of \$13.0 million. Chiquita will continue to invest in those product groups in which it can obtain and strengthen a market leadership position, such as mushrooms and berries. Kangara's Farm Management business is well positioned for further growth and Chiquita is focused on seeking future opportunities in this area.

[C] **Clinical Cell Culture Ltd.:** (40c) CCE Support around 36c needs to hold to maintain strength. Small targets 48c—52c; 53c—58c. Major W2 target 74c—85c.

"C3 is now poised for significant revenue growth in the second half of the 2005 finance year. The first half of the 2005 finance year was a period of achieving significant milestones and positioning C3 for future growth. Key among these was the ReCell ® approval in Japan, the \$14m fund raising and the move to Europe have all been key events.

Reaching these three milestones has meant that C3 will be closer to our initial customers, have capital to fund the global

roll-out of ReCell ® during calendar year 2005 and generate early revenues from Japan, the second largest health care market in the world".

[C] **Cochlear Ltd.:** (\$29.48) COH Minor targets \$29.77—\$32.00; \$34.05—\$38.00. Medium targets \$42.97—\$49.16; \$50.26—\$58.30. Major W2 target \$83.00—\$103.00.

Revenue for the 6 months was \$163.6 million, an 18% increase over the previous corresponding period. Record unit sales for the 6 months of 5,014 units represented an increase of 12% over the December half year last year. EBITDA of \$44.8 million was an increase of 12%. Profit after tax was \$29.5 million an increase of 10% over the December 31st 2003 half year.

The result is ahead of our expectations and demonstrates that the hard decisions made last year are beginning to yield positive results. Sales revenue was stronger and costs were in line with targets. A competitor having a recall certainly helped, however the result was a strong result even if there had been no recall (the recall benefit was approximately \$2.5 million of sales or around 1.5% of total revenue). In addition, we have regained market share.

The rollout of new products in the second half will further consolidate our leading market position. "We are particularly pleased with the performance of the European region, where revenue was up 44% on the previous corresponding period. The developed countries within Europe in particular performed well and we benefited from the acquisitions of our French and Benelux distributors"

"One important development in the USA during the first half was an improvement in Government reimbursement for Medicare patients. The funding was raised by a further 12% this year. In the second half of F'05 continued growth in unit sales and revenue is anticipated. A strategic decision has been taken to increase the marketing and R&D spend associated with our new cochlear implant system. This enhanced marketing and technology push comes at a time that will maximise our impact in the competitive landscape and help entrench and further advance the recent gains we've made.

These costs plus the extra costs associated with the set up of the Italian direct operations will result in second half profits lower than first half profits, however we are increasing our F'05 profit after tax guidance to \$53-55 million (up from \$50-51 million). Accordingly we expect the full year profit to be approximately 45% higher than the full year result reported last year".

[C] **Coventry Group:** (\$7.10) CYG Support around \$6.50. Small targets \$7.48; \$7.74—\$8.00. Minor targets \$8.38—\$8.82; \$8.90—\$9.50. Major W2 target \$10.00—\$12.60.

Trading conditions for January have been stronger than in December and it is expected that this should continue throughout the second half with profit performance expected to be ahead of the corresponding period of the previous year. The automotive division expects the West Australian market to be buoyant, with South Australia and Northern Territory experiencing softening conditions.

As a result of restructuring efforts undertaken in the first half, CAP's lower cost base and improved sales should see significantly reduced losses for CAP in the second half. The industrial segment is expecting an easing of demand, particularly in the construction sector. Some improvement in the bitumen products segment is expected as restructuring initiatives should deliver improved results.

[D] **Epitan Ltd.:** (79c) EPT Resistance at 79c—86c. Correction target 44c—60c. Medium W2 target \$1.26—\$1.40. Major W2 target 49c—60c.

[C] **Fantastic Holdings:** (\$4.55) FAN Support around \$4.10. Small targets \$4.48; \$4.59—\$4.72. Minor targets \$4.87—\$5.06; \$5.10—\$5.35. Major W2 target \$5.47—\$6.74.

"With fluctuating performance in the retail and housing sectors, Australia's best value furniture retailer and manufacturer, Fantastic, has released results which demonstrate consistent sales growth and strong profitability for the first half of the 2004 financial year. The Fantastic Group has reported a 26 per cent increase in profit before tax to \$13.34 million. Total retail sales have increased 23 percent to \$124.52 million, with comparable store sales increasing by 13 percent.

During the half-year, Fantastic Holdings opened a Fantastic Furniture store in Lismore and two Plush stores at Crows Nest and Liverpool in New South Wales. The Group anticipates opening a further seven Fantastic Furniture stores and five Plush

(Continued on page 3)

(Continued from page 2)

stores during the 2005 calendar year. In addition to the new store openings, Fantastic franchises at Albury, Cessnock, Maitland and Singleton were acquired and converted to company stores.

Whilst we are very committed to an on-going program of new store openings, we remain focused on finding ideal locations which are available at realistic terms. We will continue to pursue a strategic and conservative approach to new store leases. Fantastic Holdings' manufacturing divisions also continued to perform very efficiently and profitably throughout the period. Even with pressure from a strong Australian dollar and the subsequent increase in imports, we are confident that in terms of value for money, our own manufactured products are superior to most comparable products entering the market from overseas.

Fantastic is well placed to adapt to any future changes in the Australian retail environment by providing a mix of both locally made and imported furniture."

[C] **G.U.D. Holdings:** (\$6.88) GUD Resistance at \$7.00—\$7.80. Correction Target \$5.30—\$6.00. Major W3 target \$14.75—\$18.50.

[C] **James Hardie Industries:** (\$6.15) JHX Support around \$5.90 needs to hold to maintain strength. Short targets \$6.54—\$6.71; \$6.74—\$6.95. Small W2 target \$7.30—\$8.00. Major W3 target \$8.77—\$9.57.

[C] **Macquarie Bank:** (\$48.19) MBL Support at \$46.40—\$48.00. Minor W2 target \$54.40—\$57.00. Major W3 target \$54.00—\$63.00.

[C] **Macmahon Holdings:** (45.5c) MAH Support at 43c—46c. Minor W2 target 59c—65c. Medium targets 78c—96c; 99c—\$1.12. Major W2 target \$1.75—\$2.10.

"Delivering on its forecast for the 2005 year of continued revenue and profit growth, Macmahon has achieved Total Revenue for the 6 months to December 2004 of \$288 million. This was up from \$182 million for the same period in 2003. The 58% increase reflected new contracts won and increased activity across all divisions. Profit after tax was \$7.6 million, a 127% increase on the corresponding period in 2003 of \$3.4 million. EBITDA increased to \$27.8 million up from \$16.9 million in 2003. At 31 January, Macmahon's order book was \$880 million.

The order book has further improved since December 2004 with the award of 2 major contracts with a combined value

of \$200 million. Macmahon continues to have a positive outlook for the foreseeable future in the civil infrastructure and mining sectors. Full year revenue for 2005 is now expected to exceed \$600 million. Further revenue growth is also expected in the 2006 year. Profit after tax of \$19 million is forecast in 2005, a 60% increase on 2004, with further profit growth in 2006 expected."

[C] **Magna Pacific:** (79c) MPH Support around 70c. Small targets 83c—85c; 86c—90c. Minor W2 target 99c—\$1.06. Medium W2 target \$1.15—\$1.40. Major W2 target \$1.45—\$1.80.

[C] **National Hire:** (42c) NHR Resistance around 45c. Small W2 correction target 34c—37.5c. Major correction target 29c—34c. Medium targets 58c—65c; 67c—80c. Major W1 target \$1.00—\$1.45.

Net profit after tax for the half year ended 31 December 2004 of \$2,161,000 compares favourably to the previous corresponding period profit of \$359,000. The result included the trading performance of the Cat Rental Store business in Western Australia and the Allight group for the short period from the date of acquisition on 10 December 2004. These acquisitions provided a revenue and profit before tax contribution

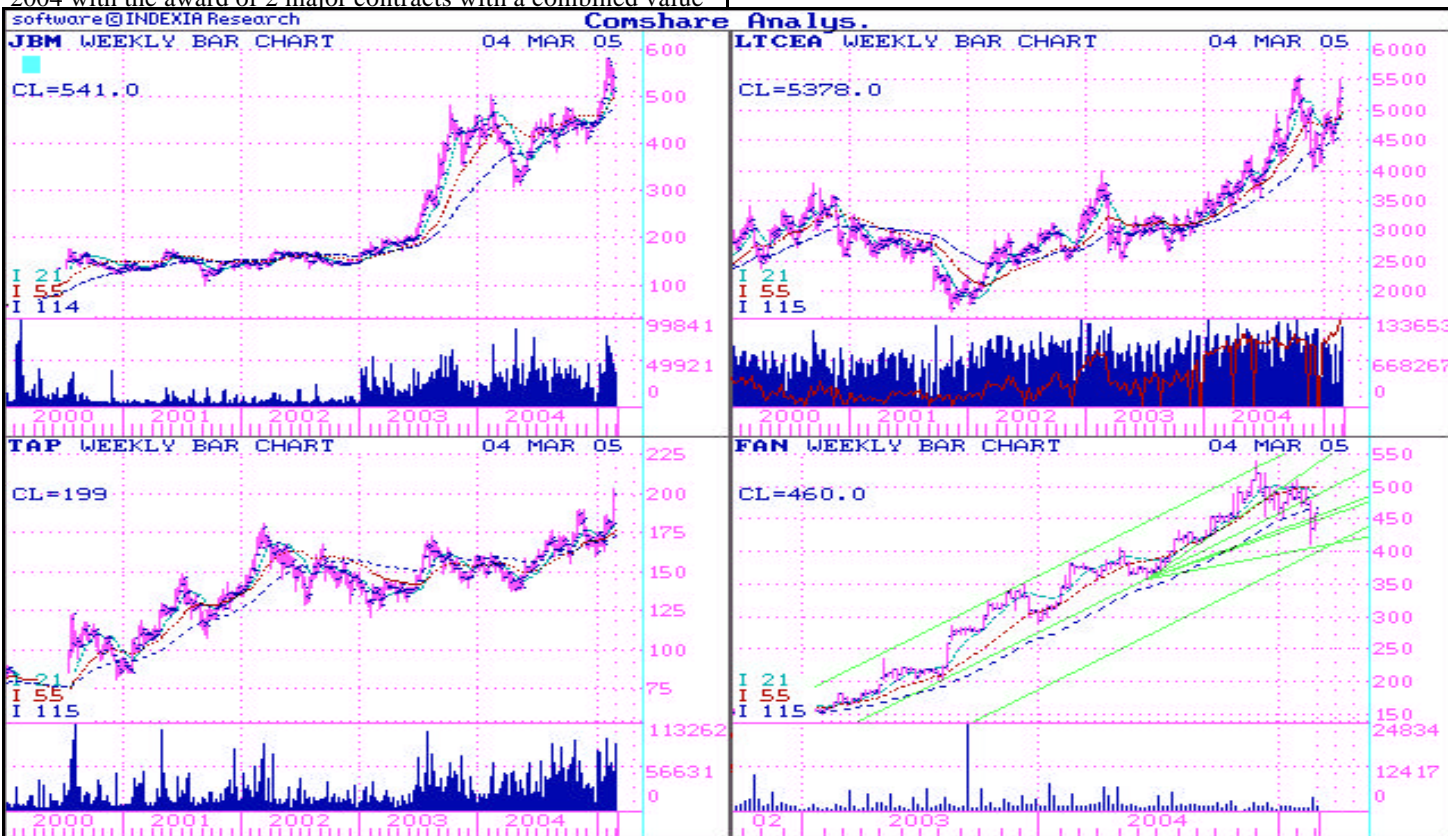
[C] **Noni B Ltd.:** (\$2.75) NBL Support around \$2.47. Major W3 target \$2.95—\$3.20.

NBL announced an after-tax profit of \$4.285 million for the six months to December 2004, an increase of 43.5 per cent over the previous year. Growth in first half profit has averaged 39.5 per cent per annum over the past four years. The company's market share continued to increase, with sales rising by 10 per cent to \$53.371 million. Earnings per share increased by 41.5 per cent to 13.3 cents and the EBITDA margin increased to 13.8 per cent from 11.6 per cent. The company has no debt and strong cash flow.

"The second half has started in line with budget, with consumer demand for our Noni B and Liz Jordan products remaining strong. The company is well placed to continue growth and improve efficiency."

[C] **PaperlinX:** (\$4.51) PPX Resistance around \$4.60. Small W2 correction target \$4.00—\$4.54. Major correction target \$3.10—\$4.10. Medium W2 target \$6.25—\$6.70. Major W3 target \$6.54—\$7.50.

(Continued on page 4)

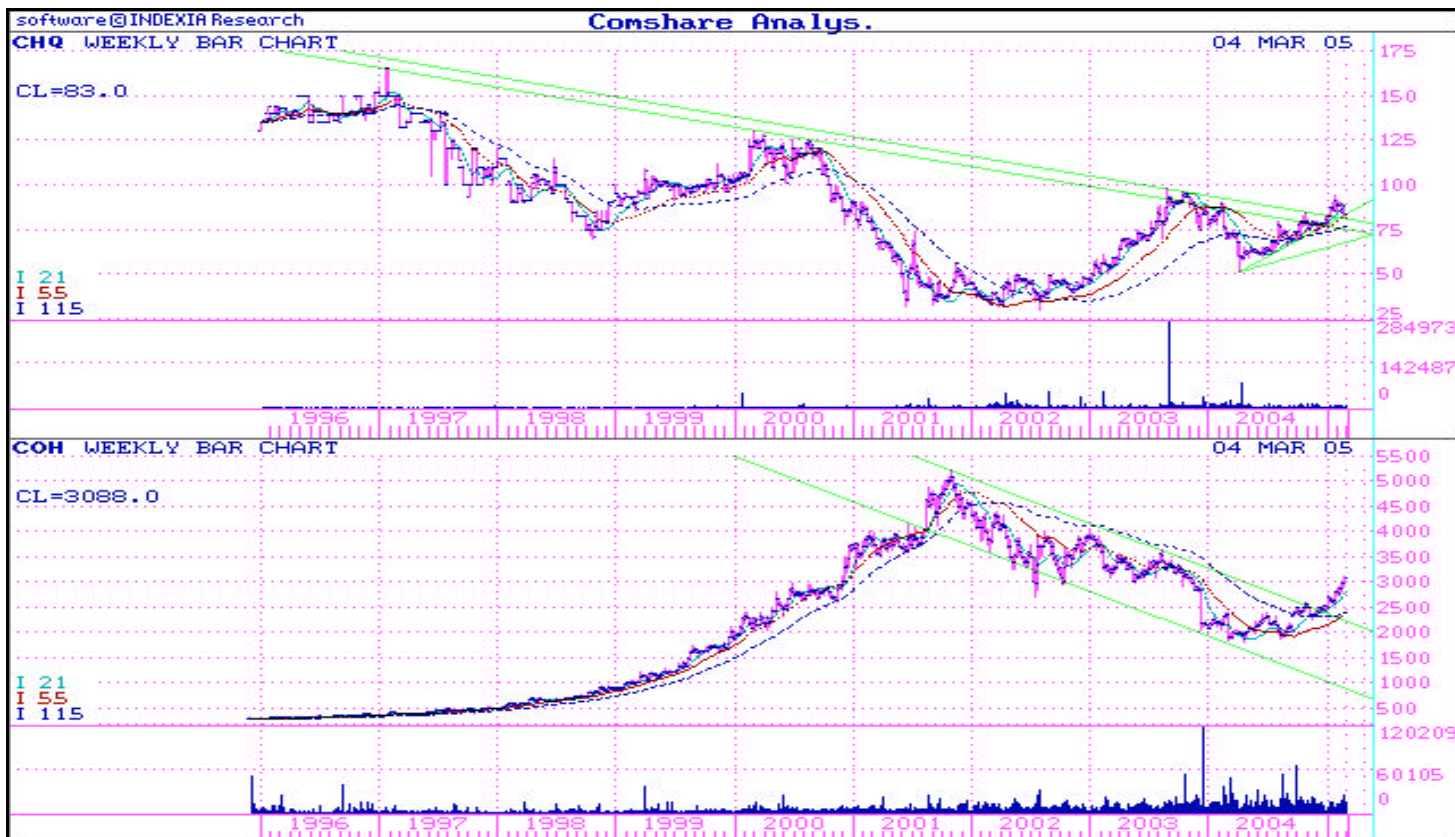


Jubilee Mines: (JBM) The break above resistance and the moving averages cluster after the large consolidation indicates further upside. Range repetition gives support around \$5.00.

Tap Oil: (TAP) Has the potential to rise strongly. The long consolidation suggests a probable acceleration of the uptrend.

Oil: (LTCEA) The last retracement of \$15.40 was close to the previous retracement of \$14.89, suggesting the uptrend is still strong. A projection off this falling range gives a target of \$65.00 but it could eventually go to around \$70.00.

Fantastic Furniture: (FAN) The stacked trend lines and Speed Lines indicate support around \$4.00.



Chiquita Brands: (CHQ) Has broken above resistance and may find support around the previous resistance lines. The moving averages cluster suggests a strong advance.

Cochlear Ltd.: (COH) Has broken well clear of resistance and progressively smaller retracements suggest a strengthening trend. The current rise is exponential indicating moderate reactions in the strong uptrend.

(Continued from page 3)

[C] **Publishing & Broadcasting:** (\$16.27) PBL Support around \$15.00. Extra small W2 target \$15.92—\$16.20. Small targets \$16.52—\$16.93; \$17.00—\$17.55. Minor W2 target \$19.00—\$20.23. Medium W2 target \$20.43—\$23.72. Major W2 target \$27.00—\$33.30.

[C] **Promentum Ltd.:** (\$2.36) PPR Support around \$2.00. Major W3 target \$2.45—\$2.72.

Promentum Limited, formerly Penfold Buscombe Limited, has achieved a record half year net profit of \$4.0 million, an increase of 51 per cent. Sales revenue for the first half of the 2005 financial year was \$65.6 million, up 19.2 per cent from the \$55.1 million realised in the first half of 2004.

"The outlook for continued organic growth remains solid: In the latter half of 2004, we retained all our existing clients and grew the customer base. This year, our Penfold Buscombe and RT Kelly brands have won new business and the recently signed print and co-operation agreement with PMP will see a significant increase in our workload as we are referred to their customers on a preferred supplier basis."

"A determined focus on organic growth and an aggressive approach to strategic acquisitions have delivered, and will continue to deliver outstanding results for the Company and its shareholders. We will continue to focus on delivering a return on investment to our shareholders through this mix."

[C] **RCR Tomlinson:** (77c) RCR Support at 70c—74c. Major W3 target 89c—98c.

RCR announced an interim profit of \$3M - up 99%. Sales were up 67% to \$74M. The strong results reflect the acquisition of Stelform Engineering and the booming WA resource sector. The full year profit target is \$4.9M - \$5.25M.

[C] **Resmed:** (\$7.64) RMD Support at \$7.00—\$7.40. Minor W2 target \$8.64—\$9.30. Medium targets \$9.79—\$11.15; \$11.39—\$13.15. Major W2 target \$18.50—\$23.00.

[C] **SDS Corp.:** (58c) SDS Support around 55c. Small targets 65c; 68c—72c. Minor targets 76c—81c; 82c—90c. Medium W2 target \$1.08—\$1.20. Major W2 target \$1.38—\$1.67. Major W3 target \$1.87—\$2.27.

SDS Corporation announced a profit after tax of \$2.4 million (2003: \$2.5 million) and a 27 per cent increase in revenue to \$52.7 million (2003: \$41.6 million) for the six months to 31 December 2004. Profit performance, while in line with the

prior period, was impacted by the performance on the recently acquired Manley Steels manufacturing business in Canada, which contributed a \$700,000 loss.

Set up costs associated with the NORMET distribution business, which has achieved significant forward orders, also impacted profit performance, but earnings from this business will flow through in the second half. The Group's Distribution operations performed well, significantly increasing revenue and profit performance for the half. With a lower cost base and streamlined operations, the division is expected to make a significant and sustained contribution to full year earnings.

"While our revenue growth has been pleasing, and reflects solid organic growth in all our operations, the profit performance is due primarily to the Manley Steels operations, a business we acquired in September 2004. We have already taken steps to strengthen the management and processes in this business, and expect to be at break-even run-rate by the end of June.

"We are encouraged by the performance of our Distribution business which is beginning to benefit from our restructuring initiatives undertaken last year. Our Australian Manufacturing operations performed in line with expectations, and will benefit from integration initiatives which will take place in the second half.

SDS experienced growth in every market in which it operates, and capital expenditure in the resources sector is still robust. The integration of the Western Australian manufacturing operations has commenced and will be completed in the current financial year. This will lead to improved margins, a lower cost base and greater efficiency in the manufacturing process.

The Group's international Distribution operations, particularly Africa and Indonesia, are performing strongly. Management's immediate objectives are to complete the integration of the Manufacturing operations, review pricing of products, execute the supply chain strategy and rationalise the product portfolio. These four initiatives are expected to deliver further savings and improved revenue and profit performance. The Group is starting to benefit from the restructuring initiatives we have put into place. While this is encouraging, the full benefits to SDS are yet to be realised.

[C] **Select Harvests:** (\$9.39) SHV Major W3 target achieved at \$10.20. If the uptrend is to continue, Support at

(Continued on page 5)

(Continued from page 4)

\$5.00—\$7.00. Major W2 target \$16.50—\$20.50.

Select Harvests announced a 22% increase in net profit after tax for the six months ended 31 December 2004 to \$9.143 million. "Higher almond prices, and further expansion of our business model delivered strong earnings growth for the period with all divisions exceeding last year's results.

The completion of 4,000 acres of new almond orchard developments in July 2004 increased the total area under management by 40% to 14,000 acres, expanding the current and future fee base from management services. The acquisition of The Nibbles business in September 2004 increased the sales base of the Food Products Division and expanded distribution into the important fresh produce category of supermarkets.

Strong growth in global almond consumption continues to have a favourable impact on almond prices and investment in new almond orchards. International almond prices have risen by over 50% in the last 12 months and are currently trading at record highs. Australia enjoys competitive advantage as a grower of almonds in terms of crop yields and quality.

The company has contracted to develop a further 3,700 acres of new almond orchards in 2005 increasing the area under management to 17,700 acres. This includes 3,200 acres, being the first tranche of a recent extension of the strategic alliance with Timbercorp Limited, which targets the development of 10,000 acres of almond orchards over the next three to five years. Given no unforeseen circumstances, the outlook for the second half remains positive across all business segments."

[C] **Sigma Co. Ltd.:** (\$8.17) SIG Support around \$8.00. Small targets \$8.58; \$8.75—\$8.95. Minor targets \$9.16—\$9.45; \$9.50—\$9.90. Medium W2 target \$10.34—\$11.00. Major W3 target \$10.69—\$13.05.

[C] **Technology One:** (67c) TNE Support around 60c. Extra small targets 72c—75c; 75c—80c. Minor W2 target 82c—92c. Medium targets \$1.09—\$1.31; \$1.35—\$1.65. Major W1 target \$2.50.

"Technology One announced an interim Profit After Tax of \$4.49 million, up 18% over the same period last year. Revenue for the half year was up 7% to \$26.3 million. The strength of our product strategy was highlighted with Initial Licence Fees up 18% to \$5.36 million. In particular, our human resources and payroll solution gained significant traction with 20 new clients signed. Our local government and tertiary and higher education solutions also recorded strong Revenue growth.

Technology One's current products continued to be very successful in winning substantial new business from our large multinational competitors. With the very strong first half results, we are clearly in a very good position to deliver full year profit growth of between 5-10%. Over the next six months the Company will be investing strongly in R&D expenditure to bring our remaining applications across to our Connected Intelligence platform, and increased support staff to assist in the rollout of our Finance One CI application. These activities will lead to an increase in our cost base."

[C] **Timbercorp:** (\$2.17) TIM Support at \$1.35—\$1.75. If \$1.75 holds: Minor targets \$2.51—\$2.70; \$2.73—\$3.00. Medium W2 target \$3.04—\$3.75. Major W3 target \$3.80—\$4.75.

[C] **Ventracor Ltd.:** (\$1.15) VCR Support around \$1.06. Extra small targets \$1.28; \$1.34—\$1.41. Small targets \$1.50—\$1.61; \$1.63—\$1.77. Minor targets \$2.14; \$2.41—\$2.71. Medium targets \$3.09—\$3.56; \$3.64—\$4.25. Major W2 target \$6.00—\$7.66.

VCR announced a loss for the half-year of \$13 million. This reflected the company's steady progress towards commercialisation of its VentrAssist heart assist device. During the period, patient enrolment was successfully completed in a Pilot Trial at The Alfred hospital in Melbourne. The aim of the Pilot Trial was to evaluate the safety of the VentrAssist left ventricular assist system in patients who were gravely ill from heart failure, were no longer responding to optimal medical therapy and who had no other medical options available.

Another significant step forward was made with the start of patient enrolment in the global CE Mark Trial in September 2004. Training of surgical and medical staff at leading Australian, New Zealand and UK heart transplant centers was completed, along with training at Rikshospitalet University Hospital in Oslo Norway and Papworth Hospital in Cambridge UK. Ventracor's CE Mark Trial is aimed at gaining approval to begin selling the VentrAssist in the key market of Europe. On 8

February 2005, the FDA gave conditional approval to begin a feasibility study at five transplant centres involving 10 bridge-to-transplant patients in the USA. At 31 December 2004, the company had cash reserves of \$46 million.

[C] **Webster Ltd.:** (88c) Support at 80c—85c. Extra small targets 98c—\$1.02; \$1.03—\$1.08. Small W2 target \$1.15—\$1.23. Medium targets \$1.25—\$1.48; \$1.52—\$1.83. Major W2 target \$2.77—\$3.42.

Webster Limited reported a half-year loss after tax of \$2.244M on revenues of around \$45M which was a solid improvement over the same period last year. The result continued to reflect the heavy seasonality of the business, where the majority of the company's earnings and cash flows were generated in the second half of the year. Webster remains confident of delivering an improved return for shareholders in the current year.

The company is also continuing to explore future growth opportunities. "This is ultimately expected to result in Webster further expanding its operations on the mainland. Our walnut operations are still in their infancy but are showing a lot of promise. Walnuts are harvested around April and May with nuts reaching market in July and August. Along with nut sales significant growth in value is realised with the maturing orchards which are required to be re-valued at year-end. Our walnut interests are expected to be cash-flow positive for the year and a significant gain to bottom-line result is again expected this year.

The expansion into Griffith, NSW has proven successful with a 240 hectare orchard already established for a private investor. We are receiving much investor interest in our scheduled plantings for this year. Webster Aquatas, the salmon production and distribution division of Webster, has again performed well in a highly competitive market."

Resource Stocks:

[C] **Arc Energy:** (\$1.99) ARQ Support around \$1.66. Medium W2 target \$2.18—\$2.31. Major W2 target \$2.40—\$3.00.

ARQ reported a half yearly after-tax profit of \$16.3 million, nearly double that of the corresponding period last year. The half year profit number includes a significant provision for unrealised foreign exchange losses and the effect of lower \$A oil prices during the latter part of the period. It compares to a full year profit of \$20.1 million in the last financial year.

"These results reflect the continued growth in ARC's production operations and the continued diversification of our portfolio. We are looking forward to a full year profit result at least double the half year profit. We have achieved a series of very significant milestones during the period with the systematic build up of our oil and gas production capacity and infrastructure and the commencement of the 3D seismic survey which will lay the foundation for the continued exploration success we have seen in our recent drilling program. Our people continue to do a fantastic job in producing reliable and predictable outcomes for both development and exploration and we look forward to the rest of the year with confidence and anticipation."

[C] **Austral Coal:** (\$1.23) AUO Support around 97c. Major W3 target \$1.37—\$1.60.

[C] **Bass Strait Oil:** (53c) BAS Support around 48c. Minor W2 target 70c—76c. Major W2 target 78c—87c.

Moby recoverable reserves within Vic/P47 are now estimated at 60 billion cubic feet (bcf) of gas on a P50 basis. The P50 measure is equivalent to 'Proved and Probable' and is a 'most likely' estimate of the size of the reserve. P50 indicates that there is a 50% probability that there is at least 60 bcf of recoverable gas reserves in the Moby field.

"Confirmation from the Moby 3D survey that this anomaly extends significantly to the east and south could allow a further upward revision of the reserves estimate. This would likely lead to the drilling of a Moby-2 appraisal well later this year."

[C] **Beach Petroleum:** (59c) BPT Support around 47c. Minor targets 66c—75c; 95c—\$1.16. Medium targets \$1.42—\$1.74; \$1.80—\$2.22. Major W2 target \$3.50—\$4.35.

[C] **Consolidated Minerals:** (\$3.53) CSM Support at \$3.17—\$3.32. Minor targets \$4.03—\$4.11; \$4.16—\$4.50. Medium W2 target \$5.50—\$6.80. Major W2 target \$8.00—\$10.00.

[D] **Cue Energy:** (23c) CUE Support at 22c needs to hold to maintain strength. Minor targets 40c—43.5c; 44.5c—50c. Major W2 target 53c—59c.

[C] **Eastern Corp Ltd.:** (6.8c) ECU Support around 6c

(Continued from page 5)

Short targets 9c—10.5c; 11c—13.5c. Extra small targets 21c; 27c—33c. Small targets 41c—51c; 53c—66c. Minor W2 target 84c—95c. Medium targets \$1.15—\$1.42; \$1.47—\$1.85. Major W2 target \$2.93—\$3.63.

In November 2004 Eastern completed the purchase of the shares in Restpine Pty Ltd, a holder of coal exploration interests at Broughton (EPC 818) in the Bowen Basin, and Whareatea West in the Buller region on the south island in New Zealand. In July a 33 hole drilling programme commenced which identified a 23.9 million tonne indicated coal resource at Broughton. An analysis of coal quality was undertaken with results indicating a coking coal product. Negotiations have been initiated with several potential joint venture partners and a step out drilling programme was scheduled to identify additional coal resources within the tenement.

Initial coal quality results on samples taken from both the Elphinstone and Hynds seams in the Broughton deposit indicate a high rank, low-volatile bituminous coal which can be classified as a good quality blend coking coal product.

[C] **Equigold:** (\$1.20) EQI Correction Target 93c—\$1.15. Major W3 target \$2.15—\$2.65.

Equigold NL recorded a profit before tax of \$10.0 million and a profit after tax of \$7.0 million for the half-year ended 31 December 2004. This result compares with a pre-tax profit of \$13.8 million and after tax result of \$9.7 million for the corresponding prior period. The half-year result was lower than the prior period due to lower gold production at the Kirkalocka Gold Mine, where in the prior period the treatment of soft oxide ore enabled a substantially higher mill throughput. This reduction in the production rate was anticipated in the life of mine schedule.

[C] **Highlands Pacific:** (51c) HIG Support at 49c—50c. Short W2 target 56c—60c. Small W2 target 60c—66c. Medium targets 68c—83c; 85c—\$1.05. Major W1 target \$1.60—\$2.00.

"The recently completed 18 hole drilling programme at Kora has added a further 520,000 ozs to the gold resource, bringing the total inferred resource of Kora to 820,000 ozs of gold at 29g/t gold. Previous drilling at Kora had outlined an inferred resource containing 300,000 ozs at 29g/t gold. Kora is only 1km south of the Irumafimpa ore deposit on which the Kainantu Mine is being developed.

The Kora deposit will be accessed by the further development of the underground mine at Irumafimpa. The grades at Kora are directly comparable to the resource grades reported for the Irumafimpa deposit. The overall gold resource of the Kainantu Project - including both the Kora and Irumafimpa deposits - has been increased to 1,770,000 ozs of gold at grade of 24g/t gold, including the current mining reserve. Highlands Pacific is confident that the increase to the resource will significantly increase the life of its Kainantu Gold Mine currently under development.

Given the consistent geology and the apparent continuity of gold lodes, there are excellent prospects of further gold discoveries throughout the untested area between Kora and Irumafimpa, and at depth below both resource areas."

[C] **Jubilee Mines:** (\$5.41) JBM Support around \$5.00. Minor W2 target \$6.25—\$6.57. Medium W2 target \$6.74—\$7.65. Major W2 target \$7.80—\$9.74.

The surface expression of the Prospero Prospect is located approximately 4.5 kilometres south of the Cosmos Mine on the highly prospective Cosmos Ultramafic sequence. The large mineralised system plunges to the north where it has now been established that it develops into a significant zone of high grade massive nickel sulphides. A significant new wide, high grade nickel intersection has been returned from follow-up drilling to the recently reported diamond hole BJD112 (3.8 metres @ 15.1% Ni). Results for this hole are 11.3 metres @ 10.7% Ni and; 0.80 metres @ 13.5% Ni.

The nickel sulphide mineralisation has been defined over a zone approximately 200 metres down-plunge and 120 metres down-dip. These recent results are providing confidence regarding the presence of wider zones of mineralisation and continuity between drill holes. The entire area of mineralisation remains open in most directions and the results of down hole electromagnetic surveys provide further support for extensions to the mineralisation.

[C] **Kagara Zinc:** (\$1.33) KZL Major W3 target \$1.33—\$1.50. (probably achieved at \$1.42). Support at 80c—

\$1.10. Major W2 target (on a larger scale) \$2.17—\$2.66.

KZL reported its total zinc, copper and gold resources had increased to 28.4 million tonnes from the previously reported total of 11.6 million tonnes following highly effective drilling campaigns at two deposits, both of which are key future production centres for the Mt Garnet operations.

At Mungana - near Chillagoe, some 150km to the north west of the Mt Garnet treatment facility - the newly announced gold and base metal resources resulted in metal inventory increases of 290% for gold to 703,000 ounces, 53% for zinc to 302,000 tonnes, 31% for copper to 72,000 tonnes, 16% for lead to 88,000 tonnes and 23% for silver to 18.3 million ounces. Significant high-grade drilling results from the Mungana porphyry gold system late last year, leveraging off holes drilled by previous explorers, underpinned a new indicated gold resource of 16.8 million tonnes at 2.52 g/t gold equivalent for 703,000 contained ounces between 200 metres and 650 metres below surface.

"This is clearly a very significant asset for the Company in addition to our substantial base metal resources. Establishing the most effective way of extracting these gold resources at Mungana together with the high-grade zinc resources will be a key focus of the soon-to-commence \$10 million drilling program and subsequent feasibility study at Mungana." Kagara also upgraded the high-grade base metal resource at Mungana following last year's drilling results to an indicated resource of 1.03 million tonnes grading 14.0% zinc, 2.1% copper, 3.3% lead, 131 g/t silver and 0.8 g/t gold. "Importantly, both the base metal and porphyry gold resources remain open at depth and we are confident that the forthcoming drilling program will add substantially to the total resource base at Mungana, which is already close to 20 million tonnes."

[C] **Macarthur Coal:** (\$6.45) MCC Support at \$4.40—\$5.00. If \$5.35 holds: Medium targets \$6.94—\$7.34; \$7.41—\$7.95. Major W3 target \$7.79—\$9.50.

MCC reported a Net Profit After Tax of A\$23.1 million for the six months ended 31 December 2004. Today's reported result compares favourably with the full year profit for the year ended 30 June 2004 of A\$11.7 million. Profit guidance for the year ending 30 June 2005 has been revised from \$40 - \$45 million to \$48 - \$55 million.

[C] **Mincor Resources:** (80c) MCR Support at 65c—70c. Medium targets 99c—\$1.10; \$1.12—\$1.30. Major W3 target \$1.38—\$1.70.

MCR announced a third ore-grade drill intersection to the south of its Miitel Nickel Mine, adding to the Company's confidence that the rich Miitel ore-trend may be re-forming in this area with the potential to host a significant new ore body. Results included: 2 metres @ 3.58% Nickel from 722 metres; 5.37 metres @ 3.1% and 0.99 metres @ 3.3% nickel and is part of an ongoing programme designed to explore the untested southwards plunge of the Miitel ore trend.

[C] **Rusina Mining:** (28c) RML Support at 20c—23c. Minor targets 33c—35c; 36c—45c. Medium targets 70c; 90c—\$1.11. Major W1 target \$1.38—\$1.72.

The Philippines government has stated it supports the private sector in building a world-class mining industry. RML have appointed Snowden Mining Industry Consultants with a view to assisting the Company to expedite the completion of a pre-feasibility and bankable feasibility study on the Acoje Platinum Nickel Sulphide project at Zambales, Philippines.

[C] **Sedimentary Holdings:** (24c) SED Resistance at around 26c. Correction Target 16.5c—20c. Major W3 target 42c—51c.

[C] **Tap Oil:** (\$1.70) TAP Small W2 target \$1.94—\$2.05. Minor W2 target \$2.07—\$2.26. Major W3 target \$2.30—

Easter Break:

The next issue of Market Dynamics will be published on Wednesday April 6, 2005, about 1 week later than normal. We wish you an enjoyable and happy Easter break.

Best Regards

Ray & Jill Evans

Commodities/Currencies:

Oil: (\$53.78/barrel) Support at \$45.00—\$48.00. Extra small W2 target \$52.55—\$56.00. Small W2 target \$60.00—\$65.00. Major W2 target \$65.34—\$74.00.

Pound/\$A: (41.4) Resistance at 42—43. Extra small W2 target 37—38.2. Small W2 target 34—35.8. Medium W2 target 27.5—29.7. Major W3 target 21.5.

\$US/Euro: (132.4) Support around 129. Small targets 134.1—135.8; 136.2—138.4. Minor targets 127—129.3; 129.7—133. Major W3 target 135—142.

INDICES:

Nasdaq Composite: (2070) Support at 1950—2000. Extra small W2 target 2321—2464. Minor targets 2497—2500; 2823—3251. Medium targets 3787—4457; 4575—5442. Major W2 target 8100—10000.

Philadelphia Gold Index: (99.8) Extra small W2 target 98.7—101.5. Small targets 104.9—109.3; 110—115.6. Minor targets 107.4—115; 116—126. Medium W2 target \$1.34—\$1.57. Major W3 target 170—197.

Dax: (4424) Major correction target 4461—4776. Major downside target 1200—1600. Major W3 target 11847.

MSCI Index: (1177) Support around 1130. Minor W2 target 1221—1250. Medium targets 1330—1486; 1514—1716. Major W3 target 1874—2342.

CRB Index: (309.2) Minor W2 target 301—312. Major W3 target 313.5—331.

Financials-x-Property Index: (5045) Medium W2 target achieved at 5142. Support at 4000—4360. Major W2 target 5831—7216.

S & P 500: (1207) Support at 1163—1184. Extra small targets 1221—1236; 1238—1257. Small W2 target 1264—1290. Minor W2 target 1324—1350. Medium targets 1439—1604; 1634—1848. Major W3 target 2261.

All Ords: (4202) Minor targets 4217—4300; 4314—4420. Major W3 target 4332—4670.

ASX 200: (4220) Minor targets 4210—4294; 4308—4416. Major W3 target 4338—4777.

Fifty Leaders: (4175) Ideal stall (overshoot) target 4210. Medium targets 4098—4222; 4285—4677. Major W3 target 4711—5888.

Gold: (\$435/oz) Support at \$410—\$425. Extra short targets \$447—\$456.7; \$458.4—\$471. Extra small W2 target \$480—\$537. Minor W2 target \$573—\$630. Medium targets \$719—\$826; \$845—\$985. Major W2 target \$1400—\$1769. Time cycles and Fibonacci sequences suggest a possible major high around May/June.

Option Stocks:

(A) **Amcort:** (\$7.32) Support at \$6.55—\$7.10. Short W2 target \$7.77—\$8.05. Small targets \$8.58—\$9.10; \$9.19—\$9.86. Medium targets \$10.50—\$10.87; \$11.09—\$12.66. Major W3 target \$15.84.

(A) **A.N.Z.:** (\$21.80) Support at \$20.32—\$21.00. Medium targets \$22.77—\$24.05; \$24.34—\$26.50. Major W3 target \$26.60—\$33.20.

(A) **Brambles:** (\$8.25) Support around \$6.72. Small targets \$7.75—\$7.79; \$8.04—\$8.35. Minor W2 target \$8.20—\$9.03. Medium targets \$10.34—\$12.00; \$12.25—\$14.50. Major W3 target \$17.00—\$21.00.

(A) **C.B.A.:** (\$36.43) Support at \$30.00—\$32.50. Medium W2 target \$41.40—\$46.00. Major W3 target \$46.32—\$51.70.

(A) **Coles Myer:** (\$9.47) Support at \$7.43—\$8.15. If \$9.00 holds: Extra small targets \$10.31—\$10.61; \$10.66—\$11.05. Medium W2 target \$10.85—\$11.95. Major W2 target \$12.82—\$16.00.

(A) **Fosters Group Ltd.:** (\$5.31) FGL Support at \$4.70—\$5.08. If \$5.08 holds: Extra small targets \$5.80—\$6.00; \$6.03—\$6.27. Minor W2 target \$6.42—\$6.60. Medium W2 target \$6.60—\$7.13. Major W3 target \$9.08.

(A) **Lend Lease:** (\$13.05) Support at \$11.00—\$12.00. If \$12.22 holds: Extra small targets \$13.34; \$13.67—\$14.00. Small targets \$14.49—\$15.06; \$15.16—\$15.90. Minor W2 target \$16.10—\$17.31. Medium targets \$19.66—\$22.60; \$23.12—\$27.00. Major W3 target \$31.00—\$39.00.

(A) **Mayne Nickless:** (\$4.69) Support at \$3.50—\$4.20. If \$3.98 holds: Short targets \$4.44; \$4.58—\$4.73. Extra small targets \$4.92—\$5.15; \$5.19—\$5.50. Minor targets \$5.66—

\$6.35; \$6.49—\$7.50. Medium W2 target \$8.96—\$10.50. Major W3 target \$13.03.

(B) **National Bank:** (\$29.46) Support at \$27.50—\$28.25. Short targets \$29.60; \$30.60—\$31.80. Minor targets \$33.20—\$35.00; \$35.32—\$38.00. Medium W2 target \$44.80—\$50.00. Major W2 target \$56.00—\$70.00.

(B) **News Corp.:** (\$22.75) Resistance around \$24.90. Correction Target \$18.50—\$19.62. Alternatively: Support at \$21.00. Short targets \$25.50—\$26.71; \$26.92—\$28.50. Minor targets \$30.34—\$31.00; \$34.90—\$39.41. Medium targets \$45.04—\$52.08; \$53.33—\$62.44. Major W2 target \$90.60—\$113.24.

(B) **Telstra:** (\$5.37) Extra small W2 target \$5.26—\$5.50. Minor targets \$5.53—\$5.90; \$6.12—\$6.70. Medium targets \$7.36—\$8.22; \$8.37—\$9.50. Major W2 target \$12.93—\$15.37.

(A) **Westpac:** (\$19.51) Support at \$18.00—\$18.71. If \$18.71 holds: Small targets \$19.72—\$19.97; \$20.02—\$20.35. Minor W2 target \$21.35—\$22.16. Medium W2 target \$23.18—\$25.77. Major W2 target \$27.00—\$33.50.

(A) **Woolworths:** (\$15.80) Support at \$15.08—\$15.41. Minor W2 target \$17.00—\$17.73. Medium W2 target \$18.00—\$19.80. Major W2 target \$20.50—\$25.00.

Resource Stocks:

(A) **Alumina Ltd.:** (\$5.90) Support at \$5.36—\$5.68. Extra small W2 target \$6.60—\$7.11. Major W2 target \$7.10—\$8.00.

(A) **B.H.P.:** (\$18.95) Support at \$17.35—\$18.32. Minor W2 target \$19.17—\$20.00. Medium targets \$20.73—\$21.82; \$22.01—\$23.50. Major W3 target \$22.28—\$28.00.

(B) **Lihir Gold:** (\$1.13) Support at \$1.00—\$1.07. Extra short W2 target \$1.16—\$1.20. Short targets \$1.24—\$1.30; \$1.31—\$1.40. Small targets \$1.47—\$1.57; \$1.60—\$1.80. Major targets \$2.07—\$2.24; \$2.30—\$2.75.

(A) **Newcrest:** (\$17.42) Support at \$16.00—\$16.80. Small W2 target \$18.00—\$18.70. Minor W2 target \$18.55—\$19.36. Medium targets \$20.37—\$21.63; \$21.85—\$23.50. Major W3 target \$23.20—\$28.50.

(A) **Rio Tinto:** (\$46.91) Support at \$44.00—\$45.00. Small targets \$47.00—\$48.20; \$48.42—\$50.00. Major W3 target \$49.18—\$54.25.

(A) **Santos:** (\$8.85) Support at \$8.50—\$8.90. Major W2 target \$10.40—\$12.02.

(A) **Woodside:** (\$22.60) Support at \$20.36—\$21.00. Major W2 target \$23.90—\$25.12.

(C) **WMC Resources:** (\$7.42) WMR Support at \$7.00—\$7.25. Medium W2 target \$8.50—\$9.00. Major W2 target \$9.30—\$10.78.

SCALE FOR COMPANY RATINGS: (A) Growth stocks: (B) Mature stocks: (C) Developing stocks: (D) Speculative stocks.

DISCLAIMER: Information contained in this newsletter is presented to assist you and your investment adviser to make your own investment decisions. As your particular investment objectives, needs and financial situation cannot be taken into account in this newsletter, you should assess whether the information presented is appropriate for your requirements. Comshare Analysis Pty. Ltd., may hold shares in some companies mentioned in this publication.

ABBREVIATIONS: EPS = Earnings Per Share. M/t = Million tonne. g/t = grams per tonne. Cu = Copper. Au = Gold. Ag = Silver. Pb = Lead. Ni = Nickel. Zn = Zinc. W1 = Wave (1); W2 = Wave (2); W3 = Wave (3). EBITDA = Earnings before interest, tax, depreciation and amortisation.

RSI = Relative Strength Indicator: A reading above 75 indicates an overbought market and a reading below 25 indicates an oversold market.

TR = Tracker - a reading above 85 indicates an overbought market and a reading below -85 indicates an oversold market.

Trading Strategy: If the first target of Minor, Medium or Major waves is exceeded without a correction, the reaction from the second target is often 50% - 66% from the start of the wave pattern. More moderate retracements (33% - 50%) occur in strong stocks. Profits are best taken on the second target. Re-entry is usually possible on a 33% - 66% retracement or 25% - 50% for strong stocks.

(Continued from page 1)

into a false sense of security just when we are on the brink of an economic precipice. Signs of the approaching danger are appearing, such as wage inflation due to labour shortages but we appear to have until some time in 2007 before extremes are reached.

Timing:

The US market fell for 3 weeks from its January 3 high. This is similar to the fall in October, 2004, suggesting a continuation of the uptrend. The possibilities now seem to be: A rise of around 63 weeks from the August low or a rise of around 74 weeks which would be a repeat of the rise from October 2003 to the peak in March 2004 before it fell for 21 weeks.

The market is vibrating to the 21 week cycle - as it has done since October 2003. When the market vibrates to this frequency it means it is in tune

Industrial Stocks:

Page 2.

Adelaide Bank
AMP Ltd.
Australian Agricultural Co.
ASX Ltd.
Bluescope Steel
Capral Aluminium
Chiquita Brands
Clinical Cell Culture Ltd.
Cochlear Ltd.
Coventry Group
Epitan Ltd.
Fantastic Furniture

Page 3.

GUD Holdings
James Hardie Industries
Macquarie Bank
Macmahon Holdings
Magna Pacific
National Hire
Noni B
PaperlinX

Page 4.

Publishing & Broadcasting Ltd.
Promentum Ltd.
RCR Tomlinson
Resmed
SDS Corp.
Select Harvests

Page 5.

Sigma Co. Ltd.
Technology One
Timbercorp
Ventracor Ltd.
Webster Ltd.

Resource Stocks:

Arc Energy
Austral Coal
Bass Strait Oil
Beach Petroleum
Consolidated Minerals
Cue Energy
Eastern Corp.

Page 6.

Equigold
Highlands Gold
Jubilee Mines
Kagara Zinc
Macarthur Coal
Mincor Resources
Rusina Mining
Sedimentary Holdings
Tap Oil

with the 63 week and 74 week rising periods. This indicates a significant top in mid/late October 2005 or early January 2006. In the short term, if previous time periods since the low in August 2004 repeat, a rise into late March/early April 2005 can be expected.

Fibonacci Points Major: March/April 2005.

Astronomical Events: Eclipses: Solar April 8, 2005; Lunar April 24, 2005. Moon Perigee Extreme: April 29, 2005.

Medium Cycles: 34 wk - Feb 16, 2005; 55 wk Feb 4, 2005;

Major Cycles: 65 wk - April 8, 2005; 89 wk - April 2005;

Long Term Timing: 144 wk cycle - Oct./Nov. 2004. A 3.4 year cycle high is possible around April 2007 or Dec. 2007.

18 or 20 Year Cycle Peak Due: 2007. (Real Estate peak due 2009)

18.6 Year McWhirter Cycle Low Due: 2008/2009.

Mr. Tritch's Projected Major High: 2007.

ASX Code	Qty.	New Buy @	Stop Loss @	Sell 50% @	Sell 100% @	Action
AMM	38,000		\$0.160	\$0.740	\$1.930	Up Stop
ANE	2,000		\$3.670	\$4.750	\$8.870	
BOL	4,000		\$1.920	\$2.430	\$3.230	
CAA	32,000	\$1.820	\$1.580	\$4.930	\$7.930	Buy
CHQ	9,000	\$0.810	\$0.720	\$1.480	\$2.430	Buy
COH	250	\$28.650	\$25.430	\$54.430	\$92.930	Buy
FGL	1,400		\$4.730	\$6.930	\$9.430	
FWD	700		\$7.820	\$11.930	\$17.430	
HIG	10,000	\$0.510	\$0.410	\$0.930	\$1.630	Buy
IGP	2,000	\$3.350	\$2.930	\$4.930	\$5.930	Cancel
LLC	600		\$11.930	\$19.700	\$35.000	Up Stop
MPH	6,000		\$0.720	\$0.930	\$1.730	Sold
NHR	16,000	\$0.430	\$0.385	\$0.730	\$1.230	Sell
SDS	9,000		\$0.780	\$1.490	\$1.830	Sold
TAP	3,400	\$1.780	\$1.580	\$2.480	\$3.930	Up Stop
WBA	12,000		\$0.780	\$1.930	\$2.930	
WOW	500	\$15.160	\$13.930	\$18.930	\$22.430	Buy

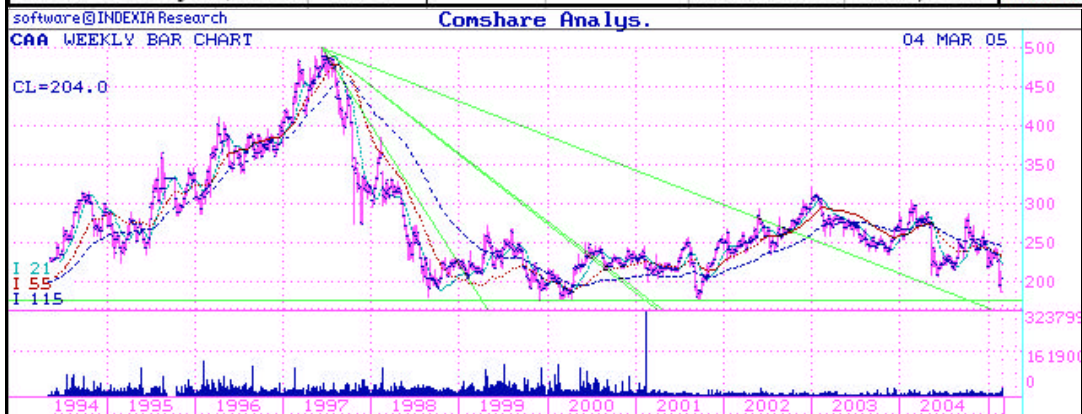
TradeVest Portfolio: This is a portfolio of stocks with greater than 30% upside. The aim is to demonstrate the profit potential of optimising returns by investing in such stocks and staying with them until they reach important targets or become technically overstretched. Purchases will usually be made on important retracements. Some speculative positions may be added to give a bit of "spice". Brokerage fees are based on currently obtainable internet trading rates: \$20.00 for transactions under \$10,000; \$10,000—\$30,000 \$30.00 and \$30,000—\$80,000 \$50.00. Generally purchases will be \$3,000—\$8,000 in value.

Rules: Act on Stops. If the price exceeds the first Minor or Medium target, sell on the second target for a short term gain, then buy on a retracement of 33% - 50% of the rise from the beginning of the wave pattern, just above previous resistance. Sell on minimum Major target projections. The portfolio will be traded automatically based on these rules.

Abbreviations: Up Bid = Raise bid; Up Stop = Raise stop-loss. Dn Sell = Lower sell price. Dn Bid = Lower buy price. Cancel = Cancel order, usually because the stock has risen too far, lowering the risk/reward ratio. Up Sell = Up selling price and Raise Stop. B/Sold = Bought & sold holding (stopped out).

ASX Code	Date Bought	Qty.	Unit Cost	Last Close	Total Cost	Market Value	Profit/(Loss)	% Chg.
ANE	7/10/03	2,000	\$2.830	\$3.950	\$5,660.00	\$7,900.00	\$2,240.00	39.6%
AMM	1/12/04	38000	\$0.205	\$0.185	\$7,790.00	\$7,030.00	(\$760.00)	-9.8%
BOL	10/09/04	4,000	\$1.610	\$2.070	\$6,440.00	\$8,280.00	\$1,840.00	28.6%
FGL	17/01/05	1,400	\$3.310	\$5.310	\$7,434.00	\$7,434.00	\$0.00	0.0%
FWD	18/11/03	700	\$5.210	\$8.700	\$3,647.00	\$6,090.00	\$2,443.00	67.0%
LLC	14/10/03	600	\$10.350	\$13.050	\$6,210.00	\$7,830.00	\$1,620.00	26.1%
NHR	10/12/04	16,000	\$0.430	\$0.420	\$6,880.00	\$6,720.00	(\$160.00)	-2.3%
TAP	2/12/04	3400	\$1.780	\$1.990	\$6,052.00	\$6,766.00	\$714.00	11.8%
WBA	19/07/04	12000	\$0.710	\$0.880	\$8,520.00	\$10,560.00	\$2,040.00	23.9%
Total:					\$58,633.0	\$68,610.00	\$9,977.0	17.0%

Gain since Sept 2001:	51.3%	Starting Capital \$100,000	
Gain since July 6, 2002:	42.7%	Realised Profit from 03/08/2001:	\$41,275.70
Gain since July 14, 2003:	45.2%	Cash Balance:	\$82,642.7
Gain since July 12, 2004:	25.6%	Total Value:	\$151,252.7



Capral Aluminium: (CAA) Heading for long term support around \$1.75—\$1.80. The consolidation for over 6 years would support a substantial rise so this stock is worth watching very closely for a turnaround. The fundamentals have been negative but this appears to be close to turning around.