

# LIC Premiums/Discounts to NTA

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ASX  
AUSTRALIAN SECURITIES EXCHANGE

## What do NTAs mean for investors?

The value of the underlying investment portfolio held in an LIC on a per share basis is referred to as its Net Tangible Assets (NTA). The on-market price of an LIC relates to its NTA, but ultimately supply and demand may cause it to differ from the true value of the underlying portfolio. LICs, may therefore trade at a discount, premium or at par to its NTA.

However, investors need to be aware that on-market prices may differ from the NTA for a variety of reasons including current market sentiment, the past performance of the LIC and the future expectations for the fund. Also the amount of cash each LIC holds in its investment portfolio may affect the premium or discount to NTA and dilute performance returns.

		Size (\$mil)	Last	Pre-Tax	Prem/Disc%	Post-Tax	Prem/Disc%
		Mkt Cap	Price (\$)	NTA (\$)	Pre-tax NTA	NTA (\$)	Post Tax NTA
<b>Australian Shares</b>							
ALR	Aberdeen Leaders	116	2.04	1.99	2.51	1.76	15.91
AMH	Amcil	146	0.87	0.83	4.82	0.79	10.13
ARG	Argo Investments	4,537	8.22	8.12	1.23	6.88	19.48
AFI	Australian Foundation	5,729	5.97	5.83	2.40	4.85	23.09
AOD**	Aurora Sandringham	44	9.99	9.21	8.50	9.13	9.40
ABW**	Aurora Buy Write Fund	17	10.65	10.22	4.22	10.19	4.52
AUI	Australian United Investment	778	9.09	9.08	0.11	7.34	23.84
BKI	Brickworks Investment	381	1.51	1.66	-8.76	1.49	1.14
CIN	Carlton Investments	613	23.10	24.13	-4.27	20.54	12.46
CYA	Century Australia	257	1.41	1.44	-2.08	1.36	3.68
CHO	Choiseul Investments	526	6.50	6.62	-1.81	5.35	21.50
CAM	Clime Capital	56	1.51	1.57	-3.82	1.48	2.03
CTN	Contango MicroCap	197	2.56	2.28	12.43	2.01	27.43
DJW	Djerriwarrh Investments	1,024	5.08	4.96	2.42	4.41	15.19
DUI	Diversified United Investments	500	4.05	4.05	0.00	3.33	21.62
ELI	Emerging Leaders Investments	39	1.11	1.57	-29.30	1.41	-21.28
FAT	Fat Prophets Australia	35	1.08	1.39	-22.80	1.31	-18.10
HIC	Huntley Investment	134	0.94	1.04	-9.94	0.94	-0.42
HIP	Hyperion Flagship Investments	36	2.10	2.10	0.19	1.87	12.06
IBC	Ironbark Capital	100	0.65	0.68	-4.13	0.65	-0.31
MLT	Milton Corporation	1,934	23.50	23.06	1.91	19.39	21.20
MIR	Mirrbooka Investments	312	2.67	2.55	4.71	2.16	23.61
MMA	MMC Contrarian	271	1.04	1.03	1.07	1.01	3.17
PRV	Premium Investors	259	1.22	1.31	-6.51	1.26	-3.02
SYL	Sylvastate	67	5.40	5.81	-7.06	5.36	0.75
VTP	Van Eyk Three Pillars	127	1.38	1.46	-5.48	1.33	3.76
WAB	Wallace Absolute Return	91	1.03	1.02	0.78	1.03	0.19
WAM	WAM Capital	167	1.92	2.03	-5.23	1.88	2.08
WHF	Whitefield	284	4.70	5.05	-6.93	4.59	2.40
WIL	Wilson Investment Fund	140	1.16	1.41	-17.68	1.29	-10.23
WLS	Wilson Leaders	72	1.17	1.40	-16.35	1.33	-12.33
<b>International Shares</b>							
AGF	AMP Capital China Growth	384	1.37	1.74	-21.26	1.74	-21.26
BEL	Bentley International	16	0.40	0.49	-18.96	0.49	-18.96
GFL	Global Masters Fund	15	1.00	1.01	-1.19	1.00	-0.10
EGF	Ellerston GEMS Fund	528	2.20	2.52	-12.70	2.52	-12.70
HHV	Hunter Hall Global Value	459	1.17	1.32	-11.60	1.24	-5.83
INES	India Equities Fund Ltd	72	0.95	1.07	-11.21	1.03	-7.77
MFF	Magellan Flagship Fund	336	0.89	0.95	-6.32	0.95	-6.32
PET	Peters Macgregor Investments	26	1.02	1.12	-8.78	1.12	-8.78
PMC	Platinum Capital	255	2.06	1.72	19.96	1.65	24.70
TGG	Templeton Global Growth	211	1.46	1.49	-2.35	1.44	1.04
<b>Private Equity</b>							
CFI	Colonial Private Equity	107	0.79	-	-	-	-
IPE	ING Private Equity Access	45	1.05	1.39	-24.46	1.26	-16.67
MPG	Macquarie Private Capital	91	0.84	1.12	-25.27	1.10	-23.36
SOE	Souls Private Equity	148	0.25	0.29	-13.79	0.29	-13.79
<b>Specialist</b>							
AYTCA	Adelaide Managed Funds	94	0.94	0.94	0.21	0.94	0.21
GMI	Global Mining Investments	285	1.81	2.16	-16.20	1.82	-0.55
IWI	International Wine Invest	35	1.50	1.80	-16.67	1.69	-11.35
LRX**	LinQ Resources Fund	343	1.48	1.78	-16.85	1.78	-16.85
<b>Absolute Return Funds</b>							
AYF	Australian Enhanced Income	29	9.88	9.81	0.67	9.81	0.67
CDM	Cadence Capital	33	1.24	1.50	-17.38	1.31	-5.27
EBI	Everest Babcock & Brown Alt.	636	3.48	4.06	-14.29	4.06	-14.29
GLC	GoldLink GrowthPlus	6	0.14	0.14	1.43	0.14	1.43
GLI	GoldLink IncomePlus	23	0.18	-	-	-	-
HAP	HFA Accelerator Plus	228	1.22	1.51	-19.04	1.39	-12.48
HHY	Hastings High Yield Fund	185	2.07	1.88	10.11	1.88	10.11
KAT	Katana Capital	44	1.06	1.22	-13.11	1.14	-7.02
MWG	Macquarie Winton Global	63	0.99	1.02	-2.89	1.02	-2.89
TJN	Trojan Equity	51	1.15	1.37	-16.06	1.30	-11.54
VBP	van Eyk Blueprint Alternatives	38	9.50	10.38	-8.50	10.38	-8.50
					<b>Sector Average</b>		<b>1.60</b>
					<b>Weighted Sector Average*</b>		<b>14.48</b>

\*Weighted average takes into account the size of each LIC, rather than treating them equally. Note: Absolute Return Fund premium/discounts to NTA are not included in this calculation.

\*\* As these entities employ a unit trust structure, current and deferred income tax is not brought to account in calculating their NTA. To make an after tax comparison of NTA between a company structure and a unit trust, the impact of tax needs to be taken into account. ASX recommends that appropriate advice be sought in this regard from an accredited adviser.