

ASX LISTED FIXED INCOME MARKET

Debt and Hybrid Securities

The highway is safe if you observe the traffic signs

Mike Williams (07) 4047 4113
mswilliams@bellpotter.com.au

BELL POTTER

THE YIELD CONTINUUM

Risk free rate (**term deposits**) → Half way house (**Hybrids**) → **Equities** (Banks, TLS)

In order to achieve a **higher yield**, you need to take **additional risk**, but investors need to weigh up what they are **comfortable** with under different scenarios:

*Today's focus? Hybrids – **better yields** than term deposits, **limited capital risk** but equally no participation in **share price upside** of the underlying issuer*

Hybrids – generic term covering similar but not identical listed securities:

- **Floating rate debt** securities (21)
- **Floating rate convertible** securities (Preference shares, 19)
- **Floating rate step-up** preference shares (4)
- **Fixed rate** issues (5)
- **Floating rate perpetual** securities (11)

ALL THE CONTENDERS

FLOATING RATE DEBT SECURITIES

Issue	ASX Code	Price	Fair Value	Rec	Risk Rating	Issue Margin	Trading Margin	Fair Margin	Mkt Cap	Call Date Maturity	Frank	Div Freq	Conv Method	Swap Rate	Gross Yld to Maturity	Gross Run Yld
AGL NOTES	AGKHA	\$108.35	\$106.88	Sell	Low	3.80%	2.11%	2.45%	\$704	Jun-19	0%	Q	Redeem	3.19%	5.30%	5.96%
AMP NOTES 2	AMPHA	\$104.48	\$103.85	Hold	Low	2.65%	1.75%	1.90%	\$340	Dec-18	0%	Q	Redeem	3.11%	4.86%	5.07%
ANZ NOTES	ANZHA	\$105.20	\$104.46	Sell	Low	2.75%	1.13%	1.40%	\$1,587	Jun-17	0%	Q	Redeem	2.81%	3.93%	5.14%
APA NOTES	AQHHA	\$108.73	\$107.65	Sell	Low	4.50%	2.13%	2.45%	\$560	Mar-18	0%	Q	Redeem	2.98%	5.11%	6.60%
AYU NOTES	AYUHA	\$103.65	\$103.46	Hold	Low	3.55%	1.63%	1.75%	\$124	Apr-16	0%	Q	Redeem	2.65%	4.29%	5.96%
CBA BONDS	CBAHA	\$100.69	\$101.24	Buy	Low	1.05%	0.83%	0.40%	\$574	Dec-15	0%	Q	Redeem	2.63%	3.46%	3.65%
COL NOTES	CNGHA	\$104.45	\$104.86	Buy	Low	3.25%	1.76%	1.60%	\$1,045	Mar-17	0%	Q	Redeem	2.77%	4.53%	5.67%
CTX NOTES	CTXHA	\$108.00	\$107.88	Hold	Low	4.50%	2.11%	2.15%	\$594	Sep-17	0%	Q	Redeem	2.86%	4.97%	6.60%
CWN NOTES	CWNHA	\$110.01	\$110.72	Buy	Low	5.00%	2.59%	2.40%	\$585	Sep-18	0%	Q	Redeem	3.08%	5.66%	6.93%
GMG PLUS	GMPPA	\$105.00	\$105.49	Buy	Low	3.90%	2.47%	2.30%	\$343	Sep-17	0%	Q	Redeem	2.86%	5.33%	6.22%
IMF BONDS	IMFHA	\$105.00	\$104.84	Hold	Medium	4.20%	3.21%	3.25%	\$53	Jun-19	0%	Q	Redeem	3.20%	6.41%	6.84%
MYOB NOTES	MYBG	\$105.45	\$106.04	Hold	High	6.70%	5.35%	5.15%	\$163	Dec-17	0%	Q	Redeem	2.92%	8.27%	8.85%
NAB NOTES	NABHB	\$105.20	\$104.49	Sell	Low	2.75%	1.14%	1.40%	\$1,233	Jun-17	0%	Q	Redeem	2.81%	3.94%	5.15%
ORG NOTES	ORGHA	\$104.44	\$104.43	Hold	Low	4.00%	2.44%	2.45%	\$940	Dec-16	0%	Q	Redeem	2.73%	5.18%	6.35%
PRY BONDS	PRYHA	\$103.20	\$103.34	Hold	Low	4.00%	1.88%	1.75%	\$157	Sep-15	0%	Q	Redeem	2.60%	4.48%	6.46%
SUN NOTES	SUNPD	\$104.00	\$103.81	Hold	Low	2.85%	1.80%	1.85%	\$801	Nov-18	0%	Q	Redeem	3.10%	4.90%	5.24%
TAB NOTES	TAHNB	\$105.60	\$105.47	Hold	Low	4.00%	2.10%	2.15%	\$264	Mar-17	0%	Q	Redeem	2.77%	4.87%	6.29%
TATTS BONDS	TTSHA	\$106.10	\$107.64	Buy	Low	3.10%	1.84%	1.50%	\$207	Jul-19	0%	Q	Redeem	3.20%	5.04%	5.40%
WBC NOTES	WBCHA	\$104.21	\$103.70	Hold	Low	2.75%	1.22%	1.40%	\$1,747	Aug-17	0%	Q	Redeem	2.84%	4.06%	5.14%
WBC NOTES II	WBCHB	\$102.50	\$102.70	Hold	Low	2.30%	1.60%	1.55%	\$948	Aug-18	0%	Q	Redeem	3.06%	4.67%	4.71%
WOW NOTES II	WOWHC	\$104.95	\$104.10	Sell	Low	3.25%	0.91%	1.30%	\$735	Nov-16	0%	Q	Redeem	2.72%	3.64%	5.60%

ALL THE CONTENDERS

FLOATING RATE CONVERTIBLE SECURITIES

Issue	ASX Code	Price	Fair Value	Rec	Risk Rating	Issue Margin	Trading Margin	Fair Margin	Mkt Cap	Call Date Maturity	Frank	Div Freq	Conv Method	Sw ap Rate	GrossYld to Maturity	Gross Run Yld
ANZ CPS2	ANZPA	\$102.80	\$103.43	Buy	Low	3.10%	2.29%	2.00%	\$2,024	Dec-16	100%	Q	Mand Conv	2.73%	5.02%	5.54%
ANZ CPS3	ANZPC	\$102.39	\$102.03	Hold	Low	3.10%	2.17%	2.30%	\$1,372	Sep-17	100%	HY	Mand Conv	2.84%	5.02%	5.48%
ANZ CAP NTS	ANZPD	\$105.57	\$107.43	Buy	Low	3.40%	2.92%	2.60%	\$1,182	Sep-21	100%	HY	Mand Conv	3.49%	6.41%	5.90%
ANZ CAP NT2	ANZPE	\$104.18	\$105.99	Buy	Low	3.25%	2.94%	2.65%	\$1,677	Mar-22	100%	HY	Mand Conv	3.54%	6.49%	5.65%
BEN CPS	BENPD	\$109.55	\$108.32	Sell	Low	5.00%	2.31%	2.70%	\$295	Dec-17	100%	HY	Mand Conv	2.90%	5.21%	7.07%
BOQ CPS	BOQPD	\$110.02	\$110.10	Hold	Low	5.10%	2.82%	2.80%	\$330	Apr-18	100%	HY	Mand Conv	2.98%	5.81%	7.04%
CBA PERLS V	CBAPA	\$203.00	\$201.93	Sell	Low	3.40%	-2.50%	0.25%	\$2,030	Oct-14	100%	Q	Mand Conv	2.64%	0.14%	5.90%
CBA PERLS VI	CBAPC	\$106.14	\$106.52	Hold	Low	3.80%	2.50%	2.40%	\$2,123	Dec-18	100%	Q	Mand Conv	3.11%	5.61%	6.05%
IAG CPS	IAGPC	\$106.40	\$105.60	Sell	Low	4.00%	2.23%	2.55%	\$402	May-17	100%	HY	Mand Conv	2.78%	5.01%	6.29%
IAG RES	IANG	\$106.51	\$107.12	Hold	Low	4.00%	2.83%	2.70%	\$586	Dec-19	100%	Q	Redeem/Reset	3.26%	6.09%	6.16%
MQG CAP NTS	MQGPA	\$105.85	\$104.99	Sell	Low	4.00%	2.65%	2.90%	\$635	Jun-18	40%	HY	Mand Conv	3.02%	5.67%	6.35%
NAB CPS	NABPA	\$103.30	\$104.01	Buy	Low	3.20%	2.63%	2.45%	\$1,564	Mar-19	100%	Q	Mand Conv	3.15%	5.78%	5.63%
NAB CPS II	NABPB	\$102.70	\$104.77	Buy	Low	3.25%	2.94%	2.55%	\$1,764	Dec-20	100%	Q	Mand Conv	3.40%	6.34%	5.67%
SUN CPS2	SUNPC	\$107.40	\$107.44	Hold	Low	4.65%	2.61%	2.60%	\$601	Dec-17	100%	Q	Mand Conv	2.92%	5.53%	6.77%
SUN CPS3	SUNPE	\$104.80	\$103.75	Hold	Low	3.40%	2.64%	2.85%	\$419	Jun-20	100%	Q	Mand Conv	3.33%	5.97%	5.84%
WBC SPS II	WBCPB	\$100.90	\$101.32	Buy	Low	3.80%	4.19%	0.25%	\$383	Sep-14	100%	Q	Mand Conv	2.64%	6.83%	6.39%
WBC CPS	WBCPC	\$105.65	\$105.21	Hold	Low	3.25%	2.22%	2.35%	\$1,257	Mar-18	100%	HY	Mand Conv	2.96%	5.18%	5.58%
WBC CAP NTS	WBCPD	\$103.21	\$104.15	Buy	Low	3.20%	2.68%	2.45%	\$1,428	Mar-19	100%	Q	Mand Conv	3.15%	5.83%	5.61%
WBC CAP NT2	WBCPE	\$102.42	\$103.52	Buy	Low	3.05%	2.82%	2.65%	\$1,342	Sep-22	100%	Q	Mand Conv	3.59%	6.41%	5.51%

FLOATING RATE STEP-UP PREFERENCE SECURITIES

Issue	ASX Code	Price	Fair Value	Rec	Risk Rating	Issue Margin	Trading Margin	Fair Margin	Mkt Cap	Call Date Maturity	Frank	Div Freq	Conv Method	Sw ap Rate	GrossYld to Maturity	Gross Run Yld
BEN PS	BENPB	\$99.80	\$100.75	Buy	Low	1.50%	2.71%	1.50%	\$90	Jun-15	100%	Q	Step-Up	2.58%	5.29%	4.14%
BEN SPS	BENPC	\$99.90	\$100.59	Buy	Low	1.75%	6.48%	1.10%	\$100	Oct-14	100%	Q	Step-Up	2.64%	9.12%	4.44%
CBA PERLS III	PCAPA	\$197.60	\$197.42	Hold	Low	1.05%	2.14%	2.20%	\$1,152	Apr-16	100%	Q	Step-Up	2.65%	4.79%	3.72%
WBC TPS	WCTPA	\$98.10	\$98.43	Buy	Low	1.00%	2.39%	2.20%	\$748	Jun-16	100%	Q	Step-Up	2.67%	5.06%	3.70%

ALL THE CONTENDERS

FIXED RATE ISSUES

Issue	ASX Code	Price 18-Aug-14	Fair Value	Rec	Risk Rating	Fixed Rate	Trading Margin	Fair Margin	Mkt Cap	Call Date Maturity	Frank	Div Freq	Conv Method	Sw ap Rate	GrossYld to Maturity	Gross Run Yld
AFIC NOTES	AFIG	\$121.80	\$122.66	Hold	Low	6.25%	-3.80%	0.65%	\$271	Feb-17	0%	HY	Redeem	2.74%	-1.06%	5.13%
HBS NOTES	HBSHA	\$102.75	\$101.58	Sell	Low	10.00%	-3.97%	2.20%	\$51	Oct-14	0%	Q	Redeem	2.62%	-1.35%	9.73%
HBS BONDS	HBSHB	\$107.67	\$108.38	Hold	Low	7.25%	1.58%	1.70%	\$245	Jun-17	0%	Q	Redeem	3.18%	4.76%	6.73%
PEET NOTES	PPCG	\$104.72	\$105.73	Buy	High	9.50%	4.99%	4.75%	\$52	Jun-16	0%	HY	Redeem	2.65%	7.64%	9.07%
WHF RP	WHFPB	\$116.00	\$118.79	Buy	Low	7% (FF)	2.98%	2.40%	\$46	Nov-18	100%	HY	Redeem/Reset	3.18%	6.16%	8.62%

FLOATING RATE PERPETUAL SECURITIES

Issue	ASX Code	Price	Fair Value	Rec	Risk Rating	Issue Margin	Trading Margin	Fair Margin	Mkt Cap	Call Date Maturity	Frank	Div Freq	Conv Method	Sw ap Rate	GrossYld to Maturity	Gross Run Yld
ALZ ASSETS	AAZPB	\$100.96	\$101.18	Buy	Low	4.80%	6.90%	3.00%	\$278	n/a	0%	Q	n/a	2.63%	9.53%	7.36%
ELD HYBRIDS	ELDPA	\$39.50	\$40.00	Hold	Spec	4.70%	n/a	Def Risk	\$59	n/a		Q	n/a	2.63%	n/a	0.00%
MQG INC SEC	MBLHB	\$88.80	\$87.89	Hold	High	1.70%	n/a	3.30%	\$355	n/a	0%	Q	n/a	2.63%	n/a	4.88%
MXG SITES	MXUPA	\$89.95	\$92.25	Buy	High	3.90%	n/a	4.50%	\$405	n/a	0%	Q	n/a	2.63%	n/a	7.26%
NAB INC SEC	NABHA	\$81.90	\$87.97	Buy	Medium	1.25%	n/a	2.70%	\$1,638	n/a	0%	Q	n/a	2.63%	n/a	4.72%
NUF STEP-UP	NFNG	\$80.18	\$83.39	Buy	High	3.90%	n/a	5.45%	\$201	n/a	0%	HY	n/a	2.65%	n/a	8.22%
PaperlinX SPS	PXUPA	\$8.60	\$10.00	Hold	Spec	4.65%	n/a	Def Risk	\$24	n/a		HY	n/a	2.65%	n/a	0.00%
RHC CARES	RHCPA	\$108.26	\$109.96	Hold	High	4.85%	n/a	4.35%	\$281	n/a	100%	HY	n/a	2.65%	n/a	6.91%
SUN CAP NTS	SBKHB	\$77.75	\$82.96	Buy	High	0.75%	n/a	3.20%	\$56	n/a	0%	Q	n/a	2.63%	n/a	4.35%
SEV TELYS4	SVWPA	\$91.57	\$99.91	Buy	High	4.75%	n/a	4.90%	\$455	n/a	100%	HY	n/a	2.65%	n/a	8.08%
TPI STEP-UP	TPAPA	\$102.00	\$103.28	Buy	Low	6.00%	13.72%	6.00%	\$255	n/a	100%	HY	n/a	2.65%	16.37%	8.44%

Hybrids 101 – some basic definitions

Yield to maturity (YTM)

The **total return** an investor earns if they buy and hold a security **to maturity** (expressed as % per annum). This is made up of:

- ❑ **Total interest/ dividends** collected over the period held
- ❑ Typically, a **capital gain or loss** at **maturity date** based on whether the investor paid a discount/ premium (respectively) to **face value** at the time of purchase

Running Yield (RY)

Current **interest/ dividend** payments, annualised, **divided by the security price**.

- ❑ **Important footnote:** Bell Potter's **Fixed Interest team** calculate the **interest/ dividends** collected by an investor up until a **security matures** using their forecast of where the **10 year bond yield** will go over the period (unsurprisingly, this is upwards). So for **longer dated securities**, and unlike what simple logic would suggest, it is possible for the **YTM** to exceed the **RY** even when the assumed purchase price (today's) is **> the face value** of the security.

Hybrids 101 – some basic definitions

Examples:

SECURITY	CODE	PRICE	CALL DATE MATURITY	GROSS YTM	GROSS RY
BEN CPS	BENPD	\$109.40	Dec-17	5.25%	7.03%
ANZ CAP NOTES	ANZPE	\$104.65	Mar-22	6.43%	5.67%
CBA PERLS III	PCAPA	\$197.60	Apr-16	4.76%	3.73%

FLOATING RATE DEBT VERSUS PREFERENCE SHARES

Yield give up

SUNPD Suncorp Notes Maturity Nov-18 YTM 5.02%

SUNPC SUN CPS2 Maturity Dec-17 YTM 5.51%

ANZHA ANZ Notes Maturity Jun-17 YTM 3.85%

ANZPC ANZ CPS3 Maturity Sep-17 YTM 5.04%

Hybrids 101 – some oddities (step up and equity credit securities)

EQUITY CREDIT SECURITIES – Subordinated debt securities with issue terms that provide Equity Credit

	Crown Subordinated Notes (CWNHA)	APA Group Subordinated Notes (AQHHA)	Caltex Subordinated Notes (CTXHA)	AGL Energy Subordinated Notes (AGKHA)	Colonial Group Subordinated Notes (CNGHA)	Tabcorp Subordinated Notes (TAHNB)	Origin Energy Notes (ORGHA)	Woolworths Notes II (WOWHC)
Issue size	\$400m	\$350m	\$525m	\$650m	\$1,000m	\$250m	\$900m	\$700m
ASX Listing	17 September 2012	19 September 2012	6 September 2012	5 April 2012	29 March 2012	23 March 2012	23 December 2011	25 November 2011
Margin: 90BBSW+	5.00%	4.50-4.70%	4.50%	3.80%	3.25%	4.00%	4.00%	3.25%
Maturity	60 years	60 years	25 years	27 years	25 years	25 years	60 years	25 years
First call date	Year 6	Year 5.5	Year 5	Year 7	Year 5	Year 5	Year 5	Year 5
Step-up date	Year 26	Year 25	Year 5	Year 7	n/a	Year 5	Year 25	Year 5
Step-up margin	1.00%	1.00%	0.25%	0.25%	0.00%	0.25%	1.00%	1.00%
Optional interest deferral	Yes, subject to dividend stopper	Yes, subject to dividend stopper	Yes, subject to dividend stopper	No	Yes, subject to dividend stopper	No	Yes, subject to dividend stopper	Yes, subject to dividend stopper
Mandatory interest deferral	Yes, if Crown's Leverage Ratio is above 5.0x, or Interest Cover Ratio is below 2.5x	No	No	Yes, if AGL's Leverage Ratio is above 4.0x, or Interest Cover Ratio is below 3.0x	No	Yes, if Tabcorp's Leverage Ratio is above 3.5x, or Interest Cover Ratio is below 3.0x	Yes, if Origin's Leverage Ratio is above 4.0x, or Interest Cover Ratio is below 3.5x	No
Interest deferral	Interest can be deferred on a cumulative and compounding basis	Interest can be deferred on a cumulative and compounding basis	Interest can be deferred for up to 5 years on a cumulative and compounding basis	Interest can be deferred for up to 5 years on a cumulative and compounding basis	Interest can be deferred for up to 5 years on a cumulative and compounding basis	Interest can be deferred for up to 5 years on a cumulative and compounding basis	Interest can be deferred for up to 5 years on a cumulative and compounding basis	Interest can be deferred for up to 5 years on a cumulative and compounding basis
Assessed equity credit	50% first 6 years, then 0%	50% first 5.5 years, then 0%	50% first 5 years, then 0%	100% first 7 years, then 0%	50% first 5 years, then 0%	100% first 5 years, then 0%	100% first 5 years, then 0%	50% first 5 years, then 0%
Ranking	Subordinated, ranks above ordinary equity	Subordinated, ranks above ordinary equity	Subordinated, ranks above ordinary equity	Subordinated, ranks above ordinary equity	Subordinated, ranks above prefs and ordinary shares held by Commonwealth Bank	Subordinated, ranks above ordinary equity	Subordinated, ranks equal with Euro Capital Securities and above ordinary equity	Subordinated, ranks above ordinary equity

BASEL III- INTERNATIONAL BANKING RULES HAVE CHANGED

Basel III reforms are designed for banks to strengthen their equity base in order to prevent some of the issues caused by the GFC.

- **APRA's Basel III requirements** for the issue of Tier 1 securities include a **Capital Trigger Event** and a **Non-Viability Trigger Event**

Common Equity Capital Trigger Event (CET1)

- **Conversion of the hybrid securities required** to provide an immediate boost to the **Common Equity Capital Ratio** if this ratio falls below **5.125%**. **Under Basel III, APRA requires Australian banks** to hold a minimum **Tier 1 Capital Ratio of 4.5% on 1 Jan 2013**, increasing by the 2.5% capital conservation buffer to **7.0% on 1 Jan 2016**.

But: “domestic systematically important bank”(D-SIB) = 1.0% extra capital for the Big 4

Non-Viability Trigger (as defined by APRA)

- **A Non-Viability Trigger Event** would occur if **APRA notifies the issuer in writing** that it believes the issuer **would become non-viable without:**
 - Conversion / write off of capital instruments: or
 - A public sector injection of capital or equivalent support

The General Risks of the ASX Debt & Hybrid Markets

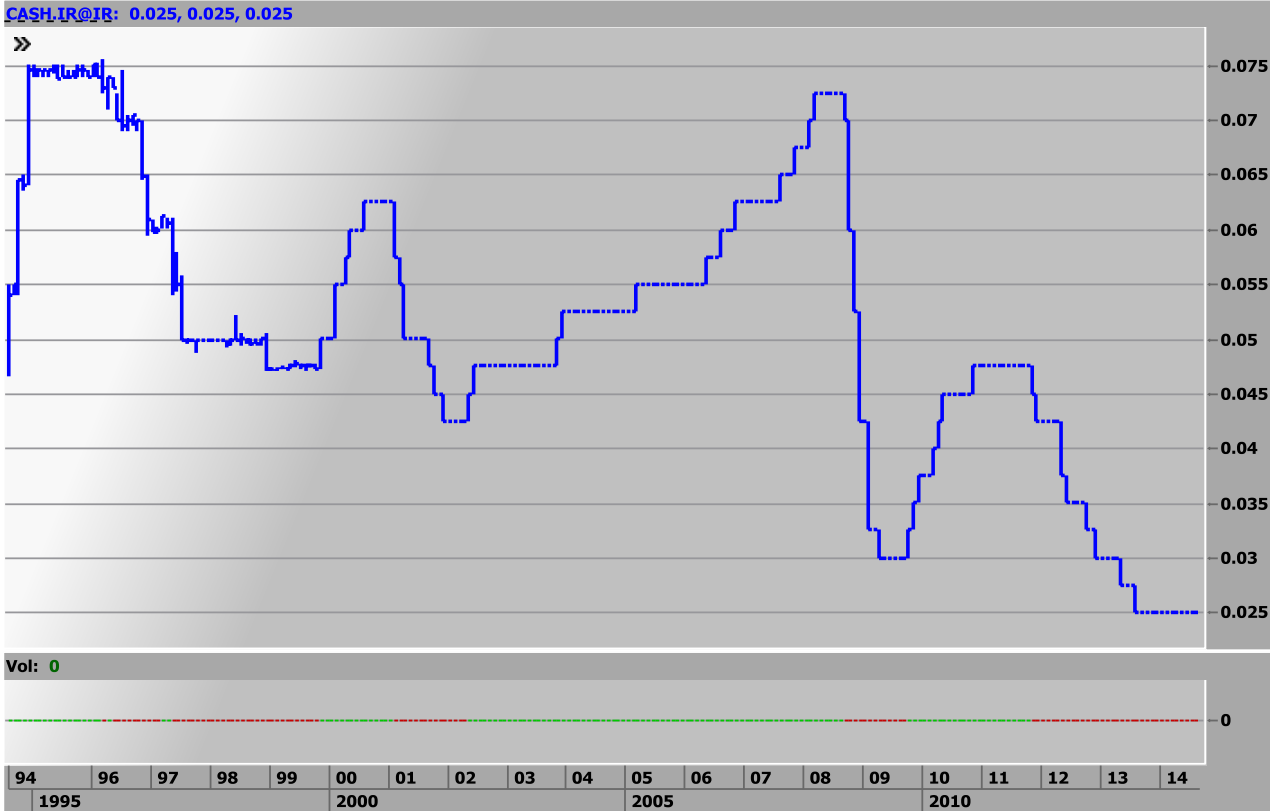
1. **Debt securities** are not covered by the **Government guarantee** on bank deposits up to \$250,000
2. **Subordinated debt** ranks behind all **deposits** and **senior debt** obligations; **Preference shares** rank behind all **debt** and just **ahead of equity** (in most cases).
3. **New issues** may offer **more attractive issue terms** and margins, placing downward pressure on the security price
4. A **dislocation of credit markets** (GFC a prime example) or a material **deterioration** in global or Australian economies/ share markets may cause **increased “risk”** to be priced into the system (ie. an increase in credit spreads), placing **downward pressure** on security prices. Concerns may also arise over the issuers' **capital adequacy** and **ability to pay distributions/ redeem** securities.
5. **Equity credit** changes by the ratings agencies
6. **Interest may be deferred** and could cumulate for up to 5 years; **Dividends are discretionary** and **non-cumulative** (but require cessation of dividends on ordinary shares as a pre-condition)
7. **Failure** of the issuer; **Non-viability Trigger** event or **Common Equity** trigger provisions.

....and the positives of the ASX Debt & Hybrid Markets

- **Security prices unlikely to change appreciably** in response to say “everyday” negative events eg. CEO’s resignation, profit result below expectations, write-offs that leave the balance sheet still ok or industry downturns (as opposed to full-blooded recessions).
- **Listed securities, mostly readily bought or exited (partly or fully) on the day.**
- **Capital variation range of + or -10%** typical of volume traded securities in **normal times**
- Realistically, most of the **worst outcomes** would only occur under **extremely adverse conditions**, such as might only happen once in several decades. The GFC probably suggests the next decade may be reasonably benign, especially in Australia with its modest **Government borrowings**, pristine corporate **balance sheets**, vigorous policing of the banking system (**APRA**), **Basel 3** accounting standards and **well capitalised banks** with big (=safe) mortgage books.
- **Preference shares**, including step-up securities and some perpetual securities, **pay fully franked dividends.**
- Best of all, **floating rates** mean no capital losses from **increasing interest rates**, so **strong economic growth** or the **inflation genie escaping from the bottle** aren’t automatically **damaging events** for these forms of fixed interest.

AUSTRALIAN OFFICIAL CASH RATE %

20 years history



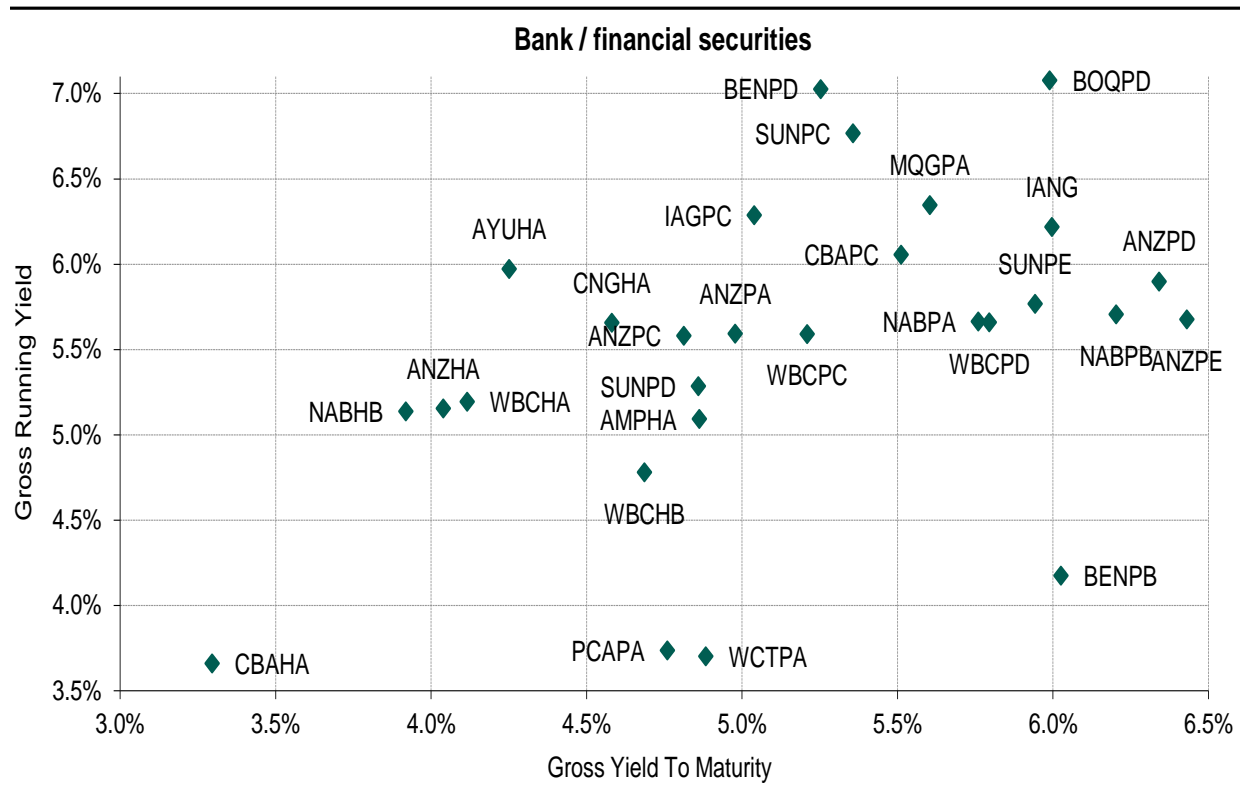
PICKING PREFERRED HYBRIDS – a rational screening process

.....that will typically involve:

- Assessing the **risk profile of the client(s)**, including their ability to cope with **worst case scenarios**, including **trigger events**
- Establishing the **client(s) income (yield) needs**, including **yield to maturity** versus **running yield** and **frequency of dividends** (qtly, half yearly)
- **Floating rate** or **fixed rate**?
- **Debt** securities, **preference** shares or a **combination** of both?
- **Bank, financial** or **non-financial** (“industrial”) **issuers**?
- **Maturity dates**, both **optional** and **mandatory**, and what happens at this time (**redemption**, **conversion**, **rollover into replacement security** or a **lapse into perpetual status**)
- **Marketability** (**volume of turnover**, typically a function of **market capitalisation**)

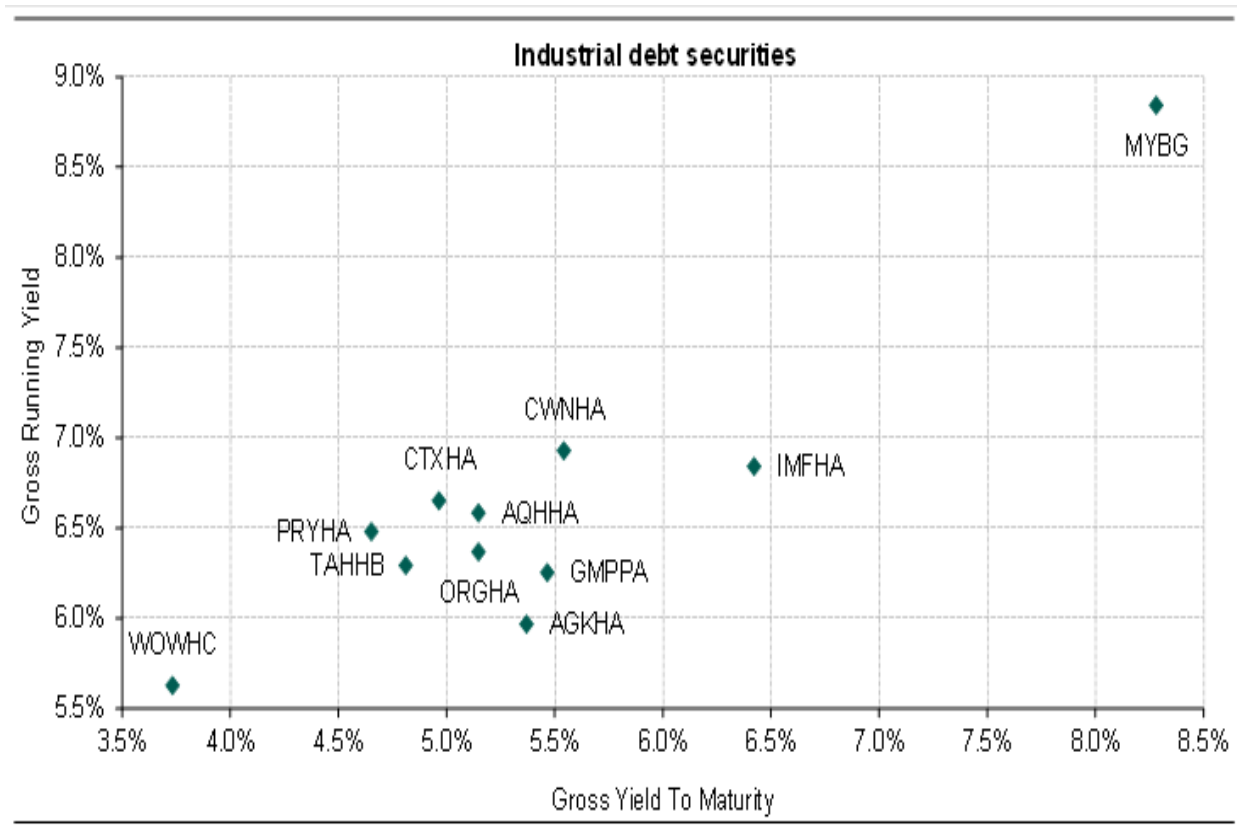
PREFERRED FLOATING RATE CONVERTIBLE SECURITIES

The RY versus YTM distribution



PREFERRED FLOATING RATE DEBT SECURITIES

The RY versus YTM distribution

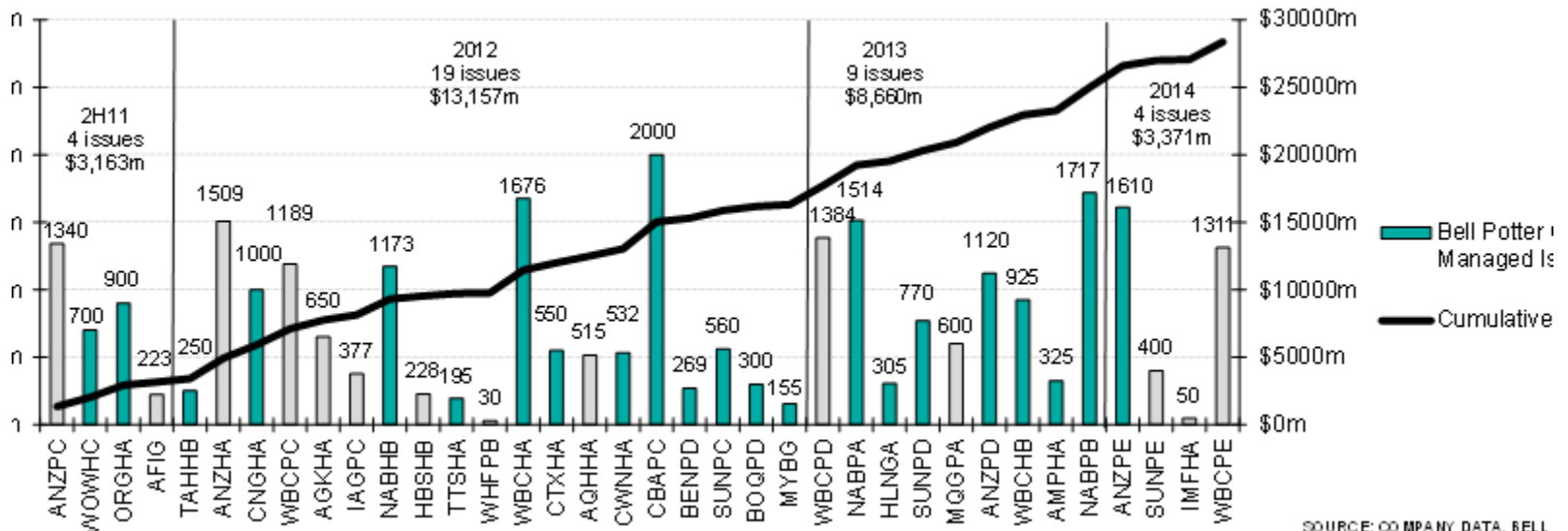


SUMMARY – PREFERRED SECURITIES

SECURITY	CODE	PRICE	REC'N	MATURITY DATE	GROSS YTM	GROSS RY
ANZ CAP NTS	ANZPD	\$106.10	BUY	Sep-21	6.34%	5.90%
IAG RES	IANG	\$107.00	HOLD	Dec-19	6.00%	6.22%
NAB CPSII	NABPB	\$103.50	BUY	Dec-20	6.20%	5.70%
WBC CAP NTS	WBCPD	\$103.40	BUY	Mch-19	5.80%	5.66%
COL NTS	CNGHA	\$104.30	BUY	Mch-17	4.58%	5.66%
CROWN NTS	CWNHA	\$110.50	HOLD	Sep-18	5.54%	6.93%

A FLOOD OF NEW ISSUANCE

- \$28.4bn of issuance across 36 new securities since August 2011
- Bell Potter has been the only broker to participate in the Bookbuild of all 36 issues
- Research reports on all issues
- Bell Potter Co-Manager to 22 issues (dark green columns)
- Potential to reduce portfolio risk and enhance income in volatile markets



SOURCE: COMPANY DATA, BELL

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