

# Research Overview

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Quality equities research is the foundation for our entire business. Our team of experienced analysts provide our clients with periodic and event driven “bottom-up” research based on fundamental analysis, strict financial modelling and regular company contact.

Euroz research covers a broad cross section of mainly Western Australian based industrial and resources companies. Our “stock-picking” rather than “sectoral” coverage approach seeks to provide investors with a wide range of opportunities across a variety of industry sectors and commodities, whilst maximising equity investment optionality.

Our experienced research analysts seek to identify long-term value opportunities by identifying first class management teams and high quality assets within those sectors. The existing coverage list includes a selection of opportunities in the following sub-sectors:-

### Resources

Companies with exposure to the favourable commodities of gold, energy, base metals and bulk commodities, with advanced assets either already producing or having high probability of being developed into income producing operations. We believe these commodities are supported by good long-term economic fundamentals driven by growing global demand and relatively scarce supply.

### Industrials

A broad selection of companies servicing the mining and oil and gas industries, property, IT services and software, protein farming, financial services and automotive retail sub-sectors.

## Euroz Research Portal

The Euroz research portal provides access to current and historical research publications from our team of analysts. Research covers emerging small to mid-cap industrial, resource and oil and gas companies, along with publications offering insights into global market news and activity.

Our research portal is restricted to existing clients only. For access to the portal, along with our current stock coverage list, please refer to your Adviser.

## Distribution of Ratings

Spec. Buy	Buy	Hold	Sell	Total
18	40	6	1	65

Ratings distributions as at June 2019

Euroz had investment ratings on 65 equity securities. See below for definitions of the ratings.

Investment ratings are the result of Euroz’s expectations of absolute total return (forecast capital return plus dividends) within a 12 month timeframe. Subject to the assessment of risk levels related to individual stocks, Euroz assigns ratings as follows:-

Buy - where a total return of 10% and above is expected

Speculative Buy - Investment can be expected to make a positive return however there are significant risks specific to the company and/or sector that can substantially impact the potential for a positive outcome over the short to medium term.

Hold - where a total return between -10% to +10% is expected

Sell - where a total return of greater than -10% is expected

Investment ratings are determined at the time of coverage initiation or where there is a subsequent change in target price. At other times the anticipated total return may fall outside the ranges due to price movements and/or volatility. Interim deviations from specified ranges will be permitted but will be subject to review by the Research Analyst.

Euroz maintains a policy of managing conflicts of interest in connection with Investment Research. This policy includes research report preparation guidelines, controlling and managing conflicts of interest, personal account trading restrictions for research analysts and disclosing conflicts of interest in the research report.

More detailed information is available on request by contacting [compliance@euroz.com](mailto:compliance@euroz.com) or by contacting your adviser directly.