

Equity Research Coverage

June 2018

Morningstar covers more than 200 companies in Australia and New Zealand as part of our global stock coverage of about 1,500 companies. We are one of the largest research teams globally with more than 100 analysts, associates, and strategists, including 17 in Australia. Local analysts regularly glean insights from our global sector teams in China, Europe, and the United States, enriching the process and enhancing outcomes for investors. Our research philosophy focuses on bottom-up analysis, developing differentiated and deep opinions on competitive forces, growth prospects, and valuations for every company we cover. We publish on each company under coverage at least quarterly, and as events demand, to ensure investment ideas are always relevant.

We are an independent research house, and therefore determine our coverage universe based on our assessment of a security's investment attractiveness, including a strong bias to companies with sustainable excess returns on capital or economic moats. We believe this approach well and truly puts investors first.

We use the following guidelines to determine our Australian equity coverage:

- ▶ Nearly all companies in the S&P/ASX 100 Index.
- ▶ Companies in the S&P/ASX 200 Index which have an economic moat and/or have cash flow which is at least mildly predictable.
- ▶ In total, Morningstar will cover at least 80% of S&P/ASX 200 companies (which typically equates to about 95% of S&P/ASX 200 by market capitalisation). Companies we choose not to cover in this index are usually unattractive for most portfolios, in our opinion.
- ▶ About 30 ex-S&P/ASX 200 stocks are selected on Morningstar's judgement of each security's investment merit — which includes a very strong lean towards high-quality companies with sustainable competitive advantages, or economic moats.

New Zealand coverage guidelines:

- ▶ The majority of the S&P/NZX 15 Index.
- ▶ Up to 10-15 ex-S&P/NZX 15 Index stocks selected on our judgement of each security's investment merit.

Contact Details

Australia

Helpdesk: +61 9276 4446

Email: helpdesk.au@morningstar.com

New Zealand

Helpdesk: +64 9 915 6770

Email: helpdesk.nz@morningstar.com

Coverage Changes

Code	Company Name	Date	Reason
Recently Initiated			
NWL	Netwealth Group	18 April 2018	We initiate coverage on no-moat Netwealth, a provider of investment administration software as a service in Australia via its proprietary platform.
Recently Ceased			
TOX	Tox Free Solutions	3 May 2018	We cease coverage on no-moat Tox Free Solutions following the acquisition from Cleanaway Waste Management.
WFD	Westfield Corporation	23 April 2018	We cease coverage on narrow-moat Westfield Corporation following its merger with Unibail-Rodamco.
ISD	iSentia Group	19 April 2018	We cease coverage on no-moat iSentia Group based on several factors including the relatively small market capitalisation, which puts the company well outside the S&P/ASX 200 Index.
CAB	Cabcharge Australia	23 March 2018	We cease coverage on no-moat Cabcharge Australia based on the company's poor earnings outlook, weak competitive position, and the increasingly competitive Australian taxi market.
AWE	AWE	30 January 2018	We cease coverage on no-moat AWE following the takeover from Mitsui.
RKN	Reckon	2 January 2018	We cease coverage on no-moat Reckon as the company has struggled to compete with larger rivals such as MYOB and Xero.

Current Coverage - S&P/ASX 200 (based on GICS sector groupings)

Code	Company Name	S&P/ASX 100	S&P/ASX 200	S&P/ASX Small Ords	Market Cap (AUD Millions)	Analyst
Consumer Discretionary						
ARB	ARB Corporation Limited		✓	✓	1,746	Daniel Ragonese
AAD	Ardent Leisure Group		✓	✓	933	Brian Han
AHG	Automotive Holdings Group Limited		✓	✓	932	Daniel Ragonese
BAP	Bapcor Limited		✓	✓	1,900	Daniel Ragonese
BRG	Breville Group Limited		✓	✓	1,497	Daniel Ragonese
CAR	Carsales.com Limited	✓	✓		3,552	Gareth James
CWN	Crown Resorts Limited	✓	✓		9,212	Daniel Ragonese
DHG	Domain Holdings Australia Limited		✓	✓	1,858	Gareth James
DMP	Domino's Pizza Enterprises Limited	✓	✓		4,435	Johannes Faul
FXJ	Fairfax Media Limited		✓	✓	1,702	Brian Han
FLT	Flight Centre Travel Group Limited	✓	✓		6,297	Brian Han
GEM	G8 Education Limited		✓	✓	1,097	Gareth James
GWA	GWA Group Limited		✓	✓	913	Adam Fleck
HVN	Harvey Norman Holdings Ltd	✓	✓		3,911	Johannes Faul
IVC	InvoCare Limited		✓	✓	1,469	Daniel Ragonese
JBH	JB Hi-Fi Limited	✓	✓		2,640	Johannes Faul
NVT	Navitas Limited		✓	✓	1,569	Gareth James
NWS	News Corporation		✓	✓	1,139	Brian Han
NEC	Nine Entertainment Co. Holdings Limited		✓	✓	2,152	Brian Han
PMV	Premier Investments Limited		✓	✓	2,631	Johannes Faul
REA	REA Group Ltd	✓	✓		11,828	Gareth James
SEK	SEEK Limited	✓	✓		7,453	Gareth James
SWM	Seven West Media Limited		✓	✓	1,259	Brian Han
SKC	SkyCity Entertainment Group Limited		✓	✓	2,396	Daniel Ragonese
SXL	Southern Cross Media Group Limited		✓	✓	938	Brian Han
SUL	Super Retail Group Limited		✓	✓	1,704	Johannes Faul
TAH	Tabcorp Holdings Limited	✓	✓		9,280	Daniel Ragonese
SGR	The Star Entertainment Group Limited	✓	✓		4,385	Daniel Ragonese
TME	Trade Me Group Limited		✓	✓	1,783	Gareth James
Consumer Staples						
AHY	Asaleo Care Limited		✓	✓	714	Daniel Ragonese
BKL	Blackmores Limited		✓	✓	2,519	Chris Kallos
CCL	Coca-Cola Amatil Limited	✓	✓		6,610	Adam Fleck
GNC	Graincorp Limited	✓	✓		1,810	Adam Fleck
MTS	Metcash Limited		✓	✓	2,722	Johannes Faul
TWE	Treasury Wine Estates Limited	✓	✓		12,375	Adam Fleck
WES	Wesfarmers Limited	✓	✓		52,905	Johannes Faul
WOW	Woolworths Group Limited	✓	✓		38,139	Johannes Faul
Energy						
BPT	Beach Energy Limited		✓	✓	3,711	Mark Taylor
CTX	Caltex Australia Limited	✓	✓		7,973	Mark Taylor
OSH	Oil Search Limited	✓	✓		12,646	Mark Taylor
ORG	Origin Energy Limited	✓	✓		17,151	Adrian Atkins
STO	Santos Limited	✓	✓		12,206	Mark Taylor
WHC	Whitehaven Coal Limited		✓	✓	5,777	Mathew Hodge
WPL	Woodside Petroleum Limited	✓	✓		31,473	Mark Taylor
WOR	WorleyParsons Limited		✓	✓	4,553	Mark Taylor

Current Coverage - S&P/ASX 200 (continued)

Code	Company Name	S&P/ASX 100	S&P/ASX 200	S&P/ASX Small Ords	Market Cap (AUD Millions)	Analyst
Financials						
ABP	Abacus Property Group		✓	✓	2,231	Tony Sherlock
AMP	AMP Limited	✓	✓		10,536	Chanaka Gunasekera
ASX	ASX Limited	✓	✓		12,140	Gareth James
ANZ	Australia & New Zealand Banking Group Ltd	✓	✓		76,236	David Ellis
AOG	Aveo Group		✓	✓	1,440	Tony Sherlock
BOQ	Bank of Queensland Limited	✓	✓		3,862	John Likos
BEN	Bendigo and Adelaide Bank Limited	✓	✓		4,867	John Likos
BWP	BWP Trust		✓	✓	2,094	Johannes Faul
CGF	Challenger Limited	✓	✓		7,752	David Ellis
CHC	Charter Hall Group	✓	✓		2,986	Tony Sherlock
CQR	Charter Hall Retail REIT		✓	✓	1,715	Tony Sherlock
CBA	Commonwealth Bank of Australia	✓	✓		119,986	David Ellis
CCP	Credit Corp Group Limited		✓	✓	874	Chanaka Gunasekera
CMW	Cromwell Property Group		✓	✓	2,184	Tony Sherlock
CYB	CYBG Plc	✓	✓		4,007	David Ellis
DXS	Dexus Prop	✓	✓		9,775	Tony Sherlock
GMA	Genworth Mortgage Insurance Australia Limited		✓	✓	1,237	David Ellis
GMG	Goodman Group	✓	✓		16,999	Tony Sherlock
GPT	GPT Group	✓	✓		9,061	Tony Sherlock
GOZ	Growthpoint Properties Australia		✓	✓	2,398	Tony Sherlock
IAG	Insurance Australia Group Limited	✓	✓		18,964	David Ellis
IOF	Investa Office Fund	✓	✓		3,076	Tony Sherlock
IFL	IOOF Holdings Limited	✓	✓		3,132	Chanaka Gunasekera
JHG	Janus Henderson Group PLC	✓	✓		3,184	Greggory Warren
LLC	LendLease Group	✓	✓		10,999	Tony Sherlock
LNK	Link Administration Holdings Limited	✓	✓		3,813	Gareth James
MOG	Macquarie Group Limited	✓	✓		38,736	David Ellis
MFG	Magellan Financial Group Limited	✓	✓		3,986	John Likos
MPL	Medibank Private Limited	✓	✓		7,849	David Ellis
MGR	Mirvac Group	✓	✓		8,201	Tony Sherlock
NAB	National Australia Bank Limited	✓	✓		71,178	David Ellis
NSR	National Storage REIT		✓	✓	895	Johannes Faul
NHF	NIB Holdings Limited		✓	✓	2,452	David Ellis
PDL	Pendal Group Limited	✓	✓		3,041	John Likos
PPT	Perpetual Limited	✓	✓		1,847	David Ellis
PTM	Platinum Asset Management Limited		✓	✓	3,473	John Likos
QBE	QBE Insurance Group Limited	✓	✓		12,626	David Ellis
SCG	Scentre Group	✓	✓		22,497	Tony Sherlock
SVW	Seven Group Holdings Limited		✓	✓	6,276	Mark Taylor
SCP	Shopping Centres Australasia Property Group		✓	✓	1,828	Tony Sherlock
SDF	Steadfast Group Limited		✓	✓	2,244	David Ellis
SGP	Stockland	✓	✓		10,054	Tony Sherlock
SUN	Suncorp Group Limited	✓	✓		17,971	David Ellis
VCX	Vicinity Centres	✓	✓		10,182	Tony Sherlock
SOL	Washington H. Soul Pattinson and Co. Limited		✓	✓	4,709	Mathew Hodge
WBC	Westpac Banking Corporation	✓	✓		93,903	David Ellis

Current Coverage - S&P/ASX 200 (continued)

Code	Company Name	S&P/ASX 100	S&P/ASX 200	S&P/ASX Small Ords	Market Cap (AUD Millions)	Analyst
Health Care						
ANN	Ansell Limited	✓	✓		3,772	Chris Kallos
API	Australian Pharmaceutical Industries Limited		✓	✓	648	Chris Kallos
COH	Cochlear Limited	✓	✓		11,407	Chris Kallos
CSL	CSL Limited	✓	✓		85,621	Chris Kallos
FPH	Fisher & Paykel Healthcare Corporation Limited		✓	✓	7,806	Chris Kallos
GXL	Greencross Limited		✓	✓	536	Daniel Ragonese
HSD	Healthscope Limited	✓	✓		3,967	Chris Kallos
MYX	Mayne Pharma Group Limited		✓	✓	1,400	Chris Kallos
PRY	Primary Health Care Limited		✓	✓	2,014	Chris Kallos
RHC	Ramsay Health Care Limited	✓	✓		11,818	Chris Kallos
RMD	ResMed Inc.	✓	✓		20,138	Chris Kallos
SIG	Sigma Healthcare Limited		✓	✓	795	Chris Kallos
SRX	Sirtex Medical Limited		✓	✓	1,652	Chris Kallos
SHL	Sonic Healthcare Limited	✓	✓		10,309	Chris Kallos
Industrials						
ABC	Adelaide Brighton Limited	✓	✓		4,366	Adam Fleck
ALQ	ALS Limited	✓	✓		3,860	Mark Taylor
APO	APN Outdoor Group Limited		✓	✓	959	Brian Han
AZJ	Aurizon Holdings Limited	✓	✓		8,259	Adrian Atkins
BLD	Boral Limited	✓	✓		7,562	Adam Fleck
BXB	Brambles Limited	✓	✓		14,438	Adam Fleck
BKW	Brickworks Limited		✓	✓	2,388	Adam Fleck
CIM	CIMIC Group Limited	✓	✓		13,132	Mark Taylor
CSR	CSR Limited	✓	✓		2,416	Adam Fleck
DOW	Downer EDI Limited	✓	✓		4,157	Mark Taylor
DLX	DuluxGroup Limited	✓	✓		2,978	Daniel Ragonese
FBU	Fletcher Building Limited		✓	✓	5,359	Adam Fleck
GUD	GUD Holdings Limited		✓	✓	1,185	Daniel Ragonese
JHX	James Hardie Industries Plc	✓	✓		9,780	Grant Slade
MMS	McMillan Shakespeare Limited		✓	✓	1,396	Chanaka Gunasekera
MND	Monadelphous Group Limited		✓	✓	1,277	Mark Taylor
OML	Oohmedia Limited		✓	✓	863	Brian Han
QAN	Qantas Airways Limited	✓	✓		11,087	Daniel Ragonese
QUB	Qube Holdings Limited	✓	✓		3,788	Adrian Atkins
RWC	Reliance Worldwide Corporation Limited		✓	✓	4,060	Adam Fleck
SYD	Sydney Airport	✓	✓		16,606	Adam Fleck
TCL	Transurban Group	✓	✓		26,719	Adrian Atkins
Information Technology						
ALL	Aristocrat Leisure Limited	✓	✓		18,907	Daniel Ragonese
CPU	Computershare Limited	✓	✓		9,724	Gareth James
IRE	IRESS Limited		✓	✓	1,927	Gareth James
MYO	MYOB Group Limited		✓	✓	1,666	Gareth James
TNE	Technology One Limited		✓	✓	1,357	Gareth James
VOC	Vocus Group Limited		✓	✓	1,387	Brian Han
WTC	Wisetech Global Limited		✓	✓	4,661	Gareth James
XRO	Xero Limited	✓	✓		6,215	Gareth James

Current Coverage - S&P/ASX 200 (continued)

Code	Company Name	S&P/ASX 100	S&P/ASX 200	S&P/ASX Small Ords	Market Cap (AUD Millions)	Analyst
Materials						
AWC	Alumina Limited	✓	✓		7,920	Andrew Lane
AMC	Amtcor Limited	✓	✓		16,283	Adam Fleck
BHP	BHP Billiton Limited	✓	✓		106,789	Mathew Hodge
BSL	BlueScope Steel Limited	✓	✓		10,002	Mathew Hodge
FMG	Fortescue Metals Group Ltd	✓	✓		14,168	Mathew Hodge
ILU	Iluka Resources Limited	✓	✓		4,803	Mathew Hodge
IPL	Incitec Pivot Limited	✓	✓		5,598	Mark Taylor
IGO	Independence Group NL		✓	✓	2,917	Mathew Hodge
MIN	Mineral Resources Limited		✓	✓	3,078	Mark Taylor
NCM	Newcrest Mining Limited	✓	✓		15,585	Mathew Hodge
NUF	Nufarm Limited		✓	✓	2,917	Mark Taylor
ORI	Orica Limited	✓	✓		6,550	Mark Taylor
ORA	Orora Limited	✓	✓		4,163	Adam Fleck
OZL	OZ Minerals Limited	✓	✓		3,079	Mathew Hodge
PGH	Pact Group Holdings Ltd		✓	✓	1,835	Adam Fleck
RRL	Regis Resources Limited		✓	✓	2,472	Mathew Hodge
RIO	Rio Tinto Limited	✓	✓		34,688	Mathew Hodge
SFR	Sandfire Resources NL		✓	✓	1,521	Mathew Hodge
SGM	Sims Metal Management Limited		✓	✓	3,402	Adam Fleck
S32	South32 Limited	✓	✓		19,283	Mathew Hodge
Telecommunications Services						
CNU	Chorus Limited		✓	✓	1,641	Brian Han
SPK	Spark New Zealand Limited		✓	✓	6,479	Brian Han
TLS	Telstra Corporation Limited	✓	✓		32,826	Brian Han
TPM	TPG Telecom Limited	✓	✓		5,010	Brian Han
Utilities						
AGL	AGL Energy Limited	✓	✓		14,133	Adrian Atkins
APA	APA Group	✓	✓		11,799	Adrian Atkins
AST	AusNet Services	✓	✓		5,530	Adrian Atkins
SKI	Spark Infrastructure Group	✓	✓		3,751	Adrian Atkins

Current Coverage - ex S&P/ASX 200

Code	Company Name	S&P/ASX 100	S&P/ASX 200	S&P/ASX Small Ords	Market Cap (AUD Millions)	Analyst
AGI	Ainsworth Game Technology Limited			✓	352	Daniel Ragonese
EVT	Event Hospitality and Entertainment Ltd				2,232	Brian Han
MYR	Myer Holdings Limited			✓	333	Johannes Faul
SKT	Sky Network Television Limited			✓	876	Brian Han
VRL	Village Roadshow Limited			✓	390	Brian Han
ING	Inghams Group Limited			✓	1,426	Daniel Ragonese
NHC	New Hope Corporation Limited				2,136	Mathew Hodge
ZEL	Z Energy Limited				2,760	Mark Taylor
LEP	ALE Property Group				1,047	Johannes Faul
ARF	Arena REIT			✓	603	Gareth James
FXL	FlexiGroup Limited			✓	838	Chanaka Gunasekera
FET	Folkestone Education Trust			✓	691	Gareth James
HPI	Hotel Property Investments			✓	475	Johannes Faul
MOC	Mortgage Choice Limited			✓	186	David Ellis
MYS	Mystate Limited			✓	425	David Ellis
NWL	Netwealth Group Limited			✓	2,142	Gareth James
ACR	Acrux Limited				27	Chris Kallos
AIZ	Air New Zealand Limited				3,256	Daniel Ragonese
AIA	Auckland International Airport Limited			✓	7,769	Adam Fleck
EBO	EBOS Group Limited				2,625	Chris Kallos
GNE	Genesis Energy Limited				2,330	Adrian Atkins
IFT	Infratil Limited				1,723	Adrian Atkins
MCY	Mercury NZ Limited				4,222	Adrian Atkins
MEZ	Meridian Energy Limited				3,678	Adrian Atkins
MSB	Mesoblast Limited			✓	716	Chris Kallos
MVF	Monash IVF Group Limited			✓	270	Chris Kallos
OFX	OFX Group Limited			✓	430	Chanaka Gunasekera
VRT	Virtus Health Limited			✓	442	Chris Kallos

Current Coverage - New Zealand Listed Companies

Code	Company Name	S&P/NZX 15	Market Cap (NZD Millions)	Analyst
AIR-NZ	Air New Zealand Limited		3,509	Daniel Ragonese
AIA-NZ	Auckland International Airport Limited	✓	8,388	Adam Fleck
BGP-NZ	Briscoe Group Limited		778	Johannes Faul
CNU-NZ	Chorus Limited	✓	1,774	Brian Han
CEN-NZ	Contact Energy Limited	✓	4,212	Adrian Atkins
EBO-NZ	EBOS Group Limited		2,828	Chris Kallos
FPH-NZ	Fisher & Paykel Healthcare Corporation Limited	✓	8,423	Chris Kallos
FBU-NZ	Fletcher Building Limited	✓	5,837	Adam Fleck
GNE-NZ	Genesis Energy Limited		2,521	Adrian Atkins
GMT-NZ	Goodman Property Trust		1,840	Tony Sherlock
IFT-NZ	Infratil Limited		1,874	Adrian Atkins
KPG-NZ	Kiwi Property Group Limited	✓	1,939	Tony Sherlock
MCY-NZ	Mercury NZ Limited	✓	4,604	Adrian Atkins
MEL-NZ	Meridian Energy Limited	✓	8,112	Adrian Atkins
POT-NZ	Port of Tauranga Limited		3,483	Adrian Atkins
PCT-NZ	Precinct Properties New Zealand Limited		1,593	Tony Sherlock
RYM-NZ	Ryman Healthcare Limited	✓	6,005	Tony Sherlock
SKT-NZ	Sky Network Television Limited		953	Brian Han
SKC-NZ	SkyCity Entertainment Group Limited	✓	2,694	Daniel Ragonese
SPK-NZ	Spark New Zealand Limited	✓	6,984	Brian Han
TME-NZ	Trade Me Group Limited	✓	1,946	Gareth James
TPW-NZ	Trustpower Limited		1,822	Adrian Atkins
WHS-NZ	Warehouse Group Limited (The)		715	Johannes Faul
ZEL-NZ	Z Energy Limited	✓	2,996	Mark Taylor