Form guide to the race for riches

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Champagne is poured during the Champagne Bureau Annual Tasting in London, 16/03/2010. *Source: The Australian*

GET with the trend is usually wise advice for an investor, even if that trend is hard to spot, as it was this past year.

But do not despair, as there are rising voices that suggest 2011 will be better.

Our skies are becoming warmer, our mining companies are digging furiously to support the enormous economies of China and India and baby-boomers are moving to retirement villages and aged-care centres.

For investors, here are some ideas from across the board, collected by The Australian's contributors and sources.

FUNNY MONEY

Risky, but potential for big gains

1. Dominos Pizza Enterprises (DMP)

Challenging conditions in Europe have cut sales growth. But many expect DMP to keep delivering solid results because of defensive earnings and the opening of 50-60 network stores in the next 12 months. Management forecasts NPAT growth of 10-15 per cent for the 2011 fiscal year.

2. Mastermyne Group (MYE)

A coalmining services provider in Queensland and NSW. Floated at $1 in April and trading at $1.60. Contracts in hand fully support 2011 fiscal year revenue forecasts and there is additional upside with the prospect of further contract wins and an attractive valuation. Both company and sector have strong growth prospects.

3. Bow Energy (BOW)

A coal-seam gas explorer in central Queensland, trading around $1.16. Wilson HTM has a 12-month target price of $1.80. There is upside potential in discovering new assets, rather than an earnings play. Could be attractive to a bigger player, and so has the potential to double in price in two to three years.

4. Molopo Energy (MPO)

This petroleum producer explores for and develops coal-bed methane and other land-based petroleum products. It has an interest in several Queensland sites, a shale gas project in Quebec, oil projects in Canada, two South African projects and a US gas project. It is trading at $1.06, with a Wilson HTM 12-month target price of $2. It has applied new drilling techniques to improve shale oil flow rates in Canada and is on track to meet production targets. Close to the North American market.

5. Retail Food Group (RFG)

The retail food franchisor of Donut King, Michel's Patisserie, Brumby's Bakeries, bb's cafe and Big Dad's Pies. Trading at $2.50, with a Wilson HTM 12-month target price of $3.60. Likely to make a major acquisition within the next 12 months, complementing its strong track record of successful acquisitions (for example Brumby's and Michel's). It is a good cashflow generator and has continued to reduce debt levels, has a positive growth outlook via acquisitions and organically, with store rollout opportunities. Earnings growth remains positive despite weak retail conditions and a lack of shopping centre development.

6. Universal Biosensors (UBI)

A specialist medical diagnostics company that develops a range of in-vitro diagnostic tests for point-of-care use. Trading at $1.54 with a Wilson HTM 12-month target price of $2.72. It is generating revenues from its glucose point-of-care strip. Launched in The Netherlands in January and is expected to move into other European markets. It has US Food & Drug Administration approval and a US launch should occur in the next few months. UBI is confident of a commercialisation deal for another product shortly.

7. Wide Bay Australia Ltd (WBB)

A building society that grew out of five Queensland regional building societies operating in niche markets in regional Queensland. Trading at $10.50 with a Wilson HTM 12-month target price of $11.34. Shows improving net interest margins/spreads on retail and wholesale funded loans, strong growth in its loan book but low arrears, and is a low-risk business with plenty of upside. There was a 31.5 per cent increase in post-tax profit for full-year 2010.

ENGINEERS

8. Decmil Group (DCG)

Operating at Karratha for more than 30 years, contracting to Woodside and Chevron. Decmil Group's net profit of nearly $19m in 2009-10 was more than 50 per cent above the previous year. The company has had strong share price support, and has a strong forward order book of $300m. Hartleys says Decmil is well placed to take on large-scale contracts.

DIGGERS AND DELIVERERS

9. Imdex (IMD)

Provides drilling fluids and technical services that are likely to be in demand as mining and LNG capital spending cranks up. Also mines for vermiculite and various sands. Rated a buy by Goldman Sachs.

10. MACA (MLD)

Offers contract drilling, civil earthworks, crushing and screening and heavy haulage. Recently floated and ran strongly, so upside appears limited, but it has more than 70 projects in the tender pipeline and a $540m order book.

11. Monadelphous (MND)

Supplies engineering services and infrastructure to iron ore, gas and oil companies. Ticked by Greg Canavan, editor of Sound Money. Sound Investments, Morningstar and Hartleys.

12. WorleyParsons (WOR)

Diversified engineering group with extensive operations in the US besides Australia. Provides services to the resources, energy and infrastructure sectors. Rated one of the best small-cap stocks in the market by Lincoln Indicators.

13. Mermaid Marine (MRM)

MRM's share price has been falling, creating a chance to invest in a leading vessel services provider at a reasonable price. Latest result was in line with market expectations. Earnings growth from the Dampier Supply Base still strong given its proximity to the Gorgon Project, one of the world's largest natural gas projects.

OIL AND GAS

14. Horizon Oil (HZN)

Growth in China and PNG, plus exploration appeal in Taranaki. Will shortly start up a PNG drilling campaign. Volatile but value below 40c, says StockAnalysis. Debt-free and self-funding.

15. Oil Search (OSH)

As a junior partner with ExxonMobil's $6 billion LNG project in PNG, Oil Search could benefit handsomely, provided sales contracts are nailed down ahead of rival projects. The first phase -- up to 6.6 million tonnes a year from two production units -- is on track for completion in the first quarter of 2014.

16. AWE (AWE)

Disappointing exploration lately but still has potential, according to Fat Prophets and StockAnalysis. An active explorer in Taranaki, Bass and Perth basins, with a healthy balance sheet and cashflow from producing assets. StockAnalysis values AWE at more than $3 a share.

17. Tap Oil (TAP)

Tap is a buy in the books of StockAnalysis. It has an underlying value for its net cash and hydrocarbon assets of 69c per share, plus risked exploration upside, taking target value to over $2 a share. Speculative interest during the drilling of Zola and Craigow is likely to lift the stock towards 95c.

SPECULATIVE EXPLORERS

18. Cue Energy Resources (CUE)

Has fallen to value territory about 30c, says StockAnalysis. Cashflow from Maari oilfield plus development of Wortel gasfield adjacent to Oyong in Indonesia adds revenue with exploration upside in Taranaki and Carnarvon basins, where Woodside is farming in.

19. ADX Energy (ADX).

A pure speculative play for oil and gas in Tunisia and Romania. Absolute punt, but well managed and funded by farm-in partners for drilling in February with substantial upside on success, says StockAnalysis. Long-term potential for recent gas and condensate discoveries in Mediterranean.

JUNIOR RESOURCE COMPANIES

COPPER

20. Jabiru Metals (JML)

A copper and zinc producer, Jabiru owns the Jaguar/Bentley zinc-rich, polymetallic operation in WA and the Stockman development project in Victoria. Its share price has run up lately, but Hartleys has a 12-month price target of 74c. However, this is likely to increase as the copper rises.

GOLD

21. Perseus Mining (PRU)

Had great success at its $US160m Central Ashanti project in western Africa. Analysts suggest it could produce up to 450,000 ounces a year in three to four years.

22. Papillon Resources (PIR)

A junior explorer with considerable success in Mali, West Africa. Higher gold grades than its peers, with resources likely to grow significantly. Rated a speculative buy by Hartleys, with a 73.5c valuation.

LITHIUM

23. Orocobre (ORE)

Exploring in Argentina for lithium, which is used in batteries. Expect demand to soar from automobile applications. Galaxy Resources (GXY), which has started mining ore at its Mount Caitlin mine near Ravensthorpe in WA, is proceeding with Chinese backing.

IRON ORE

24. Atlas Iron (AGO)

Already mining in the Pilbara, Atlas is moving to acquire further exploration leases from Giralia Resources that in time could see it cemented as the fourth force in northwest iron ore mining in WA. An ASX 100 position would follow. Rated a buy by Hartleys with a pre-Giralia deal valuation of $3.50.

RETAILERS

25. JB Hi-Fi (JBH)

The retailer of home entertainment products grew EPS by 23.7 per cent to 108.4c due to a 4.8 per cent increase in consolidated comparable store sales growth. Opened 23 new stores in FY10, a record. JBH's outlook is positive with management expecting a sales growth of 17 per cent in FY2011. Ticked by Lincoln Indicators.

TECHNOLOGY

26. iiNet Limited (IIN)

The internet services provider grew EPS by 34 per cent to 22.7c in its latest period thanks to a 27 per cent increase in subscriber services. Growth in Naked DSL was particularly impressive with its subscriber base up 59 per cent to 106,400, including the contribution from Netspace. Expected to maintain its recent growth rate in FY2011 due to recent acquisitions, product innovation, quality customer service and its expanding market share.

EQUIPMENT

27. Silver Chef Limited (SIV)

Recorded an impressive EPS growth of 31.6 per cent thanks to a 40.7 per cent lift in rental incomes. SIV increased rental assets under management by 29.5 per cent to $109.4m during FY2010 across its two business divisions, Hospitality and GoGetta, which finances a diverse range of commercial equipment. The recently expanded funding facilities of $74.7m coupled with its strong cashflows have positioned SIV well.

28. Forge Group Limited (FGE)

FGE's results were impressive with an underlying EPS growth of 83.4 per cent on the back of higher revenues, particularly from Cimeco and Forge segments. FGE will be entering the new financial year with work in hand of $247m. As the term of this order book is short, and we anticipate additional orders over the year following the company's tie-up with Clough Limited (CLO).

29. ResMed (RMD)

RMD's results were impressive with 22.6 per cent EPS growth on the back of increased market share gains and sales of the company's sale of flow generators, particularly regarding the new S9 AutoSet and Elite products. Demand drivers for RMD's products in the long term are promising, with ageing populations.

HEDGE FUNDS

30. Regal Tasman Market Neutral Fund

A zero beta, leveraged, market-neutral fund investing predominantly in Australian equities. Currently only available to wholesale investors under Information Memorandum but in light of the Westpac-owned Ascalon Capital Managers having taken a 30 per cent stake in the manager midway through 2010, a retail version may not be far away. Since establishing the fund in May 2007, it has delivered 22.9 per cent a year, including a negative 9.8 per cent in calendar year 2008 when the index plunged 43 per cent amid the global financial crisis.

31. Matthews Capital Velocity Fund

A long/short absolute return fund managed by portfolio manager Ben Henri, who has been working alongside Matthews Capital founder Phil Matthews since the firm was established in 2001. The investment philosophy is high-conviction, theme-driven research that can result in high return volatility but the manager wants to take stock, not broad market risk, and under this approach has delivered some exceptional performance numbers. Since inception in July 2006, it has delivered a compound annual return of 40.4 per cent a year.

PROPERTY

Global listed property funds including REITs could be a bold move in a struggling world economy, but there could be blue sky in time.

32. MLC Global Property Securities Fund

One for investors who want to build a truly diversified listed property strategy. Three property management specialist firms (Morgan Stanley, La Salle, Resolution Capital) have been appointed to select the best listed property securities across the globe. Their mandate is truly global, including Australia and emerging economies. The fund is also 100 per cent hedged.

SOLID EARNERS

Core investments that will earn and appreciate

33. CSL (CSL)

CSL's share price has not enjoyed a good run recently due to concerns about the strong dollar and potential weakening demand for blood plasma in the US. The company's results showed the adverse impact of the strong dollar but limited evidence of the latter. Lincoln Indicators has faith in CSL's ability to maintain its market share growth, while the recently announced $900m share buyback should help support share prices. UBS says the plasma cycle is tightening in a way that could affect prices, CSL earnings and stock price performance.

34. Woolworths (WOW)

Continues to deliver pleasing results with a 9 per cent growth in underlying EPS, which was at the higher end of management's prior guidance, on the back of volume and market share growth.

WOW provided NPAT growth guidance for FY11 of 8-11 per cent (subject to consumer confidence levels, inflation, interest rates and global economic conditions). Ticked by Lincoln Indicators. Woolie's shares are trading at $26.97.

PROMISES, PROMISES

The bold and the beautiful, with features to appeal

35. BHP Billiton (BHP)

Our most diversified miner, and looking to diversify into other commodities despite its unsuccessful bid to buy a Canadian potash producer. Has exposure to rising gold and many other commodity prices. Gains one third of its revenue from oil and gas.

36. Asciano Group (AIO)

Asciano is trading on a P/E premium, but justifiably, according to UBS. Favourable bulk growth drivers, "take or pay" contracts (we estimate 60 per cent of growth is already secured under these deals) and strict internal return hurdles of 15-18 per cent mean earnings growth is more certain than other cyclicals. Positive catalysts are bulk rail contract momentum (for example, NML) and volume recovery in the containerised and automotive divisions.

37. Qantas Airways (QAN)

Qantas is a cheap way of playing the recovery in consumer and business discretionary spending with momentum already evident. International yields are up 12 per cent for the two months to August and UBS thinks it is likely a double-digit growth rate will ensue until at least December. Demand should also benefit from the stronger dollar given 70 per cent of Qantas's international traffic is Australian outbound originating. UBS has a valuation of $3.30 a share.

38. Rio Tinto (RIO)

UBS thinks that iron ore demand will outpace consensus expectations, especially in 2011 and 2012, while supply growth will be constrained relative to expectations. It sees Rio Tinto as the cheapest way to get iron ore exposure. Morningstar agrees. Currently trading at $85.47.

39. AGL (AGK)

Has a foot in several camps with its wind farms and coal-fired stations. Potential for reserve upgrades are another catalyst. Has a FY11 estimated PE ratio of under 13 times, which UBS thinks is cheap given the strength of the core business and benefits from the NSW electricity privatisation.

AGEING AUSTRALIA

Baby-boomers must start to spend their money soon. Here's some thoughts on where a portfolio might be positioned.

40. InvoCare (IVC)

Runs funeral homes and crematoriums in Singapore and Australia. It has been outperforming the market, to grow EPS by 15.5 per cent in the latest period owing to increased memorial sales, a product of improving economic conditions in its two markets. Profits have also grown on higher price-per-funeral numbers and the absorption of Sydney-based WN Bull Funerals.

41. Fleetwood Corporation (FWD)

Builds caravans, popular among the grey nomads who have time to wander the country, and mobile accommodation for mining contractors. UBS recently upgraded it to a buy.

42. Telstra (TLS)

May appeal to older investors chasing a dividend. Its size should allow it to underprice competitors if it wishes to, albeit at the cost of threatening its dividend. Much depends on the new government's wishes. Labor has pledged to strike an $11bn deal with Telstra to cut the time and construction cost of the National Broadband Network.

AGRICULTURE

Whatever the weather, the world is likely to eat more than ever before.

43. PrimeAg (PAG)

Now undervalued, it offers long-term exposure to food and fibre with asset backing of over $1.90 per share. Rain in southern Queensland and northern NSW has damaged its winter wheat crop and some of the summer cotton crop. Peter Strachan of StockAnalysis sees downside risk in the short term as first-half of FY11 profit is downgraded, but PAG should be bought on weakness for recovery into 2011. Earnings of 12-14c per share this year could grow to more than 15c a share in FY2012 depending on weather.

MANAGED FUNDS

INDEX FUNDS:

A way to track the overall market, with relatively cheap running costs.

44. ANZ Online Investment Account

Similar in look and feel to an online savings account, but deposits are swept into a fund that matches the S&P ASX 200 index. A low-cost way to grow with the index. Minimum initial deposit required of $1000, with further deposits from $100.

45. Realindex Investments

Colonial First State offers investors Realindex Investments, which uses an alternative index approach to Australian and global shares. It has the indexing virtues of lower cost, lower turnover and diversification, without the potential performance drag caused by weighting a portfolio by price/market capitalisation, as done by traditional index funds. Portfolios are built on fundamentals such as a company's cashflow, dividends, sales and book value rather than price and market capitalisation.

INFRASTRUCTURE FUNDS:

46. Macquarie International Infrastructure Securities Fund

Holds a diversified portfolio of global infrastructure securities in developed and emerging market countries. The fund, which is hedged back to the Australian dollar to remove currency volatility, returned 15.25 per cent net of fees for one year to September 30.

AUSTRALIAN EQUITIES FUNDS:

47. Fidelity Australian Equities Funds

An actively managed portfolio that uses a bottom-up stock-picking approach to consistently outperform. It has returned 14.4 per cent a year, with 4 per cent of that above the S&P/ASX 200 Accumulation Index benchmark and net of fees, since its inception in June 2003. A consistent performer. Rated five stars by S&P, highly recommended by Lonsec, Morningstar and Zenith and A by van Eyk.

48. UBS Australian share fund

A long-term outperformer, it has beaten its benchmark by more than 4 per cent a year over three years and 2.5 per cent over five years. Ranks in the top 10 over the same periods in Mercer's Australian equities survey. Is highly diversified and has no style biases.

49. Goldman Sachs Australian Equities Wholesale Fund

Uses a fundamental approach to invest in equities with a long-term and style-neutral approach. Turnover is a relatively low 20-30 per cent a year. The fund has delivered strong performance in both up and down markets, returning 3.3 per cent over one year as at the end of October and 3.8 per cent relative to the benchmark over three years.

50. Aviva Investors Elite Opportunities Fund

A concentrated Australian equities portfolio with 80 per cent invested in core stocks that have good long-term growth potential and 20 per cent in short-term trading opportunities. Managed with a relatively contrarian investment philosophy and has a history of strong outperformance relative to the S&P/ASX 200 index.

EXCHANGE TRADED FUNDS:

51. Vanguard All-World ex US Shares Index ETF

A low-cost way of accessing international equities and a truly well diversified option, this exchange traded fund provides unhedged access to more than 2100 stocks across developed and emerging markets in 46 countries.

SMALL COMPANY FUNDS:

52. Pengana Emerging Companies Fund

Invests in securities listed or soon to be listed on the Australian or New Zealand stock exchange. It has delivered investors a return of 14.2 per cent for the year to November, after all fees, to outperform both the Small Industrials Index, which returned 1.6 per cent, and the Small Ordinaries Index, which gave 10.1 per cent in the same period.

53. Zurich Investments Small Companies Fund

Zurich Investments recently formed a strategic partnership with specialist fund manager Ellerston Capital to make small companies more accessible to retail investors. What sets this fund apart from its competitors is that it also offers the potential for a unique allocation to Asian smaller companies, excluding Japan, to take advantage of prevailing opportunities in the region.

54. UBS Australian Small Companies Fund

Rated No 2 performer in Mercers small-cap survey of 30 funds for the three years to October, outperforming the benchmark by 14.4 per cent a year. Longer-term performance has been similarly strong. UBS is a core manager with no style biases through the cycle; can be heavily overweight or underweight on value stocks or growth stocks, depending on where it sees value.

55. Colonial First State MIF Future Leaders Fund

Aims to provide long-term capital growth for investors by seeking opportunities in small companies with strong balance sheets. Colonial First State's growth approach is based on the belief that over the medium to long term, stock prices are driven by the ability of management to generate excess returns over their cost of capital in their chosen industry. The fund returned 19.2 per cent in the year to November 30, a 15.6 per return cent since inception net of fees, an 8.5 per cent excess return over the ASX Small Ordinaries Accumulation Index.

56. Fairview Emerging Companies Fund

A boutique small-cap fund that has delivered net returns of 49 per cent a year to the end of November. Has beaten its smaller companies benchmark by almost 18 per cent a year, outperforming in 22 of 26 months since inception. Ranked No 1 in the Mercer survey for the 12 months to October. Management fee is 1.2 per cent a year, plus 20 per cent of outperformance, subject to high-water marks.

INTERNATIONAL EQUITIES:

57. Magellan Global Fund

Employs a concentrated, benchmark unaware approach to international equity investing with one of its key tenets being preservation of capital. Its investment strategy is to concentrate on its circle of competence and invest in outstanding companies at attractive prices. The fund has delivered 9.3 per cent over the 12 months to the end of October, putting it in the top quartile among its global equity peers.

58. IFP Global Franchise Fund

Independent Franchise Partners uses a distinctive methodology to find long-term returns in global equities. Key search criteria are businesses with high cashflows, good management and global franchises, such as Estee Lauder, eBay, Moody's, McGraw Hill and Harley Davidson. Offered through Macquarie Professional Services.

59. Vanguard LifeStrategy Growth Fund

A well-diversified, cost-effective strategy in one straightforward product with a bias towards growth assets (a 30-70 split), the Vanguard LifeStrategy Growth Fund can suit investors seeking long-term capital growth with an above-average tolerance for risk. The fund returned 7.23 per cent over the seven years to October 31. The regular rebalancing feature of the fund means the investor has to do very little to maintain this investment for the long term.

EMERGING MARKETS FUNDS:

The outlook is warming in global emerging markets, but there are long-term rewards for the patient investor.

60. GLG Emerging Markets Fund

Due for launch early in 2011, the fund is likely to be able to invest in equities, bonds, currencies and their derivatives in Asia, Latin America, Eastern Europe, the Middle East and Africa. Working within a limited volatility budget of 10 per cent a year, the fund will seek to maximise it returns by investing in liquid and diversified positions across long-term strategic positions and/or short-term tactical trading opportunities.

61. RARE Series

Gives exposure to the growth of infrastructure within emerging markets. An investment team in Sydney has a collegiate approach given to healthy internal debate on stock selection, according to Zenith. Recovered a three-star rating from S&P after staff changes.

ASIAN EQUITIES FUNDS:

62. KIMA Pan Asia Fund

Invests predominantly in Asia under a long/short equities mandate across several strategies including arbitrage, event trading, block trades and engaging in IPOs. The fund has tended to average a net market exposure of +/- 20 per cent. The firm's founder, Justin Klintberg, previously worked at Marble Bar Asset Management in London. Established in July last year, the fund has posted some impressive performance numbers; 21.5 per cent a year since inception with an annualised Sharpe ratio of 2.5.

63. 8IP Asian Pacific Partners Fund

Fund manager Kerry Series, in partnership with one of South Africa's largest financial services group, Sanlam, is offering the 8IP Asian Pacific Partners Fund. It is a high-conviction, Asian equities fund and, despite its high minimum investment of $250,000 and an exit fee that applies when exiting under two years, Zenith believes investors gain access to a top-quality portfolio manager who won't hug a benchmark. Despite its infancy, the fund has deliver 20.5 per cent in the 10 months to November.

FIXED INTEREST FUNDS:

Interest-based investments deserve a place in most diversified portfolios to add predictability and stability.

64. Zurich Investments Equity Income Fund

Post-GFC market volatility has seen many investors flock to cash. While the security of cash has its temptations, it needs to be weighed against the potentially costly mistake of missing out on capital growth. This Australian share-based investment uses conservative options strategies to target specific levels of income and risk. Investors can have income levels like term deposits, paying up to 10 per cent a year, but with capital growth and some protection in falling markets too.

65. Advance International Fixed Interest Multi-Blend Fund

Uses a blend of investment managers to achieve a solid performance: 12.67 per cent in the 12 months to September, 12.3 per cent a year over three years and close to 9 per cent a year over five years. Assets that include asset-backed securities and emerging market debt are actively managed.

INTERNATIONAL COMMODITIES FUNDS:

Investors can buy minerals and individual stocks, but for diversification an actively managed fund in commodities is useful.

66. Credit Suisse Enhanced Commodity Fund

Offers an enhanced exposure to the S&P-GSCI, which is a composite index of commodity sector returns, representing an unleveraged, long-only investment in commodity futures. This allows investors to gain broad-based exposure to this asset class, which can be difficult to access. The underlying sectors in the index include precious metals, agriculture and energy and livestock. The fund has returned 14 per cent in the six months to November.

67. Ascalon H3 Commodities Fund

Food security will continue to grow as a major investment issue, making commodities an increasingly attractive market. The fund offers an actively managed portfolio of global, exchange-traded commodities including base metals, precious metals, softs and energy. H3's funds under management have more than doubled in the past 12 months to over $500m.

EXCHANGE TRADED FUNDS:

68. State Street

The originator of the ETF sector in Australia and its SPDR 200 remains by far the largest ETF product. More than $3bn is invested in Australian ETF products offered by State Street, which continues to launch new offerings such as its high yield ETF aimed at those investors nearing retirement.

CASH AND CARRY

Investments with high income levels

69. Term deposits

Deposit rates remain high as the banks seek to win your cash. Currently ANZ's four-month term deposit is at 5.8 per cent a year, to be one of the higher offering among the big banks. Go out to three years and several will offer up to 6.5 per cent, which is better than many super funds.

70. MLC IncomeBuilder

This fund seeks to capture the dividend recovery under way in the Australian sharemarket. Established in 1995, it has grown its annual distributions to investors for much of this period by investing in companies that grow their annual dividends. The fund also seeks to maximise the tax efficiency of its distributions, which is why MLC has employed two similarly tax aware managers (Maple-Brown Abbott and Vanguard). Widely available on platforms.

LONG-TERM REWARDS

Investments that pay while you wait for capital gains. Some are based on underlying credit products, while other are more diversified.

71. Goldman Sachs Income Plus Fund

Offers an income return that is above the cash rate, quarterly income distributions, and diversification in multiple asset classes, such as cash, fixed interest and money market products and a range of high-yielding investments such as hybrids and infrastructure. The fund delivered a return of 9.3 per cent in the year to October, outperforming the benchmark by 4.8 per cent.

72. Omega Global Corporate Bond Fund

Capital stable fund managers are more cautious in the wake of the global financial crisis, tending to shun exotic hybrids and highly leveraged corporate securities in favour of high-quality liquid assets. Melbourne-based Omega Global Investors in this fund invest exclusively in high-quality corporate credit securities that provide a higher yield than government bonds but still have low volatility. For those who think corporate credit will produce better returns than government bonds because of the high level of government borrowing prompted by the crisis.

73. Credit Suisse IRIS Low Volatility Fund

The fund holds a diversified portfolio of insurance risks, which are quantifiable and capable of being modelled by scientific and mathematical methods. The underlying instruments and performance are dependent on insurance-related events such as natural catastrophes, such as earthquakes and hurricanes, as well as man-made catastrophes, including aviation and marine risk. The strategy involves a reversal of the role between insurers and investors, with insurers and re-insurers paying investors such as the fund a premium to receive cover when an event meets set criteria within a set timeframe.

74. UBS Diversified Fixed Income Fund

Offers a diversified exposure to Australian and global fixed income securities. In a volatile year, it delivered a return of 7.6 per cent. A top quartile performer. In 2010, the fund benefited from its bias towards quality corporate debt, which continued to offer investors better returns than government debt.

GETTING STARTED

Although banks are often accused of raiding our funds through fees and charges, there are savings accounts that offer decent interest rates, low fees and flexibility.

75. ANZ SmartyPig and NAB USaver

An online savings account that offers more interest than most, currently 5.5 per cent a year and extra value boosts of 4-8 per cent a year on the savings, if you choose to redeem it as gift cards from a range of retail partners. Also look at UBank's USaver, which offers 6.01 per cent a year, no fees and rewards customers with an additional 0.5 per cent a year bonus interest for regular saving with an automatic savings plan depositing at least $200 a month.

76. MEBank First Home Savers Account

For every dollar you put into a First Home Saver Account, the government will add 17c, up to a maximum of $935 for each financial year. You can put in more if your like, but only the first $5500 is eligible for a co-contribution. Members Equity Bank will also pay interest at 5.6 per cent a year on the balance. No bank fees.

CAPITAL PROTECTION

Offering investment safety when markets are falling but, more appealingly, allow investors to ride rising markets, sometimes with gearing.

77. Trinity3 Capital Protection

Bendigo and Adelaide Bank's Trinity3 provides investors with access to discretionary investments such as shares and managed funds, model portfolios (through an SMA structure) and cash products. A key feature of the new platform is the capital protection mechanism available for model portfolios: as their value increases, so does the continuous protection to provide a higher lock-in level for the investor. It differs from others available because it does not require a fixed term commitment, so investors are able to request redemption at any time.

78. Axa North

This offers investors a 100 per cent capital protection guarantee with terms ranging from five to 20 years, as well as a guaranteed retirement income stream for life. Both available through an online platform that allows transactions, contributions and switches throughout the term. Allows investors to stay positioned in the growth assets of their choice. Access an investment menu that spans 130 underlying funds, and the addition of direct equity access and a margin lending facility.

GO GREEN

Show your heart with a punt in green stocks, or load up to install solar hot water and solar energy systems.

79. Bendigo Generation Green loans

Save the planet and save on interest rates and fees. Bendigo's rate for going green is 7.3 per cent cheaper than most, and can be applied to a greater number of uses than just hot water panels on the roof.

80. Ceramic Fuel Cells (CFU)

A speculative buy in a pioneer fuel cell company. In December, it won a conditional order of $6.7m for up to 200 integrated power and heat generators from Germany's EWE, dependent on EWE getting partial funding under a German government program. Profit and dividends might seem a distant prospect, but its a chance to show your colours.

81. National Australia Bank

Customers can borrow upwards of $4000 to buy a solar water or energy system from solar company Ingenero, in all states except Western Australia and the Northern Territory, though these will come in time. NAB says the loan can run for up to seven years, although there are no early exit fees.

GEARED INVESTMENTS

82. Colonial First State Wholesale Geared Australian Share Fund

A geared investment where the fund organises the borrowing, there is no loan paperwork nor, more importantly, margin calls for the investors to worry about. The fund can double as an effective way for superannuation and self-managed super funds to access geared investments.

Since inception, the fund has returned 15.3 per cent net of fees, which is a 6.5 per cent a year excess return over the S&P/ASX 100 Accumulation Index as at November 30.

HOME LOANS

Home loan lending rates are stalled but could well tick up in 2011. Look for the deals with online loans and at packages that throw in the lot.

83. ANZ Simplicity Plus home loan.

A no-frills home loan with no monthly administration charges and a low variable interest rate for the life of the loan. Allows the flexibility of making additional repayments at any time. Check out the others, for example CBA's HomePath, for rates and other features.

TRAVEL

84. Travel Money card

A debit card loaded with foreign currency at a time you choose to get the best exchange rate, in up to nine currencies. It is an alternative to using your own debit or credit card or buying travellers cheques. For an initial fee of $11, or $15 in the case of CBA, you can load your card, at a known exchange rate, up to a limit, for example $15,000 in US dollars. Offshore you will face a 3 per cent fee on an ATM withdrawal but not when used in a department store, at least in the US.

MOVING IT AROUND

85. St George Sense

An account that links transactions and savings and give customers a monthly report aimed at helping manage budgets and increasing regular savings. It shows changes in spending levels in various categories and could help budgeting.

86. Money transfers

Global transfers are childs play with an HSBC account that allows its top customers to move money immediately between HSBC accounts in different countries, instead of waiting the usual three days for telegraphic transfers. There are no foreign exchange fees.

87. ANZ Extras

An everyday transaction account plus a savings account with bonus interest, mobile phone insurance and more non-banking benefits such as roadside assistance and discounted dining, all for an $18 monthly fee. One in a trend towards more innovation in transaction and savings accounts.

88. Co-contribution

Still a good way for low to middle income earners to boost super: put $1000 of your own into super and collect another $1000 from the government. You collect the co-contribution in full for incomes up to $31,920 a year, then it slides before cutting out entirely for incomes of more than $61,920 a year.

89. BT Super for Life

A low-fee fund that combines super with online banking and access to funds that automatically rebalance investment assets over time. The fees are $5 a month plus 0.99 per cent of funds under management. Also look at AMP's flexible super.

90. CBA Options and Lending

An investment toolkit that offers a limited recourse loan and over-the-counter options suitable for SMSF investors and others. It claims to be the most flexible protected loan on the market, in that investors can define the loan-to-valuation ratio and the exact maturity date. Investors can pay the protection premium upfront then pay a loan rate of 8.8 per cent, which is fully deductible. The OTC facility can be used to write calls against stocks held in the protected loan or held outright. Investors can also write puts against cash collateral as a way to acquire stocks.

RETIREMENT PRODUCTS

RETIREMENT INCOME:

Home equity release products offer an income for those asset rich and cash poor, but shop around for the best interest rates. Watch too for changes early this year on reverse mortgages.

91. Macquarie Lifetime Income Guarantee

Launched in 2010, this addresses the issue of retirees outliving their savings by providing a flexible, low-cost investment that guarantees a minimum level of income for life without locking away superannuation savings. Features include guaranteed income for life, continued access to savings and flexibility.

92. Aged pension

More than three quarters of pension-aged Australians collect a part or full pension. For singles it is a maximum of $17,469 a year and $26,338 a year for couples. Apart from the family home, a couple can have as much as $928,000 and singles $626,000 and still receive some pension.

93. CommInsure Investment Growth Bond

The CommInsure Investment Growth Bond offers true capital protection. The death benefit is payable on death for the total amount of contributions (less withdrawals), regardless of movements in the market. Three options also have unit price guarantees, providing an additional layer of protection. The Investment Growth Bond has a low 1.5 per cent management fee for all investment options. Insurance bonds are tax-effective investment products issued by life insurance companies which, if held for 10 years or more, do not need to be declared in tax returns, and have no capital gains tax implications.

PROTECTION AND PREPARATION

Making sure you've got your back and front covered

INCOME PROTECTION INSURANCE:

94. CommInsure Lump Sum Option in Income Protection

Normal income protection policies only pay out monthly taxable benefits at claim time, CommInsure's Lump Sum option in Income Protection offers customers the choice of a monthly taxable benefit or a tax-free lump sum if they suffer a serious accident, injury or illness and become totally and permanently disabled. With a lump sum payment the claimant then has the financial flexibility to pay off debt immediately, make modifications to their home/ car or just invest it and take the interest as an income stream.

LIFE INSURANCE:

Life insurance can pay a lump sum on your death, terminal illness, total and permanent disablement or if you suffer a trauma condition. Benefits can cover the mortgage and any other debts.

95. Zurich Ezicover

A package to suit a family. It offers death cover (up to $500,000), trauma essentials (up to

$150,000 for cancer, heart attack, coronary bypass or stroke), income replacement (up to $3500 a month) and needlestick (up to $400,000 for occupationally acquired HIV, Hep B or Hep C). Can be bought online.

96. ING OneCare

It offers insurance for 14 medical conditions not usually covered under traditional trauma policies. These conditions are earlier stages of those covered under the traditional contract. The early intervention treatment cover proved popular with OneCare's Trauma Premier, ranked the highest-scoring trauma product in a recent DEXX&R survey.

97. Macquarie Life Active

An insurance policy that rolls together life, total and permanent disability and trauma cover within one cover. If allows multiple claims, and matches the levels of benefit received to the severity of the condition experienced. It also delinks TPD claims from the client's occupation and covers more medical conditions.

98. AMP Trauma Cover

Claims a competitive edge by issuing a claims guiding statement designed to take into account advances in medical diagnostics that supersede or do not closely match to definitions provided in the policy. AMP claims it reflects an intention to pay genuine claims, even where the trauma event is found by a diagnostic method that differs from the one outlined in AMP's definition.

NEXT BIG THING

China might have slowed, but it's still growing, as is India. Take a long-term view.

99. Aberdeen Asset Management's China Opportunities Fund

Invests in Chinese securities listed on both the Chinese and Hong Kong stock exchanges. It has returned 19.8 (after fees) for the year, 13.5 per cent above its benchmark, the MSCI Zhong Hua index. Equally worth consideration is Fidelity's China Fund, which has returned 20 per cent a year since its inception in 2003. Some 6 per cent of this is net outperformance above its benchmark of the MSCI China Index. Rated four stars by S&P and A by van Eyk.

100. Fidelity India Fund

One of the best, and few, ways to access the burgeoning India market. Its strength is bottom-up stock selection by five equity analysts based in India and its fund manager. It has provided a net annualised return of more than 11 per cent a year since inception in 2003. Rated three star by S&P and recommended by Zenith and Lonsec.

The Australian accepts no responsibility for offering these products. Readers should contact a licensed financial adviser. The author owns Telstra shares, and invests in none of the fund products.