



Watch your 'nominal' \$50,000 investment grow each week by following the tips of *Stock Journal's* financial pundit

Steel your nerves

THE stock market is looking more and more like a Dutch auction, where the buyers all wait to see how low the price gets before they start bidding.

With prices still sliding faster than Sarah Palin's presidential prospects, the sound investment strategy is obvious: hold your nerve and do nothing.

The Punter, of course, is doing nothing of the kind. Whooping "in for a penny, in for a pound" he has splurged \$7320 – a huge amount by his standards – on 500 shares in engineering services group Worley Parsons. Worley (ASX code WOR) is certainly not a speculative share, but the Punter will treat it as such. He'll be happy if he can grab a profit of a dollar or two in the next rally.

Less than 12 months ago, WOR was selling for \$54, yet the Punter was able to buy them for \$14.60 on Monday this week. At that price, they were selling for less than 11 times earnings and yielding about 6 per cent gross in dividends.

Sales last year were close to \$5 billion, and profit after tax up 53pc to \$344 million. The balance sheet looks pretty solid

and the company is still scoring large long-term contracts with big players in the global energy and resources industries.

Not content with that, the

Punter is going back into the market and buying 5000 shares in **IMX Resources** at 29.5c each.

IMX (known confusingly on the ASX as IXR) has cash and shares worth around 20c a share, so you could say that for about 10c a share he is buying a slice of Cairn Hill, the high-grade magnetite mine the company is

developing 55 kilometres south of Coober Pedy.

IMX already has a signed sales contract for more than 1 million tonnes of ore a year for three years with Tonghua Mining and expects to ship out the first ore in the first quarter of next year.

IMX also has a nickel project in east Africa and is prospecting for nickel in Tasmania.

The Punter is hoping that the IMX annual meeting, which had been scheduled to be held yesterday, will give the shares a bit of a lift.

• **The Punter has no financial qualifications and no links to the financial services industry. He may own shares in a number of companies featured in this column.**



Punter's portfolio

Date bought	ASX code	Name	Number	Price paid	Total cost	Latest price	Current value	Profit/loss
04-Aug-08	TEY	Torrens Energy	5,000	\$0.385	\$1,955	\$0.270	\$1,330	-\$625
11-Aug-08	SOI	Soil Sub Industries	5,000	\$0.310	\$1,580	\$0.220	\$1,080	-\$500
18-Aug-08	VPEO	Victoria Petroleum 2010 options	25,000	\$0.070	\$1,780	\$0.080	\$1,980	\$200
25-Aug-08	TRF	Trafford Resources	7,000	\$0.547	\$3,859	\$0.435	\$3,025	-\$834
01-Sep-08	NAD	North Australian Diamonds	100,000	\$0.009	\$930	\$0.010	\$980	\$50
08-Sep-08	COZ	CO2 Group	6,000	\$0.360	\$2,190	\$0.370	\$2,200	\$10
22-Sep-08	TAM	Tanami Gold	50,000	\$0.016	\$820	\$0.009	\$430	-\$390
29-Sep-08	GLX	GulfX	25,000	\$0.082	\$2,070	\$0.082	\$2,030	-\$40
TOTAL SHARES			\$15,184		\$13,055		-\$2,129	
ASX traded options								
18-Aug-08	BSLB1	Bluesteel \$10 March 09 call	2,000	\$0.830	\$1,710	\$0.310	\$570	-\$1,140
Cash Balance								\$33,106
Total portfolio								\$46,731