

**A COMPARISON OF BUYING & HOLDING SHARES VS TRADING CFD'S (using Trade Mechanics)**

**ANZ Bank**

	<b>No.</b>	<b>\$</b>
Total Trading Days	1688	
<b><u>Buy and Hold One Share</u></b>		
Share Price	04-Jan-00	\$10.45
Share Price	30-Jan-06	\$24.61
<b>Capital Profit</b>		\$14.16

**Trade Mechanics Results for One AMP Share CFD**

Total No of Trades	319	
Average Net Profit		\$0.2045
<b>Total Net Profit</b>	1 Share	\$65.25
No of Profit Trades	212	
Average Profit		\$0.4427
Total Profits		\$93.86
No of Loss Trades	107	
Average Loss		\$0.2673
Total Losses		\$28.61
<b>Gross Profit Factor</b>	3.281	

<b>Total Net Profit</b>		\$65.25
<b>Less Trade Costs</b>		\$9.57
<b>Net Result</b>		\$55.68
<b>Leverage Multiplier</b>	5	\$278.40
Trade Margin	5%	
Available Leverage	20	

Assuming a conservative risk, and a leverage factor of 5, if ANZ share CFD's were traded then the result per share would be a profit of \$278.40 **vs.** a profit of \$14.16. The margin required to trade the CFD's would be 25% of the share purchase price ie 75% could remain in IBD.

**Note:** No account is taken of dividends received or interest earned in this example