



# NAB OnLine Trading

invest in your stars



## Important notice

Any advice in this brochure was prepared without taking into account the objectives, financial circumstances or needs of any particular person. Before acting on the advice you should consider the appropriateness of the advice with regard to your particular objectives, financial circumstances and needs. Where the advice relates to a financial product (including a managed fund), you should obtain and consider the Product Disclosure Statement relating to the product before making any decision in relation to the product. To the maximum extent permitted by law, NAB and companies in the National Australia Bank Group expressly disclaim all or any liability which may arise out of the provision to or use by the recipient of this information and any other person.

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**The NAB OnLine Trading service ("NAB OnLine Trading") is an information, trading and settlement service provided by Australian Investment Exchange Ltd (ABN 71 076 515 930, AFSL No. 241400) ("AUSIEX"). NAB OnLine Trading Limited facilitates access to the NAB OnLine Trading service.**

**Managed funds information and data that is available through NAB OnLine Trading is provided to you by AUSIEX.**

Australian Investment Exchange Ltd (ABN 71 076 515 930, AFSL 241400) ("AUSIEX") is a Participant of the ASX Group and the issuer of Exchange Traded Options. A copy of the Product Disclosure Statement is available at [nab.com.au/trading](http://nab.com.au/trading) or by calling 13 13 80.

1. ASX 2006 Australian Share Ownership Study.
2. [asx.com.au](http://asx.com.au) 15 August 2007.
3. Premium and Professional Information Service clients can get a rebate on standard internet brokerage. See page 8 for details.
4. The NAB Margin Lending Facility and the NAB Margin Lending Cash Management Account (CMA) are offered by National Australia Bank Limited ABN 12 004 044 937 ("NAB"). Investors should obtain and consider the NAB Margin Lending Facility Terms and the CMA Product Disclosure Statement (both of which are available via NAB's website at [nab.com.au/marginlending](http://nab.com.au/marginlending) or by calling NAB Margin Lending on 1300 135 145) before making any decision about whether to acquire or continue to hold either of these products.
5. National Australia Bank ('NAB') is the issuer of the NAB Cash Manager. You should consider the terms and conditions for the NAB Cash Manager, available from NAB, before making any decision to acquire or hold this account. A copy of the NAB Cash Manager Terms and Conditions may be obtained by calling the Client Service Centre on 13 13 80 or by calling the NAB Cash Manager Service Centre on 1800 036 171. Alternatively, the Terms and Conditions are available at [nab.com.au/trading](http://nab.com.au/trading).

# investing in your stars with NAB OnLine Trading

You can invest in the future you want with NAB OnLine Trading.

We can help you build an investment portfolio to reach your goals within your timeframes. Our star service is simple and easy to use, and our brokerage fees will leave you with more money to invest.

With NAB OnLine Trading, you can buy or sell Australian Securities Exchange (ASX) listed shares, warrants and exchange traded options online or over the phone. We can also help you invest in managed funds.

Our three Information Services offer you a wide range of market research and analysis to help you choose your star investments.

## who provides the NAB OnLine Trading service?

NAB has partnered with AUSIEX to provide you with the NAB OnLine Trading service. AUSIEX has extensive experience in the provision of share trading and related services, and this partnership enables NAB to provide you with an easy to use, feature packed online trading experience.



# what you can invest in

## shares

When you buy a share you are generally buying a unit of ownership in a company. Shares have long been a popular investment strategy with Australians, with over 6 million<sup>1</sup> people directly investing in shares. Here's why:

- **Returns:** although past performance is no indication of future performance, history suggests that Australian shares have outperformed other types of investments over the longer term<sup>2</sup>
- **Diversification:** with thousands of companies to invest in on the Australian Securities Exchange, it's easy to reduce your risk by spreading your exposure across a number of different investments
- **Liquidity:** shares are generally easy to buy and sell when you want. When you trade them online it usually takes less than three days to settle your transaction
- **Inexpensive:** you can invest in shares with as little as \$500
- Shares are **less hassle** than investing in property as there are no tenants, stamp duty, legal fees or big deposits required

Investing in shares does carry some risk. However, investing for the long term can help you to manage the risks by reducing the impact of market volatility on your investment returns.

### why invest in shares with NAB OnLine Trading?

- Trade shares online from \$29.95
- Place orders online or over the phone
- Choose from three Information Services to give you access to the market analysis and research you need to choose your investments easily
- Enjoy frequent trader rebates that reward you the more you trade<sup>3</sup>
- Access experienced customer service support on 13 13 80 to help guide you through the process of buying and selling your investments
- Monitor your portfolio with watchlists, share alerts and charting tools

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## warrants

Warrants derive their value from an underlying security, such as shares. They allow you to profit if your view of the market is realised – whether it moves upwards or downwards.

Warrants require less funding than share purchases as you don't need to purchase the entire share to gain exposure to the share's market movements. They can help you to leverage your returns and protect the value of your investments as well as earn extra income.

Because of the sophisticated nature of warrants, we suggest you take steps to fully understand the risks involved before deciding to invest.

### why invest in warrants with NAB OnLine Trading?

- Trade warrants online from \$29.95
- Trade warrants online or over the phone

## options

An option is a contract between two parties giving the buyer the right, but not the obligation, either to buy or to sell a parcel of shares at a set price, on or before a predetermined date. To acquire this right, the buyer pays a premium to the seller (writer).

Options allow you to protect your shares from a fall in price and potentially allow you to earn income against shares you hold or want to buy. You can also increase your returns through leverage which means you benefit from a change in the price of a share without having to pay the full share price.

Because of the sophisticated nature of options, we suggest you take steps to fully understand the risks involved before deciding to invest.

### why invest in options with NAB OnLine Trading?

- Trade options online from \$43.95
- Trade options online or over the phone
- Use advanced strategies – covered calls, protective puts, credit spreads and multi-leg strategies

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## managed funds

Investing in managed funds is an easy, cost-effective way to invest in a wide variety of assets such as shares, property, bonds and cash. Managed funds pool money from a large number of investors to invest in assets not normally accessible to individual investors. Professional investment managers look after your investment so you don't have to be an expert in the assets you're investing in.

Before investing in a managed fund it's important to understand the nature of the investment and consider any risks involved.

### why invest in managed funds with NAB OnLine Trading?

- Choose from over 2,000 managed funds
- Access extensive research to choose the right managed fund
- Download or request a Product Disclosure Statement to arrange an investment in the fund

# choosing your investments

## research, analysis and market information

When it's your money on the line, it's important to have the right investment information at your fingertips. NAB OnLine Trading can help you stay abreast of the market. You can access a wide range of research, analysis and market information to help you choose your investments and monitor your portfolio's progress.

When you join NAB OnLine Trading you will be asked to choose from three Information Services: Casual, Premium or Professional. Each offers a wide range of investment tools to help you research and place your investments with ease.

Choose your Information Service		
Occasional investors	Moderate investors	Frequent investors
<b>Casual</b> No charge	<b>Premium</b> No charge if you complete two or more trades per month or \$9.95 per month	<b>Professional</b> No charge if you complete 15 or more trades per month or \$77.00 per month

Your choice will depend on how frequently you trade and the specific features you are interested in. You can also change your Information Service at any time.

The Schedule of Services below outlines what can be accessed for each Information Service.

Research & Analysis		Casual	Premium	Professional
Aegis company research	Access company summaries, forecast earnings, current issues, peer comparisons, 3 year performance and relative ratios on individual companies.	✓	✓	✓
Aegis consensus analyst recommendations	Access Aegis analyst recommendations on over 200 individual stocks (ASX 200) including buy, hold and sell recommendations based on a 12 month price target.	✓	✓	✓
Aegis analyst recommendations	Access individual and consensus recommendations from stockbrokers.	X	✓	✓
Aegis "best ideas" list	Access Aegis's weekly "best ideas" lists featuring best buy and sell recommendations for both large and small cap companies.	X	✓	✓
Aegis basic company ratios	Search basic company ratios for a company or list of companies that have common characteristics by using the ratio functionality. You can search for companies based on sector, market capitalisation, yield and price to earnings ratio.	✓	✓	✓
Aegis advanced company ratios	Run advanced company searches using additional criteria such as buy, sell or hold recommendations by Aegis.	X	✓	✓
Aegis sector watchlist	Review different industries with Standard & Poor's sector classifications.  Review the price to earnings ratio, percentage yield, market capitalisation and earnings per share growth for each classification. This search facility allows you to drill down from the sector level to review industries as a whole as well as individual companies.	X	✓	✓
Aegis "Share Analysis Weekly" Newsletter	This weekly online newsletter features timely buy and sell opportunities on the share market using fundamental analysis and expert industry knowledge. Share Analysis also provides education about the way financial markets work, investing psychology and money/risk management.	X	✓	✓
Aegis "Technical Analysis Weekly" Newsletter	This technical newsletter provides an in-depth look at the major issues facing the market for the week and includes a detailed analysis of a number of stocks.	X	✓	✓
Aegis company analyst stock recommendations and research email alert	Arrange to receive a daily email containing closing prices, recent ASX announcements, analyst reports and any recommendations or earnings changes for the individual companies you nominate.	X	✓	✓

Research & Analysis (continued)		Casual	Premium	Professional
Stock picker	Search for stocks on the Australian Securities Exchange matching your chosen criteria. You can set your criteria by industry, share price, market capitalisation and dividend yield.	X	✓	✓
Portfolio manager	Monitoring your investment portfolio's progress is easy with this tool. Simply input your transaction details to keep track of your transaction history, get information on tax issues relating to your investments and view graphical illustrations of your share, warrant and option portfolio(s).	X	Maximum of 5	Unlimited
Charts with company announcements	Use this charting facility to plot the historical price of a security or index.	Basic	Basic	Advanced
Downloadable historical data – ETOs	Download historical data for your charting application. Choose from four formats: Ezy chart, Insight Trader, MetaStock, MetaStock Vol/100.	X	X	✓

Market Information		Casual	Premium	Professional
Basic and detailed quotes	<p><b>Dynamic quotes</b> Stock prices are automatically updated on a continual basis without having to refresh the screen.</p> <p><b>Live quotes</b> Continual updates on stock prices when the screen is refreshed.</p> <p><b>20 minute delayed</b> Stock prices delayed by 20 minutes. Please note, live prices are shown at the time of placing an order.</p>	20 min delayed	Live	Dynamic
Basic news from RWE Australian Business News	You can access market commentary updated twice a day and RWE Australian Business News.	✓	✓	✓
Company announcements	View in detail a substantial range of company announcements issued on a daily basis.	20 min delayed	Live	Dynamic
Day's most active stocks	Review the ASX's most traded stocks for the day.	20 min delayed	Live	Dynamic
World markets	View the world's leading market indices including Dow Jones, NASDAQ, FTSE, S&P 500, Hang Seng and the Nikkei.	✓	✓	✓
Market depth quotes	Full market depth quotes provide you with a list of the prices buyers and sellers are willing to trade for individual stocks. You can use these to decide the price at which you will buy or sell shares.	X	Live	Dynamic
Trading Pro provides a wide range of sophisticated trading tools and features	<p>Trading Pro is a dedicated dynamic market data software application that allows you to follow the markets in real time. Built using Java technology within a standard web browser, Trading Pro can be accessed anywhere there's an internet connection.</p> <p>Take advantage of:</p> <ul style="list-style-type: none"> <li>• Real time interactive charts</li> <li>• In-depth company information including dividends, historical corporate actions and company profiles</li> <li>• Streaming news and company announcements</li> <li>• Visual Market Map display</li> <li>• Dynamic pricing for ASX equities, options, warrants, managed funds and interest rate securities</li> <li>• Quotes ticker</li> <li>• Options valuations – 'Greeks'</li> <li>• Global market indices and foreign exchange (FX) rates</li> <li>• Import/export security data</li> <li>• Indicative opening and closing price</li> <li>• Extensive warrant monitor</li> <li>• Major market movers</li> <li>• Real time Course of Trades</li> <li>• System or customisable watchlists</li> <li>• Drag and drop between windows</li> <li>• Fully customisable layout</li> <li>• Linking windows data</li> </ul>	X	X	✓

## additional services with the Professional Information Service

If you choose the Professional Information Service, you can also access a range of additional services to further meet your sophisticated trading needs. These are available for a monthly service fee.

### Additional News Service

- Dow Jones Aus/NZ Financial and Market News **\$55 per month**

### Additional Software Applications

- Platinum Service – Global indices, international markets, London Metals Exchange (LME) data and Dynamic Data Exchange (DDE) Add-in for Microsoft Excel **\$110 per month**

### OR

- Dynamic Data Exchange (DDE) Add-in for Microsoft Excel (available separately to the Platinum Service) **\$35 per month**

## online brokerage fees

Shares & warrants \$29.95 or 0.11% of the value of your trade (whichever is greater)

Options \$43.95 or 0.55% of the value of your trade (whichever is greater)

## frequent trader rebates for shares, warrants and options

NAB OnLine Trading rewards you the more you trade. If you choose the Professional or Premium Information Service, you can enjoy generous frequent trader rebates to help minimise the amount you pay in brokerage on your share, warrant and option trades.

### Premium Information Service frequent trader rebates

- Internet share and warrant trades: \$5.50 rebate for 6th and any subsequent trades you complete per month
- Internet exchange traded option trades: \$5.50 rebate for 11th and any subsequent trades you complete per month

### Professional Information Service frequent trader rebates

- Internet share and warrant trades: Up to \$11.00\* rebate for 6th and any subsequent trades you complete per month
- Internet exchange traded option trades: Up to \$11.00\* rebate for 11th and any subsequent trades you complete per month

\* Subject to minimum brokerage of \$19.95 per transaction.

# more tools to help you invest

## conditional orders

Once you've set your investment strategy, it's important to give it time to work for you. Conditional orders help you stick to your strategy without having to watch the market constantly.

You simply select the share you want to monitor and the future share price at which you are prepared to buy or sell it. We will monitor the market on your behalf until the market price matches your price and then automatically place the order for you.

Conditional orders allow you to realise your gains by setting your preferred sale price on shares you own and selling when the share reaches your ideal price. They also help you to limit your losses by locking in your minimum sale price and selling your shares before the market price falls any further. Conditional orders are available with share and warrant trading.

## why place conditional orders with NAB OnLine Trading

- Place online conditional orders for \$9.95 (plus standard brokerage when your order is executed)
- Receive email or SMS confirmations once your conditional order is executed

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## email and SMS alerts

It's easy to stay in touch with the market away from your computer. You can arrange to receive market updates and transaction confirmations for your share, warrant and option trades straight to your mobile phone via SMS.

If you haven't the time to regularly check our website, you can choose to receive daily email alerts with closing prices, recent ASX announcements, analyst reports and any recommendations or earnings changes to the companies in your Watchlists.

Alerts are charged at 11c per email and 22c per SMS. You can pre-purchase alert credit in blocks of \$11.00 or \$22.00.

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## NAB OnLine Trading Investment Store

The NAB OnLine Trading Investment Store offers a wide range of investment books, software and educational programs to clients. Choose from newsletters, reports, software tools, seminars, books and homestudy courses to help you stay abreast of the market.



# funding your trades

In order to start investing, you will need to establish a trading account and nominate the cash account from which you will fund your share, warrant and option trades. Your cash account is the account from which funds are withdrawn to pay for your share purchases and the account into which the proceeds of any sales are deposited. GST, brokerage and other service fees will also be deducted from your cash account.

You can choose from three options:

## 1. use your existing eligible NAB cash account

If you are currently a NAB client you may be able to fund your trades directly from your current NAB bank account. To check whether your NAB bank account is eligible visit [nab.com.au/trading](http://nab.com.au/trading) or review the list provided in the NAB OnLine Trading Application.

## 2. open a NAB Cash Manager account

The NAB Cash Manager is a powerful cash management account that allows you to manage your cash the way you want to. With a competitive rate of interest and no monthly account service fee, you can make the most of your money until you're ready to invest.

You can open a NAB Cash Manager account when you apply for your NAB OnLine Trading account. Simply complete the relevant section in the NAB OnLine Trading Application and we will open a NAB Cash Manager account on your behalf.<sup>5</sup>

## 3. fund your trades via a margin loan

If you already have a margin lending facility you can use it to fund your trades. You should also advise your margin lender that you are appointing AUSIEX as an authorised broker on your facility. If you do not have a margin lending facility, it may be worth your consideration.

## NAB Margin Lending

A margin loan from NAB Margin Lending<sup>5</sup> is a flexible investment loan that can be used for investment purposes such as investing in shares and managed funds. Borrowing to invest provides you with more money to invest, which can improve your returns and help you to reach your goals sooner.

## why choose a NAB Margin Loan

- Competitive interest rates with rate discounts available for loans greater than \$250,000
- Broad investment choice – an extensive list of approved shares and managed funds
- Low minimum loan amount of \$20,000
- Prompt loan approval
- Support from a dedicated personal Account Manager

## getting started

If you're ready to invest like a star, just follow these instructions:

1. Please read the contents of the NAB OnLine Trading brochure kit including the Financial Services Guides and Terms and Conditions for both National OnLine Trading Limited and AUSIEX
2. Complete and sign the application form located in this brochure kit or online at [nab.com.au/trading](http://nab.com.au/trading)
3. Send your application:

By fax: 1300 301 684 (In Australia)  
or 08 9282 8590 (International)

By post:  
NAB OnLine Trading  
Reply Paid 7659  
Cloisters Square WA 6850

You may also like to visit [nab.com.au/trading](http://nab.com.au/trading) and 'take the tour' to see just how easy NAB OnLine Trading is to use.



A nighttime photograph of a city skyline with several illuminated skyscrapers against a dark blue sky filled with stars. The buildings are lit up with various colors, including red, white, and green. The sky is a deep, clear blue, and numerous stars of varying brightness are scattered across it.

## Contact NAB OnLine Trading

Visit [nab.com.au/trading](http://nab.com.au/trading)

Call **13 13 80**, 8am – 7pm EST, Monday to Friday

Email [service@trading.nab.com.au](mailto:service@trading.nab.com.au)

Write to NAB OnLine Trading

PO Box 7659

Cloisters Square

Western Australia 6850