



Commsec releases first retail Stop Loss in Australia

Sydney 12 November 2003: CommSec, the Premium Financial Services provider and Australia's leading online broker, today launched a new Stop Loss service, a sophisticated tool enabling a particular share in a portfolio to be placed for sale when it falls to a pre-determined price. Stop Loss will implement an exit strategy without further instruction.

CommSec's clients can now stay very much in control of their investments even when their eye is off the market, said CommSec General Manager, Michael Blomfield.

"One advantage of the Stop Loss facility is that clients do not have to constantly watch the market – they can set in place their investment strategy and Stop Loss can action that investment strategy," he said.

"This also removes the decision-making from any emotional influences – and instead is based on predetermined rules or guidelines. The service will allow investors to lock in gains and limit any losses *before* clients face the emotional pressure of a descending market."

CommSec's Head of Quantitative Equities Research, Ron Bewley, said the new service will help investors stick to a rational investment strategy despite volatility in the market.

"Controlling and managing your exit from a particular share is every bit as important as knowing when to buy it," Professor Bewley said.

"Investor education and research help our clients know when to buy a stock. With Stop Loss, clients can help ensure that decisions about when to take profits or cut losses are carried out."

A Stop Loss order, for orders up to \$40,000 in value at the time of selling the stock, will cost \$14.95 (plus the standard brokerage fee), which is charged on the execution of the trade. Alternatively, clients can choose an upfront fee option of \$9.95, which is paid whether or not a trade is executed. The standard brokerage fee will apply with this option if the trade goes ahead.

CommSec developed the state-of-the-art technology used in the new service in response to an overwhelming demand for a Stop Loss facility by its 1.1 million clients, said Mr Blomfield.

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