

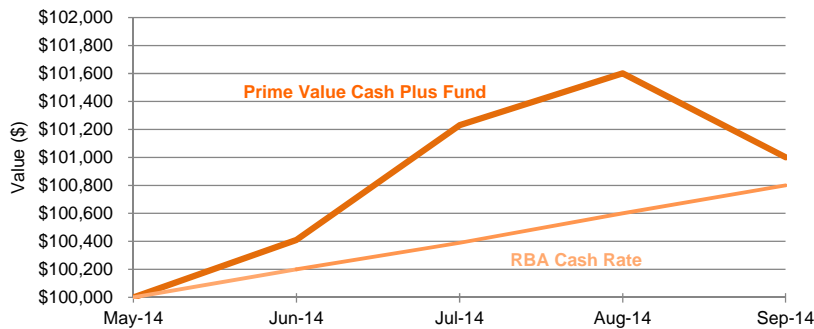
# MONTHLY UPDATE SEPTEMBER 2014



## Fund Performance

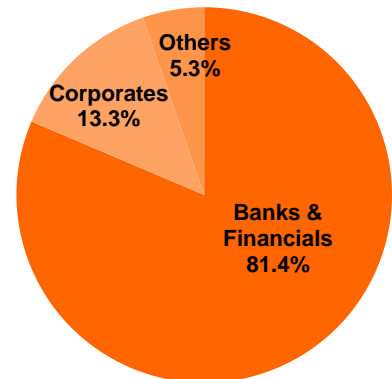
	1 mth	3 mths	Since 3 Jun 14
Prime Value Cash Plus Fund (Gross)	-0.51%	0.77%	1.23%
Prime Value Cash Plus Fund (Net)	-0.56%	0.62%	1.03%
RBA Cash Rate	0.20%	0.62%	0.81%

## Value of \$100,000 invested since inception (3 Jun 14 – 30 Sep 14)



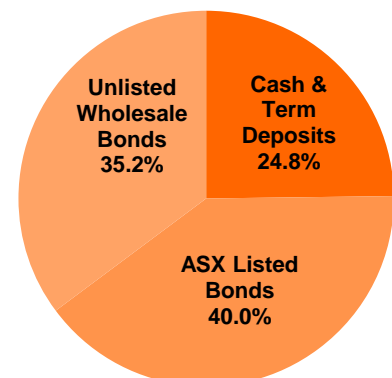
This graph shows how \$100,000 invested at the Fund's Inception has increased to \$101,030 (net of fees). This compares favourably with the return of the RBA cash rate, where a \$100,000 investment would have increased to \$100,810 over the same period.

## Sector Diversification

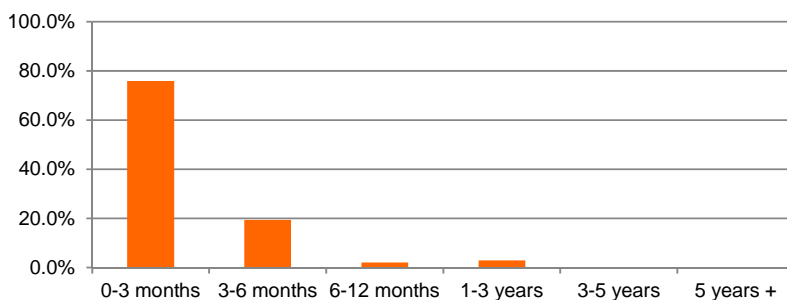


## Manager's Commentary

The Cash Plus Fund commenced on 3 June 2014 and has returned 1.23% before fees and 1.03% after fees, ahead of the RBA cash rate'. The prices of securities in which the Fund invests came under some pressure in September as credit spreads widened across the entire fixed and floating rate market not just in Australia but on a global basis. This market suffered from general global and Australian equity market volatility and significant new supply of hybrids with four new hybrid issues (issues by CBA, Challenger Financial, Bendigo & Adelaide Bank, and Macquarie Bank) coming to the market, all scheduled for listing in October in a "pre-Christmas" issuance rush. There were also some concerns about possible new capital rules from the Basel Committee on Banking Supervision seeking to identify "globally systemically important banks" (G-SIBs), where the top 75 global banks may be required to hold an additional buffer of "Common Equity Tier 1 Capital". In Australia, the Murray inquiry is similarly proposing a new "loss absorption" capital layer. It should be noted that regulatory changes to the existing bank capital ratios and capital rules are wholly designed to strengthen, not weaken, banks in order to prevent another financial crisis. We expect market conditions to improve once the new issuance has been absorbed by the market.

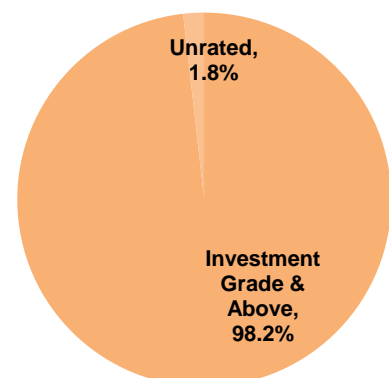


## Interest Rate Reset Management



The Fund's portfolio modified duration is approximately 0.7 years. The majority of interest rates are reset every quarter. Securities with interest rates reset every quarter are not exposed to the risk of interest rate increases, unlike fixed rate investments.

## Ratings and Credit Risk Management



- Investment Grade & Above
- Unrated
- Below Investment Grade

\* Performance figures have been calculated in accordance with the Financial Services Council (FSC). The returns are calculated after management fees. No allowance has been made for taxation. Performance assumes the reinvestment of income distributions. Past performance is not necessarily an indicator of future performance.

## Investment Objectives

The Cash Plus Fund aims to provide a regular income with low risk exposure.

The Fund targets a return to investors in excess of the Reserve Bank of Australia's (RBA) cash rate with minimal risk of capital loss in the medium term.

## Investor Profile

The Prime Value Cash Plus Fund is appropriate for an investor seeking a return above the RBA cash rate from a diverse portfolio of securities with an emphasis on capital preservation. The Fund can serve as an adjunct to the way investors manage their cash holdings.

The Fund may be appropriate for the following investors: individuals, family trusts, self-managed superannuation funds (SMSF), companies or business with excess cash, foundations, charities or Not-For-Profit organisations.

Launch Date: 3 June 2014		Direct Investment	
APIR Code	PVA0088AU		
Income Distributions	Quarterly		
Benchmark	RBA Cash Rate plus a reasonable margin		
Minimum Initial Investment	\$500,000		
Minimum Additional Investment	\$100,000		
Indirect Cost Ratio (ICR)	0.60% p.a. <sup>1</sup>		
Contribution Fee	Nil <sup>2</sup>		
Withdrawal Fee	Nil		
Unit Prices @ 30 Sep 2014	Issue Price:	\$1.0038	
	Withdrawal Price:	\$1.0018	
	Distribution:	\$0.0075	

<sup>1</sup> Unless otherwise stated, all fees quoted are inclusive of GST and the relevant RITC.

<sup>2</sup> Up to 1% may be charged where a Direct Investor is introduced by an adviser to the Fund, as mutually agreed between the investor & adviser.

The information contained in this Fact Sheet is general in nature and has no regard to the specific investment objectives, financial or particular needs of any specific recipient. It is not intended to constitute investment advice or a personal securities recommendation. This document is not a Product Disclosure Statement (PDS) or an offer of units, and contains a brief overview of the investment only. Any prospective investor wishing to make an investment in the Prime Value Cash Plus Fund must obtain and read the Information Memorandum dated 2 June 2014 (particularly the risk factors discussed) and complete an application form. Neither Prime Value Asset Management Limited nor its associates or directors, nor any other person, guarantees the success of the Prime Value Cash Plus Fund, the repayment of capital or any particular rate of capital or income return, or makes any representation in relation to the personal taxation consequences of any investor's investment.

## For more information



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