

PRIME VALUE GROWTH FUND

MONTHLY UPDATE APRIL 2013



Fund Performance

Tables 1 and 2 show the PVGF performance relative to the S&P/ASX 300 Accumulation Index for the period to 30 April 2013.

Table 1 shows the performance on an annual basis and Table 2 shows the cumulative return.

Table 1: Annual Return (Class A Units)*	1 mth	3 mths	1 Yr	3 Yrs (pa)	5 Yrs (pa)	7 Yrs (pa)	10 Yrs (pa)	Since Apr 98 (pa)
Prime Value Growth Fund	3.3%	5.4%	15.6%	6.9%	3.1%	5.7%	13.8%	14.2%
S&P/ASX300 Accumulation Index	4.3%	7.3%	22.7%	7.0%	2.9%	4.2%	10.2%	8.4%
Relative Performance To Benchmark	-1.0%	-1.9%	-7.1%	-0.1%	0.2%	1.5%	3.6%	5.8%
Approximate Annual Return (after Performance Fees)#			15.6%	6.9%	3.0%	5.4%	13.1%	13.0%

Table 2: Cumulative Return (Class A units)*	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Since April 98
Prime Value Growth Fund	15.6%	22.2%	16.2%	47.1%	264.8%	638.5%
S&P/ASX300 Accumulation Index	22.7%	22.5%	15.3%	32.9%	164.4%	239.2%
Relative Performance To Benchmark	-7.1%	-0.3%	0.9%	14.2%	100.4%	399.3%
Approximate Cumulative Return (after Performance Fees) #	15.6%	22.2%	16.0%	44.2%	244.2%	556.6%

* Performance figures have been calculated in accordance with FSC Standard No 6.0, Product Performance – “Calculation of Returns” and FSC Standard No 10 – “Presentation of Past Performance Information”. The returns are calculated after management fees but before performance fees which are charged against individual accounts. The returns exclude the benefits of imputation credits. No allowance has been made for taxation. Performance assumes the reinvestment of income distributions. Past performance is not necessarily an indicator of future performance.

Post-performance fee returns are an APPROXIMATION only, as performance fees are charged each year on June 30 (or on withdrawal), based on the performance of each investment. Performance fees are only payable where the return of the Fund exceeds the performance of the benchmark and the net return is positive.

Manager's Commentary

The Australian equity market rebounded during April, with the benchmark S&P/ASX 300 Accumulation index rising by 4.3% during the month. There were a number of positive influences, including an aggressive asset purchase program in Japan accompanied by an increased inflation target, a strong US reporting season, as well as an end to uncertainty in Italy as the outgoing President was re-elected. On the negative side, markets were shaken by weaker data in China, with both GDP and PMI numbers disappointing. US economic data was also consistently weaker than expected, with GDP, employment, PMI and consumer sentiment all below expectations. Housing however was a bright spark.

With global growth concerns again on the radar, commodity prices were weaker, particularly gold on news Cyprus had sold reserves as part of its bailout deal, sparking fears other Eurozone strugglers would follow suit. The Australian dollar was weaker and the Yen continued its decline.

Domestically, economic data was mixed and the RBA kept rates on hold. While the market was dragged down by resource stocks, the global search for yield supported high dividend paying companies. On that theme, Woodside Petroleum announced a special dividend following the postponement of its Browse project along with a higher target payout ratio going forward. Unsurprisingly, high yielding sectors (Telcos & Financials) outperformed while Resources & Energy sectors were again the worst performers.

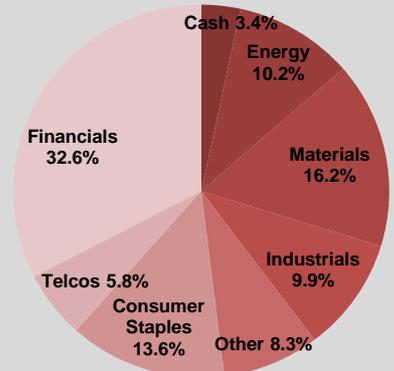
The Fund rose 3.3% during April. The sectoral themes within the portfolio detracted from performance, as the Fund is underweight in Financials and overweight in the Energy and Industrials sectors. This was partially offset by the overweight position in Consumer Staples, which performed well.

Stock selection was mildly positive however, the holdings which contributed the most to performance were generally in the high yielding sectors, including ANZ (up 11.6% after announcing good earnings and increases in dividends), National Australia Bank (up 10.3%), Westpac (up 9.9%) and Wesfarmers (up 7.9%). The companies which detracted from performance were generally in the gold and mining services sector, namely Newcrest Mining (down 16.2%), Monadelphous (down 7.8%) and Orica (down 6.5%).

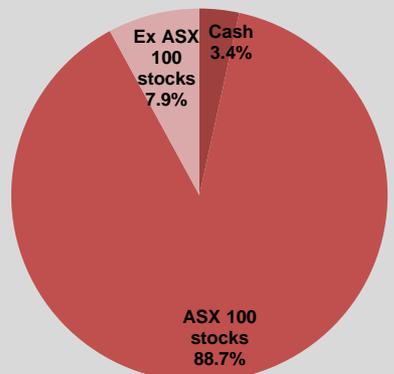
In absolute terms the share market is at historical average PEs with a subdued growth outlook; however support has been provided by an attractive relative valuation. The strong performance of the high yielding names has opened up a valuation gap with the poor performing resources sector. We continue to hold some solid names in the resource sector which are able to generate good earnings despite lower commodity prices over the medium-long term.

At a stock level, we prefer to combine companies with attractive growth characteristics and dividends. We also continue to favour stocks with strong balance sheets which have the capacity and opportunity to put these balance sheets to work.

Holdings by Sectors



Holdings by Market Cap



Top Five Holdings

ANZ	Financials
BHP Billiton	Materials
Telstra	Telcos
Wesfarmers	Consumer Staples
Westpac	Financials

The portfolio is generally comprised of 20 - 40 stocks.

Key Fund Details

Investment Objectives

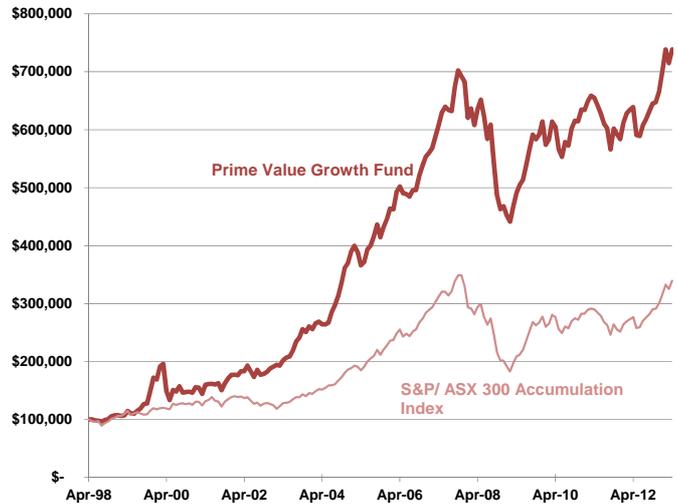
The Growth Fund aims to provide superior medium to long-term capital growth, with some income, by managing a portfolio of predominantly Australian equities listed on any recognised Australian stock exchange.

Investor Profile

The Prime Value Growth Fund is appropriate for an investor seeking medium to long-term capital growth, who is prepared to accept some fluctuations in short-term returns. This type of investment is appropriate as a significant part of a properly diversified investment portfolio for individuals, companies, trusts and superannuation funds.

Historical Performance (Class A Units)

Value of \$100,000 Invested Since Inception (10 Apr 1998 – 30 Apr 2013)



This graph shows how a notional \$100,000 invested at the Fund's Inception (10 April 1998) has increased to \$738,500 (net of fees excluding performance fees) as at 30 April 2013. After performance fees, the amount would be approximately \$656,600. This compares very favourably with the return of the market, where a \$100,000 investment would have increased to \$339,200 over the same period. The returns exclude the benefits of imputation credits.

Launch Date: 10 April 1998 Size of Fund: \$210.7m	Direct Investment (Class A)		Indirect Investment via IDPS or IDPS-Like Schemes (Class B)	
APIR Code	PVA0001AU (PVGf)		PVA0011AU (PVGf)	
Indirect Cost Ratio (ICR)	1.435% p.a. ¹		1.23% p.a. ^{1,2}	
Performance Fee	20.5% p.a. ¹ of performance (net of management fees and administration costs) above the agreed benchmark, subject to positive performance		20.5% p.a. ¹ of performance (net of management fees and administration costs) above the agreed benchmark, subject to positive performance	
Benchmark	S&P / ASX 300 Accumulation Index		S&P / ASX 300 Accumulation Index	
Minimum Initial Investment	\$20,000		N/A	
Minimum Additional Investment	\$2,000		N/A	
Contribution Fee	Nil ³		N/A	
Withdrawal Fee	Nil		N/A	
Income Distributions	Half-yearly		Half-yearly	
Research Rating	Lonsec Zenith Morningstar	Investment Grade Approved ★★★★★	Lonsec Zenith Morningstar	Investment Grade Approved ★★★★★
Unit Prices @ 30 April 2013	Issue Price:	\$3.1218	Issue Price:	\$3.0981
	Withdrawal Price:	\$3.0982	Withdrawal Price:	\$3.0747

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

² Fees for indirect investments do not include the fees charged by the IDPS operator. The fund is available in the following platforms: Asgard, Ausmaq, Beacon, BT Wrap, First Wrap, IOOF Global One, Macquarie Wrap, netwealth, Portfolio Advantage, Premium Choice, Symetry, Wealthtrac.

³ Up to 3% may be charged where a Direct Investor is introduced by an adviser to the Fund, as mutually agreed between the investor & adviser.

Prime Value Asset Management Ltd

Level 9, 34 Queen St,
Melbourne VIC 3000

Tel: +61 3 9098 8088

Fax: +61 3 9098 8099

Website: www.primevalue.com.au

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 Growth Fund must obtain and read the PDS dated 28 March 2013 (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 Growth 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.