MONTHLY UPDATE
JANUARY 2014

Prime Value Growth Fund

Fund Performance

Tables 1 and 2 show the PVGF performance relative to the S&P/ASX 300 Accumulation Index for the period to 31 January 2014.
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	Financial YTD	1 Yr	3 Yrs (pa)	5 Yrs (pa)	7 Yrs (pa)	10 Yrs (pa)	Since Apr 98 (pa)
Prime Value Growth Fund	-2.7%	-3.8%	11.1%	8.0%	6.1%	10.9%	4.4%	11.5%	13.6%
S&P/ASX300 Accumulation Index	-3.0%	-3.5%	10.6%	10.6%	7.3%	12.8%	2.8%	9.3%	8.2%
Relative Performance To Benchmark	**0.3%**	**-0.3%**	**0.5%**	**-2.6%**	**-1.2%**	**-1.9%**	**1.6%**	**2.2%**	**5.4%**
Approximate Annual Return (after Performance Fees)#				8.0%	6.1%	10.9%	4.1%	11.0%	12.5%

Table 2: Cumulative Return (Class A units)*	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Since April 98
Prime Value Growth Fund	8.0%	19.4%	67.5%	35.2%	196.0%	657.1%
S&P/ASX300 Accumulation Index	10.6%	23.6%	82.3%	20.9%	142.1%	249.4%
Relative Performance To Benchmark	**-2.6%**	**-4.2%**	**-14.8%**	**14.3%**	**53.9%**	**407.7%**
Approximate Cumulative Return (after Performance Fees) #	8.0%	19.4%	67.5%	32.3%	184.9%	573.5%

* 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

January saw global equity markets post their biggest falls since August with the MSCI Global Equities index falling 3.8%.

A key influence on markets was the US Federal Reserve's decision to gradually taper its quantitative easing (QE) program, reducing the level of monetary stimulus by US$10bn to US$65bn per month. Volatility across equity and currency markets increased as concerns about the impact of QE tapering on emerging markets intensified.

US economic data was mixed. This was due to weak employment data, durable goods orders, manufacturing data and new home sales which may have been affected by bad weather conditions. However retail sales and housing starts were both strong.

The Australian equity market outperformed its global peers in local currency terms, but underperformed in US dollar terms due to the depreciation in the Aussie dollar, which fell to its lowest levels since July 2010.

Domestically, building approvals and retail sales were stronger than expected, but consumer confidence was weak. The key negative was employment. Another concern was a large spike in inflation to 0.8% for the quarter which gave an annual increase of 2.7% for 2013. Expectations for future interest rate cuts have fallen. Most economists now believe rates will stay at 2.5% for the remainder of 2014.

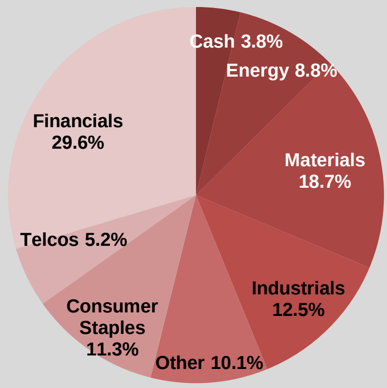
Defensive utility and healthcare sectors outperformed and REITs bounced back after months of underperformance. Consumer discretionary and Financials were the worst performing sectors.

The Fund fell 2.7% during the month compared to the ASX300 Index of -3.0%. Banks were notably weaker performers in January. The sell down of bank stocks was due to concerns of a weak Australian economy, reflected in recent weak retail spending data. Whilst we are holding an underweight position in the sector relative to the ASX300 Index, we believe the sector's prospects remain robust into the next 6 months. Competition, whilst high, is not rising significantly. The environment for bad debts is benign and lending market will post single digit growth rates.

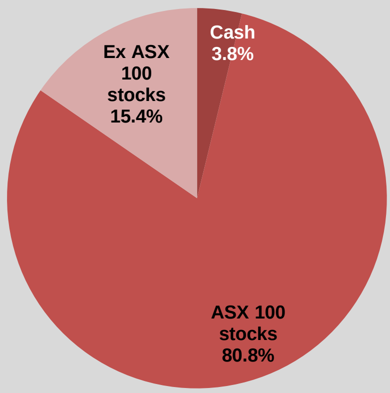
Major contributors to performance were Bega Cheese (up 6.9%), REA Group (up 7.7%) and Newcrest, which rose 23.7% on a recovering gold price, strong production figures and increasing production guidance. Detracting from performance were ANZ (down 6.5%), CBA (down 4.6%), BHP (down 3.7%) and Monadelphous (down 14.1%).

With the most recent decline in the share market, valuations have fallen to just under 15x forward earnings. On simple measures, the market does not look expensive compared to its historical average. Against a backdrop where interest rates will remain low for some time to come, the combination of a 4-5% dividend yield and reasonable valuations, the outlook for the Australian share market will be robust. With the corporate reporting season starting off, we are reviewing companies' abilities to sustain or post revenue growth. These are key indicators for corporate profitability. Growing corporate profits will underpin the market's performance.

Holdings by Sectors



Holdings by Market Cap



Top Five Holdings

BHP Billiton	Materials
CBA	Financials
Oil Search	Energy
Telstra	Telcos
Wesfarmers	Consumer Staples

The portfolio is generally comprised of 25 - 45 stocks.

Key Fund Details

Investment Objectives

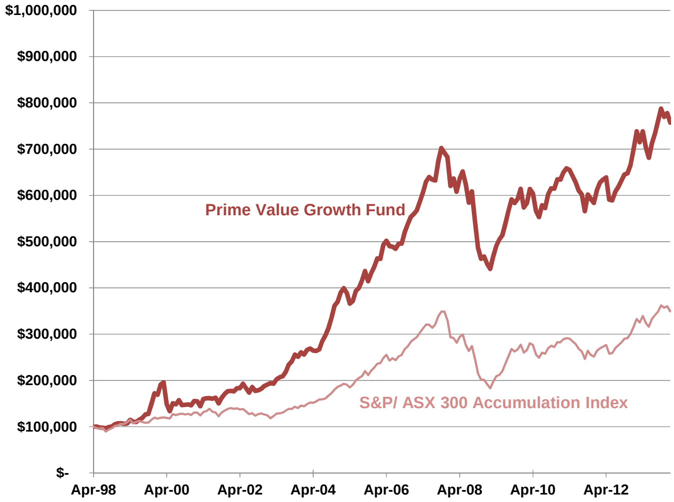
The Growth Fund aims to provide superior medium to long-term capital growth, with some income, by managing a portfolio of predominantly Australian equities listed on any recognised Australian stock exchange.

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 – 31 Jan 2014)



This graph shows how a notional $100,000 invested at the Fund's Inception (10 April 1998) has increased to $757,100 (net of fees excluding performance fees) as at 31 January 2014. After performance fees, the amount would be approximately $673,500. This compares very favourably with the return of the market, where a $100,000 investment would have increased to $349,400 over the same period. The returns exclude the benefits of imputation credits.

Launch Date: 10 April 1998	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	Investment Grade Approved	Lonsec Zenith	Investment Grade Approved
Unit Prices @ 31 January 2014	Issue Price: Withdrawal Price:	$3.0699 $3.0467	Issue Price: Withdrawal Price:	$3.0490 $3.0260

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.

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