MONTHLY UPDATE
OCTOBER 2013

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 October 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	Financial YTD	1 Yr	3 Yrs (pa)	5 Yrs (pa)	7 Yrs (pa)	10 Yrs (pa)	Since Apr 98 (pa)
Prime Value Growth Fund	3.5%	10.5%	15.6%	22.1%	8.6%	10.1%	6.1%	11.9%	14.2%
S&P/ASX300 Accumulation Index	3.9%	8.9%	14.6%	24.8%	9.6%	11.0%	4.4%	9.7%	8.6%
Relative Performance To Benchmark	**-0.4%**	**1.6%**	**1.0%**	**-2.7%**	**-1.0%**	**-0.9%**	**1.7%**	**2.2%**	**5.6%**
Approximate Annual Return (after Performance Fees)#				22.1%	8.6%	10.1%	5.7%	11.7%	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	22.1%	28.0%	61.8%	51.1%	208.4%	687.4%
S&P/ASX300 Accumulation Index	24.8%	31.8%	68.3%	35.5%	153.1%	262.2%
Relative Performance To Benchmark	**-2.7%**	**-3.8%**	**-6.5%**	**15.6%**	**55.3%**	**425.2%**
Approximate Cumulative Return (after Performance Fees) #	22.1%	28.0%	61.8%	47.9%	197.1%	600.2%

* 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

Most global markets rose despite some uncertainty and drama. The big event was the partial shut-down of the US government as the US Congress failed to agree on a budget by the start of the fiscal year on 1 October. Also big news was the nomination of relatively dovish Federal Reserve Vice Chair Janet Yellen to replace Ben Bernanke as the next Fed Chairperson.

Commodity prices were stable during the month although the WTI oil price fell to below US$100 a barrel.

The Aussie dollar continued to rise on general US Dollar weakness, reaching a high of 97.5c before easing back on comments from RBA Governor Glenn Stevens highlighting the RBA’s concerns about the effect of a high Australian dollar on Australia’s competitive position and future economic performance.

Domestic economic data was mixed. Business conditions fell and consumer sentiment was weak but retail sales rose at double the expected rate. Housing data was also strong and suggest the market is buoyant. Inflation surprised on the upside which clouded the official interest rate outlook but another rate cut is still seen as a possibility.

The banks had a record reporting season and financial sector was the best performer, up 5.9% for the month (ex REITS). Healthcare and Telcos also outperformed. Energy was the key laggard and utilities and Industrials also underperformed.

The Fund rose by 3.5% during October. Sectoral allocation detracted from performance as the Fund was underweight Financials and overweight Energy.

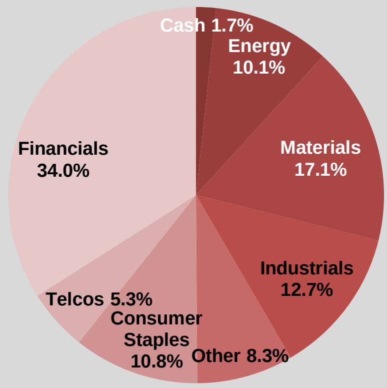
Holdings in ANZ Banking Group (up 10%), Bega Cheese (up 24%) and BHP Billiton (up 5.4%) contributed to the positive performance of the Fund. ANZ reported a full-year result that was better than market expectations, with higher dividends. Bega Cheese rose on the back of strong interest in the domestic dairy sector. Holdings in Monadelphous (down 5.2%), Newcrest (down 12%), and WorleyParsons (down 9.3%) detracted from the performance.

Two of our holdings announced demergers of their operations during the September quarter: Amcor and Brambles. The broad rationale was similar: to allow greater focus on both businesses within each company. The historical precedent of demergers have been positive and the value created for shareholders as a result of demergers have generally exceeded the consolidated entities.

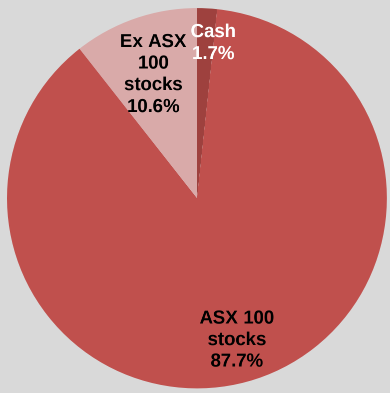
We had the opportunity to assess the validities of the Amcor and Brambles demergers and concluded that there are differing value drivers between the two companies. A key value driver for Amcor’s demerged company will be the cost benefits arising from recent company restructuring programs. In contrast, Brambles’ demerged company, Recall, is unlikely to obtain cost benefits but is expected to exploit its strong market position in a number of sectors and geographies.

We continue to believe that the balance of risk will favour equity investors over the medium to long term compared with other asset class investors.

Holdings by Sectors



Holdings by Market Cap



Top Five Holdings

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

The portfolio is generally comprised of 25 - 45 stocks.

Key Fund Details

Investment Objectives

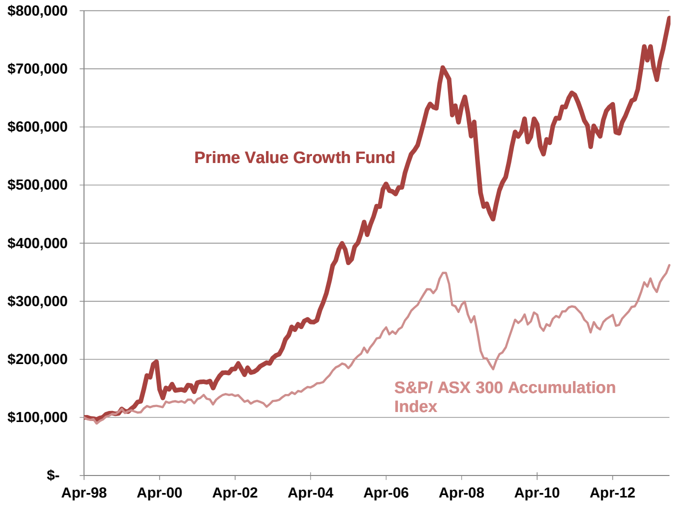
The Growth Fund aims to provide superior medium to long-term capital growth, with some income, by managing a portfolio of predominantly Australian equities listed on any recognised Australian stock exchange.

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 Oct 2013)



This graph shows how a notional $100,000 invested at the Fund's Inception (10 April 1998) has increased to $787,400 (net of fees excluding performance fees) as at 31 October 2013. After performance fees, the amount would be approximately $700,200. This compares very favourably with the return of the market, where a $100,000 investment would have increased to $362,200 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 October 2013	Issue Price: Withdrawal Price:	$3.2755 $3.2507	Issue Price: Withdrawal Price:	$3.2524 $3.2278

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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