MONTHLY UPDATE
MARCH 2014

Prime Value Imputation Fund

Fund Performance

Tables 1 shows the PVIF performance relative to the S&P/ASX 300 Accumulation Index for the period to 31 March 2014.
Table 2 shows the distribution by financial year.

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 Dec 01 (pa)
Prime Value Imputation Fund	0.9%	0.8%	14.0%	6.7%	6.2%	12.0%	0.9%	7.5%	12.7%
S&P/ASX300 Accumulation Index	0.2%	2.0%	16.3%	13.0%	8.1%	13.2%	2.8%	9.2%	8.4%
Relative Performance To Benchmark	**0.7%**	**-1.2%**	**-2.3%**	**-6.3%**	**-1.9%**	**-1.2%**	**-1.9%**	**-1.7%**	**4.3%**
Approximate Annual Return (after Performance Fees)#			14.0%	6.7%	6.2%	12.0%	0.9%	7.5%	11.8%

Table 2: Distribution (Class A units)*	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14 (Mar Qrt)
Income Distribution	5.2%	3.0%	4.2%	5.1%	4.1%	3.0%
Grossed-up Distribution (for Imputation credits)	7.6%	4.7%	6.4%	7.6%	6.2%	4.6%

* 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 Jun 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

Equity markets were volatile during the month impacted by rising geopolitical tensions in Eastern Europe and increasing concerns around China’s growth outlook. The MSCI World Index finished up just 0.5%.

The US Fed continued to taper its quantitative easing (QE), reducing the level of monetary stimulus to US$55bn per month. The risk of a rate increase after the end of QE was pushed back as the Fed is likely to adjust its forward guidance on economic trigger points. US economic data was mixed which was due to weaker housing and employment data. However, manufacturing data and industrial production were stronger.

China’s manufacturing index fell for a 5th month and concerns about country’s growth led to sharp falls in commodity prices. Iron ore fell to as low as US$105 and copper fell by 5.6%. Credit cut backs to the steel mill sector seem to aim high polluting mills in particular.

Domestically, the RBA left the cash rate unchanged at 2.5% and reaffirmed its neutral stance. The dollar strengthened against major currencies on stronger economic data. Employment, retail sales and housing data advanced, while business conditions fell back slightly. GDP rose by 0.8% in Q4 2013 which was better than expected.

The Australian equity market made new highs earlier in the month but pulled back as lower commodity prices weighed on the mining sector. Banks and Industrials were the best performing sectors.

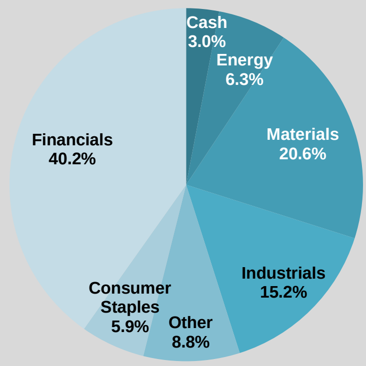
The fund rose by 0.9% during March outperforming the benchmark by 0.7%. Sector allocation contributed to the performance, in particular due to the fund’s underweight in poorer performing Healthcare and overweight in stronger performing Industrials.

The fund’s holdings in the better performing financial sector, including ANZ (up 2.9%) and CBA (up 3.7%) contributed to the positive performance. In addition, Australand Property advanced 7.9% following the news that Stockland acquired a 19.9% stake in the property group and would explore further strategic options. In line with the poorer performance of the mining sector, the fund’s holdings in BHP (down 5.0%) and Orica (down 9.4%) detracted from the performance.

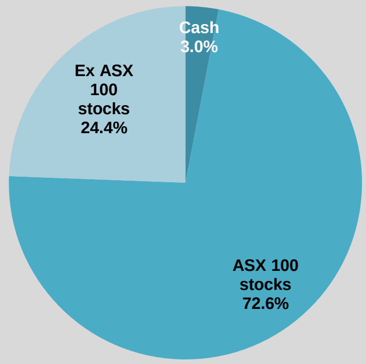
Post February reporting, the market looked for the next thing. Fed’s Yellen in her first outing re-stated “tapering”, even “rate rise” and the yield curve responded accordingly. This will continue to be the big unknown in the equity market. Is Wall St prepared? What are the ramifications for all other asset classes? How will this drive the Main St? It might prove a challenging environment for investors.

Domestically, as the banks reporting time approaches, we are reminded about the high dividend payout ratio which seemed to support the banking sector. This is primarily a function of the prevailing low loan growth which means less capital is required to retain capital ratios because of a slower growing asset base. What an irony…The Imputation fund continues to stay with “quality” names with sustainable dividend yield, reasonable valuation and some growth potential.

Holdings by Sectors



Holdings by Market Cap



Top Five Holdings

Amcor	Materials
ANZ	Financials
BHP	Materials
National Australia Bank	Financials
Wesfarmers	Consumer Staples

The portfolio is generally comprised of 25 - 45 stocks.

Key Fund Details

Investment Objectives

The Imputation Fund aims to provide regular tax-effective income, combined with competitive capital growth over the medium to long-term, by managing a portfolio of assets comprised mainly of Australian equities listed on any recognised Australian stock exchange.

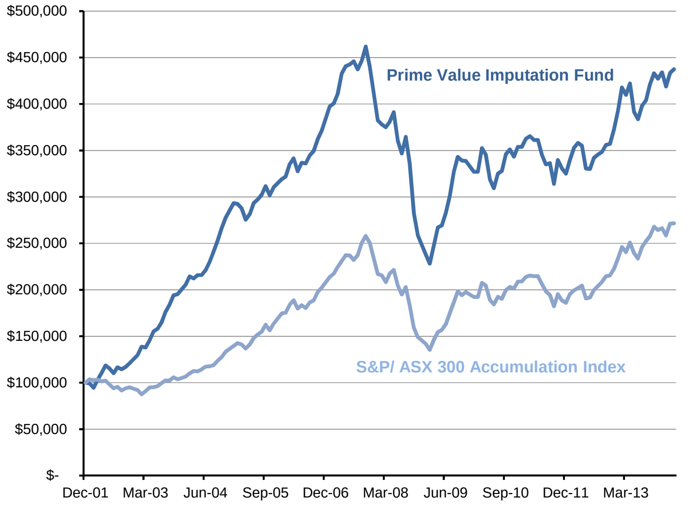
Due to the tax benefits under the current dividend imputation regime, the PVIF will typically have a core position of Australian equities with an attractive level of franked dividends.

Investor Profile

The PVIF is appropriate for an investor seeking regular tax effective income that includes imputation credits, combined with competitive capital growth over the medium to long term. Investors should be 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 (20 Dec 2001 – 31 Mar 2014)



This graph shows how a notional $100,000 invested at the Fund's Inception (20 December 2001) has increased to $437,500 (net of fees excluding performance fees) as at 31 March 2014. After performance fees, the amount would be approximately $403,500. This compares very favourably with the return of the market, where a $100,000 investment would have increased to $271,700 over the same period. The returns exclude the benefits of imputation credits.

Launch Date: 20 December 2001[1]	Direct Investment (Class A)		Indirect Investment via IDPS or IDPS-Like Schemes (Class B)	
APIR Code	PVA0002AU (PVIF)		PVA0022AU (PVIF)	
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	Quarterly		Quarterly	
Research Rating	Lonsec	Investment Grade	Lonsec	Investment Grade
Unit Prices @ 31 March 2014	Issue Price: Withdrawal Price:	$2.3604 $2.3426	Issue Price: Withdrawal Price:	$2.3606 $2.3428

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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