

Prime Value Cash Plus Fund

Fund Update - August 2015



- Credit spreads for debt securities were generally 0.10% to 0.50% higher in August depending on credit rating and tenor.
- The Fund held up extremely well in what was a very volatile month in world markets and delivered a return of -0.05% (net) for the month.

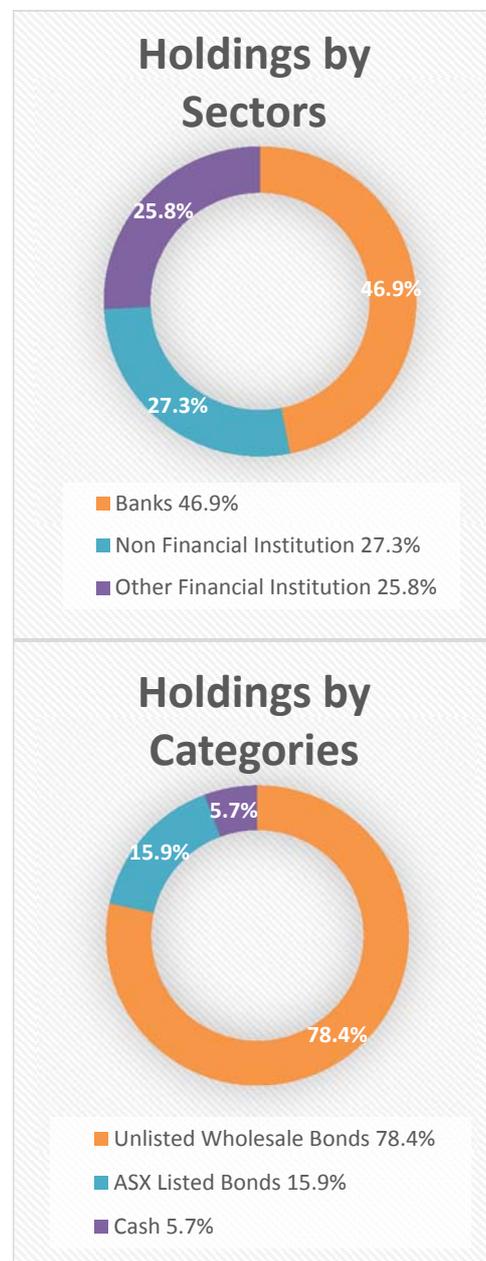
	Gross Return*	Net Return*	RBA Cash Rate
Since inception (pa)	3.70%	3.08%	2.31%
1 Year (pa)	2.85%	2.23%	2.28%
6 Months	1.34%	1.04%	1.05%
3 Months	0.35%	0.20%	0.50%
1 Month	0.00%	-0.05%	0.17%

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

Top five holdings	Sector	Category
ME Bank	Banks	Unlisted Wholesale Bonds
AMP Limited	Other Fin Inst.	Unlisted Wholesale Bonds
Bendigo Bank	Banks	Unlisted Wholesale Bonds
Bank of Queensland	Banks	Unlisted Wholesale Bonds
AXA	Other Fin Inst.	Unlisted Wholesale Bonds

Feature	Fund facts
APIR Code	PVA0088AU
Portfolio Manager	Matthew Lemke
Investment objective	To provide 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.
Benchmark	RBA Cash Rate
Inception Date	3 June 2014
Interest Rate Reset Duration	Approx. 3 months
Distribution	Quarterly
Recommended investment period	1 year +
Minimum Investment	\$50,000
Indirect Cost Ratio (ICR)	0.60% p.a. ¹
Annualised Return	3.08%
Issue price	\$1.0040
Withdrawal price	\$1.0020

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

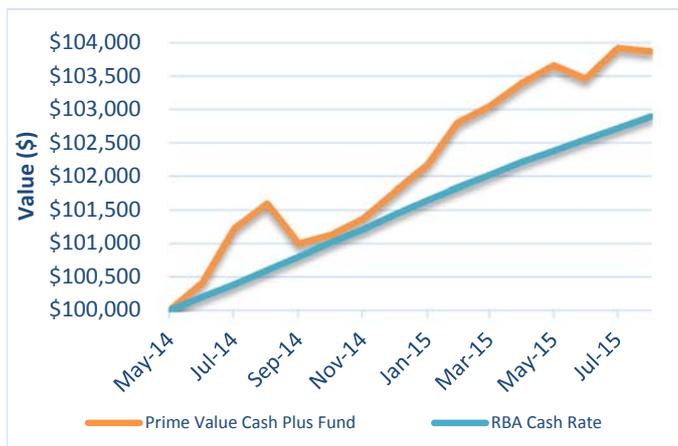


Fund review & strategy

Financial markets were subject to severe volatility during August due to several factors: the strong selloff in Chinese stocks, concerns about global growth, the anticipated US rate hike in September and large falls in emerging market currencies following the devaluation of the Chinese Renminbi. This volatility was seen in many markets: the Australian ASX-200 Index lost 8.6%, the Shanghai Composite fell 12.8%, the Dow Jones Industrial Average fell 5.9% (its worst monthly decline in 5 years), the Australian Dollar fell by month-end to a low of 0.7133.

Credit spreads were higher by 0.10% to 0.50% depending on credit and tenor; with listed hybrids experiencing the greatest price falls. We had reduced our holdings of listed securities prior to August.

Despite the market turmoil in August, the Fund achieved a net return of -0.05%; with financial year to date (2 month) net return of 0.39%. We are pleased the Fund has preserved capital in times of volatility – as is consistent with one of the Funds core aims. Strategically, we continue to switch securities where there is a yield gain without compromising capital safety, and we also are increasing our franked securities to increase franking credits to unitholders.



This graph shows how \$100,000 invested at the Fund's Inception has increased to \$103,870 (net of fees). This compares favourably with the return of the RBA cash rate, where a \$100,000 investment would have increased to \$102,890 over the same period.

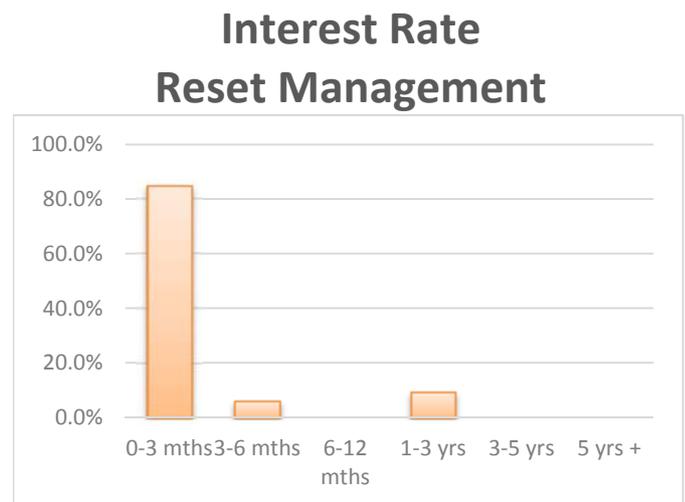
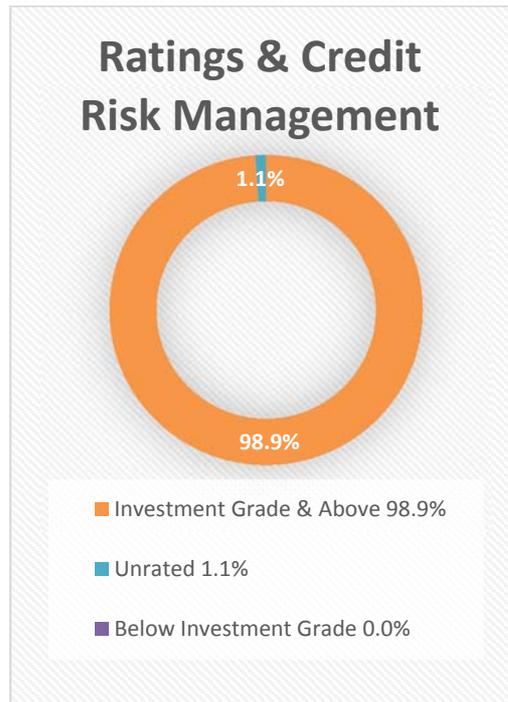
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The Fund's portfolio modified duration is approximately 0.3 years. The majority of interest rates are reset every quarter. Securities with interest rates reset every quarter are not exposed to the risk of interest rate increases, unlike fixed rate investments.