Prime Value
Equity Income (Imputation) Fund

- Share markets recovered strongly in October following a softer September, with the US share market posting convincing gains due to a robust 3Q reporting period.
- The ASX300 Accumulation Index however, lagged its global peers, gaining a small 0.1%
- Fund returned 0.6% for the month of October, outperformed its benchmark.

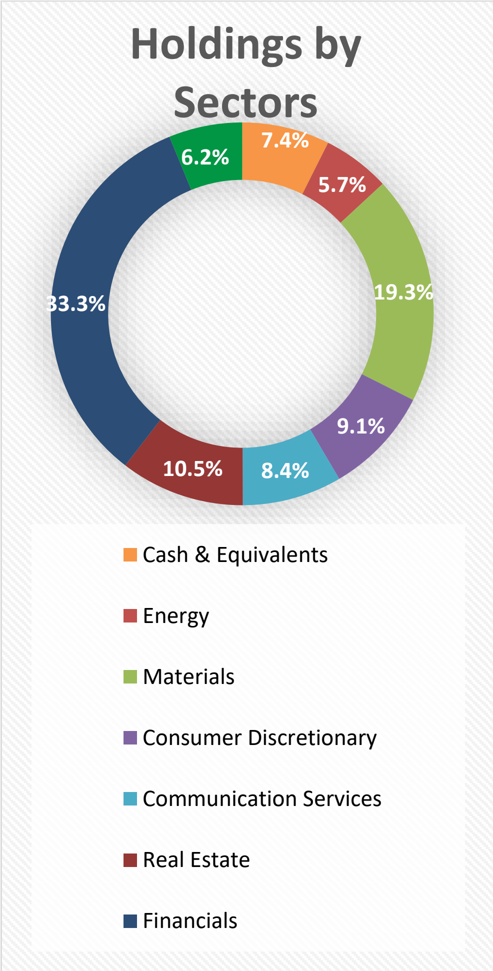
	Total Return*	Growth Return*	Distribution Return*	Total Return including Franking Credits**	S&P/ASX 300 Accumulation Index
Since inception (p.a.)	10.2%	5.1%	5.0%	12.2%	8.5%
10 Years (p.a.)	7.3%	2.9%	4.4%	9.4%	10.0%
5 Years (p.a.)	7.5%	3.2%	4.3%	9.4%	11.0%
3 Years (p.a.)	8.1%	3.3%	4.8%	10.0%	12.3%
2 Years (p.a.)	7.3%	3.7%	3.6%	8.7%	8.8%
1 Year	31.4%	27.6%	3.8%	32.8%	28.6%
3 Months	-0.9%	-1.6%	0.7%	-0.9%	0.8%
1 Month	0.6%	0.6%	0.0%	0.6%	0.1%

* Fund returns are calculated net of management fees, assuming all distributions are re-invested. Performance figures have been calculated in accordance with the Financial Services Council (FSC) standards. The returns are calculated before performance fees which are charged against individual accounts. The returns exclude the benefits of imputation credits. Past performance is not necessarily an indicator of future performance.
** Returns grossed up for franking credits are estimates.

Top five holdings	Sector
Macquarie Group	Financial
Commonwealth Bank	Financials
BHP	Materials
Wesfarmers	Consumer Discretionary
NAB	Financials

The top five holdings make up approximately 31.4% of the portfolio.

Feature	Fund facts
Portfolio Manager	Leanne Pan
Investment objective	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.
Benchmark	S&P / ASX 300 Accumulation Index
Inception Date	20 December 2001
Cash	0 - 30%
Distributions	Quarterly
Suggested Investment Period	3 + years

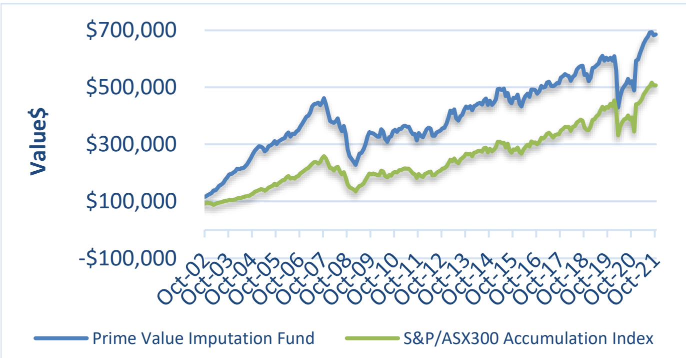


Market review

Global equity markets rebounded strongly in October, following a weak September, with the MSCI World Index gaining 5.7%. The gains were led by the US share market, with the S&P500 Index rising 7.0%. We observed the US share market posted its strongest month this year and resumed its march to record highs following last month's -5% pull back. Despite weaker than expected GDP growth and soft results from both Amazon and Apple, given ongoing supply chain disruptions and tightening in the labour market, US Q3 reporting season proved robust with the majority of companies beating earnings expectations.

Brent Oil prices rose US$6/bbl to US$84/bbl in October. Brent oil price has continued to sustain at greater than US$70/bbl. Gold prices also rose, lifting US$26 to US$1,769 against the headwinds of US Federal Reserve tightening expectations, higher yields, US Dollar strength, competition from other asset classes and persistent net selling from ETFs.

The Australian share market was on track for a gain but rolled over late in the month following a spike in Australian government bond yields as well as upward pressure on the Australian Dollar (up 4% against the US Dollar and Euro, and up 7% vs Japanese Yen). The spike in Australian government bond yields was notable in comparison to offshore equivalents. Over much of October, market expectations around central bank rate hikes increased substantially on the back of several hawkish surprises (BOC) as well as strong inflation data in Australia and New Zealand. On a sector basis, the IT (+2.1%) sector was the strongest performer despite higher bond yields, while Health Care (+1.0%), and Financials (+0.8%) also outperformed in Australia. The sectors which underperformed the most were the Industrials (-3.2%), Energy (-2.7%) and Consumer Staples (-2.3%).



This graph shows how $100,000 invested at the Fund's inception has increased to $686,100 (net of fees excluding performance fees). This compares very favourably with the return of the market, where a $100,000 investment would have increased to $507,100 over the same period. The returns exclude the benefits of imputation credits.

Performance figures have been calculated in accordance with the Financial Services Council (FSC) standards. No allowance has been made for taxation. Performance assumes the reinvestment of income distributions. Past performance is not necessarily an indicator of future performance.

	Direct Investment (Class A)	Platform Investment (Class B)
APIR code	PVA0002AU	PVA0022AU
Minimum Investment	$20,000	N/A
Issue price	$ 2.7254	$ 2.7269
Withdrawal price	$ 2.7048	$ 2.7063
Distribution (30/06/2021)	$ 0.0248	$ 0.0263
Indirect Cost Ratio (ICR)*	1.435% p.a.	1.23% p.a.
Performance fee**	20.5%	20.5%

* Unless otherwise stated, all fees quoted are inclusive of GST and the relevant RITC
** of performance (net of management fees and administration costs) above the agreed benchmark, subject to positive performance and a high water mark

Fund review & strategy

The Fund returned 0.6% for the month of October, outperformed its benchmark. It's was a month dominated by inflation concerns, rise in bond yields as we saw banks raised their home loan rates. Company commentaries from the AGM season included supply chain issues (some have inventory-built in anticipation), elevated shipping costs, higher input cost, wage pressure increasing due to restricted labour supply etc all contributing to inflationary pressure. However, the demand picture looks rosy especially for the retailers in a vaccine driven re-opening world. M & A activities remained rampant, so were equity raisings and IPOs. Contributors for the month were Macquarie Group (MQG +8.7%, solid results from very favourable market conditions and at the same time benefitted from commodity volatility), Oz Minerals (OZL +11.6% strong copper price) and Newcrest (NCM +9.9% gold stocks inflation trade, supported by lower US real rate). Detractors were Pendal Group (PDL, -19.6% short term institutional fund flow pressure but increased diversification of FUM by asset class, geography and channel is positive), BHP (-2.7%) and Fortescue (FMG -6.9%).

Two big banks reported their half year results towards end of October. ANZ and Westpac both declared dividends of around 2.5% for the Half but the share price reaction differed. ANZ was positively received due to good interest margin and better provisioning release even though cost has increased. Westpac announced a smaller than expected off-market buyback, rise in underlying cost including risk and compliance spend, fierce loan competition impacting margin. With the competitive landscape remaining intense, the structural appeal of the banking sector is limited. Earnings pressure is emerging as policy support is removed and macroprudential policies are being reintroduced to curb excesses in housing market. In general. a rising bond yield environment should benefit the sector. We continue to monitor our exposure to this sector after "harvesting" the dividends.

Top Contributors (Absolute)	Sector
Macquarie Group	Financials
Oz Minerals	Materials
Newcrest	Materials

Top Detractors (Absolute)	Sector
Pendal Group	Financials
BHP	Materials
Fortescue Metals Group	Materials

Platforms
Ausmaq, Beacon, BT Wrap, First Wrap, Hub24, Netwealth, Symetry, Wealthtrac

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