Prime Value
Equity Income (Imputation) Fund – November 2022

- Expectations of a slower pace of US interest rate increases and China COVID re-opening were supportive of markets in November.
- The Australian share market rose 6.5%, with the resources sector contributing half of the market's increase.
- The Fund returned 5.9% for the month of November, just under its benchmark.

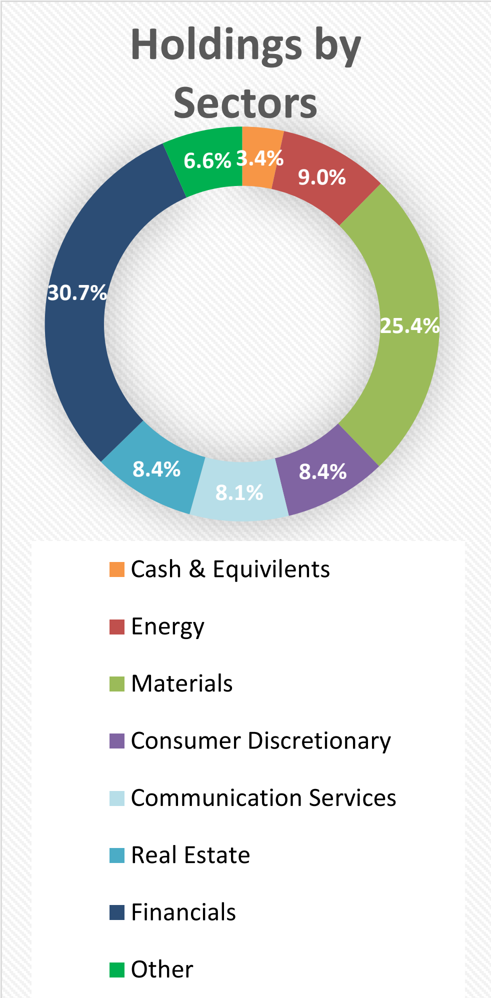
	Total Return*	Growth Return*	Distribution Return*	Total Return including Franking Credits**	S&P/ASX 300 Accumulation Index
Since inception (p.a.)	9.9%	4.7%	5.1%	12.0%	8.2%
10 Years (p.a.)	7.3%	2.8%	4.6%	9.5%	9.3%
5 Years (p.a.)	6.1%	0.9%	5.1%	8.5%	8.2%
3 Years (p.a.)	6.3%	1.2%	5.1%	8.7%	6.0%
2 Years (p.a.)	11.8%	5.9%	5.9%	14.7%	10.0%
1 Year	6.4%	-1.7%	8.1%	10.7%	4.3%
3 Months	5.6%	4.7%	0.9%	6.3%	5.7%
1 Month	5.9%	5.9%	0.0%	5.9%	6.5%

* 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
BHP Group	Materials
Commonwealth Bank	Financials
Macquarie Group	Financial
National Australia Bank	Financials
Woodside Energy	Energy

The top five holdings make up approximately 35.2% 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

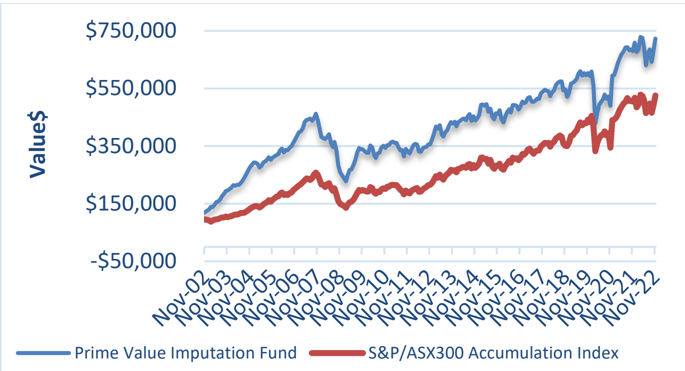


Market review

Equities had a strong month in November, as US Federal Reserve Chair Powell's comments on potentially slowing rate hikes "as soon as December" provided relief to markets. Investors were paying close attention to the Fed, looking for any signs of a potential moderation in the pace of rate hikes. News of China's move towards re-opening also boosted investor sentiment. The MSCI Developed Markets Index rose (+5.7%), and the S&P 500 Index gained (+5.6%). The Stoxx600 Index finished the month up +6.8% whilst the Hang Seng index had its largest monthly gain since 1998, rising +26.6%.

Gold had its biggest monthly gain since May 2021, rising +8.3%, despite a volatile month which saw investors speculate heavily on central bank monetary policy. Oil rallied in the beginning of the month, hitting monthly highs on the back of hopes China was looking to ease its Covid-Zero policy. The rally was short lived as China reaffirmed its commitment to Covid-Zero, dampening hopes of a demand rebound. The Aussie dollar rallied, climbing +6.2% over the month of November. The RBA's November meeting drove an initial decline in the currency following the Reserve Bank's decision to hike the cash rate by 25bps.

The Australian market rally continued through to November, with the ASX300 Accumulation Index up +6.5%. Sector contribution was broad-based, with all sectors adding value except Midcaps. Resources were preferred over Industrials. Broad market performance was driven largely by large caps, which outperformed their mid and small cap counterparts. Materials (+362bps) contributed over half of the total market return in November, driven largely by the large cap miners (BHP, FMG, RIO). Financials (+73bps) and Health Care (+59bps) were next best, largely driven by CBA (+26bps) and CSL (+46bps). Whilst all sectors added to the market performance, Technology and Communication Services, +8bps each, contributed the least.



This graph shows how $100,000 invested at the Fund's inception has increased to $723,900 (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 $426,000 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	$ 2.6571	$ 2.6587
Withdrawal price	$ 2.6369	$ 2.6385
Distribution (30/09/2022)	$ 0.0200	$ 0.0214
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 a strong 5.9% for the month, just under its benchmark. Key contributors were BHP (+21.8%), Oz Minerals (OZL +13.5%) and Mineral Resources (MIN +19.5% riding on strong lithium prices). Finance sector gave up some of its past gains as the major banks went ex-div. Detractors were NAB (-2.7%), ANZ (-3.2%) and Santos (STO -3.9%).

The Fund's resources holdings were strong contributors to performance in November. BHP, and other iron ore exposed miners, appreciated substantially over the month due to developments in China. The Chinese government has announced further incremental stimulus measures to support the property market which coincided with indications that Chinese COVID lockdown measures may begin to be eased earlier than expected. Copper miner, Oz Minerals was up 13.5% following a revised takeover offer (and most likely final offer) from BHP. We believe Oz Minerals assets will be a positive addition to BHP as it's best placed to extract efficiencies from a combined operation, whilst in the longer term, the demand for copper should increase as electrification increases.

As we approach the end of CY22, much of the asset price adjustment from the rapid interest rate rise has arguably been priced in. Some earning downgrades have occurred (via trading updates and AGM commentaries) but we expect more to come in the half-yearly reporting time. Management outlook and commentary will be keenly watched again. Australia market is trading at PE of 14.5X, in-line with long-term average, not overly expensive – of course it depends on the "E". Central Bankers continue to balance growth and inflation in their deliberation. We also cannot discount the usual geopolitical wildcards. We remain cautious and continue to hold a balanced portfolio aiming for good total return.

Top Contributors (Absolute)	Sector
BHP	Materials
Oz Minerals	Materials
Mineral Resources	Materials

Top Detractors (Absolute)	Sector
NAB	Financials
ANZ	Financials
Santos	Energy

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

Contact details:

Andrew Russell - Director, Investor Relations
arussell@primevalue.com.au

Daniel Leong – Director, Investor Relations
daniel.leong@primevalue.com.au

Phone: 03 9098 8088
Email: info@primevalue.com.au

Mail:

Prime Value Asset Management Ltd
Level 9, 34 Queen Street
Melbourne VIC 3000
Web: www.primevalue.com.au