Prime Value
Equity Income (Imputation) Fund – October 2023

- Equity markets, including the ASX, posted broad declines in October, on expectations that US interest rates would stay higher for longer. However, we observed a sharp recovery of global shares in early November as rates and geopolitical concerns eased.
- Fund returned -3.3% for the month of October, outperformed its benchmark.

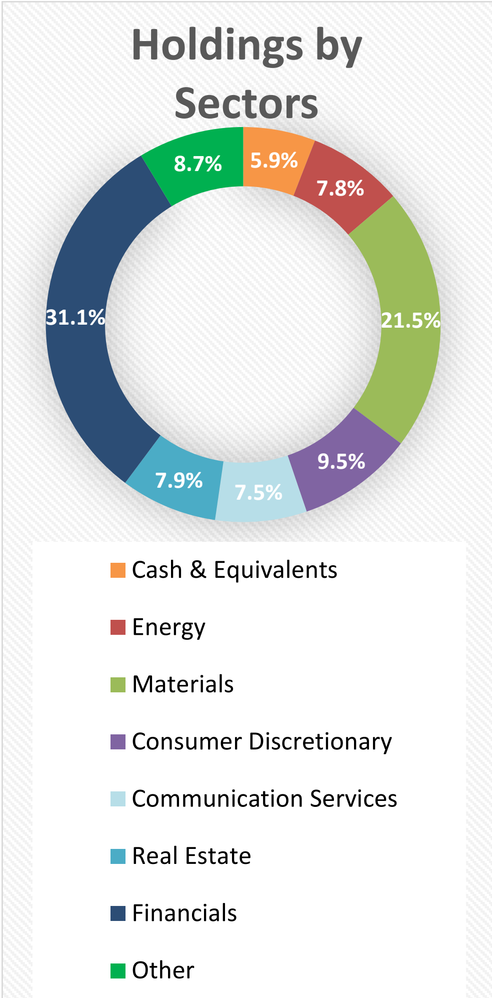
	Total Return*	Growth Return*	Distribution Return*	Total Return including Franking Credits**	S&P/ASX 300 Accumulation Index
Since inception (p.a.)	9.4%	4.3%	5.1%	11.5%	7.7%
20 Years (p.a.)	6.7%	3.8%	2.9%	8.9%	8.1%
10 Years (p.a.)	5.1%	0.7%	4.4%	7.3%	6.6%
5 Years (p.a.)	5.6%	0.4%	5.2%	8.1%	7.2%
3 Years (p.a.)	11.0%	5.7%	5.3%	13.7%	8.7%
1 Year	4.5%	0.6%	3.9%	6.5%	2.5%
3 Months	-4.9%	-5.6%	0.7%	-4.3%	-7.3%
1 Month	-3.3%	-3.3%	0.0%	-3.3%	-3.8%

* 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	Financials
National Australia Bank	Financials
Wesfarmers	Consumer Discretionary

The top five holdings make up approximately 33.8% 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



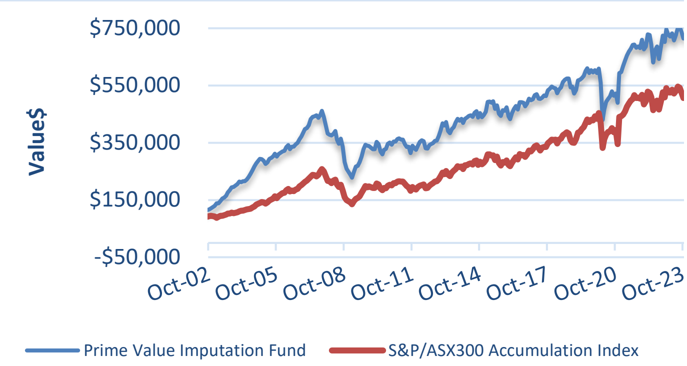
Market review

Equities struggled in October triggered by a spike in geopolitical fears and a firming realisation that interest rates are set to remain higher for longer. The MSCI Developed Markets Index fell over the month (-2.6%), while the S&P 500 Index also fell (-2.1%). European stocks fell by a larger amount with the DJ Euro Stoxx 50 Index falling 3.5% although Asian stocks, measured by the MSCI Asia ex Japan Index, fared slightly better, declining by 2.7%.

Commodity prices were mixed over October. Brent Oil fell by US$7.86 to US$87.45/bbl, on macro growth concerns offsetting geopolitical news flow in the Middle East. Iron Ore prices held broadly steady, rising by US$2.50 to US$122.00/Mt, however depressed rebar prices and spreads signal softening steel demand by China. Short-covering and safe haven demand has continued to drive gold higher, rising by US$127.10 to US$1,998.

The ASX300 Accumulation Index fell 3.9% in October. We observed the market traded to 52 week lows in October, following a third consecutive monthly drawdown. Losses were broad based, Financials (-104bps) detracted the most from index performance, whilst the Health Care sector (-64bps) added to losses on a calendar year to date basis. We also observed meaningful pull-backs across the Industrials, Real Estate and Energy sectors. The energy sector reversed its previous month run up, posting a retracement linked to the oil price (down 8.3% month on month).

Losses were broad-based, across size and macro indices and sectors, with Utilities the sole sector to close higher during the month. Large caps fared better than small-and mid-cap indices in October. With the exception of mid-caps, resources stocks performed better over industrial companies.



This graph shows how $100,000 invested at the Fund's inception has increased to $714,600 (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 $506,300 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 (Ex)	$ 2.5250	$ 2.5277
Withdrawal price (Ex)	$ 2.5058	$ 2.5085
Distribution (30/09/2023)	$ 0.0190	$ 0.0202
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

Fund returned -3.3% for the month of October in a month where the hawkish pivot of central banks and the geo-political conflict in the Middle East continued to impact a rather fragile market. Financials suffered the bulk of the negative sentiments. Absolute contributors for the month were Super Retail (SUL +9.9% sales tracking well), Monash IVF (MVF +3.2%) and RIO (+3.5%). Detractors were Mineral Resources (MIN -14.6%), Macquarie Group (MQG -4.0%) and Woodside (WDS -6.1%). During the month, our long-held gold name – Newcrest (NCM), completed the acquisition by Newmont and now trades under NEM as CDI in ASX listing. NEM is one of the largest mining companies in the world by market value and production volume, with a portfolio of long mine life, low cost assets. Management will continue to rationalize the portfolio by selling the non-core assets. We held NCM partly for the gold "safe haven" characteristic and its long-life assets. We will continue to assess our NEM holding in the coming months.

Three major banks and Macquarie Group will report in November. Rising interest rate had been a tailwind for banks but competition eroded some of the gains. Cost pressure will continue. The "cheaper" banks - Westpac and ANZ continue to look better value and more attractive on the Price/Book basis relative to their historical average. It is expected they will continue to provide dividend yield of circa 5+% pa. We hold banks into the reporting time for distribution purpose.

We continue to hold a balanced portfolio, seeking sustainable dividends plus medium-term growth opportunities.

Top Contributors (Absolute)	Sector
Super Retail Group	Consumer Discretionary
Monash IVF	Health Care
RIO	Materials

Top Detractors (Absolute)	Sector
Mineral Resources	Financials
Macquarie Group	Financials
Woodside	Energy

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

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