Prime Value Opportunities Fund
Fund Update (Class A and B) – Nov 2024

- Conclusion of the US election saw most stock markets post gains through November.
- The ASX300 Accumulation Index gained 3.7%, led higher by the banks and technology companies. Materials and healthcare companies lagged.
- The Fund posted marginally higher gains compared to the ASX300 Accumulation Index for the month. Good individual stock performance more than compensated for the Fund's smaller holding of banks compared to the boarder market.

	Total Return*	Benchmark (8% pa)	Value Add
Since inception (p.a.)	10.1%	8.0%	2.1%
10 Years (p.a.)	8.7%	8.0%	0.7%
7 Years (p.a.)	7.9%	8.0%	-0.1%
5 Years (p.a.)	8.0%	8.0%	0.0%
3 Years (p.a.)	5.4%	8.0%	-2.6%
1 Year	23.3%	8.0%	15.3%
3 Months	6.5%	2.0%	4.5%
1 Month	3.7%	0.7%	3.0%

* 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**). 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.

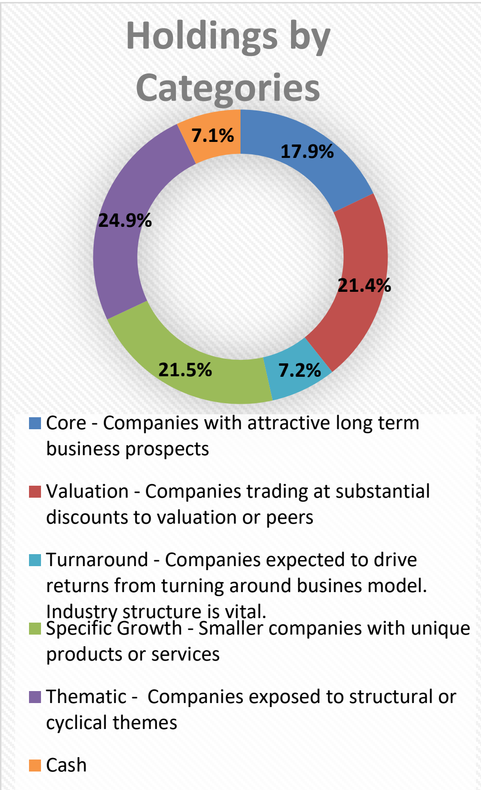
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FYTD	ITD
FY 2013					1.8%	1.7%	4.3%	6.2%	(0.6%)	4.0%	(2.2%)	(1.6%)	**14.1%**	**14.1%**
FY 2014	4.4%	2.6%	4.3%	5.0%	(1.1%)	1.5%	(1.9%)	5.9%	0.2%	0.3%	0.3%	(1.4%)	**21.4%**	**38.5%**
FY 2015	2.5%	1.0%	(4.1%)	3.1%	(1.9%)	0.7%	1.5%	5.7%	1.4%	(1.0%)	0.5%	(4.3%)	**4.6%**	**44.9%**
FY 2016	5.3%	(3.7%)	0.1%	5.5%	1.7%	2.4%	(3.4%)	(1.9%)	3.6%	2.3%	4.4%	(1.8%)	**14.9%**	**66.5%**
FY 2017	6.5%	(1.7%)	(0.5%)	(4.9%)	(0.2%)	2.7%	(1.1%)	2.4%	2.1%	1.3%	(1.2%)	1.2%	**6.3%**	**77.0%**
FY 2018	(1.2%)	1.0%	0.4%	4.2%	1.6%	0.4%	(0.2%)	2.5%	(2.5%)	3.0%	2.1%	2.4%	14.3%	102.4%
FY 2019	1.7%	2.6%	(1.9%)	(8.2%)	(1.9%)	(1.8%)	3.2%	3.4%	0.2%	2.9%	0.3%	2.6%	2.5%	107.5%
FY 2020	2.9%	(2.3%)	0.2%	1.0%	3.0%	(2.0%)	4.9%	(5.8%)	(16.8%)	8.0%	5.4%	3.0%	(1.1%)	105.2%
FY 2021	1.6%	4.1%	(3.6%)	0.5%	7.9%	2.1%	(0.1%)	2.3%	1.5%	4.6%	1.3%	3.0%	27.7%	162.0%
FY 2022	0.9%	3.9%	-1.4%	0.3%	0.6%	1.9%	(7.3%)	(2.5%)	5.7%	-0.3%	-4.8%	-7.9%	(11.2)%	132.6%
FY 2023	6.5%	1.8%	-6.5%	4.8%	4.1%	-3.4%	5.5%	(1.3%)	(1.9%)	1.3%	(2.0%)	1.9%	10.0%	155.8%
FY 2024	2.5%	0.4%	(2.8%)	(4.7%)	6.3%	6.7%	2.5%	0.5%	3.5%	(3.5%)	1.4%	1.9%	15.2%	194.6%
FY 2025	3.5%	(1.4%)	2.7%	0.0%	3.7%								8.5%	220.0%

Top five holdings	Sector
Commonwealth Bank	Financials
BHP Group	Materials
CSL Limited	Health Care
National Australia Bank	Financials
Macquarie Group	Financials

The top five holdings make up approximately 35.7% of the portfolio

Feature	Fund facts
Portfolio Manager	ST Wong
Investment Objective	The Fund seeks to achieve absolute total returns by providing medium to long term capital growth without the constraints of a share market benchmark. The composition of the Fund will differ from the typical Australian equity fund.
Benchmark	8.0% pa
Inception Date	5 November 2012
Cash	0 - 100%
International Exposure#	0 - 20%
Distributions	Half-yearly
Suggested Investment Period	3+ years
Research Rating	Zenith – Recommended Lonsec - Recommended

The Prime Value SIV Opportunities Fund will have no exposure to international securities in accordance with SIV

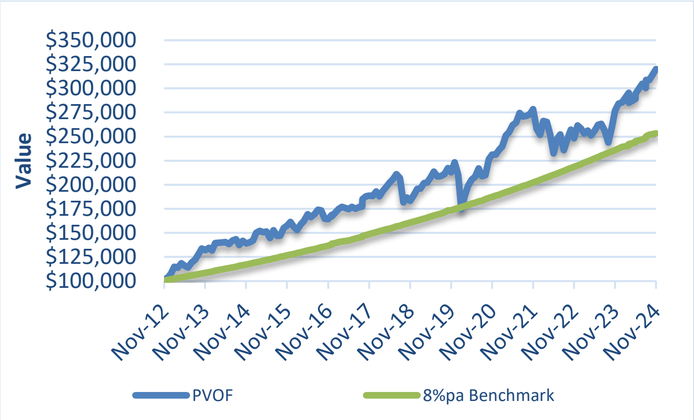


Market review

Global stock markets posted good gains through November. Notable macro news flow this month was of course Donald Trump winning the US presidential election with markets starting to react to potential policy changes across immigration, tariffs, healthcare and climate change. The MSCI Developed Markets Index increased by 4.9% through the month, with the US S&P 500 Index gaining 5.9% for its largest monthly rise this year and the Nasdaq Index up 6.1%. In contrast, emerging markets posted mixed performance. Both the Chinese and Japanese (albeit a major market) stock markets struggled through the month due to a combination of concerns of potential negative impacts from US policy changes and domestic growth prospects.

The Australian 10-year government bond yield rallied 16 basis points over the month down to 4.34%. Brent Oil and Iron Ore prices were largely flat over the month, whilst gold prices fell from the October's all-time highs. Trump trades continued to support US Dollar strength, up ~2% for the month. The Australian Dollar depreciated by 1.2% against the US Dollar but was unchanged against its major trading partners as measured by the Trade Weighted Index.

Returns were positive across all size biased indices on the ASX in November, with the MidCaps sector performing the best (+5.7%). Broadly the ASX300 Accumulation Index rose 3.7% but lagged its developed market peers. Technology was the best performing ASX sector in November, replicating enthusiasm in the US technology sector, with Utilities and Discretionary also performing well. However, Financials accounted for over 60% of the index gains, through the Banks (+169bps), supported by Insurance (+41bps), Discretionary (+51bps), Industrials (+40bps) and Technology (+32bps). On the flip side performance was lost largely through the Materials sector (-55bps).



This graph shows how $100,000 invested at the Fund's inception has increased to $320,000 (net of fees excluding performance fees). This compares very favourably with the return of the benchmark, where a $100,000 investment would have increased to $253,300 over the same period. The returns exclude the benefits of imputation credits.

Performance figures have been calculated in accordance with the 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	PVA0005AU	PVA0006AU
Minimum Investment	$20,000	N/A
Issue price (Cum)	$1.7851	$1.7555
Withdrawal price (Cum)	$1.7715	$1.7423
Distribution (30/06/2024)	$ 0.1994	$ 0.1975
Indirect Cost Ratio (ICR)*	0.95% p.a.	0.95% p.a.
Performance fee**	15%	15%

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

Fund review and strategy

The Fund gained 3.7% over the month and outperformed the ASX300 Accumulation Index marginally in a strong performing market. The Fund is up by 8.6% for the FYTD25 and 23.4% on a 1-year basis. The largest contributors to performance in November included Commonwealth Bank (+11.1%), QBE Insurance (+16.2%) and industrial conglomerate SGH, formerly known as Seven Group (+18.7%). BHP (-4.8%) was a large detractor to performance as excitement over China's planned economic stimulus petered out. Other detractors included CSL (-1.6%) and Integral Diagnostics (-6.7%).

We invested in QBE Insurance two years ago on account of the company's potential as a turnaround company. Prior to that, we have observed the company for many decades. We had reservations of investing in QBE through our many years of observing the company—it was a complex organisation which was exposed to cyclical insurance markets. This made getting confidence in the group's ability to sustain earnings growth very challenging. Hence, we have stayed away from making an investment in QBE. Looking back, we believe our investment disciplined has worked well, as the company's share price had stagnated over a long period of time. More recently, QBE's management has been re-shaping the company. QBE exited a number of higher risk businesses, and simplified its operations. With better transparency in the company we believe QBE is becoming a better managed and higher quality business. In the most recent quarterly update, QBE reported the company is on track to meet its profit expectations for 2024. That increases our confidence in the company's prospects for 2025

Outlook: In the last 18 months, ASX returns have been disproportionately driven by a narrow group of stocks, predominantly major banks. This concentration has contributed to the underperformance of resources and energy stocks and mid-cap growth stocks relative to their large-cap peers. As we go into 2025, we expect to hold a diversified portfolio and look to a broader participation of the market rally to maintain good risk adjusted returns. New additions to the portfolio in the last few months have been consistent with this view.

Top contributors (absolute)	Sector
Commonwealth Bank	Financials
QBE Insurance	Financials
SGH Group	Industrials

Top detractors (absolute)	Sector
BHP Limited	Materials
CSL	Health Care
Integral Diagnostics	Health Care

Platforms
BT Wrap, Macquarie Wrap, Netwealth, Hub24, Power Wrap

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