

April 2009 Report

Fund Performance to 30 April 2009

	Month %	3 Months %	1 Year %	2 Years %	3 Years %	Since Inception % p.a.
Maxim Property Securities Fund (Maxim PSF)*	+7.11	-7.82	-58.39	-41.02	-22.54	-17.41
S&P/ASX 300 A-REIT Accumulation Index	+6.24	-10.80	-57.23	-42.82	-24.20	-18.98
Value Added	+0.87	+3.02	-1.16	+1.80	+1.66	+1.57
Capital Growth	+7.03	-11.83	-63.89	-49.84	-31.64	-26.99
Income Distribution	0.00	+3.79	+5.07	+8.24	+8.35	+8.76
Net Performance (After Fees but Before Tax)	+7.03	-8.04	-58.82	-41.60	-23.29	-18.23

* Gross Returns (i.e. before Fees and Taxes).

Past Performance is not a reliable indicator of future performance.

Market Review

As investor confidence registered a positive bias on the back of better than expected economic data releases, April saw equity markets around the world move steadily higher. The best improving sectors included the financial stocks whilst cyclical stocks fared better than their defensive counterparts. In Australia however, the financial sector lagged somewhat, no doubt due to some disappointment with the banking results announced towards month end. ANZ and NAB's full year profit releases were marred by higher bad and doubtful debt charges.

In the US, their bond market reversed the March rally with US Treasuries rising sharply on the back of the prospect for increased supply because of worsening budget deficit.

In Australia, the S&P/ASX 300 A-REIT Accumulation Index rose 6.2% in April outperforming the broader equity market as measured by the S&P/ASX 300 Accumulation Index by 0.5% as it rose 5.7% over the period. For the year to date the A-REIT Index has returned -19.4% whilst the broader equity market has outperformed by 23.1% providing a return of +3.7%.

At the property sub-sector level, the Industrial REITs were the best performing group for the month, rising 12.08% whilst the Commercial sub-sector fared worst falling 3.5%. **Table 1** lists the individual property sub-sectors and their returns over April:

Table 1 (Source UBS)

Property Sub-Sector	% Change on Month
Industrial	+12.0
Retail	+5.9
Leaders	+4.6
Diversifieds	+2.8
Commercial/Office	-3.5

At the individual stock level of the S&P/ASX A-REIT 300 Index constituents, the gap between best to worst performing stock in April was 111% with Tishman Speyers Office Fund returning +101.3% whilst Commonwealth Office Property Fund fared worst, falling 9.9%. **Table 2** lists the five best performing S&P/ASX 300 A-REIT Index securities in April whilst **Table 3** lists the five worst.

Table 2

Code	Name	Price 30 April	%
TSO	Tishman Speyer	\$0.155	101.30
VPG	Valad Property Group	\$0.059	73.53
CER	Centro Retail Group	\$0.044	57.14
MDT	Macquarie DDR Trust	\$0.054	38.46
IIF	ING Industrial Fund	\$0.170	36.00

Source IRESS

Table 3

Code	Name	Price 30 April	%
CPA	Commonwealth Prop	\$0.815	-9.94
AEZ	APN European Retail	\$0.041	-8.89
CNP	Centro Properties	\$0.063	-5.97
APZ	Aspen Group	\$0.390	-4.88
CFX	CFS Retail Property	\$1.645	0.92

Source IRESS

Outlook

Financial markets in general appear to be recovering from their early March lows although investors are still divided as to whether this is the start of a sustainable market recovery or merely a bear market rally likely to fizzle out in the not too distant future. There does appear to be some minor indications that the tide has in fact turned but, many pundits argue that markets have not yet worked through the worst in terms of the longer term impact that the crisis has brought about.

Needless to say, for both the local and international REIT markets, the harsh realities are that a lot of entities are actively looking to reduce debt levels, (preferably through asset sales) whilst there are few, if any, willing buyers at price levels sought by vendors. With a number of capital raisings already having taken place, there is an expectation that there are more raisings in the pipeline, thus making for a still nervous market. Interestingly, in the current environment, investors appear to be willing to take on a little more risk whilst shying away from what were previously perceived as being defensive stocks.

Maxim is of the view that the A-REIT market is likely to look to consolidate around current levels for some time yet before moving higher as cash rates remain at low levels.

Maxim Property Securities Fund

ARSN 116 193 563 [APIR Code COL0001AU](#)

The Maxim Property Securities Fund (Maxim PSF) returned +7.03% (after Fees but before Tax) in April whilst the S&P/ASX 300 A-REIT Accumulation Index returned +6.24% over the same period. (Refer Page 1 for more detailed comparisons over longer term horizons).

Positive contributors to performance included the fund's exposure to Australand ASSETS securities and to the Abacus Group and also its zero weighting in Commonwealth Office Property Fund. Negative contributors to performance included the Fund's underweighting to the Westfield Group and its Zero exposures to Mirvac and Macquarie Office Fund.

Portfolio Summary

During April, exposures to FKP Property Group and ING Industrial Trust were introduced whilst the Fund also participated in the Dexus Property Group capital raising. At month end, Maxim PFS held investments in 14 listed securities representing 74.2% of the portfolio and 3 unlisted securities accounting for 22.5% of the portfolio. Cash /Liquidity represented 3.2% of portfolio exposure.

Strategy

Although sentiment remains in the main to be negative towards the property sector, we are of the view that the current discounted pricing of a number of well managed REIT securities characterised with low levels debt, offer sound long term investment opportunities such as the Abacus and Aspen Groups.

Notwithstanding the impact of Government's stimulus package, the Portfolio remains underweight the retail sector in expectation of a more difficult trading environment in the months ahead as unemployment rises.

Fund Positioning

Active Security Positions

Over Weights

Aspen Group
Australand ASSETS
Cedar Woods
Goodman Group
Peet Limited

Under Weights

CFS Retail
Commonwealth Office
Dexus Property
Mirvac Group
Westfield Group

Maxim PSF Unit Price As at 30 April 2009

NAV: \$0.3685

BUY: \$0.3694

Sell: \$0.3676

Maxim PSF last 4 Distributions

30 June 2008	1.8995 cents per Unit
30 September 2008	0.7089 cents per Unit
31 December 2008	0.7955 cents per Unit
31 March 2009	1.5887 cents per Unit

Research House Ratings

Adviser Edge Rating ★★★★★

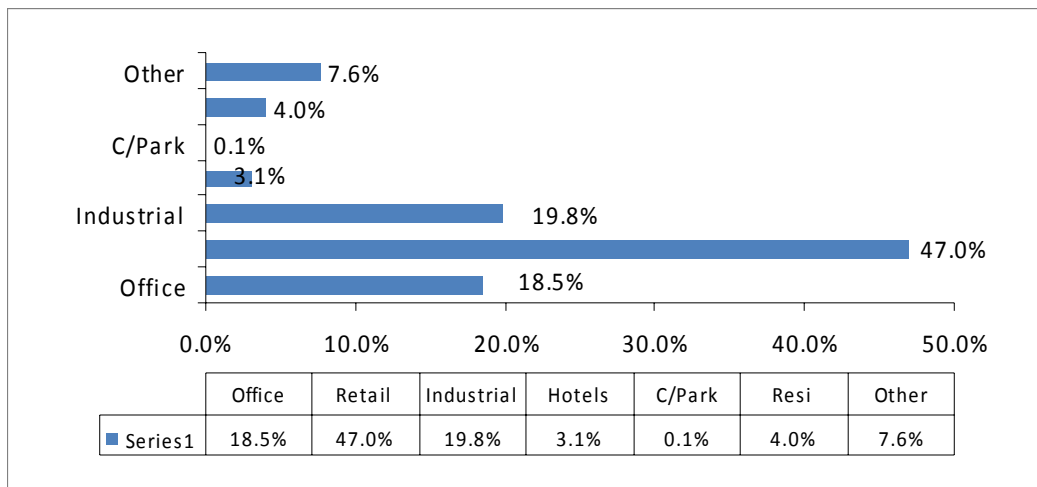
Platforms



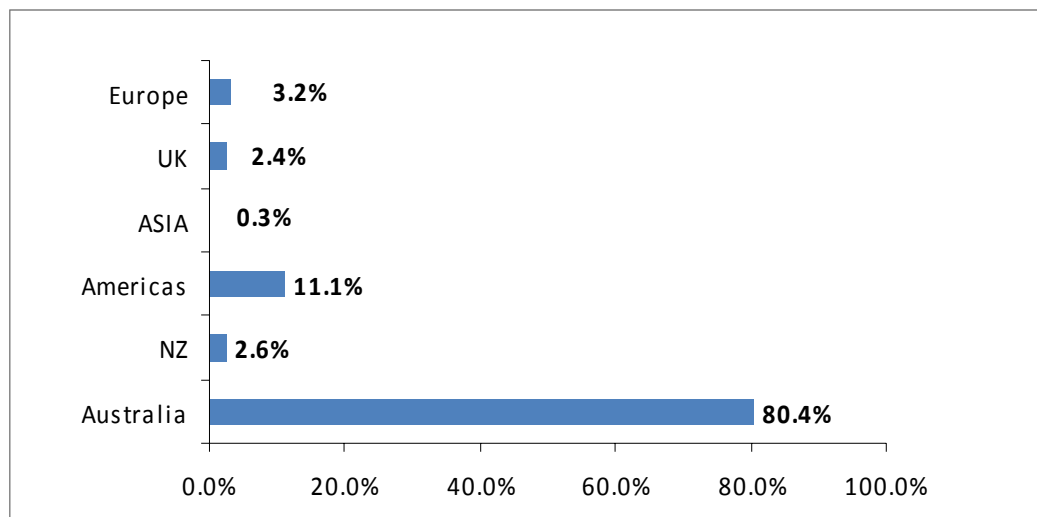
Macquarie Wrap Solutions
Symetry

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Maxim Property Securities Fund-Exposures as at 30 April 2009



Maxim Property Securities Fund-Geographic Exposures as at 30 April 2009

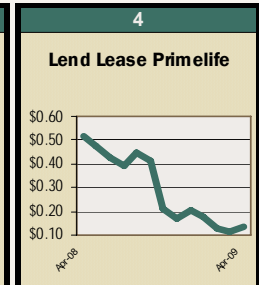
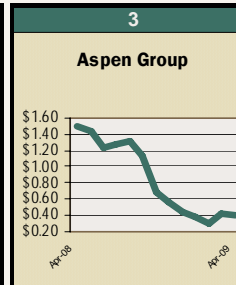
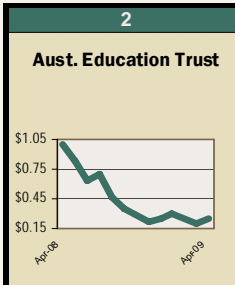


Contact Details

For additional information about the Maxim Property Securities Fund, or for more information on Maxim Asset Management, please contact us either by phone or email: Phone: 02 8904 0163 Email: info@maximam.com.au

Property Securities - Monthly Charts from 30 April 2008

1	
	Maxim PSF
Listed Securities Held	14
Unlisted Securities	3
Listed Securities	74.2%
Unlisted Securities	22.5%
Cash/Liquidity	3.2%
Total	100.0%

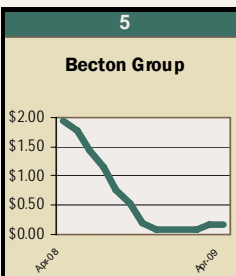


Closing Prices 30 April 2009

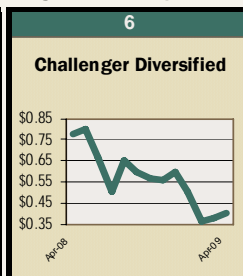
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\$0.39

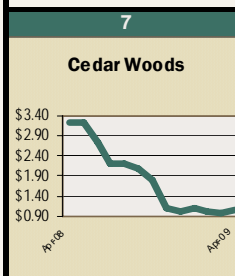
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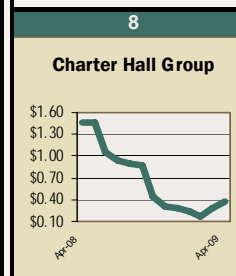
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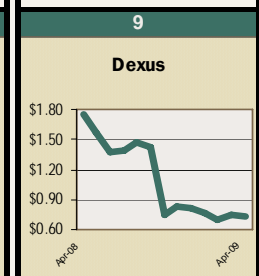
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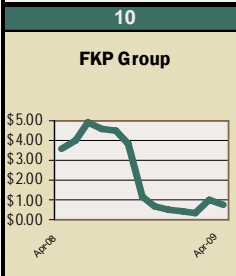
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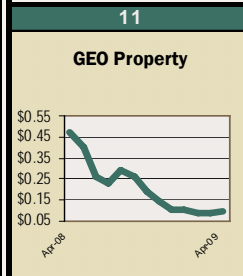
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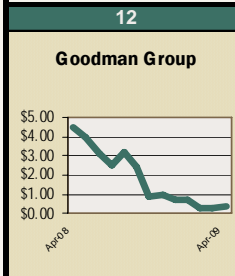
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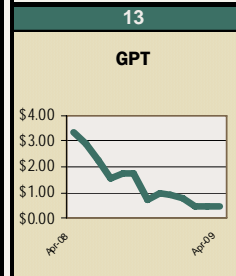
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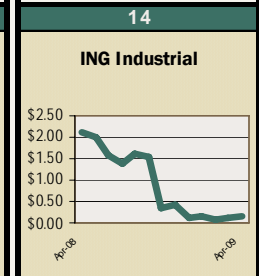
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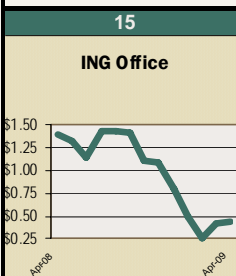
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\$0.47



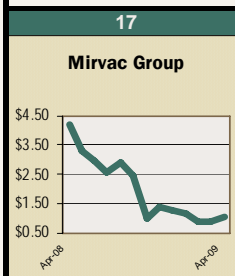
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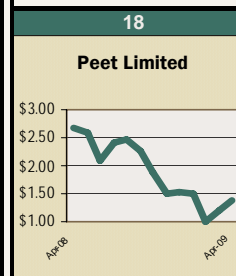
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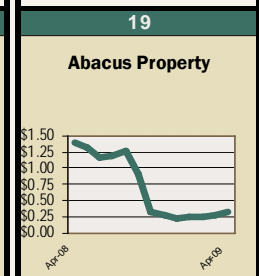
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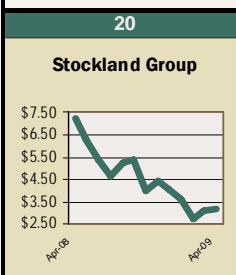
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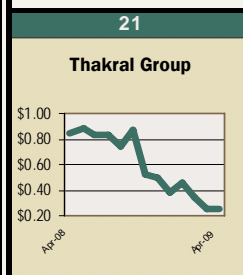
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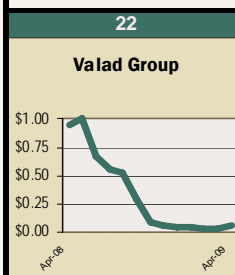
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\$3.14



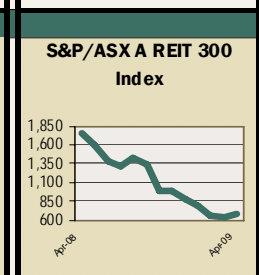
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\$0.059



\$10.73



689.4

Data: IRESS