



January 2008 Report

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Maxim Property Securities Fund 31 January 2008 Unit Price	
NAV	\$1.0331
BUY	\$1.0357
SELL	\$1.0305

Maxim Property Securities Fund Last 4 Distributions	
31 Mar 07	1.2038 cents
30 Jun 07	13.6856 cents
30 Sep 07	1.1526 cents
31 Dec 07	1.4707 cents

Maxim PSF 1 Year Returns	
Income	+12.68%
Growth	-25.07%
Total	-12.39%

Contact Details

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Fund Performance

In January 2008, the Maxim Property Securities Fund (Maxim PSF) returned **-12.39%** (after Fees but before Tax) outperforming the S&P/ASX 300 Property Accumulation Index by +1.93% as it fell **-14.33%** over the same period. The Maxim Diversified Property Fund (Maxim DPF), which has a higher exposure to unlisted property securities, returned **-6.78%** in January (Refer Page 2 for more details relating to the individual funds).

Market Review

The S&P/ASX 300 Property Accumulation Index fell 14.3% in January compared to a fall of 11.0% recorded by the general equity market as measured by the S&P/ASX 200 Accumulation Index. From its peak in February 2007, the Listed Property Securities (LPT) sector has fallen 26.4% as at January month end, having recorded monthly falls of 6.4%, 6.7% and 14.3% in November 2007, December 2007 and January 2008 respectively.

At January month end, the Aussie Dollar closed at US89.6 cents, up 2.1 cents from its previous monthly close at US87.5 cents. Australian 10 Year Bond rates fell 23 basis points to 6.09%.

In January, the best performing property sub-sector was the Leaders which fell 12.2% whilst the Commercial trusts fell the most (18.4%). Table 1 lists the property sub-sectors and their returns over January 2008.

Table 1

Leaders	-12.2%
Industrials	-13.0%
Retail	-13.4%
Diversified	-14.8%
Commercial	-18.4%

Source UBS

Table 2 lists January's top five performing S&P/ASX 300 Property Index property securities.

Table 2

Security	Security Name	Price 31/01/2008	January Return %
MPF	Multiplex Acumen	112.0	-6.67
GPT	GPT Group	375.0	-7.18
GJT	Galileo Japan Trust	71.0	-7.79
MCW	Macquarie Countrywid	149.0	-9.70
CFX	CFS Retail Property	211.0	-9.83

Source IRESS

The 5 worst Index performers for January are listed in Table 3.

Table 3

Security	Security Name	Price 31/1/08	January Return %
CER	Centro Retail Group	46.5	-51.05
RAT	Rubicon America	42.5	-42.57
REU	Rubicon Europe	38.0	-39.20
CHC	Charter Hall Group	158.5	-36.35
CNP	Centro Properties	66.0	-34.65

Source IRESS

The negative impact of Centro Properties' December announcement, regarding difficulties with refinancing its short term debt obligations, continued to have a damaging impact on the LPT sector in January. An additional decaying factor in investor confidence was the growing prospect of a recession in the USA with recent market sentiment reaching a low on 22 January. In the USA, in response to the financial market turbulence, the Federal Reserve saw fit to reduce the Fed Fund's rate by 75 basis points followed by a further 50 point cut one week later. This contrasts with the prospect of the Reserve Bank of Australia announcing another interest rate rise of 25 basis points early in February.

Outlook

February will mark the start of the half year reporting season which, in the main, is expected to provide the property sector with a stabilising influence particularly for those quality enterprises which are well capitalised.

Taking into account the magnitude of recent market falls, the LPT sector is now offering a distribution yield of 7.2% which is a premium of around 25 basis points to the 90 Bank Bill rate and about 75 basis points premium to 10 year bonds. At current levels, the LPT sector is now considered to offer long term value albeit a cautionary approach is still warranted in the near term.

Company results will be closely monitored over the up coming reporting period with particular attention being paid to a number of issues including gearing levels, asset values and corporate governance issues. Providing the results do indeed act as a stabilising influence on sentiment, it is proposed to take advantage of opportunities to increase exposure to a number of Maxim's preferred quality names such as Stockland, GPT and Colonial Retail Trust.

## Maxim Property Securities Fund

ARSN 116 193 563      APIR Code COL0001AU

The Maxim Property Securities Fund (Maxim PSF) returned **-12.39%** in January, out-performing the S&P/ASX 300 Property Accumulation Index by **1.93%** over the period. Over the 12 months ended 31 January 2008, Maxim PSF has out-performed its Benchmark by **9.03%**. Table 3 compares the returns of Maxim PSF with the Benchmark Index over various time frames.

Table 3

	Jan-08	Jan Qtr	6 Months	1 Year	2 Years	Since Inception
Maxim PSF	-12.39%	-19.16%	-10.43%	-14.28%	+7.75%	+9.69%
Index	-14.33%	-25.16%	-17.81%	-23.30%	+3.20%	+5.48%
Relative	+1.93%	+6.00%	+7.38%	+9.02%	+4.55%	+4.21%

The top three positive contributors to Fund performance over January included the Westfield and Mirvac Groups followed by DB RREEF.

Detractors from portfolio performance mainly comprised of holdings which are not constituents of the S&P/ASX 300 Property Index and included Babcock & Brown Communities Group, FKP Group and Lend Lease Corporation.

### Portfolio Summary

As at January month end, Maxim PFS held investments in 21 listed securities (86.5% of portfolio) and 4 unlisted securities (11.5%). Cash /Liquidity represented 2.0% of the portfolio. Due to the fall in the value of the Fund's listed securities in January, the Fund's exposure to unlisted securities was in excess of its 10% limit. It is expected to have the Fund's exposure to unlisted securities revert back to the 10% level in February.

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## Maxim Diversified Property Fund

ARSN 123 372 047      APIR Code COL0005AU

The Maxim Diversified Property Fund (Maxim DPF) returned **-6.78%** in January. For the Quarter ended 31 January, Maxim DPF returned **-10.39%**.

Table 4 compares the returns of Maxim DPF with the S&P/ASX 300 property Accumulation Index over a number of different time frames.

Table 4

	Jan-08	Jan Qtr	6 Months	Since Inception
Maxim DPF	-6.78%	-10.39%	-4.81%	-4.40%
Index	-14.33%	-25.16%	-17.81%	-21.03%
Relative	+7.55%	+14.77%	+13.00%	+16.63%

The Diversified Fund benefited from its exposure to unlisted property in recent months and particularly over January. This is expected to continue to be a feature over the coming months due to the volatile listed market.

### Portfolio Summary

As at January month end, Maxim DPF held investments in 20 listed securities (32.8% of portfolio) and 3 unlisted securities (63.9%). Cash /Liquidity represented 3.3% of the portfolio. Due to the fall in the value of the Fund's listed securities in January, exposure to unlisted securities remained in excess of its 60% limit to unlisted securities over January as opposed to the Fund having made additional purchases of unlisted securities. It is expected to have the Fund's exposure to unlisted securities revert back to the 60% level by the end of February.

### Contact Details

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## Maxim Diversified Property Fund (Maxim DPF) Key Features

These are some of the features of the Maxim Diversified Property Fund.

### Investment Strategies

Investment objective	To provide consistent and regular levels of income combined with some capital growth
Investment strategy	The Fund will invest predominantly in a range of Australian property securities, including listed and unlisted securities. The Fund may also have exposure to direct property assets.

### Investment into the Fund

Minimum initial investment	\$10,000
Minimum additional investment	\$2,000
Suggested minimum investment period	5 years

### Applications/withdrawals

Minimum withdrawal	\$5,000
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### Fees and Charges

Management fee	1.28125% (inclusive of GST Net of Reduced Input Tax Credit)
Administration fee	Nil
Entry fee	Nil
Exit fee	3.0% < 0-1 Year; 2.0% < 1-2 years, 1.0% < 2-3 years; Zero after 3 Years
Buy Spread	0.30%
Sell Spread	0.30%

### Distributions

Quarterly as at 30 September, 31 December, 31 March and 30 June

**The Maxim Diversified Property Fund invests mostly in Australian listed (or soon to be listed) property and property related securities which may be either listed or unlisted.**

## Maxim Property Securities Fund (Maxim PSF) Key Features

### Investment Strategies

Investment objective	To outperform the S&P/ASX300 Property Accumulation Index
Investment strategy	To invest primarily in Australian listed property and property related securities

### Investment into the Fund

Minimum initial investment	\$25,000
Minimum additional investment	\$10,000
Suggested minimum investment period	3 years

### Applications/withdrawals

Minimum withdrawal	\$10,000
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### Fees and Charges

Management fee	Capped by Maxim Asset Management at 0.97375% (including GST)
Administration fee	Nil
Entry fee	Nil
Exit fee	Nil
Buy Spread	0.25%
Sell Spread	0.25%

### Distributions

Quarterly as at 30 September, 31 December, 31 March and 30 June

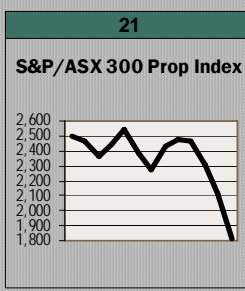
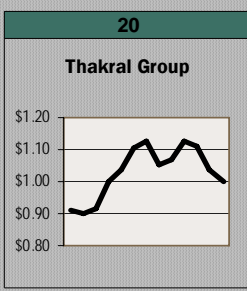
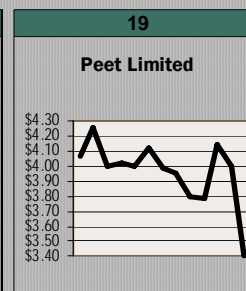
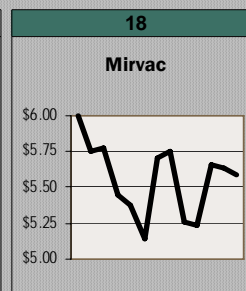
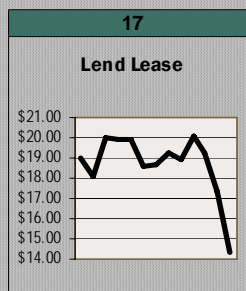
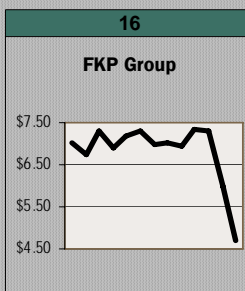
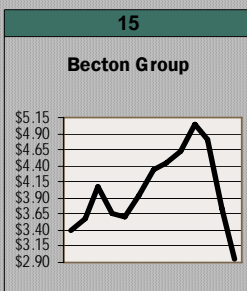
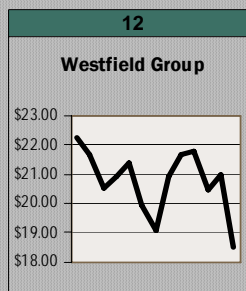
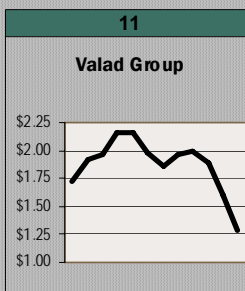
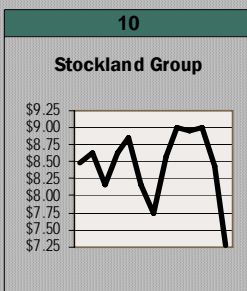
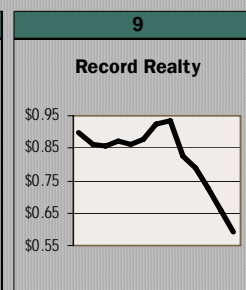
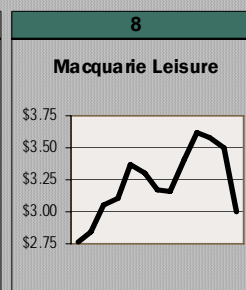
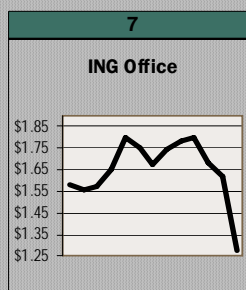
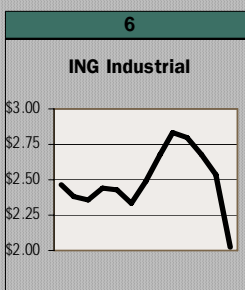
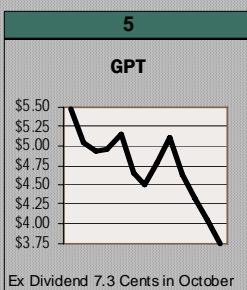
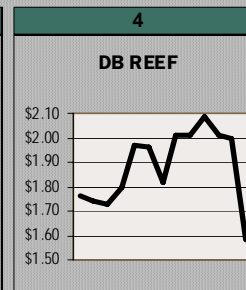
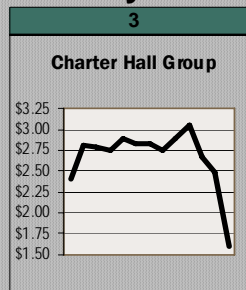
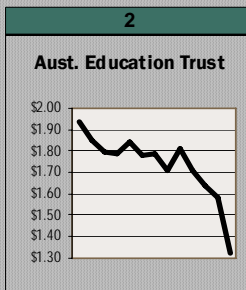
**The Maxim Property Securities Fund invests mostly in Australian listed (or soon to be listed) property securities and property related securities but has the ability to invest a small portion of the Fund's assets in unlisted property securities and international property securities as well as cash.**

**The Fund aims to deliver a yield in excess of the benchmark together with moderate capital growth.**

January, 2008

## Property Securities - Monthly Charts from 31 January 2007

	Maxim PSF	Maxim DPF
<b>Listed Securities Held</b>	21	20
<b>Unlisted Securities</b>	4	3
<b>Listed Securities</b>	86.5%	32.8%
<b>Unlisted Securities</b>	11.5%	63.9%
<b>Cash/Liquidity</b>	2.0%	3.3%
<b>Total</b>	100.0%	100.0%



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Financials, Real Estate

Data: IRESS