Maxim Asset Management Ltd ACN 104 512 978

January 2010 Report

Fund Performance to 31 January 2010

	Jan Month %	3 Months %	6 Months %	1 Year % p.a.	2 Years % p.a.	3 Years % p.a.	4 Years % p.a.	Since Incept % p.a.
Maxim Property Securities Fund (Maxim PSF)*	-2.68	+1.24	+24.14	+28.78	-25.02	-21.35	-9.68	-7.62
S&P/ASX 300 A-REIT Accumulation Index	-2.98	+1.28	+17.78	+17.60	-25.54	-24.80	-12.34	-10.32
Value Added	+0.30	-0.04	+6.36	+11.18	+0.52	+3.46	+2.66	+2.70
Capital Growth	-2.76	+0.14	+21.21	+18.03	-29.93	-27.76	-17.90	-15.84
Income Distribution	0.00	+0.87	+2.36	+9.54	+4.18	+5.65	+7.34	+7.28
Net Performance (After Fees but Before Tax)	-2.76	+1.01	+23.57	+27.57	-25.75	-22.11	-10.56	-8.56

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

Past Performance is not a reliable indicator of future performance

Market Review

Concerns about steps taken in China to cool their economy saw global markets retreat in January with the Dow Jones Index falling 3.5%, the NASDAQ down 5.4% and the S&P500 Index 3.8% falling. In the UK the FTSE Index fell 4.1%, in Japan the Nikkei Index moved 3.3% lower whilst the Hang Seng Index in Hong Kong was the biggest loser falling 8.0%. In Australia, the S&P/ASX 200 Accumulation Index fell 6.2% over the month.

Locally, there was no Reserve Bank (RBA) Board meeting during the month with the Cash rate remaining at 3.75%. In the US the Federal Reserve continued to leave interest rates unchanged.

With the weaker equity market, Australian 10 Year bond yields rallied 27 points to 5.47% whilst the 90-Day Bank-Bill rate finished at 4.25%. The Australian Dollar finished the month at US88.40, down 1.73 cents.

Over the month of January, the S&P/ASX 300 A-REIT Accumulation Index fell 3.0%, outperforming the broader equity market by 3.2%. The Retail sub-sector, driven by Westfield which rose 0.8%, provided the best return for the month moving up a modest +0.1%, whilst the Industrial A-REITs fared worst as they fell 5.3% over the period. The following table lists the individual property sub-sectors and their returns over the month:

Property Sub-Sector	% Change on Month
Retail Property	+0.1%
Property Leaders	-2.5%
Commercial Property	-5.3%
Diversified Property	-5.6%
Industrial Property	-7.5%

Source UBS

At the individual stock level of the S&P/ASX 300 A-REIT Index, the gap between best to worst performing stock over January was 15.0% with Aspen Group returning +1.1%, whist Astro Japan Property Group fell 13.9%. The next table lists the Five Best and Five Worst performing Index securities in January:

January 5 Best Index Movers	%	January 5 Worst Index Movers	%
Aspen Group	1.1	Astro Jap Prop Group	-13.9
Westfield Group	0.8	Centro Properties	-13.8
CFS Retail Property	-1.6	Valad Property Group	-12.5
Dexus Property Group	-2.4	Abacus Property Grp.	-12.4
Centro Retail Group	-3.0	Macquarie DDR Trust	-9.5

Source: IRESS

No capital raisings were undertaken during the month partly due to the "summer break" effect but mainly due to the fact that raisings totalling a whopping $12bn were conducted in 2009. January was also a slow month with regards to property transactional activity with Stockland featuring as buyer of a residential development site in Melbourne (Wollert).

Outlook

Over the course of 2009, the major contributors to economic growth came from government stimulus as well as inventory rebuilding. Whilst these stimulus packages are now a thing of the past it appears that the US (and the global) economic bounce back is in place.

In Australia, the economy has continued to grow with commodity exports recovering and housing prices moving higher thus placing pressure on the RBA to continue with its rate hiking stance.

Over the course of 2009 the major Australian REITs have taken the opportunity to improve their balance sheets and to reduce gearing levels. As a result, the new "Benchmark" for an acceptable level of gearing for A-REITs now stands somewhere between 25% and 30% and is likely to remain there for some time yet.

We should now start to see a return to the traditional real estate investment model of rent collecting and we expect that this greater focus will once again deliver sound returns with a lower level of volatility. Maxim is forecasting an income stream of around 7 to 8% over the course of 2010 with modest capital growth of between 3 to 4% over the course of the year.

Maxim Property Securities Fund

ARSN 116 193 563
APIR Code COL0001AU

The Maxim Property Securities Fund (Maxim PSF) returned -2.76% (After Fees but before Tax) in January outperforming the S&P/ASX 300 A-REIT Accumulation Index by 0.22% as it returned -2.98% over the same period. For the 12 months ended 31 January, Maxim PSF has returned +27.57%, outperforming its Benchmark by 11.17%. (Refer Page 1 for more detailed comparisons over longer time frames). The main contributors to performance during the month were the Fund's investments in Cedar Woods and the Aspen Group as well as its Zero exposures in Stockland Group and CPA Office Fund. The main detractors were the Fund's overweight positions in the Abacus and FKP Property Groups.

Portfolio Summary

An exposure to Bunnings Warehouse was introduced into the portfolio in January. At the end of the month Maxim PSF held investments in 12 listed A-REITs representing an overall portfolio exposure of 85.2%. The two unlisted investments represented an exposure of 11.6%. Exposure to Cash/Liquidity made up 3.2% of the portfolio at month end.

Outlook & Strategy

Over the second half of 2009, there has been less negative news relating to the global economy resulting in financial markets stabilising and helping to restore general confidence.

Having regard to the amount of capital raised over the year, balance sheets for most of the A-REITs are now considered to be in much healthier shape and the sector is no longer suffering from the menacing overhang of on-going stock issuance.

Cuts/reductions in distributions were a major feature of the A-REIT sector in 2009. With the reporting season due to kick off early in February, we expect to hear supportive commentary with regards to either the re-introduction of or for an increase (albeit small) in distributions for those entities that continued to pay out last year. We consider this will be supportive for the sector as well as providing a platform for sound returns as well as attracting investors back.

Maxim continues to have a preference for those A-REITs that have sound balance sheets and are conservatively managed and which include Bunnings, CFS Retail Property and the Mirvac Group.

Maxim PSF Unit Price
As at 31 January 2010

NAV:	**$0.4833**
BUY:	**$0.4845**
SELL:	**$0.4821**

Maxim PSF last 4 Distributions

31 March 2009	**1.5887 cents per Unit**
30 June 2009	**1.4706 cents per Unit**
30 September 2009	**0.5211 cents per Unit**
31 December 2009	**0.4202 cents per Unit**

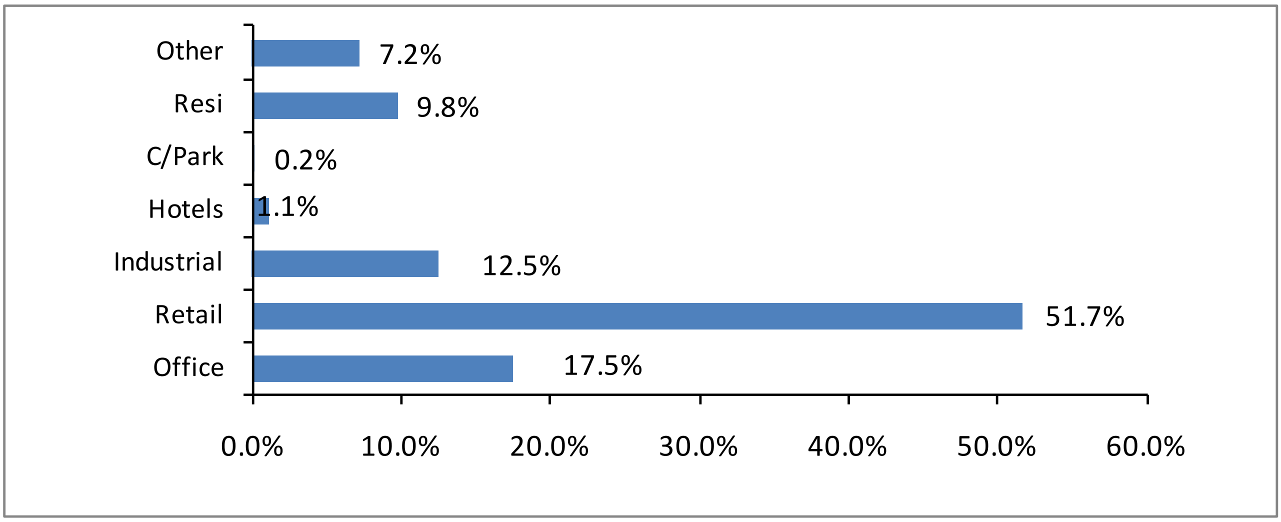
Research House Ratings

Independent Assessment 5 Star
3 Stars
By Adviser Edge

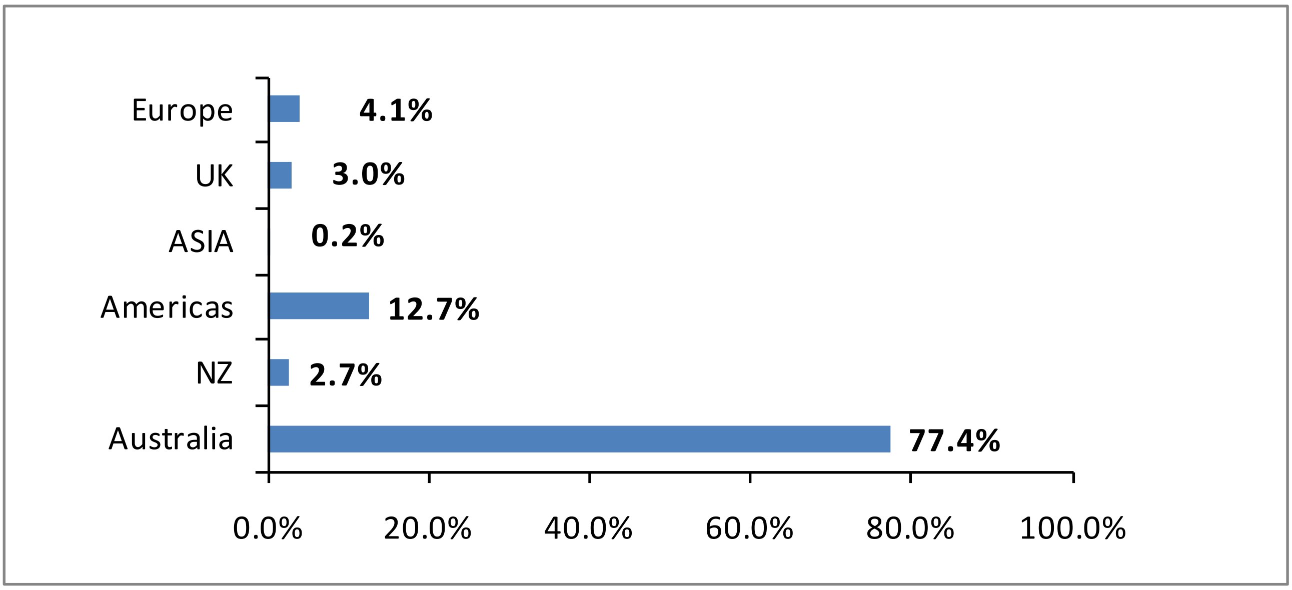
Platforms

BEACON
FirstWrap
Macquarie Wrap Solutions
Symetry

Maxim Property Securities Fund-Exposures as at 31 January 2010



Maxim Property Securities Fund-Geographic Exposures as at 31 January 2010



Contact Details

For additional information about the Maxim Property Securities Fund, or for more information on Maxim Asset Management, please contact us:

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Maxim Asset Management Ltd ABN 25 104 512 978 AFSL 238349 Level 6, 68 Alfred Street, Milsons Point, NSW 2061

January, 2010

ExcelUser.com

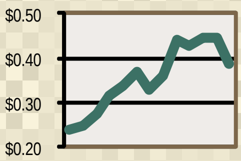
Property Securities - Monthly Charts from 31 January 2009

1

	Maxim PSF
Listed Securities Held	12
Unlisted Securities	2
Listed Securities	85.2%
Unlisted Securities	11.6%
Cash/Liquidity	3.2%
Total	100.0%

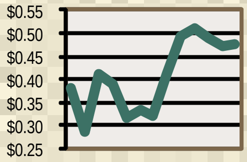
Closing Prices 31 January 2010

2 Abacus Property



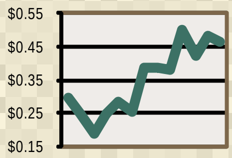
$0.390

3 Aspen Group



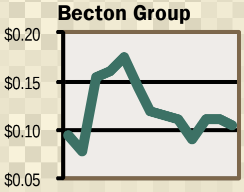
$0.475

4 Aust. Education Trust



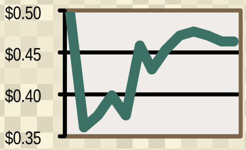
$0.465

5 Becton Group



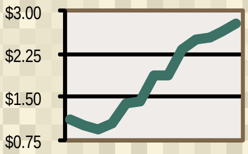
$0.105

6 Challenger Diversified



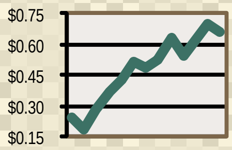
$0.465

7 Cedar Woods



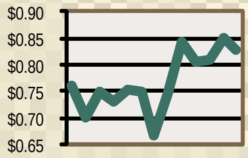
$2.800

8 Charter Hall Group



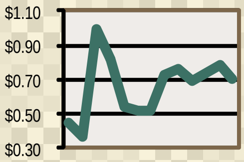
$0.660

9 Dexus



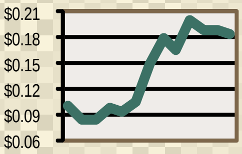
$0.830

10 FKP Group



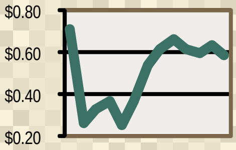
$0.700

11 GEO Property



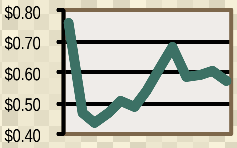
$0.185

12 Goodman Group



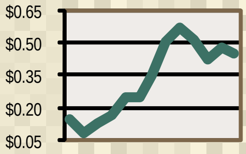
$0.585

13 GPT



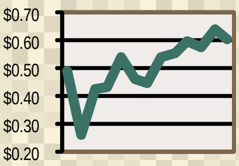
$0.570

14 ING Industrial



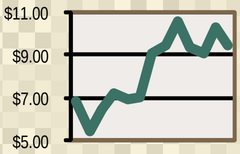
$0.450

15 ING Office



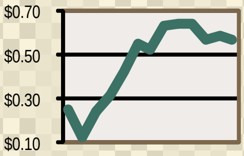
$0.610

16 Lend Lease



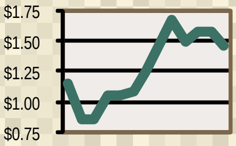
$9.440

17 Macquarie CountryWide



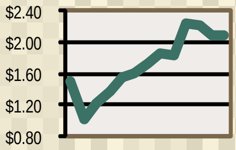
$0.565

18 Mirvac Group



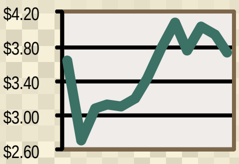
$1.455

19 Peet Limited



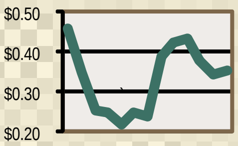
$2.080

20 Stockland Group



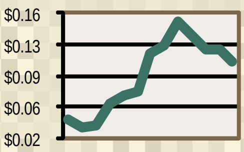
$3.730

21 Thakral Group



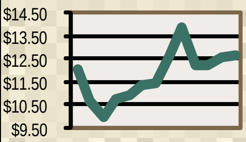
$0.355

22 Valad Group



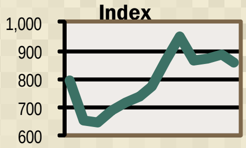
$0.105

23 Westfield Group



$12.640

S&P/ASX A REIT 300 Index



861.1

Data: *IRESS*

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