



July 2008 Report

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Maxim Property Securities Fund 31 July 2008 Unit Price	
NAV	\$0.7510
BUY	\$0.7529
SELL	\$0.7491

Maxim Property Securities Fund Last 4 Distributions	
30 Sep 07	1.1526 cents
31 Dec 07	1.4707 cents
31 Mar 08	1.2283 cents
30 Jun 08	1.8995 cents

Maxim PSF 1 Year Return to 31 July 2008	
Income	+4.88 %
Capital	-37.40%
<b>Total</b>	<b>-32.52 %</b>

Contact Details

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Fund Performance

The Maxim Property Securities Fund (Maxim PSF) returned -7.99% (after Fees but before Tax) in July 2008 compared with the -4.94% return from the S&P/ASX 300 A-REIT Accumulation Index. Over the 12 month period ended 31 July 2008 Maxim PSF returned -32.52% (Index -37.93%).

The Maxim Diversified Property Fund (Maxim DPF), which has a higher exposure to unlisted property securities, returned -3.66% (after Fees but before Tax) in July.

Please refer to Page 2 for more details relating to the individual Maxim funds.

Market Review

July turned out to be an extremely volatile period for financial markets as, at one stage, the Property sector was down 17% following the announcement of earnings and distribution downgrades from the GPT and Mirvac groups. In addition, all the financial markets were negatively impacted due to renewed concerns over the US financial system as well as a record price of \$147 per barrel of Oil. Later in the month however, markets rallied from their lows, as the Oil price fell and as fears of a financial meltdown eased, at least for the time being.

The S&P/ASX 300 A-REIT Index fell 4.94% in July underperforming the broader equity market by 0.40%. For the year ended 31 July 2008, the Property Index fell 37.9% whilst the broader equity market fell 13.7%. Once again there was a large divergence between best and worst performing Index stock with ING Office Fund up 25.2% over the month and Macquarie DDR down 37.5% in July. The Commercial property sub-sector provided the best return in July whilst, for the second month in a row, the Industrial property sub-sector fared worst.

Table 1 lists the various property sub-sectors and their returns over July.

Table 1 (Source UBS)

Commercial	+14.2%
Retail	+0.2%
Leaders	-7.6%
Diversified	-13.6%
Industrials	-16.1%

Table 2 lists July's five best performing S&P/ASX 300 A-REIT Index securities.

Table 2

Code	Name	Price 31 Jul 08	Return %
MLE	Macquarie Leisure	\$1.880	26.17
IOF	ING Office Fund	\$1.440	25.22
MOF	Macquarie Office	\$0.910	16.67
CFX	CFS Retail Property	\$2.040	15.38
AEU	Australian Education	\$0.700	10.27

Source IRESS

July's worst Index stock performers are listed in Table 3.

Table 3

Code	Name	Price 31 Jul 08	Return %
MDT	Macquarie DDR Trust	\$0.250	-37.50
GPT	GPT Group	\$1.520	-31.53
REU	Rubicon Europe Trust	\$0.069	-30.30
CDI	Challenger Div.Pro.	\$0.500	-24.81
GJT	Galileo Japan Trust	\$0.320	-20.00

Source IRESS

At the end of July, the AUD was worth US94.23c, down 1.63c from the previous month, whilst the 10 Year Bond rate fell 22 basis points to 6.22% and the 90 Day Bank Bill Rate fell 12 basis points to 7.76%.

Outlook

Short term volatility is likely to be a continuing feature of the A-REIT market for some time to come. Yields available on property securities are, on average, around 270 basis points above bonds and are considered to be attractive. However, we do not expect investors will move back into the sector until after the upcoming reporting period is completed and a greater degree of clarity regarding valuations and gearing levels becomes available.

In a market where physical transactions in property have been few and far between, we expect a great deal of focus will be placed on the earnings outlook and distribution policies to be adopted by the A-REITS as they report.

Whilst in the current uncertain environment it is considered prudent to remain cautious, we are forecasting a total return of around 15% (from July month end levels) over the coming 12 months, based on the assumption that the sector reverts to an 8% discount to NAV and generates a free cash flow yield of 9.0%.

## Maxim Property Securities Fund

ARSN 116 193 563      APIR Code COL0001AU

The Maxim Property Securities Fund (Maxim PSF) returned **-7.99%** in July whilst the S&P/ASX 300 A-REIT Accumulation Index returned **-4.94%**.

Over the year ended 31 July 2008, Maxim PSF exceeded its Benchmark by **5.41%**.

**Table 4** compares Maxim PSF's returns against its Benchmark Index over various time frames.

**Table 4**

	July/Month	Jul-08 Quarter	12 Year to July 08	1 Year	2 Years	Since Inception
Maxim PSF	-7.99%	-21.92%	-24.63%	-32.52%	-10.98%	-2.53%
A-REIT 300 Accum Index	-4.94%	-23.19%	-24.43%	-37.93%	-14.63%	-5.53%
Relative Performance	-3.03%	+1.28%	-0.18%	+5.41%	+3.70%	+3.00%

Since Inception Date – 17 October 2005

Positive contribution to performance for July came from the Fund's exposure to Peet Limited (PPC) as well as the Australian Education Trust (AEU), whilst the Fund's investment in the GPT Group detracted from performance following its price fall early in July after it announced expectations of lower earnings and distributions for the year ending 31 December 2008. Performance was also negatively impacted due to Maxim PSF having Zero exposures to ING Office Fund and CFS Retail Property Trust which rose 25.2% and 15.4% respectively over the month.

The number of listed securities held in the portfolio at the end of July rose to 18 with the addition of Australand whilst a net reduction in exposure to Unlisted Property Securities was effected during July with additional reductions planned over the coming months.

### Portfolio Summary

At month end, Maxim PFS held investments in 18 listed securities representing 85.1% of the portfolio and 4 unlisted securities which accounted for 11.4% of the portfolio. Exposure to Cash /Liquidity represented 3.5% of portfolio exposure.

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## Maxim Diversified Property Fund

ARSN 123 372 047      APIR Code COL0005AU

The Maxim Diversified Property Fund (Maxim DPF) returned **-3.66%** in July 2008. For the six month period ended 31 July 2008, Maxim DPF returned **-15.36%**, compared with an Index return of **-24.48%** over the same period.

Over the year ended 31 July 2008, Maxim DPF exceeded its Benchmark by **20.02%**.

**Table 5** compares the returns of Maxim DPF with the S&P/ASX 300 A-REIT Accumulation Index over a number of different time frames.

**Table 5**

	Jul-08	Jul-08 Quarter	6 months to 31 Jul 08	1 Year	Since Inception
Maxim DPF	-3.66%	-9.54%	-15.36%	-17.91%	-9.20%
A-REIT 300 Acc. Index	-4.94%	-23.20%	-24.48%	-37.93%	-25.44%
Relative Performance	+1.28%	+13.66%	+9.12%	+20.02%	+16.24%

Since Inception Date 5 July 2007

### Portfolio Summary

The number of listed securities held in the portfolio at the end of July rose to 18 with the addition of Australand late in the month after it announced a capital raising by way of a renounceable rights issue at 60 cents per security on a 1 for 1 basis.

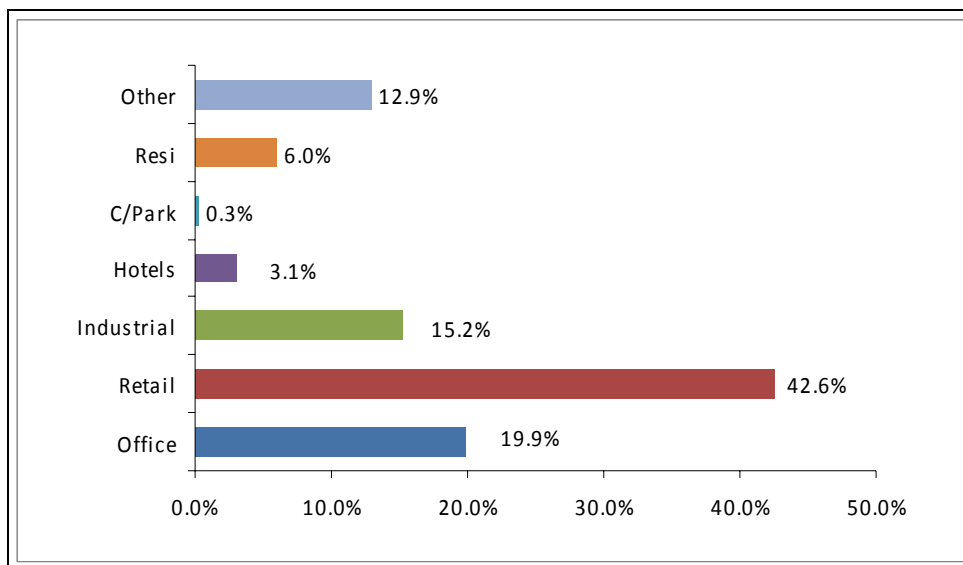
Listed Securities represented 30.1% of the portfolio whilst Unlisted Securities accounted for 67.2% of portfolio exposure.

Cash /Liquidity represented 5.4% of the portfolio.

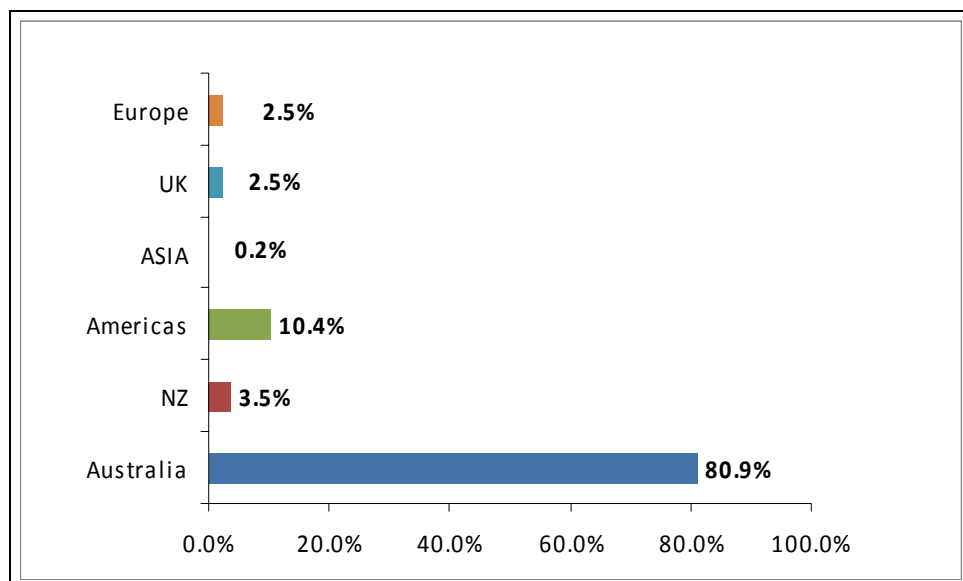
### Contact Details

For additional information about any of the products offered, or for more information on Maxim Asset Management, please contact Maxim either by phone or email:  
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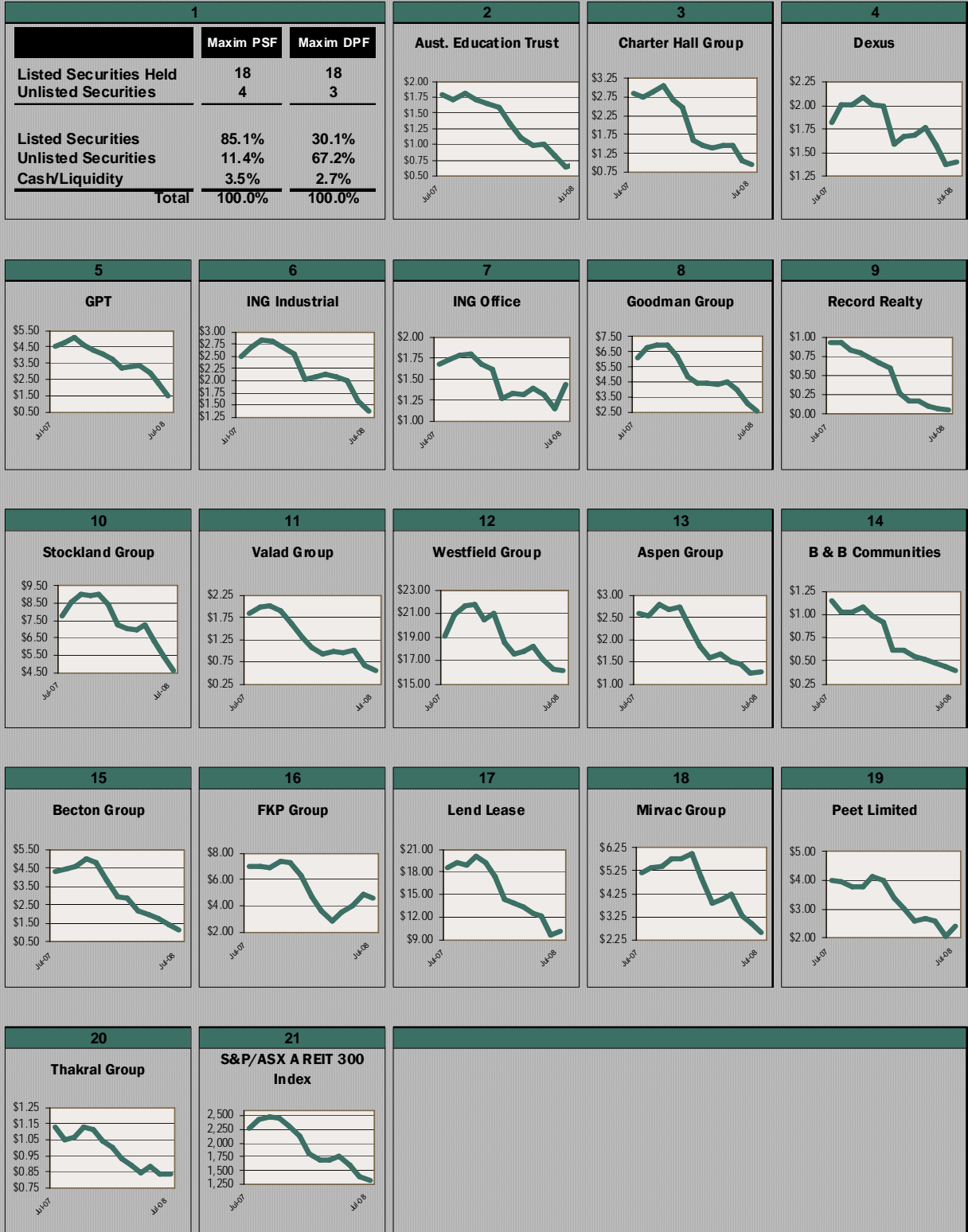
### Maxim Property Securities Fund Exposures as at 31 July 2008



### Maxim Property Securities Fund Geographic Exposures as at 31 July 2008



### Property Securities - Monthly Charts from 30 June 2007



Data: IRESS