

July 2009 Report

Fund Performance to 31 July 2009

	Month %	3 Months %	6 Months %	1 Year %	2 Years %	3 Years %	Since Inception % p.a.
Maxim Property Securities Fund (Maxim PSF)*	+4.00	+12.53	+3.73	-40.20	-36.17	-21.51	-13.71
S&P/ASX 300 A-REIT Accumulation Index	+2.36	+11.92	-0.17	-37.67	-37.80	-23.13	-15.49
Value Added	+1.64	+0.61	+3.90	-2.53	+1.63	+1.62	+1.78
Capital Growth	+3.91	+8.27	-4.06	-45.81	-41.17	-30.40	-22.54
Income Distribution	+0.00	+3.99	+7.30	+5.02	+4.38	+8.13	+7.99
Net Performance (After Fees but Before Tax)	+3.91	+12.26	+3.24	-40.79	-36.79	-22.27	-14.55

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

Past Performance is not a reliable indicator of future performance.

Market Review

Early in July, following the release of worse-than expected US payroll numbers, global equity markets began the month under pressure due to concerns about the prospects of deteriorating US employment statistics. However with the tenor of subsequent data releases improving coupled with a better than expected start to the US reporting season, equity markets around the world reversed the downward trend putting in solid performances over the later part of July. In the US the Dow Jones Index rose 8.6%; the Nasdaq Composite Index appreciated 7.8% and the S&P 500 Index rose 7.4%. In the UK, the FTSE Index gained 8.5% whilst in Asia, the Japanese Nikkei rose 4.0% and the Hang Seng Index in Hong Kong moved 12.0% higher. As commodity prices rose on the back of an improving economic landscape, the Australian Dollar benefitted finishing the month 2.95 US cents higher at US83.59 cents. Global bond markets mirrored the equity markets as yields initially rose in July but then fell back down to end the month little changed.

In Australia, the Reserve Bank saw fit to leave the Cash Rate unchanged at 3.00% with the 90 Day Bank Bill rate remaining steady at 3.20%. At the longer end of the yield curve, 10 Year Bonds ended the month at 5.60% up 8 basis points on the previous month.

The S&P/ASX 300 A-REIT Accumulation Index added 2.4% in July, under performing the broader equity market by 4.9%. At the property sub-sector level, the Industrial REITs were the best performing group for the month, rising 32.5% on the back of Goodman Group appreciating by 37.8% whilst the Retail sub-sector fared worst, rising 0.2% over the month. **Table 1** lists the individual property sub-sectors and their returns over July:

Table 1 (Source UBS)

Property Sub-Sector	% Change on Month
Industrial Property	32.5%
Commercial Property	5.7%
Diversified Property	3.0%
Property Leaders	2.2%
Retail Property	0.2%

The gap between best to worst performing stock in July at the individual stock level of the S&P/ASX A-REIT 300 Index was 60.9%. Goodman Group was the best performing stock in the 300 A-REIT Index for the second month in a row, returning 37.8% whilst Macquarie DDR Trust was the worst, falling 23.1% in July. Westfield Group, which represents 43.4% of the A-REIT 300 Index, fell 0.4% over July. **Table 2** lists the five best performing S&P/ASX 300 A-REIT Index securities in July whilst **Table 3** lists the five worst.

Table 2

ASX Code	Name	Price 31 Jul 09	% Move
GMG	Goodman Group	\$0.510	37.84
MGR	Mirvac Group	\$1.275	18.06
AJA	Astro Jap Prop Trust	\$0.430	16.22
BWP	Bunnings Warehouse	\$1.860	14.11
MOF	Macquarie Office	\$0.235	11.90

Source IRESS

Table 3

ASX Code	Name	Price 31 Jul 09	% Move
MDT	Macquarie DDR Trust	\$0.100	-23.08
APZ	Aspen Group	\$0.290	-13.43
CHC	Charter Hall Group	\$0.465	-10.58
AEZ	APN European Retail	\$0.045	-6.25
MCW	Macquarie Countrywide	\$0.525	-3.67

Source IRESS

Outlook

Although the world economy is still considered to be in recession, and Australia is not completely removed from the rest of the world, it does appear that Australia is much better placed to weather the storm. Whilst unemployment looks set to rise and investment spending will likely remain weak for a while, improving consumer and business confidence coupled with historically low levels of interest rates should make for a shorter recession in Australia than was expected earlier this year.

In spite of the recent rally in equity markets, we are of the view that markets will be volatile until there is more evidence of a sustained recovery in economic growth coupled with rising corporate earnings. Accordingly our focus in the short to medium term will be on the reporting season and in particular corporate profit guidance and the outlook for 2010 and beyond.

Maxim Property Securities Fund

ARSN 116 193 563

APIR Code COL0001AU

The Maxim Property Securities Fund (Maxim PSF) returned +3.91% (after Fees but before Tax) in July outperforming the S&P/ASX 300 A-REIT Accumulation Index which returned 2.36% over the same period. (Refer Page 1 for more detailed comparisons over longer term horizons).

Positive contributors to performance included the fund's exposures to the Goodman, GPT and Valad Property Groups. Negative contributors to performance included the Fund's exposures to the Aspen, Thakral and Stockland Groups.

Portfolio Summary

The number of stocks held in the listed portfolio was reduced by 1 to 11. In the Unlisted component of the Maxim portfolio, Maxim reduced its exposure by selling the balance of its investment in the LEX Property Fund. At July month end, the Maxim Property Securities Fund held investments in 11 listed securities representing 74.8% of the portfolio and 2 unlisted securities accounting for 14.7% of the portfolio. Cash /Liquidity represented 10.5% of portfolio exposure.

Strategy

The landscape for the A-REIT sector has improved over recent months. Credit markets conditions are better whilst a number of A-REITs have taken the opportunity to tap equity markets for much needed capital to repair balance sheets and lower gearing levels. Adding to the positives is the fact that on average, yields for A-REITs are some 275 basis points above 10 year bonds and are 500 basis points above Cash making the sector attractive from an income perspective on a relative basis.

With a large number of the A-REITs having recently addressed most of their covenant and gearing issues through capital raisings, we expect M&A activity to pick up over the next 6 to 12 months.

Notwithstanding the improvement in general sentiment, Maxim expects market volatility to continue for a while longer. In the interim we remain positive on the medium to longer term outlook for the sector and will take advantage of any pullback in prices to increase exposures to those securities which we have assessed as being well managed, well capitalised and are positioned to take advantage of sound and attractive opportunities going forward.

Maxim PSF Unit Price As at 31 July 2009

NAV: \$0.3984

BUY: \$0.3994

SELL: \$0.3974

Maxim PSF last 4 Distributions

30 September 2008 0.7089 cents per Unit

31 December 2008 0.7955 cents per Unit

31 March 2009 1.5887 cents per Unit

30 June 2009 1.4706 cents per Unit

Research House Ratings



Platforms

BEACON

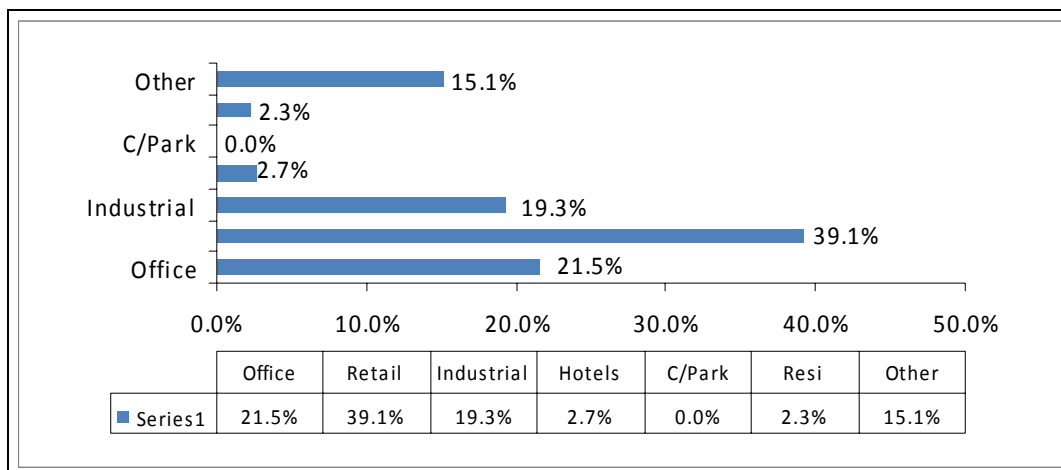
FirstWrap

Macquarie Wrap Solutions

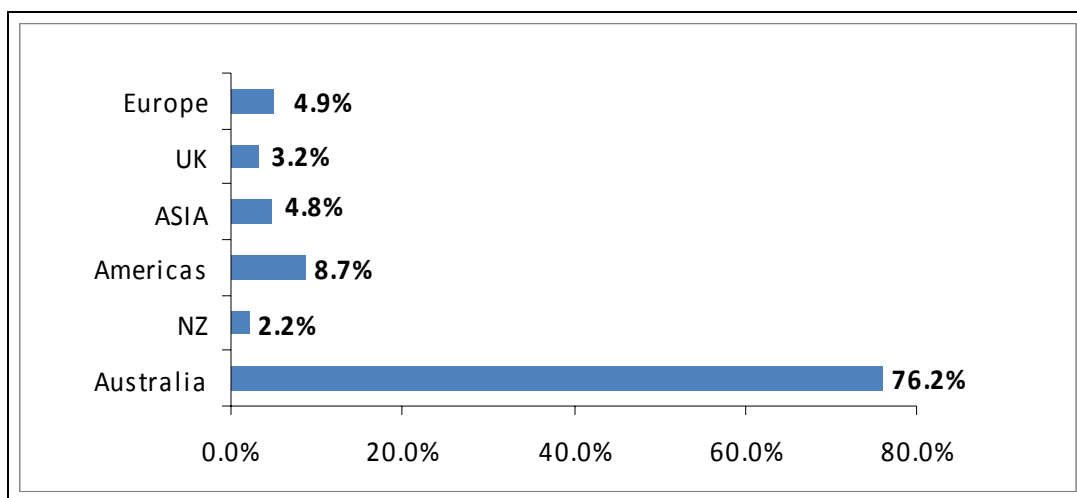
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Maxim Property Securities Fund-Exposures as at 31 July 2009



Maxim Property Securities Fund-Geographic Exposures as at 31 July 2009

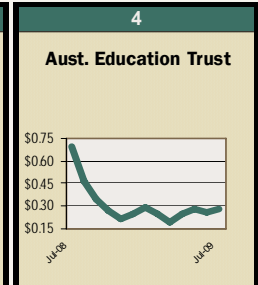
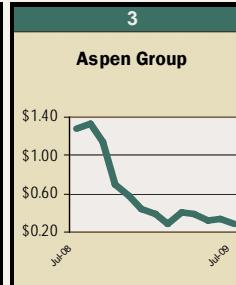
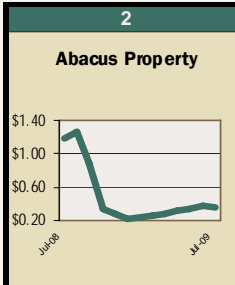


Contact Details

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 31 July 2008

1	
	Maxim PSF
Listed Securities Held	11
Unlisted Securities	2
Listed Securities	74.8%
Unlisted Securities	14.7%
Cash/Liquidity	10.5%
Total	100.0%

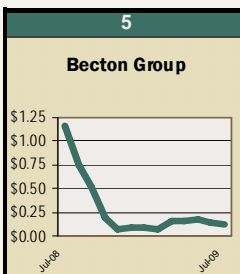


Closing Prices 31 July 2009

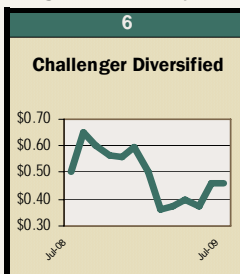
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\$0.29

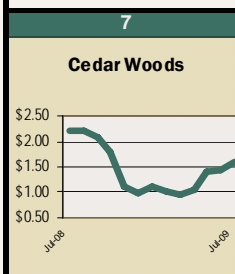
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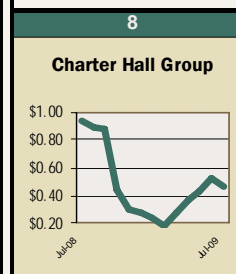
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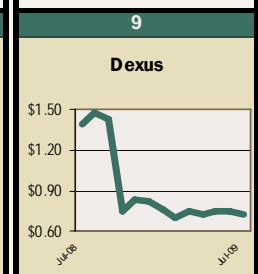
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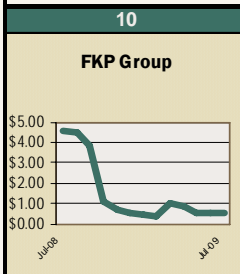
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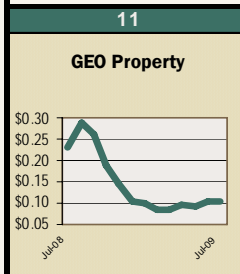
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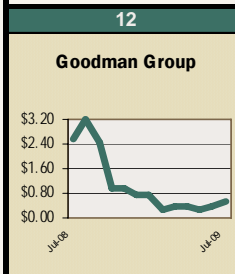
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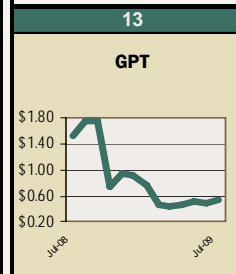
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\$0.105



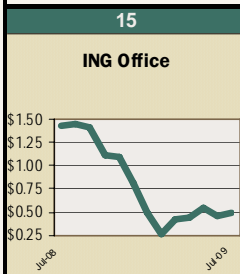
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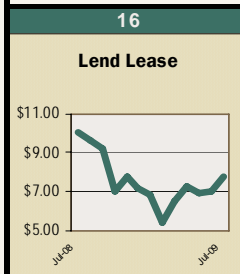
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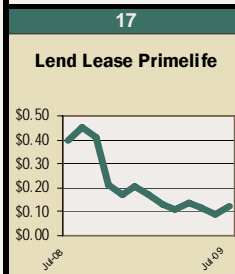
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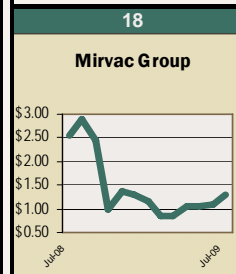
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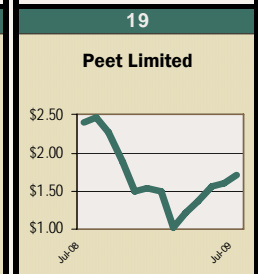
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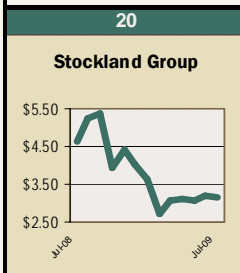
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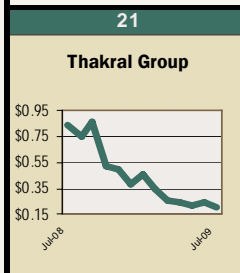
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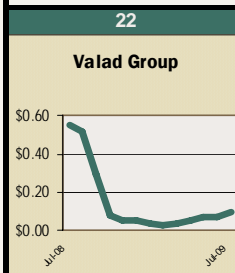
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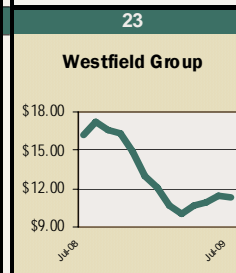
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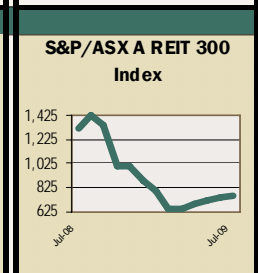
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\$0.095



\$11.33



756.1

Data: IRESS