

June 2009 Report

Fund Performance to 30 June 2009

	Month %	3 Months %	6 Months %	1 Year %	2 Years %	3 Years %	Since Inception % p.a.
Maxim Property Securities Fund (Maxim PSF)*	+4.11	+15.90	-5.02	-47.03	-38.66	-21.73	-14.90
S&P/ASX 300 A-REIT Accumulation Index	+4.90	+16.18	-11.82	-42.11	-39.96	-23.07	-16.21
Value Added	-0.79	-0.28	+6.80	-4.92	+1.30	+1.34	+1.30
Capital Growth	+0.18	+11.36	-12.42	-53.16	-43.47	-31.53	-24.95
Income Distribution	+3.84	+4.27	+6.94	+5.59	+4.20	+9.04	+9.21
Net Performance (After Fees but Before Tax)	+4.02	+15.63	-5.48	-47.57	-39.27	-22.49	-15.74

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

Past Performance is not a reliable indicator of future performance.

Market Review

Global equity markets were flat in June although investor sentiment in general continued to move in a positive direction, evidenced in part by the steady fall over the month of the VIX Index, a well known technical analysis tool which is used by some traders to help identify market tops and bottoms because it provides a way of measuring traders' expectations of volatility in the stock market. Early in the month Global bond yields trended higher in response to better than expected releases of US economic data coupled with prospects of large issuance of bonds later in the year. By month end however, bond yields eased in light of mixed economic data releases as well as strong demand for Treasury auctions in the US.

On the domestic front, in spite of capital raisings for the A-REIT sector totalling in excess of \$1.5bn over the month, the S&P/ASX 300 A-REIT Accumulation Index rose 4.9% in June outperforming the broader equity market (by 0.9%) for the third month in a row. For the year to date the A-REIT Index has returned a negative 11.8% whilst the broader equity market has generated a positive return of 9.4%. The Mirvac Group raised \$1.1bn through a combined institutional placement and an entitlement offer whilst ING Office Fund raised \$415mn through a similarly structured raising, both of which were used to reduce gearing levels.

At the property sub-sector level, the Industrial REITs were the best performing group for the month, rising 34.8% on the back of Goodman Group appreciating by 48.0% whilst the Commercial sub-sector fared worst rising 2.9% over the month. **Table 1** lists the individual property sub-sectors and their returns over June:

Table 1 (Source UBS)

Property Sub-Sector	% Change on Month
Industrial Property	34.8%
Retail Property	5.2%
Property Leaders	4.5%
Diversified Property	4.2%
Commercial Property	2.9%

At the individual stock level of the S&P/ASX A-REIT 300 Index constituents, the gap between best to worst performing stock

in June was 69.3% with Goodman Group returning 48.0% whilst, APN European Retail Fund fared worst, falling 21.3% over the period. Westfield Group, which represents 44.6% of the A-REIT 300 Index, appreciated 3.9% in June. **Table 2** lists the five best performing S&P/ASX 300 A-REIT Index securities in June whilst **Table 3** lists the five worst.

Table 2

ASX Code	Name	Price 30 Jun 09	% Move
GMG	Goodman Group	\$0.370	48.0
MCW	Macquarie Countrywid	\$0.545	35.3
CDI	Challenger Div.Pro.	\$0.460	30.7
CHC	Charter Hall Group	\$0.520	23.3
CER	Centro Retail Group	\$0.099	22.3

Source IRESS

Table 3

ASX Code	Name	Price 30 Jun 09	% Move
AEZ	APN European Retail	\$0.048	-21.3
IOF	ING Office Fund	\$0.460	-10.7
GPT	GPT Group	\$0.490	-3.9
BWP	Bunnings Warehouse	\$1.630	-3.0
IIF	ING Industrial Fund	\$0.245	-2.0

Source IRESS

Outlook

Based on Maxim's data, the A-REIT sector is yielding about 280 basis points above bonds and (on average) is trading at a discount of around 18% to our valuations. However, whilst investor sentiment appears to have improved over recent months, Maxim expects market volatility will continue to be a feature over the second half of 2009 primarily due to concerns about the sector's high leverage, lower distribution payments and prospects for further falls in the value of property.

Whilst some of these concerns are likely to be addressed in the upcoming reporting period, the biggest problem which relates to asset values will likely take more time to resolve before investors in general become satisfied that the nadir in valuations has been reached. Maxim remains positive about the longer term outlook for the sector and will continue to be selective by retaining its concentrated portfolio approach.

Maxim Property Securities Fund

ARSN 116 193 563

APIR Code COL0001AU

The Maxim Property Securities Fund (Maxim PSF) returned +4.02% (after Fees but before Tax) in June compared with a return of +4.90% from the S&P/ASX 300 A-REIT Accumulation Index. (Refer Page 1 for more detailed comparisons over longer term horizons). Positive contributors to performance included the fund's exposure to Goodman Group and its Zero exposure to the ING Office Trust. Negative contributors to performance included the Fund's zero exposures to Macquarie CountryWide Group and to the Challenger Diversified Fund as well as its overweight exposure to the GPT Group.

Portfolio Summary

In June, the number of stocks held was increased by 1 with the introduction of GEO Property Group to the portfolio. The Fund participated in the capital raising by FKP Property Group.

At month end, Maxim PFS held investments in 12 listed securities representing 78.6% of the portfolio and 3 unlisted securities accounting for 19.6% of the portfolio. Cash /Liquidity represented 1.8% of portfolio exposure.

Strategy

In spite of having raised in excess of \$10 billion in the six month period ended 30 June 2009, the A-REIT sector has managed to remain relatively buoyant over the last couple of months generating positive monthly returns since the end of February. Credit markets continue to free up whilst investor appetite for risk appears to be on the rise driven in part by the relatively low Cash rate currently on offer. Whether this positive stance going forward will continue to prevail will largely depend on the outcome of the up coming reporting period. Valuations will likely continue to come under pressure however we expect that close to a worst case scenario has already been factored in.

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 our preferred stocks which include Goodman Group, GPT and Stockland.

Maxim PSF (Cum Distribution) Unit Price As at 30 June 2009

NAV: \$0.3981

BUY: \$0.3991

SELL: \$0.3971

Maxim PSF 30 June 2009 Distribution 1.4706 cents per Unit

Maxim PSF (Ex Distribution) Unit Price As at 30 June 2009

NAV: \$0.3834

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

Adviser Edge Rating ★★★★★

Platforms

BEACON

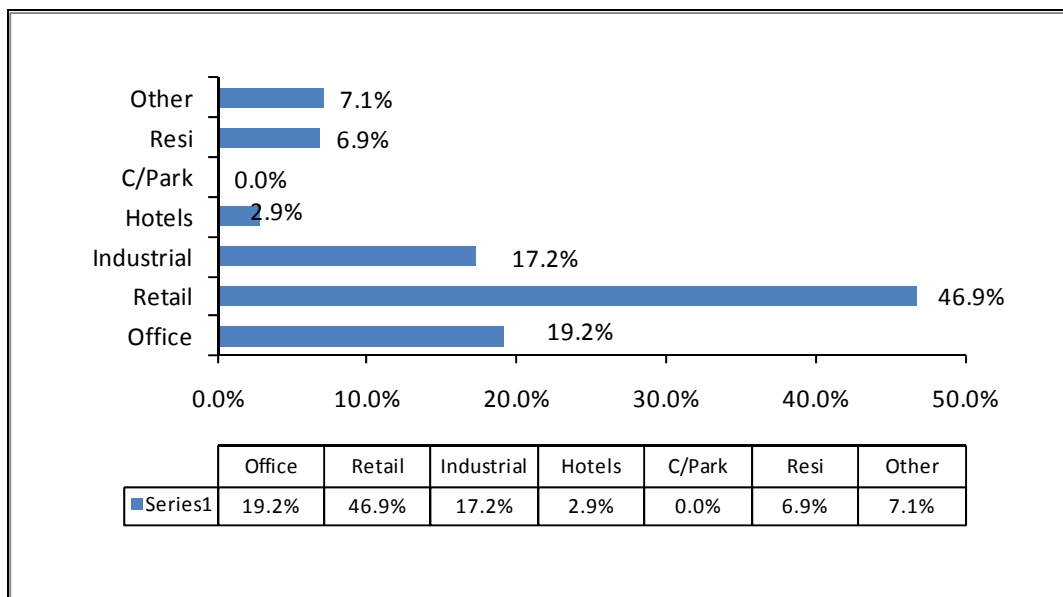
FirstWrap

Macquarie Wrap Solutions

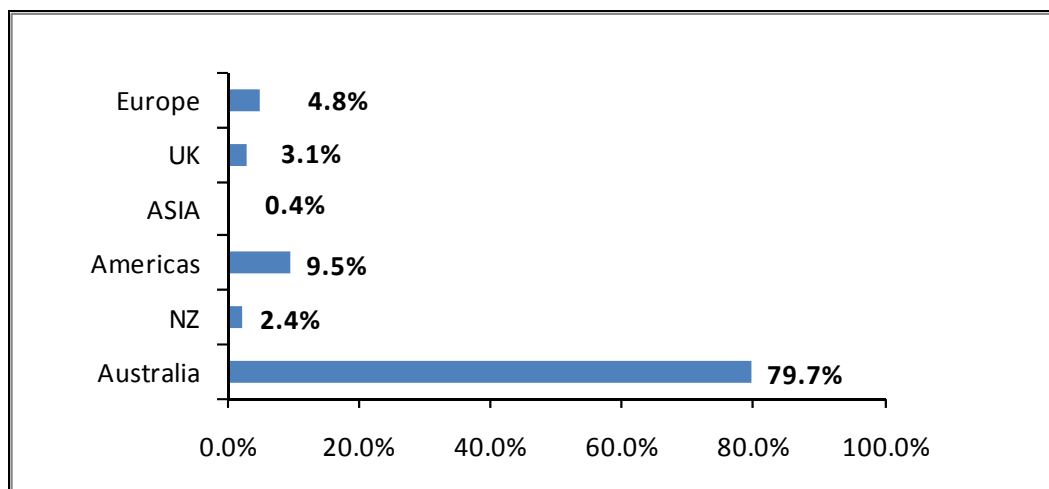
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Maxim Property Securities Fund-Exposures as at 30 June 2009



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



Contact Details

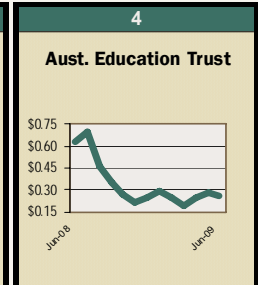
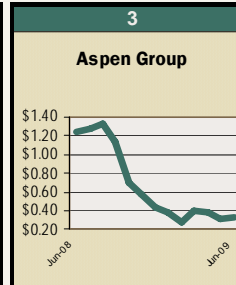
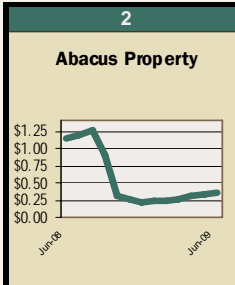
For additional information about the Maxim Property Securities Fund, or for more information on Maxim Asset Management, please contact us either by phone or email: Phone: 02 8904 0163 Email: info@maximam.com.au

June, 2009

ExcelUser.com

Property Securities - Monthly Charts from 30 June 2008

1	
	Maxim PSF
Listed Securities Held	12
Unlisted Securities	3
Listed Securities	78.6%
Unlisted Securities	19.6%
Cash/Liquidity	1.8%
Total	100.0%

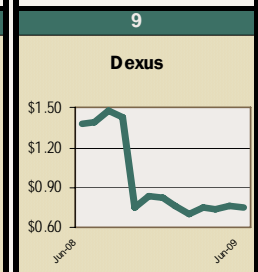
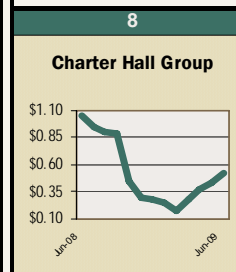
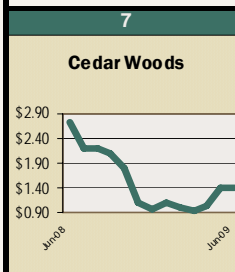
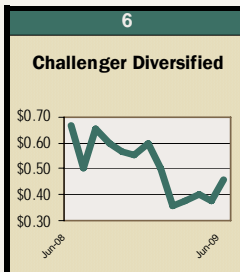
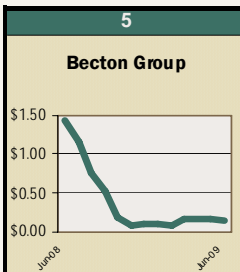


Closing Prices 30 June 2009

\$0.26

\$0.34

\$0.09



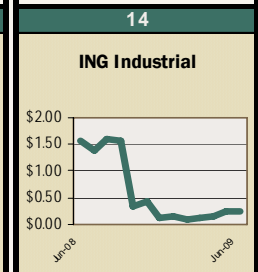
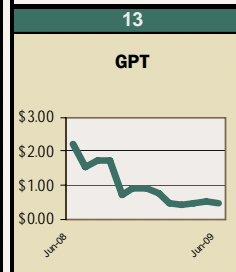
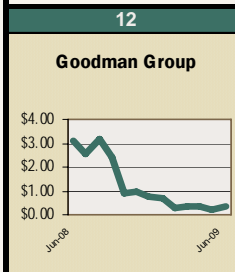
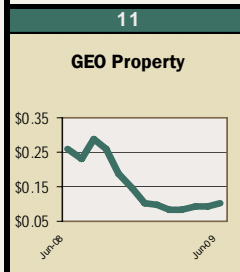
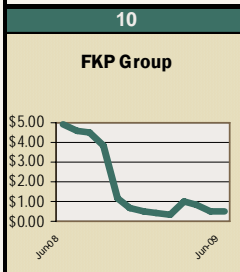
\$0.145

\$0.46

\$1.42

\$0.52

\$0.75



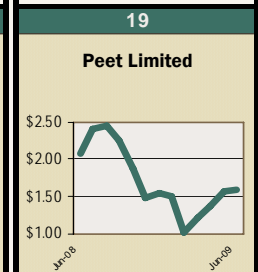
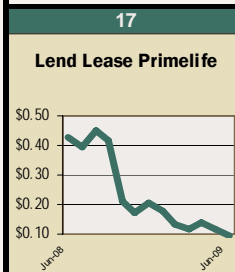
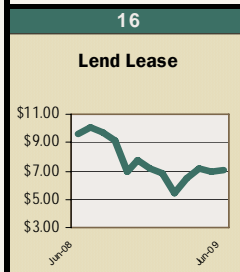
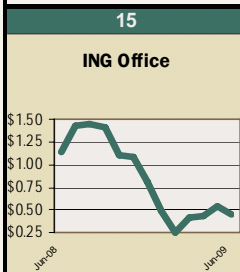
\$0.52

\$0.11

\$0.37

\$0.49

\$0.25



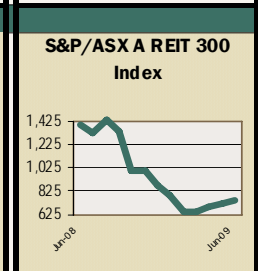
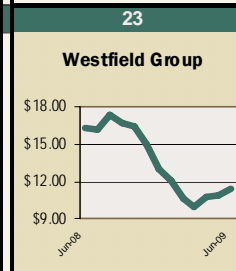
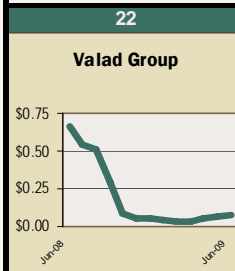
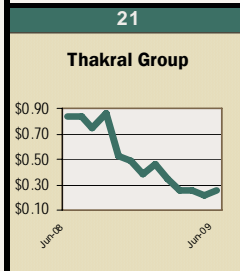
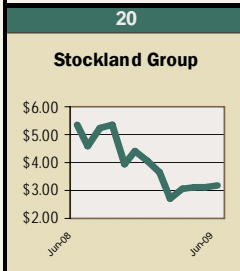
\$0.46

\$7.01

\$1.08

\$1.59

\$0.370



\$3.21

\$0.25

\$0.073

\$11.38

738.8

Data: IRESS