

Market Indicators

Market	Indicator	End of Month Price	Previous Month Price	1 Month Change in Price	12 Months Ago Price	12 Month Change in Price
Interest Rates	Overnight Cash Rate (%)	2.50	2.75	-0.25	3.50	-1.00
	3 Month BBSW (%)	2.46	2.39	0.07	3.02	-0.56
	10 Year Bond Rate (%)	3.90	3.73	0.17	3.09	0.80
Australian Shares	All Ordinaries Index	5125.30	5035.67	1.78%	4339.02	18.12%
	S&P/ASX 200	5134.96	5051.98	1.64%	4316.11	18.97%
Property	ASX 300 A-REITS Index	994.40	1005.70	-1.12%	900.60	10.42%
Regional Shares	Dow Jones Industrials (US)	14810.31	15499.54	-4.45%	13090.84	13.13%
	S&P 500 (US)	1632.97	1685.73	-3.13%	1406.58	16.10%
	FTSE 100 (UK)	6412.93	6621.06	-3.14%	5711.48	12.28%
	STOXX 50 (EUR)	297.32	299.58	-0.75%	266.23	11.68%
	TOPIX (Japan)	1106.05	1131.70	-2.27%	731.64	51.17%
	Hang Seng (Hong Kong)	21731.37	21883.66	-0.70%	19482.57	11.54%
Commodities	US\$ Gold Price	1395.15	1325.25	5.27%	1692.01	-17.54%
	US\$ Oil Price – W Texas Crude	107.65	105.03	2.49%	96.47	11.59%
	US\$ CRB Spot Commodity Index	472.96	467.95	1.07%	490.70	-3.62%
Exchange Rates	AUD / USD	0.89	0.90	-0.69%	1.03	-13.77%
	AUD / EUR	0.67	0.68	-0.30%	0.82	-17.98%
	AUD / GBP	0.57	0.59	-2.81%	0.65	-11.78%
	AUD / JPY	87.38	88.12	-0.84%	80.92	7.98%
	TWI	69.20	69.40	-0.29%	77.00	-10.13%
Volatility	VIX Index %	17.01	13.45	3.56%	17.47	-0.46%

Key Points:

- The RBA lowered the overnight cash rate by 0.25% to 2.50% during the August meeting. The rate was left unchanged during the September sitting.
- The Three Month Bank Bill Swap rate gained 0.07% for the month, ending August priced at 2.46%.
- Ten Year Bond Rates also gained, ending the month 0.17% higher, priced at 3.90%.
- Australian equities continued their recent rise in August, with the S&P/ASX 200 Price Index adding 1.64% while the All Ordinaries Price Index added 1.78% for the month.
- Australian Listed Property declined by 1.12% in August, as measured by the S&P/ASX 300 AREITS Price Index, to continue its recent downward correction.
- Many of the major international equities markets posted poor results in August, with the MSCI World ex Australia Index falling by 2.21% in local currency terms.
- US Equities were the worst hit, with the Dow Jones Industrials Price Index and the S&P 500 Price Index falling by 4.45% and 3.13% respectively.
- Japanese and British equities also performed poorly, with the TOPIX Price Index and the FTSE 100 Price Index falling by 0.75% and 3.14% respectively.
- The USD price of gold posted a material gain for the second consecutive month, closing 5.27% higher priced at \$1395.15 per ounce.
- Oil also gained in August, with the price of West Texas Crude rising by 2.49%. Overall, spot commodities gained 1.07% in August, as measured by the CRB Spot Commodity Index (USD).
- The Australian Dollar continued to fall in August, posting losses against most major currencies. Specifically, it depreciated by 2.81% against the British Pound (GBP) and 0.84% against the Japanese Yen (JPY). It also fell versus the USD, down 0.69%.

Zenith Benchmarks	Index	1 Mth	1 Qtr	1 Yr	3 Yr (p.a.)	5 Yr (p.a.)	Fin YTD	Cal YTD
Australian Cash	UBSA Bank Bill	0.23	0.72	3.17	4.20	4.29	0.49	1.99
Australian Bonds	UBSA Australia Composite All Maturities	-0.32	-0.52	2.30	6.25	7.10	0.53	1.10
	Barclays Global: Australia TRI	-0.58	-1.15	-0.10	5.70	6.59	0.10	-0.10
	Barclays Australian Corporate TRI	0.05	0.40	6.72	7.98	8.36	1.22	2.96
International Bonds	Barclays Global Aggregate \$A (H)	-0.17	-0.78	2.84	6.68	8.40	0.46	0.48
	Barclays Global Agg Treasuries TRI \$A (H)	-0.32	-1.53	3.55	8.06	9.72	0.85	-0.05
	Barclays Global Agg Corporate TRI \$A (H)	-0.08	-0.41	3.10	6.31	7.94	0.47	0.96
Emerging Markets Debt	Barclays EM Hard Currency Agg TRI \$A (H)	-1.59	-4.44	0.55	9.07	10.53	-0.21	-5.15

Summary of Statistics:

- Australian Cash gained 0.23% in August, as measured by the UBSA Bank Bill Index, ending the quarter 0.72% higher.
- Australian Bonds ended the month 0.32% lower to bring the accumulated losses over the past quarter to 0.52%, as measured by the UBSA Australia Composite All Maturities Index.
- International Bonds similarly ended the month down, with the Barclays Global Aggregate (Hedged) \$A closing 0.17% lower.

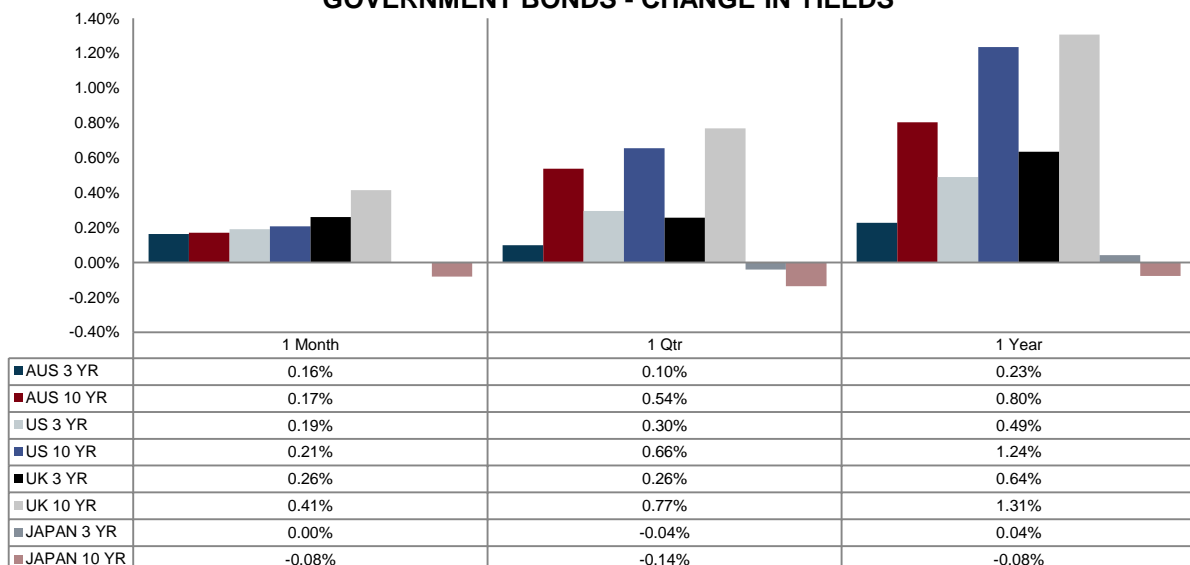
Commentary:

The RBA elected to lower the overnight cash rate by 0.25% to 2.50% at the August meeting and left the benchmark cash rate unchanged during the September sitting. RBA Governor, Glenn Stevens, reaffirmed his recent remarks by identifying that Australian economic growth has remained below trend level during 2013. Although commodities prices have rebounded slightly in recent months, investment in the mining sector has continued to slow while broad unemployment has increased. Overall, the near term economic growth outlook in Australia remains subdued.

The impact of potential easing of monetary policy once again raised concern among investors during August, as US economic data returned better than expected results. Particularly notable was the fall in the unemployment rate to a four year low of 7.4%, exceeding predictions by 0.1%. Chairman of the Federal Reserve, Ben Bernanke, has previously stated that improving employment numbers will be a direct driver of the slowdown in quantitative easing.

Australian Bonds reacted by falling 0.32% in August, as measured by the UBSA Australia Composite All Maturities Index, to underperform the Barclays Global Aggregate (Hedged) \$A by 0.15%. Much of the losses in the Australian fixed income space were driven by a fall in Government Bonds prices. Bonds ended the month 0.58% lower, following a rise in yields of 0.16% in three year bonds and 0.17% in ten year bonds.

GOVERNMENT BONDS - CHANGE IN YIELDS



Zenith Benchmarks	Index	1 Mth	1 Qtr	1 Yr	3 Yr (p.a.)	5 Yr (p.a.)	Fin YTD	Cal YTD
Market Capitalisation	S&P/ASX 300 Index	2.51	5.35	23.63	9.83	4.46	7.94	13.33
	S&P/ASX 50 Leaders Index	2.39	5.78	26.00	11.44	5.91	7.70	15.42
	S&P/ASX Midcap 50 Index	3.35	2.04	20.59	5.21	-0.24	6.43	8.86
	S&P/ASX Small Ordinaries Index	2.88	4.90	4.10	-0.24	-2.61	12.98	-2.26
	S&P/ASX Emerging Companies Index	4.39	9.93	-15.66	-5.80		21.88	-11.92
GICS Sectors	S&P/ASX 300 Materials	4.14	2.27	6.27	-3.63	-4.22	14.03	-8.06
	S&P/ASX 300 Industrials	4.76	3.64	19.82	7.94	0.19	6.59	9.58
	S&P/ASX 300 Consumer Discretionary	5.33	9.95	45.47	12.90	6.90	11.38	33.28
	S&P/ASX 300 Consumer Staples	4.16	5.18	23.18	15.08	13.12	5.34	17.37
	S&P/ASX 300 Energy	5.53	5.65	12.89	0.51	-2.94	12.24	13.84
	S&P/ASX 300 Healthcare	3.09	9.19	38.47	22.06	10.51	7.76	20.91
	S&P/ASX 300 Information Technologies	2.99	-2.81	20.21	6.63	5.49	4.46	16.57
	S&P/ASX 300 Telecommunications	1.94	7.61	38.91	34.64	14.56	6.57	22.41
	S&P/ASX 300 Financials ex Property	1.50	8.40	38.06	20.50	14.95	7.94	26.84
	S&P/ASX 300 Utilities	1.31	1.65	13.64	15.97	6.80	4.18	7.74
	S&P/ASX 300 Property	-0.06	-1.73	16.68	11.34	-0.63	-0.75	7.80

Summary of Statistics:

- Australian Equities continued their recent positive trend with the S&P/ASX 300 Accumulation Index posting gains of 2.51% in August.
- On a market capitalisation basis, Micro-Cap stocks stood out with the S&P/ASX Emerging Companies Index rising 4.39% in August, which brought the quarter figure up to 9.93%.
- On a sector basis Energy, Consumer Discretionary and Industrials continued to rally with the sectors up 5.53%, 5.33% and 4.76% respectively.
- Financials, Property and Utilities were laggards, under-performing the broader Australian market.

Commentary:

Australian equities performed well in August relative to most global markets, ending the month 2.51% higher (as measured by the S&P/ASX 300 Accumulation Index). A combination of factors drove the positive performance. The strong Chinese manufacturing data promoted the resources sectors with Materials and Industrials up 4.14% and 4.76% respectively. Leading performers include: Saracen Mineral Holdings (+83.33%), St Barbara (+67.71%) and Blackthorn Resources (+64.29%).

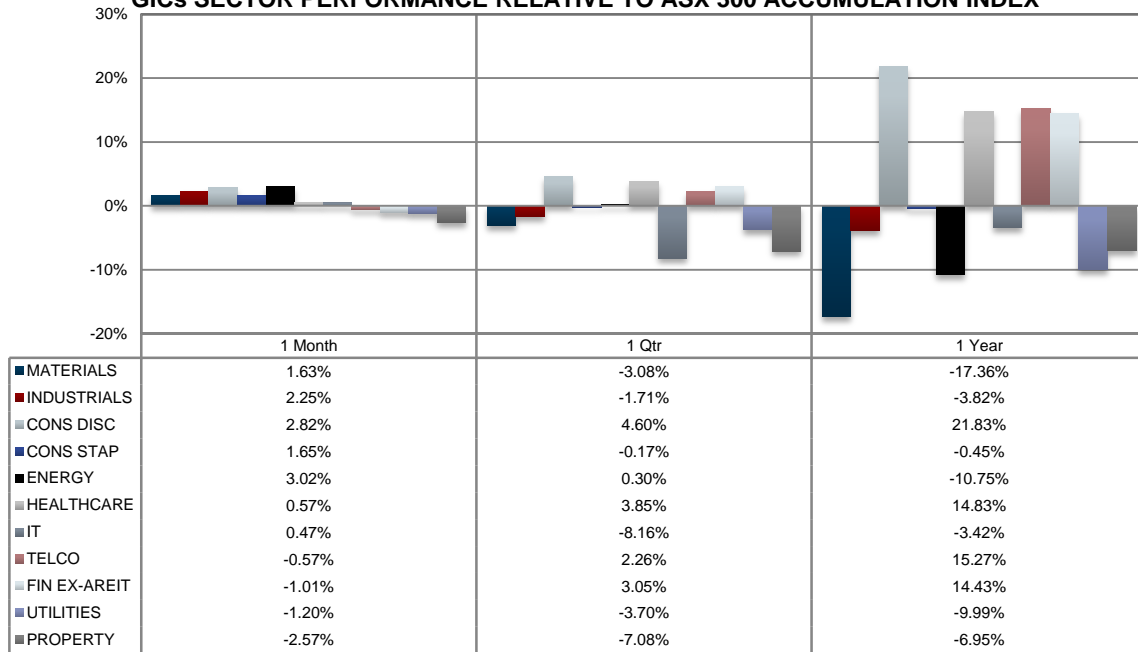
The energy sector was also up by 5.53% outperforming the broader market by 3.02%. Out of all the strong performers, Bandanna Energy stood out gaining 65.62% for the month.

Global macro concerns continued to dominate headlines. Pre-occupying the market were concerns over US Federal Reserve's long awaited tapering decision, possible US military action against Syria and the extreme volatility in emerging markets on fears of capital outflows back to developed markets.

Back in Australia, in August, the market was anticipating Election Day (7th September) as many commentators predicted that certainty around the government would bolster both business and consumer confidence. The market appeared to be expecting a continued renaissance in some of the Consumer Discretionary names with the sector gaining 5.33% for the month. Leading kitchen appliance company, Breville led the way with a strong gain of 19.46% in August.

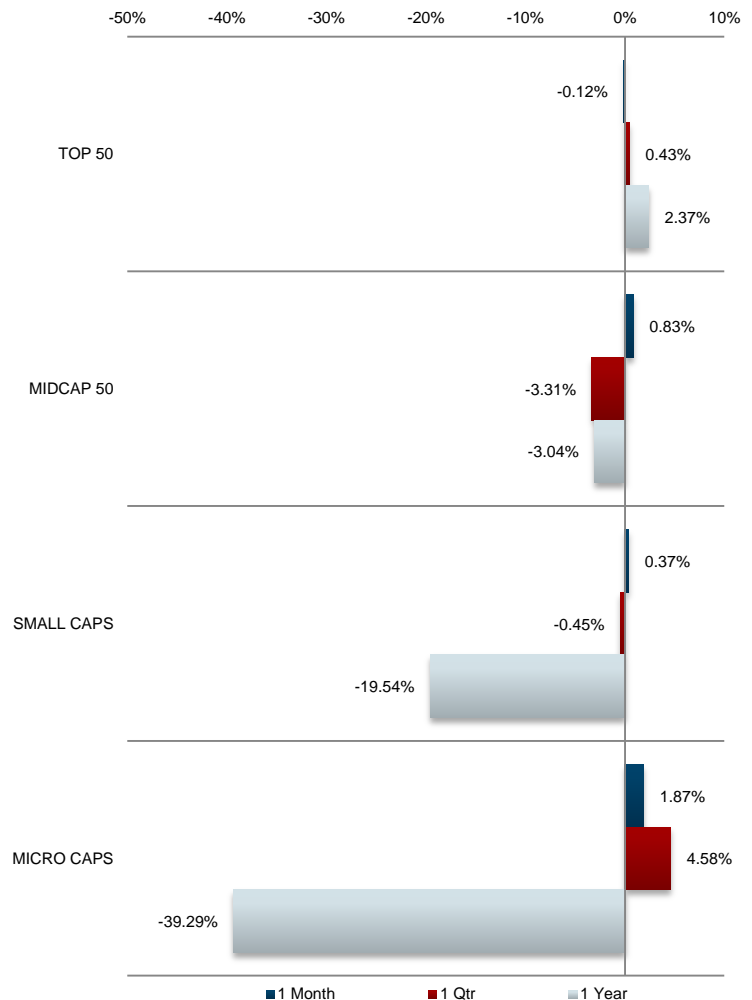
The property market was relatively flat for the month of August, with a 0.06% slide as recorded by S&P/ASX 300 Property Index.

GICs SECTOR PERFORMANCE RELATIVE TO ASX 300 ACCUMULATION INDEX



LARGE, MID AND SMALL CAP PERFORMANCE RELATIVE TO ASX 300 ACCUMULATION INDEX

This chart shows GICs Sector performance relative to the ASX 300 Index, over the past 1 month, 1 quarter and 1 year time periods. GICs Sector weightings for the ASX 300 Index, as at 31 May 2010 were as follows: Materials 25%; Industrials 7%; Consumer Discretionary 4%; Consumer Staples 9%; IT 1%; Telecommunication Services 4%; Financials ex-AREIT 33%; Property 6%; Energy 7%; Utilities 1%; Healthcare 4%.



This chart shows market capitalisation segmental performance relative to the S&P/ASX 300 Accumulation Index.

Zenith Benchmarks	Index	1 Mth	1 Qtr	1 Yr	3 Yr (p.a.)	5 Yr (p.a.)	Fin YTD	Cal YTD
International Shares - Unhedged	MSCI World Ex-Au (\$A)	-1.50	8.28	36.94	13.43	3.37	5.83	30.84
	MSCI World (\$A)	-1.38	8.17	36.49	13.31	3.42	5.88	30.21
	MSCI Small Cap World Ex Aus (\$A)	-1.18	9.94	43.35	16.21	7.10	7.28	34.36
	MSCI AC World (\$A)	-1.10	7.26	37.60	11.98	3.44	5.27	30.74
International Shares - Local Currency	MSCI World ex-Au (Local Currency)	-2.21	-0.08	20.33	13.36	4.16	2.41	14.60
	MSCI World (Local Currency)	-2.13	0.49	17.63	13.33	4.12	3.02	11.71
	MSCI World S. Cap ex-Au (Loc. Curr.)	-1.93	2.13	23.54	16.23	7.83	4.39	15.27
	MSCI AC World (Local Currency)	-1.85	-0.36	18.59	12.00	4.14	2.43	12.16
Regional Shares - Local Currency	MSCI North America	-2.51	0.84	17.53	16.52	6.08	2.43	14.85
	MSCI Asia	-1.58	-3.17	27.60	8.32	1.45	-0.74	11.56
	MSCI AC Asia ex-Japan	-0.76	-3.62	9.05	4.62	5.81	1.28	-1.53
	MSCI China	2.41	-0.99	14.04	1.32	2.63	6.55	-5.10
	MSCI Europe	-1.45	-0.94	17.73	8.65	2.99	4.32	10.69
	MSCI Emerging Markets	-0.10	-3.80	5.88	3.88	4.49	1.36	-3.60
	MSCI India	-3.02	-5.24	9.20	1.79	5.92	-3.52	-3.75
	MSCI Japan	-2.39	-2.68	55.61	13.36	-0.97	-2.77	30.19
Global Gold Shares in \$A	FTSE Gold Mines	8.28	0.54	-32.60	-21.49	-7.38	21.04	-29.63
Global Resources in \$A	HSBC Global Mining	5.77	3.97	-1.64	-8.37	-7.06	15.17	-12.19

Summary of Statistics:

- International Shares had a poor month in August with most major regional equity markets recording losses for the month. The MSCI World ex-Australia (Local Currency) fell by 2.21% while the MSCI World Ex-Australian Index (Unhedged) lost -1.50% for the month with the unhedged index benefiting from the cushioning effect of the falling AUD.
- Indian and Japanese stocks were the worst performers. MSCI India Index (Local Currency) recorded a loss of 3.02% while the MSCI Japan Index (Local Currency) fell by 2.39%.
- Chinese equities outperformed the overall market with the MSCI China Index (Local Currency) posting a positive return of 2.41% in August.
- Global resources stocks had another strong month, with the FTSE Gold Mines Index gaining 8.28% and the HSBC Global Mining Index ending up 5.77%.

Commentary:

Markets fell due to the uncertainties around the US Federal Reserve's "tapering" of quantitative easing as well as rising concern over Syrian situation. In response to this, equities markets in most regions declined in August with the overall global market down by 2.13% as measured by MSCI World (Local Currency).

Emerging markets were noticeably weaker as investors started retreating out of these regions in search of safer alternatives including Gold (the sector delivered 8.28% for the month). India was one of the most affected emerging markets losing 3.02% for the month.

Chinese equities outperformed their emerging market peers on stronger manufacturing data, posting a 2.41% gain as measured by MSCI China Index. Manufacturing numbers were up significantly, with the China HSBC Manufacturing PMI rising from 47.7 in July to 50.1 in August. This has been the first reading above 50 since April (a number above 50 signifies expansion while below 50 signifies contraction).

On the back of the China data, Materials had another good month as investors continued to add commodity exposure to their portfolios. The HSBC Global Mining Index (Unhedged) \$A recorded a return of 5.77% for the month.

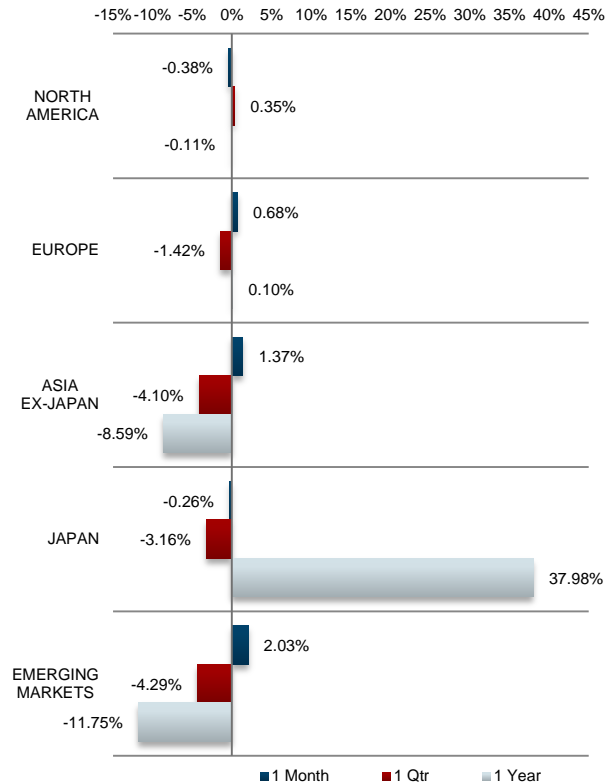
The Utilities and Consumer Staples sectors were the weakest performers, with the MSCI ACWI Utilities Index and the MSCI ACWI Consumer Staples Index declining 4.40% and 3.87% respectively for August.

Zenith Monthly Market Report International Shares

Zenith Benchmarks	Index	1 Mth	1 Qtr	1 Yr	3 Yr (p.a.)	5 Yr (p.a.)	Fin YTD	Cal YTD
Currency Spot Rates	AUD / USD	-0.69	-7.00	-13.77	0.01	0.74	-2.59	-14.27
	AUD / EUR	-0.30	-8.60	-17.98	-1.35	2.83	-4.19	-14.45
	AUD / GBP	-2.81	-8.86	-11.78	-0.35	4.01	-4.45	-10.21
	AUD / JPY	-0.84	-9.15	7.98	5.30	-1.29	-3.56	-2.82

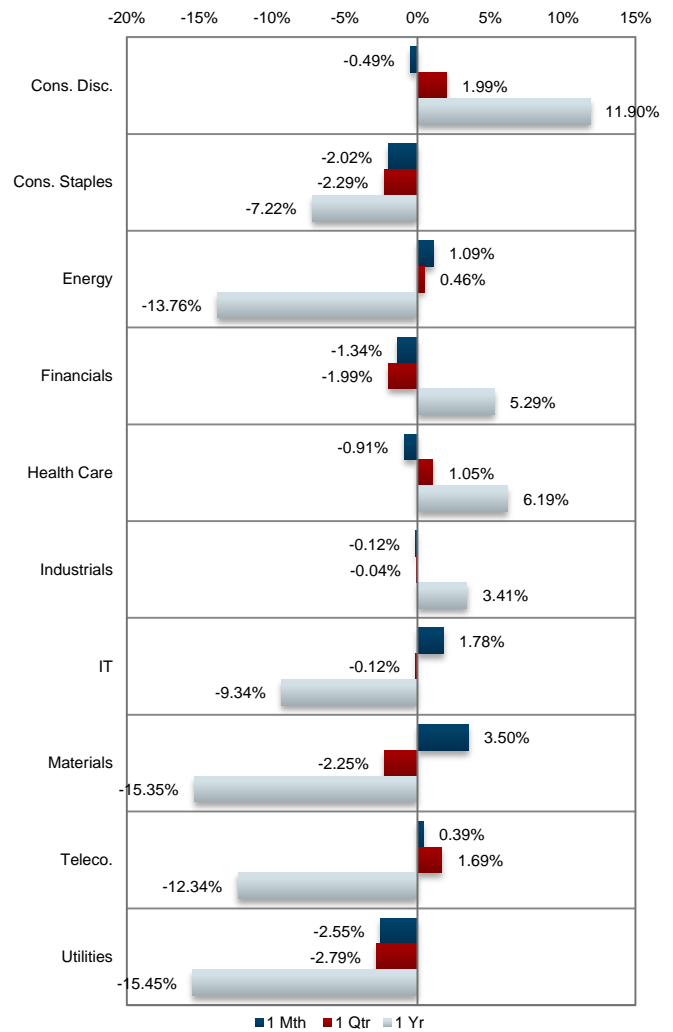
Investors should note that investments in any international assets are subject to the risk of currency fluctuations. If a foreign investment is unhedged, the gain / loss from the relevant currency pair should be deducted from the return of the asset to calculate the approximate return of the investment.

REGIONAL PERFORMANCE RELATIVE TO MSCI WORLD INDEX IN HEDGED \$A TERMS



This chart shows regional performance relative to the MSCI World Index in \$A terms, over 1 month, 1 quarter and 1 year time periods. Regional weightings for the MSCI World Index, as at 31 May 2010 were as follows: North America 58%; Europe 29%; Asia ex-Japan 2%; Japan 11%. N.B. Emerging Markets is not part of the index.

MSCI All Countries World Index (Local Currency) vs. MSCI ACWI Sector Performance



Zenith Benchmarks	Index	1 Mth	1 Qtr	1 Yr	3 Yr (p.a.)	5 Yr (p.a.)	Fin YTD	Cal YTD
Industry Sectors -	MSCI ACWI Consumer Discretionary Index	-2.34	1.62	30.49	18.45	9.26	2.56	20.40
Local Currency	MSCI ACWI Consumer Staples Index	-3.87	-2.65	11.37	12.33	7.48	-0.93	9.96
	MSCI ACWI Energy Index	-0.76	0.10	4.82	7.56	-1.74	3.96	5.40
	MSCI ACWI Financials Index	-3.19	-2.35	23.88	6.06	-2.39	1.40	10.56
	MSCI ACWI Health Care Index	-2.76	0.69	24.78	17.53	7.27	2.12	20.68
	MSCI ACWI Industrials Index	-1.97	-0.41	22.00	10.90	1.74	2.75	12.79
	MSCI ACWI IT Index	-0.07	-0.48	9.25	12.89	4.61	3.48	9.64
	MSCI ACWI Materials Index	1.65	-2.61	3.24	-0.95	-3.97	5.30	-6.73
	MSCI ACWI Teleco. Services Index	-1.46	1.32	6.25	4.82	1.22	0.82	9.11
	MSCI ACWI Utilities Index	-4.40	-3.16	3.14	-1.37	-5.54	-1.34	3.30

Zenith Monthly Market Report

Property & Infrastructure

Zenith Benchmarks	Index	1 Mth	1 Qtr	1 Yr	3 Yr (p.a.)	5 Yr (p.a.)	Fin YTD	Cal YTD
Australian Listed Property	S&P/ASX 300 Property	-0.06	-1.73	16.68	11.34	-0.63	-0.75	7.80
	FTSE E/N Australia	0.34	-9.50	-3.01	5.86	-4.46	-4.50	-6.53
Global Listed Prop. \$A (H)	FTSE E/N Dev.	-4.02	-5.25	12.93	11.73	1.10	-2.91	3.66
Global Listed Prop. (LC)	FTSE E/N North America	-6.16	-9.83	-5.10	11.04	7.23	-7.30	-1.56
	FTSE E/N Euro Zone	-3.64	-7.48	10.09	7.31	3.60	-0.45	-0.77
	FTSE E/N UK	-3.20	-2.24	11.00	13.77	-0.82	2.41	6.11
	FTSE E/N Developed Asia	0.16	-4.38	10.66	9.46	7.51	-2.26	-0.77
	FTSE E/N Japan	3.30	3.37	36.39	16.36	7.55	-0.04	17.64
Australian Listed Infra.	S&P/ASX 300 Utilities	1.31	1.65	13.64	15.97	6.80	4.18	7.74
Global Listed Infra. \$A (H)	UBS Global Infra. & Utilities	-2.64	-0.69	18.95	13.39	6.01	0.02	12.11
Global EM Listed Infra - \$A (H)	UBS EM Infra. & Utilities	-3.45	-4.01	7.32	-2.32	-0.72	-0.62	4.78

Summary of Statistics:

- Global listed property performed poorly, declining 4.02% for the month, as measured by the FTSE EPRA NAREIT Developed Total Return Index (Hedged \$A).
- Global listed infrastructure also slid, with the UBS Global Infrastructure and Utilities Index (Hedged \$A) ending the month 2.64% lower.
- Australian listed infrastructure performed better, gaining 1.31% for the month. For the quarter it finished up 1.65%.
- Australian listed property fell by 0.06% in August, as measured by the S&P/ASX 300 AREIT Index (note that this includes dividends).

Commentary:

Australian listed property performed well compared to its global counterparts, yet still fell by 0.06% in August. Charter Hall Group was the most significant drain on the overall performance, losing 9.61% for the month. The best performers were Cromwell Property Group and Stockland, gaining 5.61% and 4.19% respectively.

International listed property had a poor month, with the global benchmark index falling by 4.02%. North America was the largest contributor to the poor performance, with the FTSE EPRA North America Index declining by 6.16%. That market's quarterly performance was down 9.83%.

Australian listed infrastructure has also outperformed the global index, ending 1.31% higher compared to a 2.64% loss for the UBS Global Infrastructure & Utilities Index.

Author:

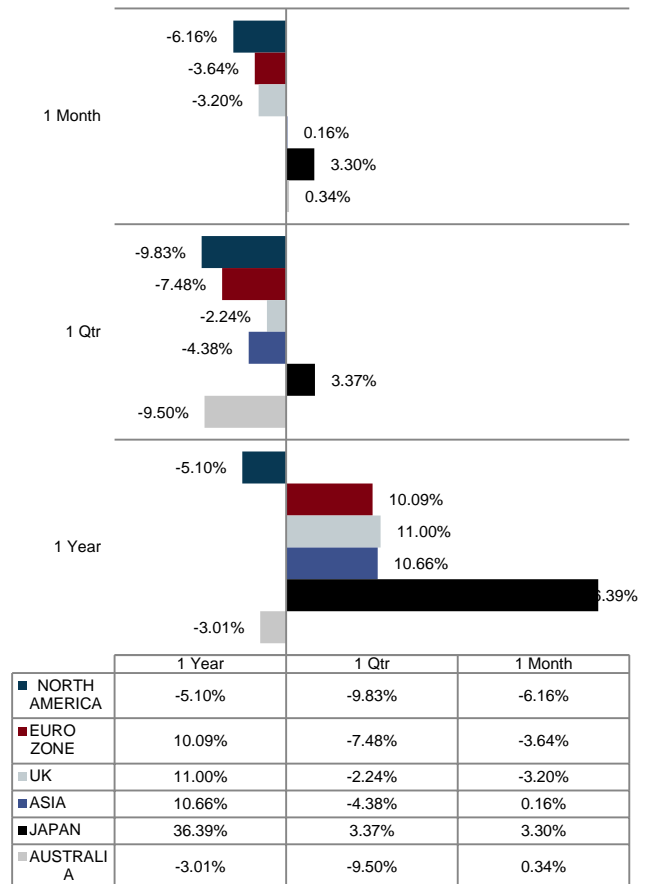
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This chart shows Regional performance relative to the FTSE EPRA/NAREIT Index over 1 month, 1 quarter and 1 year time periods. Regional weightings for the FTSE Index, as at 31 May 2010 were as follows: North America 46%; Europe ex-UK 10%; UK 5%; Asia ex-Japan 20%; Japan 10%; Australia 9%.

FTSE EPRA NAREIT REGIONAL LISTED PROPERTY RETURNS



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