

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 (%)	3.00	3.25	-0.25	4.25	-1.25
	3 Month BBSW (%)	2.80	3.00	-0.20	3.78	-0.98
	10 Year Bond Rate (%)	3.27	3.16	0.12	3.67	-0.40
Australian Shares	All Ordinaries Index	4664.59	4518.03	3.24%	4111.04	13.46%
	S&P/ASX 200	4648.95	4506.04	3.17%	4056.56	14.60%
Property	ASX 300 A-REITS Index	958.90	946.70	1.29%	766.60	25.08%
Regional Shares	Dow Jones Industrials (US)	13104.14	13025.58	0.60%	12217.56	7.26%
	S&P 500 (US)	1426.19	1416.18	0.71%	1257.60	13.41%
	FTSE 100 (UK)	5897.81	5866.82	0.53%	5572.28	5.84%
	STOXX 50 (EUR)	279.68	275.78	1.41%	244.54	14.37%
	TOPIX (Japan)	859.80	781.46	10.02%	728.61	18.01%
	Hang Seng (Hong Kong)	22656.92	22030.39	2.84%	18434.39	22.91%
Commodities	US\$ Gold Price	1675.35	1714.80	-2.30%	1563.70	7.14%
	US\$ Oil Price – W Texas Crude	91.82	88.91	3.27%	98.83	-7.09%
	US\$ CRB Spot Commodity Index	484.07	483.47	0.12%	482.01	0.43%
Exchange Rates	AUD / USD	1.04	1.04	-0.43%	1.02	1.70%
	AUD / EUR	0.79	0.80	-2.02%	0.79	-0.14%
	AUD / GBP	0.64	0.65	-1.83%	0.66	-2.69%
	AUD / JPY	89.91	86.01	4.53%	78.43	14.63%
	TWI	77.10	77.20	-0.13%	75.50	2.12%
Volatility	VIX Index %	18.02	15.87	2.15%	23.40	-5.38%

Key Points:

- During its December board meeting the Reserve Bank of Australia (RBA) reduced the overnight cash rate to 3.00%. The cash rate has been lowered by 1.25% during 2012 having begun the year at 4.25%.
- The 3 month Bank Bill Swap Rate fell during December ending the month priced at 2.80%, a reduction of 0.20%.
- The Australian 10 Year Bond yield continued to rise, ending the month priced at a yield of 3.27%; an increase of 0.12% over the previous month.
- Australian Shares gained during December, as the All Ordinaries Price Index rose by 3.24% and the S&P/ASX 200 Price Index increased by 3.17%.
- Australian Listed Property gained by 1.29% during December, as measured by the ASX 300 A-REITS Index, with the index gaining 25.08% over the previous 12 months.
- The major global equity markets increased at a more tempered pace during December. The Japanese TOPIX Index was again the strongest performer, increasing by 10.02%, having risen by 5.27% in November. UK and United States securities grew slightly in December with the FTSE 100 and S&P 500 increasing by 0.53% and 0.71% respectively.
- The Gold price depreciated for the third consecutive month, falling by 2.02%. Despite gaining 3.27% in December, Oil depreciated by 7.09% during 2012 calendar year. The broader commodities index as measured by the US\$ CRB Spot Commodity Index rose by 0.12%, and recorded a 12 month return of 0.43%.
- The Australian Dollar (AUD) fell against the major global currencies, as the RBA reduced the overnight cash rate. The AUD fell by 0.43% and 2.02% against US dollar and Euro respectively. The AUD recorded an increase of 4.53% against the Japanese Yen over the period.

Cash, Fixed Interest & Credit

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	0.29	0.84	3.97	4.54	4.93	1.76	3.97
Australian Bonds	UBSA Australia Composite All Maturities	0.18	0.21	7.70	8.35	8.26	2.20	7.70
International Bonds	Barclays Global Aggregate (\$USD Hedged)	0.10	0.89	5.72	5.24	5.28	2.91	5.72

Summary of Statistics:

- **Australian Cash** increased by 0.29% in December, as measured by the UBSA Bank Bill Index, bringing its returns over the past year to 3.97%.
- **Australian Bonds** gained 0.18%, as measured by the UBSA Australia Composite All Maturities Index, to post a return of 7.70% over the calendar year.
- **International Bonds** gained 0.10% to end the past 12 months 5.72% higher, as measured by the Barclays Global Aggregate (\$US Hedged) Index.

Commentary:

The RBA lowered the official cash rate by 25 basis points in December, with the overnight cash rate now at 3.00%. Whilst noting that economic growth had expanded at approximately trend levels during the September quarter, the board eased monetary policy as a result of a general softening of labour market conditions, and confirmation that the peak in resource sector investment was approaching. The Australian economy is currently experiencing low levels of inflation which continues to afford the RBA some scope when reducing the cash rate, leading some economists to speculate that there will be further interest rate reductions in early 2013.

Financial markets appear to be pricing in a further 25 basis point reduction in the cash rate in the first three months of 2013, as the three month bank bill swap rate is currently priced at a yield of 2.80%.

Economic data for the period indicates that economic growth and inflationary pressures eased during December. The Melbourne Institute for Applied Economic and Social Research found that consumer's inflationary expectations fell from 2.2 to 1.8 in December. The survey also found consumers to be largely pessimistic on their expected pay growth over the upcoming year, forecasting an increase of just 2.0%. These findings support the RBA's decision to lower the cash rate, so as to inject confidence into the slowing Australian economy.

In Europe, at a meeting of the European Finance Ministers, the European Central Bank (ECB) was given the authority to supervise the currency bloc's banks as at March 2014. These powers, known as the Supervisory Stability Mechanism (SSM), are intended to create a more integrated banking system within the European Union, assisting with the revival of inter-bank lending and cross-border credit flows that have slowed dramatically since the Global Financial Crisis. The ECB will supervise approximately 200 of the region's 6000 banks. As a result of the new powers, financial institutions under ECB supervision will be forced to comply with several ECB-mandated criteria including capital adequacy, financial leverage and liquidity.

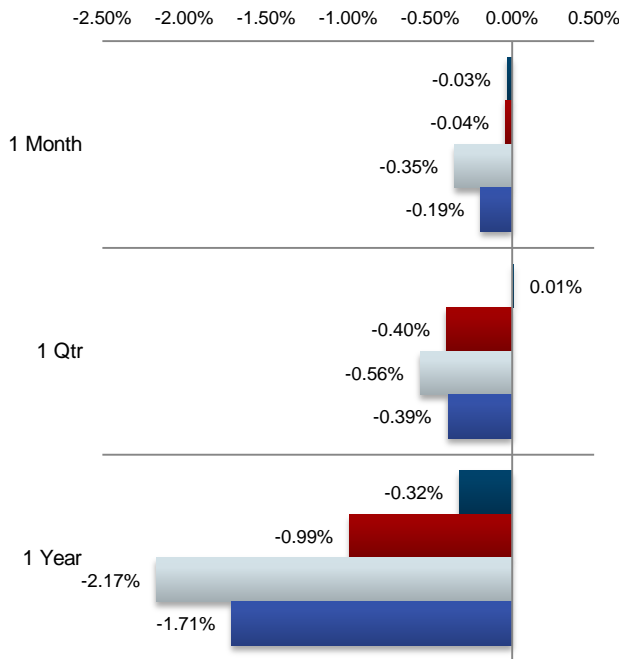
The yield demanded on European sovereign debt was largely unchanged during December, however the yields on the 10 year notes for the key countries of Greece, Italy and Spain all fell (prices rose) after the announcement of the SSM. Greek yields fell by approximately 10% after the announcement of the SSM on December 14th, closing the month priced at a yield of 11.90%.

The United States Treasury again successfully sold 10 year debt, with the yield demanded being at 1.65%, a reduction from the November auction. At a conference in Washington, Federal Reserve Chairman Ben Bernanke announced a shift of the Fed's policy in setting the outlook for its headline inflation rate. Having previously determined that the historically low interest rates would remain until at least 2015, the Fed will now link the interest rates to the levels of unemployment and inflation within the economy. Bernanke identified that whilst the inflation rate is below 2.5% p.a. and the unemployment rate is greater than 6.5% the Fed will continue to maintain the near zero interest rates. Bernanke also announced the expansion of the Fed's US asset buying program, with an additional \$45 billion of treasury securities to be purchased during January 2013.

As a result of investor uncertainty towards the US Fiscal Cliff, treasury securities ended the month priced higher at 1.757, as measured by the implied yield of the 10 year treasury notes, a slight increase in yield of 0.15% on the previous month.

Cash, Fixed Interest & Credit

Global Corporate Debt - Change in Spreads

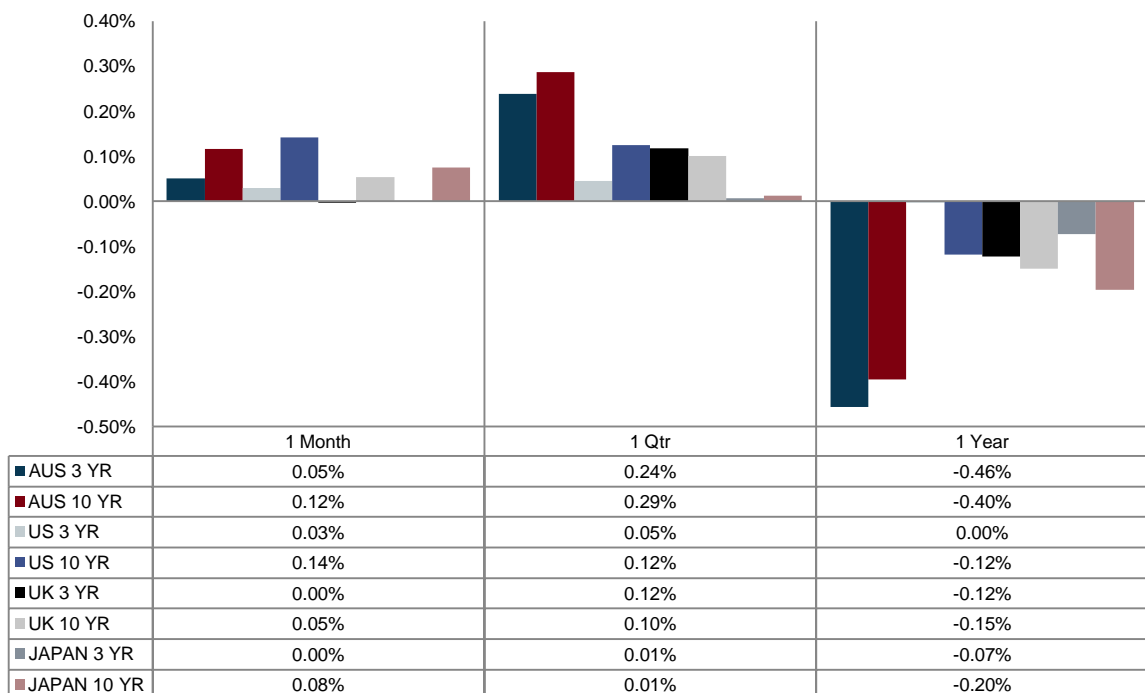


	1 Year	1 Qtr	1 Month
■ AAA	-0.32%	0.01%	-0.03%
■ Inv Grade	-0.99%	-0.40%	-0.04%
■ High Yield	-2.17%	-0.56%	-0.35%
■ Emg Mkts	-1.71%	-0.39%	-0.19%

This chart shows the change in Global corporate debt spreads over the past one month, one quarter and one year. A fall in spreads indicates a rise in corporate debt security prices and vice versa.

This chart shows the change in Government Bond yields over the past one month, one quarter and one year. A negative change in yields indicates a rise in bond prices. Country weightings for the Barclays Global Aggregate Index, as at 31 May 2010 were as follows: Australia 1%; UK 6%; US 26%; Japan 33%.

GOVERNMENT BONDS - CHANGE IN YIELDS



	1 Month	1 Qtr	1 Year
■ AUS 3 YR	0.05%	0.24%	-0.46%
■ AUS 10 YR	0.12%	0.29%	-0.40%
■ US 3 YR	0.03%	0.05%	0.00%
■ US 10 YR	0.14%	0.12%	-0.12%
■ UK 3 YR	0.00%	0.12%	-0.12%
■ UK 10 YR	0.05%	0.10%	-0.15%
■ JAPAN 3 YR	0.00%	0.01%	-0.07%
■ JAPAN 10 YR	0.08%	0.01%	-0.20%

Australian Shares

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	3.33	6.77	19.74	2.80	-1.81	16.10	19.74
	S&P/ASX 50 Leaders Index	3.37	7.03	22.02	3.72	-0.48	17.22	22.02
	S&P/ASX Midcap 50 Index	3.05	8.58	12.78	-0.60	-6.28	12.41	12.78
	S&P/ASX Small Ordinaries Index	3.23	2.04	6.58	-1.81	-6.94	9.44	6.58
	S&P/ASX Emerging Companies Index	-0.96	-8.54	-8.38	-4.07		-3.21	-8.38
GICS Sectors	S&P/ASX 300 Materials	4.78	6.43	3.57	-3.19	-3.76	13.68	3.57
	S&P/ASX 300 Industrials	5.87	8.53	11.97	0.65	-6.60	11.96	11.97
	S&P/ASX 300 Consumer Discretionary	2.56	9.01	24.15	0.13	-7.15	13.50	24.15
	S&P/ASX 300 Consumer Staples	1.31	5.23	29.18	11.10	6.32	19.39	29.18
	S&P/ASX 300 Energy	1.39	-0.26	0.45	-6.14	-1.58	6.08	0.45
	S&P/ASX 300 Healthcare	2.63	10.59	47.85	12.53	6.37	26.82	47.85
	S&P/ASX 300 Information Technologies	0.49	1.53	24.42	-3.18	-0.30	19.85	24.42
	S&P/ASX 300 Telecommunications	1.52	11.36	46.47	22.11	9.45	24.48	46.47
	S&P/ASX 300 Financials ex Property	3.39	7.99	32.35	7.97	2.95	20.98	32.35
	S&P/ASX 300 Utilities	4.10	7.11	22.92	13.24	1.86	12.25	22.92
	S&P/ASX 300 Property	2.87	6.95	32.74	9.06	-8.53	14.09	32.74

Summary of Statistics:

- The Australian share market increased in December with the **S&P / ASX 300 Accumulation Index** rising by 3.33%. Over the calendar year the Australian share market has increased by 19.74%.
- On a market capitalisation basis the **S&P / ASX Small Ordinaries Index** increased by 3.23%. This index has recorded gains of 6.58% over the previous 12 months. The **S&P / ASX Emerging Companies Index** again lost ground, falling by 0.96%. The Emerging Companies Index recorded losses of 8.38% during 2012, with a loss of 8.54% being returned for the December quarter. The **S&P / ASX Mid Cap 50 Index** and the **S&P / ASX 50 Leaders Index** returned 3.05% and 3.37% respectively. The 50 Leaders Index has returned 22.02% over the 2012 calendar year, outperforming the broader Australian share market.
- In what was a strong month for Australian securities within the ASX 300, the Industrials and Materials sectors outperformed the S&P / ASX 300 Index rising by 5.87% and 4.78% respectively. Over the previous 12 months, the Healthcare (+47.85) and Telecommunications (+46.47%) sectors were the strongest performers, as investors sought more defensive and yield focussed assets. The Materials sector (+3.57%) underperformed the share market during 2012 calendar year.

Commentary:

The Australian share market closed out the 2012 calendar year with strong growth during December, with the headline S&P / ASX 300 Accumulation Index recording a gain of 3.33%. The RBA's decision to lower the overnight cash rate during their December meeting helped to stimulate the economy, and the share market performed strongly despite the uncertainty in financial markets as a result of the unresolved 'fiscal cliff' crisis in the United States. The Australian share market has increased by 16.10% over the financial year, accounting for much of its gains during the 2012 calendar year.

The S&P/ASX Emerging Companies Index significantly underperformed the Australian share market over the previous quarter. This underperformance is largely due to the increased presence of under-diversified miners in this space, whose performance is highly correlated with that of the price of the commodity in which it extracts/manufactures. As a result of the recent falls in world commodity prices during October, several companies within this index have seen a substantial reduction in their share price, as the lower commodity prices adds increasing pressure on these company's margins.

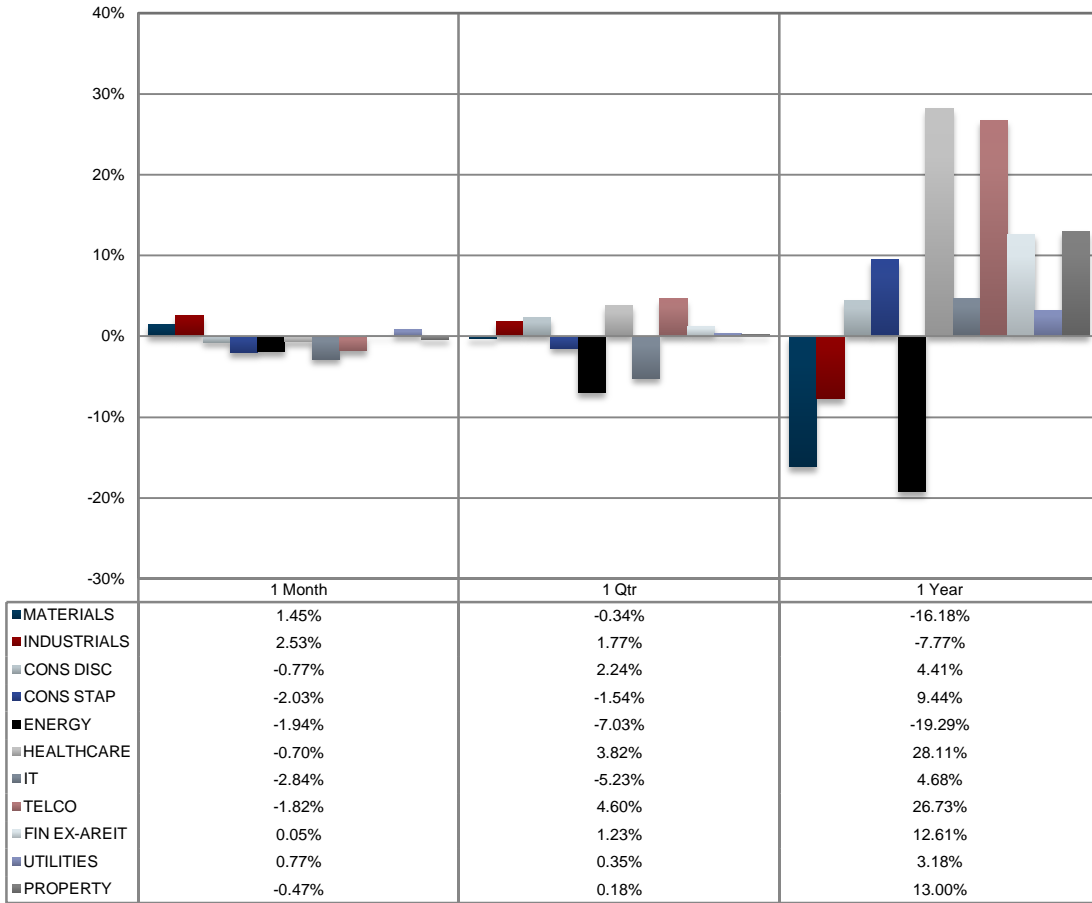
Underground coal gasification and mining company, Linc Energy (+69.57), was the strongest performing security in the ASX 300 Index. The company was queried by the ASX in early December to explain its dramatic price increase, as rumours swirled of an impending takeover bid from Russian investor Roman Abramovich. The company identified the progress of the commercialisation of its clean energy technology currently in use in Africa and the Ukraine, as being a key driver for this price increase. Additionally the company alluded to the continued development of the Carmichael coal project as further contributing to the price appreciation. By contrast, Molopo Energy fell by 36.36% during December, as the company's preliminary well results from its Baggett Well in Calgary underperformed analyst's expectations.

The Materials and Industrials sectors were the strongest performers for the month, as global commodity prices rallied during December on the back of stronger demand throughout Asia. Imdex Limited which provides drilling fluids and downhole survey instruments closed the month 52.48% higher, as investors returned to the security after several months of price depreciation. Grange Resources Limited also rose by 52%, with the announcement of the approval of a Nelson Bay River Magnetite mine partially contributing to this rise.

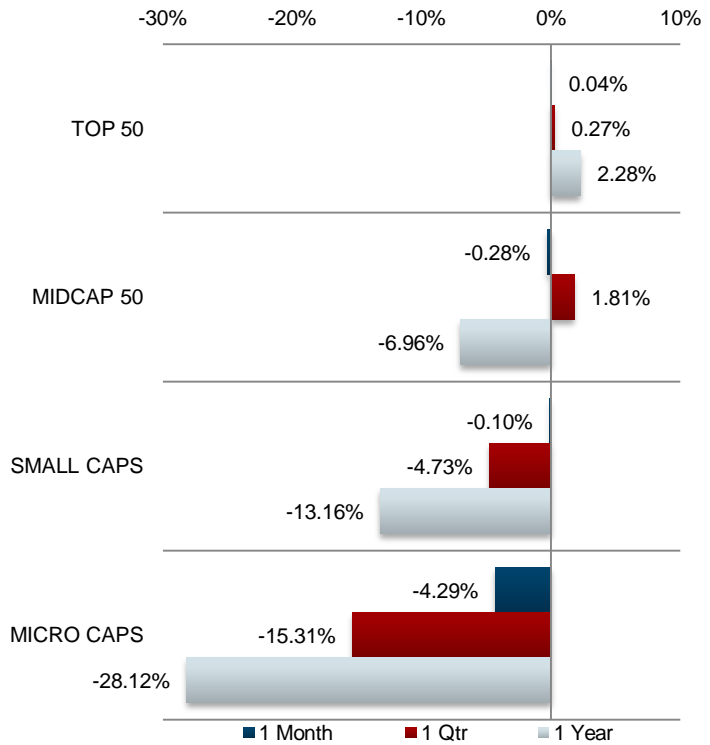
The Energy Sector (S&P/ASX 300 Energy) continued to underperform the market during December, rising by just 1.39%. Maverick Drilling & Exploration, which has significant exposure to the dysfunctional oil distribution infrastructure network in the United States, was the poorest performing security depreciating by 20% for the month.

Australian Shares

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 quarter, 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 ASX 300 Index.

International Shares

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)	2.34	2.49	14.14	1.91	-4.55	7.66	14.14
	MSCI World (\$A)	2.38	2.66	14.38	1.94	-4.44	7.98	14.38
	MSCI Small Cap World Ex Aus (\$A)	3.65	3.73	16.08	5.31	-0.91	9.14	16.08
	MSCI AC World (\$A)	2.67	3.41	14.42	1.25	-4.56	7.68	14.42
International Shares - Local Currency	MSCI World ex-Au (Local Currency)	1.85	2.78	15.51	6.51	-1.49	8.40	15.51
	MSCI World (Local Currency)	1.88	2.49	15.83	6.93	-1.18	9.36	15.83
	MSCI World S. Cap ex-Au (Loc. Crncy)	3.15	3.56	17.55	10.47	2.46	10.54	17.55
	MSCI AC World (Local Currency)	2.17	3.24	15.87	6.21	-1.31	9.06	15.87
Regional Shares - Local Currency	MSCI North America	0.94	-0.24	14.54	9.59	0.96	5.99	14.54
	MSCI Asia	6.11	10.25	20.05	2.53	-4.90	12.84	20.05
	MSCI AC Asia ex-Japan	3.00	5.06	19.35	5.40	0.36	12.61	19.35
	MSCI China	4.82	12.84	22.50	1.56	-3.63	18.05	22.50
	MSCI Europe	1.38	5.14	15.61	3.84	-2.67	11.93	15.61
	MSCI Emerging Markets	3.94	5.33	16.99	5.22	0.44	11.55	16.99
	MSCI India	0.71	4.38	29.96	4.07	-0.93	13.82	29.96
	MSCI Japan	10.40	17.56	21.57	-0.21	-9.04	13.66	21.57
Global Gold Shares in A\$	FTSE Gold Mines	-2.88	-14.65	-16.49	-7.35	-4.21	0.07	-16.49
Global Resources in A\$	HSBC Global Mining	5.61	3.52	0.83	-5.54	-6.68	10.93	0.83

Summary of Statistics:

- International shares experienced a strong period of growth during December with the major global indices including the **MSCI World Ex-Australia (\$A) Index** (+2.34%), the **MSCI World (\$A) Index** (+2.38%) and the **MSCI World (Local Currency) Index** (+1.88%) all increasing.
- The **MSCI All Countries World Index (\$A)** (+2.67%), increased in December, while the **Local Currency Index** (+2.17%) also gained. Global Small Caps continued to rise over the period with the **MSCI Small Cap Local Currency Index** appreciating by 3.15%.
- On a Regional Basis, the **MSCI Asia Index** increased by 6.11%, a rise which was can largely be attributed to the growth in both China (+4.82%) and Japan (+10.40%). The **MSCI India Index** rose by 0.71% taking its gains to 29.05% over the 2012 calendar year.
- Global Gold Shares endured another poor month falling by 2.88%. The Index returned losses of 16.49% for the calendar year with much of these losses occurring in the December quarter. Global resources securities as measured by the HSBC Global Mining Index gained 5.61%

Commentary:

Global equity markets performed strongly throughout December despite the continued uncertainty regarding the US 'fiscal cliff'. Whilst the fiscal cliff crisis was averted on January 1st 2013 as the both the US Senate and House of Representatives agreed to a less severe taxation and government spending policy, there remained substantial uncertainty in global financial markets. Should a deal not have been reached it was estimated by the Congressional Budget Office, that US economic growth would fall by 4%, thereby sending the US economy into recession. The revised measures approved by the House of Representatives include a more modest increase in taxation levels (from 35% to 39.6%) on incomes in excess of \$400 000, and delays the proposed cuts to government expenditure by two months.

European markets enjoyed another month of positive growth, having risen by 15.61% as measured by the MSCI Europe Index. Research provider Sentix, in its survey tracking investor sentiment; found that investor sentiment across the Euro Zone had risen for the fourth consecutive month. Investor confidence continues to remain strong as a result of the measures currently being implemented by the European Central Bank with regards the purchase of sovereign debt in the secondary bond markets. The prospect of an official debt relief package for the debt stricken Greek economy is providing investors with increasing confidence as to the stability of the European financial markets thereby aiding the growth of the European equities markets.

The MSCI Asia Index (+6.11%) enjoyed the largest gains of the regional indices during December. The Japanese Index increased by 10.40% to register the largest increase for a domestic equities market for the month. Japanese equities have performed strongly over the past quarter increasing by 17.56% as the country's new Prime Minister Shinzo Abe came to power. Abe's political campaign was based on the implementation of a policy which allowed for unlimited monetary easing to stimulate inflation in the economy. This monetary easing has led to a rapid depreciation in the value of the Japanese Yen against all major currencies resulting in Japanese exports becoming increasingly more competitive on a global scale. This has helped promote the dramatic rise in the price of Japanese equities.

On a sector basis the MSCI ACWI Materials Index rose by 4.69%, as a result of the global strengthening of commodities prices, including iron ore, whose spot market price rose by 25% during December.

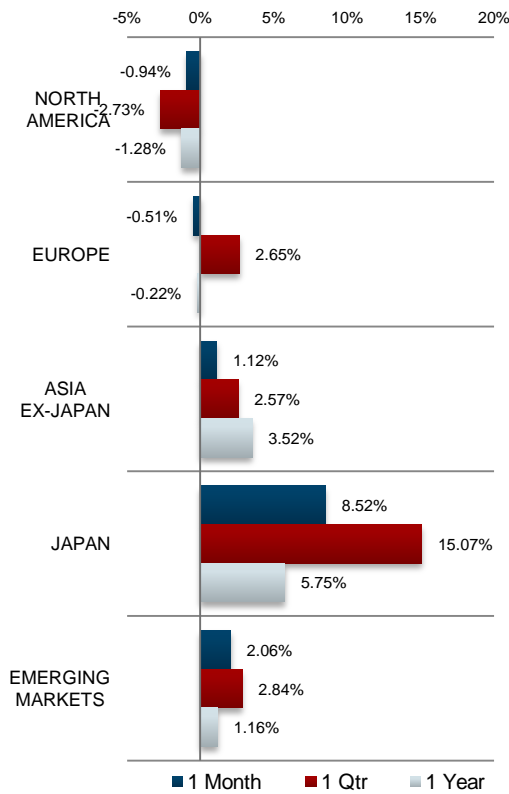
The Australian Dollar (AUD) depreciated slightly against the US dollar (-0.43%) and the Euro (-2.02%), despite an unusual rise in the currency rate after the announcement of the December interest rate cuts. The AUD again appreciated against the Yen (+4.53%), as the continued monetary easing in the Japanese economy places downward pressure on the Japanese exchange rates against all major currencies.

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	-0.43	0.05	1.70	4.96	3.44	1.42	1.70
	AUD / EUR	-2.02	-2.52	-0.14	7.89	5.53	-2.67	-0.14
	AUD / GBP	-1.83	-0.41	-2.69	4.75	7.65	-1.93	-2.69
	AUD / JPY	4.53	11.13	14.63	2.44	-1.71	10.05	14.63

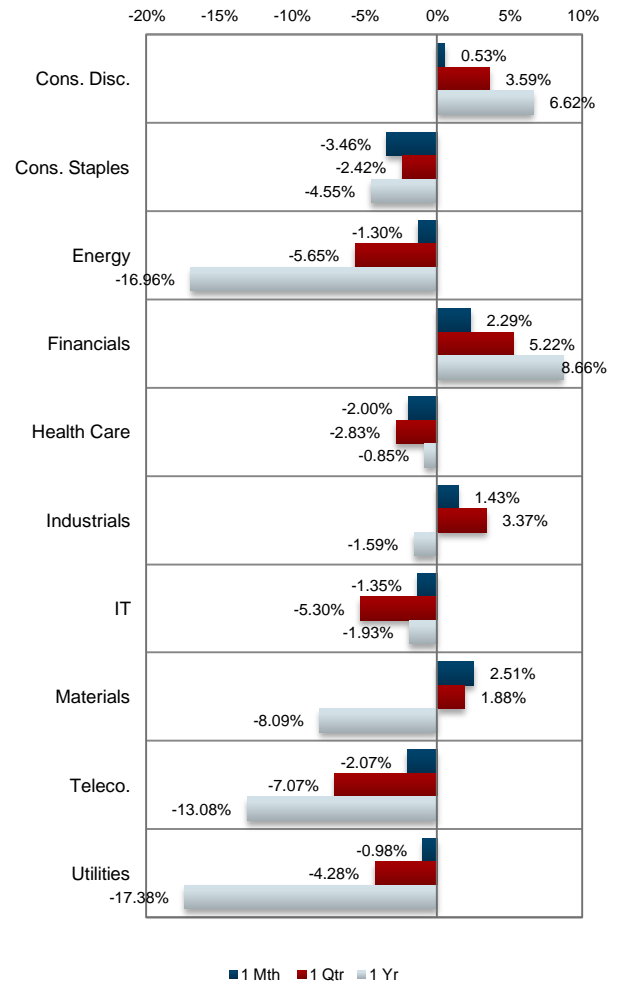
Investors should note that investments in any international assets are subject to the risk of currency fluctuations. If a foreign investment is unhedged, the gain / loss from the relevant currency pair should be deducted from the return of the asset to calculate the approximate return of the investment.

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:

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	2.70	6.83	22.49	11.20	1.50	11.88	22.49
Local Currency	MSCI ACWI Consumer Staples Index	-1.29	0.82	11.32	9.21	3.48	4.58	11.32
	MSCI ACWI Energy Index	0.87	-2.41	-1.09	1.30	-4.60	4.59	-1.09
	MSCI ACWI Financials Index	4.46	8.45	24.53	0.25	-9.63	15.63	24.53
	MSCI ACWI Health Care Index	0.18	0.41	15.02	7.05	2.05	6.52	15.02
	MSCI ACWI Industrials Index	3.60	6.61	14.28	6.07	-4.35	9.64	14.28
	MSCI ACWI IT Index	0.82	-2.06	13.94	5.18	-0.40	3.52	13.94
	MSCI ACWI Materials Index	4.69	5.12	7.79	-0.58	-4.91	10.07	7.79
	MSCI ACWI Teleco. Services Index	0.10	-3.83	2.79	1.79	-5.43	0.02	2.79
	MSCI ACWI Utilities Index	1.19	-1.04	-1.51	-4.10	-8.74	-2.42	-1.51

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	2.87	6.95	32.74	9.06	-8.53	14.09	32.74
	FTSE E/N Australia	1.14	4.08	26.81	11.56	-10.53	9.70	26.81
Global Listed Property - Hedged in A\$	FTSE E/N Dev	4.40	7.39	29.95	11.55	-2.76	12.96	29.95
Global Listed Property - Regional Local Return	FTSE E/N North America	2.43	-0.10	16.41	21.40	7.60	-0.69	16.41
	FTSE E/N Euro Zone	0.18	10.95	30.61	7.82	0.39	16.33	30.61
	FTSE E/N UK	2.33	5.88	33.74	11.20	-6.76	13.44	33.74
	FTSE E/N Developed Asia	3.13	6.67	43.47	14.32	0.75	18.51	43.47
	FTSE E/N Japan	10.31	9.87	44.20	15.52	0.20	16.92	44.20
Australian Listed Infrastructure	S&P/ASX 300 Utilities	4.10	7.11	22.92	13.24	1.86	12.25	22.92
Global Listed Infrastructure - Hedged in A\$	UBS Global Infra. & Utilities	2.87	4.26	16.91	9.70	1.05	8.64	16.91
Global EM Listed Infrastructure - Hedged in A\$	UBS EM Infra. & Utilities	4.93	2.09	7.23	-3.38	-6.18	1.61	7.23

Summary of Statistics:

- Australian Listed Property gained 2.87% during December, as measured by the **S&P/ASX 300 Property Index**. This index significantly outperformed the broader Australian share market over the calendar year with its returns of 32.74% outpacing the **S&P/ASX 300 Accumulation Index** (+19.74%) over the same period.
- Global Listed Property gained 4.40%, as measured by the **FTSE E/N Developed Index** in \$A terms. The Asian Property Markets performed strongly with the **FTSE E/N Developed Asia Index** (+3.13%) and **FTSE E/N Japanese Index** (+10.31%) recording strong gains during December.
- Australian Listed Infrastructure grew by 4.10%, as measured by the **S&P/ASX 300 Utilities Index**, with the index posting a calendar year gain of 22.92%.
- The **UBS Global Infrastructure & Utilities Index** closed the month up 2.87%, whilst the **UBS Emerging Markets Infrastructure & Utilities Index** reversed its recent negative trend rising by 4.93%.

Commentary:

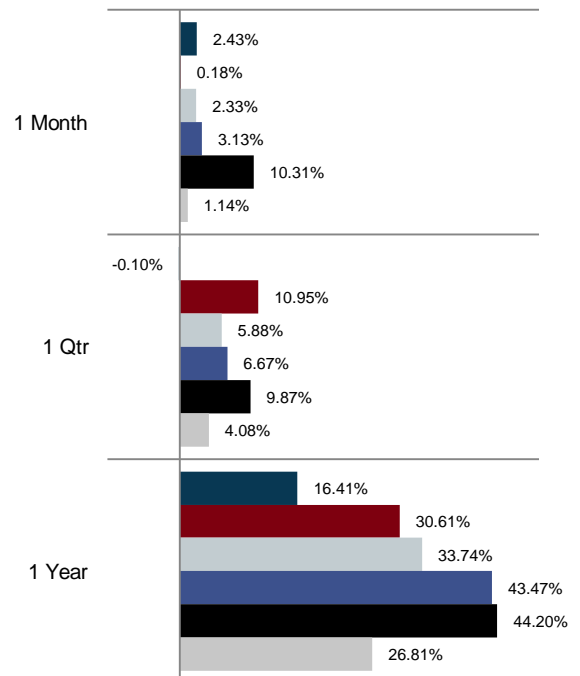
The **S&P/ASX 300 Property Accumulation Index** gained 2.87% in December, however still underperformed the broader Australian share market. The Australand Property Group was the strongest performing security within the index posting a one month gain of 18.54%. Australand rejected an offer from a larger property group, the GPT Group, for its investment property portfolio, and industrial and commercial business. Despite the offer representing a \$140 million dollar premium on the book value of the assets, Australand declined the offer on the grounds that it did not provide a high enough premium for its investors.

The Goodman Group lost 4.17% during December, however the company has enjoyed strong share price appreciation during 2012 as a result of the company's investment into logistics and industrial facilities across North America, and internal restructure of the Group to Hong Kong based Goodman Logistics to the existing Goodman stapled security.

The share depreciation in December can partially be attributed to the Goodman Australia Industrial Fund seeking an equity raising of \$624 million.

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



	1 Year	1 Qtr	1 Month
■ NORTH AMERICA	16.41%	-0.10%	2.43%
■ EURO ZONE	30.61%	10.95%	0.18%
■ UK	33.74%	5.88%	2.33%
■ ASIA	43.47%	6.67%	3.13%
■ JAPAN	44.20%	9.87%	10.31%
■ AUSTRALIA	26.81%	4.08%	1.14%

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☎ (03) 9642 3320 📄 **Data source: Bloomberg**

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