

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 (%)	2.75	2.75	0.00	3.50	-0.75
	3 Month BBSW (%)	2.39	2.56	-0.17	3.20	-0.81
	10 Year Bond Rate (%)	3.73	3.76	-0.03	3.11	0.62
Australian Shares	All Ordinaries Index	5035.67	4775.41	5.45%	4289.38	17.40%
	S&P/ASX 200	5051.98	4802.59	5.19%	4269.15	18.34%
Property	ASX 300 A-REITS Index	1005.70	1013.00	-0.72%	912.60	10.20%
Regional Shares	Dow Jones Industrials (US)	17292.80	16346.45	5.79%	12373.90	39.75%
	S&P 500 (US)	1880.77	1761.08	6.80%	1312.02	43.35%
	FTSE 100 (UK)	11211.41	10347.76	8.35%	8399.05	33.48%
	STOXX 50 (EUR)	443.74	406.39	9.19%	305.96	45.03%
	TOPIX (Japan)	12.84	12.51	2.61%	8.96	43.28%
	Hang Seng (Hong Kong)	3148.16	2940.67	7.06%	2428.40	29.64%
Commodities	US\$ Gold Price	1478.58	1353.55	9.24%	1535.53	-3.71%
	US\$ Oil Price – W Texas Crude	117.18	105.87	10.69%	83.76	39.90%
	US\$ CRB Spot Commodity Index	522.09	513.23	1.73%	457.37	14.15%
Exchange Rates	AUD / USD	0.90	0.91	-1.92%	1.05	-14.74%
	AUD / EUR	0.68	0.70	-3.90%	0.85	-20.98%
	AUD / GBP	0.59	0.60	-1.69%	0.67	-11.99%
	AUD / JPY	88.12	90.60	-2.74%	82.14	7.28%
	TWI	69.40	71.40	-2.80%	78.90	-12.04%
Volatility	VIX Index %	15.01	18.48	-3.48%	18.01	-3.00%

Key Points:

- The RBA kept the overnight cash rate steady at 2.75% during the July sitting and elected to lower the cash rate by 25 basis points (bp) to 2.50% at the August sitting.
- The Three Month Bank Bill Swap fell by 17bp to 2.39%, reflecting many analysts' expectations of an RBA rate cut.
- Ten Year Bonds were largely unchanged, falling by 3bp, to end the month priced at 3.73%.
- Australian equities bounced back in July following a couple of months of poor performance. The All Ordinaries Price Index subsequently gained 5.45% while the S&P ASX 200 Price Index gained 5.19%.
- Australian Listed Property recorded a minor correction in July, with the ASX 300 A-REIT Price Index declining by 0.72% for the month.
- Most of the major regional equities markets recorded gains in July, in an overall positive month for risk assets. European and British equities were the strongest performers with the STOXX 50 Price Index (Euro) gaining 9.19% while the FTSE 100 Price Index (UK) added 8.35%.
- US Equities also posted healthy gains with the S&P 500 Price Index gaining 6.80% while Dow Jones Industrials Price Index added 5.79%.
- The \$US price of gold posted a sharp turnaround in July, ending the month priced at \$US1478.58 per ounce for a gain of 9.24%.
- Commodities in general performed well for the month, with the CRB Spot Commodity Price Index gaining 1.73%.
- The Australian Dollar continued its decline, falling against most major currencies in July. In particular, the Aussie fell by 3.90% against the Euro and 2.74% against the Japanese Yen.
- Equity market volatility declined for the month, with the VIX Index priced at 15.01 for a fall of 3.48%.

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	0.25	0.74	3.24	4.26	4.38	0.25	1.75
Australian Bonds	UBSA Australia Composite All Maturities	0.86	-0.27	3.27	7.04	7.63	0.86	1.43
	Barclays Global: Australia TRI	0.68	-1.15	0.88	6.67	7.27	0.68	0.48
	Barclays Australian Corporate TRI	1.17	0.75	7.78	8.43	8.81	1.17	2.91
International Bonds	Barclays Global Aggregate \$A (H)	0.63	-1.92	3.57	7.48	8.76	0.63	0.64
	Barclays Global Agg Treasuries TRI \$A (H)	1.17	-2.61	4.78	9.03	10.05	1.17	0.27
	Barclays Global Agg Corporate TRI \$A (H)	0.55	-1.70	3.58	7.16	8.30	0.55	1.04
Emerging Markets Debt	Barclays EM Hard Currency Agg TRI \$A (H)	1.41	-5.15	3.83	10.52	11.09	1.41	-3.62

Summary of Statistics:

- Australian Cash gained 0.25% in July, as measured by the UBSA Bank Bill Index, ending the quarter 0.74% higher.
- Australian Bonds gained 0.86%, as measured by the UBSA Australia Composite All Maturities Index and ended the quarter 0.27% lower.
- International Bonds also gained for the month with the Barclays Global Aggregate (Hedged) \$A gaining 0.63% for the month.

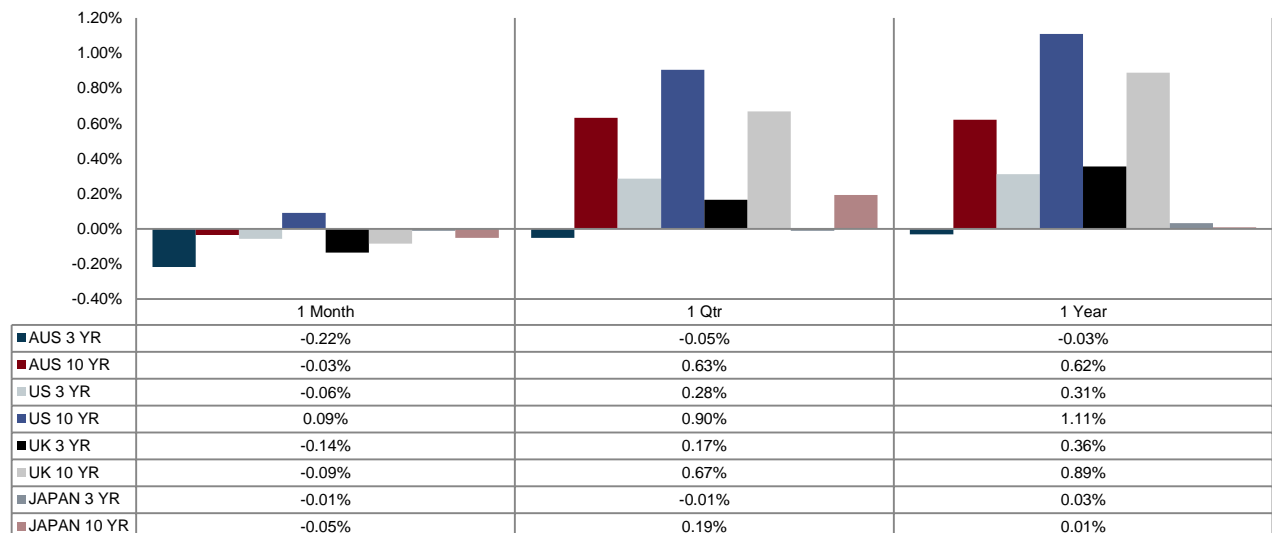
Commentary:

The RBA elected to leave the overnight cash rate unchanged at 2.75% in the July meeting. RBA Governor, Glenn Stevens, identified that Australian economic growth has been below trend level during 2013, consistent with most other developed economies globally. Further, commodities prices have declined and investment in the mining sector is continuing to be wound back. Despite this, the Australian Dollar has declined which is expected to promote some growth in the local economy.

The UBSA Australia Composite All Maturities Index gained 0.86% in July, which was largely driven by growth in the corporate bond space, with the Barclays Australian Corporate Total Return Index gaining 1.17% for the month. Driving this gain was a release by U.S Federal Reserve reversing the popular viewpoint that the current round of quantitative easing will start to be wound back in the near future. Chairman of the Federal Reserve, Ben Bernanke, reiterated that there is currently no defined timeframe to cease the program but rather bond purchases will start to be reduced when US employment improves.

International bonds similarly rallied upon hearing this news with the Barclays Global Aggregate (Hedged) \$A gaining 0.63% for the month. In particular, global treasury securities contributed most to this gain by adding 1.17% for the month while global corporate bonds gained 0.55% for the month. Emerging markets debt also had a strong month with the Barclays Emerging Markets Hard Currency Aggregated (Hedged) \$A gaining 1.41% for the month.

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	5.30	-1.90	23.18	8.53	4.76	5.30	10.55
	S&P/ASX 50 Leaders Index	5.19	-1.60	25.82	10.00	6.28	5.19	12.73
	S&P/ASX Midcap 50 Index	2.98	-4.44	17.38	4.07	0.01	2.98	5.34
	S&P/ASX Small Ordinaries Index	9.81	-1.94	4.16	-0.59	-2.79	9.81	-5.00
	S&P/ASX Emerging Companies Index	16.76	-0.90	-17.05	-6.04		16.76	-15.63
GICS Sectors	S&P/ASX 300 Materials	9.50	0.36	1.04	-5.57	-5.02	9.50	-11.71
	S&P/ASX 300 Industrials	1.74	-5.34	17.02	7.10	0.15	1.74	4.60
	S&P/ASX 300 Consumer Discretionary	5.74	1.29	40.33	10.58	7.78	5.74	26.53
	S&P/ASX 300 Consumer Staples	1.14	-8.11	25.88	16.01	13.43	1.14	12.68
	S&P/ASX 300 Energy	6.35	2.17	11.57	-0.78	-2.34	6.35	7.87
	S&P/ASX 300 Healthcare	4.54	5.30	42.54	21.00	13.49	4.54	17.29
	S&P/ASX 300 Information Technologies	1.43	-1.31	29.26	4.26	5.59	1.43	13.19
	S&P/ASX 300 Telecommunications	4.54	0.44	38.06	30.43	14.16	4.54	20.08
	S&P/ASX 300 Financials ex Property	6.34	-1.43	41.04	18.65	15.63	6.34	24.97
	S&P/ASX 300 Utilities	2.83	-4.36	12.88	15.99	6.60	2.83	6.35
	S&P/ASX 300 Property	-0.69	-5.31	16.54	12.63	1.28	-0.69	7.82

Summary of Statistics:

- Australian Equities posted strong returns in July with the S&P/ASX 300 Index ending the month 5.30% higher.
- These gains were strongly driven by smaller capitalisation stocks with the S&P/ASX Small Ordinaries Index gaining 9.81% while the S&P/ASX Emerging Companies Index gained 16.76%.
- On a sector basis the S&P/ASX 300 Materials Index and the S&P/ASX 300 Energy Index reversed their recent downward trends, gaining 9.50% and 6.35% respectively.
- Consumer Staples and Information Technologies were the worst performing sectors in July, underperforming the broader Australian market by 4.16% and 3.87% respectively.

Commentary:

Australian equities reversed their recent downward trend to record a strong positive return for July, ending the month 5.30% higher. Leading the gains in this sector were stocks in the smaller market capitalisation ranges the S&P/ASX Small Ordinaries Index gaining 9.81% while the S&P/ASX Emerging Companies Index gained 16.76%. In a market that is largely driven by investor sentiment, Australian investors added risk assets to their portfolios as local political stability briefly improved while an encouraging announcement from the Chairman of the US Federal Reserve, Ben Bernanke, stated that there is currently no firm timeframe for ceasing the current bond purchasing program.

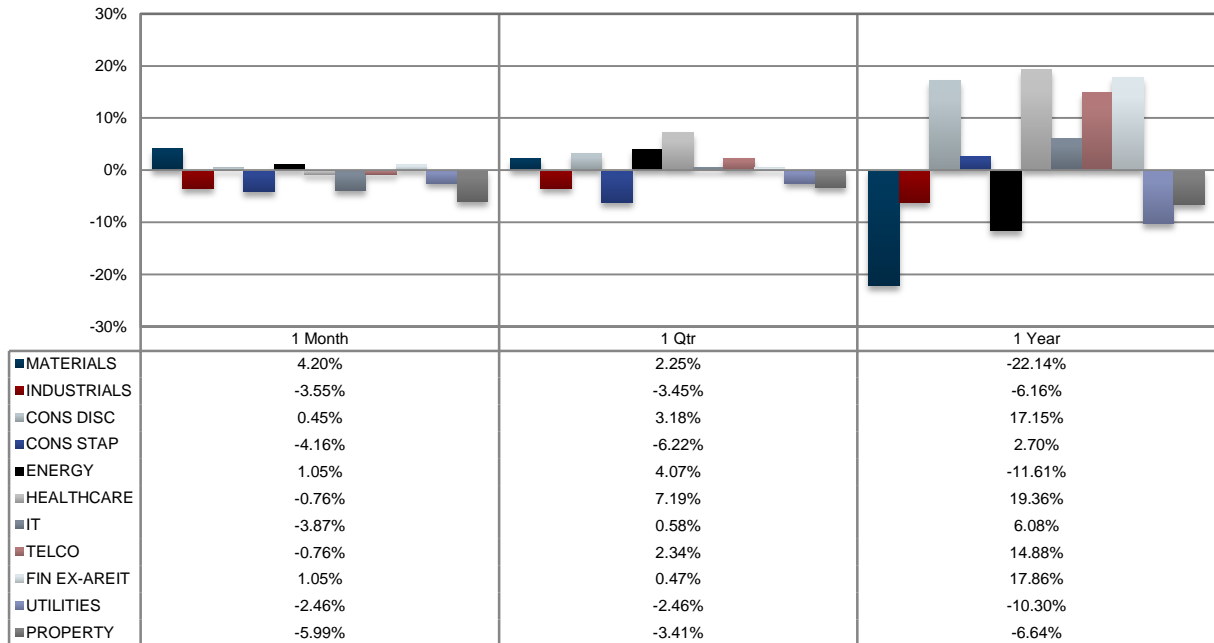
The Materials sector was the strongest performer for July, with the S&P/ASX 300 Materials Index gaining 9.50%. Gold miners led the charge as the price of gold rallied 9.24% for the month. Endeavour Mining, Rex Minerals and Papillon Resources posted particularly strong results gaining 76.19%, 71.64% and 61.19% respectively in July. The major miners outperformed the broader market with BHP Billiton gaining 10.42% and Rio Tinto gained 9.81% while overall twelve stocks in the Materials space gained more than 50% for the month.

The Energy sector similarly performed well in July, with S&P/ASX 300 Energy Index gaining 6.35% to outperform the broader market by 1.05%. Linc Energy and Central Petroleum led the gains adding 97.56% and 78.08% respectively as the price of Singapore First Fuel Futures rallied 6.86% for the month.

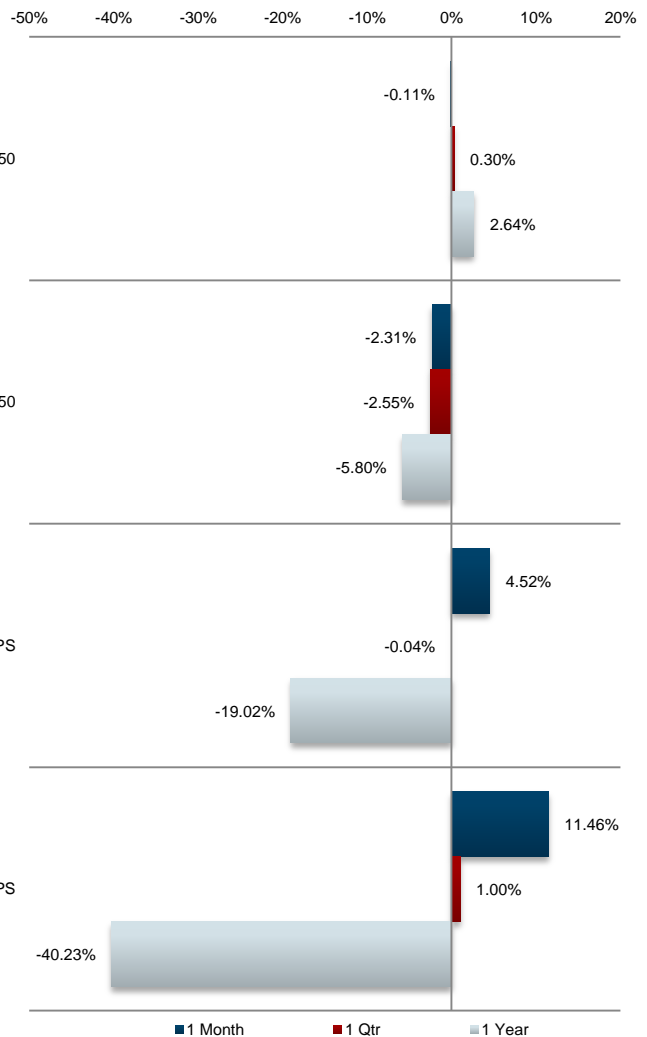
With investors pursuing higher risk sectors to invest in consumer staples underperformed the broader market by 4.16% with the S&P/ASX 30 S&P/ASX 300 Consumer Staples Index ending the month 1.14% higher. Diversified consumer retailers, Woolworths and Wesfarmers, both outperformed within the sector however still underperformed the broader market to end the month 1.55% and 2.42% higher respectively.

The S&P/ASX 300 Information Technologies Sector also performed below benchmark, yet ended the month 1.43% higher. While most stocks in the sector outperformed the broader market, a fall of 4.77% by the largest constituent in the index, Computershare, drove the sector returns down for the month.

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)	7.45	19.65	45.29	13.19	5.25	7.45	32.84
	MSCI World (\$A)	9.26	37.42	69.50	13.36	6.30	9.26	52.96
	MSCI Small Cap World Ex Aus (\$A)	10.47	40.76	78.94	15.82	10.33	10.47	57.50
	MSCI AC World (\$A)	6.44	19.01	44.13	11.85	5.62	6.44	32.20
International Shares - Local Currency	MSCI World ex-Au (Local Currency)	4.73	3.90	25.51	12.88	4.85	4.73	17.19
	MSCI World (Local Currency)	7.12	18.81	44.55	13.03	5.31	7.12	32.22
	MSCI World S. Cap ex-Au (Loc. Curr.)	8.31	21.69	52.60	15.49	9.30	8.31	36.15
	MSCI AC World (Local Currency)	4.36	2.89	22.91	11.53	4.63	4.36	14.28
Regional Shares - Local Currency	MSCI North America	5.06	5.55	23.32	15.95	6.90	5.06	17.81
	MSCI Asia	0.86	-2.49	29.08	7.79	0.97	0.86	13.35
	MSCI AC Asia ex-Japan	2.06	-2.60	9.43	4.61	5.06	2.06	-0.78
	MSCI China	5.88	10.96	26.54	-0.03	1.54	5.88	7.28
	MSCI Europe	5.85	3.05	22.25	8.39	3.80	5.85	12.32
	MSCI Emerging Markets	1.46	-2.94	5.79	3.42	3.48	1.46	-3.51
	MSCI India	-0.91	1.27	22.14	-5.80	0.53	-0.91	3.40
	MSCI Japan	2.41	11.88	47.90	7.81	1.65	2.41	36.12
Global Gold Shares in \$A	FTSE Gold Mines	13.75	14.22	-19.27	-20.15	-9.09	13.75	-24.71
Global Resources in \$A	HSBC Global Mining	10.81	19.19	13.18	-9.65	-7.49	10.81	-3.83

Summary of Statistics:

- International Shares continued to rally in July, with the MSCI World Ex-Australia Index gaining 7.45% on an unhedged basis while gaining 4.73% in local currency terms.
- Global small caps similarly performed strongly, with the MSCI Small Cap World Ex-Australia Index gaining 10.47% in unhedged terms while the local currency equivalent added 8.31% for the month.
- Equities in developed economies performed stronger than those in emerging markets, with the developed market equities index - the MSCI World Index (Local Currency) - gaining 7.12% while the MSCI AC World Index (Local Currency), which includes securities in developing economies, gained 4.36%.
- On a regional basis Chinese equities posted strong returns, with the MSCI China Index (Local Currency) gaining 5.88%. MSCI Europe Index and MSCI North America Index also outperformed the broader market, gaining 5.85% and 5.06%, respectively, in local currency terms.

Commentary:

Investors entered 'Risk On' mode in July, in response to positive news from the Chairman of the US Federal Reserve, Ben Bernanke. Investor confidence had previously waned following an announcement in April that the Federal Reserve may start to reduce the scale of bond purchases from \$US85 billion per month in the near term. However, Bernanke clarified his previous position by confirming that the current quantitative easing policy would continue as long as US unemployment remains high. Driven by this renewed confidence global equities markets posted significant gains in July with the MSCI World Ex-Australia Index gaining 7.45% on an unhedged basis while gaining 4.73% in local currency terms.

US Equities naturally contributed strongly to these gains with the S&P 500 Index rising by 6.80% for the month while the Dow Jones Industrials Index added 5.79%. Chinese equities also performed strongly in July with the MSCI China Index gaining 5.88% in local currency terms.

Elsewhere, seasonally adjusted unemployment in the Eurozone declined while the quarterly current account balances in Portugal, Italy, Ireland, Greece and Spain all improved. The MSCI Europe Index (Local Currency) subsequently gained 5.85% for the month.

On a sector basis Healthcare and Consumer Discretionary were the strongest performers, with the MSCI ACWI Healthcare Index and the MSCI ACWI Consumer Discretionary Index gaining 5.02% and 5.01% respectively for July.

The Materials sector received a boost in July as investors added commodities exposure to their portfolios with fundamental and sentiment based indicators showing value in the sector. The FTSE Gold Mines Index (Unhedged) \$A subsequently gained 13.75% for the month following a 9.24% rise in the price of gold. The HSBC Global Mining Index (Unhedged) \$A also recorded a strong return for the month, ending the period 10.81% higher. Overall, the MSCI ACWI Materials Index (Local Currency) gained 3.58% in July.

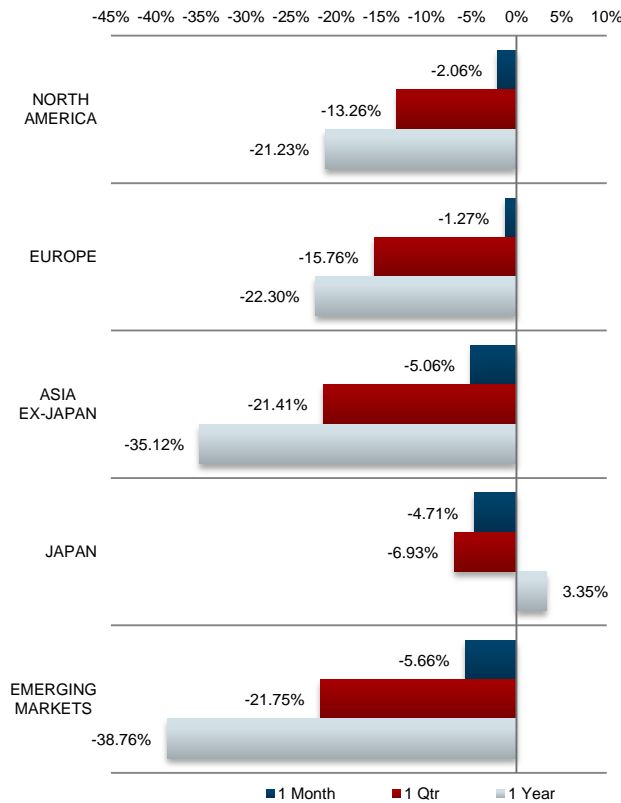
Zenith Monthly Market Report

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	-1.92	-13.55	-14.74	-0.29	-0.98	-1.92	-13.68
	AUD / EUR	-3.90	-14.32	-20.98	-0.85	2.25	-3.90	-14.20
	AUD / GBP	-1.69	-11.49	-11.99	0.81	4.44	-1.69	-7.62
	AUD / JPY	-2.74	-12.86	7.28	4.07	-2.82	-2.74	-1.99

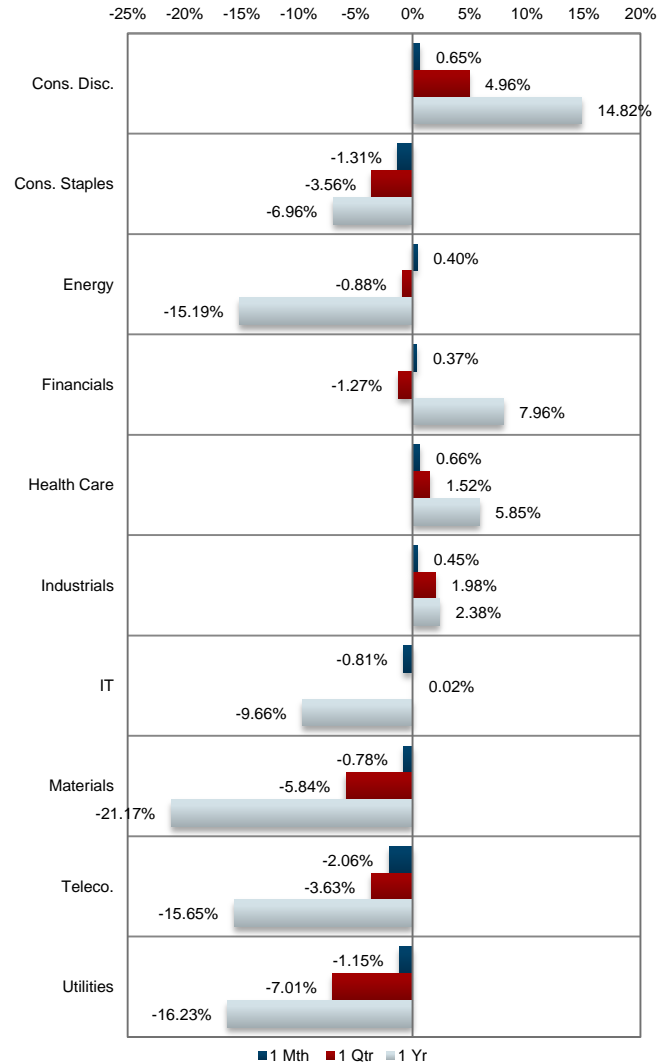
Investors should note that investments in any international assets are subject to the risk of currency fluctuations. If a foreign investment is unhedged, the gain / loss from the relevant currency pair should be deducted from the return of the asset to calculate the approximate return of the investment.

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	5.01	7.85	37.73	18.10	10.67	5.01	23.28
Local Currency	MSCI ACWI Consumer Staples Index	3.05	-0.67	15.95	13.62	9.05	3.05	14.38
	MSCI ACWI Energy Index	4.76	2.01	7.72	6.63	-1.68	4.76	6.22
	MSCI ACWI Financials Index	4.74	1.63	30.87	5.24	-1.97	4.74	14.20
	MSCI ACWI Health Care Index	5.02	4.41	28.76	18.64	8.36	5.02	24.11
	MSCI ACWI Industrials Index	4.81	4.87	25.29	9.67	2.06	4.81	15.06
	MSCI ACWI IT Index	3.55	2.91	13.25	10.16	4.92	3.55	9.72
	MSCI ACWI Materials Index	3.58	-2.94	1.74	-1.82	-5.13	3.58	-8.24
	MSCI ACWI Teleco. Services Index	2.31	-0.74	7.26	5.79	1.56	2.31	10.73
	MSCI ACWI Utilities Index	3.21	-4.12	6.68	0.21	-4.74	3.21	8.05

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	-0.69	-5.31	16.54	12.63	1.28	-0.69	7.82
	FTSE E/N Australia	-1.12	-4.75	15.77	7.88	-5.64	-1.12	8.48
Global Listed Prop. \$A (H)	FTSE E/N Dev.	1.15	-7.57	18.02	13.19	1.98	1.15	8.00
Global Listed Prop. (LC)	FTSE E/N North America	2.62	7.16	25.14	14.93	7.96	2.62	22.23
	FTSE E/N Euro Zone	7.32	13.24	43.55	9.68	2.19	7.32	19.88
	FTSE E/N UK	9.89	21.29	45.21	15.94	-1.76	9.89	27.70
	FTSE E/N Developed Asia	1.36	-1.05	36.13	11.49	5.03	1.36	15.42
	FTSE E/N Japan	0.52	-3.90	60.04	19.04	4.22	0.52	32.69
Australian Listed Infra.	S&P/ASX 300 Utilities	2.83	-4.36	12.88	15.99	6.60	2.83	6.35
Global Listed Infra. \$A (H)	UBS Global Infra. & Utilities	2.73	-2.08	23.79	14.46	6.97	2.73	15.15
Global EM Listed Infra - \$A (H)	UBS EM Infra. & Utilities	2.93	3.59	11.98	-0.83	0.23	2.93	8.52

Summary of Statistics:

- Australian listed property went against the broader market trend in July, with the S&P/ASX 300 AREIT Index falling by 0.69% for the month.
- Global listed property also underperformed global equities with the FTSE EPRA NAREIT Developed Total Return Index (Hedged \$A) ending the month 1.15% higher.
- Global listed infrastructure fared better, with the UBS Global Infrastructure and Utilities Index (Hedged \$A) gaining 2.73% for the month.
- Australian listed infrastructure posted a similar return in July with the S&P/ASX 300 Utilities Index ending the month 2.83% higher.

Commentary:

Australian listed property continued to fall in July, ending the month 0.69% lower for a combined quarterly loss of 5.31%, as measured by the S&P/ASX 300 Property Index. GPT Group was the most significant drain on performance, ending 4.69% lower for the month while Goodman Group, Westfield Retail Trust and Westfield Group also declined ending the period 3.28%, 2.90% and 1.92% lower respectively.

International property securities fared better, with the FTSE EPRA NAREIT Developed Total Return Index (Hedged) \$A gaining 1.15% for the month. The strong performance in July was largely fuelled by positive returns in European and British Property with the FTSE EPRA NAREIT Euro Zone Index and the FTSE EPRA NAREIT UK Index gaining 7.32% and 9.89% respectively.

Australian listed infrastructure performed largely inline with its global equivalent, ending the month 2.83% higher to outperform the global benchmark by 10 basis points.

Author:

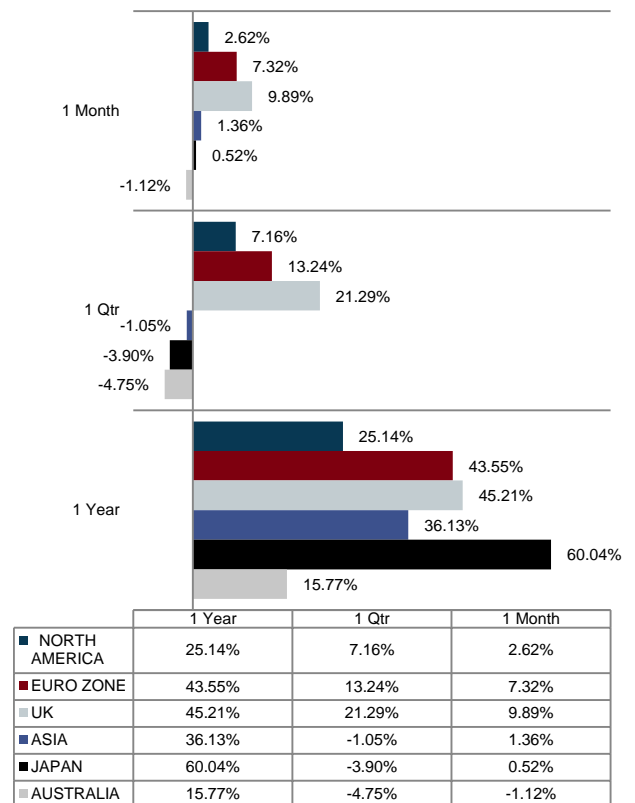
Aryeh Kraemer

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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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