

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	3.00	0.00	4.25	-1.25
	3 Month BBSW (%)	2.92	2.88	0.04	4.11	-1.19
	10 Year Bond Rate (%)	3.35	3.45	-0.10	3.97	-0.62
Australian Shares	All Ordinaries Index	5120.38	4901.01	4.48%	4388.08	16.69%
	S&P/ASX 200	5104.08	4878.78	4.62%	4298.55	18.74%
Property	ASX 300 A-REITS Index	1025.40	999.80	2.56%	815.40	25.75%
Regional Shares	Dow Jones Industrials (US)	14054.49	13860.58	1.40%	12952.07	8.51%
	S&P 500 (US)	1514.68	1498.11	1.11%	1365.68	10.91%
	FTSE 100 (UK)	6360.81	6276.88	1.34%	5871.51	8.33%
	STOXX 50 (EUR)	289.94	287.22	0.95%	264.32	9.69%
	TOPIX (Japan)	975.66	940.25	3.77%	835.96	16.71%
	Hang Seng (Hong Kong)	23020.27	23729.53	-2.99%	21680.08	6.18%
	Commodities	US\$ Gold Price	1579.58	1663.65	-5.05%	1696.85
	US\$ Oil Price – W Texas Crude	92.05	97.49	-5.58%	107.07	-14.03%
	US\$ CRB Spot Commodity Index	477.73	491.52	-2.81%	503.46	-5.11%
Exchange Rates	AUD / USD	1.02	1.04	-1.90%	1.08	-4.98%
	AUD / EUR	0.78	0.77	1.86%	0.81	-3.01%
	AUD / GBP	0.67	0.66	2.56%	0.68	-0.28%
	AUD / JPY	94.58	95.32	-0.78%	87.30	8.34%
	TWI	77.40	77.70	-0.39%	79.20	-2.27%
Volatility	VIX Index %	15.51	14.28	1.23%	18.43	-2.92%

Key Points:

- The RBA opted to leave the overnight cash rate unchanged at 3.00% at the February board meeting and similarly elected to keep the rate at 3.00% in March.
- Three month bank bill future prices gained 4 basis points (bp) in February, indicating improved market sentiment while also signalling a lower probability of an interest rate cut in the next three months.
- The ten year bond rate corrected in February following a dramatic rise in January to end the month 10 bp lower.
- Australian shares continued to post strong returns, with the All Ordinaries Price Index gaining 4.48% and the S&P/ASX 200 Price Index gaining 4.62%.
- Australian listed property gained 2.56% as measured by the ASX 300 A-REITS Price Index.
- International Shares posted modest gains in February, with most major regional markets reporting gains. In particular, the TOPIX (Japan) rallied 3.77% while the Dow Jones Industrials (US) and the FTSE 100 (UK) posted moderate gains of 1.40% and 1.34% respectively.
- The Hang Seng Price Index (Hong Kong) performed poorly in absolute and relative terms, declining by 2.99% during February.
- Commodities prices fell in February. Oil was the weakest performer with the price of West Texas Crude Oil (\$US) declining by 5.58%. The USD Gold price also retreated, ending the month 5.05% lower.
- The Australian Dollar saw varied results in February, declining against the US Dollar (down 1.90%) and the Japanese Yen (down 0.78%) while posting gains against the British Pound (2.56% higher) and the Euro (1.86% higher).
- Volatility increased by 1.23%, as measured by the VIX Index, however the Index is still less volatile than at this time last year.

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	0.22	0.78	3.73	4.47	4.80	2.26	0.49
Australian Bonds	UBSA Australia Composite All Maturities	0.59	0.55	8.18	7.82	8.22	2.57	0.37

Summary of Statistics:

- Australian Cash gained 0.22% in January as measured by the **UBSA Bank Bill Index** to bring the 12 month return to 3.73%.
- Australian Bonds had a strong month in February, with the **UBSA Australia Composite All Maturities Index** rallying 0.59% recovering the losses from the past quarter to end 0.55% higher.

Commentary:

In a statement reaffirming their confidence in the resilience of global markets, the RBA elected to keep the overnight cash rate steady at 3.00% during the February board meeting. The cash rate was also left unchanged at the March meeting. Signalling a material change in sentiment from twelve months ago, global growth is expected to be below the long term average for the near future however the probability of a significant downturn seems unlikely.

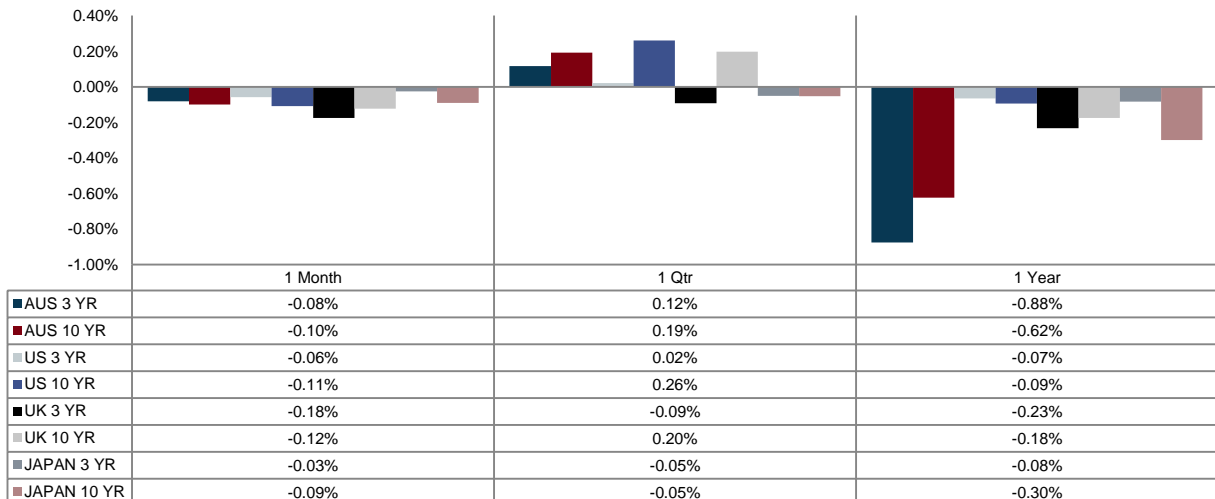
Macroeconomic indicators suggest that growth in Australia is continuing at close to trend pace and is being driven largely by capital expenditure in the resources sector. Further, employment figures showed signs of improvement and property prices improved for the first time in over twelve months. However, retail sales figures and commodity prices are still declining, implying that a full recovery is still some way off.

The constantly improving economic outlook and greater stability of sovereign balance sheets has improved funding conditions for Australian and International financial institutions, which in turn has lowered risk premiums and subsequent yield spreads. Australian Bonds consequently experienced a slight correction in February, gaining 0.59% as measured by the UBSA Australia Composite All Maturities Index, following a decline in January.

In the United States short term economic indicators, such as government spending cuts and a run-down of inventories have detracted from growth, however GDP increased overall during February due to a sharp rise in private demand. That said the unemployment rate remains high at close to 8% and mortgage delinquencies are still over 7% indicating that economic stability is not yet guaranteed.

Bond yields in the Eurozone have continued to decline following the European Central Bank's (ECB) announcement of its Outright Monetary Transactions (OMT) program. While no bonds have yet been purchased under the OMT, the embedded assurance the program provides has sent yields downwards. Macroeconomic fundamentals have also contributed to the declining bond yields in the recovering Eurozone countries with unemployment and manufacturing figures improving in Italy and unemployment figures from the Union as a whole coming in lower than expected.

GOVERNMENT BONDS - CHANGE IN YIELDS



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	5.29	14.22	23.38	7.83	2.68	28.34	10.53
	S&P/ASX 50 Leaders Index	5.89	14.85	27.79	8.70	4.24	30.23	11.10
	S&P/ASX Midcap 50 Index	3.82	13.50	12.40	5.17	-2.36	23.80	10.14
	S&P/ASX Small Ordinaries Index	0.87	8.50	-2.40	2.60	-3.77	15.02	5.10
	S&P/ASX Emerging Companies Index	-2.27	1.52	-20.52	0.18		-0.79	2.50
GICS Sectors	S&P/ASX 300 Materials	-0.25	6.07	-5.34	-0.47	-4.08	15.08	1.23
	S&P/ASX 300 Industrials	6.25	18.87	10.68	6.34	-1.72	25.71	12.28
	S&P/ASX 300 Consumer Discretionary	6.68	18.77	28.51	6.04	-1.40	31.45	15.81
	S&P/ASX 300 Consumer Staples	11.19	17.24	45.47	17.14	11.73	38.17	15.73
	S&P/ASX 300 Energy	5.12	12.95	-3.13	0.52	0.80	18.17	11.40
	S&P/ASX 300 Healthcare	5.04	11.18	54.07	16.24	9.64	37.38	8.33
	S&P/ASX 300 Information Technologies	0.57	15.93	39.23	1.27	5.62	38.26	15.37
	S&P/ASX 300 Telecommunications	3.96	11.01	52.14	29.19	10.91	36.12	9.35
	S&P/ASX 300 Financials ex Property	8.40	19.88	47.60	14.18	11.83	40.28	15.95
	S&P/ASX 300 Utilities	3.35	10.36	27.62	15.81	6.39	19.00	6.01
	S&P/ASX 300 Property	3.51	11.17	33.12	12.53	-3.08	23.29	8.07

Summary of Statistics:

- Australian Shares continued to rally in February with the **S&P/ASX 300 Accumulation Index** gaining 5.29% to end the quarter 14.22% higher.
- The broader Australian share market gains can be strongly attributed to the sound performance of the **S&P/ASX 50 Leaders Index** which added 5.89% in February and 14.85% over the past quarter.
- Continuing a run of poor form was the **S&P/ASX Emerging Companies Index**, which declined by 2.27% for the month.
- On a sector basis the **S&P/ASX 300 Consumer Staples Index** was the strongest performer, gaining 11.19%. **Financials ex-Property**, **Consumer Discretionary** and **Industrials** were other sectors that outperformed the broader market for the month, gaining 8.40%, 6.68% and 6.25% respectively.
- **S&P/ASX 300 Materials Index** was the weakest performer, declining by 0.25%, while **Information Technologies** also detracted from the returns of the broader index, underperforming by 4.72%.

Commentary:

As confidence in the global economy continues to grow, investors continue to drive the S&P/ASX 300 Accumulation Index higher. Continuing the recent upward trend, the headline index gained 5.29% during February to post a total return of 14.85% over the past quarter. Fuelling these gains has been the strong performance of the S&P/ASX 50 Leaders Index – consisting of the 50 largest listed companies as ranked by market capitalisation – which gained 5.89% in February. Despite strong performance in the larger capitalisation companies, the small-cap and micro-cap sectors have continually been pace and continued to fall short in February with their respective indices underperforming the ASX 300 by 4.42% and 7.56% respectively.

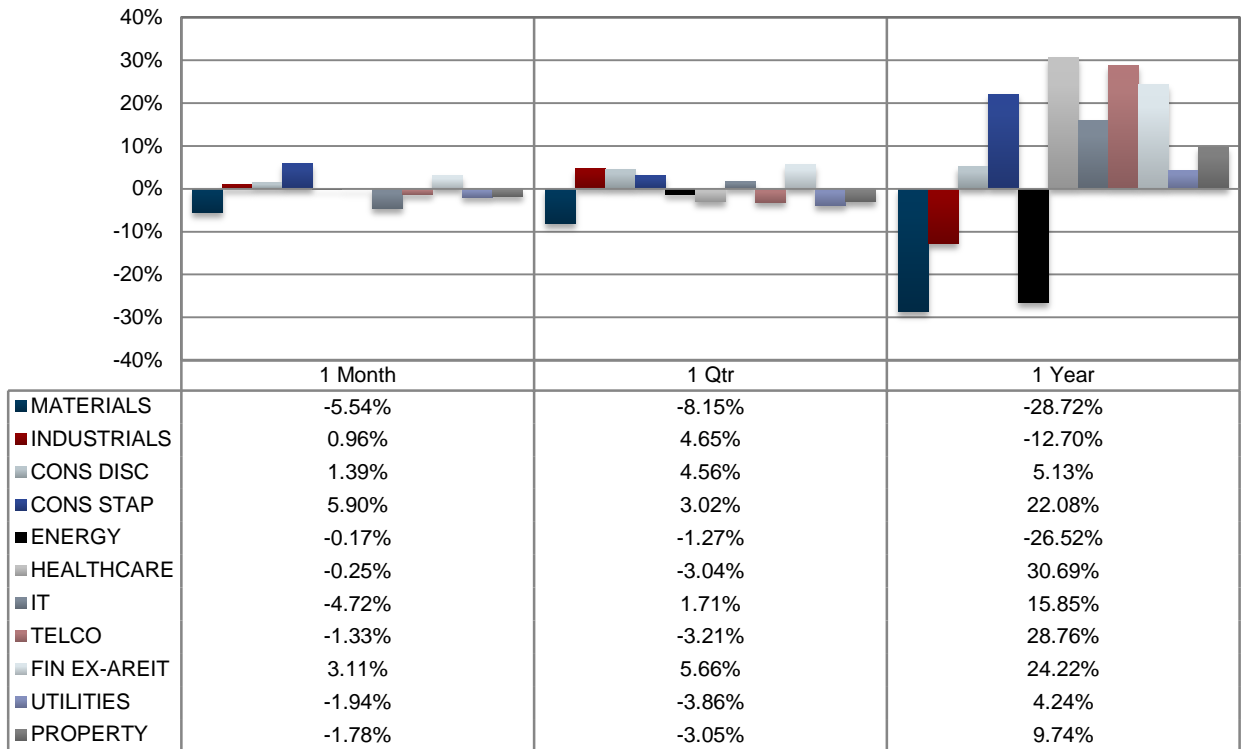
Recent growth in Australian Equities has largely been driven by investor's pursuit of yield. With Australian and International interest rates at historical lows, investors have pursued other high income options which include dividend paying equities in established and secure businesses. February also saw many companies announce interim results which further added to the overall gains in the market, due to many positive announcements resulting from an improving macroeconomic outlook in Australia and around the world.

Consumer Staples was the strongest performing sector in February, gaining 11.19%, to finish 45.47% higher over the past 12 months. Driving the rally in this sector were strong gains from Wesfarmers and Woolworths which gained 12.18% and 11.81% respectively, after both announced improved first half profit figures and revealed positive earnings outlooks.

Financials ex-Property continued its strong recent run gaining 8.40% in February to outperform the broader benchmark by 3.11%. Leading the gains in this sector were regional banks and insurers with Insurance Australia Group and QBE Insurance returning 16.48% and 12.25% respectively while Bendigo and Adelaide Bank and Bank of Queensland gained 12.39% and 10.71% respectively.

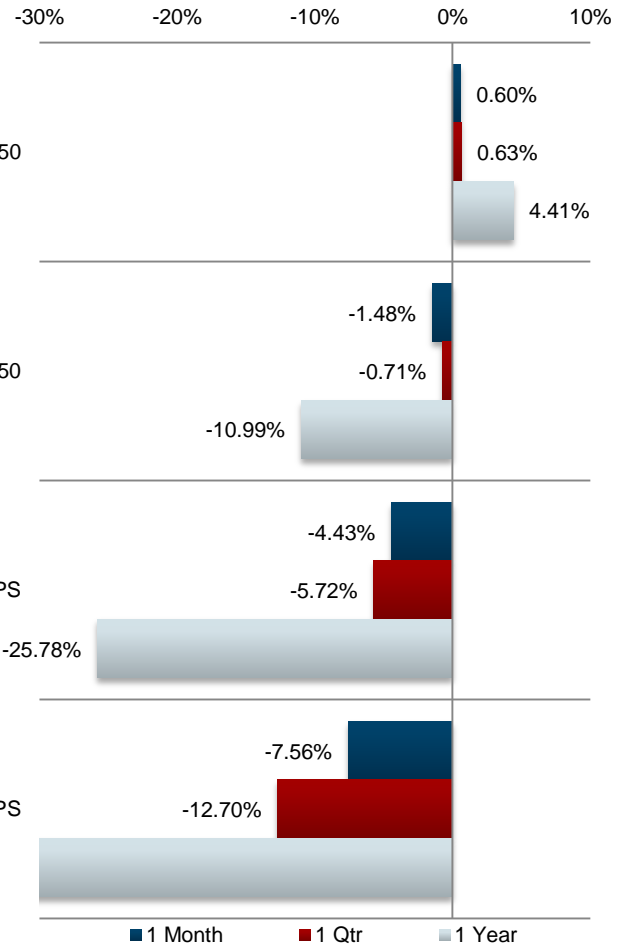
Australian Shares

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)	1.90	9.07	16.47	4.92	-0.40	14.74	6.58
	MSCI World (\$A)	2.05	9.29	16.82	5.02	-0.26	15.27	6.75
	MSCI Small Cap World Ex Aus (\$A)	2.72	12.15	17.72	8.01	3.48	18.09	8.20
	MSCI AC World (\$A)	3.07	10.43	18.29	4.33	0.08	15.82	7.56
International Shares - Local Currency	MSCI World ex-Au (Local Currency)	1.30	8.74	12.75	9.47	1.91	15.73	6.76
	MSCI World (Local Currency)	0.17	7.25	10.69	9.81	1.56	15.12	5.27
	MSCI World S. Cap ex-Au (Loc. Crncy)	0.82	10.06	11.54	12.94	5.36	17.94	6.69
	MSCI AC World (Local Currency)	1.16	8.37	12.08	9.09	1.91	15.67	6.06
Regional Shares - Local Currency	MSCI North America	1.23	7.28	11.76	12.10	4.02	12.64	6.28
	MSCI Asia	1.62	13.42	11.68	6.17	-1.53	20.61	6.89
	MSCI AC Asia ex-Japan	-0.02	5.12	6.39	8.21	2.90	14.93	2.06
	MSCI China	-3.94	4.91	4.00	3.89	-0.83	18.15	0.08
	MSCI Europe	0.86	7.48	13.61	7.02	0.96	18.67	6.02
	MSCI Emerging Markets	-0.98	4.35	4.60	7.00	2.01	11.99	0.39
	MSCI India	-5.21	-2.69	7.31	4.63	1.67	9.98	-3.37
	MSCI Japan	3.79	25.38	19.54	4.69	-4.61	29.09	13.57
Global Gold Shares in A\$	FTSE Gold Mines	-6.87	-17.30	-30.38	-10.68	-8.88	-14.79	-14.85
Global Resources in A\$	HSBC Global Mining	-4.66	-1.03	-13.68	-5.94	-8.38	3.96	-6.28

Summary of Statistics:

- International Shares in developed countries showed reasonable returns in January, with the **MSCI World ex-Australia Index** rising by 1.30% in local currency terms while the Australian Dollar Unhedged index gained 1.90%.
- On a regional basis, Japanese equities continued to rally with the **MSCI Japan Index (Local Currency)** gaining 3.79%. North American equities also continued their steady upward drive with the **MSCI North America Index (Local Currency)** gaining 1.62%.
- Indian and Chinese Equities underperformed global equity markets in February with the **MSCI India Index** and the **MSCI China Index** declining by 5.21% and 3.94% respectively in local currency terms.
- Global resources stocks declined as commodity prices deteriorated, with the **HSBC Global Mining Index** falling 4.66% bringing accumulated losses for the past twelve months to 13.68%.

Commentary:

Global equity markets continued to profit during February from the declining appeal of fixed income securities with the MSCI World Ex-Australia (AUD – Unhedged) gaining 1.90% while the Local Currency Index gained 1.30%. Low real returns of fixed income securities and improving fundamental macroeconomic indicators have triggered this recent rally which many analysts expect to continue as global financial markets appeared to have stabilised.

On a sector basis Consumer Staples and Industrials were the strongest performers, gaining 3.33% and 2.62% respectively. While Materials and Energy continued to be a drag on performance with their respective indices falling by 1.56% and 1.29%.

Japanese equities were particularly strong during February with the MSCI Japan Index (Local Currency) gaining 3.79%, bringing the total gain for the quarter to 25.38%. This incredible performance run has been driven by radical policy action by Prime Minister, Shinzo Abe, and Finance Minister, Taro Aso. The Japanese economy has been anaemic for extended periods of time with deflation, an ageing population and negative economic growth all major problems that no recent leader has been able to effectively address. Abe and his cabinet however, have come into power with a plan to develop and implement revolutionary reforms including stimulus packages and asset-repurchase programs that has returned confidence to investors and businesses.

Emerging Markets equities had a poor month with the MSCI Emerging Markets Index declining by 0.98%. Triggering this decline has been poor fundamental data in many major emerging markets. In particular, equity markets in India and China suffered during February, falling by 5.21% and 3.94% respectively.

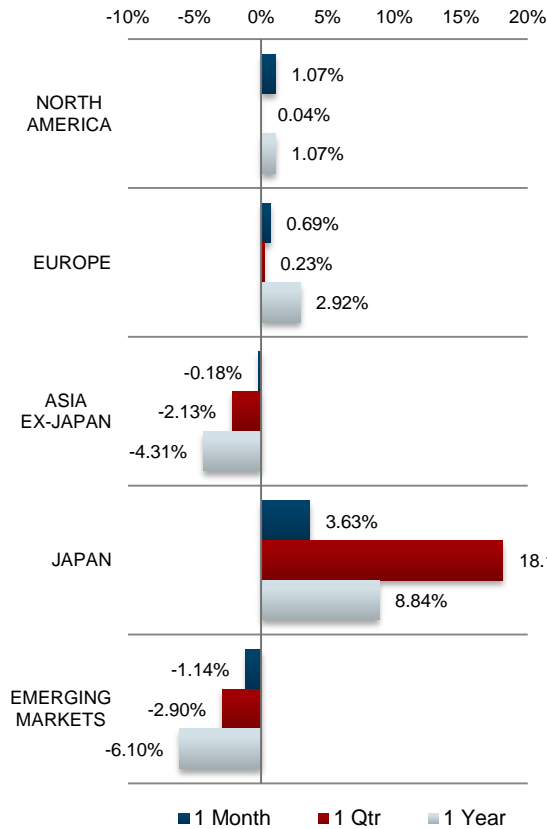
The Australian Dollar saw varied results in February, declining against the US Dollar and the Japanese Yen while gaining against the British Pound and the Euro.

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	-1.90	-1.81	-4.98	4.57	1.92	0.01	-1.39
	AUD / EUR	1.86	-2.54	-3.01	6.00	4.87	-3.19	-0.53
	AUD / GBP	2.56	3.55	-0.28	4.69	7.41	3.45	5.48
	AUD / JPY	-0.78	9.97	8.34	5.89	-0.62	15.77	5.20

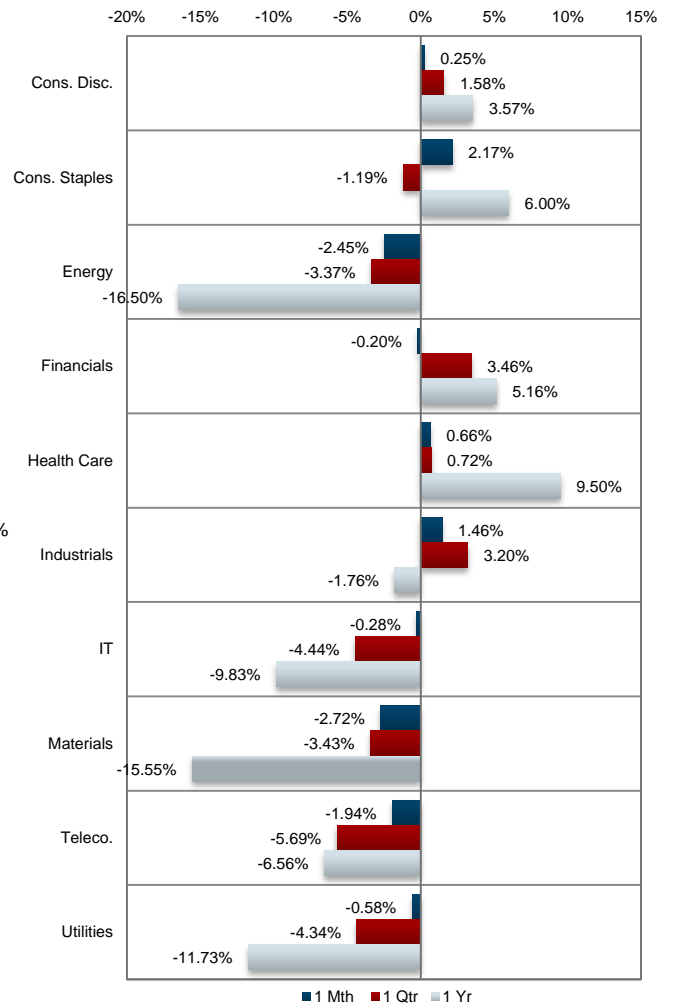
Investors should note that investments in any international assets are subject to the risk of currency fluctuations. If a foreign investment is unhedged, the gain / loss from the relevant currency pair should be deducted from the return of the asset to calculate the approximate return of the investment.

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	1.42	9.95	15.65	14.36	5.11	19.78	7.06
Local Currency	MSCI ACWI Consumer Staples Index	3.33	7.18	18.09	11.75	6.84	13.56	8.58
	MSCI ACWI Energy Index	-1.29	5.00	-4.42	4.16	-2.56	8.87	4.09
	MSCI ACWI Financials Index	0.96	11.83	17.24	3.45	-5.74	23.78	7.05
	MSCI ACWI Health Care Index	1.82	9.09	21.59	10.02	5.55	16.00	8.90
	MSCI ACWI Industrials Index	2.62	11.57	10.32	8.53	-0.97	18.08	7.69
	MSCI ACWI IT Index	0.88	3.92	2.26	7.86	3.35	6.70	3.07
	MSCI ACWI Materials Index	-1.56	4.94	-3.47	1.02	-4.62	10.33	0.24
	MSCI ACWI Teleco. Services Index	-0.78	2.68	5.53	4.40	-2.17	2.59	2.57
	MSCI ACWI Utilities Index	0.58	4.03	0.35	-1.64	-6.24	0.32	2.81

Property & Infrastructure

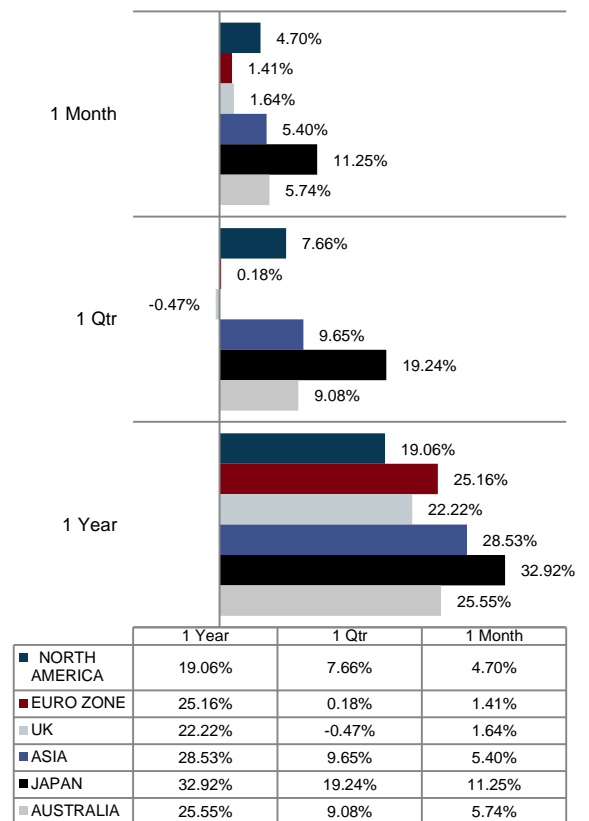
Zenith Benchmarks	Index	1 Mth	1 Qtr	1 Yr	3 Yr (p.a.)	5 Yr (p.a.)	Fin YTD	Cal YTD
Australian Listed Property	S&P/ASX 300 Property	3.51	11.17	33.12	12.53	-3.08	23.29	8.07
	FTSE E/N Australia	5.74	9.08	25.55	13.89	-5.67	18.31	7.85
Global Listed Property - (H) in A\$	FTSE E/N Dev	1.85	10.46	24.34	14.61	-0.03	19.52	5.81
Global Listed Property -	FTSE E/N North America	4.70	7.66	19.06	21.31	10.53	4.39	5.11
Regional Local Return	FTSE E/N Euro Zone	1.41	0.18	25.16	8.53	-0.19	16.34	0.00
	FTSE E/N UK	1.64	-0.47	22.22	12.99	-7.04	10.39	-2.74
	FTSE E/N Developed Asia	5.40	9.65	28.53	16.26	5.46	25.99	6.31
	FTSE E/N Japan	11.25	19.24	32.92	15.90	4.38	26.38	8.09
Australian Listed Infra.	S&P/ASX 300 Utilities	3.35	10.36	27.62	15.81	6.39	19.00	6.01
Global Listed Infra. Hdgd \$A	UBS Global Infra. & Utilities	2.72	9.03	19.16	12.57	4.04	15.14	5.99
Global EM Listed Infra. - (H) in A\$	UBS EM Infra. & Utilities	0.95	10.47	0.28	-0.10	-1.77	6.97	5.28

Summary of Statistics:

- Australian listed property gained 3.51% in February, as measured by the **S&P/ASX 300 Property Index**.
- International property rose by 1.85%, to post a total gain of 10.46% over the past quarter, as measured by the **FTSE EPRA NAREIT Developed Index (AUD Hedged)**.
- Australian Listed Infrastructure posted a strong return for the month with the **S&P/ASX 300 Utilities Index** gaining 3.35%.
- Globally, infrastructure securities recorded a more modest gain with the **UBS Global Infrastructure and Utilities Index (AUD Hedged)** gaining 2.72%.

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



Commentary:

Australian listed property continued its recent rally, with the S&P/ASX 300 A-REIT Index gaining 3.51% to outperform the FTSE EPRA NAREIT Developed Index (\$A – Hedged) by 1.66%. Charter Hall Group was the strongest performer in the Australian Listed property sector, rising by 10.59% for the month, after highlighting further earnings growth following a 2013 first half profit rise.

Australian listed infrastructure outperformed the global index, with the S&P/ASX 300 Utilities Index gaining 3.35% compared to its global counterpart which gained 2.72%. Envestra was the strongest performer in the Australian market, gaining 7.69% following the announcement of a profit increase and an improvement in net financing costs.

Performance of infrastructure securities in emerging markets continues to lag the global benchmark with the UBS Emerging Markets Infrastructure and Utilities Index underperforming the global benchmark by 3.67% for February and 18.88% over the past twelve months.

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