S&P FUND RATING

★★★☆☆

GVI Global Industrial Share

STANDARD & POOR'S

Analyst(s): James Gunn; Leanne Fook

Standard & Poor's View (at Oct. 28, 2009)

Standard & Poor's Fund Services rates this fund three stars. This reflects our conviction that the manager can generate risk-adjusted returns in line with relevant investment objectives and relative to peers.

Global Value Investors (GVI) is a boutique, Sydney-based global equity manager, established in 2004. There are a number of distinguishing features to GVI's global equity offering, in particular its yield focus and benchmark-unaware approach to portfolio construction. The final portfolio is relatively concentrated, with a bias to industrial, dividend-paying companies.

The investment team is small compared to peers, but adequately resourced in S&P's view when taking into account the relatively focused nature of the manager's investment approach. Since opening its doors in 2004, the team has experienced a reasonably high level of turnover for a boutique, including departures of two of its five founding members. However, two appointments made in 2008 are now firmly entrenched and the team appears to have settled. Furthermore, it's pleasing to see an increasing level of equity ownership among the investment team, with "skin in the game" one of the key attractions of the boutique business model.

Since inception, the fund has returned 1.3% per year (net) to June 2009, outperforming the benchmark by the same margin. While the past six months has been very challenging for the manager's approach, which is heavily underweight cyclicals, and financials in particular, S&P acknowledges the consistency with which the manager has implemented its philosophy under the leadership of Roy Chen. This is particularly important for those investors using the fund specifically for its defensive, income characteristics.

Overall, S&P believes GVI has assembled a very capable team of like-minded individuals, which should continue to strengthen with time. Relative to its global peers, however, S&P would still need to gain further conviction in the team before increasing its three-star rating.

Fund Information

Objectives

To outperform the MSCI World Accumulation Index (AUD) Hedged over three year rolling periods (after fees and expenses and before taxes).

General

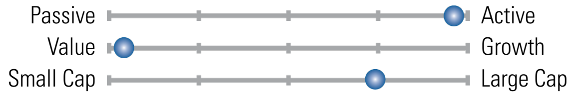
APIR Code	TGP0004AU
Fund status	Open
Inception date	Feb. 23, 2005
Fund Size ($A)	526.21 .mil
Benchmark	MSCI World Hdg AUD
Peer group	International Equities - Large Cap Value
Responsible Entity	Treasury Group Investment Services (Aus)
Minimum investment (A$)	500000

Fees

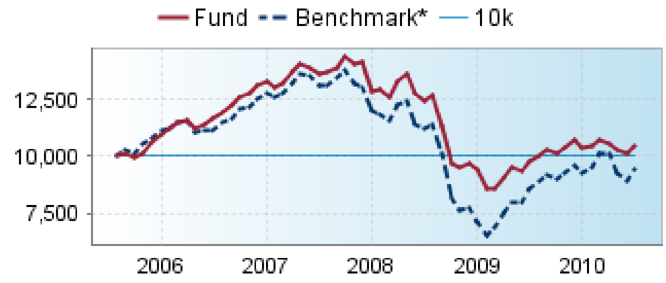
Ongoing Fees (%)		Transaction Fees (%)	
ICR	1.23	Entry	0
Management	1.23	Exit	0
Ongoing Brokerage	0	Reinvestment	0
		Switching	0
		Upfront Brokerage	0

Fund Analysis

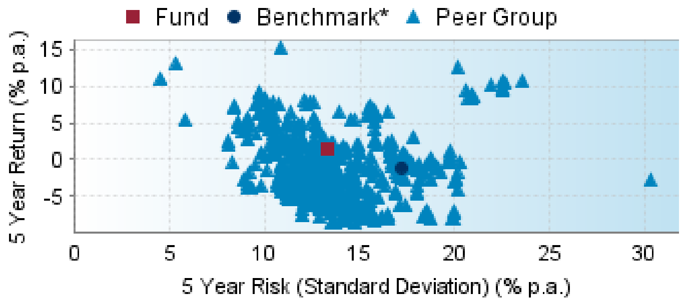
Investment Style



Growth of A$10,000 (at July 31, 2010)



Risk Return (at July 31, 2010)



Performance Statistics (at July 31, 2010)

	3 mth	6 mth	1 yr	3 yr	5 yr
Fund Total	-0.89	0.91	6.88	-8.24	1.35
Income	2.24	2.29	3.46	3.09	3.51
Growth	-3.13	-1.38	3.42	-11.33	-2.16
Benchmark* Total	-6.75	1.63	10.05	-10.28	-1.08
Excess Return	5.86	-0.72	-3.17	2.04	2.43
Quartile Ranking	1	2	1	2	1

Asset Allocation (%) (at July 31, 2010)

Class	Actual	Min.	Max.
Australian Equities	1.64	-	-
International Equities	91.56	-	-
Listed Property	-	-	-
Unlisted Property	-	-	-
Australian Fixed Interest	-	-	-
International Fixed Interest	-	-	-
Cash	6.82	-	-
Other	-	-	-
Mortgages	-	-	-

** Benchmark: MSCI World Hdg AUD.*