



Small Companies Fund

Monthly Report

April 2010

Portfolio Performance and Strategy

The Small Ordinaries Accumulation Index in April rose 0.02%, after a positive start to the month which saw the S&P ASX200 break above the 5,000 level for the first time since September 2008. Risk aversion then returned on renewed concerns of China's strategy to slow its economic growth, the Icelandic volcano disrupting air traffic across Europe and the re-emergence of sovereign debt risks after Greece's bonds were downgraded to junk status. Investors focus shifted offshore as US and European companies released their Q1 earnings results. Overall trends were positive with stronger than expected revenues driving better than expected earnings and providing further evidence the recovery of the US economy was gaining some traction. Locally M&A were the flavour of the month especially in coal

Unit Price as at 30 April 2010

Application	\$1.6808
Redemption	\$1.6674

Fund Size	\$530 million
No. of stocks in portfolio	48

names as Newcrest bid for Lihir Gold, Peabody and New Hope Coal made competing bids for MacArthur Coal, Noble bid for Gloucester Coal, White Energy bid for South Australian Coal Company and the NAB bid for AXA Asia Pacific which was knocked back by the ACCC. The RBA raised the cash rate by 0.25% in early May taking the cash rate to 4.50%. This was the 6th 0.25% increase in eight months. Economic data was mixed in April with retail sales and building approvals posting negative monthly comparisons, while employment and inflation data surprised the market on the upside. Our cash levels closed April at around 4.5%.

Performance Statistics to 30 April 2010

	1 Month %	3 Month %	FYTD %	1 Year %	5 Year % p.a.
EGG Small Companies Fund	+3.12%	+11.52%	+34.17%	+49.61%	+13.36%
S&P/ASX Small Ordinaries Accumulation Index	+0.02%	+6.35%	+25.78%	+39.26%	+7.16%
Out performance	+3.10%	+5.17%	+8.39%	+10.35%	+6.20%

* Fund returns are calculated before fees are deducted.

Attribution

The portfolio was overweight 1 of the index's top 10 performing stocks (by index point contribution) being Adelaide Brighton (+13.57%). The portfolio was overweight 2 of the index's bottom 10 performing stocks (by index point contribution) being Mount Gibson Iron (-8.56%) and Wotif.com (-10.21%).

Top 10 Stocks*

	Portfolio Weight
1 Whitehaven Coal Limited	4.17%
2 OM Holdings Limited	4.14%
3 Equinox Minerals Limited	3.80%
4 Ausdrill Limited	3.48%
5 Ramsay Health Care Limited	3.36%
6 GWA International Limited	3.35%
7 Andean Resources Limited	3.11%
8 SAI Global Limited	2.99%
9 Adelaide Brighton Limited	2.98%
10 PanAust Limited	2.69%
Top 10 Stocks	34.07%
Other Stocks	61.51%
Cash	4.42%
Total	100%

*For the Small Companies Fund as at 31st March 2010.

Portfolio Changes

Additions: Nil.

Deletions: Nil.

Market Sector Exposure*

	Fund %
Materials	24.9%
Energy	8.0%
Industrials	22.6%
Consumer Disc	17.3%
Healthcare	6.6%
Consumer Staples	2.0%
Financials	7.1%
Information Tech	4.5%
Telecoms	2.6%
Utilities	0.0%
Property Trusts	0.0%
Cash	4.5%
Total	100%

Eley Griffiths Group ratings

Rating Company	Rating
Morningstar	Highly Recommended Highest Rating
Standard & Poor's	★★★★★ - 5 stars Highest Rating
Lonsec	Highly Recommended Highest Rating
Zenith	Highly Recommended Highest Rating
van Eyk	A rating Second Highest Rating

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