



Small Companies Fund

Monthly Report

September 2009

Portfolio Performance and Strategy

The Small Ordinaries Accumulation Index in August rose 5.05%, continuing the up trend of the past six months. The Eley Griffiths Group Small Companies Fund outperformed the index by 1.59%. Small caps were just outpaced by large caps, with both benchmarks continuing to trade to new rolling year highs. Investor focus during September centred on interpreting the trends from reporting season and economic releases, which maintained a positive bias. With no significant negatives emerging, investors continued to embrace sectors with leverage to an improving economy. Once again Property Trusts were the star performers, while cyclicals and deeply depressed industrials were also in demand with the Small Industrials Accumulation Index up 6.92%, while the Small Resources Accumulation

Unit Price as at 30 September 2009

Application	\$1.5745
Redemption	\$1.5620

Fund Size	\$435 million
No. of stocks in portfolio	48

Index consolidated its recent gains only adding 1.71%. Locally, GDP was unexpectedly stronger while unemployment stayed flat at 5.8%. Business confidence reached its highest level since May 2008 (+4 points well above February's cyclical low of -20pts). The RBA kept rates on hold at 3.0%, although the growing consensus is that there will be at least one if not two rate rises by calendar year end. Capital raisings were subdued in September and mainly confined to ASX100 stocks. The continued signs of improvement were again evident with the IPO of Carsales.Com, with Myer and Kathmandu

Performance Statistics to 30 September 2009

	1 Month %	3 Month %	FYTD %	1 Year %	5 Year % p.a.
EGG Small Companies Fund	+6.64%	+24.81%	+24.81%	+17.95%	+13.70%
S&P/ASX Small Ordinaries Accumulation Index	+5.05%	+21.82%	+21.82%	+6.26%	+7.62%
Out performance	+1.59%	+2.99%	+2.99%	+11.69%	+6.08%

* Fund returns are calculated before fees are deducted.

to list shortly. Our cash levels closed September at around 5%.

Attribution

The portfolio was overweight 2 of the index's top 10 performing stocks (by index point contribution) being Equinox Minerals (+18.46%) and Austar (+18.66%). The portfolio was overweight none of the index's bottom 10 performing stocks (by index point contribution).

Top 10 Stocks*

	Portfolio Weight
1 OM Holdings Limited	3.64%
2 Felix Resources Limited	3.58%
3 Adelaide Brighton Limited	3.46%
4 Whitehaven Coal Limited	3.20%
5 IRESS Market Technology	3.20%
6 Silex Systems Limited	3.14%
7 Seek Limited	2.89%
8 Hastie Group Limited	2.85%
9 iiNet Limited	2.79%
10 Equinox Minerals Limited	2.77%
Top 10 Stocks	31.52%
Other Stocks	63.81%
Cash	4.67%
Total	100%

*For the Small Companies Fund as at 31st August 2009.

Portfolio Changes

Additions: Carsales.Com (IPO).

Deletions: JB HiFi (Index removal), Norfolk Group (Stock Review) and Western Areas (Company review).

Market Sector Exposure*

	Fund %
Materials	22.1%
Energy	12.6%
Industrials	26.9%
Consumer Disc	11.8%
Healthcare	6.2%
Consumer Staples	1.4%
Financials	6.4%
Information Tech	5.1%
Telecoms	2.8%
Utilities	0.0%
Property Trusts	0.0%
Cash	4.7%
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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