



Monthly – Cannae Australian Share Fund

November 2009

Performance Summary

	1 month	3 months	6 months	12 months	Inception annualised
Portfolio ¹	0.5%	6.4%	24.7%	35.2%	0.2%
Benchmark ²	1.8%	5.9%	26.1%	32.5%	-2.4%
Performance	-1.3%	+0.6%	-1.4%	+2.7%	+2.6%

Month Summary

The portfolio returned 0.5% for the month of November 2009. This underperformed the benchmark S&P/ASX 300 Accumulation Index, which returned 1.8% for the month.

The market recovered most of the ground lost following the October sell-off. This was largely driven by Resources returning into favour. Most Banks produced negative returns as the Banks/Resources switch became a popular thematic following the Banks strong run since March. Resources strong performance resulted in Materials being the top performing sector. Defensive sectors including Telecommunications and Consumer Staples were also among the top performers. The weak performance of the Banks led to Financials being the worst performing sector. Sectors with cyclical

leverage, such as Industrials and IT, underperformed as many stocks in these sectors appeared expensive, with share prices reflecting optimistic expectations of an economic recovery that may prove difficult to meet.

Portfolio Activity

There was minimal portfolio activity during the month. The position in IAG was increased with a corresponding reduction in Suncorp. We considered this prudent given our view that the former remains undervalued while the latter has had a strong run this financial year to date. We also participated in the Amalgamated Holdings rights issue.

Stock Performance

The top performers for the month were BHP (+10.3%) as commodity prices firmed during the month, Orica (+6.5%) after reporting a solid full year result and Austbrokers (+5.2%) following encouraging comments at its AGM.

The bottom performers tended to be cyclical stocks that had outperformed in previous months and had no significant news flow during November. These included STW Communications (-10.7%), Bank of Queensland (-7.7%) and Fletcher Building (-7.2%).

Important Information:

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Treasury Group Investment Services Limited (TIS) AFSL 227326 is the responsible entity for the Cannae Australian Share Fund (Fund). Applications can only be made on the form in the current product disclosure statement dated 26 May 2008 for this Fund.

The product disclosure statement can be obtained by contacting Cannae or at www.cannae.com.au.

Potential investors should consider the product disclosure statement before deciding whether to invest, or continue to invest in the Fund.

Investors should be aware that past performance is not indicative of future performance. Returns can be volatile, reflecting rises and falls in the value of underlying investments.

¹Source: RBC Dexia Investor Services

²Benchmark: S&P/ASX 300 Accumulation Index