

SIM Wholesale Imputation Fund

Quarterly Investment Report March 2012

Fund Summary

Investment Objective: The objective of this Fund is to provide long-term capital growth with some tax-effective income by investing in a broad selection of Australian companies.

APIR Code: SUN0118AU

Fund Establishment: 23 April 2004

Management Costs: Up to 0.30% of the Fund's asset value

Market Review

The SIM Wholesale Imputation Fund outperformed its benchmark, the S&P/ASX 200 accumulation index, for the March quarter.

The Australian S&P/ASX 200 Accumulation Index rose 8.4% during the quarter. Continuing positive data on the US economy saw a return to 'risk-on' trading during the quarter. US manufacturing, employment, retail sales and housing all continued to strengthen. An easing in systemic European sovereign and banking risk, thanks to the European Central Bank's longer-term refinancing operations (LTRO) program and the successful restructuring of privately-held Greek debt also helped market sentiment. Nagging concerns regarding China's growth trajectory however dampened market returns, particularly commodity-based economies such as Australia.

Locally, the February 2012 company reporting season confirmed that the two-speed economy continues, with companies in the mining and resource sectors delivering solid profit results, while non-mining stocks struggled. Overall earnings were flat from a year ago. A number of earnings downgrades had already been advised to the market, helping to minimise share price falls post the announcements. Corporate actions also featured during the quarter, with takeover offers and speculation thereof in a number of companies including Billabong, Goodman Fielder, Echo and Pacific Brands.

The best performing sectors for the S&P/ASX 200 Accumulation Index during the quarter were Industrials (+14.9%), Information Technology (+14.8%) and Consumer Discretionary (12.8%) while the worst performing sectors, be it positive, were Telecommunication Services (+6.7%), Materials (+5.9%) and Consumer Staples (+6.6%).

The best performing index stocks for the March 2012 quarter were Onesteel (+82.3%) and Imdex (+64.3%). Onesteel shares rose mostly in February after the company announced poor earnings but said that it was switching focus from its unprofitable steel unit to iron ore mining. Imdex announced first half year 2012 earnings per share increase of 80% stating strong organic growth. Dividend per share surprised with an increase to 3.25 cents vs expectations of 3 cents.

The worst performing index stocks for the March 2012 quarter were Mirabela Nickel (-49.6%) and Intrepid Mines (-32.6%). In January, Mirabela Nickel was cut to a sell by Deutsche Bank following the company reporting that their December quarterly cash costs rose 11% quarter on quarter. Intrepid Mines were taken by surprise by a change in regulations from the Indonesian Government cutting the limit of foreign ownership in mines to 49% to 80% within 10 years of starting production.

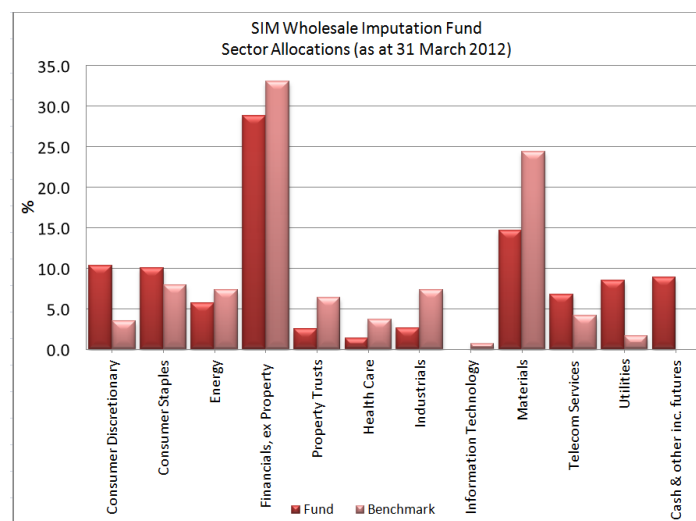
Market Outlook

Market sentiment has improved markedly thus far in 2012. The European debt crisis, while abating, has however not completely gone away and there is also a looming fiscal drag on the US economy in 2013 as the government implements austerity measures to rein in their large debt. This year is also the year of government elections, notably in the US and France, as well as a changing of the guard in China.

The Australian share market has delivered positive performance for the year to date, however has lagged the performance of the US share market. Weak profit growth, a strong Australian dollar and structural change have been the key factors weighing on the Australian market.

Sector Allocations

This graph shows the effective sector allocation for the SIM Wholesale Imputation Fund, compared with that of its benchmark.



Fund Performance^{**}

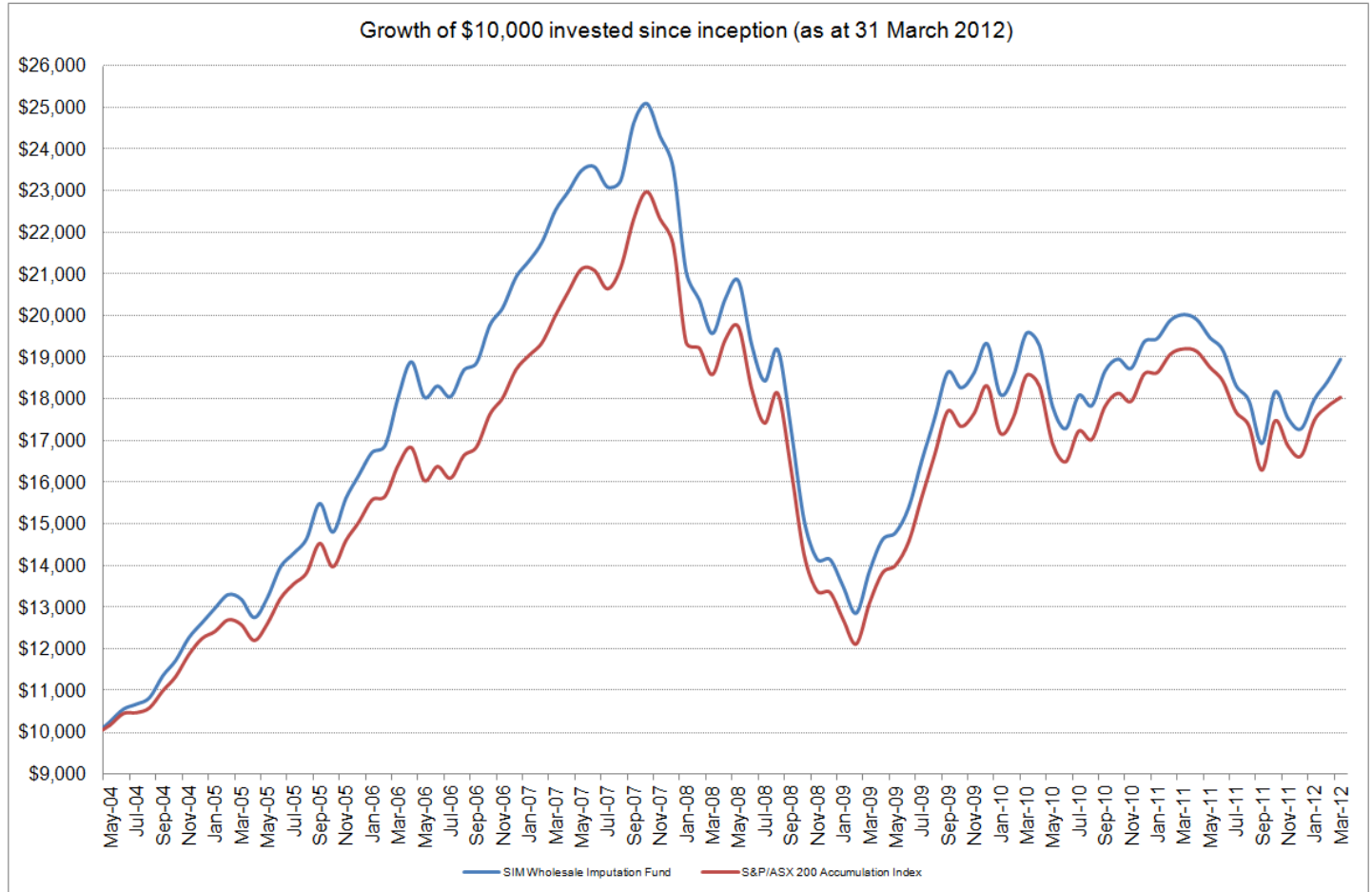
Period ending 31 March 2012	3 months %	6 months %	1 year %	2 years % p.a.	3 years % p.a.	5 years % p.a.
Total Return	9.62	11.91	-5.34	-1.60	10.97	-3.38
Distribution Return	1.54	2.69	6.97	5.57	5.63	6.27
Growth Return	8.08	9.22	-12.31	-7.17	5.34	-9.65
S&P/ASX 200 Accumulation Index	8.40	10.69	-6.06	-1.43	11.24	-2.04

^{**}All performance figures are calculated using hard close end of month exit prices and do not include any entry or exit fees or any taxation consequences and are net of nominal transaction and banking costs in any underlying funds invested in. The performance figures do allow for the historic ongoing fee. Income and distributions are assumed to be reinvested back into the Fund.

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Performance Graph

This graph compares the value of \$10,000 invested in the SIM Wholesale Imputation Fund since April 2004 against its benchmark.



Stock Holdings

Top 10 Stock Holdings	Sector	Fund %
ANZ Banking	Financials	7.51
Woolworths	Consumer Staples	7.31
National Australia Bank	Financials	5.84
Westpac Banking	Financials	5.77
BHP Billiton	Materials	5.39
Commonwealth Bank of Australia	Financials	4.95
Telstra Corporation	Telecom Services	4.30
Spark Infrastructure Ltd	Utilities	4.24
Duet Group	Utilities	4.23
Duluxgroup	Materials	3.42
Total % of top 10 stock holdings		52.96
Cash & other including futures		8.87
Total number of holdings		46