

FUND OBJECTIVE AND PHILOSOPHY

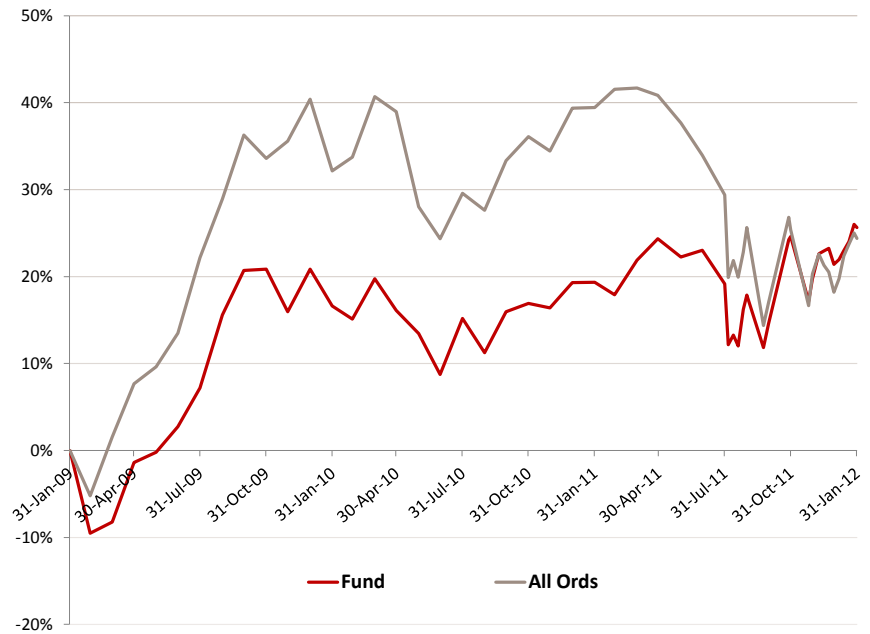
The fund invests almost exclusively in Australia although it may also invest in international companies deriving the greater part of their revenues from Australia or Australian companies who have invested overseas in long-term property assets. The fund invests primarily in Fixed Income Securities such as floating rate notes, corporate bonds and convertible notes, property trusts and high yield stocks.

FUND FEATURES

| | |
|--------------------|------------------------|
| NAV/unit : | AUD 0.4644 |
| AUM: | AUD 3.16 m |
| Inception Date: | 31-May-06 |
| Currency: | AUD |
| Dealing frequency: | Weekly |
| Initial Charge: | 1.00% |
| Annual Mgmt fee: | 1.00% |
| Min Investment: | AUD 10k |
| Advisor: | Bell Potter Securities |
| Manager: | Axs Capital Management |

CUMULATIVE PERFORMANCE (Since Jan 2009)

31-Jan-12



CUMULATIVE AND ANNUALISED (*) PERFORMANCE

| | 1-Month | YTD | 3-Months | 1-Yr | 3-Yr | 3-Yr* |
|-----------------|---------|-------|----------|---------|--------|-------|
| ACM Income Fund | 3.48% | 3.48% | 0.84% | 5.27% | 25.64% | 7.91% |
| All Ordinaries | 5.22% | 5.22% | -0.80% | -10.81% | 24.37% | 7.54% |

FUND COMMENTARY

The Australian benchmark indices ended the month on a positive note with the All Ords and S&P/ASX 200 gaining 5.2% and 5.1% respectively. Falling risk aversion as a result of encouraging comments from the Greek prime minister on the country's ongoing debt talks and positive US economic data was the main driver of the equities rally.

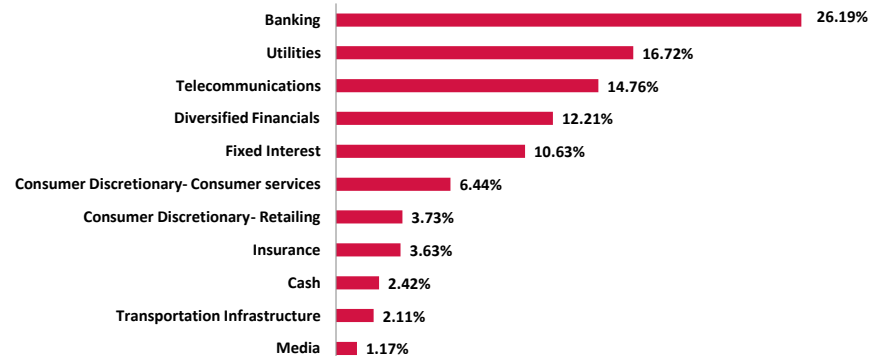
Among the best performing sectors during the month were Materials, Energy and Industrials while the worst sector performer was Health Care. Australian retail stocks also jumped after Woolworths announced its planned disinvestment in Dick Smith electronics business.

Overseas economic highlights include better-than-expected manufacturing ISM and lower unemployment rate in US; higher than expected Eurozone and Chinese manufacturing PMI; all of which pointing to further stabilisation and improved market sentiment.

TOP TEN HOLDINGS

| SECURITY NAME | SECTOR | % |
|----------------------------|------------------------|--------|
| Telstra Corporation | Telecommunications | 14.76% |
| APA Group Stapled securiti | Utilities | 11.78% |
| National Australia Bank | Banking | 6.80% |
| Westpac Banking Corp | Banking | 6.70% |
| Tatts Group Ltd | Consumer Discretionary | 6.44% |
| Hastings Hy Ord Units | Fixed Interest | 5.68% |
| Commonwealth Bank | Banking | 5.62% |
| ANZ Banking Grp Ltd | Banking | 5.42% |
| loof Holdings Ltd | Diversified Financials | 5.31% |
| Macquarie CPS Trust | Fixed Interest | 4.95% |

INDUSTRY BREAKDOWN



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