

Perpetual Wholesale Geared Australian Fund (PIWGAF) * WealthFocus Investments Geared Australian Fund (PIIGAF) * WealthFocus Super Plan Perpetual Geared Australian Investment Option (PISGAF) * WealthFocus Pension Plan Perpetual Geared Australian Option (PIPGAF) * WealthFocus Investment Advantage Perpetual Geared Australian Investment Option (PICGAF)

Total returns % (After Fees) as at 31 January 2010

	1 mth	3 mth	6 mths	1 yr	2 yrs pa	3 yrs pa	5 yrs pa
Wholesale Geared Australian Fund	-11.67	-4.68	17.25	96.71	-22.78	-18.14	1.08
WF Investment - Geared Australian Fund	-11.73	-5.30	16.28	94.21	-23.59	-18.93	0.24
WF Super Plan - Geared Australian Inv. Option	-9.48	-3.68	15.14	75.98	-17.84	-14.18	3.63
WF Pension Plan - Geared Australian Inv. Option	-10.17	-4.02	16.57	84.99	-18.05	-14.46	3.86
WF Investment Advantage Perpetual's Geared Australian Investment Option	-11.74	-4.82	17.00	96.09	-	-	-
Benchmark - S&P/ASX 300 Accumulation Index	-6.17	-0.95	9.92	35.67	-5.88	-3.47	6.62

Market Commentary

The Australian market, as measured by the S&P/ASX 300 Accumulation Index fell by 6.2% for the month ending January 2010.

The market moved lower on rising risk aversion due to a number of factors including strong Chinese economic data and a proposal by President Obama to reduce risk-taking activities within the US banking system. The strong Chinese economic data triggered concerns that Chinese authorities would be forced to implement policy tightening sooner rather than later and President Obama proposed that US banks reduce their risk taking activities by sticking with their "core missions" as opposed to owning or sponsoring hedge funds/private equity funds. Mr Obama also proposed to prevent further consolidation in the financial system that would result in the existence of only a few large firms. Additionally, the worsening fiscal situation in Greece prompted concerns over a possible default and/or bailout by the European Union.

Domestically, economic data during January remained positive with strong data released on building approvals, retail sales and unemployment. Inflation also surprised on the upside, increasing pressure on the Government to reduce spending and the Reserve Bank of Australia to continue tightening monetary policy. During the month the Australian dollar reached a high of 93.2 cents against the US dollar before closing at 89.0 cents at the end of the month.

The dominant theme for January was the underperformance of resource stocks which were heavily impacted by weakened commodity prices. All sectors returned negative over the month with information technology (-1.1%), property trusts (-2.9%) and telecommunications (-3.1%) outperforming and energy (-9.8%), materials (-9.0%) and consumer staples (-8.4%) underperforming.

Portfolio

The Wholesale Geared Australian Fund underperformed its benchmark, the S&P/ASX 300 Accumulation Index for the month ending 31 January 2010, due to the increased exposure to the market. The portfolios generally do not have exposure to smaller material or energy stocks, due to insufficient proof of historic earnings or high levels of debt. This contributed to relative return this month. In terms of positioning, in the current economic climate we are finding value in companies with strong operating cash flows and comfortable interest cover, such as Coal & Allied Industries, Campbell Brothers, News Corporation and Reece Australia.

Contributors

Our overweight position to mining company Coal & Allied Industries (+1.5%) contributed to relative performance. During the month the company released its 2009 annual results with revenue of \$2,319 million, down 13% compared with its 2008 results, profit after tax of \$586 million compared with \$804 million in 2008 and a final dividend of \$3.50 per ordinary share, fully franked. The company's managing director said that the result was very pleasing in light of the global financial crisis and that revenue was lower in 2009 because of lower US dollar denominated coal prices which were only partially offset by a weaker Australian dollar against the US dollar.

Our overweight position to Australia's largest retail bank, Commonwealth Bank (-3.0%) contributed to relative performance. The company announced a profit upgrade, expecting cash net profit for the half-year ended 31 December 2009 of approximately \$2.9 billion, well ahead of analysts' consensus of around \$2.7 billion. Key drivers of the upgrade were solid income growth across the banking business, good volume growth, disciplined cost management, a decline in impairment expenses relative to the previous corresponding period and an improvement in equity markets.

Detractors

Our overweight position to exploration company Oil Search (-14.2%) detracted from relative performance. During the month the company provided its December 2009 quarterly activities report saying that sales revenue for the quarter was US\$192.8m, compared to US\$117.9m in the third quarter, driven by both higher oil prices and higher oil sales volumes. The company also reported total oil and gas production for the fourth quarter of 2009 was 2.2 mmbob (million barrels of oil equivalent), 6% higher than in the third quarter. Development wells in the Kutubu and Moran fields drilled earlier in the year continue to perform strongly, offsetting natural decline from the company's mature oil fields. The good fourth quarter performance took production for the 2009 full year to 8.1 mmbob, within the company's forecast range. Additionally, total oil sales for the quarter were 2.41 million barrels, compared to 1.55 million barrels in the third quarter.

Our overweight position to diversified resources group BHP Billiton (-8.6%) detracted from relative performance. BHP agreed to pay US\$320 million to acquire a junior Canadian potash company, Athabasca Potash for C\$8.35 per share, a 25% premium to its closing price in late January. BHP also provided its exploration and development report for the quarter ended 31 December 2009, stating that the Western Australia Iron Ore Rapid Growth Project achieved first production ahead of schedule and within budget and that all other projects were on track. The company spent US\$239 million on minerals exploration for the half-year ended 31 December 2009 of which US\$220 million was expensed.

Outlook

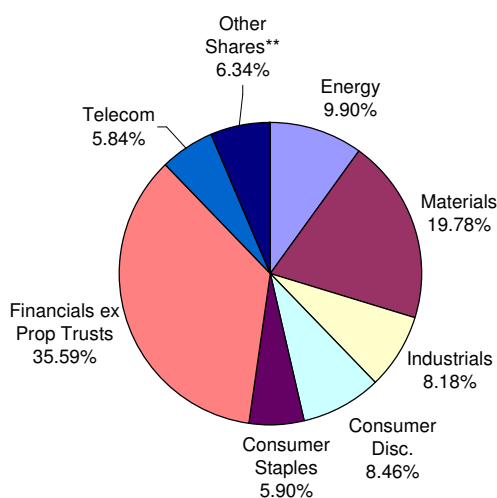
In the last couple of months there has been an increased focus on stock specific themes rather than the large macro trades which dominated performance over the previous two years. The market rise in 2009 priced in some unsustainable earnings growth, and as a result any profit warning or negative surprise is being treated much more harshly than any positive upgrade. The February 2010 reporting season will bring further clarity around how company revenue and earnings are holding up in the current economic conditions. We expect the higher quality companies that have scale, strong brand and pricing power, elevated operating cash levels and earn a superior return on equity are currently attractively valued due to their consistent earnings outlook in the potentially tepid conditions ahead.

Top 10 Stock Holdings

Geared Australian Fund as at January 2010	%
BHP BILLITON LIMITED	9.8
COMMONWEALTH BANK OF AUSTRALIA	8.6
WESTPAC BANK	8.2
TELSTRA CORPORATION LIMITED	5.8
ANZ BANK	4.8
COAL AND ALLIED INDUSTRIES LIMITED	4.6
CAMPBELL BROTHERS LIMITED	3.5
WOOLWORTHS LIMITED	3.3
RIO TINTO LTD AUD60.72 PUT OPTION EXPIRING 24/06/2010	3.2
NATIONAL AUSTRALIA BANK LIMITED	3.2

Portfolio Details

Geared Australian Fund



Distribution Details

Annual	Total Return %	Growth Return %	Dist. Return %	Franking IFSA %
Jun 09				
PIWGAF	-50.1	-51.7	1.6	433.1
PIIGAF	-50.6	-51.8	1.2	589.3
Jun 08				
PIWGAF	-33.2	-34.2	1.0	390.5
PIIGAF	-33.7	-34.5	0.8	469.0

Franking IFSA includes Realised Capital Gains

Distributions and Prices

Quarter	Cents per unit Dist.	Ex-Dist Entry \$	Ex-Dist. Exit \$
Dec 09			
PIWGAF	6.5364	2.3700	2.3470
PIIGAF	4.5057	1.8000	1.7820
Sep 09			
PIWGAF	-	2.3120	2.2890
PIIGAF	-	1.7630	1.7460
Jun 09			
PIWGAF	0.6961	1.5330	1.5180
PIIGAF	0.2186	1.1720	1.1600
Mar 09			
PIWGAF	-	1.2190	1.2070
PIIGAF	-	0.9310	0.9220

Gearing Level

Wholesale Geared Australian Fund	58.9%
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Portfolio Statistics

Fund	P/E Ratio	Dividend Yield
PIWGAF	14.5	4.4%
Benchmark	16.0	4.0%

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No company in the Perpetual Group* guarantees the performance of any fund or the return of any investor's capital. Total return shown for the fund(s) have been calculated using exit prices after taking into account all of Perpetual's ongoing fees and assuming reinvestment of distributions. No allowance has been made for entry or exit fees or taxation (except in the case of superannuation funds). Past performance is not indicative of future performance.

* Perpetual Group means Perpetual Limited ABN 86 000 431 827 and its subsidiaries.

** Other Shares may include Healthcare, Property Trusts, Information Technology, Utilities and GICS unspecified/international stocks.

^ Benchmark prior to 1/4/2000 was the ASX All Industrials Accumulation Index. From 1/4/2000 to current the benchmark is S&P/ASX 300 Accumulation Index