DDH GRAHAM LIMITED
Responsible Entity

DDH Investment Access Funds

QIC
Investment Manager

DDH Aggressive Growth Fund *(formerly Q Invest Aggressive Growth Fund)*

Performance Report as at 30 June 2010

Investment objective

The DDH Aggressive Growth Fund aims to provide long term capital growth and some income through investment in International and Australian shares.

Risk/Return Profile

High.

Minimum Investment Time Frame

At least 7 years.

Commentary and outlook

The performance of the DDH Aggressive Growth Fund is set out below. Refer to the attached performance reports from QIC.

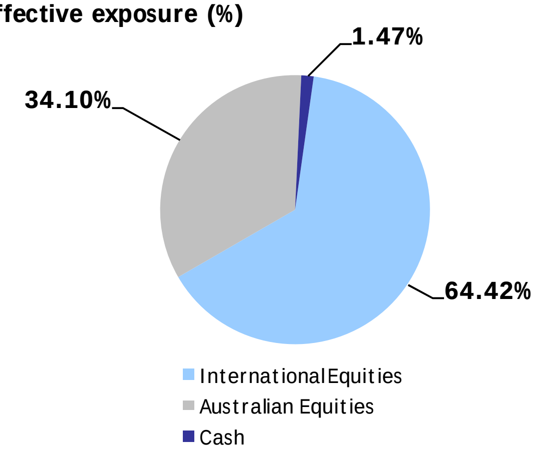
Performance

	3 months %	1 year %	3 years % p.a.	5 years % p.a.	Inception % p.a.
Total Return	**-11.56**	**12.43**	**-12.53**	**-0.22**	**2.47**
Growth return	-18.41	1.02	-18.76	-9.99	-7.91
Distribution return	6.85	11.41	6.23	9.77	10.38

Performance notes:
1. Performance is calculated using IFSA Standard No. 6.00.
2. Performance figures have been calculated using exit to exit prices.
3 Total Return represents unit price movements and assumes all distributions are reinvested.
4. Growth Return represents unit price movement only.
5. Distribution Return represents the difference between Total Return and Growth Return.
6. All performance figures are net of ongoing fees and expenses.
7. Past performance is not a reliable indicator of future performance.
8. Inception date was 9 March 2002.

Portfolio Positioning

Effective exposure (%)



Unit Price

	As at 30-06-10
Entry price (ex distribution)	$0.5485
Exit price (ex distribution)	$0.5465

Asset allocation

	As at 30-06-10 (%)
Cash	1.47
Australian Shares	34.10
International Shares	64.43

Income distribution

The distribution for the six months ended 30 June 2010 is 4.24 cents per unit. Distributions may include realised capital gains from the disposal of underlying assets. Details of the final tax components of the distribution, including franking credits, will be advised to unitholders after 30 June 2010.

QIC Australian Equities Fund
Fund details at 30 June 2010

Profile

Description	The Fund captures the performance of the Australian sharemarket by investing in a diversified portfolio of listed and unlisted securities and by the use of associated derivatives.
Objective	To outperform the S&P/ASX200 Accumulation Index by 1.00% per annum over a 3 year period.
Inception	June 1994
Size	AUD $376.7 million

Performance

Gross period returns (%)

Period	Fund	Benchmark
1 month	-2.78	-2.59
3 months	-12.85	-11.14
Financial year to date	12.26	13.15
1 year	12.26	13.15
3 years	-8.16	-7.84
5 years	4.04	4.52
7 years	9.73	9.73
Since inception	9.45	9.21

Market Overview

The S&P ASX 200 Accumulation Index was down 11.14% for the quarter.

June was another negative month for the sharemarket with the ASX200 down 2.59% for June and -11.14% for the quarter. The financial year ended up being split between the strong first six months and then a difficult second half to the year. The ASX200 was up 13.15% for the 12 months to 30 June 2010, even after the latest correction in the market.

June saw the market struggle for a consistent thematic lead as concerns around global growth continue to weigh heavily on sentiment. Positives such as the deal struck between Telstra and the government on the National Broadband Network, the change in leadership of the Australian Labour Party and hence Prime Minister and the announcement of the possible softening of the Resources Super Profits Tax (RSPT) wasn't enough to turn market sentiment.

After six interest rate increases by the Reserve Bank of Australia (RBA) in seven meetings, the cash target was left unchanged in June. The Board highlighted market volatility in Europe and its potential implications for growth in Australia as the main reason for not changing interest rates. Domestic economic data was mixed, with employment recording another gain in May while business and consumer confidence surveys recorded falls.

After trading in a wide range the Australian dollar (AUD) ended up basically unchanged for June. It regained about a third of May's losses during June before giving back any gains.

Performance Drivers

The Fund posted a return of -12.85% for the quarter, against the S&P / ASX 200 Accumulation Index return of -11.14%.

Top contributors to our Fund performance included:

Westpac Banking Corporation (WBC) – The underweight position in WBC contributed 0.09% to the Fund's performance. WBC was weaker on concerns of lower credit growth and increased funding costs given that it still has a sizeable portion of its 2011 funding task to complete.

Macquarie Group (MQG) – 0.09% was added by the underweight position in MQG. MQG provided the market with an update of the outlook for earnings which was more cautious than outlook commentary previously provided. Transparency on earnings drivers for the company remains low and softer equity markets are delaying market transaction revenues.

Brambles Ltd (BXB) – The underweight position contributed 0.08% to the Fund's performance in June. The earnings outlook is deteriorating after news of a top 10 clients transferring its business to plastic pallets, and generally heightened competitive dynamics which will delay the expected recovery in earnings forecast for 2011.

Largest detractors from Fund performance included:

Bluescope Steel (BSL) – The overweight position in BSL cost the Fund 0.25% as the stock was sold off in June on the back of declines in East Asian Hot Rolled Coil prices. The price declines are occurring as global growth expectations have been tempered. Pricing power is weak with lower demand and 70% global capacity utilisation limiting steel price appreciation.

Rio Tinto (RIO) – The overweight position in RIO had a negative impact of 0.23% as the stock was negatively impacted by the announcement of the RSPT.

Asciano Group (AIO) – The overweight position in AIO cost the Fund 0.19%. AIO reported market share losses in the Sydney ports division that was below expectations and has failed to report any significant new contract wins in Queensland coal. We expect this is primarily a timing issue and the outlook for earnings growth remains strong particularly in coal over the coming decade.

Top contributors to active return for the financial year to date (%)

Name	FYTD Contribution	Active Weight
Asciano Group	0.42	1.04
Wesfarmers Ltd.	0.36	2.12
Telstra Corporation Ltd.	0.34	0.41
Sims Metal Management Ltd.	0.19	-0.28
Commonwealth Bank of Australia	0.15	0.37
Telecom Corporation of New Zealand Ltd.	0.14	-0.28
Primary Health Care Ltd.	0.13	-0.15
Paladin Energy Ltd.	0.13	-0.25
The Mac Services Group Ltd.	0.11	0.14
Aquarius Platinum Ltd.	0.10	0.49

Top detractors from active return for the financial year to date (%)

Name	FYTD Contribution	Active Weight
Brisconnections Unit Trusts	-0.54	1.13
Bluescope Steel Ltd.	-0.37	0.39
Downer EDI Ltd.	-0.35	-0.12
James Hardie Industries N.V.	-0.18	-0.27
Sonic Healthcare Ltd.	-0.17	-0.40
Goodman Group	-0.14	-0.40
ANZ Banking Group Ltd.	-0.13	0.16
Perpetual Ltd.	-0.13	-0.12
CSL Ltd.	-0.13	-1.52
Dexus Property Group	-0.12	-0.37

Outlook

Investor sentiment continued its uncertain vein through June. Investors will remain risk averse until there is clarity around the sovereign debt issues in Europe, the impact of the moderating growth expectations in China and also now the near term outlook for the US economy. The US Federal Open Market Committee (FOMC) reflected these concerns by leaving interest rates unchanged in the US at 0.25%. The FOMC highlighted concerns regarding economic growth including low rates of resource utilization, subdued inflation trends and stable inflation expectations.

The appointment of a new Prime Minister and Labour Party leader enabled the scrapping of the highly controversial super profit tax for resource companies and the introduction of a more commercially acceptable outcome.

Australian banks will be watching closely the fallout from the European sovereign debt situation. While our banks do not have any material exposures to the troubled nations in Europe, the crisis has brought a return to heightened volatility and has seen ballooning interbank borrowing rates. This has increased investor concerns over the implications for the Australian banking sector given their significant wholesale funding tasks and is reflected in the Fund's underweight position.

Whilst the Australian economy is less dependent on the performance of the European economy, general market weakness from that zone will continue to impact market sentiment in Australia and add to market volatility in the near term.

Portfolio Positioning

The Fund has moved to selectively broaden its risk exposures during a time of increased volatility as the markets have softened in the recent month. This is in line with our view that markets will trend up over the coming twelve months notwithstanding an increase in regulatory and macroeconomic risks that are likely to impact the resource and banking sectors. We have a preference for stocks with recurring underlying earnings growth, supportive cash flow valuations, prudent capital management, dividend sustainability and proven management franchise. We remain cautious of stocks with lower quality cash flow and earnings models, excessive gearing levels and near term financing risk as well as business models that rely excessively on funds management and development earnings.

Top ten holdings (%)

Name	Fund Weight	Active Weight
BHP Billiton Ltd.	13.98	1.44
Commonwealth Bank of Australia	7.87	0.37
ANZ Banking Group Ltd.	5.60	0.16
Wesfarmers Ltd.	5.41	2.12
Westpac Banking Corp.	5.06	-1.15
National Australia Bank Ltd.	4.85	-0.01
Telstra Corporation Ltd.	3.99	0.41
Woolworths Ltd.	3.78	0.49
Westfield Group	3.20	0.61
Rio Tinto Ltd.	2.89	-0.03

Physical and derivative composition (%)

	Fund Weight
Physical equities	97.63
Cash	1.52
Exchange traded options	0.85

Notes:

- Returns greater than one year are annualised.
- Past performance is not a reliable indicator of future performance.

QIC Hedged International Equities Fund

Fund details at 30 June 2010

Profile

Description	This Fund invests in securities listed on stock exchanges around the world and equity related derivatives. The Fund dynamically manages beta exposures to access risk premia from the International Equities market space.
Objective	To outperform the Morgan Stanley Capital International (MSCI) All Country World Index ex Australia by 1.0% p.a. on a rolling three year basis.*
Inception	July 2006
Size	AUD $56.9 million

* Prior to 18 December 2009, the Fund's objective was "To outperform the MSCI All Country World Index ex Australia by 2.50% p.a. on a rolling three year basis."

Performance

Gross period returns (%)

Period	Dynamic Beta[1]	IEF[2]	Benchmark
1 month	-	-3.56	-3.57
3 months	-	-9.97	-9.99
Financial year to date	-	15.39	15.11
1 year	-	15.39	15.11
3 years	-	-12.92	-10.42
Since Inception[1]	-2.77	-	-3.23
Since Inception[2]	-	-5.07	-2.90

1. Fund returns since the commencement of Dynamic Beta Management on 18 December 2009.
2. Fund returns since inception of the fund (including active management and dynamic beta management).

Market Overview

June rounded out a difficult quarter for equities as weak economic data and the ongoing fallout from the European sovereign debt crisis precipitated a withdrawal of risk capital. The Morgan Stanley Capital International (MSCI) All Countries World Index (ex Australia) hedged returned -3.57% over the month, and -9.99% for the June quarter.

After strong gains in the March quarter, the most recent quarter was dominated by crises and uncertainty. By mid April the Greek debt troubles were centre of mind and equity markets began to reverse gains as risk appetite evaporated. By May, the debt crisis had spread across the European periphery and the European Union (EU) and International Monetary Fund (IMF) were forced to enact a €750 billion support facility to stem ratings downgrades and soaring sovereign bond yields. Markets rallied through the first half of June as sentiment improved, however since then, the introduction of austerity measures across Europe as well as weak data from the US and China have increased the uncertainty regarding growth forecasts, putting downward pressure on prices.

Europe fared the worst over the month and quarter as the debt crisis drew attention to the poor fiscal condition of several nations and forced the introduction of emergency budgets and other debt management measures. Equity markets in Austria (-7%) and Ireland (-7.3%) suffered the steepest falls in June, while Greece (-34.3%) and Finland (-18.7%) had the worst performance over the quarter. Denmark (+4.5%) and Sweden (+0.3%) were the only developed market countries that finished the quarter in positive territory. On a relative basis, emerging market countries had stronger performance. In aggregate, the MSCI Emerging Markets Index was down 0.5% for the month and 5.6% for the June quarter. Chile was up 7.1% over the quarter, while Hungary (-17.3%) and Brazil (-14.4%) dragged the index lower.

This month there was again little dispersion across developed market industries and sectors. The only sector that managed a positive return in June was telecommunications (+0.9%), while energy (-7.2%) and consumer discretionary (-6.2%) were the weakest. No single sector managed a positive return over the quarter, telecommunications was the strongest with a -5.2% return. Energy (-14.5%) and financials (-13.5%) fared the worst.

Performance Drivers

The Fund finished the month level with its benchmark, however it outperformed the benchmark slightly over the quarter. The Fund is managed under QIC's Dynamic Beta approach which targets optimal combinations of market risk premia as opposed to alpha from traditional active managers.

The portfolio currently has a tilt towards value equities, consistent with our desire to capture the long term risk premium associated with cheaper (or low Price to Book Value) stocks. This tilt resulted in overweight positions in financials, which benefited the portfolio during the month, and consumer discretionary, which detracted. Underweights in the consumer staples and utilities sectors also cost performance. The Fund has an overweight exposure to emerging markets, which benefited the Fund through the month given its outperformance relative to developed markets.

Outlook

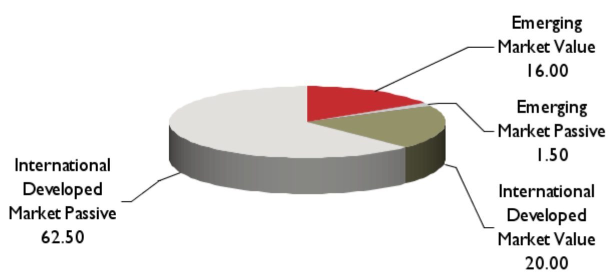
Our long-term valuation models suggest that equities are undervalued on a Price-to-Earnings basis and are starting to look more attractive. We continue to be cautious, but will consider increasing our allocation to developed market equities opportunistically, depending on market pricing and risk. Emerging markets have performed relatively well amid the weakness making them look uncharacteristically defensive. This is a function of their comparatively strong balance sheets and more resilient perceived growth profiles, and we remain comfortable with our exposure to these markets.

Portfolio Positioning

The Fund transitioned to a Dynamic Beta strategy last December. In May, we opportunistically increased the weight to emerging market equities as the long-term expected returns became more attractive. The portfolio now comprises 20% developed market value, 17.5% emerging markets (with a value bias), and the remainder is invested in passive developed market equities.

As at the end of June, the Fund is overweight the financials and consumer discretionary sectors and underweight information technology and consumer staples. These weights reflect the value tilt of the portfolio. Geographically, the Fund is overweight emerging markets with corresponding underweights to developed market regions, particularly North America.

Beta strategies composition weight (%)



Regional composition (%)

Region	Fund	Benchmark
North America	47.21	49.06
Europe	24.56	25.89
Emerging Markets	17.04	13.85
Japan	9.54	9.44
Asia Pacific Ex Japan	1.66	1.77

Sector composition of fund (%)

Sector	Code	Fund	Bmk
Financials	F	24.33	20.36
Industrials	I	11.01	10.67
Consumer Discretionary	CD	10.95	9.70
Energy	E	10.66	10.66
Information Technology	IT	9.44	12.48
Consumer Staples	CS	8.38	10.02
Materials	M	8.38	7.64
Health Care	HC	7.01	9.15
Telecommunication Services	TS	4.65	4.89
Utilities	U	3.73	4.42
Cash	C	1.45	0.00

Managers by strategy

Global	
DFA Australia	Systematic process designed to extract the deep value premium from developed markets.
State Street Global Advisors	Index manager mandated to replicate the MSCI World Index (developed markets).
Emerging Markets	
DFA Australia	Systematic process designed to extract the deep value premium from emerging markets.

Notes:

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