



WAM ACTIVE LIMITED (WAA) **INVESTMENT UPDATE & NTA – NOVEMBER 2008**

WAM Active Limited (WAA) listed on the Australian Stock Exchange in January 2008 after raising \$15.4 million.

WAA offers investors exposure to an active trading style with the aim of achieving a sound return with a low correlation to traditional markets. This was achieved in our first eleven months with the Fund outperforming the All Ordinaries Accumulation Index by 27.8%.

The investment objectives of WAA are to derive an absolute return, to deliver investors an income stream in the form of fully franked dividends and to preserve capital.

In November WAA's gross portfolio (before all fees, costs and taxes) decreased by 5.23%, while the All Ordinaries Accumulation Index fell by 7.22%.

NTA before tax payable and after tax assets	89.32c
NTA after tax and before tax on unrealised	89.32c
NTA after tax	89.30c

MARKET OUTLOOK

The Australian share market fell into its worst bear market in 34 years during November with the All Ordinaries Index down a staggering 52 per cent from its top only one year earlier. The benchmark All Ordinaries Index was down more than 16 per cent for the month when it hit a bottom on November 21, before rebounding to close down just 7.2 per cent. Euphoria surrounding the election of Barack Obama as the next President of the United States quickly evaporated as concerns surrounding the global recession gripped the market. So far, Japan, Germany and New Zealand have officially declared they are in recession, while the US, United Kingdom and the rest of Europe are expected to follow suit early in the New Year. We would expect the Australian economy to suffer a similar fate over the next six months as growth stalls.

The question investors now have to ponder is whether the 50 per cent decline in the share market sufficiently prices in a drop in earnings due to the pending recession. Throughout the last significant recession in 1990/91 the earnings of Australian companies fell by approximately 30 per cent. If this was the case again, there is a strong argument the share market has priced in the collapse in earnings that will hit Australian companies during 2009. However, it is still too early to estimate the size of the earnings decline and until the picture becomes clearer we would expect the heightened volatility of the past three months to continue. We do believe however, that several very attractive buying opportunities have presented themselves in recent

times. We also expect the next six months will be a very good buying opportunity as the plight of company earnings become clearer.

PORTFOLIO STRUCTURE & STRATEGY

	As at 31 October 2008		As at 30 November 2008	
Investment Type	\$m	%	\$m	%
Listed Equities	2.64	19.1%	2.23	17.1%
Fixed Interest and Cash	11.18	80.9%	10.82	82.9%
Total Long Portfolio	13.82	100.0%	13.05	100.0%
Total Short Portfolio	-	-	-	-
	No.		No.	
Total no. of ord shares on issue	15,400,101		15,400,101	
Total no. of options on issue	15,400,100		15,400,100	

During the month of November we maintained our cash level at an average of 80%. Capital raisings continued to be a positive way to trade in the market as stocks were offered at attractive discounts. We participated in the following placements – AMP Limited (AMP), CSR Limited (CSR), Incitec Pivot Limited (IPL), Mirvac Group Limited (MGR), National Australia Bank Limited (NAB), QBE Insurance Group Limited (QBE), and Sonic Healthcare Limited (SHL).

More liquid holdings were sold on positive days such as Goodman Group (GMG), GPT Group (GPT), Seven Network Limited (SEV), Stockland Group Limited (SGP) and Wotif.com Holdings Limited (WTF).

During the month we increased our holding in ASX Limited (ASX) and established a position in Progen Pharmaceuticals Limited. Positions were traded in Boral Limited (BLD), Commonwealth Bank of Australia (CBA), Fairfax Media Limited (FXJ), Macquarie Group Limited (MQG) and Virgin Blue Holdings Limited (VBA).

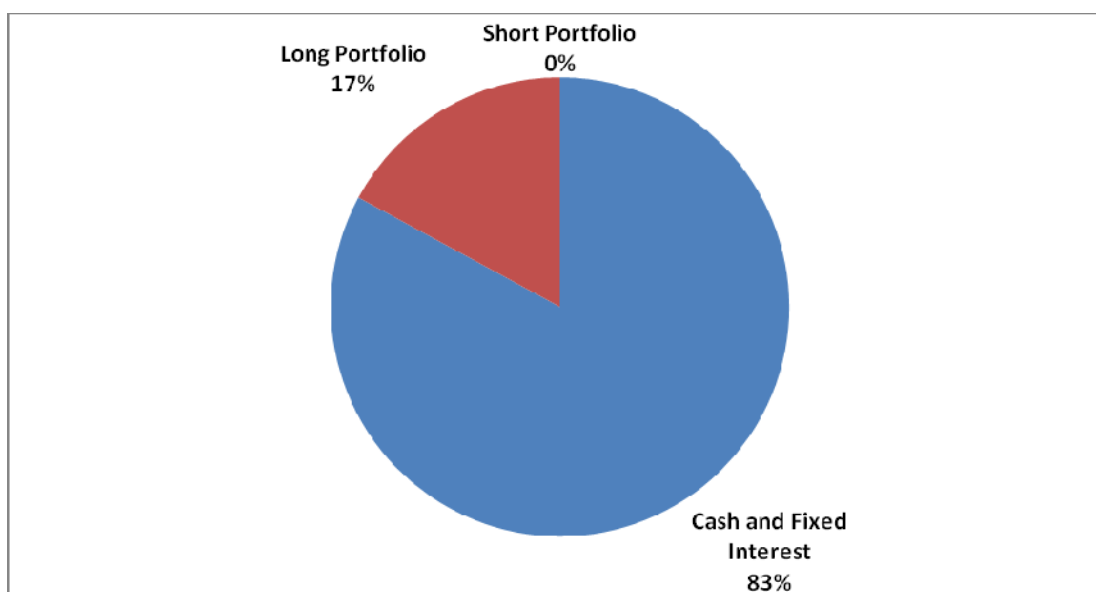
With the shorting ban lifted on non-financial stocks, the emergence of consolidation in many sectors and large amounts of capital raisings being offered, trading opportunities are becoming more apparent. We are continuously looking to capture these opportunities.

PORTFOLIO STRUCTURE & STRATEGY (continued)

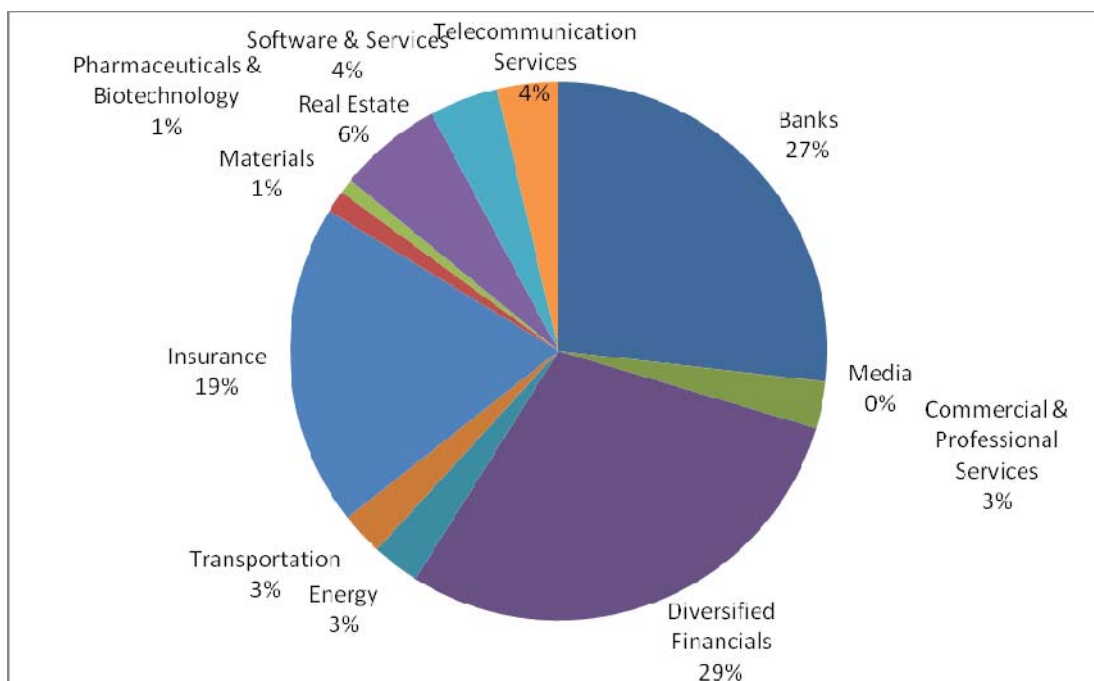
At 30 November 2008 the major securities held in the portfolio were:

CODE	COMPANY	MARKET VALUE as % of Long Portfolio	MARKET VALUE as % of Gross Assets
ASX	ASX Limited	22.1%	3.8%
NAB	National Australia Bank Limited	19.1%	3.3%
QBE	QBE Insurance Group Limited	12.4%	2.1%
AMP	AMP Limited	6.9%	1.2%
ALZ	Australand Property Group	6.2%	1.1%
ANZPB	ANZ Banking Group Ltd Conv Prefs	4.8%	0.8%
MVU	MatrixView Limited	4.2%	0.7%
EBI	Everest Babcock & Brown Alternative Inv Trust	3.7%	0.6%
AMM	Amcom Telecommunications Limited	3.7%	0.6%
MOC	Mortgage Choice Limited	2.9%	0.5%
EON	Espreon Limited	2.8%	0.5%
TOL	Toll Holdings Limited	2.6%	0.4%
BRU	Buru Energy Limited	2.3%	0.4%
HAP	HFA Accelerator Plus Limited	1.7%	0.3%

PORTFOLIO STRUCTURE - ASSET ALLOCATION



LONG PORTFOLIO STRUCTURE - SECTOR ALLOCATION



PERFORMANCE TABLE

	Jan 08	Feb 08	Mar 08	Apr 08	May 08	Jun 08	Jul 08
Gross Portfolio *	+0.3%	+1.2%	+0.5%	+1.6%	+2.4%	-3.7%	-1.1%
All Ords Accum.	-11.2%	+0.3%	-4.1%	+4.6%	+2.4%	-7.3%	-5.2%
	Jul 08	Aug 08	Sep 08	Oct 08	Nov 08		Since Inception
Gross Portfolio *	-1.1%	+0.1%	-3.8%	-5.3%	-5.2%		-12.5%
All Ords Accum.	-5.2%	+4.0%	-10.6%	-13.9%	-7.2%		-40.3%

*The change in the portfolio before all expenses, fees and taxes.

For further information please contact Mr Geoff Wilson or Mr Matthew Kidman on (02) 9247 6755

Level 11, 139 Macquarie Street, Sydney NSW 2000 | GPO Box 4658 Sydney NSW 2001 | ABN 49 126 420 719
Phone 02 9247 6755 | Fax 02 9247 6855 | info@wami.com.au | www.wilsonassetmanagement.com.au