

BT Wholesale Global Fixed Interest Fund

**Fact Sheet
February 2010**

ARSN: 009 567 558



About the Fund

The BT Wholesale Global Fixed Interest Fund actively seeks out investment opportunities within a broad portfolio of international fixed interest securities.

The management of BTIM's global fixed interest portfolios is outsourced to US-based BlackRock Financial Management Inc., a premier provider of international investment services across a broad range of asset classes. BlackRock has a cross-disciplinary team approach, which enables BTIM to benefit from the pooled expertise of all BlackRock's resources: its investment and risk management professionals, and its highly sophisticated, integrated, proprietary analytical tools.

Fund objective

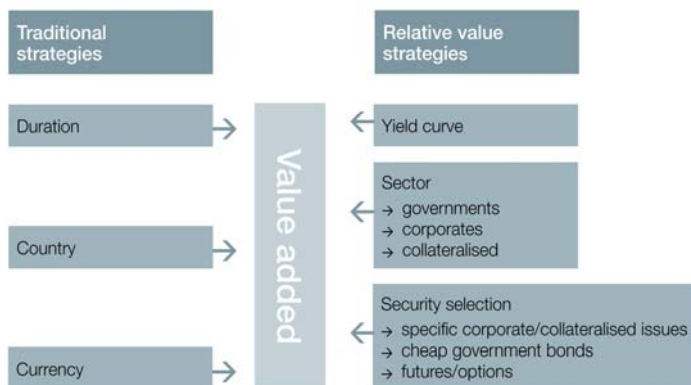
The Fund aims to provide a return (before fees, costs and taxes) that exceeds the Barclays Capital Global Aggregate Bond Index, hedged to A\$, over the medium term.

Investment approach

BlackRock's Global Bond philosophy is an extension of its risk-controlled approach that focuses on active sector/sub-sector rotation and security selection. BlackRock believes that this strategy is particularly well suited to today's dynamic global fixed income markets where the opportunity for relative value has increased.

Investment process

BlackRock's investment team employs multiple strategies to add value with an emphasis on exploiting relative value along the yield curve, across sectors and between individual securities. While value is also derived from traditional strategies, active exposures to country, currency and duration relative to the benchmark tend to be limited. In general, BlackRock expects 35% of value add to come from traditional strategies (duration, country and currency), while 65% is expected to come from relative value strategies (sector, security and yield curve).



BlackRock's portfolio construction is a two-stage process:

- Formulate strategies around major macro factors: country/bloc, currency and duration exposures
- Focus on relative value considerations: yield curve positioning, rotation between sectors and sub-sectors, and security selection are the key decision drivers

Performance

(%)	Total Returns		Benchmark Return
	(post-fee)	(pre-fee)	
1 month	0.77	0.81	0.76
3 months	1.91	2.04	1.49
FYDT	8.63	9.01	7.30
6 months	4.85	5.12	4.35
1 year (pa)	12.64	13.21	10.79
2 years (pa)	6.43	6.97	8.48
3 years (pa)	5.99	6.53	8.23
5 years (pa)	5.81	6.36	7.25

On 3rd November 2008 the benchmark name for this fund was changed to Barclays Capital Global Aggregate Bond Index Hedged to AUD.

Asset allocation

Denmark	4.4%
France	2.1%
Germany	9.2%
Italy	2.5%
Netherlands	1.7%
Sweden	1.2%
United Kingdom	4.9%
Other Europe	5.2%
Japan	9.1%
Canada	2.8%
USA	53.8%
Cash & Other	3.1%

Duration

Portfolio duration is managed to +/- 1 year of the benchmark's duration.

Other information

Fund size (as at 28 Feb 2010)	\$169 million
Date of inception	July 2002
Minimum investment	\$50,000
Minimum balance	\$50,000
Buy-sell spread	0.20%
Income distribution frequency	Half-yearly
APIR code	RFA0032AU

Fees

Management fee	0.53% pa*
----------------	-----------

* You should refer to the latest Product Disclosure Statement for full details of fees and other costs you may be charged.

Market review

Overall, central banks continue to be on hold for the time being. There were no regularly scheduled Federal Open Market Committee meetings in February, and the target rate remains unchanged at 0 to 0.25%. However, at the half-yearly monetary policy testimony the Chairman reiterated that rates would remain exceptionally low for an extended period. The market expectation is that the Fed will allow the MBS program to expire as announced and for rates to be tightened in the latter half of 2010.

Elsewhere in the Dollar bloc, the Bank of Canada left rates unchanged at 0.25%, while the Reserve Bank of Australia increased its rate by 25 basis points to 4%, with the central bank Governor stating that the process of moving rates back to average levels will continue and that the move overnight was a 'further step in that process'. Both the European Central Bank and the Bank of England maintained their rates at 1% and 0.5% respectively, as expected. The BOE also announced a continuation of the pause in Quantitative Easing at £200 billion. At the Monetary Policy meetings held in February, the Bank of Japan kept the target policy rate at 0.1% as expected. There were no significant changes in the BoJ's assessment of the economy and financial markets.

Fund performance

The portfolio performed in line with its benchmark over the month of February.

In the Dollar Bloc, our underweight duration position in the US contributed to performance, while our overweight Australia position detracted. In currency, our long US dollar versus euro and long South Korean Won versus US dollar were both positive for performance, while our long US dollar versus Australian dollar had a negative impact. Meanwhile, our US curve flattener detracted from performance.

The portfolio's sector positioning in the dollar bloc had a positive impact on performance. Our underweight in US MBS and overweight in US CMBS benefited performance. The agency mortgage sector underperformed, although the sector experienced heavy volatility across subsectors and coupons. Our subsector coupon and maturity trades contributed to performance. CMBS continues to be driven by technical demand and programs such as TALF. Our overweight in US corporates was a large contributor to performance in the Dollar Bloc. Our underweight position in US Agencies detracted slightly from performance, while our overweight ABS position had a neutral impact.

In the Pan-Europe Bloc, our duration positioning significantly contributed to performance. Specifically, our overweight position in the Euro bloc, Greece, and Denmark, as well as our underweight in the UK benefited while our overweight position in Germany versus peripherals detracted from it. In currency, our long Swedish krona versus euro had a positive impact on performance. Our euro curve barbell contributed while our UK curve steepener was neutral.

The portfolio's sector positioning in the Pan-Europe Bloc had a positive impact on performance, specifically, our underweight positions in Euro covered and credit bonds and positions in Danish Cap Floaters all benefited.

In the Asia Bloc, our underweight duration positions in Japan and non-Japan Asia detracted from performance. In currency, our long Japanese yen versus euro was positive for performance while the Japan curve overweight 30 year sector had a positive effect.

Our Japanese Government Bonds floater position had a neutral impact on performance as floaters remained stable and ended the month unchanged.



For more information

Please call 1800 813 886, contact your business development representative or visit www.btim.com.au

BT Investment Management (RE) Limited ABN 17 126 390 627, AFSL 316 455, is the responsible entity and issuer of units in the BT Wholesale Global Fixed Interest Fund. A product disclosure statement (PDS) is available for the Fund and can be obtained by contacting your business development representative on 1800 813 886 or visiting www.btim.com.au. You should obtain and consider the PDS before deciding whether to acquire, continue to hold or dispose of units in the Fund. This information has been prepared without taking account of your objectives, financial situation or needs. Before acting on this information, consider its appropriateness, having regard to your objectives, financial situation and needs. An investment in the Fund is not a deposit with or any other liability of the Westpac Banking Corporation (ABN 33 007 457 141) or any other Company in the Westpac Group of companies.

Performance figures are calculated in accordance with the Investment & Financial Services Association (IFSA) standards. Total returns (post-fee) are calculated: to the last day of each month using exit prices; taking into account management costs of the fund; assuming reinvestment of distributions (which may include net realised capital gains from the sale of assets of the fund). No reduction is made to the unit price (or performance) to allow for tax you may pay as an investor, other than withholding tax on foreign income (if any). Certain other fees such as Contribution fees or Withdrawal fees (if any) are not taken into account. Total returns (pre-fee) are calculated by adding back management costs to the (post-fee) returns. Past performance is not a reliable indicator of future performance.

BT Investment Management (RE) Limited is a member of the Westpac Group. Neither BT Investment Management (RE) Limited, nor any other company in the Westpac Group, guarantees the repayment of capital or the performance of the product or any particular rate of return.

BT® is a registered trade mark of BT Financial Group Pty Ltd and is used under licence.