

# BT Institutional International Sustainability Share Fund

Fact Sheet  
March 2010



Social Responsible Investments

## About the Fund

The BT Institutional International Sustainability Share Fund invests directly or indirectly in securities listed on stock exchanges included in the DJSI, or expected to be included within three months of listing. This index represents companies that have met certain environmental, social and economic criteria (often referred to as the 'triple bottom line'). Adopting the best of sector approach to screened investments, the DJSI consists of more than 200 companies that represent the top 10% of the leading sustainability companies in 64 industry groups in the countries covered by the broader Dow Jones Global Index.

## Fund objective

The Fund aims to provide a return (before fees and expenses) in line with the Dow Jones Sustainability World Index (ex Australia) (DJSI) with net dividends reinvested, as measured in Australian dollars unhedged over the medium term (3+ years).

## Investment Team

The Fund is passively managed by State Street Global Advisors, Australia, Ltd (SSgA), which has a long track record in indexed international shares management. SSgA is a wholly owned subsidiary of State Street Corporation which can trace its heritage to 1792. SSgA was established in 1978 to provide innovative, quantitatively driven investment management services to institutional investors. SSgA has been managing portfolios for Australian and New Zealand clients since 1986, with total funds under management of \$79.3 billion as at the end of October 2007. SSgA's international equities strategy provides investors with a broad well-diversified portfolio of international shares. Clients' funds are invested across a diversified range of companies in all major sharemarkets.



CERTIFIED BY RIAA

BT Investment Management Limited ABN 17 126 390 627, AFSL 316455, has been certified by RIAA according to the strict disclosure practices required under the Responsible Investment Certification Program. The Certification Symbol signifies that an investment product or service takes environmental, social, ethical or governance considerations into account along with financial returns. See [www.responsibleinvestment.org](http://www.responsibleinvestment.org) for details.

## Performance

(%)	Total Returns		Benchmark Return
	(post-fee)	(pre-fee)	
1 month	3.52	3.60	3.65
3 months	-1.58	-1.35	-1.36
FYDT	10.38	11.14	11.11
6 months	0.46	0.92	0.79
1 year (pa)	17.47	18.55	17.42
2 years (pa)	-8.50	-7.65	-8.13
3 years (pa)	-10.44	-9.62	-9.51
5 years (pa)	-1.25	-0.40	-0.37

Please note we have made some historic revisions to our pre-fee returns. Until April 2008, returns included a 'gross up' for fees that did not cover all fees deducted from the fund. The historic pre-fee returns have been increased to reflect the correct fee 'gross up'. The magnitude of the increase is around 0.3%-0.4% p.a.

## Top 10 holdings

General Electric Co	2.4%
Nestle R	2.3%
Johnson & Johnson	2.2%
Bp	2.2%
Hsbc Holdings	2.2%
International Business Machine	2.0%
Cisco Sys Inc	1.8%
Novartis Ag Rs	1.6%
Total	1.6%
Hewlett Packard Co	1.5%

## Other information

Fund size (as at 31 Mar 2010)	\$34 million
Date of inception	January 2001
Minimum investment	\$500,000
Buy-sell spread	0.40% <sup>1</sup>
Distribution frequency	Annual
APIR code	WFS0244AU

<sup>1</sup> The buy-sell spread represents transaction costs incurred whenever you invest or withdraw funds, and may vary from time to time without notice.

## Fees

Management fee	0.50% pa*
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\* You should refer to the latest Information Memorandum for full details of fees and other costs you may be charged.

## Market review

Global equity markets were strong in March, shrugging off rising bond yields and macro concerns ranging from Greek debt to Chinese tightening. Most markets were up strongly with Japan's Nikkei 225 being the best performer, gaining nearly 10% in US dollar terms. Moves continue towards an IMF/EU bailout of Greece though there are concerns that these measures are no more than a backstop facility.

The MSCI World (Ex-Australia) Index (Net) was up +3.5% for March in Australian dollar terms. Markets performed better in local dollar terms (+6.6%) as the Australian dollar continued to gain against the US dollar over the month.

In the US, the S&P 500 gained 5.9% in March, the biggest monthly gain since July 2009. The VIX index of implied volatility remained in a downtrend, the monthly close of 17.6 being the lowest since June 2007. The leading sectors had a cyclical bias with Materials (+7.6%), Industrials (+8.8%) and Consumer Discretionary (+7.7%) outperforming.

US data continued to be distorted by weather effects, with housing indicators particularly weak, though the decline in February payrolls was lower than expected. Bond markets came under pressure in March from concerns about high supply.

The Australian dollar gained against the US dollar in March as markets priced a stronger trajectory for short-term rates and bulk commodity prices. However on most major crosses the US dollar was up. Concerns over Greek debt continued to overshadow the euro and the yen was also weak.

The oil price was up +5.1% in March, taking cues from signs of economic recovery in the US, strong Asian growth and higher demand forecasts. Spot gold fell 0.3% in March with a stronger US dollar and an interest rate hike in India weighing on the market while base metals built on February's recovery.

## Fund performance

The portfolio performed broadly in line with the benchmark over the month of March. Key contributors to the absolute return were General Electric Co, Citigroup Inc, Siemens, Rio Tinto Plc and Samsung Electronics. Key detractors to the absolute return were HSBC holdings and Abbotts Labs.



## For more information

Please call 1800 813 886, contact your business development representative or visit [www.btim.com.au](http://www.btim.com.au)

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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.

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