

BT Wholesale Global Fixed Interest Fund

Fact Sheet
June 2011

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

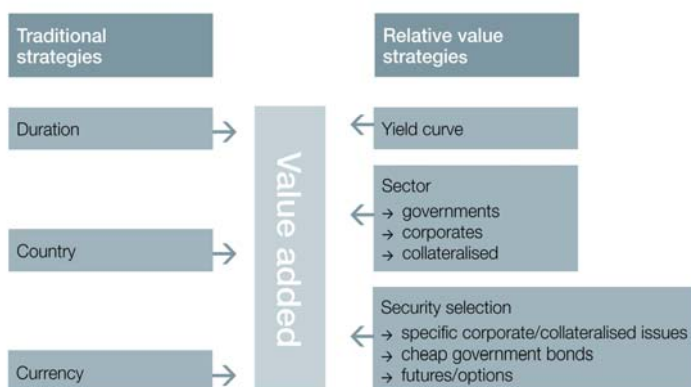
The Fund aims to provide a return (before fees, costs and taxes) that exceeds the Barclays Capital Global Aggregate Bond Index, hedged to AUD, over the medium term. The suggested investment timeframe is three years or more.

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	-0.03	-0.02	0.22
3 months	2.36	2.47	2.87
FYDT	6.85	7.39	6.93
6 months	3.75	3.99	3.85
1 year (pa)	6.85	7.39	6.93
2 years (pa)	10.07	10.62	9.19
3 years (pa)	8.44	8.99	9.45
5 years (pa)	6.95	7.49	8.38

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

Asset allocation (as at 30 June 2011)

Denmark	3.2%
France	1.9%
Germany	4.0%
Italy	4.2%
Spain	1.8%
Sweden	2.0%
United Kingdom	9.1%
Other Europe	14.3%
Japan	7.7%
Canada	2.7%
USA	47.1%
Cash & Other	2.0%

Duration

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

Other information

Fund size (as at 30 Jun 2011)	\$90 million
Date of inception	July 2002
Minimum investment	\$50,000
Buy-sell spread	0.20% [#]
Distribution frequency	Semi-annual
APIR code	RFA0032AU

[#] 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	0.53% pa*
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* You should refer to the latest Product Disclosure Statement for full details of fees and other costs you may be charged.

Market Review

International market performance in June has been driven by the Greek sovereign crisis and became more volatile toward the end of the month. US ten-year yields closed 12 basis points higher for the month. European and UK yields rose 13 basis points and 9 basis points respectively, while Japanese yields fell by 2 basis points. Australia outperformed the US with the ten-year yield spread closing lower at 2.05%. The Australian currency marginally outperformed over the period with the trade-weighted index appreciating 0.37%. While the expectation of a slowing economic environment earlier in the month continued driving bond yields lower, risk assets (equities and commodities) suffered weakness. However, as the European crisis saw a temporary relief on the impending Greek default, the bond yields increased and risk assets recovered towards the end of the month. Positive performance from long duration in early June was offset by the later market volatility and June closed flat relative to the benchmark. Globally economic data still suggests a slowing recovery.

Fund Performance

Overall, our duration positioning in the Dollar Bloc had a positive impact on performance, as US treasuries sold off following better economic data.

The portfolio's sector positioning in the Dollar Bloc detracted from performance, primarily due to our positions in High Yield although our reduction in risk earlier in May reduced the negative impact as spread sectors sold off. The spread sector sell-off was led by Non-Agency Mortgages where we have a slight overweight.

Our duration positioning in the Pan-Europe bloc had a negative impact on performance primarily due to our positioning in peripheral bonds, namely our small overweight position in Portugal. Despite the weakness in the peripherals, the Euro generally held up as the ECB reiterated its willingness to raise rates.

Our overweight position in UK credits detracted from performance as focus on the general risk-off tone dominated the market and concerns over the peripheral debt crisis reached across the channel.

Our underweight position in Japan had a negative impact on performance as Japan slowly recovers from the March earthquake. Recent IP numbers are pointing to a rebuilding of supply chains and a potential positive Q3.

Our positions in JGB Floaters had a neutral impact on performance.

Strategy & Outlook

While the market volatility has been high, the global economy has clearly slowed over the past few months and this slowing has yet to be fully reflected in bond prices. The US fiscal situation and concerns over European peripheral debt continue to be significant risk events going forward.



For more information

Please call 1800 813 886, contact your business development representative or visit 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.

If market movements, cash flows or changes in the nature of an investment (eg a change in credit rating) cause the Fund to exceed any of the investment ranges or limits in this document, this will be rectified by BTIM (RE) as soon as reasonably practicable after becoming aware of it. If BTIM (RE) does so, it will have no other obligations in relation to these circumstances. The procedures, investment ranges, benchmarks and limits specified in this document are accurate as at the date of its issue, and BTIM (RE) reserves the right to vary these from time to time.

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