

# BT Wholesale Global Property Securities Fund

Fact Sheet  
June 2011

ARSN: 108 227 005



Property Investments

## About the Fund

The BT Wholesale Global Property Securities Fund is an actively managed diversified portfolio of global property securities in North America, Europe and Asia. The management of BTIM's global property portfolios is outsourced to US-based AEW Capital Management, LP, one of the world's leading real estate managers.

### Fund objective

The Fund aims to provide a return (before fees, costs and taxes) that exceeds the return from the UBS Global Real Estate Investors (ex Australia) Index, net of withholding tax (hedged to AUD) over the medium to long term. The suggested investment time frame is five years or more.

### Investment style

The global property portfolios are managed in an active, value driven, risk controlled style that integrates top-down research with hands-on real estate and capital markets expertise.

### Investment process

AEW's active value-driven style recognises that property securities become mispriced relative to each other. This can be the result of themes that run through the market from time to time, as well as the sentiment that can affect the pricing of individual stocks and sectors.

AEW's bottom-up investment process takes advantage of these opportunities through active management by rigorously collecting and evaluating research data, by assessing the relative value of individual securities, and by managing portfolio risk.

Securities are bought when they are good value relative to other securities in the property securities investment universe. AEW expects the majority of outperformance to result from stock selection, and to a lesser extent country allocation, within each region.

The security selection process is tailored to each region as follows:

North America	Europe	Asia Pacific
<ul style="list-style-type: none"> <li>▪ Three filters:                             <ul style="list-style-type: none"> <li>- Valuation</li> <li>- Price</li> <li>- Catalyst</li> </ul> </li> <li>▪ Discount/premium to Real Estate Value</li> <li>▪ Discount/premium to Capital Markets Value</li> <li>▪ On-the-ground property market insights</li> </ul>	<ul style="list-style-type: none"> <li>▪ Discount/premium to Net Asset Value (NAV) is most relevant metric today</li> <li>▪ Discount/premium to Capital Markets Value (CMV) increasingly important</li> <li>▪ On-the-ground property market insights</li> </ul>	<ul style="list-style-type: none"> <li>▪ Growth focused in Asia (ex-Australia)</li> <li>▪ Multi-factor ranking system</li> <li>▪ Company specific research</li> <li>▪ On-the-ground property market insights</li> </ul>

## Performance<sup>1</sup>

(%)	Total Returns		Benchmark Return
	(post-fee)	(pre-fee)	
1 month	-1.82	-1.77	-2.12
3 months	4.73	4.95	4.60
FYDT	34.93	36.20	36.60
6 months	10.75	11.25	10.49
1 year (pa)	34.93	36.20	36.60
2 years (pa)	37.73	39.03	39.49
3 years (pa)	3.34	4.29	2.95
5 years (pa)	1.23	2.18	0.47

## Regional allocation (as at 30 June 2011)

The Fund invests in listed property securities in North American, European and Asian (ex-Australia) markets.

	Fund	Benchmark	Min/max weight from benchmark
North America	60.3%	64.0%	+/- 20%
Europe	22.6%	22.3%	+/- 10%
Asia (ex Australia)	14.1%	13.7%	+/- 10%
Cash	3.0%	-	

## Other information

Fund size (as at 30 Jun 2011)	\$136 million
Date of inception	July 2004**
Minimum investment	\$50,000
Buy-sell spread	0.25% <sup>#</sup>
Distribution frequency	Semi-annual
Currency management	100% hedged to the AUD
Cash holdings	Up to 10%
Tracking error guideline	0 - 5%
APIR code	RFA0051AU

\*\* Prior to 10 May 2005, the Fund invested in North America only.

<sup>#</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	0.95% 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.

<sup>1</sup> Benchmark: On 11 May 2005, the benchmark for the fund changed from Morgan Stanley REIT Index (hedged to AUD) to the UBS Global Real Estate Investors (ex Australia) Index net of withholding tax (hedged to AUD). Returns before this date may not be directly comparable. The benchmark performance shown is that of the combined benchmarks that the fund has aimed to exceed over time.

## Market Review (all returns below are in USD)

The global property securities market (on an ex-Australia basis) as measured by the UBS Global Real Estate Investors Index lost ground (down 2.4%) in June with all three regions in negative territory. For the month, North America (down 3.1%) was down the most, followed by Asia (down 1.3%) and Europe (down 1.2%). Share prices were down as concerns that the global economic recovery has stalled, a weak job growth report, and fears over the European debt crisis combined to hamper performance. Also contributing to the sector's sluggish performance were concerns over widening credit spreads in the CMBS market which could potentially have some impact on financing costs. In North America, the U.S. dropped 3.2% while Canada was largely flat with a return of 0.1%. In Asia, Japan was the weakest performer (down 2.3%), followed by Hong Kong (down 1.0%) and Singapore (down 0.3%). Within Europe, performance was somewhat mixed with most countries down for the period. Sweden (down 5.7%), Italy (down 4.6%), Austria (down 3.0%) and the Netherlands (down 2.8%) posted the worst results, while the only positive performing countries in USD terms included Switzerland (up 1.6%), Norway (up 1.5%) and France (up 0.3%).

## Fund Performance

The portfolio outperformed the benchmark over the month.

The North American part of the portfolio outperformed the UBS North America Investors Index over the month. Outperformance was driven by positive stock selection with the best results coming from the office, apartment and shopping center sectors, which were partially offset by negative results in the industrial sector. Top individual positive contributors were overweight positions in outperformers Boardwalk REIT and Riocan REIT, and a lack of exposure to underperforming office company SL Green Realty Corp. Top detractors included overweight positions in underperformers Liberty Property Trust and First Potomac Realty, and an underweight in outperformer ProLogis Inc. Sector allocation had a neutral impact on relative performance.

The European part of the portfolio was slightly ahead of the UBS Europe Investors Index. The portfolio's slight outperformance was attributable to modest country allocation results which were largely offset by modest negative results from stock selection. Positive country allocation was driven mainly by the portfolio's underweight to the underperforming Netherlands and overweight to outperforming Norway. The account's modest cash balance was also a positive contributor in light of the property securities sector's negative absolute returns. Negative stock selection was mainly due to negative results in France and Finland, which were partially offset by positive results in Austria and Switzerland.

Top contributors included overweight positions in outperformers Conwert Immobilien (Austria), PSP Swiss Property (Switzerland) and Capital & Counties Properties (U.K.). Top detractors included overweight positions in underperformers Gecina (France), Citycon OYJ (Finland) and Metric Property Investments (U.K.).

The Asian part of the portfolio underperformed the regional UBS benchmark. Underperformance was due to negative stock selection results in Hong Kong which were partially offset by positive results in Japan. Top individual detractors to relative performance included an underweight position to outperformer The Link REIT (Hong Kong), and overweight positions in underperformers Wheelock and Co., Ltd. (Hong Kong) and Overseas Union Enterprise (Singapore). Top positive contributors included overweight positions in outperformers CapitaMall Trust (Singapore), Aeon Mall Co., Ltd. (Japan) and Mitsui Fudosan Co. (Japan). Country allocation had a neutral impact on relative performance.



## 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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