

BT Wholesale Global Fixed Interest Fund

Fact Sheet
July 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

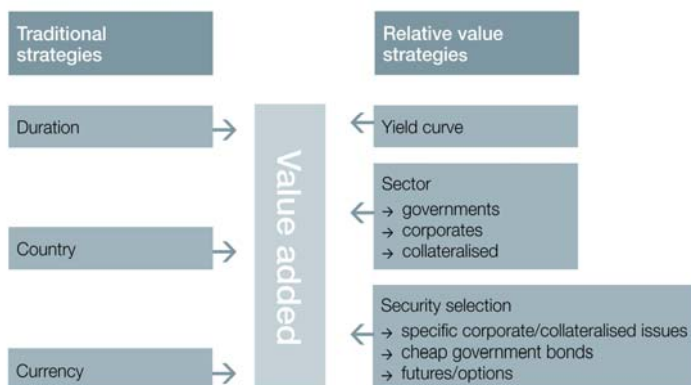
The Fund aims to provide a return (before fees, costs and taxes) that exceeds the Barclays Capital Global Aggregate Bond Index, hedged to AUD, over the medium term. The suggested investment timeframe is three years or more.

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	0.92	0.96	1.49
3 months	2.14	2.25	3.13
FYDT	0.92	0.96	1.49
6 months	4.31	4.55	5.32
1 year (pa)	6.74	7.28	7.30
2 years (pa)	9.36	9.91	9.17
3 years (pa)	8.36	8.90	9.56
5 years (pa)	6.95	7.49	8.45

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 31 July 2011)

Denmark	3.2%
France	2.0%
Germany	4.4%
Italy	3.6%
Spain	1.8%
Sweden	2.0%
United Kingdom	9.5%
Other Europe	13.7%
Japan	7.0%
Canada	2.8%
USA	47.8%
Cash & Other	2.2%

Duration

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

Other information

Fund size (as at 31 Jul 2011)	\$92 million
Date of inception	July 2002
Minimum investment	\$25,000
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 July was largely driven by the continuing European sovereign debt crisis and became more volatile with the political skirmish on the US debt ceiling late in the month. US, European and UK ten-year yields fell 37, 49 and 52 basis points respectively, while Japanese yield fell 6 basis points over the month. Australia outperformed the US with the ten-year yield spread closing lower at 2.00%. The Australian dollar outperformed over the period with the trade-weighted index appreciating 0.77%. Despite strong economic data early in the month and rallying equity and commodities markets, bond yields continued trending lower. As the US debt ceiling debate came to the fore, bond yields increased before rallying again and equity sold off towards the end of the month. Globally economic data are still pointing to a slowing recovery.

Fund performance

Overall, our duration positioning in the Dollar Bloc had a negative impact on performance, as our underweight positioning in the US underperformed. The portfolio's sector positioning in the Dollar Bloc benefited performance, primarily due to our positions in High Yield. Our position in USD government guaranteed Irish bonds detracted value following a Moody's downgrade.

Our duration positioning in the Pan-Europe bloc had a negative impact on performance primarily due to our underweight positioning in the Euro bloc.

Our overweight position in UK credits detracted from performance while our underweight position in Euro credits slightly benefited performance. Our position in Tokyo Electric Power rebounded on positive sentiment from the Japanese government and stability at the Fukushima nuclear plant.

Our underweight position in Japan had a negative impact on performance as Japan industrial production remained weak.

Strategy & outlook

The mismatch between the economic data and consensus forecast still suggests a long-side bias in bonds. The below trend economic growth in US has prompted gradual downgrade in the consensus forecast, but we believe there are further to come. While recovery in European core countries has slowed and turned, the RBA noted that the growth in China "had slowed somewhat". With the concerns over the US fiscal situation and European peripheral debt, the market will continue to be volatile.



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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