

# BT Wholesale Global Property Securities Fund

**Fact Sheet**  
**August 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	-5.87	-5.79	-5.72
3 months	-7.13	-6.92	-7.40
FYDT	-5.41	-5.25	-5.39
6 months	-1.25	-0.79	-1.56
1 year (pa)	17.80	18.90	19.04
2 years (pa)	21.00	22.14	21.72
3 years (pa)	0.26	1.19	-0.19
5 years (pa)	-1.21	-0.28	-1.98

## Regional allocation (as at 31 August 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	63.9%	64.8%	+/- 20%
Europe	21.2%	21.0%	+/- 10%
Asia (ex Australia)	14.9%	14.2%	+/- 10%
Cash	0.0%	-	

## Other information

Fund size (as at 31 Aug 2011)	\$143 million
Date of inception	July 2004**
Minimum investment	\$25,000
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 experienced an incredibly volatile month in August sparked by fears that a shaky global economy may lead to a new recession, weak manufacturing and consumer spending reports, uncertainty over the pace of job growth in the US and worries about Europe's debt troubles. As an indication of the broader equity market's heightened volatility, the US Dow Jones Industrial Average experienced its first-ever span of four consecutive days of 400-point swings during the second week of August. On a regional basis, Europe (down 8.30%) was down the most followed by North America (down 5.66%) and Asia (down 4.17%). In Europe, all countries were in negative territory for the month with Norway (down 14.2%) dropping the most, followed by Italy (down 12.0%), the U.K. (down 11.4%) and Austria (down 10.4%). Within North America, the U.S. and Canada lost 5.7% and 5.4%, respectively. In Asia, Hong Kong (down 7.9%) was the weakest performer followed by Singapore (down 6.8%) and Japan (down 0.3%). While the Asian economies are in relatively good shape, many of the countries are driven by exports and would be impacted by a slowdown in demand from U.S. and Europe.

## Fund performance

BT's North America portfolio outperformed the UBS North America Investors Index in August. Outperformance was driven mainly by positive stock selection, with the best results occurring in the regional mall, office and industrial sectors. Top positive individual contributors to relative performance included overweight positions in outperformers Liberty Property Trust and Federal Realty Investment Trust, and a lack of exposure to underperformer General Growth Properties. Top detractors included overweight positions in underperformers Entertainment Properties Trust and Developers Diversified Realty Corp., and a lack of exposure to outperformer Hospitality Properties Trust. Sector allocation was also slightly positive due primarily to the portfolio's overweight to the outperforming storage and apartment sectors.

BT's European portfolio underperformed the UBS Europe Investors Index in August. Underperformance relative to the benchmark was due to negative stock selection results, which were partially offset by modest positive country allocation. Stock selection was driven by negative results in the U.K. and Germany. Among the portfolio's holdings, top individual detractors to relative performance included overweight positions in underperformers Gecina (France), IVG Immobilien AG (Germany) and Land Securities Group (U.K.). Top positive contributors included overweight positions in outperformers Metric Property Investments (U.K.) and Citycon OYJ (Finland), as well as a lack of exposure to underperformer Fonciere des Regions (France).

Modest positive country allocation for the period was due to the portfolio's underweight to the underperforming U.K. and overweight to outperforming Sweden.

BT's Asia portfolio underperformed the regional UBS benchmark in August. Underperformance was due to negative stock selection results in Singapore and Hong Kong. Top individual detractors to relative performance included an overweight position to underperformers Perennial Retail China Trust (Singapore) and Aeon Mall Company Ltd. (Japan), and an underweight to outperformer Ascendas REIT (Singapore). Top positive contributors included overweight positions in outperformers Parkway Life REIT (Singapore) and Hulic Co. Ltd. (Japan), and a lack of exposure to underperformer ORIX JREIT Inc. (Japan). Country allocation also had a slight negative impact on relative performance due to the portfolio's exposure to underperforming China.



## 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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