

BT Wholesale Core Global Share Fund

Fact Sheet
September 2011

ARSN: 089 938 492



About the Fund

The BT Wholesale Core Global Share Fund is an actively managed portfolio of international shares. The shares are managed by Connecticut-based AQR Capital Management, LLC (AQR) with a currency overlay provided by BT Investment Management (BTIM).

AQR are fundamental investors who use quantitative strategies to maintain a highly diversified and risk controlled portfolio that reflects AQR's valuation and momentum philosophy.

Fund objective

The Fund aims to provide a return (before fees, costs and taxes) that exceeds MSCI World ex Australia (Standard) Index (Net Dividends) in AUD over the medium to long term. The suggested investment timeframe is five years or more.

Investment style

The investment style is to seek to generate returns by active trading in both stocks and currency.

Investment process

The Fund's investment process separates the stock and currency investment decisions with the majority of the Fund's risk allocation relating to stock selection.

AQR's disciplined approach uses bottom-up fundamental security selection indicators to generate excess returns through under and overweighting stocks and industries relative to the benchmark.

Separate regional stock selection models are utilised to tailor stock and industry selection considerations to the different global equity markets within the benchmark.

AQR employs a quantitative and model driven investment process with teams conducting ongoing research on security selection indicators, portfolio construction, optimisation, trading techniques and technology.

Currency decisions are actively managed by BTIM's Macro Strategies team which seeks to produce risk adjusted returns by actively investing in a portfolio of currency instruments. The process incorporates the rigour and discipline of a quantitative process with fundamental drivers and qualitative analysis. The strategy invests primarily in the global currency forwards market and may also use other currency derivatives to express the portfolio manager's active views.

Investment team

Founded in 1998, AQR Capital Management is an investment management firm employing a disciplined multi-asset, global research process. AQR's diverse client base includes some of the largest institutional investors across the US, Europe and Asia. AQR's team spans a variety of backgrounds including fund management and academic finance. The research of AQR's principals is internationally renowned and has resulted in numerous published papers in a variety of professional journals since 1991.

BTIM's Macro Strategies Team aims to generate alpha and develop global products from a range of top down strategies. The team's analysts and portfolio managers each have more than 10 years experience running investment strategies. Joe Bracken is the Head of the Macro Strategies team and Cameron Fouladi is the Portfolio Manager primarily responsible for BTIM's Currency portfolios.

Performance¹

| (%) | Total Returns | | Benchmark Return |
|--------------|---------------|-----------|------------------|
| | (post-fee) | (pre-fee) | |
| 1 month | 0.84 | 0.92 | 0.95 |
| 3 months | -8.95 | -8.73 | -7.99 |
| FYDT | -8.95 | -8.73 | -7.99 |
| 6 months | -10.83 | -10.43 | -10.66 |
| 1 year (pa) | -4.81 | -3.91 | -4.52 |
| 2 years (pa) | -3.26 | -2.38 | -3.66 |
| 3 years (pa) | -4.74 | -3.93 | -7.02 |
| 5 years (pa) | -8.32 | -7.52 | -7.45 |

Country Allocation (as at 30 September 2011)

| | |
|----------------|-------|
| France | 4.0% |
| Germany | 3.9% |
| Ireland | 3.8% |
| Norway | 1.2% |
| Sweden | 1.6% |
| Switzerland | 1.4% |
| United Kingdom | 10.1% |
| Hong Kong | 1.2% |
| Japan | 10.5% |
| Canada | 5.2% |
| USA | 53.2% |
| Cash & Other | 3.9% |

Other information

| | |
|--------------------------------|--------------------|
| Fund size (as at 30 Sep 2011) | \$184 million |
| Date of inception ¹ | October 1992 |
| Minimum investment | \$25,000 |
| Buy-sell spread | 0.10% [#] |
| Distribution frequency | Annual |
| APIR code | RFA0821AU |

[#] 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 | 0.97% pa* |
|----------------|-----------|

* You should refer to the latest Product Disclosure Statement for full details of fees and other costs you may be charged.

¹ Please note AQR started managing the fund from June 2006. Historical returns prior to June 2006 do not reflect AQR, investment performance.

Market review

Global equity markets fell sharply in September on continuation of sovereign debt concerns and lower economic growth forecasts. Investors continued to move out of risk assets and into US Treasuries, despite further stimulus by the Federal Reserve, with US bond yields falling sharply over the month.

The MSCI World Net Index fell 8.9% in US\$ terms in September, resulting in the Index being 17.1% lower over the past three months. However in domestic currency terms, the Index returned 0.4% due to the sharp 9.2% fall in the A\$ over the month.

The Dow fell 6.0%, the S&P 500 was down 7.2% and the NASDAQ fell 6.4%, with all markets trading with considerable volatility both over the month and intra-day. Of the 21 trading days in September, 14 had moves greater than 1% in either direction.

European markets were weaker, with the Financial sector the hardest hit as concerns rose, in particular over French banks which are among the largest holders of Greek government debt. The CAC Index fell 8.4%, after falling 11.3% in August. The German DAX fell 4.9% after recording losses of 19.2% in August, the largest loss since September 2002. Spain (-2.0%) and Italy (-4.2%) also experienced falls

Economic growth in Europe has stalled with many economists now expecting a recession late in 2011 and into 2012. EU GDP growth was just 0.2% for the quarter and 1.6% for the year. The Greek share market fell 12.8% in September after falling 23.9% in August on further austerity measures and a weaker growth outlook.

In Asia, markets recorded losses across the board. Japan (-2.9%), Hong Kong (-14.3%), Singapore (-7.3%), South Korea (-5.9%), Taiwan (-6.7%), Thailand (-14.4%) and Malaysia (-4.2%) all recorded losses.

Fund performance

The portfolio underperformed the benchmark for the month driven by negative performance in the Continental Europe and Canada strategies while the US strategy performed positively for the month and the UK and Japan strategies were flat for the period. The underperformance in Continental Europe was due to negative performance in our industry momentum and sustainable growth signals outweighing positive performance in our momentum and management signaling factors. The underperformance in Canada was driven by negative performance in our momentum and industry momentum signals outweighing positive performance in our valuation and sustainable growth factors. Outperformance in the US was driven by positive performance in our industry valuation and management signalling factors outweighing negative performance in our sustainable growth and momentum signals.

Flat performance in the UK was due to positive performance in our valuation and industry valuation signals offset by negative performance in our momentum and industry momentum factors. The flat performance in Japan was driven by positive performance in our valuation and management signaling factors offset by negative performance in our momentum and industry momentum signals.

Negative performance in stock selection within the Materials sector outweighed positive performance in stock selection within the Energy sector. In terms of sector positioning, we are currently overweight Health Care while being underweight Information Technology.

The BTIM currency overlay detracted very slightly from the portfolio in September 2011, returning -0.1%.

Strategy & outlook

Tactically, we now are underweight value in Continental Europe, Japan and the US, while overweight value in the UK.



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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