

# BT Wholesale Global Property Securities Fund

Fact Sheet  
September 2011

ARSN: 108 227 005



## 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 (post-fee)	Total Returns (pre-fee)	Benchmark Return
1 month	-9.85	-9.78	-10.41
3 months	-14.72	-14.52	-15.24
FYDT	-14.72	-14.52	-15.24
6 months	-10.69	-10.28	-11.34
1 year (pa)	0.64	1.58	1.06
2 years (pa)	12.17	13.22	12.34
3 years (pa)	-1.60	-0.69	-2.21
5 years (pa)	-3.80	-2.90	-4.69

## Regional allocation (as at 30 September 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	65.3%	65.6%	+/- 20%
Europe	19.9%	19.8%	+/- 10%
Asia (ex Australia)	14.8%	14.6%	+/- 10%
Cash	0.0%	-	

## Other information

Fund size (as at 30 Sep 2011)	\$131 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)

Stocks globally ended a gloomy third quarter on a down note as equities lost ground once again in September against a backdrop of rising concerns over the sovereign debt crisis in Europe and fears of a global economic slowdown. The downturn in the equity markets combined with the debt ceiling overhang in the US and the continued problems in Europe also weighed on global Property Securities during the month as evidenced by an 11.6% decline in the UBS Global (Ex-Australia) Real Estate Investors Index for the month. On a regional basis, Europe (down 14.7%) lost the most ground, followed by North America (down 10.8%) and Asia (down 10.6%). In Europe, all countries were in negative territory for the month with Italy (down 28.3%) dropping the most, followed by Norway (down 25.7%), Finland (down 18.2%) and the Netherlands (down 17.8%). Within North America, the US and Canada lost 11% and 8.5%, respectively. In Asia, Hong Kong (down 17.3%) was the weakest performer followed by Singapore (down 13.9%) and Japan (down 4.6%).

## Fund performance

The North American portion of the portfolio outperformed the UBS North America Investors Index over the month of September. Outperformance was driven mainly by positive stock selection, with the best results occurring in the shopping centre and regional mall sectors, which were partially offset by negative results in the diversified sector. Top positive individual contributors to relative performance included overweight positions in outperformers Simon Property Group, Boardwalk REIT and Dundee REIT, and a lack of exposure to underperformer SL Green Realty Corp. Top detractors included overweight positions in underperformers Omega Healthcare Investors and Starwood Hotels & Resorts Worldwide, and a lack of exposure to outperformer Digital Realty Trust Inc. The portfolio's modest cash position also contributed positively to relative performance as a result of the REIT sector's negative absolute performance.

The European segment of the portfolio underperformed the UBS Europe Investors Index over the month of September. Underperformance relative to the benchmark was due to both negative stock selection and country allocation results. Stock selection was driven by negative results in France and the UK. Among the portfolio's holdings, top individual detractors included an underweight position in outperformer Capital Shopping Centres (UK), and a lack of exposure to outperformers Mercialis SA (France) and Shaftesbury Plc (UK). Top positive contributors included overweight positions in outperformers Citycon OYJ (Finland), Eurocommercial Properties NV (Netherlands) and Derwent London (UK). Negative country allocation results were due mainly to the portfolio's overweight to underperforming Norway, underweight to outperforming Switzerland and lack of exposure to outperforming Belgium.

The Asian portion of the portfolio underperformed the regional UBS benchmark over the month of September. Underperformance was due to modest negative stock selection results in Hong Kong which were largely offset by positive results in Japan and Singapore. Top individual detractors to relative performance included overweight positions to underperformers Hysan Development (Hong Kong), United Urban Investment Corp. (Japan) and Suntec REIT (Singapore). Top positive contributors included overweight positions in outperformers Aeon Mall Co. Ltd. (Japan) and Hulic Co. Ltd. (Japan), and an underweight to underperformer CapitaCommercial Trust (Singapore). In terms of country allocation, the portfolio's overweight to underperforming Hong Kong/China was a detractor while its underweight to underperforming Singapore had a positive impact.



## 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.

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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