

BT Global Macro Fund

Fact Sheet November 2011

ARSN: 132 551 181



About the Fund

The BT Global Macro Fund is a diversified portfolio of investments with an absolute return focus. The Fund aims to achieve its objective through exposure to quantitative global macro strategies.

Fund objective

The Fund aims to provide a return (before fees, costs and taxes) that outperforms the UBS Bank Bill Index over the medium to long term. The recommended investment timeframe is five years or more.

Investment style

The Fund is managed as an absolute return strategy with exposures to quantitative global macro strategies.

Investment process

BTIM's Macro Strategies team aims to generate alpha using market neutral, top-down strategies in each major asset class including global equities, global bonds and global currency.

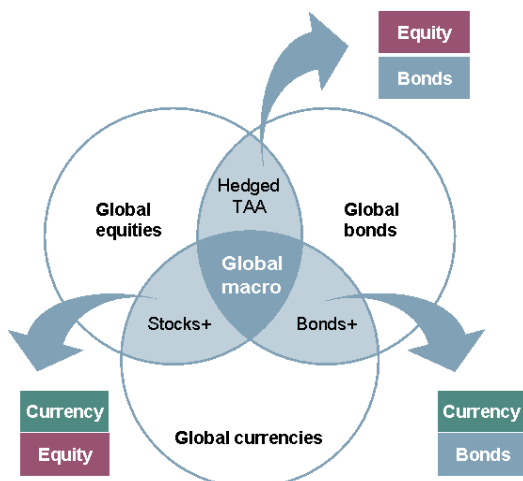
The allocation of investment risk across strategies aims to allow the portfolio to achieve its objective in a range of economic environments.

Using extensive research, the team assesses key macro signals with the aim of identifying and capturing trading opportunities across the global markets:

- Economic: trends in world economies
- Technical: market trading patterns
- Valuation: how cheap or expensive are the assets

The process utilises sophisticated computer models and implements buy and sell recommendations using highly liquid derivative instruments (primarily futures and forwards). The portfolio will also employ leverage via these derivatives.

Each asset class is managed independently and forms the building blocks upon which the Global Macro model is built, as illustrated below:



Performance

(%)	Total Returns		Benchmark Return
	(post-fee)	(pre-fee)	
1 month	-0.48	-0.39	0.39
3 months	-1.48	-1.28	1.20
FYDT	-3.72	-3.24	2.06
6 months	-2.60	-2.01	2.47
1 year (pa)	-3.10	-1.93	5.02
2 years (pa)	2.46	3.70	4.79
3 years (pa)	3.53	4.78	4.39
Since Inception (pa)	0.81	2.03	4.68

Risk – Since inception

Annualised Standard Deviation	4.03%
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The risk measures are available for periods since actual portfolio inception only. Please note that statistical measures, such as those used above, are more meaningful over longer periods such as 3 and 5 years.

The Global Macro opportunity

The Global Macro portfolio allocates capital equally across the different strategies. As the alpha streams are relatively uncorrelated, the global macro strategy creates a powerful investment model offering:

- Potential for significant diversification benefits
- Smoother risk-adjusted returns than single strategy approaches
- Customisable approach to suit varying risk requirements

These benefits provide the potential for clients to achieve long-term outperformance in their investment portfolios across economic cycles.

Investment team

The Fund is managed by the BTIM Macro Strategies team. The team aims to generate alpha and develop global products from a range of top down strategies. Joe Bracken, Head of Macro Strategies, is responsible for the management of the BT Global Macro Fund.

Portfolio characteristics

Authorised investments	The Fund's underlying strategies will typically use futures, forwards, swaps and options to access asset classes including equities, bonds, currency and commodities.
Risk budget allocation	Capital allocation across strategies is approximately equally weighted
Ex-ante tracking error	2 - 8%
Information Ratio	0.5 - 1.0
Cash and cash equivalents	Typically < 5%
Hedging	The Fund's underlying strategies are expected to deliver returns hedged back to the AUD

Other information

Fund size (as at 30 Nov 2011)	\$40 million
Date of inception	August 2008
Minimum investment	\$25,000
Buy-sell spread	0.04% ¹
Distribution frequency	Semi-annual
APIR code	BTA0314AU

Fees*

Issuer fee**	1.20% p.a.
Performance fee***	20% of the performance (before fees) above the performance hurdle
Performance hurdle	Benchmark plus Issuer fee

Monthly review

With a decent October behind them and another final (!) rescue package in place for Europe investors could be forgiven for thinking that it might be time to dip their toes back into the markets. November quickly shredded that idea in short order with yet another tumultuous month. Just after the announcement of the European rescue package the Greek Prime Minister proposed a referendum on austerity measures that cast doubt on Greek commitment to fiscal reform. The EU responded by threatening to withhold all help from Greece unless it signed up to the proposed reforms. The referendum plans were subsequently scrapped and Lucas Papademos replaced George Papandreou as the new Greek Prime Minister. Nevertheless anxiety over the sovereign debt crisis refused to go away and Italy saw its 10-Year bond yields rise to over 7.2% intra-month and Germany suffered a failed government bond auction as markets doubted the ability of even the stronger countries to pay back their debts. By the end of the month both Italy and Spain also had new Prime Ministers and pundits now talked less about a 'bazooka' and more about a 'howitzer' needed to solve European problems. The equity markets had another awful month with the MSCI World dropping nearly 10% mid-month before finally ending the month down approx. 2.5%. The EUR also fell over 3% for the month and the A\$ plunged towards 0.96 before rallying back above parity by month-end.

- Our **Global Equity** strategy was broadly long Europe and short Asia and the US and it returned 45bps for the month as we caught a bounce in European equities towards month-end.
- Our **Global Currency** strategy was long the A\$ and the EUR and short GBP and CAD\$. A whipsawing fx market saw the strategy eek out a small 18bps return as risk recovered towards month-end.
- Our **Global Bond** strategy was long Bunds against UK Gilts and a failed Bund auction worked against the active position as German yields rose while UK yields dropped. The strategy fell 173bps in November.

The **Global Macro** strategy returned -0.39% (pre-fee) in November as the losses from the Global Bond strategy were not fully offset by gains in the Global Currency and Global Equities strategies.

1_The buy-sell spread represents transaction costs incurred whenever you invest or withdraw funds, and may vary from time to time without notice.

* You should refer to the latest product disclosure statement for full details of the fees and other costs you may be charged.

**This is the fee for managing the assets of the Fund and overseeing the operations of the Fund. The issuer fee is paid from the assets of the Fund and is reflected in the unit price of your investment.

***The performance fee is payable to the manager and is equal to 20% of the amount (if any) by which the Fund's investment performance (before fees) exceeds the performance hurdle. The performance hurdle is the performance of the benchmark (UBS Bank Bill Index) for that day plus the Issuer fee. The performance fee is calculated each business day based on the investment performance and net asset value of the Fund on that day and, where positive, accrues daily in the Fund's unit price. The fee is payable annually as at 30 June. Any under-performance deficit must be recovered in dollar terms before any performance fee can be accrued in the unit price. Any unrecovered performance deficit is carried forward for up to three consecutive years. The performance fee is payable in relation to the performance of the Fund as a whole during each year, and may not reflect the performance of any individual unit holder's investment.



Investment
Management

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 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. Performance data (pre-fee) is calculated by adding back management costs to the (post-fee) performance. Past performance is not a reliable indicator of future performance.

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