

# BT Wholesale Global Property Securities Fund

**Fact Sheet**  
**November 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	-3.53	-3.46	-3.90
3 months	-4.95	-4.73	-5.10
FYDT	-10.09	-9.73	-10.22
6 months	-11.73	-11.33	-12.12
1 year (pa)	5.20	6.18	4.95
2 years (pa)	14.69	15.77	15.24
3 years (pa)	21.18	22.31	21.72
5 years (pa)	-4.59	-3.70	-5.31

## Regional allocation (as at 30 November 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	63.4%	66.5%	+/- 20%
Europe	18.6%	18.8%	+/- 10%
Asia (ex Australia)	15.0%	14.7%	+/- 10%
Cash	3.0%	-	

## Other information

Fund size (as at 30 Nov 2011)	\$140 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 (returns below are in USD)

Global equities markets posted mostly negative results in November as uncertainties over Europe's debt problems as well as debt problems in the US continued to roil markets. In USD terms, against the backdrop of these debt concerns, property securities on a global (Ex-Australia) basis lost roughly 4.8% during the month as investors showed concern about potential funding issues facing property equities over the near term. On a regional basis, Europe (down 7.6%) dropped the most followed by Asia (down 6.1%) and North America (down 3.8%). In Europe, all countries were in negative territory for the month with Italy (down 30.5%) losing the most ground, followed by Norway (down 14.6%), the Netherlands (down 13.7%) and Austria (down 10.6%). Heavily-weighted UK and France were down 3.6% and 9.1%, respectively. In Asia, Hong Kong (down 7.8%) was the weakest performer followed by Singapore (down 6.1%) and Japan (down 4.9%). Within North America, the US and Canada lost 3.9% and 0.9%, respectively.

## Fund performance

The US segment of the portfolio outperformed the UBS North America Investors Index. Outperformance relative to the benchmark was due to solid positive stock selection results, most notably in the Office and Shopping Center sectors. Top individual positive contributors to relative performance included overweight positions in outperformers DuPont Fabros Technologies and Boardwalk REIT, and a lack of exposure to underperformer Kimco Realty Corp. Top detractors included a lack of exposure to outperformers Digital Realty Trust, Tanger Factory Outlet Centers and Taubman Centers Inc. Sector allocation had a largely neutral impact on relative performance for the period.

The European segment lagged the UBS Europe Investors Index. Underperformance relative to the benchmark was due mainly to negative stock selection and, to a lesser extent, modest negative country allocation results. Stock selection was driven most notably by negative results in the UK and Finland, which were partially offset by modest positive results in France and Germany. Among the portfolio's holdings, top individual detractors included overweight positions in underperformers Derwent London Plc (U.K.) and Metric Property Investments Plc (UK), and a lack of exposure to outperformer Grainger Plc (UK). Top positive contributors included a lack of exposure to underperforming companies Mercialis (France), Fonciere des Regions (France) and St. Modwen Properties Plc (UK). In terms of country allocation, the portfolio's overweight to underperforming Italy and Norway, and a lack of exposure to outperforming Belgium hurt most. These negatives were partially offset by an underweight to the underperforming Netherlands and overweight to the outperforming UK.

The Asian segment of the portfolio outperformed the regional UBS benchmark. Outperformance was due to positive stock selection which was partially offset by modest negative country allocation results. In terms of stock selection, results were positive in Singapore and Japan, and modestly negative in Hong Kong. Top individual positive contributors included an overweight position to outperformer Perennial China Retail Trust (Singapore), an underweight position in underperformer Wharf Holdings Ltd. (Hong Kong), and a lack of exposure to underperformer Tokyu REIT (Japan). Top detractors included overweight positions in underperformers Hong Kong Land Holdings (Hong Kong), Hysan Development (Hong Kong) and Overseas Union Enterprise Ltd. (Singapore). Country allocation had a slight negative impact due to the portfolio's lack of exposure to outperforming New Zealand and overweight to underperforming Hong Kong.



## 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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