

# BT Wholesale Future Goals Fund

Fact Sheet  
June 2009

ARSN: 087 593 682



## About the Fund

The BT Wholesale Future Goals Fund provides investors with a diversified portfolio of Australian and international shares, Australian and international property securities, Australian and international fixed interest, cash and alternative investments. The Fund has a significant weighting towards growth assets.

### Fund objective

The Fund aims to provide a return (before fees, costs and taxes) that exceeds the Fund's benchmark over the medium to long term. The suggested investment timeframe is five years or more.

### Benchmark

The benchmark for the Fund is created from a blend of indices based on the Fund's exposure to different asset classes. The benchmark is calculated by using the weighted average asset allocation neutral position and the index returns for each asset class. Details of the particular market indices used for the Fund's benchmark can be found in the product disclosure statement (PDS).

### Investment philosophy

BTIM's investment philosophy is based on active management and operates on two levels:

- All BTIM's underlying managers and products have an active management approach which seeks to deliver consistent risk-adjusted outperformance by exploiting investment opportunities that arise due to the inefficient market pricing of securities
- BTIM places significant importance on determining the optimal long term Strategic Asset Allocation (SAA) and disciplined rebalancing. Tactical Asset Allocation is used to supplement the value added from SAA.

### Investment process

BTIM's investment process for the BT Wholesale Active Balanced Fund applies an active management approach across all asset classes.

The underlying investments in the BT Wholesale Active Balanced Fund are managed by BTIM together with a number of external partners. BTIM manages investments in the asset classes of Australian shares, Australian fixed interest and cash, Australian property securities and alternative investments. These investments are augmented by our arrangements with leading global investment managers who have a competitive advantage in the management of global asset classes. These include: AQR Capital Management LLC for international shares, Grosvenor Capital Management LP for global fund of hedge funds and AEW Capital Management LP for global property securities.

### Investment team

The Fund is managed by BTIM's Multi-Strategies team headed up by Robert Swift who has more than 25 years industry experience. The team has a diverse skill set, combining a range of global and domestic market experience and drawing on the resources of BTIM's other specialist teams: Macro Strategies, Income Strategies and Equity Strategies.

## Performance

(%)	Total Returns		Benchmark Return
	(post-fee)	(pre-fee)	
3 months	8.47	8.69	7.84
FYDT	-15.98	-15.23	-13.25
6 months	2.44	2.89	2.00
1 year (pa)	-15.98	-15.23	-13.25
2 years (pa)	-15.16	-14.40	-12.74
3 years (pa)	-5.65	-4.80	-3.52
5 years (pa)	3.32	4.22	4.10

## Asset allocation

Australian Listed Shares:	39.0%
Overseas Listed Shares:	24.7%
Australian Fixed Interest:	10.1%
Overseas Fixed Int (inc Mortgages):	4.0%
Property Trusts	4.9%
Global Listed Property	3.0%
Alternative Assets	9.6%
Australian Liquidity (< 180 days):	4.7%

## Investment guidelines

Asset allocation ranges (%)	Neutral Position	Ranges	
		Min	Max
Australian shares	45	35	55
International shares	25	17	37
Australian fixed interest	8	0	20
International fixed interest	4	0	20
Australian property	5	0	10
Global property	3	0	10
Alternative investments	8	0	20
Cash	2	0	10

## Other information

Fund size (as at 30 Jun 2009)	\$11 million
Date of inception	July 1999
Minimum investment	\$50,000
Minimum balance	\$50,000
Buy-sell spread	0.39%
Income distribution frequency	Quarterly
APIR code	BTA0125AU

## Fees

Management fee	0.98% pa*
----------------	-----------

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

## Market Review

In the June quarter, markets focused on economic data that indicated the rate of contraction in the global economy is decelerating, and there were also positive signs around the sustainability of China's recovery.

World sharemarkets gained 3.5% for the quarter in Australian dollar terms, but were up 16.6% in local dollar terms due to the strong rise of the AUD over the period. In the US, the S&P 500 gained 15.2% in the June quarter, erasing the losses of Q1 to post a gain of 1.8% for the year to date, the strongest quarterly performance since Q4 1998.

The Australian sharemarket rose 11.5% in the June quarter breaking a run of six straight quarterly declines and registering +9.4% for the year to date.

The Aussie dollar rebounded strongly in Q2, posting a gain of 16.6% against the USD to end June at USD\$0.81.

The Australian economy narrowly avoided a technical recession with a rise in first quarter GDP of 0.4%, while the Reserve Bank cut its cash rate by 0.25% to 3%.

## Performance

The strong bounceback in the Australian sharemarket was supportive for fund performance over the June quarter and portfolio returns are now positive for the last six months. Performance was significantly above the benchmark over the quarter owing to good stock and currency selection in the international equities portfolio. A narrowing of credit spreads was supportive for our credit selection strategy and the allocation to alternative assets also made a solid contribution to returns. Over the quarter, we maintained an underweight to international equities and overweight to sovereign bonds and credit. These strategies contributed positively to performance.

## Strategy & Outlook

We are into slower rates of deterioration in the global economy – this has helped the price of risk assets rise. Whilst equities have probably bottomed in this environment, we see limited prospects in the near term for dividend growth and earnings surprises and a need for more equity raising. We expect trading conditions to remain volatile which should provide increased opportunity for active managers.

Investment grade credit has performed well and still looks attractive and we are positioned in favour of domestic credit in the Australian fixed interest portfolio. Government bond yields are probably 'range bound' with higher levels of issuance driving yields higher and sluggish economic growth acting as a cap.



## For more information

Please call 1800 813 886, contact your business development representative or visit [www.btim.com.au](http://www.btim.com.au)

BT Investment Management (RE) Limited ABN 17 126 390 627, AFSL 316 455, is the responsible entity and issuer of units in the BT Wholesale Future Goals Fund. A product disclosure statement (PDS) is available for the Fund and can be obtained by contacting your business development representative on 1800 813 886 or visiting [www.btim.com.au](http://www.btim.com.au). You should obtain and consider the PDS before deciding whether to acquire, continue to hold or dispose of units in the Fund. This information has been prepared without taking account of your objectives, financial situation or needs. Before acting on this information, consider its appropriateness, having regard to your objectives, financial situation and needs. An investment in the Fund is not a deposit with or any other liability of the Westpac Banking Corporation (ABN 33 007 457 141) or any other Company in the Westpac Group of companies. Performance data (post-fee) assumes reinvestment of distributions and is calculated using exit prices, net of management costs. 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. BT Investment Management (RE) Limited is a member of the Westpac Group. Neither BT Investment Management (RE) Limited, nor any other company in the Westpac Group, guarantees the repayment of capital or the performance of the product or any particular rate of return.

BT® is a registered trade mark of BT Financial Group Pty Ltd and is used under licence.