

BT Wholesale American Share Fund

**Fact Sheet
June 2011**

ARSN: 087 594 509



About the Fund

The BT Wholesale American Share Fund is an actively managed portfolio of securities, primarily North American shares.

The management of BTIM's regional international share assets is outsourced to MFS International (U.K) Limited (MFS), a member of the Boston-based Massachusetts Financial Services group. A member of the firm's group established the first mutual fund, Massachusetts Investors Trust, in 1924.

Fund objective

The Fund aims to provide a return (before fees, costs and taxes) that exceeds the S&P500 Total Return Index in AUD over the medium to long term. The suggested investment timeframe is five years or more.

Investment philosophy

MFS believes that bottom-up, fundamental analysis offers the best opportunity to identify high quality companies with above average, sustainable earnings growth. Further, MFS believes that focusing on stock selection, rather than sector selection, is a compelling way to add value versus the S&P 500 over time.

Investment process

Each analyst is responsible for following companies within their specific industry coverage. The analysts develop and maintain their own models, visit with company management, and interview competitors, suppliers and customers in order to form an opinion on each company.



The portfolio is managed in sector neutral style vs. the S&P500 according to eight broad sectors as defined by MFS: Capital Goods, Consumer Cyclical, Consumer Staples, Energy, Financial Services, Health Care, Technology and Telecom. Each sector has an allocation within the MFS Research Portfolio which matches its proportionate weight in the S&P 500. The Quantitative Analysts will run screens to exclude companies that are deemed to be illiquid.

The portfolio will typically hold 80-110 stocks.

Performance

(%)	Total Returns		Benchmark Return
	(post-fee)	(pre-fee)	
3 months	-3.29	-3.06	-3.31
FYDT	2.98	4.04	3.11
6 months	0.08	0.57	1.51
1 year (pa)	2.98	4.04	3.11
2 years (pa)	5.53	6.56	6.27
3 years (pa)	-0.17	0.82	-0.36
5 years (pa)	-2.53	-1.56	-4.31

The investment manager for this fund changed on 6th June 2006. Performance before this date may not be directly comparable.

Asset allocation (as at 30 June 2011)

Consumer Discretionary	13.0%
Materials	4.5%
Energy	13.3%
Information Technology	18.1%
Health Care	11.4%
Telecommunication Services	2.6%
Industrials	10.8%
Utilities	2.6%
Finance	13.8%
Consumer Staples	9.0%
Cash & Other	0.9%

Other information

Fund size (as at 30 Jun 2011)	\$12 million
Date of inception [#]	July 1999
Minimum investment	\$25,000
Buy-sell spread	0.30% ¹
Distribution frequency	Quarterly
APIR code	BTA0100AU

[#] MFS started managing the fund in June 2006.

¹ 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	1.00% pa*
----------------	-----------

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

Performance Review

The portfolio performed in line with the S&P 500 Index in the second quarter of 2011.

Contributors

- Stock selection in materials, energy, consumer discretionary, and industrials
- Individual stocks: Thermo Fisher Scientific, Visa, and avoiding Wells Fargo

Detractors

- Stock selection in information technology and health care
- Individual stocks: Fluor Corp. and Target

Portfolio Positioning

Within their sector teams our analysts continue to look for compelling investment opportunities. Within the financial services sector, we reduced our exposure to diversified credit banks and are now underweight credit due to balance sheet weakness (anemic loan growth and rate pressure) and litigation uncertainty. We also eliminated our position in a large trust bank and now have zero weight to trust banks given concerns on earnings weakness. We used the proceeds to add to our overweight exposure in asset managers, which trade at only a slight valuation premium to trust banks and offer improving earnings. We also increased our exposure to property & casualty insurance which offers lower litigation and reform risk, the possibility of an improving pricing environment and a compelling return of capital opportunity through increased dividends and buybacks. We also increased our exposure to the payment processing space. Finally, we continue to have no exposure to REITs which look very expensive relative to other financials and are trading at the upper end of their historic trading range.

Within technology, we remain focused on owning strong secular growth stories and names that can take advantage of the secular trend of increasing storage needs. We do not own many of the large cap, mature technology stocks which are cheap but we feel will likely be the slowest growers over the next several years. Specifically, while these companies have dominated the PC market over the years, there is a shift from desktop to mobile (in particular the tablet space) and from developed markets to undeveloped markets and these companies are unlikely to dominate these new markets. We are also underweight semiconductors, with an emphasis on the more defensive names or product cycle stories. We are now also underweight the network & telecom industry with the elimination and trim of a couple positions. In the networking space we have chosen to focus on the next generation companies trading at attractive valuations.

Within health care, we remain overweight medical equipment where we have found a number of companies with growth

opportunities driven by long-term demographic trends, new product launches and a focus on innovation in faster growing markets, and stock prices trading at attractive valuations.

Within consumer staples, we are overweight tobacco as we believe tobacco stocks offer continued margin expansion, pricing power, good capital allocation (returning cash to shareholders) and better opportunities relative to other categories in consumer staples. We are underweight alcoholic beverages (the best companies are outside the US), consumer products (intense competition due to the battle for market share) and food & beverage (increased commodity pressures).

Within consumer cyclicals, we have an equal mix between offensive and defensive stocks. Our offensive exposure is in a few broadcasting names which offer late cycle advertising exposure, and international exposed growth stocks. On the defensive side, we have large positions in a large retailer and restaurant.

Within Telecom, our biggest overweight is in cable funded by an underweight to the Regional Bell Operating Companies (RBOC's). While cable had lower dividend yields, it had faster dividend growth, faster revenue and free cash flow growth, and an annual total shareholder return greater than the RBOC's.



For more information

Please call 1800 813 886, contact your business development representative or visit 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 American Share 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. 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 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.

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.