



BT Monthly Markets Chart Pack – June 2010

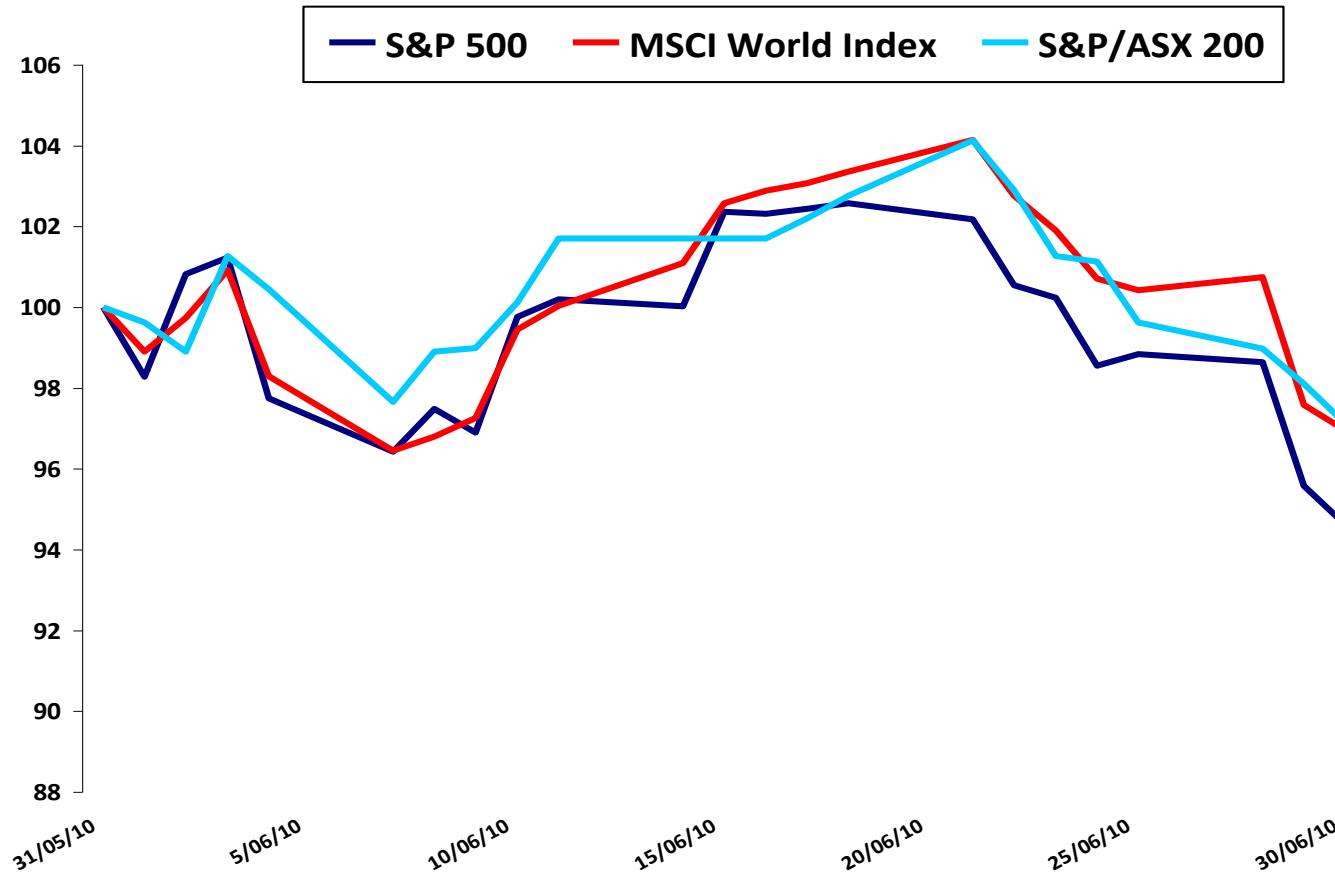
An overview of movements in global financial markets

Weaker than expected economic data added to European debt woes and kept sentiment negative.

- **Global share markets generally fell in June in a continuation of the decline seen in May.** The S&P 500 fell 5.4% and the Nikkei was down 3.95%. In Europe the DAX managed to close almost flat but other markets fell. The Hong Kong market managed a small increase of 1.84%.
- **The Australian share market posted a decline in June,** with the S&P/ASX 200 Accumulation Index dropping 2.89%. Australian Bonds posted another monthly increase.

In June global equity markets continued to move lower

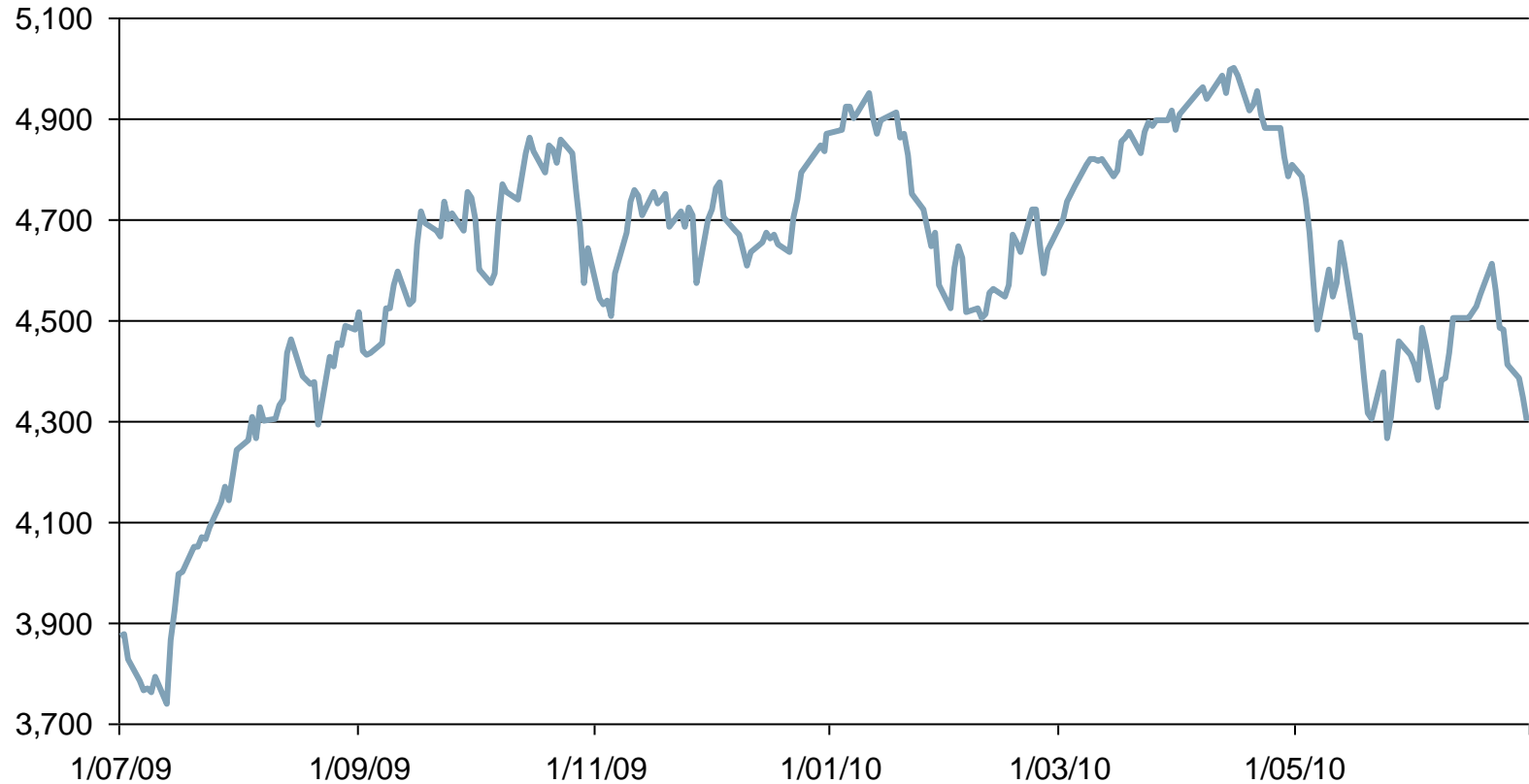
Equity markets: Global, US, Australia – For June rebased to 31 May 2010



Source: BT Financial Group.

The Australian share market closed down 2.59% in June.

S&P/ASX 200 Index – 1 year to June 2010



Source: BT Financial Group, Bloomberg

Key Australian economic news – June

- The Reserve Bank of Australia did not raise interest rates at its monthly meeting in June. In July it decided to once again hold rates steady but recent inflation data points to the RBA perhaps having to increase rates at the August meeting. The official cash rate remains at 4.5%.
- Building approvals slipped 6.6% in May and this was worse than the static rate expected.
- The Manufacturing Index dropped by 3.4 points to 52.9 in June which while still in expansion mode it does indicate a slowing in the growth rate.
- The ANZ job advertisements index rose 2.7 % in June bringing the annual growth rate to 32.2%.
- The unemployment rate declined to 5.1% in June and May's reading of 5.2% was revised downwards to 5.1%.
- Retail sales grew by 0.2% in May which was below expectations of growth of 0.3%.
- Consumer confidence continued to decline with the Westpac/Melbourne Institute's consumer sentiment survey showing another sharp drop of 5.7% from May to June. That decline takes the cumulative decline in the last two months to 12.3% which is the worst two month result since March 2008.

Source: BT Financial Group

The Australian dollar recovered some lost ground in June after steep falls in May.

- The Australian dollar gained against the Euro and the US dollar but it continued to decline in value against the Yen and the British pound.
- The Australian dollar suffered in tandem with global equity markets. The lack of an RBA interest rate increase in June did not have an overly negative effect on the value of the Australian dollar.
- At the end of June:



A\$1 bought



US\$0.8447 ▲ +0.7%



€0.6896 ▲ +0.88%

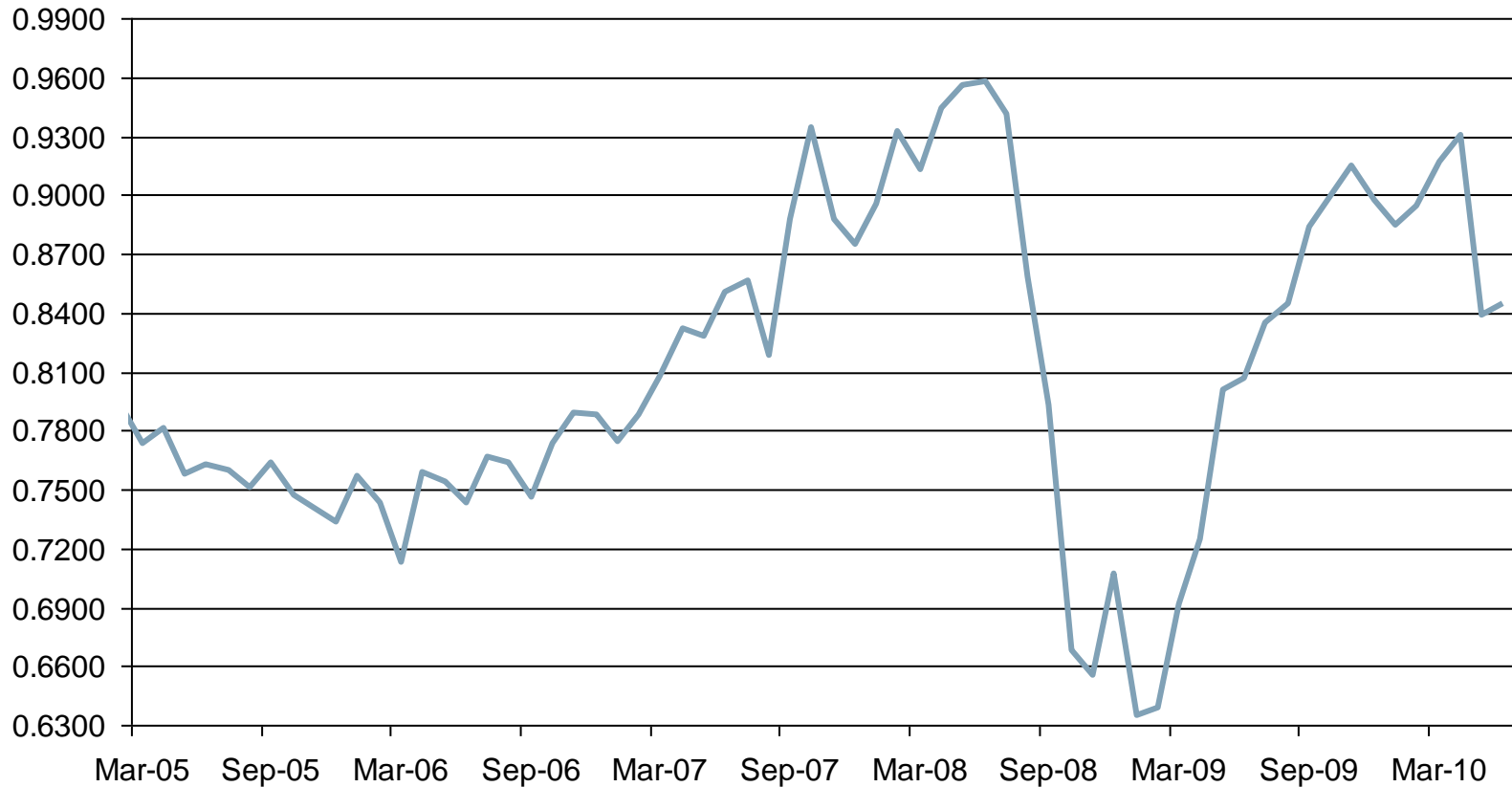


¥74.74 ▼ -2.11%

Source: BT Financial Group

The Australian dollar versus the US dollar...

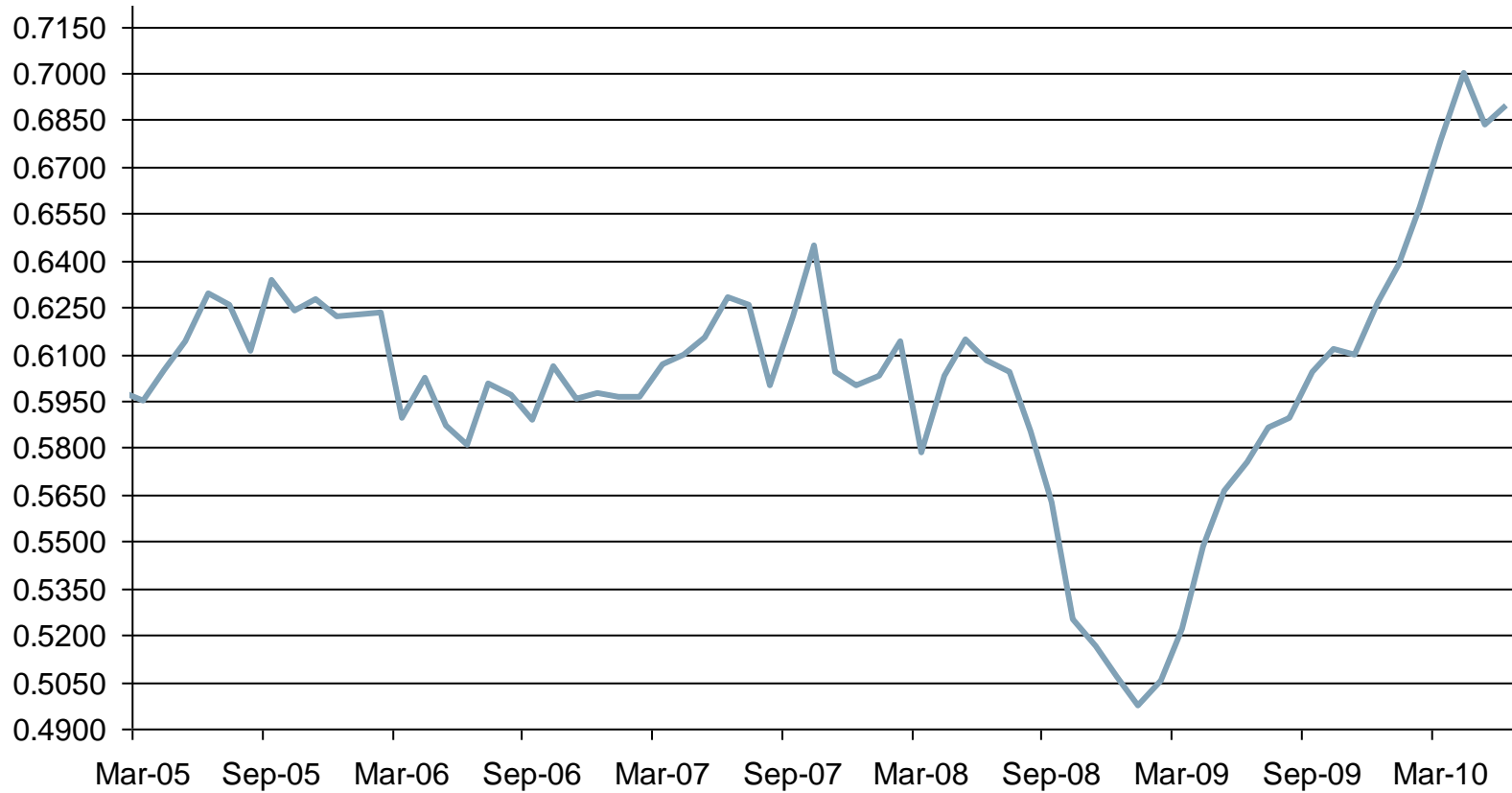
Currency markets – A\$ per US dollar



Source: BT Financial Group. Figures at 30 June 2010

the Euro...

Currency markets – A\$ per Euro



Source: BT Financial Group. Figures at 30 June 2010

and the Yen






Currency markets – A\$ per Yen



Source: BT Financial Group. Figures at 30 June 2010

Official world interest rate movements – June

→ Interest rates in the major economies remained unchanged in June. The Reserve Bank of Australia held rates steady at 4.5% at both the June and the July interest rate meetings.

		Current rate	Last moved	Direction of last move
	Australia	4.50%	May 2010	▲
	US	0% - 0.25%	Dec 2008	▼
	Europe (ECB)	1.00%	May 2009	▼
	Japan	0.14%	Dec 2008	▼
	United Kingdom	0.50%	Mar 2009	▼

Source: BT Financial Group

Global share market returns

As at 30 June 2010

	1 year	3 years (pa)	5 years (pa)
Global			
S&P 500 Index (US)	12.12%	-11.82%	-2.85%
Nasdaq (US Tech.)	14.94%	-6.77%	0.50%
Nikkei 225 (Japan)	-5.78%	-19.73%	-4.13%
Hang Seng (Hong Kong)	9.52%	-2.58%	7.23%
DAX (Germany)	24.06%	-9.35%	5.40%
CAC (France)	9.63%	-17.15%	-4.03%
FTSE 100 (UK)	15.71%	-9.38%	-0.78%
Australia			
S&P/ASX 200 Accum. Ind.	13.15%	-7.85%	4.52%
S&P/ASX Small Ordinaries	11.18%	-14.20%	2.74%
S&P/ASX 300 Listed Prop.	20.34%	-24.31%	-8.34%

Source: BT Financial Group

Short-term asset class performance

1-year rolling returns to 30 June 2010 (%)

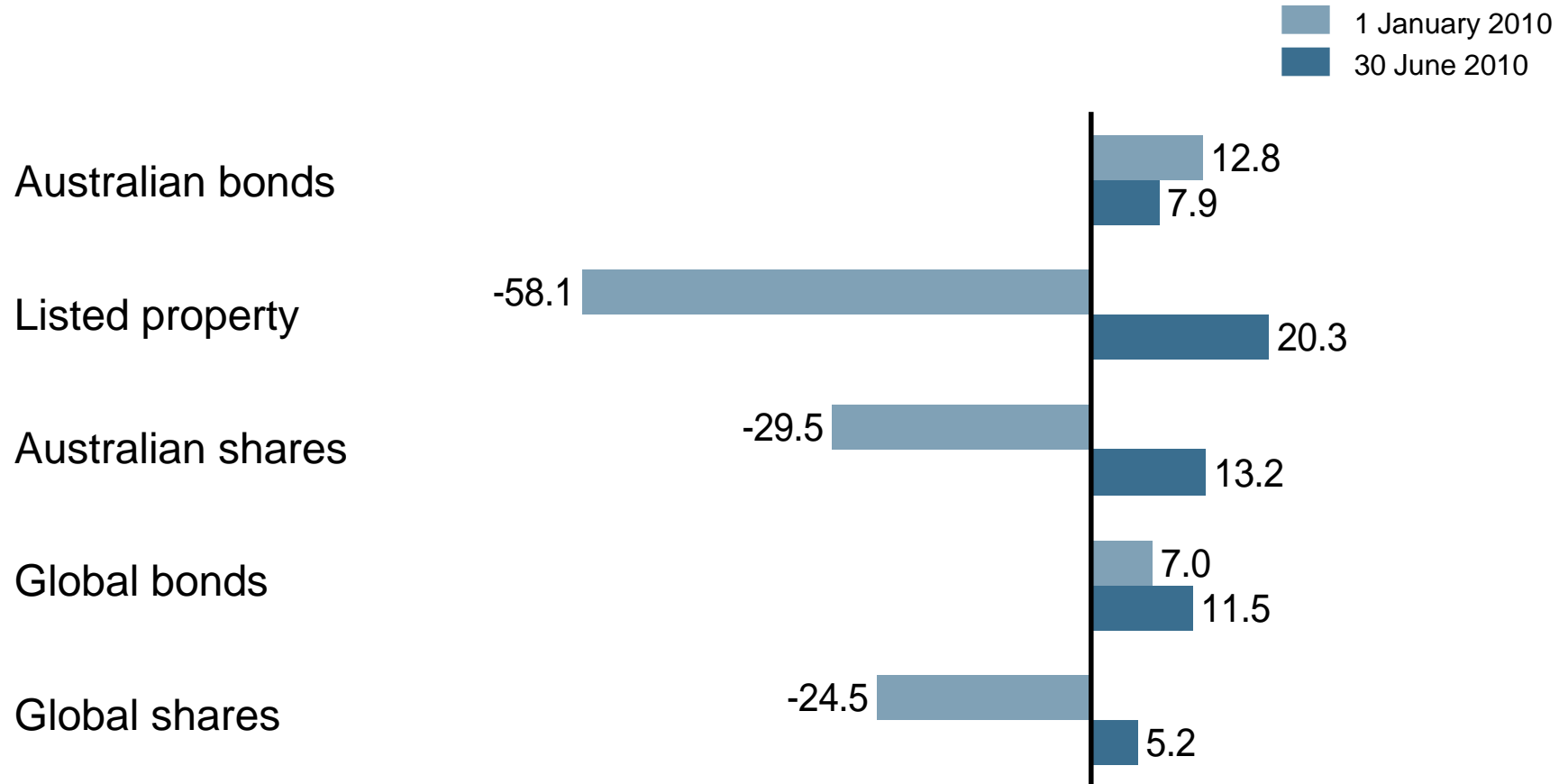
■ Best performing asset class for the year

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
Australian cash	3.89	6.69	6.99	6.21	5.80	5.56	5.11	4.91	4.77	6.36	5.24	5.09	5.41	7.14	7.89	6.21
Australian bonds	7.86	12.77	4.29	3.70	6.74	4.80	4.17	10.09	2.35	11.82	1.79	6.65	15.68	12.56	12.80	2.37
Australian property	20.34	-58.05	-24.16	28.62	18.48	19.97	13.94	13.84	17.38	13.03	2.91	4.26	28.76	19.95	4.71	1.82
Australian shares	13.15	-29.52	-7.04	21.78	30.35	25.63	23.41	-11.93	12.15	3.90	13.18	10.71	18.21	13.55	20.92	-1.89
International bonds	11.51	7.02	8.01	6.38	4.85	6.82	7.66	13.38	5.73	10.83	1.66	8.43	12.55	10.01	14.58	5.55
International shares	5.22	-24.48	-14.56	1.47	27.96	8.80	13.74	-33.38	-12.67	-7.05	27.06	18.40	56.60	9.13	12.51	4.56

Source: S&P/ASX 200 Accumulation Index, MSCI World ex-Australia (net dividends) Index in A\$, S&P/ASX 300 Property Index, UBS Composite 0+ years index, Barclays Capital Global Aggregate Bond Index hedged to \$A , UBS Bank Bill 0+ years

Short-term asset class performance (cont'd)

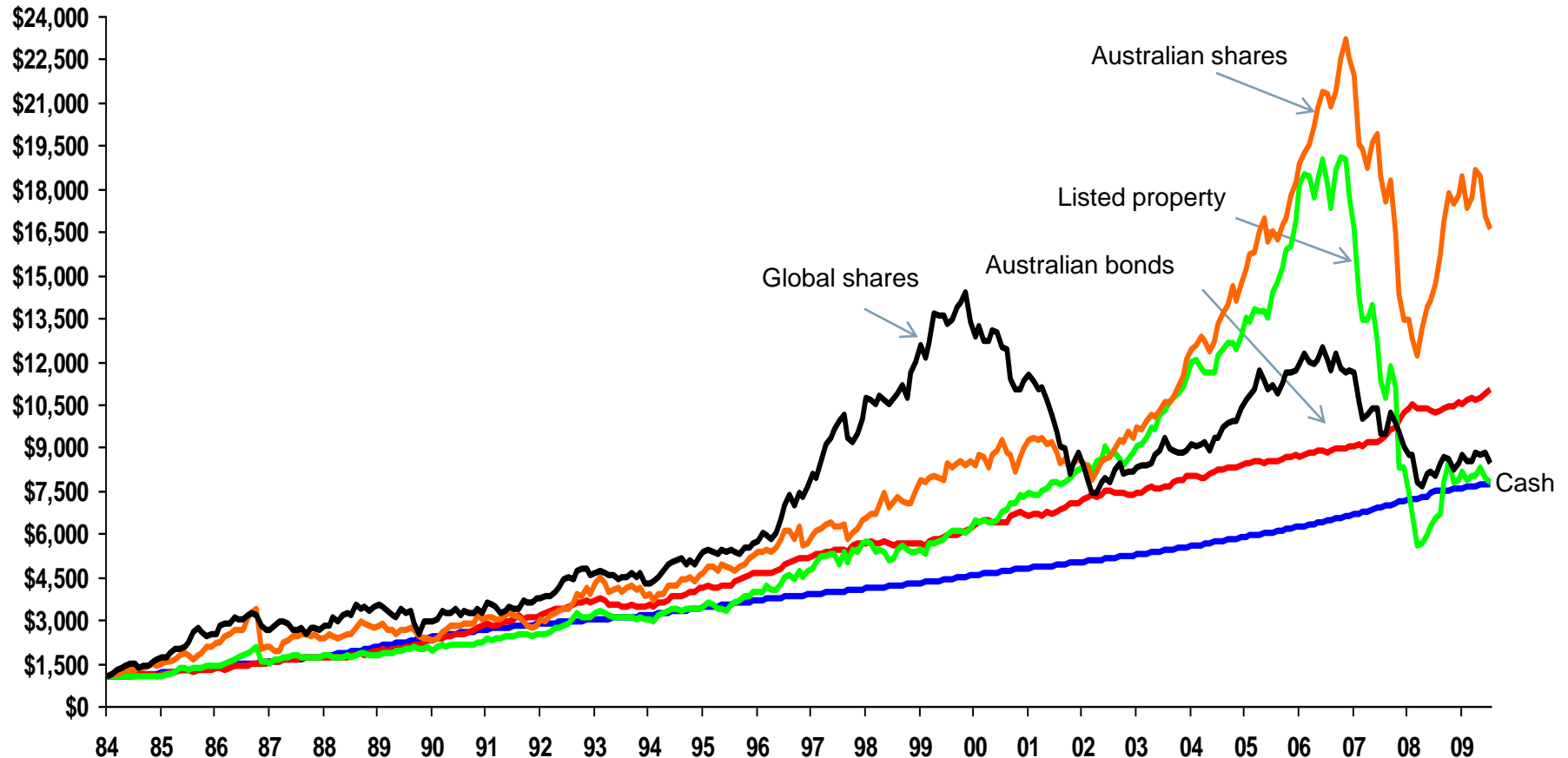
1- year return to 30 June 2010 and total 2009 performance (%)



Source: S&P/ASX 200 Accumulation Index, MSCI World ex-Australia (net dividends) Index in A\$, S&P/ASX 300 Property Index, UBS Composite 0+ years index, Barclays Capital Global Aggregate Bond Index hedged to \$A

Long-term asset class performance

30 June 2010

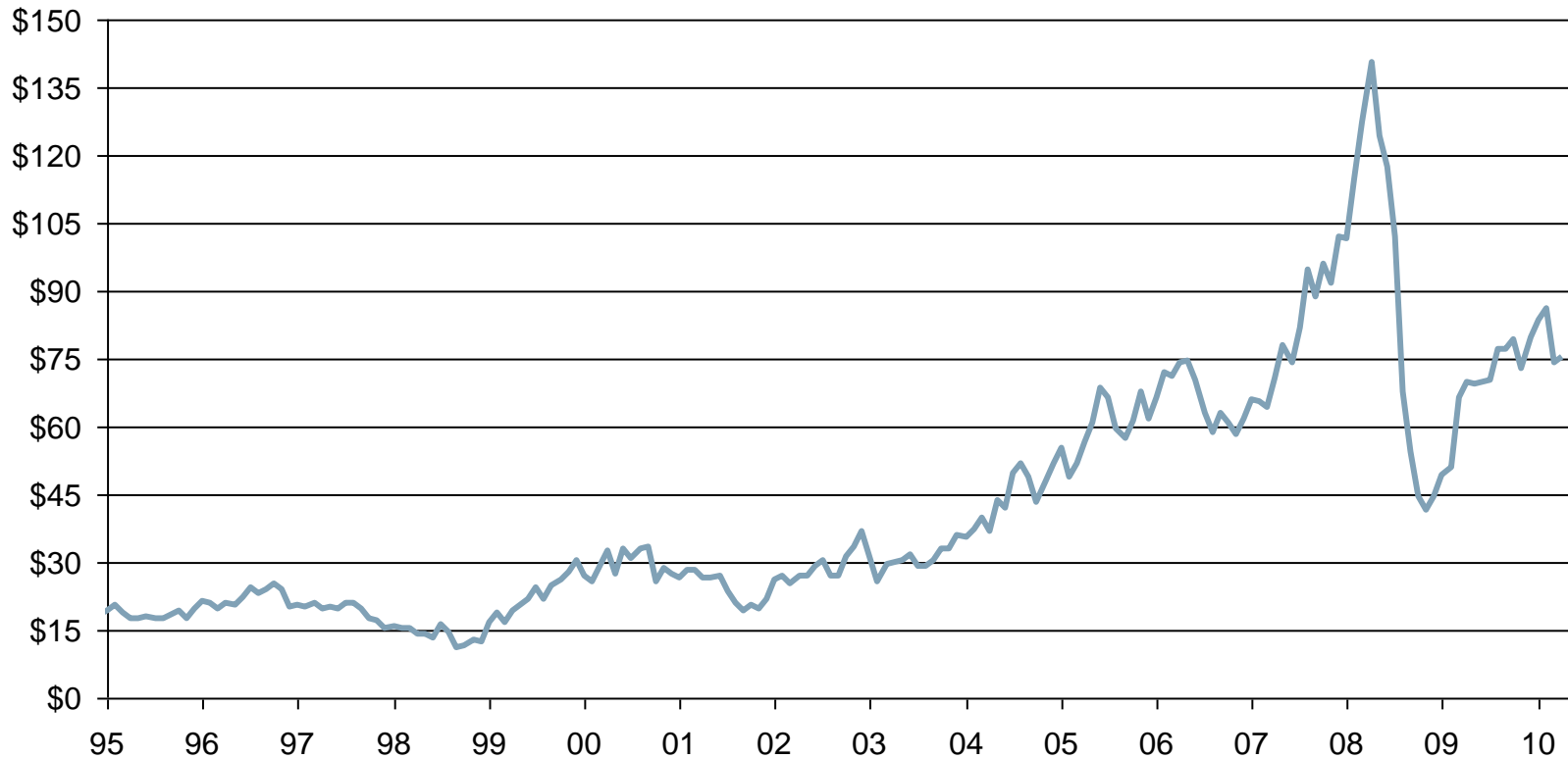


Note: Accumulated returns based on \$1,000 invested in December 1984

Source: S&P/ASX 300 Accumulation Index, MSCI World ex-Australia (net dividends) Index in A\$, S&P/ASX 300 Property Index, UBS Composite 0+ years index, UBS Bank Bill 0+ years

Oil prices recovered slightly in June after a steep fall in May.

Oil prices – US\$ per barrel



Source: Bloomberg: Front month WTI futures closing price 30 June 2010

This presentation has been prepared by BT Financial Group Limited (ABN 63 002 916 458) 'BT' and is for general information only. Every effort has been made to ensure that it is accurate, however it is not intended to be a complete description of the matters described. The presentation has been prepared without taking into account any personal objectives, financial situation or needs. It does not contain and is not to be taken as containing any securities advice or securities recommendation. Furthermore, it is not intended that it be relied on by recipients for the purpose of making investment decisions and is not a replacement of the requirement for individual research or professional tax advice. BT does not give any warranty as to the accuracy, reliability or completeness of information which is contained in this presentation. Except insofar as liability under any statute cannot be excluded, BT and its directors, employees and consultants do not accept any liability for any error or omission in this presentation or for any resulting loss or damage suffered by the recipient or any other person. Unless otherwise noted, BT is the source of all charts; and all performance figures are calculated using exit to exit prices and assume reinvestment of income, take into account all fees and charges but exclude the entry fee. It is important to note that past performance is not a reliable indicator of future performance.

This document was accompanied by an oral presentation, and is not a complete record of the discussion held.

No part of this presentation should be used elsewhere without prior consent from the author.

For more information, please call BT Customer Relations on 132 135 8:00am to 6:30pm (Sydney time)

