BT Wholesale Multi-manager Australian Share Fund

September 2011

BT Financial Group

Fund objective

The Fund aims to provide an overall return (before the deduction of fees, charges and tax) that maximises outperformance of the benchmark when measured over the recommended investment timeframe with some risk of deviation from the benchmark in the short-term. The Fund invests in a diversified portfolio of Australian equities through a number of specialist investment managers.

Investment approach

The Fund allows you to select a single investment option that diversifies across investment managers and investment management styles. This diversification helps reduce overall risk and aims to improve consistency of returns by minimising the impact on overall performance resulting from any one style or manager.

Manager selection

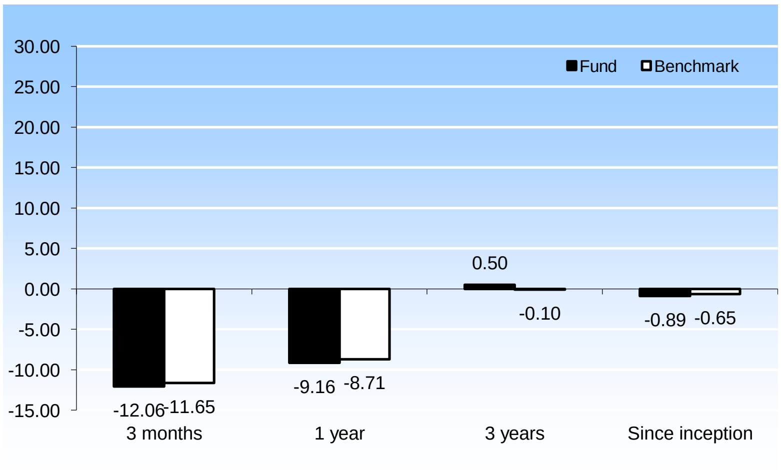
The BT Multi-manager funds are built, monitored and rebalanced by Advance Investment Solutions – who research, select and blend investment managers from around the world and actively manage the strategy, manager selection and performance of the funds. Advance Investment Solutions regularly meets with the investment managers and conducts an intense investigation of everything, from their investment philosophy and current market views, to how well the investment manager's team is working together or how they would react in periods of high volatility.

Latest portfolio update

Over the quarter, the Fund slightly underperformed the benchmark. The smaller resources and mining services began the quarter strongly before continuing to decline with increasing risk aversion. Performance across our larger company managers was mixed as oversold companies continued to decline irrespective of quality, stock selection within our smaller companies allocation detracted slightly.

Fund facts	
Minimum suggested investment period	5 years
Date of inception	May 2006
Risk profile	Moderate
Product size ($m)	$17.9
Management fee	0.90% pa
APIR code	BTA0259AU

Performance vs benchmark (% pa)

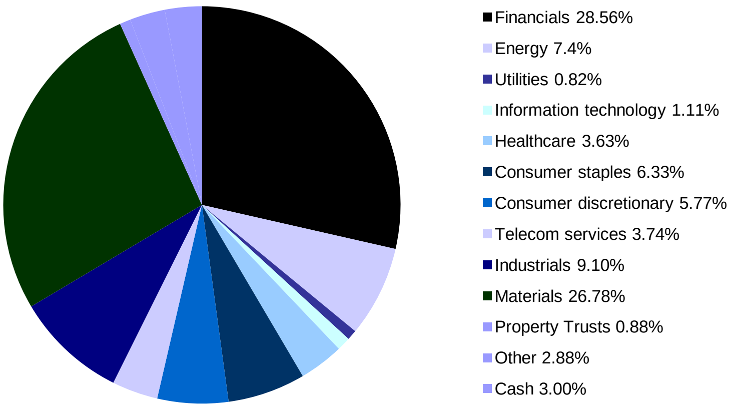


→ Investment returns are wholesale net of fees.
→ The benchmark for the Fund is the S&P/ASX 300 Accumulation Index. Further details can be found on BT Online.

The September quarter was a very weak one for equity markets the world over, with the MSCI World Index falling by 17.1% over the period. The Australian market fared better than most with the ASX300 Accumulation index down by 11.7%, which was the worst quarter since the end of the global financial crisis sell-off through to 2009.

The market has once again been dominated by macro events, despite the year-end reporting season in August. The beginning of the period saw investor confidence significantly dented by the political stalemate in Washington around raising the debt ceiling, with a deal eventually getting approved but not without enduring reputational damage. Firmly consolidating this negative sentiment was the fact that US economic data released in early August was very weak. The idea that any weakness was being caused by temporary factors and that the recovery was still on track was firmly brushed aside as investors became increasingly concerned about the potential of a recession emerging in Europe/US and the impact this will have on Emerging Markets, particularly China.

Sector allocation



Regional allocation

Region	Weight %
Australian shares	100

Top 10 holdings

Stock	Weight %
BHP Billiton Ltd.	10.73
Westpac Banking Corp.	6.81
Australia & New Zealand Banking Group Ltd.	5.53
National Australia Bank Ltd.	5.48
Rio Tinto Ltd.	3.69
Commonwealth Bank of Australia	3.64
Telstra Corp. Ltd.	3.14
Wesfarmers Ltd.	3.03
Origin Energy Ltd.	2.43
Suncorp Group Ltd.	2.26

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What to do next

- → See your adviser
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- → Call 1800 813 886