

BT Wholesale Partner Australian Shares Value (ATI)

March 2017

Prepare for the best.



Fund performance*

	3 months (%)	1 year (%)	3 years (% pa)	5 years (% pa)	Since inception (% pa)
Total returns (pre-fees)	4.43	17.36	6.38	10.07	8.49
Total returns (post-fees)	4.20	16.33	5.44	9.09	7.50
Benchmark¹	4.71	20.24	7.51	10.83	9.24

Inception Date: 6 November 2002. Fund performance is net of fees.

¹ Benchmark: S&P/ASX 300 Accumulation Index

Latest portfolio update

The BT Wholesale Partner Australian Share Value Fund rose 4.4% the March-17 quarter compared with a rise of 4.7% by the S&P/ASX300 Accumulation Index.

The better performing sectors during the Mar-17 quarter were Financials (+13.8%), Utilities (+9.2%), and Materials (+7.9%) while the worst sectors were Health Care (-8.8%), Telco's (-4.3%), and Consumer Discretionary (-2.0%).

In terms of sectors, the Fund's quarterly performance was positively impacted by the overweight positions in the Financials and Health Care whilst it was negatively impacted by the overweight positions in the telco's sectors.

Top 10 holdings

Top 10 holdings	Portfolio (%)
CBA	9.53
ANZ	8.23
WBC	7.74
TLS	7.47
NAB	7.26
BHP	5.12
CSL	3.84
WES	3.36
AMP	2.95
IAG	2.61

Key performance contributors and detractors

Key performers	Contribution (%)
CSL	3.60
AGL	1.12
SCG	1.44
Key detractors	Detraction (%)
PRY	0.09
WSA	0.04
IPD	0.02

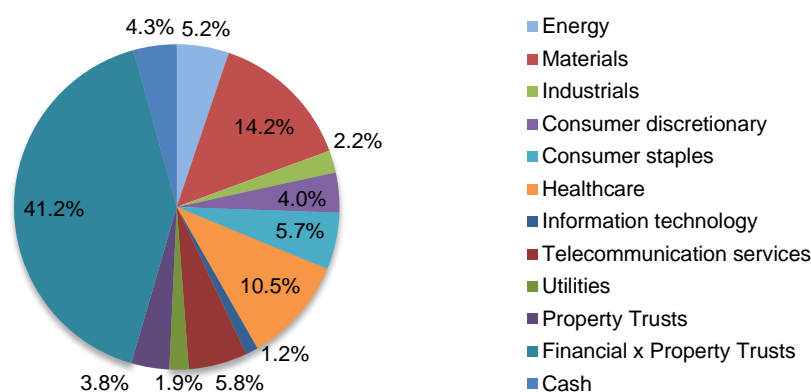
Outlook

After a couple of strong months of market returns including reporting season, it seems hard not to ignore the fact that our equity market may well be due for a little breather. Offsetting this possibility are several positive features of our domestic market which include the ongoing recovery in forward earnings expectations, the well above global average market yields and less macro risk in the sense of rising geo-political tensions evident in the US and Europe.

We moved the moved to a neutral position in WOW during March after a couple of years of being materially underweight the stock due to a raft of issues facing the business. The recent portfolio move reflects a combination of its defensive characteristics, the unwinding of the Masters hardware debacle and some evidence that the turnaround efforts are beginning to be reflected in some signs of improvement in the core underlying operations.

In the materials sector we are close to an overall neutral position but have overweight positions in companies with exposure to iron ore, copper, oil and nickel. In summary, we have positioned the portfolio to benefit from a scenario where global bond prices continue to rise, the USD strengthens and commodity prices remain at current levels.

Actual sector allocation*



*may not equal 100% due to rounding

Investment objective	The Fund aims to provide an overall return that exceeds its benchmark over the recommended investment timeframe. This Fund invests in Australian shares with a value investment style, and is currently managed by ATI.										
Growth investment style	Value investment managers look for bargains – companies that have fallen out of favour with the market and are currently undervalued. They purchase shares below their 'intrinsic value' where they expect that value to be recognised by other investors in the future.										
About ATI	Above the Index Asset Management Pty Ltd (ATI) [ACN 111 239 591 / AFSL 295904] was established in September 2004 as a boutique Australian equity manager, specialising in the manufacturing of long only Australian equity portfolios. ATI's investment style utilises a relative value methodology. Based in Sydney, ATI manages approximately A\$350M on behalf of institutional and retail clients.										
Manager history	<table border="1"> <thead> <tr> <th style="text-align: left;">Manager</th> <th style="text-align: left;">Appointed</th> <th style="text-align: left;">Replaced</th> </tr> </thead> <tbody> <tr> <td>ATI</td> <td>May 2011</td> <td></td> </tr> <tr> <td>GMO Australia</td> <td>November 2002</td> <td>April 2011</td> </tr> </tbody> </table>	Manager	Appointed	Replaced	ATI	May 2011		GMO Australia	November 2002	April 2011	
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For more information



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