

# Ibbotson International Shares (Unhedged) Trust

<b>Risk Profile</b> High	<b>Investment Horizon</b> 5 years	<b>Inception</b> 7 July 2000	<b>Trust Size \$Mil</b> 6.3	<b>Benchmark</b> MSCI World ex-Australia with Net Dividends Reinvested (Unhedged) Index
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## Investment Summary

### Investment Objective

To maximise outperformance relative to the benchmark (MSCI World ex-Australia with Net Dividends Reinvested (Unhedged) Index) over rolling five year periods, by investing predominantly in listed international shares.

### Multi-Manager Trust

Ibbotson selects specialist and complementary investment managers, with varying investment styles, that are expected to deliver superior investment returns in excess of their performance benchmarks.

Available only to existing investors in this Trust.

### Diversified International Shares

The portfolio is invested in listed international shares across developed and emerging markets.

### Key Attributes

Access to a combination of high conviction managers capable of generating significant performance and to specialist index manager(s) expected to deliver performance which closely mirrors the market index.

Risk control through packaging a combination of managers with varying investment styles.

The ability to identify exceptional managers throughout the world is assisted by our access to global resources.

### Operations

Unit Pricing	Daily
Distributions	Quarterly
Maximum Tracking Error	6% pa
Management Fee <sup>3</sup>	Up to 0.85%
Buy/Sell Spread	0.27% / 0.27%

## Quarterly Commentary

The International Shares (Unhedged) Trust outperformed its benchmark by +0.7% for the June quarter. The Trust's return was -4.1% relative to the benchmark return of -4.8%.

Stock selection was strong within Continental Europe and the Emerging Markets, and from a sector perspective, was particularly strong within Financials (largely from non-Bank financials). The Trust's sector allocation also added modest value, benefiting from the Trust's overweight position to the outperforming Consumer Discretionary sector.

The International Shares (Unhedged) Trust continues to be underweight the Energy and the Utilities sectors. The major overweight is Consumer Discretionary (around 3.2% overweight). The Trust is underweight the US market, with the majority of the overweight in the emerging markets.

## Performance<sup>1</sup> 30-06-10



Total Return %	1 Month	3 Months	FYTD	1 Year	5 Years (pa)
Trust	-3.87	-4.13	8.44	8.44	-1.74
Benchmark	-4.15	-4.81	5.22	5.22	-2.16
Active Return	+0.28	+0.68	+3.22	+3.22	+0.42

## Portfolio Analysis<sup>2</sup> 30-06-10

Regional allocations	%	+/- Bmark %
North America	50.3	-6.6
Europe ex-UK	18.5	-1.4
Japan	9.7	-1.2
UK	9.6	-0.3
Emerging Markets	7.0	+6.6
Pacific ex-Japan	3.7	+1.7
Cash	1.0	+1.0
Other	0.2	+0.2

### Notes

1. Performance measures are expressed before fees, costs and taxes are deducted.
2. Allocations may not add up to 100% due to the rounding of individual components.
3. The Management fee is inclusive of GST and can be negotiated for direct investors. Refer to the current disclosure document for more information on fees and costs.

## Manager Weightings



Manager	%
Ibbotson Int'l Shares Active Trust (Unhedged)	60
Ibbotson Int'l Shares Passive Trust (Unhedged)	40