



Financial
Group

BT Investment Management



The BT Interview series: The Aussie Market Outlook with Crispin Murray

Crispin Murray – Head of Australian Equities

Martin Franc – Head of Sales, BT Investment Management

Current Australian Market Outlook

“ How long do you expect this momentum to continue in the Australian Market? ”

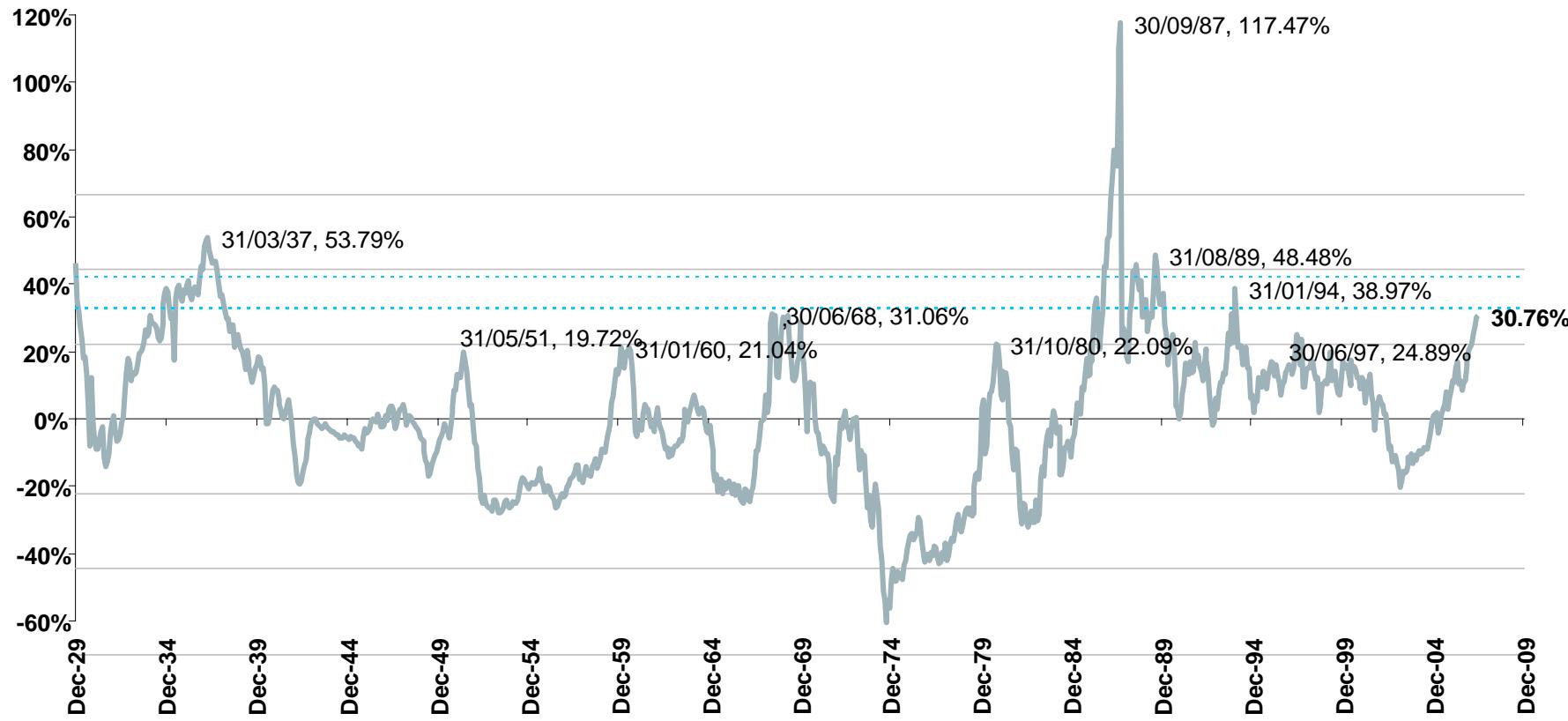
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Q&A

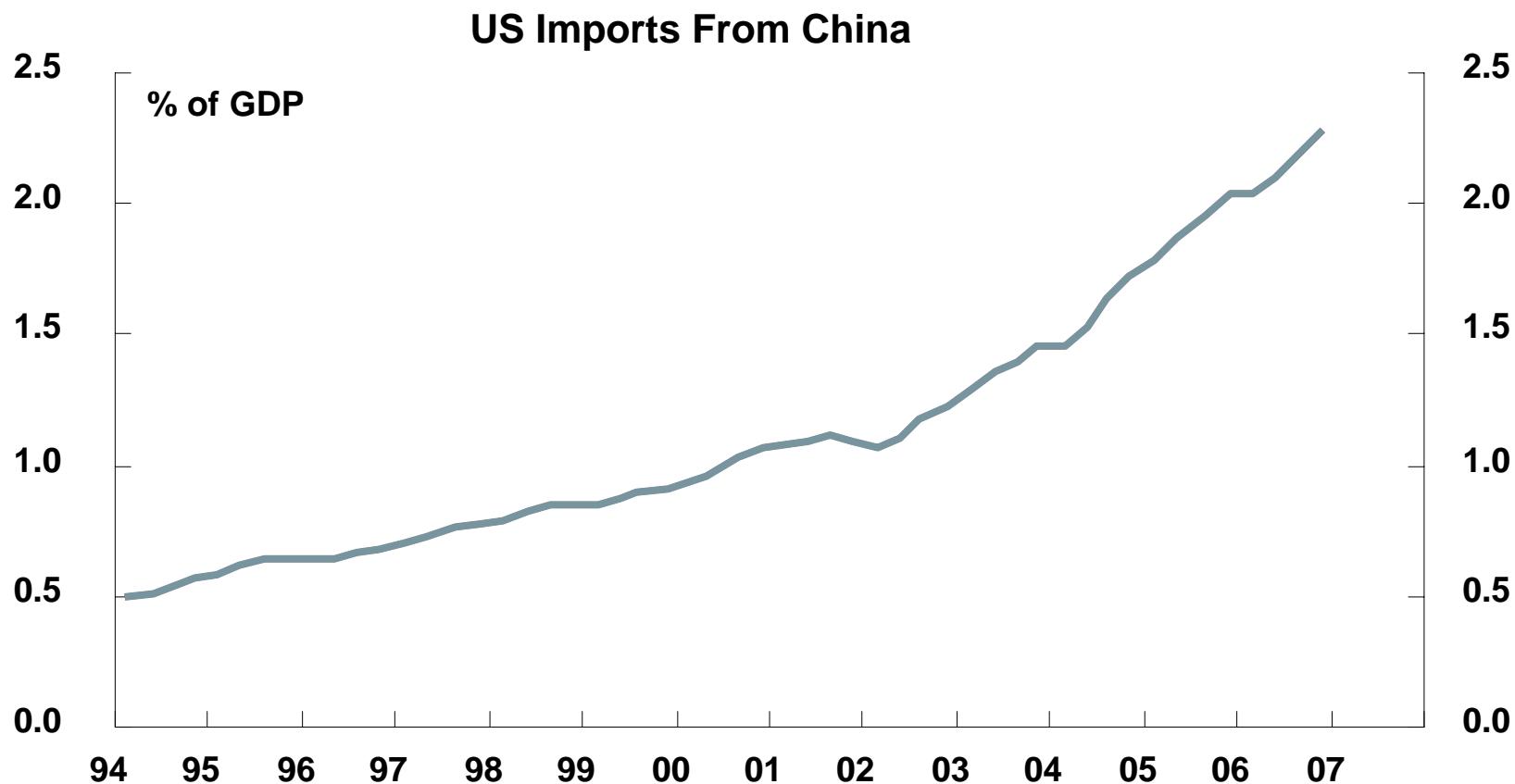
Bull market significant in historic context...

All-Ords Accum Index: Non-Linear Regression Model

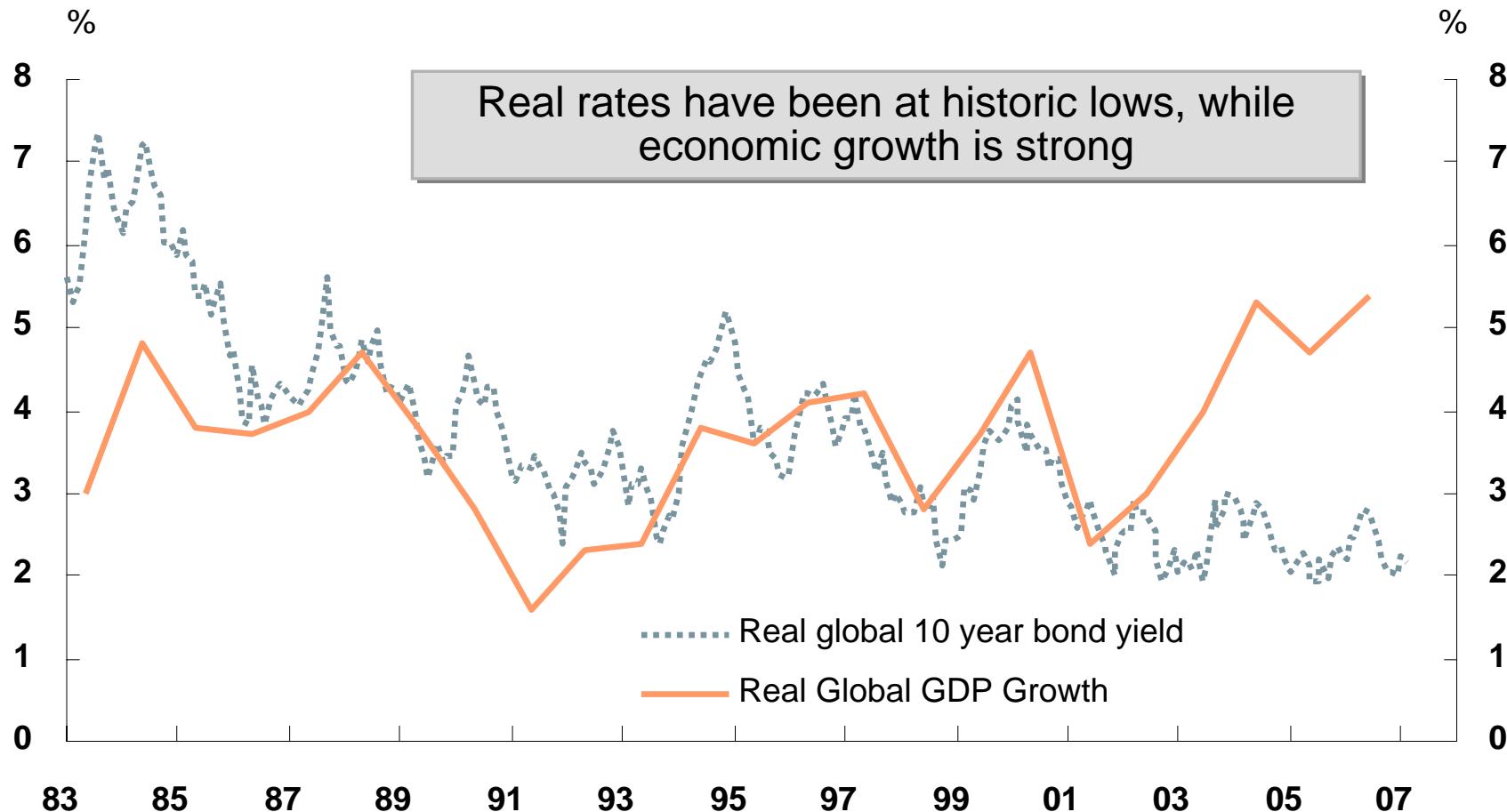
Average level of over-valuation from 9 previous blow-offs since 1929 is 41.95%. Average of previous 8 (excluding Sep-1987) 32.50%.



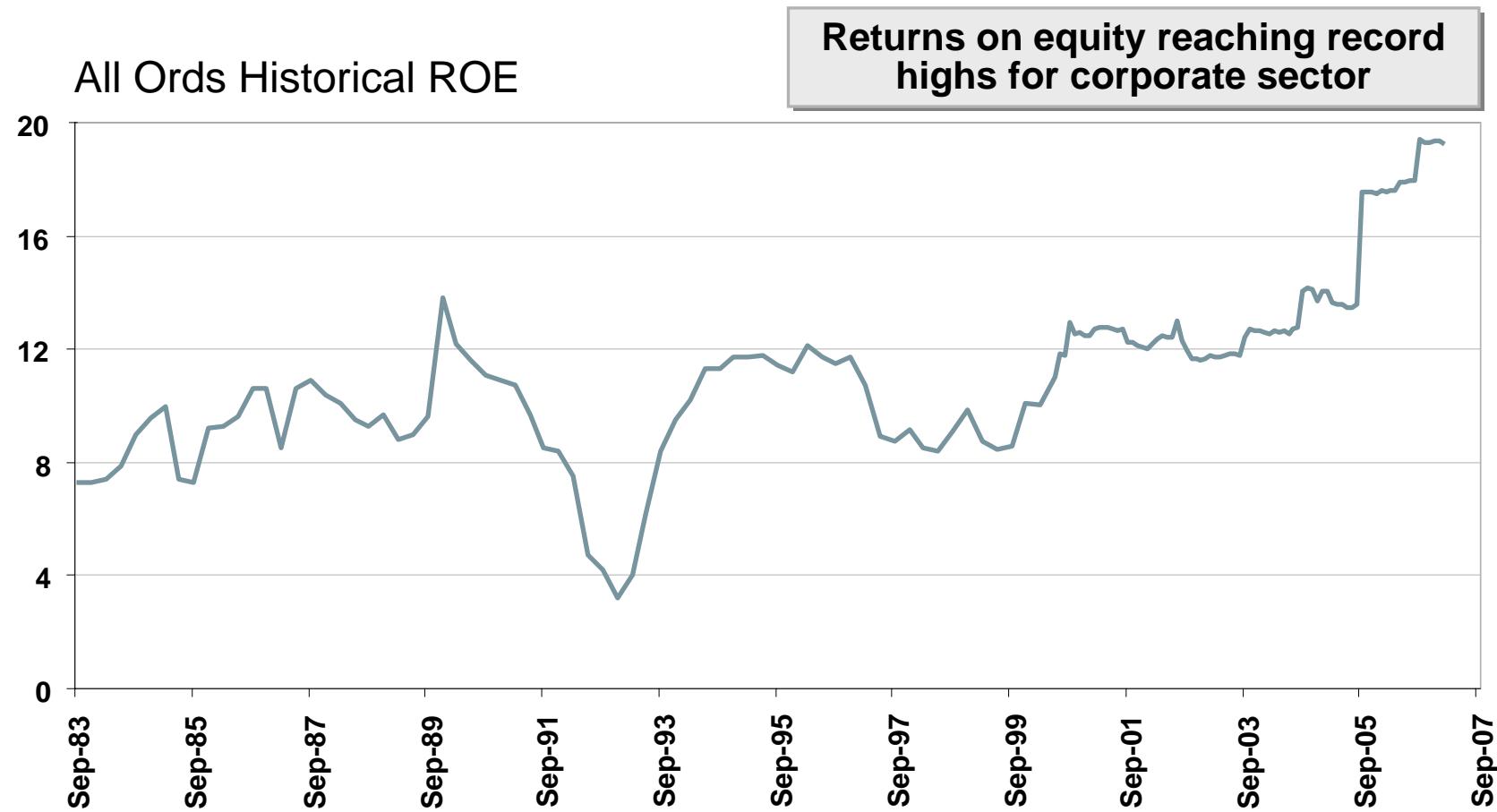
Key market drivers - Globalisation



Key market drivers - Low real rates



Impact = Rising corporate returns



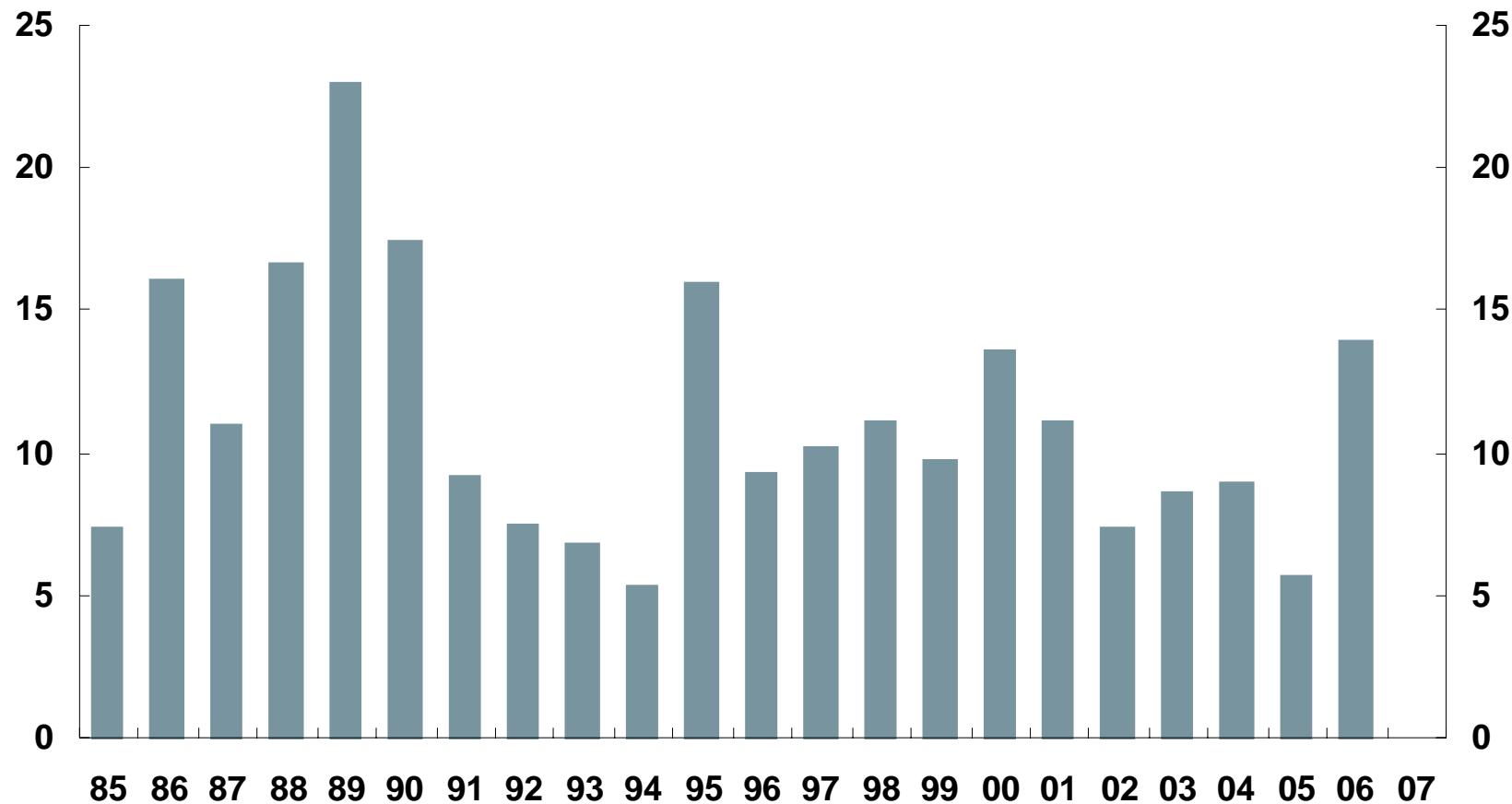
“ What has been the impact of M&A activity on the portfolio? ”

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...as does the M&A boom

M&A as % market



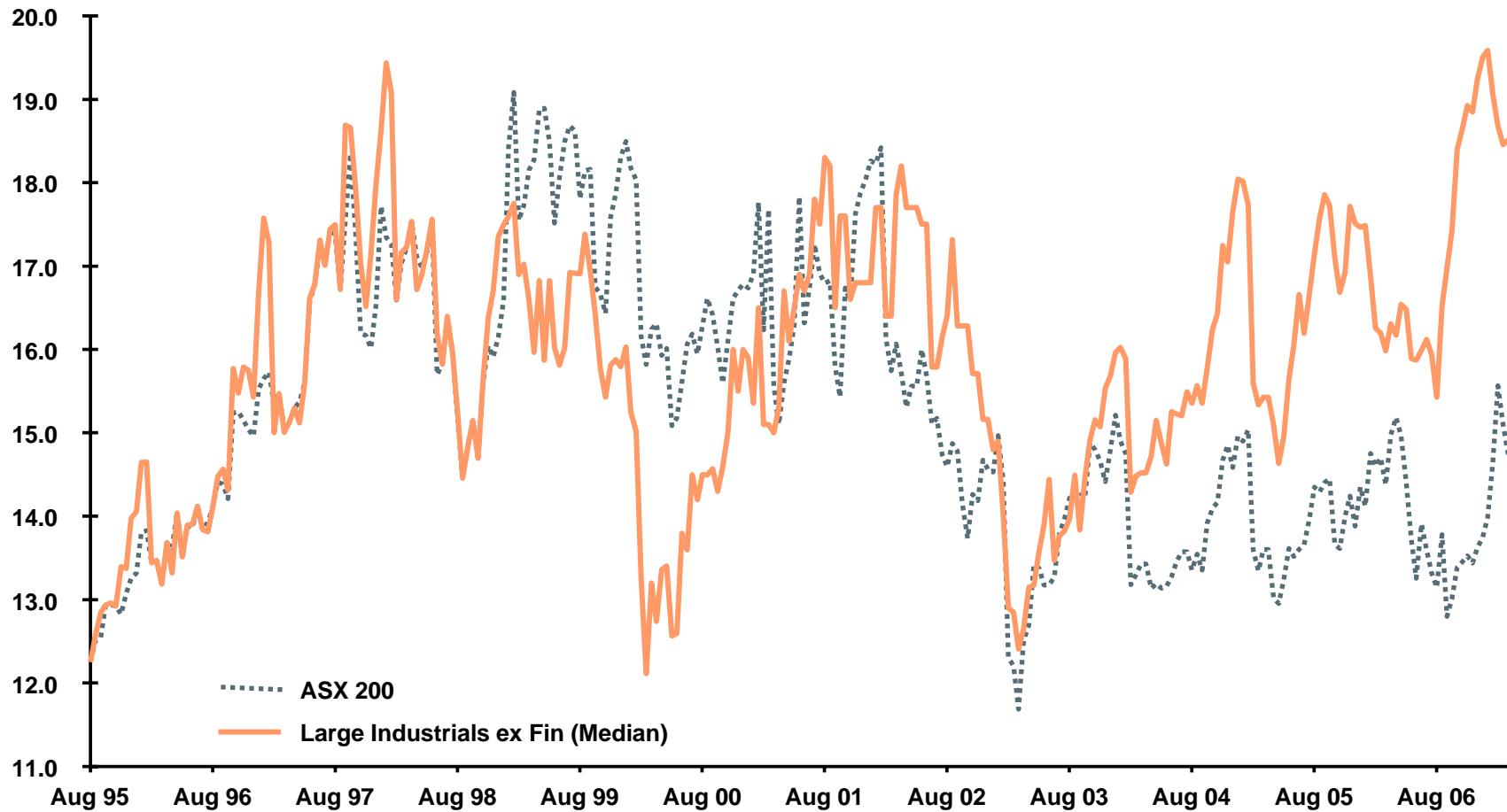
“ What is your view on current
P/E valuations? ”

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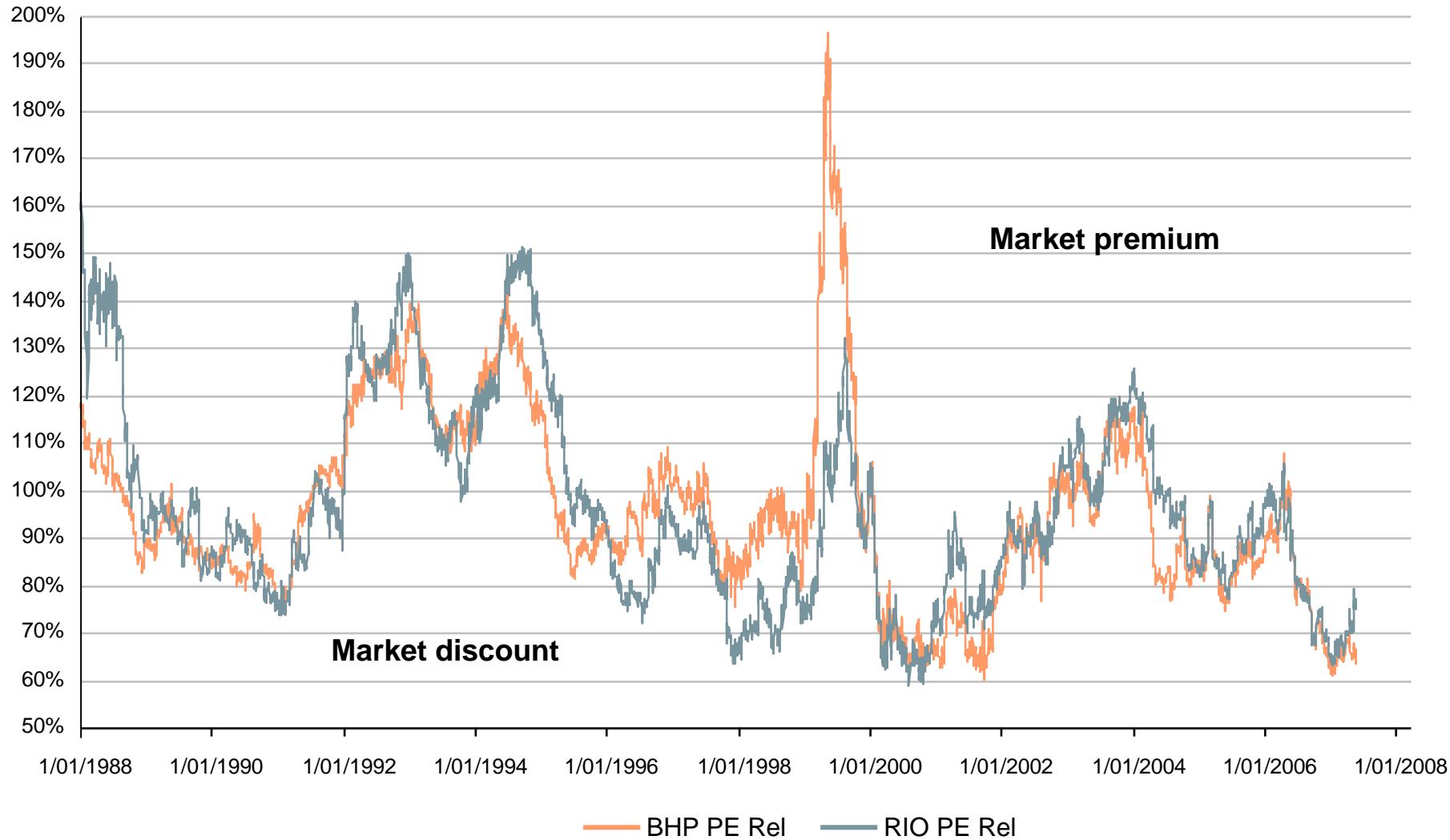
P/E valuations - market

Absolute PER Chart - ASX 200 versus Large Industrials ex Financials Median PER



Source: IRESS

On a PE relative resources look cheap



“ What stocks have been impacted by
the rising Aussie Dollar / declining
US Dollar? ”

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Q&A

“ How has the recent flood of superannuation impacted markets? ”

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Q&A

“ How have BT Australian Equity funds performed in recent months? ”

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Q&A

How have BT Australian Equity funds performed in recent months?

June 2007	6 Months %	Active return %	1 year %	Active return %	3 year %	Active return %	5 year %	Active return %
BT Focus Australian*	11.17	-1.78	31.91	2.70	-	-	-	-
BT Imputation Fund	14.05	1.10	33.45	4.24	31.71	5.31	23.86	4.54
BT Core Australian	12.48	-0.47	26.46	-2.75	28.04	1.64	21.06	1.73
S&P/ASX 300	12.9	-	29.2	-	26.4	-	19.3	-

Source: *BT Financial Group*

* Focus Fund Inception: 1/4/2005



Performance is before fees/before tax as at 30 June 2007
Past performance is not an indicator of future performance

“ What have been your best stock picks and the main detractors from performance? ”

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Q&A

“ What sectors/stocks do you feel will be the best performers over the next 12 months? ”

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Q&A

“ Are there any new developments in
your team structure? ”

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Q&A

BT Investment Management: People

Large Cap

Crispin Murray (4/16)
Tim Barker (15/24)
Misha Collins (4/13)
Jack Chemello (4/10)
Ashley Smith (5/11)

Glynn Meth (15/23)
Andrew Waddington (8/20)
Sondal Bensan (8/8)
Oliver Renton (3/3)

Small Cap

Paul Hannan (7/14)
Noel Webster (2/13)
Patrick Teodorowski (2/2)
Oliver Coulon (1/2)

Property

Peter Davidson (12/22)
Cynthia Hardy (1/5)
Daniel Moore (1/1)

Quant

Simon Elimelakh (9/16)
Rajinder Singh (5/5)
John Foundas (1/3)
Cameron Fouladi (1/10)

Dealing

Brett Backhouse (16/16)
Jason Hooker (15/15)
Simon Hammer (5/7)

“ With the growth in BT’s funds under management, what disciplines are we exercising in managing capacity? ”

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Q&A

“ What’s on the radar regarding new products? ”

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Q&A

For more information:

A link to today's webcast will be sent to you later this week for you to access on demand.

For more information:

- Please contact your business development representative
- Call BT on 132 135
- Visit BT at www.bt.com.au

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