



Analyst(s): Justine Gorman; Simone Gavin

## Standard & Poor's View (at Dec. 9, 2009)

Standard & Poor's Fund Services rates this fund three stars. This reflects our conviction that the manager can generate risk-adjusted returns in line with relevant investment objectives and relative to peers.

Hunter Hall Investment Management Ltd has undergone a period of significant change recently, although its approach remains the same. Hunter Hall has sought to introduce a more disciplined process following a comprehensive internal review. The review has led to the introduction of a peer-review process, a more structured approach to portfolio construction, and an improved sell discipline. The risk management framework has also been reviewed and, although constraints remain broad relative to peers, some constraints have been tightened, particularly those relating to exposure to stocks at the micro-cap end of the market. S&P is encouraged to see a more collegiate approach to stock selection that doesn't compromise portfolio manager flair. The changes to risk management are also positive, giving greater structure to the process.

The internal review also resulted in significant staffing changes, with the departure of three portfolio managers requiring CEO, David Buckland, to take on increased portfolio-management responsibilities, and hire a new portfolio manager.

On the whole, S&P views the changes positively. However, we note that they represent a considerable cultural change for Hunter Hall. S&P would like to monitor the manager's progress over the next 12 months.

Although longer term performance has been strong, relative to the benchmark, underperformance over the 12 months to June 30, 2009, has been significant. Given the manager's small-cap bias and concentrated portfolio-construction approach, it has been difficult for the manager to produce good results. Investors should be aware that during times of market distress, the portfolio is likely to underperform to a greater extent than peers managing portfolios with larger-cap and more defensive holdings.

## Fund Information

### Objectives

The objective of the VGT is to increase the wealth of its investors by substantially outperforming the global stockmarket; benchmarked by the MSCI World Total Return Index; Net Dividends Reinvested in Australian Dollars (MSCI); over the medium to long term without incurring significant risk to capital.

### General

APIR Code	HOW0002AU
Fund status	Open
Inception date	May 2, 1994
Fund Size (\$A)	1201.27 .mil
Benchmark	MSCI World NR AUD
Peer group	International Equities - Small Cap
Responsible Entity	Hunter Hall Investment Management Ltd
Minimum investment (A\$)	5000

### Fees

Ongoing Fees (%)	Transaction Fees (%)	
ICR	1.84	Entry 5
Management	-	Exit -
Ongoing Brokerage	-	Reinvestment 5
		Switching -
		Upfront Brokerage 4

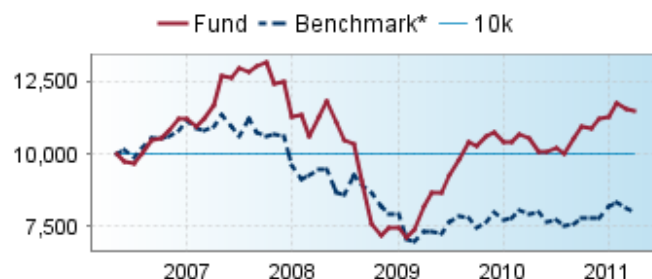
\* Benchmark: MSCI World NR AUD.

## Fund Analysis

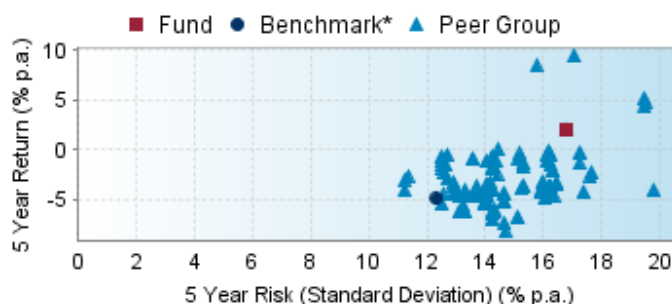
### Investment Style



### Growth of A\$10,000 (at April 30, 2011)



### Risk Return (at April 30, 2011)



### Performance Statistics (at April 30, 2011)

	3 mth	6 mth	1 yr	3 yr	5 yr
Fund Total	1.79	5.22	8.91	0.56	1.97
Income	0	1.06	3.82	2.45	7.4
Growth	1.79	4.16	5.09	(-1.89)	(-5.43)
Benchmark* Total	(-2.67)	2.78	0.58	(-5.4)	(-4.91)
Excess Return	4.46	2.44	8.33	5.96	6.88
Quartile Ranking	1	3	1	1	1

### Asset Allocation (%) (at April 30, 2011)

Class	Actual	Min.	Max.
Australian Equities	25.91	-	-
International Equities	54.14	-	-
Listed Property	-	-	-
Unlisted Property	-	-	-
Australian Fixed Interest	-	-	-
International Fixed Interest	-	-	-
Cash	17.47	-	-
Other	2.46	-	-
Mortgages	-	-	-

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