

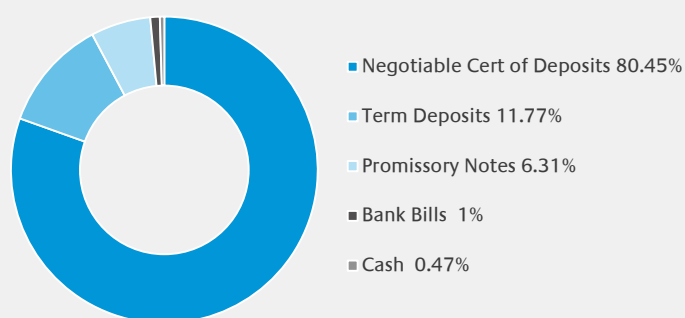
# Wholesale Premium Cash Funds

## Monthly update

January 2012

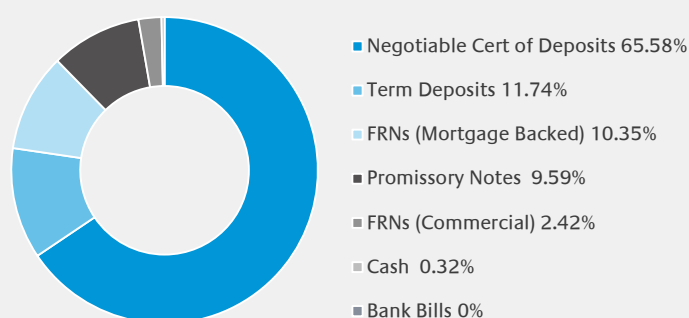
### Wholesale Premium Cash Fund<sup>1</sup>

#### Fund composition



### Wholesale Premium Cash Enhanced Fund<sup>2</sup>

#### Fund composition



#### Fund facts as at 31 January 2012

Fund size (A\$ million)	3,115.7
Term to maturity	43 days
Duration	0.12 year
Rating	AAAm (Standard & Poor's)

#### Fund facts as at 31 January 2012

Fund size (A\$ million)	1,108.1
Term to maturity	41 days
Duration	0.11 year
Rating	AAf (Standard & Poor's)

Performance	Fund	Benchmark*	Excess
1 mth	0.39%	0.35%	0.04%
3 mths	1.21%	1.08%	0.13%
6 mths	2.51%	2.27%	0.24%
1 yr	5.10%	4.65%	0.45%
2 yrs pa	5.02%	4.54%	0.48%
3 yrs pa	4.55%	4.10%	0.45%
5 yrs pa	5.63%	5.04%	0.60%

\* The benchmark is the RBA cash rate. Performance is before fees and expenses.

Performance	Fund	Benchmark*	Excess
1 mth	0.41%	0.39%	0.03%
3 mths	1.27%	1.19%	0.08%
6 mths	2.61%	2.44%	0.16%
1 yr	5.67%	4.96%	0.71%
2 yrs pa	5.58%	4.85%	0.73%
3 yrs pa	5.05%	4.37%	0.68%
5 yrs pa	6.18%	5.45%	0.73%

\* The benchmark is the UBS Australian Bank Bill Index. Performance is before fees and expenses.

#### Maturity profile

0 - 30 days	36.62%
31 - 90 days	37.47%
91 - 180 days	25.91%
181 - 364 days	

#### Maturity profile

0 - 30 days	35.65%
31 - 90 days	33.55%
91 - 180 days	30.80%
181 - 364 days	

- In the absence of a Reserve Bank of Australia (RBA) meeting, bank bill yields rallied across the curve in Australia during January, buoyed by improving global credit spreads.
- One-month and 3-month bank bills rallied by 15 bps and 14 bps, to finish the month at yields of 4.35% and 4.34%, respectively.
- Six-month bank bills rallied slightly less, falling by 11 bps to finish the month at a yield of 4.32%.
- Economic data releases in Australia were mixed. Despite the creation of 24,500 full-time jobs in December, a loss of 53,700 part-time workers saw overall employment fall by 29,300 workers.
- Core CPI data surprised a little on the high side. Headline CPI was released slightly lower than expected (0.0% qoq / +3.1% yoy), but underlying inflation was higher-than-expected (+0.6% qoq / +2.6% yoy).
- Offshore credit spreads rallied, but longer-term bank and semi spreads in Australia widened after a rush of new AUD covered bond issuance by the Australian banks.
- The 3-month bank bill / OIS spread narrowed by 11 bps over the month.
- We structured the portfolio by investing our higher yielding securities (notably term deposits and promissory notes) at the front-end of the yield curve.
- We achieved our desired portfolio duration by targeting investments in the more liquid assets we traditionally hold (such as bank bills and NCDs) in the longer-dated area of the yield curve that offers the best value.
- We were able to take advantage of the higher yields on offer further along the yield curve and lengthened the portfolio's duration during the month.

#### For further information

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There are fees and costs payable for managing investments in the Funds that are deducted from the Funds as a whole. The fees payable by investors in the Fund may be negotiated and can differ between investors. For this reason the performance figures used in this document are shown before fees and costs as at 31 January 2012. Investors should have regard to the relevant Information Memorandum or their negotiated fee agreement for further information on the fees and costs applicable to their investment in the Fund.

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Colonial First State Investments Limited receives fees for the management of the Funds, which are explained in the Information Memorandum available by contacting the Institutional Business team on +61 2 9303 6116.

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