

Wholesale Global Share Fund

Monthly update

July 2010

Performance summary (% before fees and expenses)

	1 mth	3 mths	6 mths	1 yr	2 yrs pa	3 yrs pa	5 yrs pa	Inception [^] pa (Jul 97)
Fund (%)	1.76	-3.96	-1.82	-1.49	-7.21	-9.64	-1.94	2.37
Benchmark* (%)	0.73	-2.80	-0.17	0.53	-5.64	-10.28	-2.59	0.82
Relative performance (%)	1.04	-1.16	-1.65	-2.02	-1.57	0.64	0.65	1.55
Tracking error (%)		-	-	2.26	3.49	3.57	3.40	4.92
Information ratio (x)		-	-	-0.9	-0.4	0.2	0.2	0.3

[^] The current portfolio manager was appointed in April 2006 and the current investment process was implemented in September 2006.

* The benchmark from inception was the MSCI All Countries World Free Index (AUD), from 1 July 2006 the MSCI World (ex Australia) in AUD Net.

Review

- Global equity markets rose over the month on rising risk appetite as investors became more confident about the outlook for global growth.
- The MSCI World ex-Australia Index increased by 0.8% over the month in Australian dollar terms.
- At a sector level, Financials and Telecom Services outperformed while Consumer Staples and Health Care lagged.

Performance

- The fund outperformed its benchmark index over the month.
- Performance was boosted by Halliburton (US: Energy) which rose as strong oil and gas activity in North America confirmed robust pricing power and high margins.
- Anadarko Petroleum (US: Energy) outperformed as the oil leak in the Gulf of Mexico was successfully plugged and the company made new finds in West Africa.
- On the negative side, Sumitomo Heavy Industries (Japan: Industrials) underperformed as a stronger Yen and lumpy new order flow created short-term concerns.
- Wellpoint (US: Health Care) lagged as ongoing political headwinds overshadowed strong results.

Activity

- Over the month we bought Novartis (Switzerland) for its strong new product flow and diversified product range.
- We also purchased Arrow Electronics (US: Information Technology) for its strong competitive position in electronics component distribution and the improving trading outlook.
- We sold Gilead Sciences (US: Health Care) on concerns about intensifying competitive pressures.
- We sold Google (US: Information Technology) as competition between social networking sites and mobile advertising increased.

Key facts as at 31 July 2010

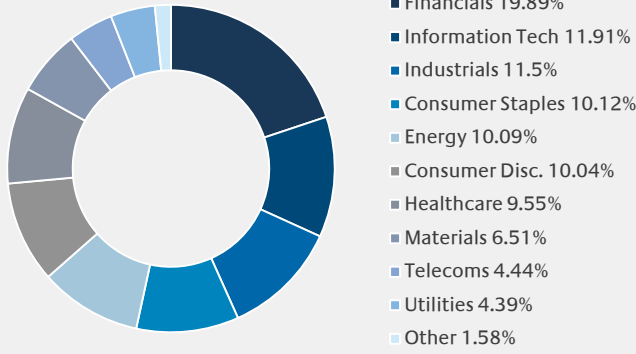
Fund size (A\$ m)	1,300
Number of holdings	73
Target alpha	300 bps
Inception	July 1997
Fund manager	Habib Subjally
Benchmark*	MSCI World (ex Australia) Net Index
Buy/sell spread	0.25% / 0.25%
Tracking error (1 year)	2.3%
Tracking error target (pa)	3 - 6%
Information ratio (1 year)	-0.9

* The benchmark from inception was the MSCI All Countries World Free Index (AUD), from 1 July 2006 the MSCI World (ex Australia) in AUD Net.

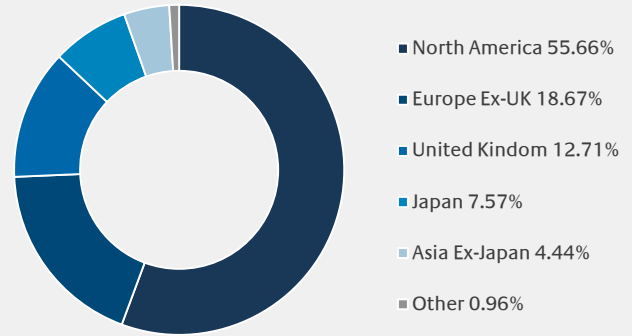
Top 10 holdings as at 31 July 2010

Wal Mart Store Inc	2.88%
Axa	2.68%
Pepsico Inc	2.64%
Apache Corp	2.51%
Anheuser-Busch Inbev	2.37%
Singapore Airlines	2.32%
Sumitomo Mitsui	2.23%
Metro AG	2.18%
Praxair Inc	2.06%
Centrica Plc	2.01%

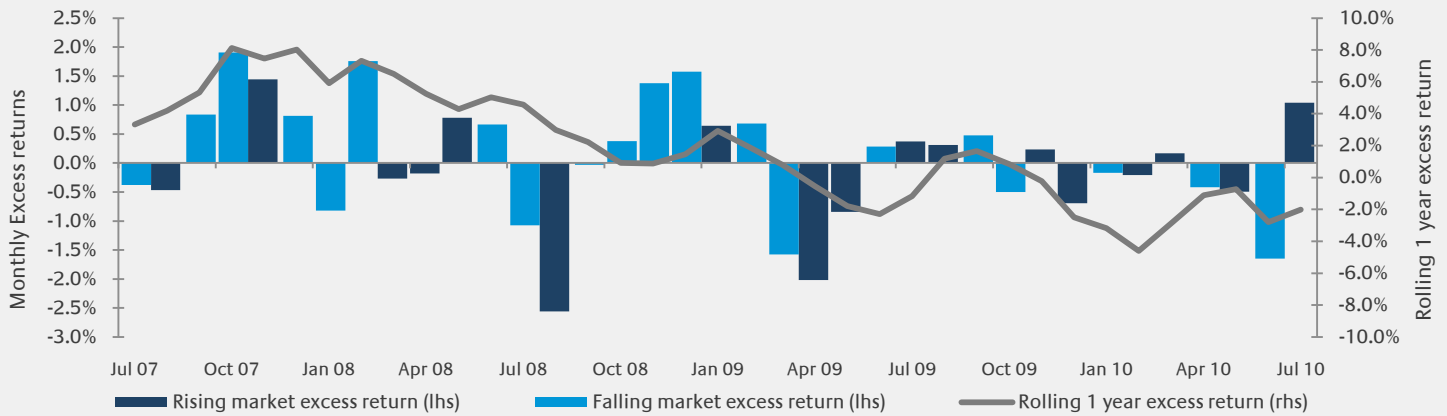
Portfolio sector exposure



Portfolio regional exposure



Excess returns relative to benchmark (gross returns in A\$)



Investment objective

The Fund's investment objective is to provide long-term capital growth by investing in a diversified portfolio of shares around the world. This is a best ideas fund that aims to outperform the MSCI World (ex Australia) Index with a concentrated portfolio of about 70 stocks. The Fund Manager uses screening techniques and rigorous fundamental analysis to identify stocks which it believes are mispriced and have a potential catalyst to close the valuation gap. As stockpickers, style and other biases are minimised in order to concentrate the risk budget at the stock specific level.

Investment management capability

The Fund is managed by a team of experienced sector specialist investors led by Habib Subjally, Head of Global Equities. This seasoned team is based in London and contains more than 150 years of combined investment experience. It has been built by Habib who joined Colonial First State Global Asset Management in April 2006. Habib was previously Head of Small & Mid Cap Research at Credit Suisse and Head of Global Equities at Invesco Asset Management.

<ul style="list-style-type: none"> Notional universe 36,000 Investable companies 3,000 Researchable companies 600 Monthly focus list 40-70 Warehouse ~300 Portfolio 40-100 	<p>Initial screening Liquidity screen ~ US\$2 billion Country screen - no GEM except advanced emerging</p> <p>Research prioritisation Exclude stocks with unattractive characteristics</p> <p>Monthly research schedule Decide on focus list using judgement, sector knowledge and portfolio considerations</p> <p>Fundamental evaluation Conduct fundamental evaluation on focus list including management, earnings balance sheet, valuation, company visits</p> <p>Stock rating Alpha, Catalyst, Risk</p> <p>Portfolio construction Rules based, customisable, scaleable</p>
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There are fees and costs payable for managing investments in the Fund that are deducted from the Fund 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 July 2010. Investors should have regard to the Information Memorandum or their negotiated fee agreement for further information on the fees and costs applicable to their investment in the Fund.

Neither Commonwealth Bank of Australia nor any of its subsidiaries guarantees or stands behind the performance of the Fund or the repayment of capital by the Fund. Investments in the Fund are not deposits or other liabilities of the Commonwealth Bank of Australia or its subsidiaries; and investment type products are subject to investment risk including loss of income and capital invested.

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