

SIM Wholesale International Equities Fund

Quarterly Investment Report March 2012

Fund Summary

Investment Objective: The objective of this Fund is to provide strong long-term capital growth by investing in the global sharemarket.

APIR Code: SUN0115AU

Fund Establishment: 27 April 2004

Management Costs: Up to 1.00% of the Fund's asset value

Market Review

The SIM Wholesale International Equities Fund underperformed its benchmark, the MSCI World, ex-Australia Index (in AUD) (unhedged), for the March quarter.

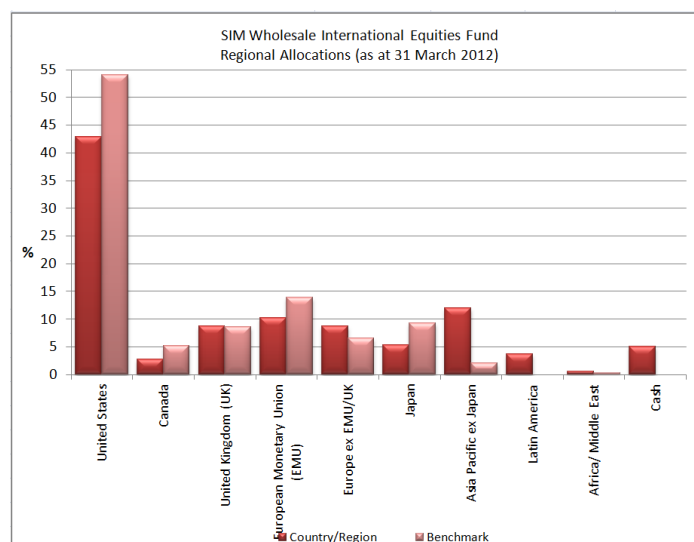
Very strong gains in March were largely responsible for global equity markets' exceptional performance during the first quarter of 2012. The MSCI World ex-Australia (AUD) index gained +10.5% during Q1, while Emerging Markets performed even better with a gain of +12.9%. Among individual sectors, Financials and Information Technology made the biggest advances, while Telecoms and Utilities barely moved during the quarter. Apple was once again the standout stock with a gain of +46% for the first 3 months of the year.

Market Outlook

Despite surging stock prices in March, global equity markets appear to be stalling once again and are already down 3% during the first 10 days of April. The US consumer remains a major driver of the world's largest economy, and it's no surprise that very strong retail sales in February coincided with a 26% increase in the S&P 500 Index from its September 2011 low. Unemployment though remains high and personal-income growth weak, which implies this recent exuberant consumer spending could be fuelled largely by increased debt at very low interest rates and tapping of savings. The house-price collapse has however removed the consumer's home as source for oversized spending, while State and local-government spending remains depressed because of deficit woes and underfunded pension plans. The result of this is that consumer retrenchment could tip the balance again toward a moderate recession. In addition, there is also the ongoing economic problems in Europe and China's recent downgrade of its GDP growth forecast, which gives us comfort in keeping the Fund positioned for downside protection.

Regional Allocations

This graph shows the effective regional allocation for the SIM Wholesale International Equities Fund, compared with that of its benchmark.



Fund Performance**

Period ending 31 March 2012	3 months %	6 months %	1 year %	2 years % p.a.	3 years % p.a.	5 years % p.a.
Total Return	8.25	11.94	3.35	1.91	5.13	-4.73
Distribution Return	0.00	0.00	0.00	0.79	0.54	0.48
Growth Return	8.25	11.94	3.35	1.12	4.59	-5.21
Benchmark*	10.50	12.71	0.69	0.67	5.07	-5.63

*All performance figures are calculated using hard close end of month exit prices and do not include any entry or exit fees or any taxation consequences and are net of nominal transaction and banking costs in any underlying funds invested in. The performance figures do allow for the historic ongoing fee. Income and distributions are assumed to be reinvested back into the Fund.

** MSCI World ex-Australia Index (net dividends reinvested) expressed in AUD (unhedged)

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Performance Graph

This graph compares the value of \$10,000 invested in the SIM Wholesale International Equities Fund since April 2004 against its benchmark.

