



HomeGlobal™ methodology reduces industry risk exposures

In the February 2004 edition of Taking Stock, we previewed Constellation Capital Management Limited's new HomeGlobal™ method as an alternative approach to current domestic/international investment strategies. We concluded by noting, "The emergence of investor interest in Listed Investment Companies ("LICs") presents an opportunity for the launch of ASX listed investment vehicles that adopt the HomeGlobal strategy."

Bentley International Limited (ASX Code: BEL) is one of a few LIC's on ASX that invests in international equities and has recently appointed Constellation as manager to invest in the international portion of the HomeGlobal investment methodology. The first client of Constellation's HomeGlobal investment strategy, Bentley believes that this approach offers a potential solution to the issue of home country bias in domestic equity portfolios.

To reduce investor's natural bias to invest heavily in local equities and traditional international investment strategies that tend to result in over-exposure to sectors already strongly represented domestically (eg banking), the HomeGlobal strategy adopts a global approach. This is done through investing in companies in industries represented in the Australian market (the Australian

equities HomeGlobal portfolio) and in international equities in industries not as well represented to Australian domestic investors (the international equities HomeGlobal portfolio – being the Bentley International portfolio).

For example, the Australian share market offers unrivalled opportunities to invest in bank stocks, leaving little reason to further invest in international bank stocks. Conversely, the Australian share market offers little exposure to aerospace, information technology hardware, software or pharmaceutical and biotechnology stocks.

The Bentley International HomeGlobal portfolio currently comprises investments in over 200 stocks or ETFs over 10 countries. Constellation achieves industry sector exposures by stratified sampling using stocks and sector Exchange Traded Funds (ETFs), with currency left unhedged.

For further information, please contact Farooq Khan, Chairman, Bentley International on 1300 762 678 or visit www.bel.com.au

For a copy of the Bentley International HomeGlobal portfolio sample, please email Claire Linton-Evans at ASX – claire.linton-evans@asx.com.au



ASX participants satisfaction program – update

To give ASX a better understanding of what elements of our service are important to market participants, Creative Catalyst Insights (CCI) are currently undertaking ASX Participants Satisfaction Program. This independent research company has just concluded Stages 1 and 2 of the program. Stage 1 focused on ASX perspectives of participant issues with workshops conducted among various business units. Stage 2 involved a series of in-depth interviews among a small representative sample of participant firms in Sydney, Melbourne and Perth.

Stage 3 commenced in late November, with participant firms invited to complete an online survey. This survey seeks feedback on a range of issues, which will help to ensure that we are providing the most appropriate

services for your needs. We have sent the survey to about 4,800 staff of ASX Participants.

We have been very pleased with the response rate, with 900 people responding to the survey.

The results from this quantitative stage will be analysed and workshopped in early 2005. Top-line results will be made available to participants.

If you have any questions about this survey, please contact your Client Relations Account Manager, or Michael Roche, Executive General Manager, Market Services or email us at participants.satisfaction@asx.com.au

We appreciate and look forward to your continued involvement in this project.