

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

Supplementary Estimates Hearings 2002-2003 – 20 November 2002

Question: F38

Outcome 1; Output 1

Topic: Investment Managers

Hansard Page: F&PA Page 52

Senator Sherry asked:

Can you give me a list of the investment managers and the quantum of money that they had under investment?

Answer:

At 30 June 2002 and as disclosed in the Annual Reports to PSS and CSS members, the PSS Board and CSS Board had investments managed by the following investment managers:

Sector/ Type	Investment Manager	Invest- ments PSS \$m	Inves- ments PSS %	Invest- ments CSS \$m	Invest- ments CSS %
Australian Shares					
Core	Colonial First State Investments Ltd	573.2	12.9	472.0	8.9
Specialist	Balanced Equity Management Pty Ltd	183.1	4.1	270.8	5.1
	Perpetual Asset Management Limited	191.8	4.3	282.5	5.3
	Westpeak Investment Advisors (Australia) Limited	160.2	3.6	234.7	4.5
	Jupiters	25.7	0.6	59.9	1.1
Alternative	Various (21 Managers – Note 1)	153.4	3.4	153.4	2.9
International Shares					
Core	Vanguard Investments Australia Limited	949.0	21.3	993.1	18.7
Specialist (global)	Wellington Management Company LLP	154.3	3.5	184.1	3.5
Specialist (USA)	Westpeak Investment Advisors (Enhanced S&P 500)	59.7	1.3	93.0	1.8

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

Supplementary Estimates Hearings 2002-2003 – 20 November 2002

Sector/ Type	Investment Manager	Invest- ments PSS \$m	Invest- ments PSS %	Invest- ments CSS \$m	Invest- ments CSS %
	Westpeak Investment Advisors (Small Cap)	87.0	2.0	126.6	2.4
Alternative	Various (3 managers – Note 2)	38.7	0.9	38.6	0.7
Specialist (UK/Europe)	ABN AMRO Asset Management (Australia) Limited	53.5	1.2	80.1	1.5
	Friends, Ivory & Sime	29.1	0.7	43.3	0.8
	Merrill Lynch Investment Management plc	77.0	1.7	129.4	2.4
Specialist (Japan)	JP Morgan Investment Management Inc.	42.7	1.0	64.8	1.2
	Schroder Investment Management (Australasia) Limited	50.2	1.1	77.0	1.5
Specialist (Emerging Markets)	Blairlogie Capital Management	67.2	1.5	74.4	1.4
	Deutsche Asset Management Limited	71.3	1.6	78.9	1.5
	Paribas Asset Management Limited	74.9	1.7	83.1	1.6
Currency Overlay	Pareto Partners	72.2	1.6	96.4	1.8
Australian Bonds					
Core	Colonial First State Investments Ltd	335.1	7.5	384.1	7.2
	Superannuation Members Home Loan Scheme	20.0	0.4	30.8	0.6
High Yield Debt					
Specialist	Wellington Management Company LLP	52.6	1.2	65.3	1.2
	Loomis, Sayles & Company LP	56.7	1.3	87.3	1.6
Currency Overlay	Pareto Partners	0.4	0.0	1.2	0.0
Property					
Australian Specialist	Colonial First State Investments Ltd	527.7	11.9	836.4	15.8
Australian Alternative	Various (3 managers - Note 3)	9.7	0.2	9.7	0.2
International Alternative	Various (3 managers – Note 4)	49.7	1.1	49.7	1.0

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

Supplementary Estimates Hearings 2002-2003 – 20 November 2002

Sector/ Type	Investment Manager	Invest- ments PSS \$m	Inves- ments PSS %	Invest- ments CSS \$m	Invest- ments CSS %
Absolute Return (Hedge) Funds					
Specialist	Financial Risk Management Ltd	23.9	0.5	23.9	0.5
	Harris Associates LP	23.2	0.5	23.2	0.5
Currency Overlay	Pareto Partners	3.0	0.1	3.0	0.1
Cash					
	Colonial First State Investments Ltd	235.3	5.3	148.5	2.8

Note 1 – Alternative Australian Investments - Various (21 Managers)

1. Catalyst Investment Managers
2. Castle Harlan Australian Mezzanine
3. GS Private Equity
4. Westpac Private Equity
5. Allen and Buckeridge
6. Technology Venture Partners
7. Gresham Rabo Management
8. AMP Henderson – Private Equity
9. Equity Partners
10. Gresham Private Equity
11. Hastings Funds Management
12. Deutsche Asset Management
13. Rothschild Bioscience Managers
14. Foundation Management
15. Nanyang Ventures
16. Business Management Limited
17. Macquarie Technology Ventures
18. Macquarie Specialised Asset Management
19. AMP Australia Pacific Airports Trust
20. AMP Private Power Trust
21. DB Capital Partners – Infrastructure

Note 2 – Alternative International Investments - Various (3 managers)

1. Wilshire Private Markets Group
2. Harbour Vest Partners
3. Abbott Capital Management

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

Supplementary Estimates Hearings 2002-2003 – 20 November 2002

Note 3 – Australian Alternative Property - Various (3 managers)

1. Charter Hall / AMP (Note that two separate funds are invested in)
2. Lend Lease Real Estate Partners

Note 4 - International Alternative Property - Various (3 managers)

1. AMP Henderson / GRA
2. Lend Lease Real Estate Investments
3. Fiduciary Trust Company International

Since 30 June 2002, the following managers have been terminated due to a restructure of the manager configuration and/or poor performance:

Australian Shares	Westpeak Investment Advisors (Australia) Limited
International Shares	ABN AMRO Asset Management (Australia) Limited
	Merrill Lynch Investment Management plc
	JP Morgan Investment Management Inc.
Currency Overlay	Pareto Partners

The Funds have engaged the following new managers since 30/6/02:

Australian Shares	Barclays Global Investors
	Concord Capital
	GMO Australia
	Investors Mutual
	JB Were
Australian Shares (Alternative Investments)	Grant Samuel Corporate Finance
International Bonds	State Street Global Advisors
Currency Overlay	State Street Global Advisors