

# funds review

June 2008

Reporting the Performance of the Ventura Wholesale Funds

Order Ref No. FR - 110W

## Performance of the Ventura funds

Ventura Wholesale Fund* as at 30 June 2008	3 Months (%)	1 Year (% p.a.)	3 Years (% p.a.)	Since Inception (% p.a.)
Australian Shares	-2.07	-14.47	9.88	11.00
Australian Opportunities	-4.20	-17.90	8.93	9.24
International Shares	-7.19	-22.49	-0.31	-2.86
Capital Stable	-1.12	-3.76	4.30	5.34
Diversified 50	-2.48	-8.60	4.28	5.62
Growth 70	-3.24	-12.65	4.78	5.86

\* The returns shown above are net of ongoing fees and charges and assume reinvestment of distributions. Past performance is not a reliable indicator of future performance.

Most investors agree that diversifying reduces risk. The investment strategy for the Ventura Funds goes further: in addition to diversifying across asset classes, Russell (the investment manager of the Portfolios) diversifies across multiple styles and multiple specialist managers.

**Multi Asset** – for risk control at total portfolio level

**Multi Style** – for consistent performance in dynamic market environments

**Multi Manager** – for specialist expertise within each portfolio segment

This is a sophisticated investment approach that can only be implemented by large investors with the resources to monitor sizeable teams of managers.

Over 20 years ago, Russell created a solution that enables investors of all sizes to benefit from this proven approach - multi manager funds. This Review provides information on the full range of Russell Funds available to investors in Australia.

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Manager Commentaries

*"The past 8 months have been amongst the most volatile of the last 20 years and have led many asset classes to post negative returns on an annual basis. Nonetheless, investors should be reminded that equity market corrections are a natural part of being a long term investor."*

**Jake Ireland**

Business Development Manager (Vic)  
Russell Investments

# Ventura Australian Shares Fund

APIR Code: RIM0021AU

**FUND INCEPTION:** 04 April 2002**TOTAL FUND ASSETS<sup>1</sup>:** \$115.22m'**FUND OBJECTIVE**

- To provide exposure to a diversified portfolio of Australian shares.
- To aim to provide a total return, before costs and tax, higher than the S&P/ASX 300 Accumulation Index, over the long term., and a total return, before costs and tax, that outperforms the S&P/ASX 300 Accumulation Index, over the long term.

**FUND COMMENT**

The Fund returned -2.1% for the quarter. The Fund marginally underperformed the benchmark in the second quarter. A heavy underweight to the property sector continued to benefit the fund, as the sector failed to find support amid higher bond yields, asset sales and depressed earning outlook. Furthermore, a short position in the embattled Babcock and Brown (-49.1%) proved beneficial as the stock attracted strong short selling interest due to debt refinancing concerns. However, this was offset by an underweight to Fortescue Mining (+82.8%), which continued to find momentum in the market after delivering its first iron consignment and due to speculation that Chinese steel company, Sinosteel, may buy a stake in the company.

**INVESTMENT PERFORMANCE<sup>1</sup>**

Period Ending 30 June 2008

Quarter	-2.1
1 year	-14.5
2 years	3.9
3 years	9.9
4 years	14.0
5 years	15.2
6 years	11.9
Since Inception	11.0

*Past performance is not a reliable indicator of future performance.*

**FOOTNOTES**

<sup>1</sup> Fund performance is net of all ongoing fees and charges. Assumes reinvestment of distributions.

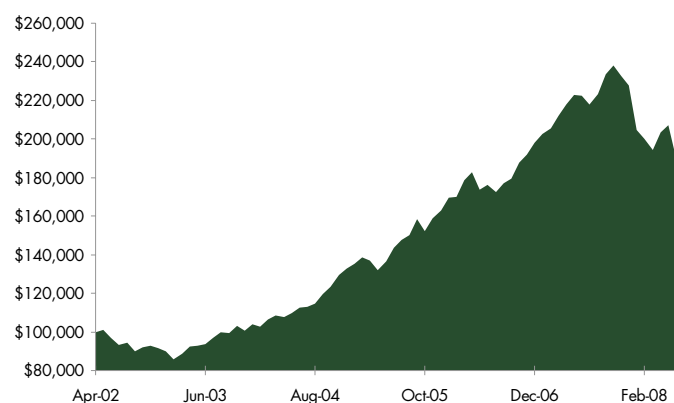
MANAGER	WEIGHT	STYLE	COMMENT
Balanced Equity Management	17.5%	Large Cap	BEM lagged the benchmark. A significant sector bet against the beleaguered Property sector provided strong value as LPTs continue to be hampered by refinancing issues, higher bond yields and depressed earning outlook. This was offset by an underweight to Fortescue Metals (82.8%).
Bernstein	10.0%	Value	Bernstein was added to the Fund during the quarter.
Fortis Investments	15.0%	Sustainable Growth	Fortis underperformed the benchmark as an underweight to Energy was a major headwind. Energy powered forward on the back of record high oil and coal prices. Strong stock selection in the Property sector was beneficial.
Karara Capital	10.0%	Moderate Growth	Karara outperformed the benchmark. Minimal holdings in the Property sector was a positive, and strong stock picks within the Transportation industry added value. However, an underweight to Origin Energy (76%) detracted value as the stock advanced after a takeover offer from British Gas.
MIR	15.0%	Value	MIR strongly outperformed the market, largely thanks to a significant overweight to the Energy sector which steamed ahead as oil prices climbed to record highs. However, a sector bet to Banks dragged on relative performance as, on the back of wider credit spreads and revitalised bad-debt woes, the sector weakened in line with other Financials.
Orion Asset Management	15.0%	Moderate Growth	Orion exceeded the benchmark. An underweight to LPTs and real estate developers added strong value, as they lagged the broader market amid weakening global and local economic data. This was partially offset by poor stock selection within the Energy sector.
Perennial Value	12.5%	Relative Value	Perennial exceeded the benchmark. No holdings in the Property sector significantly benefited relative performance as the sector continued to fall deeper into negative territory during the quarter. However, a preference towards Media stocks detracted value as this cyclical sector weakened in July amid softening economic data.
Select Holdings	5.0%	Concentrated	Select Holdings strongly outperformed the benchmark. Strong stock selection and an overweight to the Energy sector proved highly beneficial. However, a preference towards the Banking sector detracted value as global investor sentiment weakened in relation to Banking and Financials stocks.

MARKET EXPOSURE AS AT 30 JUNE 2008	%
Materials	32.2
Financials ex Property Trusts	29.6
Other	16.4
Energy	8.8
Industrials	7.3
Telecommunication Services	5.6

Due to rounding, these percentages may not total to 100%.

**TOP 10 HOLDINGS**

1. BHP Billiton Ltd.	6. Telstra Corp. Ltd.
2. National Australia Bank Ltd.	7. Commonwealth Bank of Australia
3. Westpac Banking Corp.	8. QBE Insurance Group Ltd.
4. Australia & New Zealand Banking Group Ltd.	9. Origin Energy Ltd.
5. Rio Tinto Ltd.	10. Woolworths Ltd.

**GROWTH OF \$100,000 AS AT 30 JUNE 2008<sup>1</sup>**

# Ventura Australian Opportunities Fund

APIR Code: RIM0033AU

**FUND INCEPTION:** 31 January 2005**TOTAL FUND ASSETS<sup>1</sup>:** \$22.45m<sup>1</sup>**FUND OBJECTIVE**

- To provide exposure to a diversified portfolio of Australian Shares.
- To significantly outperform the S&P/ASX 300 Accumulation Index, before costs and tax, over the long term

**FUND COMMENT**

The Fund returned -4.2% for the quarter. The Opportunities Fund underperformed the benchmark in the first quarter. An underweight to the Commonwealth Bank (-27.4%) and to the overall banking sector was a driver of significant value as higher funding costs, and increased provisions for loan losses took their toll on profits. Detracting value was an underweight to Woodside Petroleum (+9.2%) which posted strong returns in a comparatively abysmal market as a joint venture between QGC and British Gas is expected to improve its liquid natural gas (LNG) position. An underweight to Wesfarmers (+0.3%) also weakened relative performance, as the company posted a record interim profit, aided partly by its successful take-over of Coles.

**INVESTMENT PERFORMANCE<sup>1</sup>**

Period Ending 30 June 2008

Quarter	-4.2
1 year	-17.9
2 years	2.2
3 years	8.9
Since Inception	9.2

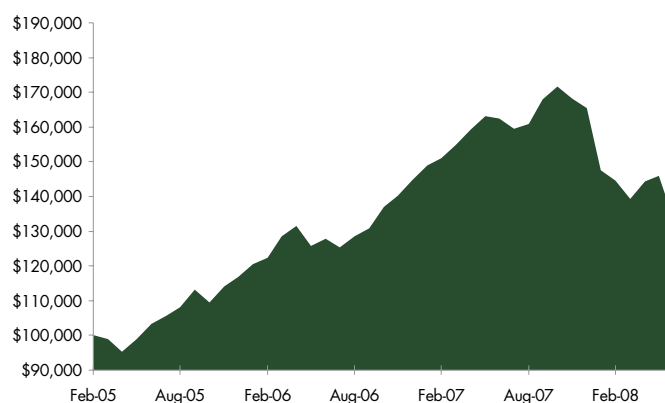
*Past performance is not a reliable indicator of future performance.***FOOTNOTES**<sup>1</sup> Fund performance is net of all ongoing fees and charges. Assumes reinvestment of distributions.**MARKET EXPOSURE AS AT 30 JUNE 2008** %

Materials	29.6
Financials ex Property Trusts	25.5
Other	19.8
Energy	8.9
Industrials	8.2
Consumer Discretionary	8.1

Due to rounding, these percentages may not total to 100%.

**TOP 10 HOLDINGS**

1. BHP Billiton Ltd.	6. Australia & New Zealand Banking Group Ltd.
2. National Australia Bank Ltd.	7. Woolworths Ltd.
3. Rio Tinto Ltd.	8. Commonwealth Bank of Australia
4. Westpac Banking Corp.	9. QBE Insurance Group Ltd.
5. Telstra Corp. Ltd.	10. Origin Energy Ltd.

**GROWTH OF \$100,000 AS AT 30 JUNE 2008<sup>1</sup>**

MANAGER	WEIGHT	STYLE	COMMENT
452	20.0%	Value - Benchmark Independent	452 Capital underperformed the benchmark this quarter. Aggressive overweights to Media stocks News Corp (-19.8%), APN Media (-32.1%) and Ten Network Holdings (-34.9%) detracted value from the portfolio. Strong stock selection in Financials helped reduce some of these negatives.
Fortis Investments	20.0%	Growth - Concentrated	Fortis lagged the market this quarter, primarily due to an underweight to Energy and overweight to Media. Holdings in Healthcare stocks ResMed (-19.7%) and Primary Healthcare (-14.1%) detracted as the whole sector began to feel the effects of the stronger AUD and surfacing regulatory issues in the US.
JM	5.0%	Growth - Small Companies	JM underperformed the Small Ordinaries Index, with small caps lagging the broader market for the quarter. Underweight positions to Energy and Metals & Mining were strong detractors. An overweight to pharmaceutical company Acrux Ltd (26.4%) returned value after it surged following the completion of testing trials a product.
L1 Capital	5.0%	Style Neutral: Opportunistic	L1 Capital was introduced to the Fund during this quarter.
MIR	15.0%	Large Cap Value - Long/Short	MIR strongly outperformed the benchmark over the second quarter. An aggressive overweight to Energy combined with strong stock selection in the Property sector produced large value for the portfolio. An overweight to Banks contributed negatively as the sector continued to feel the flow on effects from the credit crunch and the feeling of uncertainty amongst investors.
Plato	15.0%	Large Cap Value - Long/Short	Plato outperformed this quarter with strong stock selection in Capital Goods and Banks. Also, an overweight to Materials company Incitec Pivot (32.6%) contributed positively on the back of rising global demand for fertilizers. Some performance was negated by the weak stock selection in Gold stocks.
Quest Asset Partners	20.0%	Growth - Concentrated Absolute Return	Quest outperformed the benchmark this quarter. Overweights to Energy and Gold were the primary drivers of performance for the period. Continuing underweights to the Property sector further contributed to the result. An overweight to James Hardie (-31.3%) detracted some value from the portfolio.

# Ventura International Shares Fund

APIR Code: RIM0022AU

**FUND INCEPTION:** 27 March 2002**TOTAL FUND ASSETS<sup>1</sup>:** \$51.89m<sup>1</sup>**FUND OBJECTIVE**

- To provide exposure to a diversified portfolio of international shares.
- To aim to provide a total return, before costs and tax, higher than the MSCI World Net Dividends Reinvested Accumulation Index, over the long term.

**FUND COMMENT**

The Fund returned -7.2% for the quarter. The Fund lagged the benchmark during the second quarter as only two of the six managers in the Fund outperformed. Weak Stock Selection in Canada was a primary driver of this quarter's result. Underweights to Financials and Industrials have helped negate some of the negative performance.

The Australian Dollar was stronger against all the major currencies except for the Euro, where it fell 1.2%. The AUD rose 2.5% against the US Dollar and British Pound for the second quarter while performing much stronger versus the Canadian Dollar and Japanese Yen which was up 6.3% and 4.5% respectively.

**INVESTMENT PERFORMANCE<sup>1</sup>**

Period Ending 30 June 2008

Quarter	-7.2
1 year	-22.5
2 years	-9.4
3 years	-0.3
4 years	-0.2
5 years	3.4
6 years	-0.8
Since Inception	-2.9

*Past performance is not a reliable indicator of future performance.*

**FOOTNOTES**

<sup>1</sup> Fund performance is net of all ongoing fees and charges. Assumes reinvestment of distributions.

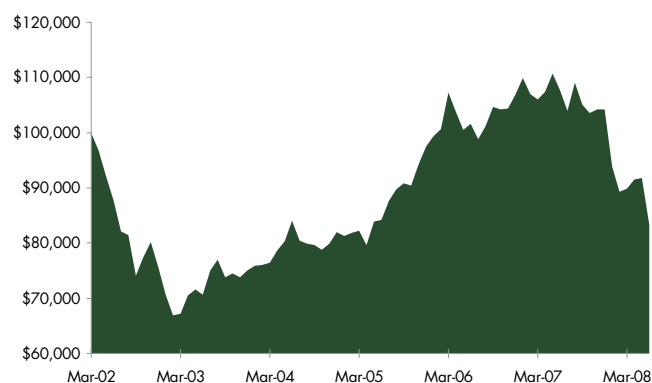
**MARKET EXPOSURE AS AT 30 JUNE 2008**

	%
Financials	15.4
Information Technology	13.7
Energy	13.3
Industrials	12.1
Health Care	9.3
Materials	8.9
Consumer Staples	8.8
Consumer Discretionary	8.7
Telecommunication Services	5.7
Utilities	4.1
UnAssigned	0.1

Due to rounding, these percentages may not total to 100%.

**TOP 10 HOLDINGS**

1. Exxon Mobil Corp.	6. McDonald's Corp.
2. Hewlett-Packard Co.	7. Goldman Sachs Group Inc.
3. Google Inc. (CI A)	8. Apple Inc.
4. Nestle S.A.	9. Vodafone Group PLC
5. Total S.A.	10. Nippon Telegraph & Telephone Corp.

**GROWTH OF \$100,000 AS AT 30 JUNE 2008<sup>1</sup>**

MANAGER	WEIGHT	STYLE	COMMENT
Bernstein	15.0%	Value	Bernstein lagged the benchmark this quarter despite benefiting from an aggressive overweight to Energy. Performance detraction came mainly from an exposure to commercial banks. The performance was eased by the position in Vallourec (41.9%) which benefited from increased demand for industrial drilling components.
ClariVest	25.0%	Core Value	ClariVest outperformed the benchmark this quarter. Of benefit was an overweight to Nippon Telegraph & Telephone which soared after it announced a 22% increase in dividends and a share buyback scheme. Weak stock selection in Healthcare detracted from returns.
ICAP	17.0%	Value	ICAP underperformed the MSCI US Index as an overweight to General Electric, which faces various earning headwinds connected to the slowing US economy, detracted. However, this was partially offset by strong stock selection within Healthcare. In particular an overweight to Wyeth proved valuable, as the stock gained ground after its Relistor received approval across various European Union countries.
Marsico	15.0%	Growth	Marsico was added to the Fund in June, replacing Alliance Bernstein's growth portfolio.
MFS	15.0%	Growth	MFS underperformed - underweights to Metals & Mining detracted value as the industry benefited from unwavering demand for commodities. No exposure to Energy giants BP and Shell negatively contributed as oil prices continue to increase. Underweights to Financials and strong stock selection in Information Technology returned some value.
Turner	13.0%	Growth	The manager outperformed the MSCI US index. A significant underweight to Financials aided relative performance as the sector relapsed into weak territory as a number of banks reported further write-downs and credit spreads continued to widen. However, an overweight to Consumer Discretionary did not fair well, as the cyclical sector weakened on the back of softening US economic data.

# Ventura Capital Stable Fund

APIR Code: RIM0018AU



## FUND INCEPTION: 17 April 2002

### INVESTMENT OBJECTIVE

To provide investors with income and some medium term capital growth with low volatility through exposure to a diversified investment portfolio.

### FUND COMMENT

- The Ventura Capital Stable Fund delivered a -1.1% return for the June quarter.
- Stock selection in Canada detracted value from International equities, but this was partially offset by underweight positions in Financials and Industrials.
- While the underweight to the Property sector continued to add value in Australian equities, an underweight to Fortescue Mining detracted value over the quarter.
- Australian bond performance was in line with the benchmark over the quarter, with the added value from the Fund's swap spread positions and credit strategies being offset by the Fund's interest rate positioning.
- International bonds detracted value over the quarter despite the added value gained through the Fund's overweight position to credit.
- International property added value over the quarter with stock selection in Japan, Singapore and the US contributing, as did the overweight position in the Speciality sector and the underweight position in the Lodging/Resort sector.

### INVESTMENT PERFORMANCE<sup>2</sup>

Period Ending 30 June 2008

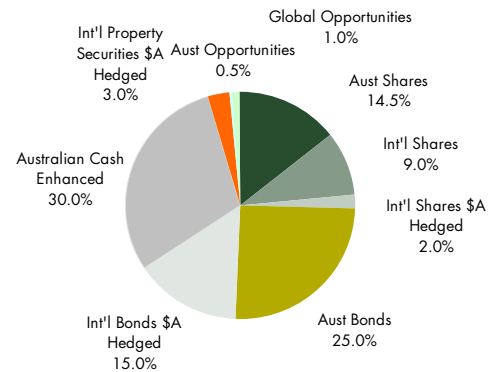
Quarter	-1.1
1 year	-3.8
2 years	2.2
3 years	4.3
4 years	5.6
5 years	6.1
6 years	5.6
Since Inception	5.3

*Past performance is not a reliable indicator of future performance.*

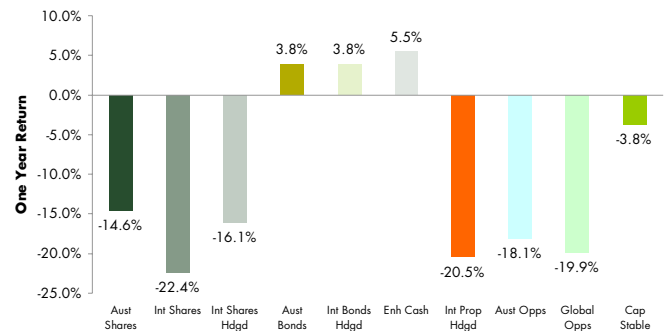
### TOP 10 SHARE HOLDINGS

Australian Shares	International Shares
BHP Billiton Ltd.	Exxon Mobil Corp.
National Australia Bank Ltd.	Hewlett-Packard Co.
Westpac Banking Corp.	Google Inc. (Cl A)
Australia & New Zealand Banking Group Ltd.	Nestle S.A.
Rio Tinto Ltd.	Total S.A.
Telstra Corp. Ltd.	McDonald's Corp.
Commonwealth Bank of Australia	Goldman Sachs Group Inc.
QBE Insurance Group Ltd.	Apple Inc.
Origin Energy Ltd.	Vodafone Group PLC
Woolworths Ltd.	Nippon Telegraph & Telephone Corp.

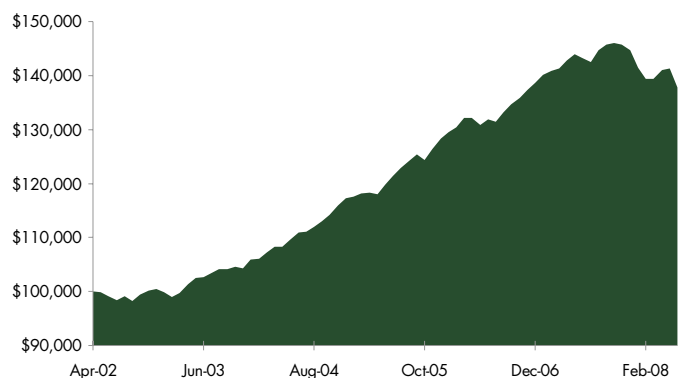
### STRATEGIC ASSET ALLOCATION



### PERFORMANCE OF UNDERLYING ASSET SECTORS<sup>1</sup>



### GROWTH OF \$100,000 AS AT 30 JUNE 2008<sup>2</sup>



### FOOTNOTES

<sup>1</sup> Performance is net of all ongoing fees and charges at the underlying asset sector level. Assumes reinvestment of distributions.

<sup>2</sup> Fund performance is net of all ongoing fees and charges. Assumes reinvestment of distributions.

# Ventura Capital Stable Fund

APIR Code: RIM0018AU



## HOW \$100,000 IS DIVERSIFIED ACROSS MULTIPLE MANAGERS

MULTI ASSET	MULTI STYLE	MULTI MANAGER	%	\$
<b>Australian Shares</b>	<b>Large Cap</b>	<b>Balanced Equity Management</b>	<b>2.5</b>	<b>\$ 2537</b>
	<b>Value</b>	<b>Bernstein</b>	<b>1.5</b>	<b>\$ 1450</b>
	<b>Growth</b>	<b>Fortis Investments</b>	<b>2.2</b>	<b>\$ 2175</b>
	<b>Style Neutral</b>	<b>Karara Capital</b>	<b>1.5</b>	<b>\$ 1450</b>
	<b>Deep Value</b>	<b>MIR</b>	<b>2.2</b>	<b>\$ 2175</b>
	<b>Moderate Growth</b>	<b>Orion Asset Management</b>	<b>2.2</b>	<b>\$ 2175</b>
	<b>Relative Value</b>	<b>Perennial Value</b>	<b>1.8</b>	<b>\$ 1812</b>
	<b>Concentrated</b>	<b>Select Holdings</b>	<b>0.7</b>	<b>\$ 725</b>
<b>International Shares</b>	<b>Value</b>	<b>Bernstein</b>	<b>1.7</b>	<b>\$ 1650</b>
	<b>Core Value</b>	<b>ClariVest</b>	<b>2.8</b>	<b>\$ 2750</b>
	<b>Value</b>	<b>ICAP</b>	<b>1.9</b>	<b>\$ 1870</b>
	<b>Growth</b>	<b>Marsico</b>	<b>1.7</b>	<b>\$ 1650</b>
	<b>Growth</b>	<b>MFS</b>	<b>1.7</b>	<b>\$ 1650</b>
	<b>Growth</b>	<b>Turner</b>	<b>1.4</b>	<b>\$ 1430</b>
<b>International Property Securities</b>	<b>Value (North America)</b>	<b>AEW</b>	<b>0.8</b>	<b>\$ 840</b>
	<b>Market - Oriented (Global ex</b>	<b>Invesco</b>	<b>0.9</b>	<b>\$ 900</b>
	<b>Value (Europe &amp; Asia)</b>	<b>Morgan Stanley</b>	<b>0.7</b>	<b>\$ 660</b>
	<b>Total Return</b>	<b>Perennial Value</b>	<b>0.6</b>	<b>\$ 600</b>
<b>Australian Bonds</b>	<b>Core Market Dynamics</b>	<b>Credit Suisse</b>	<b>8.6</b>	<b>\$ 8625</b>
	<b>Core Plus Credit Enhancement</b>	<b>PIMCO</b>	<b>10.0</b>	<b>\$ 10000</b>
	<b>Core Value</b>	<b>UBS</b>	<b>6.4</b>	<b>\$ 6375</b>
<b>International Bonds \$A Hedged</b>	<b>Macro Value</b>	<b>Colchester</b>	<b>2.9</b>	<b>\$ 2925</b>
	<b>Global Core Plus</b>	<b>Drake Capital Management LLC</b>	<b>3.8</b>	<b>\$ 3750</b>
	<b>Core Global</b>	<b>Loomis Sayles</b>	<b>4.5</b>	<b>\$ 4500</b>
	<b>Sector Specialist</b>	<b>PIMCO</b>	<b>3.8</b>	<b>\$ 3825</b>
<b>Australian Cash Enhanced</b>	<b>Cash Management Enhanced</b>	<b>Perpetual</b>	<b>29.8</b>	<b>\$ 30000</b>
<b>Australian Opportunities</b>	<b>Value - Benchmark Independent</b>	<b>452</b>	<b>0.1</b>	<b>\$ 100</b>
	<b>Growth - Concentrated</b>	<b>Fortis Investments</b>	<b>0.1</b>	<b>\$ 100</b>
	<b>Growth - Small Companies</b>	<b>JM</b>	<b>0.0</b>	<b>\$ 25</b>
	<b>Style Neutral: Opportunistic</b>	<b>L1 Capital</b>	<b>0.0</b>	<b>\$ 25</b>
	<b>Large Cap Value - Long/Short</b>	<b>MIR</b>	<b>0.1</b>	<b>\$ 75</b>
	<b>Large Cap Value - Long/Short</b>	<b>Plato</b>	<b>0.1</b>	<b>\$ 75</b>
	<b>Growth - Concentrated Absolute</b>	<b>Quest Asset Partners</b>	<b>0.1</b>	<b>\$ 100</b>
<b>Global Opportunities</b>	<b>Market - Oriented (Global)</b>	<b>Arrowstreet</b>	<b>0.3</b>	<b>\$ 250</b>
	<b>Growth (Global) Benchmark</b>	<b>Axiom</b>	<b>0.1</b>	<b>\$ 100</b>
	<b>Value (Global)</b>	<b>Harris</b>	<b>0.1</b>	<b>\$ 100</b>
	<b>Growth (Global)</b>	<b>MFS</b>	<b>0.3</b>	<b>\$ 300</b>
	<b>Growth</b>	<b>T.Rowe Price International</b>	<b>0.3</b>	<b>\$ 250</b>

Due to rounding, these percentages may not total to 100%.

# Ventura Diversified 50 Fund

APIR Code: RIM0019AU



**FUND INCEPTION:** 4 April 2002

**INVESTMENT OBJECTIVE**

To provide investors with a mix of both medium term capital growth and income through exposure to a diversified investment portfolio.

**FUND COMMENT**

- The Ventura Diversified 50 Fund delivered a -2.5% return for the June quarter.
- Stock selection in Canada detracted value from International equities, but this was partially offset by underweight positions in Financials and Industrials.
- While the underweight to the Property sector continued to add value in Australian equities, an underweight to Fortescue Mining detracted value over the quarter.
- Australian bond performance was in line with the benchmark over the quarter, with the added value from the Fund's swap spread positions and credit strategies being offset by the Fund's interest rate positioning.
- International bonds detracted value over the quarter despite the added value gained through the Fund's overweight position to credit.

**INVESTMENT PERFORMANCE<sup>2</sup>**

Period Ending 30 June 2008

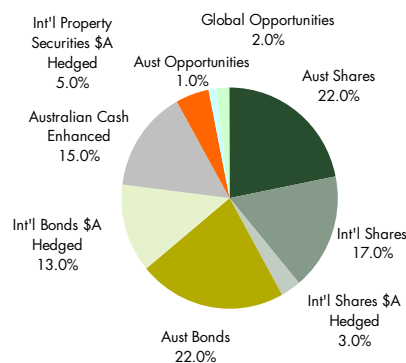
Quarter	-2.5
1 year	-8.6
2 years	0.8
3 years	4.3
4 years	6.0
5 years	7.0
6 years	6.1
Since Inception	5.6

*Past performance is not a reliable indicator of future performance.*

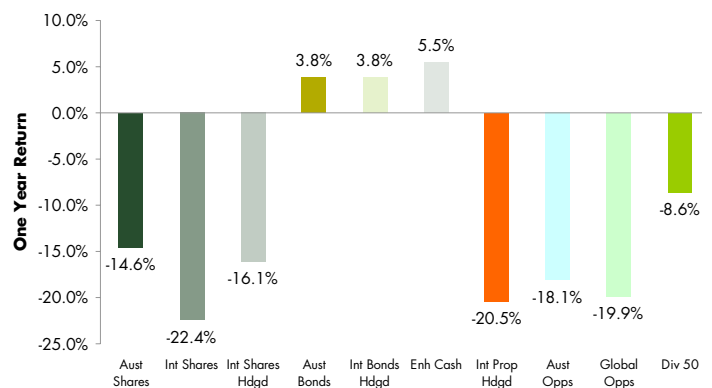
**TOP 10 SHARE HOLDINGS**

Australian Shares	International Shares
BHP Billiton Ltd.	Exxon Mobil Corp.
National Australia Bank Ltd.	Hewlett-Packard Co.
Westpac Banking Corp.	Google Inc. (Cl A)
Australia & New Zealand Banking Group Ltd.	Nestle S.A.
Rio Tinto Ltd.	Total S.A.
Telstra Corp. Ltd.	McDonald's Corp.
Commonwealth Bank of Australia	Goldman Sachs Group Inc.
QBE Insurance Group Ltd.	Apple Inc.
Origin Energy Ltd.	Vodafone Group PLC
Woolworths Ltd.	Nippon Telegraph & Telephone Corp.

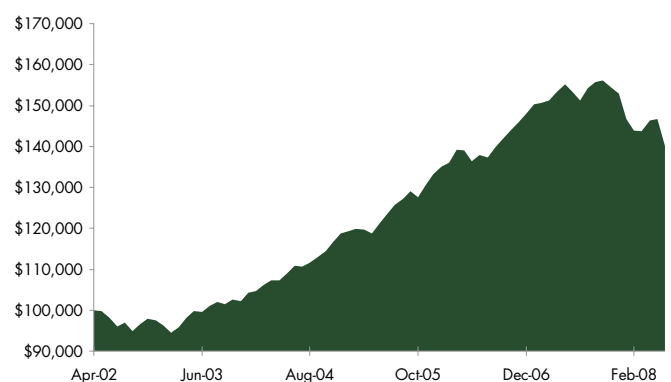
**STRATEGIC ASSET ALLOCATION**



**PERFORMANCE OF UNDERLYING ASSET SECTORS<sup>1</sup>**



**GROWTH OF \$100,000 AS AT 30 JUNE 2008<sup>2</sup>**



**FOOTNOTES**

<sup>1</sup> Performance is net of all ongoing fees and charges at the underlying asset sector level. Assumes reinvestment of distributions.

<sup>2</sup> Fund performance is net of all ongoing fees and charges. Assumes reinvestment of distributions.

# Ventura Diversified 50 Fund

APIR Code: RIM0019AU



## HOW \$100,000 IS DIVERSIFIED ACROSS MULTIPLE MANAGERS

MULTI ASSET	MULTI STYLE	MULTI MANAGER	%	\$
<b>Australian Shares</b>	<b>Large Cap</b>	<b>Balanced Equity Management</b>	<b>3.9</b>	<b>\$ 3850</b>
	<b>Value</b>	<b>Bernstein</b>	<b>2.2</b>	<b>\$ 2200</b>
	<b>Growth</b>	<b>Fortis Investments</b>	<b>3.3</b>	<b>\$ 3300</b>
	<b>Style Neutral</b>	<b>Karara Capital</b>	<b>2.2</b>	<b>\$ 2200</b>
	<b>Deep Value</b>	<b>MIR</b>	<b>3.3</b>	<b>\$ 3300</b>
	<b>Moderate Growth</b>	<b>Orion Asset Management</b>	<b>3.3</b>	<b>\$ 3300</b>
	<b>Relative Value</b>	<b>Perennial Value</b>	<b>2.8</b>	<b>\$ 2750</b>
	<b>Concentrated</b>	<b>Select Holdings</b>	<b>1.1</b>	<b>\$ 1100</b>
<b>International Shares</b>	<b>Value</b>	<b>Bernstein</b>	<b>3.0</b>	<b>\$ 3000</b>
<b>International Shares \$A Hedged</b>	<b>Core Value</b>	<b>ClariVest</b>	<b>5.0</b>	<b>\$ 5000</b>
	<b>Value</b>	<b>ICAP</b>	<b>3.4</b>	<b>\$ 3400</b>
	<b>Growth</b>	<b>Marsico</b>	<b>3.0</b>	<b>\$ 3000</b>
	<b>Growth</b>	<b>MFS</b>	<b>3.0</b>	<b>\$ 3000</b>
	<b>Growth</b>	<b>Turner</b>	<b>2.6</b>	<b>\$ 2600</b>
<b>International Property Securities</b>	<b>Value (North America)</b>	<b>AEW</b>	<b>1.4</b>	<b>\$ 1400</b>
	<b>Market - Oriented (Global ex Aust)</b>	<b>Invesco</b>	<b>1.5</b>	<b>\$ 1500</b>
	<b>Value (Europe &amp; Asia)</b>	<b>Morgan Stanley</b>	<b>1.1</b>	<b>\$ 1100</b>
	<b>Total Return</b>	<b>Perennial Value</b>	<b>1.0</b>	<b>\$ 1000</b>
<b>Australian Bonds</b>	<b>Core Market Dynamics</b>	<b>Credit Suisse</b>	<b>7.6</b>	<b>\$ 7590</b>
	<b>Core Plus Credit Enhancement</b>	<b>PIMCO</b>	<b>8.8</b>	<b>\$ 8800</b>
	<b>Core Value</b>	<b>UBS</b>	<b>5.6</b>	<b>\$ 5610</b>
<b>International Bonds \$A Hedged</b>	<b>Macro Value</b>	<b>Colchester</b>	<b>2.5</b>	<b>\$ 2535</b>
	<b>Global Core Plus</b>	<b>Drake Capital Management LLC</b>	<b>3.3</b>	<b>\$ 3250</b>
	<b>Core Global</b>	<b>Loomis Sayles</b>	<b>3.9</b>	<b>\$ 3900</b>
	<b>Sector Specialist</b>	<b>PIMCO</b>	<b>3.3</b>	<b>\$ 3315</b>
<b>Australian Cash Enhanced</b>	<b>Cash Management Enhanced</b>	<b>Perpetual</b>	<b>14.8</b>	<b>\$ 15000</b>
<b>Australian Opportunities</b>	<b>Value - Benchmark Independent</b>	<b>452</b>	<b>0.2</b>	<b>\$ 200</b>
	<b>Growth - Concentrated</b>	<b>Fortis Investments</b>	<b>0.2</b>	<b>\$ 200</b>
	<b>Growth - Small Companies</b>	<b>JM</b>	<b>0.1</b>	<b>\$ 50</b>
	<b>Style Neutral: Opportunistic</b>	<b>L1 Capital</b>	<b>0.1</b>	<b>\$ 50</b>
	<b>Large Cap Value - Long/Short</b>	<b>MIR</b>	<b>0.2</b>	<b>\$ 150</b>
	<b>Large Cap Value - Long/Short</b>	<b>Plato</b>	<b>0.2</b>	<b>\$ 150</b>
	<b>Growth - Concentrated Absolute</b>	<b>Quest Asset Partners</b>	<b>0.2</b>	<b>\$ 200</b>
<b>Global Opportunities</b>	<b>Market - Oriented (Global)</b>	<b>Arrowstreet</b>	<b>0.5</b>	<b>\$ 500</b>
	<b>Growth (Global) Benchmark</b>	<b>Axiom</b>	<b>0.2</b>	<b>\$ 200</b>
	<b>Value (Global)</b>	<b>Harris</b>	<b>0.2</b>	<b>\$ 200</b>
	<b>Growth (Global)</b>	<b>MFS</b>	<b>0.6</b>	<b>\$ 600</b>
	<b>Growth</b>	<b>T.Rowe Price International</b>	<b>0.5</b>	<b>\$ 500</b>

Due to rounding, these percentages may not total to 100%.

# Ventura Growth 70 Fund

APIR Code: RIM0020AU



**FUND INCEPTION:** 16 April 2002

**INVESTMENT OBJECTIVE**

To provide investors with medium term capital growth and some income through exposure to a diversified investment portfolio.

**FUND COMMENT**

- The Ventura Growth 70 Fund delivered a -3.2% return for the June quarter. In International equities stock selection in Canada detracted value, but this was partially offset by underweight positions in Financials and Industrials. By contrast the Global Opportunities fund outperformed due to an underweight to Financials and stock selection in Technology stocks.
- While the underweight to the Property sector continued to add value in Australian equities, an underweight to Fortescue Mining detracted value over the quarter.
- International property added value over the quarter with stock selection in Japan, Singapore and the US contributing, as did the overweight position in the Speciality sector and the underweight position in the Lodging/Resort sector.
- Australian bond performance was in line with the benchmark over the quarter, with the added value from the Fund's swap spread positions and credit strategies being offset by the Fund's interest rate positioning.

**INVESTMENT PERFORMANCE<sup>2</sup>**

Period Ending 30 June 2008

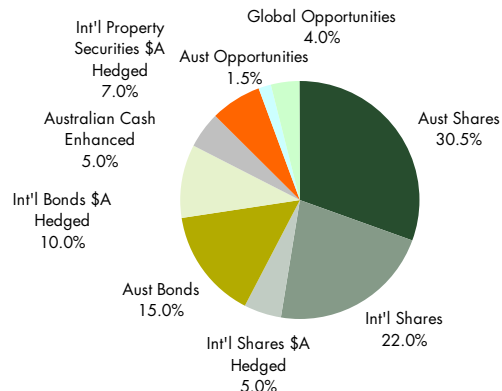
Quarter	-3.2
1 year	-12.6
2 years	-0.1
3 years	4.8
4 years	6.9
5 years	8.4
6 years	6.6
Since Inception	5.9

*Past performance is not a reliable indicator of future performance.*

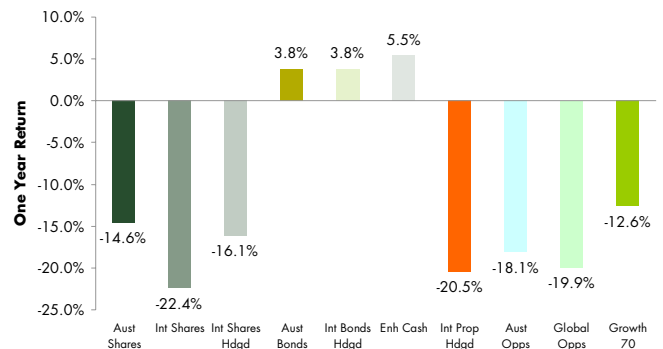
**TOP 10 SHARE HOLDINGS**

Australian Shares	International Shares
BHP Billiton Ltd.	Exxon Mobil Corp.
National Australia Bank Ltd.	Hewlett-Packard Co.
Westpac Banking Corp.	Google Inc. (Cl A)
Australia & New Zealand Banking Group Ltd.	Nestle S.A.
Rio Tinto Ltd.	Total S.A.
Telstra Corp. Ltd.	McDonald's Corp.
Commonwealth Bank of Australia	Goldman Sachs Group Inc.
QBE Insurance Group Ltd.	Apple Inc.
Origin Energy Ltd.	Vodafone Group PLC
Woolworths Ltd.	Nippon Telegraph & Telephone Corp.

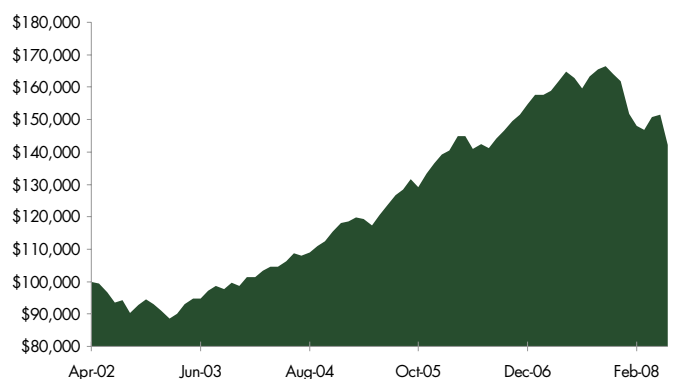
**STRATEGIC ASSET ALLOCATION**



**PERFORMANCE OF UNDERLYING ASSET SECTORS<sup>1</sup>**



**GROWTH OF \$100,000 AS AT 30 JUNE 2008<sup>2</sup>**



**FOOTNOTES**

- <sup>1</sup> Performance is net of all ongoing fees and charges at the underlying asset sector level. Assumes reinvestment of distributions.
- <sup>2</sup> Fund performance is net of all ongoing fees and charges. Assumes reinvestment of distributions.

# Ventura Growth 70 Fund

APIR Code: RIM0020AU



## HOW \$100,000 IS DIVERSIFIED ACROSS MULTIPLE MANAGERS

MULTI ASSET	MULTI STYLE	MULTI MANAGER	%	\$
<b>Australian Shares</b>	<b>Large Cap</b>	<b>Balanced Equity Management</b>	<b>5.3</b>	<b>\$ 5337</b>
	<b>Value</b>	<b>Bernstein</b>	<b>3.1</b>	<b>\$ 3050</b>
	<b>Growth</b>	<b>Fortis Investments</b>	<b>4.6</b>	<b>\$ 4575</b>
	<b>Style Neutral</b>	<b>Karara Capital</b>	<b>3.1</b>	<b>\$ 3050</b>
	<b>Deep Value</b>	<b>MIR</b>	<b>4.6</b>	<b>\$ 4575</b>
	<b>Moderate Growth</b>	<b>Orion Asset Management</b>	<b>4.6</b>	<b>\$ 4575</b>
	<b>Relative Value</b>	<b>Perennial Value</b>	<b>3.8</b>	<b>\$ 3812</b>
	<b>Concentrated</b>	<b>Select Holdings</b>	<b>1.5</b>	<b>\$ 1525</b>
<b>International Shares</b>	<b>Value</b>	<b>Bernstein</b>	<b>4.1</b>	<b>\$ 4050</b>
<b>International Shares \$A Hedged</b>	<b>Core Value</b>	<b>ClariVest</b>	<b>6.8</b>	<b>\$ 6750</b>
	<b>Value</b>	<b>ICAP</b>	<b>4.6</b>	<b>\$ 4590</b>
	<b>Growth</b>	<b>Marsico</b>	<b>4.1</b>	<b>\$ 4050</b>
	<b>Growth</b>	<b>MFS</b>	<b>4.1</b>	<b>\$ 4050</b>
	<b>Growth</b>	<b>Turner</b>	<b>3.5</b>	<b>\$ 3510</b>
<b>International Property Securities</b>	<b>Value (North America)</b>	<b>AEW</b>	<b>2.0</b>	<b>\$ 1960</b>
	<b>Market - Oriented (Global ex Aust)</b>	<b>Invesco</b>	<b>2.1</b>	<b>\$ 2100</b>
	<b>Value (Europe &amp; Asia)</b>	<b>Morgan Stanley</b>	<b>1.5</b>	<b>\$ 1540</b>
	<b>Total Return</b>	<b>Perennial Value</b>	<b>1.4</b>	<b>\$ 1400</b>
<b>Australian Bonds</b>	<b>Core Market Dynamics</b>	<b>Credit Suisse</b>	<b>5.2</b>	<b>\$ 5175</b>
	<b>Core Plus Credit Enhancement</b>	<b>PIMCO</b>	<b>6.0</b>	<b>\$ 6000</b>
	<b>Core Value</b>	<b>UBS</b>	<b>3.8</b>	<b>\$ 3825</b>
<b>International Bonds \$A Hedged</b>	<b>Macro Value</b>	<b>Colchester</b>	<b>2.0</b>	<b>\$ 1950</b>
	<b>Global Core Plus</b>	<b>Drake Capital Management LLC</b>	<b>2.5</b>	<b>\$ 2500</b>
	<b>Core Global</b>	<b>Loomis Sayles</b>	<b>3.0</b>	<b>\$ 3000</b>
	<b>Sector Specialist</b>	<b>PIMCO</b>	<b>2.6</b>	<b>\$ 2550</b>
<b>Australian Cash Enhanced</b>	<b>Cash Management Enhanced</b>	<b>Perpetual</b>	<b>4.8</b>	<b>\$ 5000</b>
<b>Australian Opportunities</b>	<b>Value - Benchmark Independent</b>	<b>452</b>	<b>0.3</b>	<b>\$ 300</b>
	<b>Growth - Concentrated</b>	<b>Fortis Investments</b>	<b>0.3</b>	<b>\$ 300</b>
	<b>Growth - Small Companies</b>	<b>JM</b>	<b>0.1</b>	<b>\$ 75</b>
	<b>Style Neutral: Opportunistic</b>	<b>L1 Capital</b>	<b>0.1</b>	<b>\$ 75</b>
	<b>Large Cap Value - Long/Short</b>	<b>MIR</b>	<b>0.2</b>	<b>\$ 225</b>
	<b>Large Cap Value - Long/Short</b>	<b>Plato</b>	<b>0.2</b>	<b>\$ 225</b>
	<b>Growth - Concentrated Absolute</b>	<b>Quest Asset Partners</b>	<b>0.3</b>	<b>\$ 300</b>
	<b>Global Opportunities</b>	<b>Market - Oriented (Global)</b>	<b>Arrowstreet</b>	<b>1.0</b>
	<b>Growth (Global) Benchmark</b>	<b>Axiom</b>	<b>0.4</b>	<b>\$ 400</b>
	<b>Value (Global)</b>	<b>Harris</b>	<b>0.4</b>	<b>\$ 400</b>
	<b>Growth (Global)</b>	<b>MFS</b>	<b>1.2</b>	<b>\$ 1200</b>
	<b>Growth</b>	<b>T.Rowe Price International</b>	<b>1.0</b>	<b>\$ 1000</b>

Due to rounding, these percentages may not total to 100%.

# Manager Performance Commentary

## AUSTRALIAN SHARES

MANAGER	WEIGHT	STYLE	COMMENT
Balanced Equity Management	17.5%	Large Cap	BEM lagged the benchmark. A significant sector bet against the beleaguered Property sector provided strong value as LPTs continue to be hampered by refinancing issues, higher bond yields and depressed earning outlook. This was offset by an underweight to Fortescue Metals (82.8%).
Bernstein	10.0%	Value	Bernstein was added to the Fund during the quarter.
Fortis Investments	15.0%	Sustainable Growth	Fortis underperformed the benchmark as an underweight to Energy was a major headwind. Energy powered forward on the back of record high oil and coal prices. Strong stock selection in the Property sector was beneficial.
Karara Capital	10.0%	Moderate Growth	Karara outperformed the benchmark. Minimal holdings in the Property sector was a positive, and strong stock picks within the Transportation industry added value. However, an underweight to Origin Energy (76%) detracted value as the stock advanced after a takeover offer from British Gas.
MIR	15.0%	Value	MIR strongly outperformed the market, largely thanks to a significant overweight to the Energy sector which steamed ahead as oil prices climbed to record highs. However, a sector bet to Banks dragged on relative performance as, on the back of wider credit spreads and revitalised bad-debt woes, the sector weakened in line with other Financials.
Orion Asset Management	15.0%	Moderate Growth	Orion exceeded the benchmark. An underweight to LPTs and real estate developers added strong value, as they lagged the broader market amid weakening global and local economic data. This was partially offset by poor stock selection within the Energy sector.
Perennial Value	12.5%	Relative Value	Perennial exceeded the benchmark. No holdings in the Property sector significantly benefited relative performance as the sector continued to fall deeper into negative territory during the quarter. However, a preference towards Media stocks detracted value as this cyclical sector weakened in July amid softening economic data.
Select Holdings	5.0%	Concentrated	Select Holdings strongly outperformed the benchmark. Strong stock selection and an overweight to the Energy sector proved highly beneficial. However, a preference towards the Banking sector detracted value as global investor sentiment weakened in relation to Banking and Financials stocks.

## AUSTRALIAN OPPORTUNITIES

MANAGER	WEIGHT	STYLE	COMMENT
452	20.0%	Value - Benchmark Independent	452 Capital underperformed the benchmark this quarter. Aggressive overweights to Media stocks News Corp (-19.8%), APN Media (-32.1%) and Ten Network Holdings (-34.9%) detracted value from the portfolio. Strong stock selection in Financials helped reduce some of these negatives.
Fortis Investments	20.0%	Growth - Concentrated	Fortis lagged the market this quarter, primarily due to an underweight to Energy and overweight to Media. Holdings in Healthcare stocks ResMed (-19.7%) and Primary Healthcare (-14.1%) detracted as the whole sector began to feel the effects of the stronger AUD and surfacing regulatory issues in the US.
JM	5.0%	Growth - Small Companies	JM underperformed the Small Ordinaries Index, with small caps lagging the broader market for the quarter. Underweight positions to Energy and Metals & Mining were strong detractors. An overweight to pharmaceutical company Acrux Ltd (26.4%) returned value after it surged following the completion of testing trials a product.
L1 Capital	5.0%	Style Neutral: Opportunistic	L1 Capital was introduced to the Fund during this quarter.
MIR	15.0%	Large Cap Value - Long/Short	MIR strongly outperformed the benchmark over the second quarter. An aggressive overweight to Energy combined with strong stock selection in the Property sector produced large value for the portfolio. An overweight to Banks contributed negatively as the sector continued to feel the flow on effects from the credit crunch and the feeling of uncertainty amongst investors.
Plato	15.0%	Large Cap Value - Long/Short	Plato outperformed this quarter with strong stock selection in Capital Goods and Banks. Also, an overweight to Materials company Incitec Pivot (32.6%) contributed positively on the back of rising global demand for fertilizers. Some performance was negated by the weak stock selection in Gold stocks.
Quest Asset Partners	20.0%	Growth - Concentrated Absolute Return	Quest outperformed the benchmark this quarter. Overweights to Energy and Gold were the primary drivers of performance for the period. Continuing underweights to the Property sector further contributed to the result. An overweight to James Hardie (-31.3%) detracted some value from the portfolio.

# Manager Performance Commentary

## INTERNATIONAL SHARES

MANAGER	WEIGHT	STYLE	COMMENT
Bernstein	15.0%	Value	Bernstein lagged the benchmark this quarter despite benefiting from an aggressive overweight to Energy. Performance detraction came mainly from an exposure to commercial banks. The performance was eased by the position in Vallourec (41.9%) which benefited from increased demand for industrial drilling components.
ClariVest	25.0%	Core Value	ClariVest outperformed the benchmark this quarter. Of benefit was an overweight to Nippon Telegraph & Telephone which soared after it announced a 22% increase in dividends and a share buyback scheme. Weak stock selection in Healthcare detracted from returns.
ICAP	17.0%	Value	ICAP underperformed the MSCI US Index as an overweight to General Electric, which faces various earning headwinds connected to the slowing US economy, detracted. However, this was partially offset by strong stock selection within Healthcare. In particular an overweight to Wyeth proved valuable, as the stock gained ground after its Relistor received approval across various European Union countries.
Marsico	15.0%	Growth	Marsico was added to the Fund in June, replacing Alliance Bernstein's growth portfolio.
MFS	15.0%	Growth	MFS underperformed - underweights to Metals & Mining detracted value as the industry benefited from unwavering demand for commodities. No exposure to Energy giants BP and Shell negatively contributed as oil prices continue to increase. Underweights to Financials and strong stock selection in Information Technology returned some value.
Turner	13.0%	Growth	The manager outperformed the MSCI US index. A significant underweight to Financials aided relative performance as the sector relapsed into weak territory as a number of banks reported further write-downs and credit spreads continued to widen. However, an overweight to Consumer Discretionary did not fair well, as the cyclical sector weakened on the back of softening US economic data.

## GLOBAL OPPORTUNITIES

MANAGER	WEIGHT	STYLE	COMMENT
Arrowstreet	25.0%	Market - Oriented (Global) Quantitative	Quantitative manager Arrowstreet outperformed the benchmark. An overweight to Materials and underweight to Financials were large positive factors. Weak stock selection in Consumer Discretionary contributed negatively.
Axiom	10.0%	Growth (Global) Benchmark Insensitive	Axiom strongly outperformed the market this quarter with its holdings in Yara International and Mosaic contributing significantly to the outcome. Both companies benefited from the surging global demand in fertilisers. Strong stock selection within commercial banks further bolstered performance.
Harris	10.0%	Value (Global)	Harris underperformed this quarter. An aggressive overweight in capital markets companies (e.g. Credit Suisse, Morgan Stanley) was the key driver behind the result. These companies are plagued with problems in the credit markets. An overweight to Schering-Plough Corp returned value as the stock recovered from a dive last quarter following the failure of one its cholesterol lowering drug trials.
MFS	30.0%	Growth (Global)	An overweight to Consumer Staples drove MFS to underperform for the quarter. Despite holding some positive stocks such as Royal Dutch Shell and Chevron, an overall underweight to Energy also detracted value from the portfolio. An aggressive overweight to German pharmaceutical giant Merck produced positive value as the company announced strong first quarter results and increasing prescriptions of its latest drugs.
T.Rowe Price International	25.0%	Growth	T. Rowe Price outperformed the benchmark, as more cyclical sectors have outperformed the broader market. T. Rowe Price successfully identified surprises in companies like Google, Arch Coal and Julius Baer in a market where some investors believe expectations are irrationally high.

# Manager Performance Commentary

## INTERNATIONAL PROPERTY SECURITIES

MANAGER	WEIGHT	STYLE	COMMENT
AEW	28.0%	Value (North America)	AEW's underperformance was the result of strong stock selection in the Mixed Industrial/Office, Diversified and Specialty sectors being more than offset by weak stock selection in the Lodging/Resorts, Retail and Office sectors.
Invesco	30.0%	Market - Oriented (Global ex Aust)	INVESCO performed in line with the benchmark during the quarter. Stock selection was strongest in the US and Japan. Overall country allocation was negative, driven mostly by the overweight to the underperforming UK market.
Morgan Stanley	22.0%	Value (Europe & Asia)	Most of Morgan Stanley's underperformance came from both the overweight position to, and stock selection in, the UK. Stock selection in Singapore also detracted from performance.
Perennial Value	20.0%	Total Return	Stock selection in Japan, the US, Singapore and Hong Kong were the biggest contributors to Perennial's outperformance. Country positioning, especially the underweight to the underperforming UK market also benefited performance over the quarter.

## AUSTRALIAN BONDS

MANAGER	WEIGHT	STYLE	COMMENT
Credit Suisse	34.5%	Core Market Dynamics	Credit Suisse outperformed the benchmark for the quarter. The main contributors to return were the swap positions and to a lesser extent the relative value trades.
PIMCO	40.0%	Core Plus Credit Enhancement	PIMCO's front end yield curve strategies in the US and UK detracted from performance this quarter as these assets repriced significantly. An overweight to mortgages and underweight to government securities added value.
UBS	25.5%	Core Value	UBS underperformed mainly due to interest rate strategies - starting the quarter neutral on duration and adding to duration positions through the quarter.

## INTERNATIONAL BONDS

MANAGER	WEIGHT	STYLE	COMMENT
Colchester	19.5%	Macro Value	Colchester is a specialised boutique that concentrates on interest rate and currency strategies, and is structurally underweight the credit sector. Consequently, Colchester underperformed. An overweight position in the Yen and the Swiss Franc further detracted as risk appetite in currency markets increased during the quarter and these currencies suffered.
Drake Capital Management LLC	25.0%	Global Core Plus	Drake outperformed the benchmark. Performance was from a variety of sources including an overweight to the credit sector and corresponding underweight to US government bonds.
Loomis Sayles	30.0%	Core Global	Loomis is the expert on security selection in the Fund, and tends to perform well when corporates outperform. An overweight to high yield further contributed to returns.
PIMCO	25.5%	Sector Specialist	PIMCO is overweight financials as it believes that the credit crisis is largely priced in and there is value in this sector. Given that it is early stages of the economic slowdown, the manager is overweight to the higher end of the capital structure.

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