

The perils of market timing

ADVANCE

Last year's best performing asset class can easily become next year's worst, or vice versa. At Advance we focus on long-term performance through disciplined asset allocation and manager selection.

	Aust Shares	Int'l Shares	Property Securities	Aust Fixed Interest	Int'l Fixed Interest	Cash
31 December 1991	34.2%	20.9%	20.1%	24.7%	14.9%	11.2%
31 December 1992	-2.3%	5.4%	7.0%	10.4%	9.7%	6.9%
31 December 1993	45.4%	24.6%	30.1%	16.3%	14.5%	5.4%
31 December 1994	-8.7%	-7.6%	-5.6%	-4.7%	-3.5%	5.3%
31 December 1995	20.2%	26.5%	12.7%	18.6%	17.1%	8.0%
31 December 1996	14.6%	6.8%	14.5%	11.9%	7.6%	7.6%
31 December 1997	12.2%	41.7%	20.3%	12.2%	9.5%	5.6%
31 December 1998	11.6%	32.6%	18.0%	9.5%	10.1%	5.1%
31 December 1999	16.1%	17.5%	-5.0%	-1.2%	-1.2%	5.0%
31 December 2000	3.6%	2.5%	17.8%	12.0%	8.3%	6.2%
31 December 2001	10.1%	-9.4%	14.6%	5.5%	5.2%	5.3%
31 December 2002	-8.1%	-26.9%	11.8%	8.8%	8.5%	4.8%
31 December 2003	15.9%	0.0%	8.8%	3.0%	2.2%	4.9%
31 December 2004	27.6%	10.8%	32.0%	7.0%	4.9%	5.6%
31 December 2005	21.1%	17.6%	12.5%	5.8%	3.7%	5.7%
31 December 2006	25.0%	12.3%	34.0%	3.1%	0.8%	6.0%
31 December 2007	18.0%	-1.6%	-8.4%	3.5%	4.0%	6.8%
31 December 2008	-40.4%	-24.9%	-54.0%	14.9%	9.2%	7.6%
31 December 2009	39.6%	1.4%	7.9%	1.7%	0.7%	3.5%
31 December 2010	3.3%	-1.4%	-0.4%	6.0%	4.2%	4.7%
31 December 2011	-11.4%	-5.0%	-1.5%	11.4%	6.3%	5.0%
Annualised Return over 10 years (% pa)	6.3%	-2.8%	0.8%	6.5%	4.4%	5.4%
Annualised Return over 20 years (% pa)	8.9%	4.7%	6.2%	7.6%	6.0%	5.7%
Value of \$10,000 invested for the past 20 years	\$54,719	\$25,220	\$33,380	\$43,610	\$31,894	\$30,581
Real annualised return over 20 years (% pa)	6.2%	2.1%	3.6%	5.0%	3.3%	3.1%
Highest return (% pa)	45.4%	41.7%	34.0%	18.6%	17.1%	8.0%
Lowest return (% pa)	-40.4%	-26.9%	-54.0%	-4.7%	-3.5%	3.5%

Australian Shares: All Ordinaries Accumulation Index. International Shares: MSCI World US\$ – Total Return Index \$A (Unhedged).

Property: S&P/ASX 200 Property Accumulation. Australian Fixed Interest: UBS Warburg Composite Bond – All Maturities Index.

International Fixed Interest: JP Morgan Global Traded Local.

Cash: UBS Bank Bill index All Maturities.

Source: Iress, DataStream and Advance Asset Management

To find out more about Advance call us on 1800 819 935 or visit advance.com.au

Issued by Advance Asset Management Limited ABN 98 002 538 329 AFSL No.240902. This information is of a general nature only and has been prepared without taking into account the objectives, financial situation or needs of any particular person. It is not intended to constitute investment advice. Before acting on the information, a person should consider its appropriateness, having regard to their objectives, financial situation and needs. Past performance is not a reliable indicator of future performance. Information from third parties is believed to be reliable however it has not been independently verified. While the information in this document is given by Advance in good faith, it does not warrant that it is accurate, reliable, and free from error or omission. Advance is a member of the Westpac Group. Subject to any terms implied by statute which cannot be excluded, neither Advance nor any other company in the Westpac Group and their directors, employees and associates accept any responsibility for errors in, or omissions from the information. AD10555-0112aj

ADVANCE