

# **Financial Markets**

**Reporting for periods ending  
September 2008**

# Sharemarkets, fixed interest and currency

## Sharemarket and fixed income scoreboard for period ending September 2008

	Month return	Quarter return	Financial year return	1 year return	5 years return	10 years return
S&P 500 in \$US	-8.9%	-8.4%	-8.4%	-22.0%	5.2%	3.1%
S&P 500 in \$A	-0.5%	11.5%	11.5%	-12.5%	2.0%	0.2%
NASDAQ in \$US	-11.6%	-8.8%	-8.8%	-22.6%	3.2%	2.1%
NASDAQ in \$A	-3.5%	11.0%	11.0%	-13.1%	0.1%	-0.8%
FTSE 100 Accumulation Index in GBP	-12.9%	-12.0%	-12.0%	-21.2%	7.3%	2.8%
FTSE 100 Accumulation Index in \$A	-7.0%	-4.1%	-4.1%	-22.6%	5.6%	0.4%
MSCI AC ASIA EX JAPAN Accumulation Index in Local Currency	-13.9%	-18.8%	-18.8%	-34.3%	12.7%	
MSCI AC ASIA EX JAPAN Accumulation Index in A\$	-8.9%	-6.4%	-6.4%	-31.4%	9.7%	
MSCI EUROPE Accumulation Index in Local Currency	-11.8%	-11.3%	-11.3%	-27.5%	7.8%	3.4%
MSCI EUROPE Accumulation Index in \$A	-7.3%	-3.6%	-3.6%	-22.5%	7.6%	1.8%
MSCI JAPAN Accumulation Index in Yen	-13.1%	-17.5%	-17.5%	-32.6%	3.5%	1.3%
MSCI JAPAN Accumulation Index in \$A	-3.1%	0.2%	0.2%	-18.0%	1.4%	0.9%
MSCI World ex Aust Accum Index in Local Currencies	-10.8%	-11.3%	-11.3%	-24.6%	6.3%	3.3%
MSCI World Ex Australia Accumulation Index in \$A	-3.6%	3.7%	3.7%	-16.2%	4.4%	1.1%
S&P/ASX 200 Accumulation Index	-9.8%	-10.4%	-10.4%	-26.8%	12.4%	10.5%
S&P/ASX 200 Property Accumulation Index	-5.8%	-1.3%	-1.3%	-40.4%	6.2%	
UBSWA Composite Bond Index	1.3%	5.3%	5.3%	8.4%	5.5%	5.7%
SBWGB Accumulation Index currency hedged \$A	0.7%	3.9%	3.9%	9.3%	6.9%	6.9%

## Australian interest rates and currency

	30 September 2008	30 June 2008	30 June 2008	30 September 2007	30 September 2003	30 September 1998
Australian 90 day bank bill yield (%)	7.01	7.80	7.80	6.88	4.91	4.95
Australian 10 year bond yield (%)	5.36	6.45	6.45	6.18	5.38	5.07
Australian dollar (in euros)	0.56	0.61	0.61	0.62	0.58	
Australian dollar (in Japanese yen)	83.41	101.93	101.93	101.64	75.45	80.57
Australian dollar (in US cents)	79.96	96.26	96.26	88.27	68.01	59.45

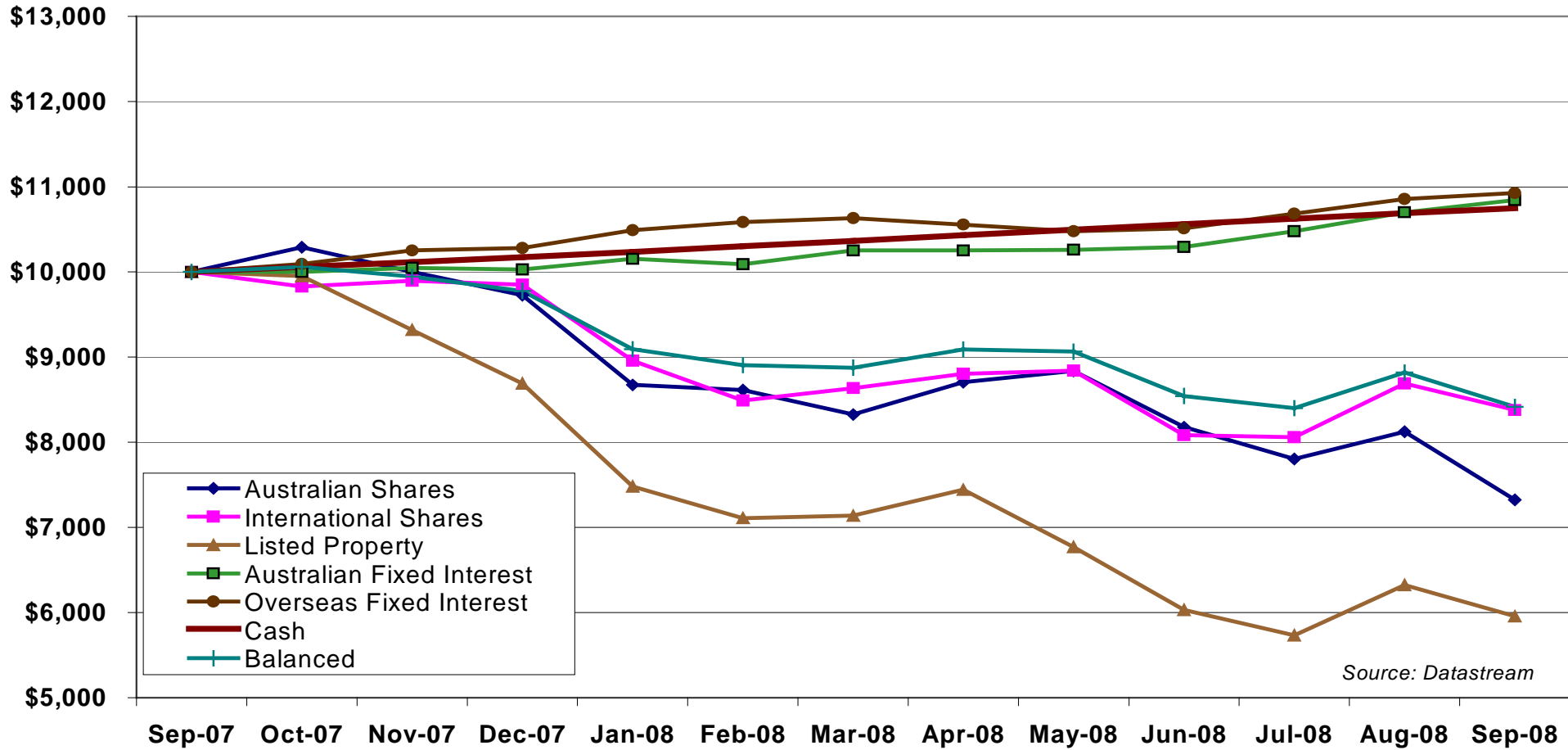
Source: Datastream



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# Asset Class Performance over 12 months to September 2008

(based on investment of \$10,000)



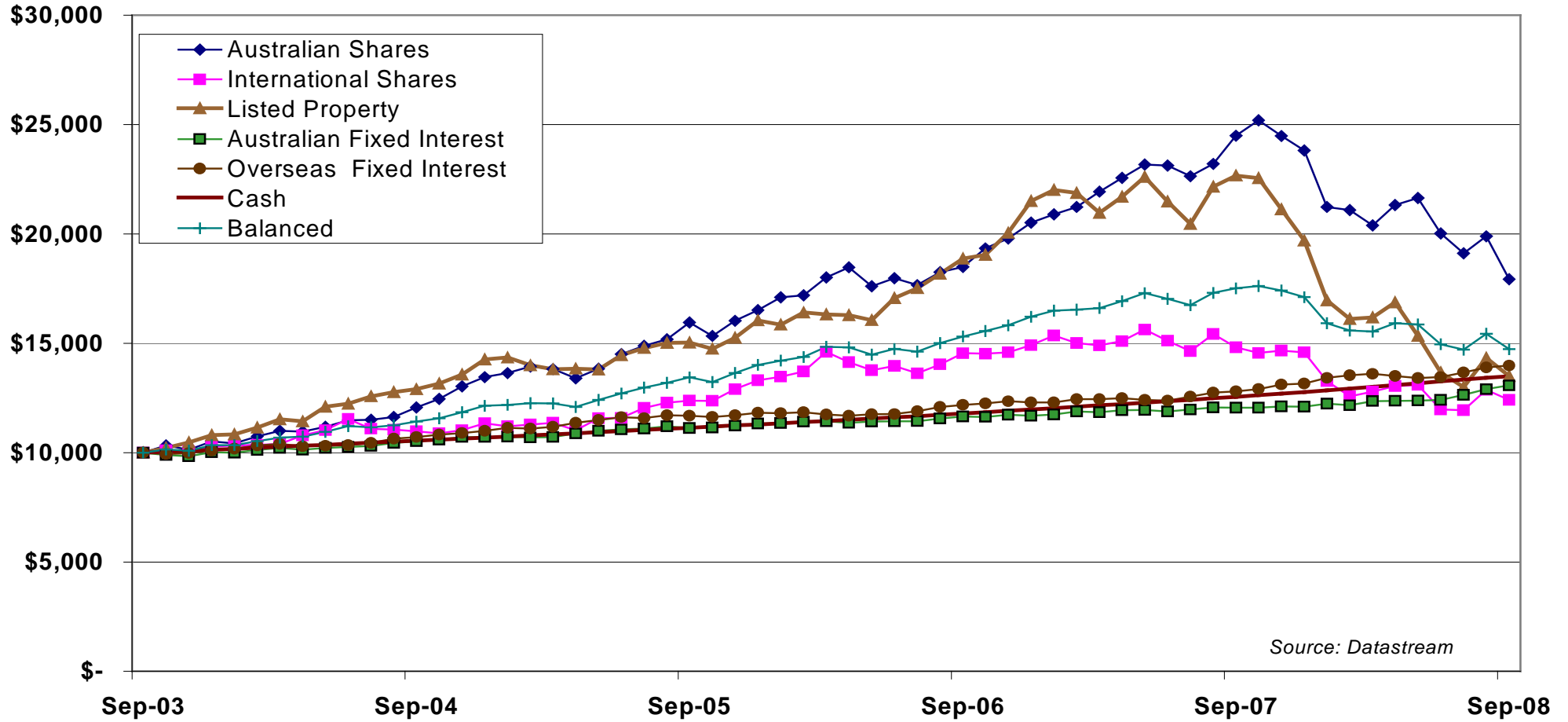
Source: Datastream



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# Asset Class Performance over 5 years to September 2008

(based on investment of \$10,000)



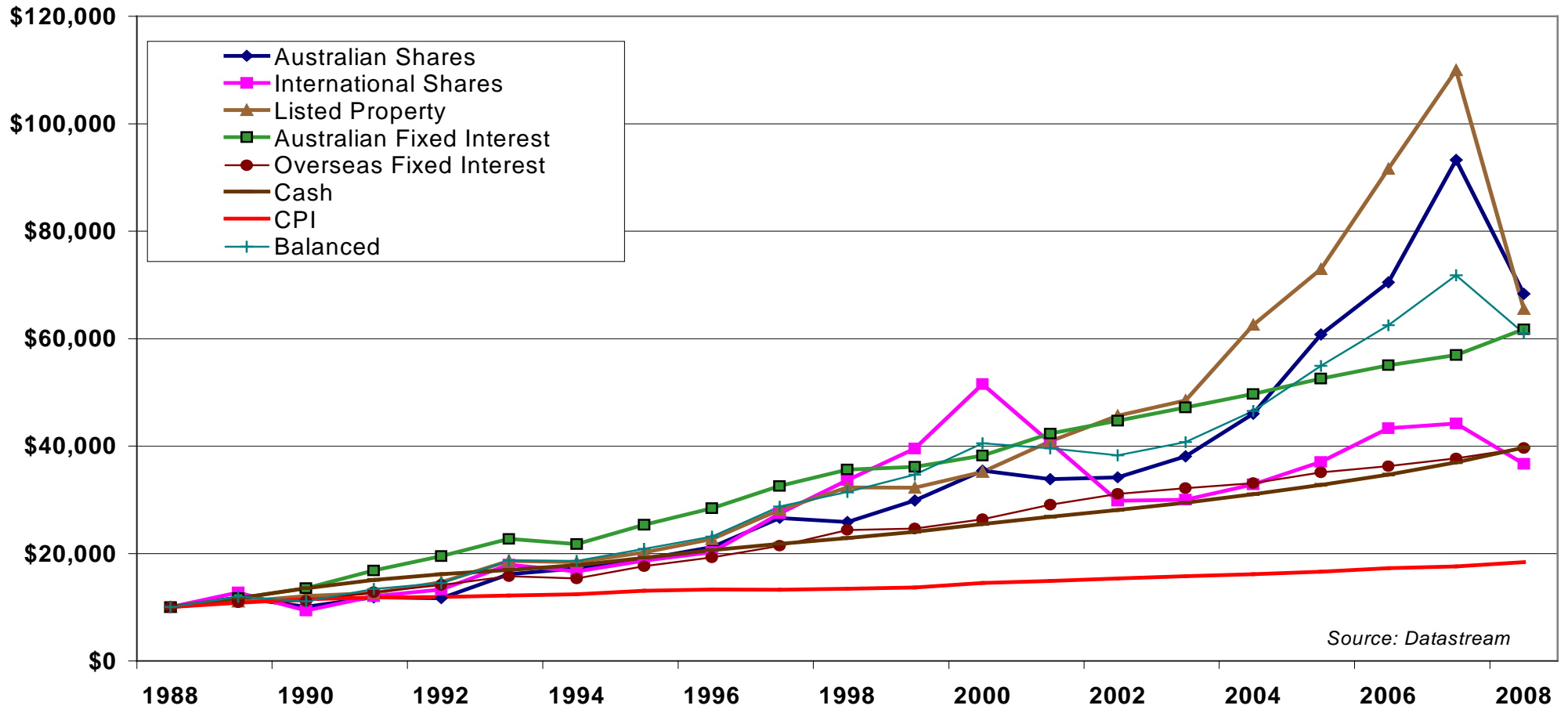
Source: Datastream



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## Asset Class Performance over 20 years to September 2008 (before fees and tax)

(based on investment of \$10,000)

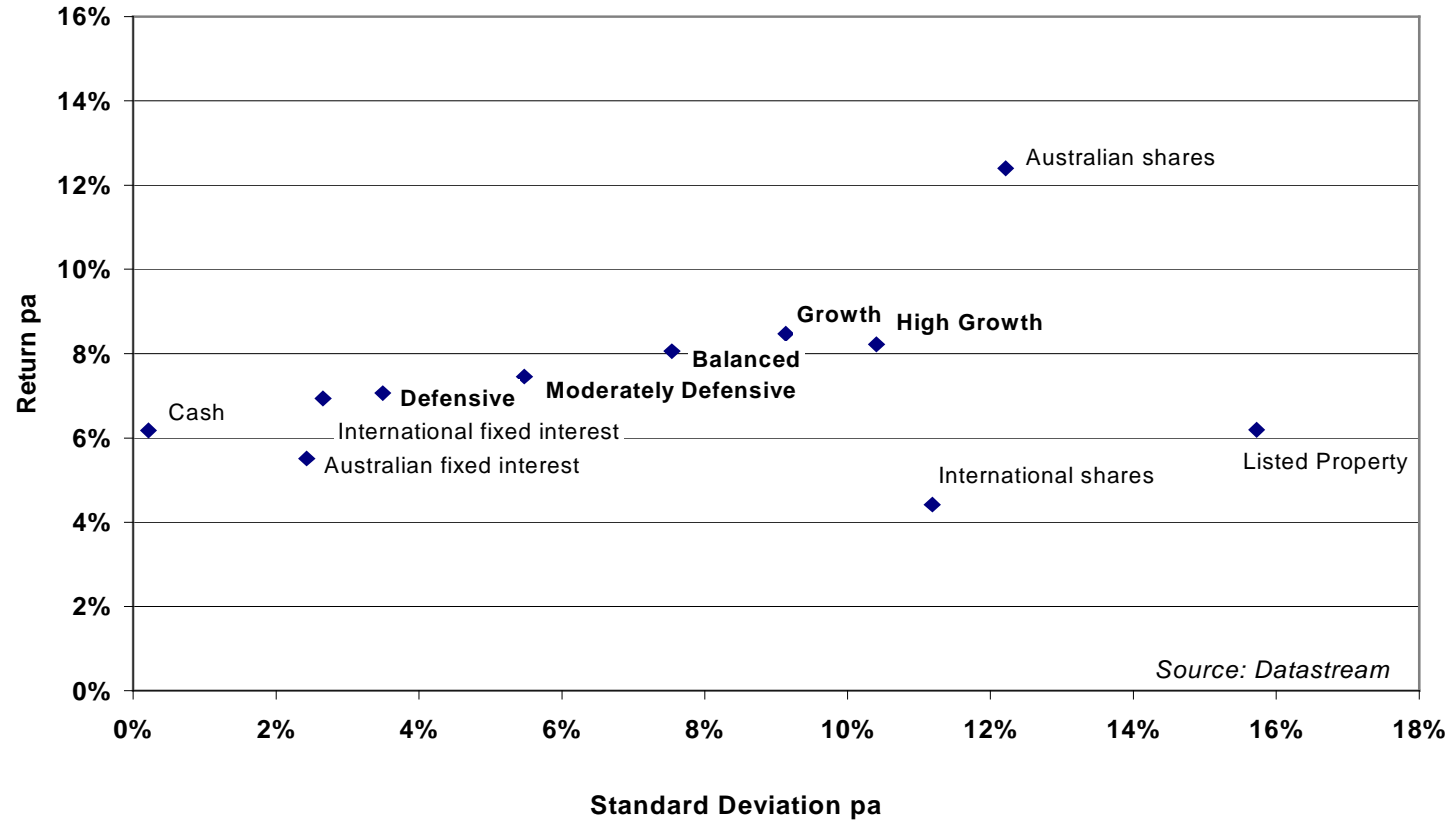


Source: Datastream



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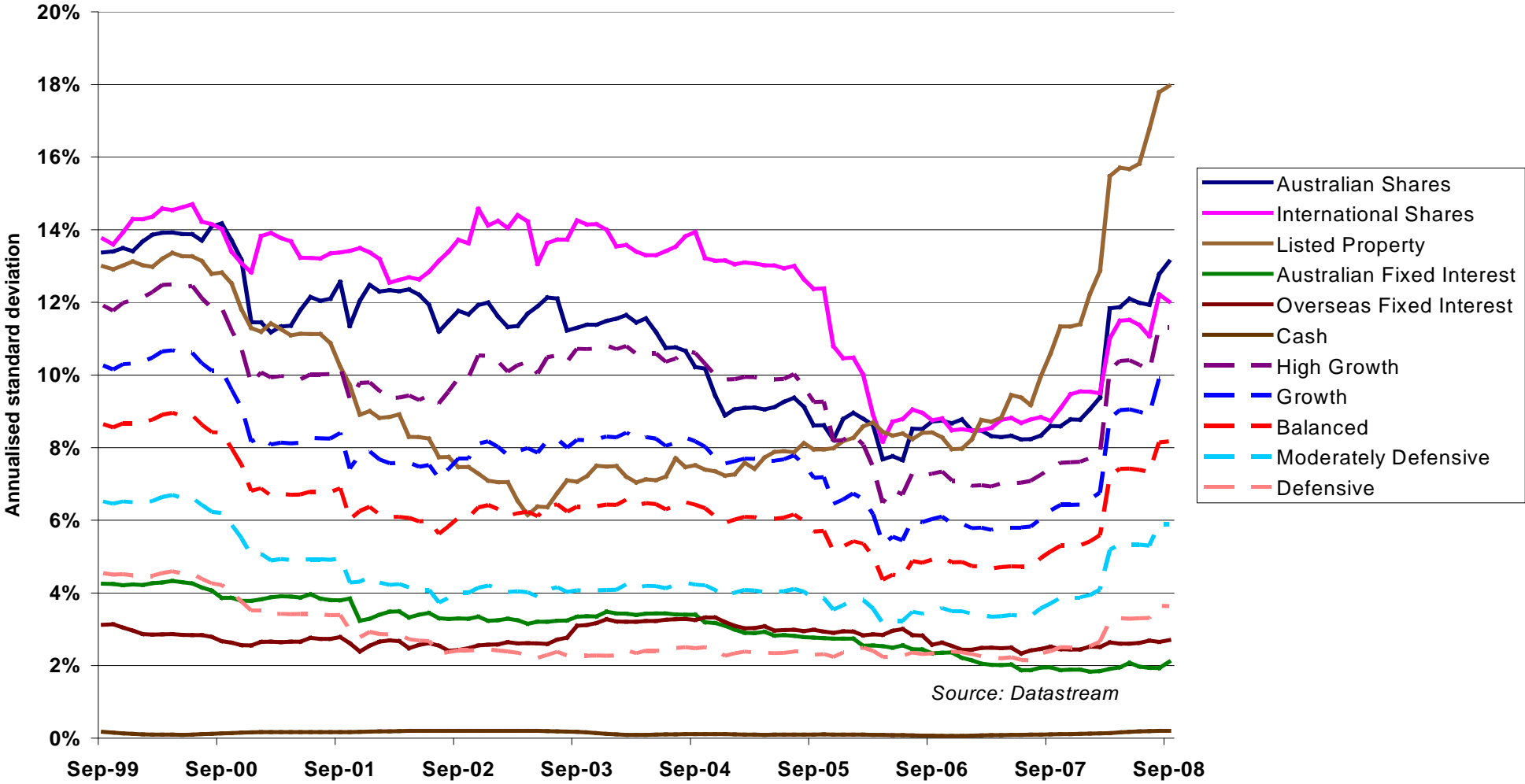
## 5 year historical risk/return to 30 September 2008



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# Asset Class & Risk Profile Volatility to Sep 08

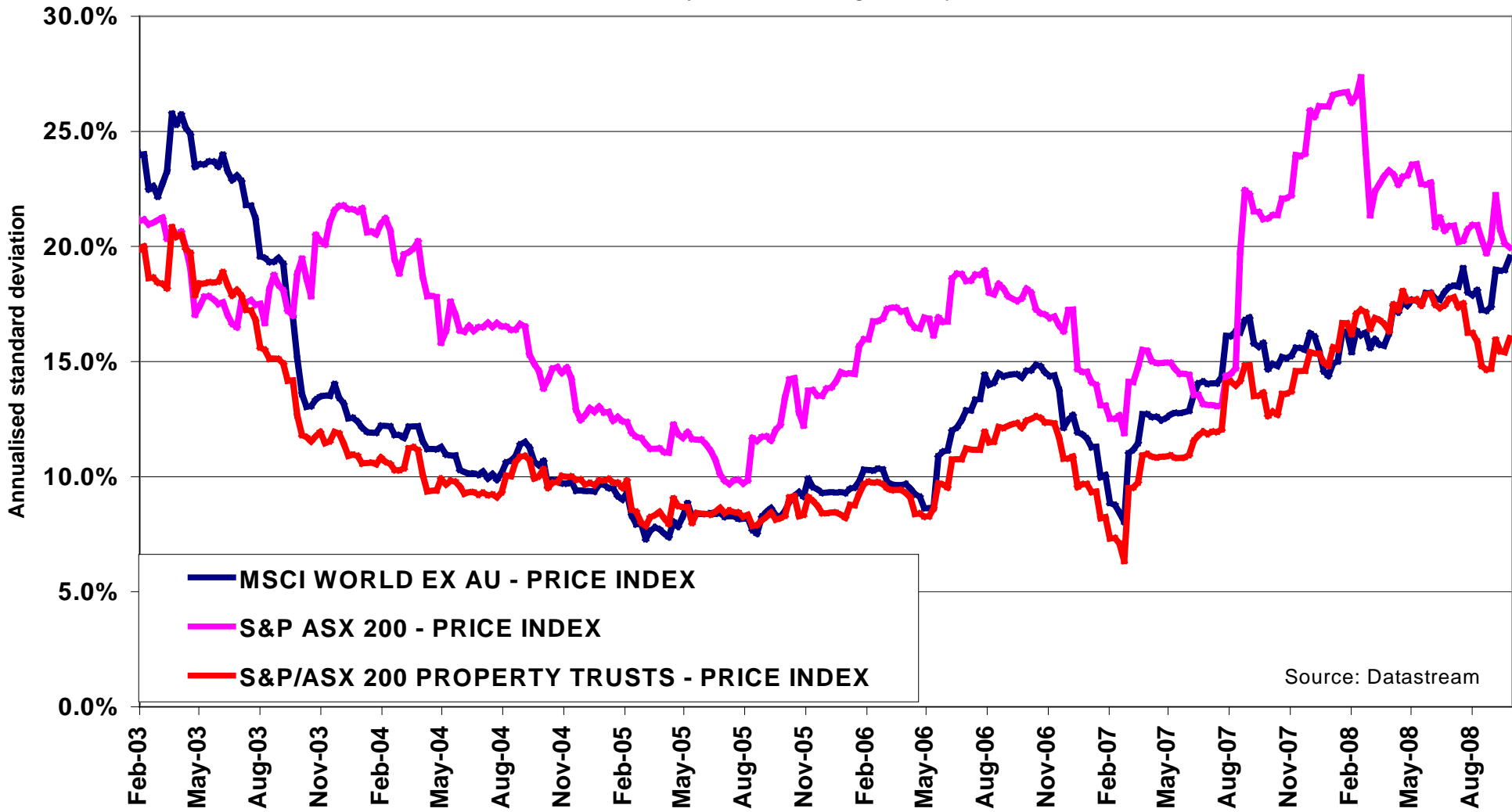
based on monthly returns over rolling 3 year periods



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# Sharemarket volatility

based on weekly returns over rolling 6 month periods

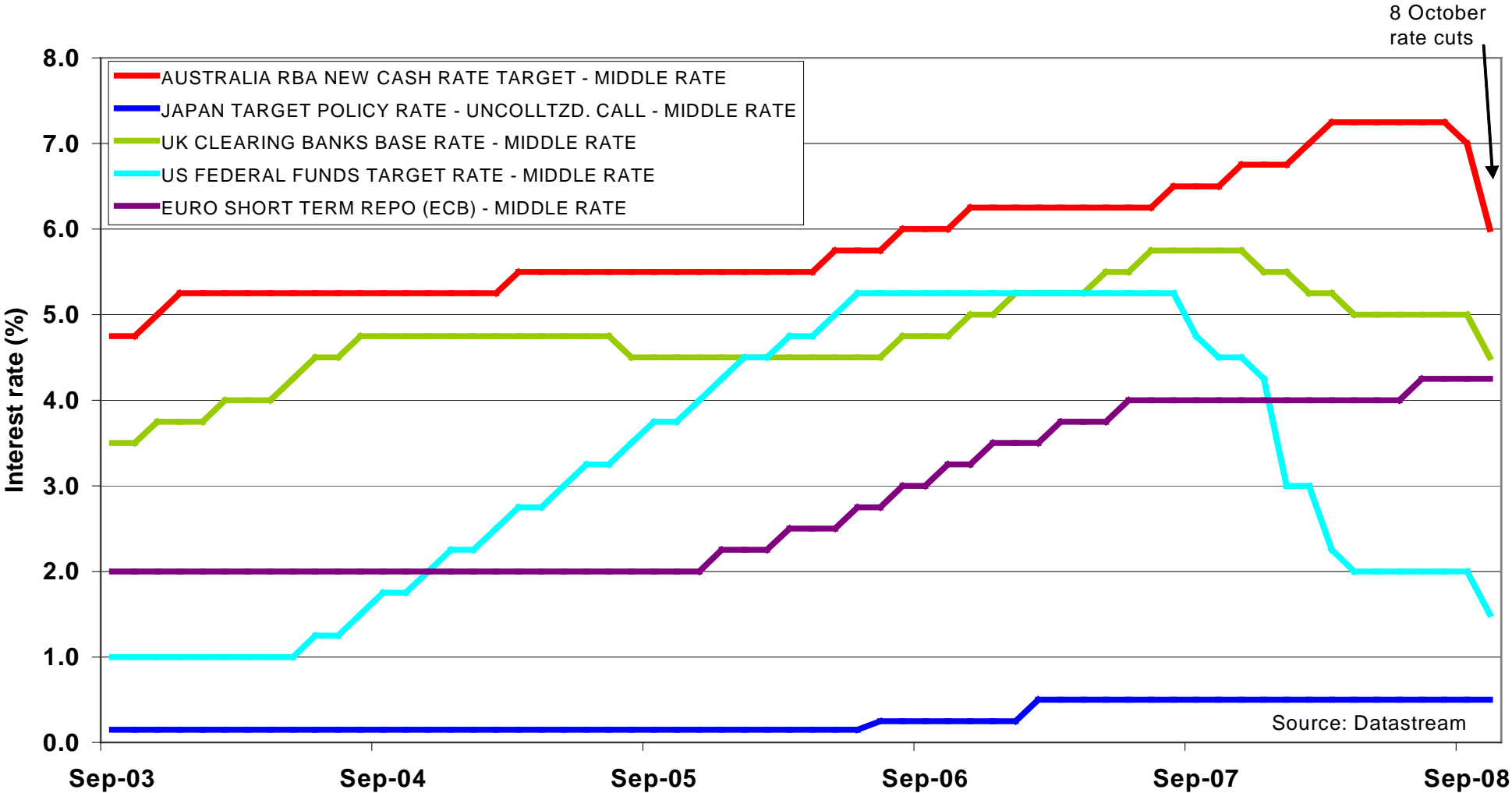


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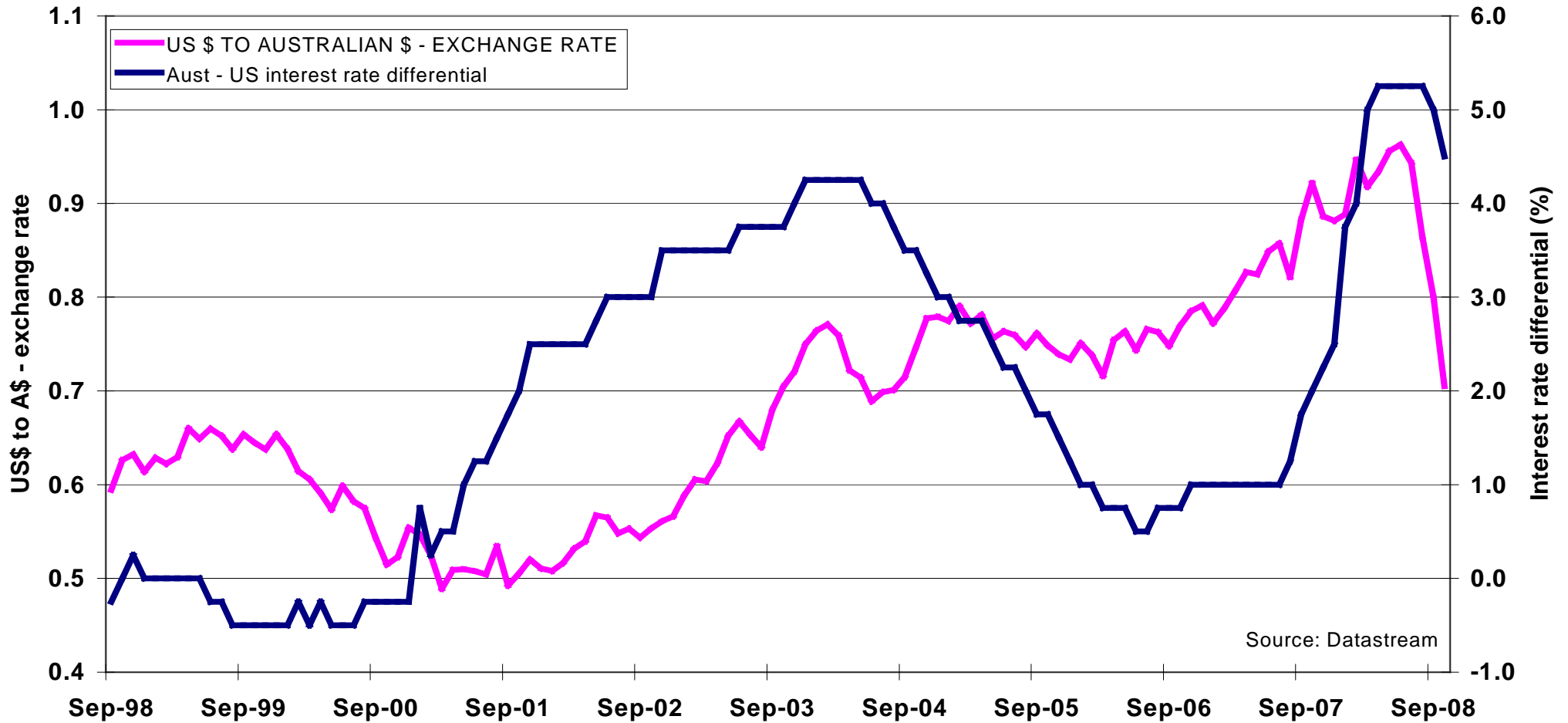


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# Global interest rates for the five years ending Sep 08

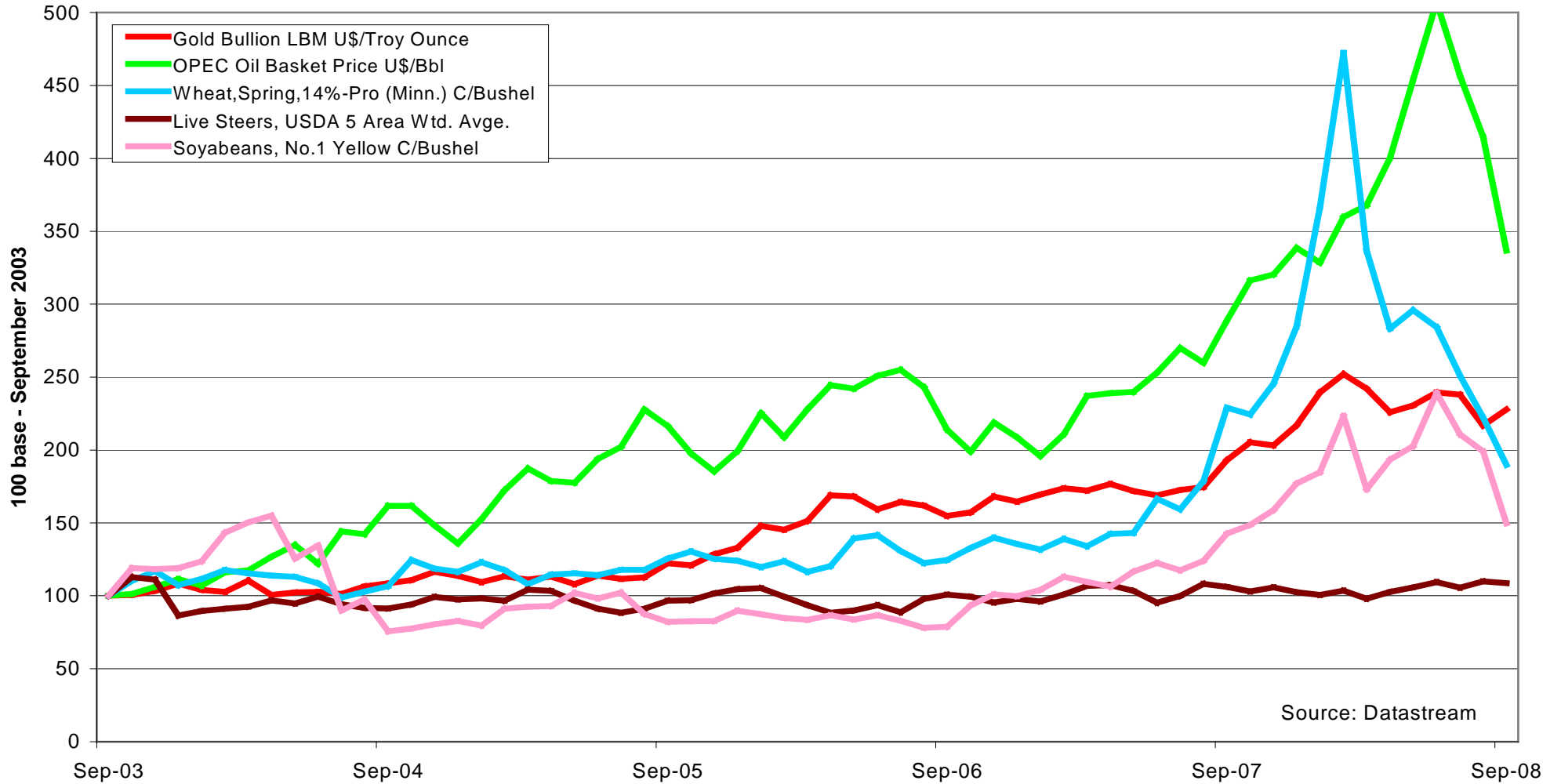


## Currency movements and interest rate differentials for Australia and the US for the 10 years ending Sep 08



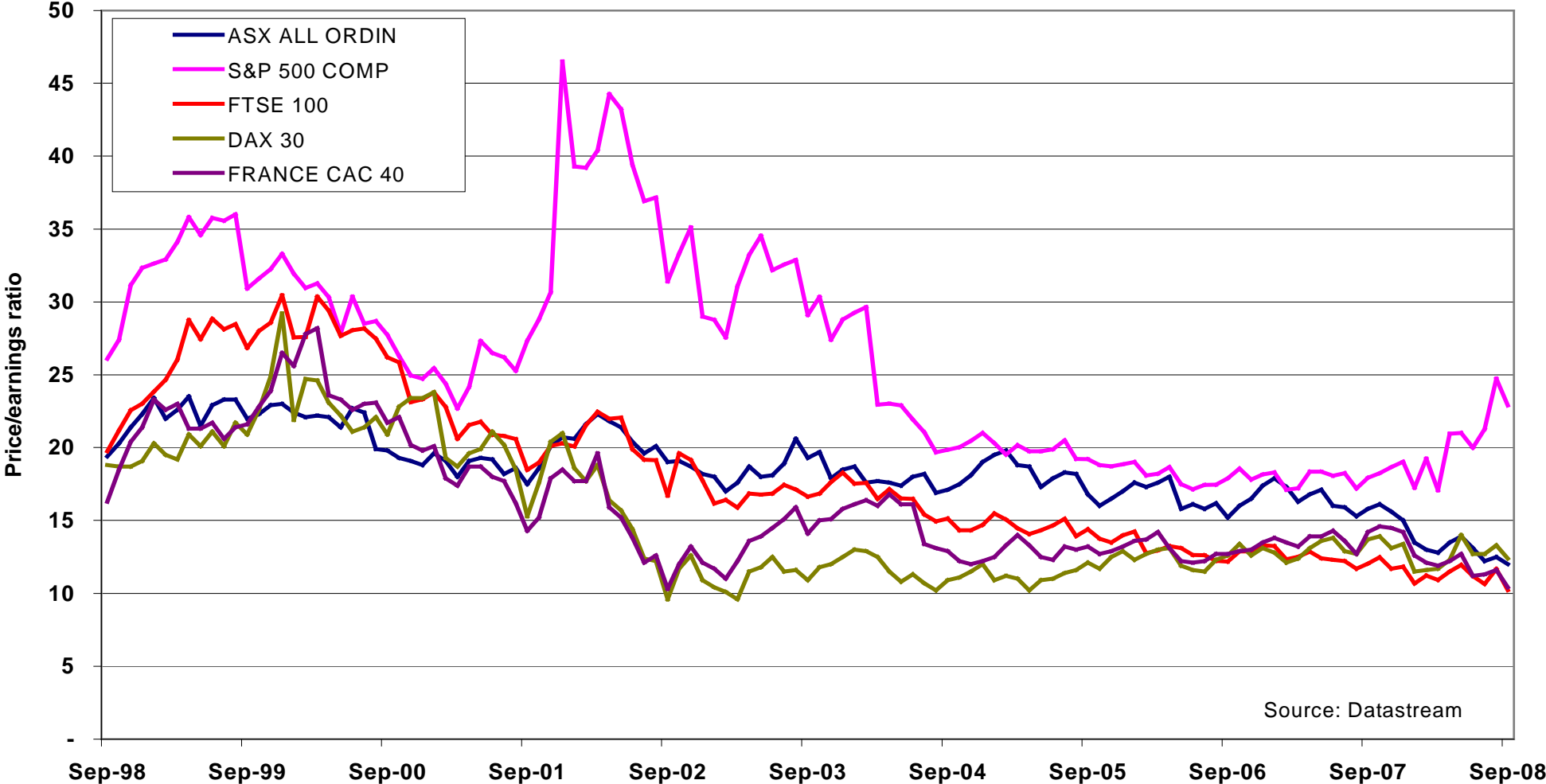
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## Commodity indices for the five years to September 2008



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# Price to earnings ratios to September 2008

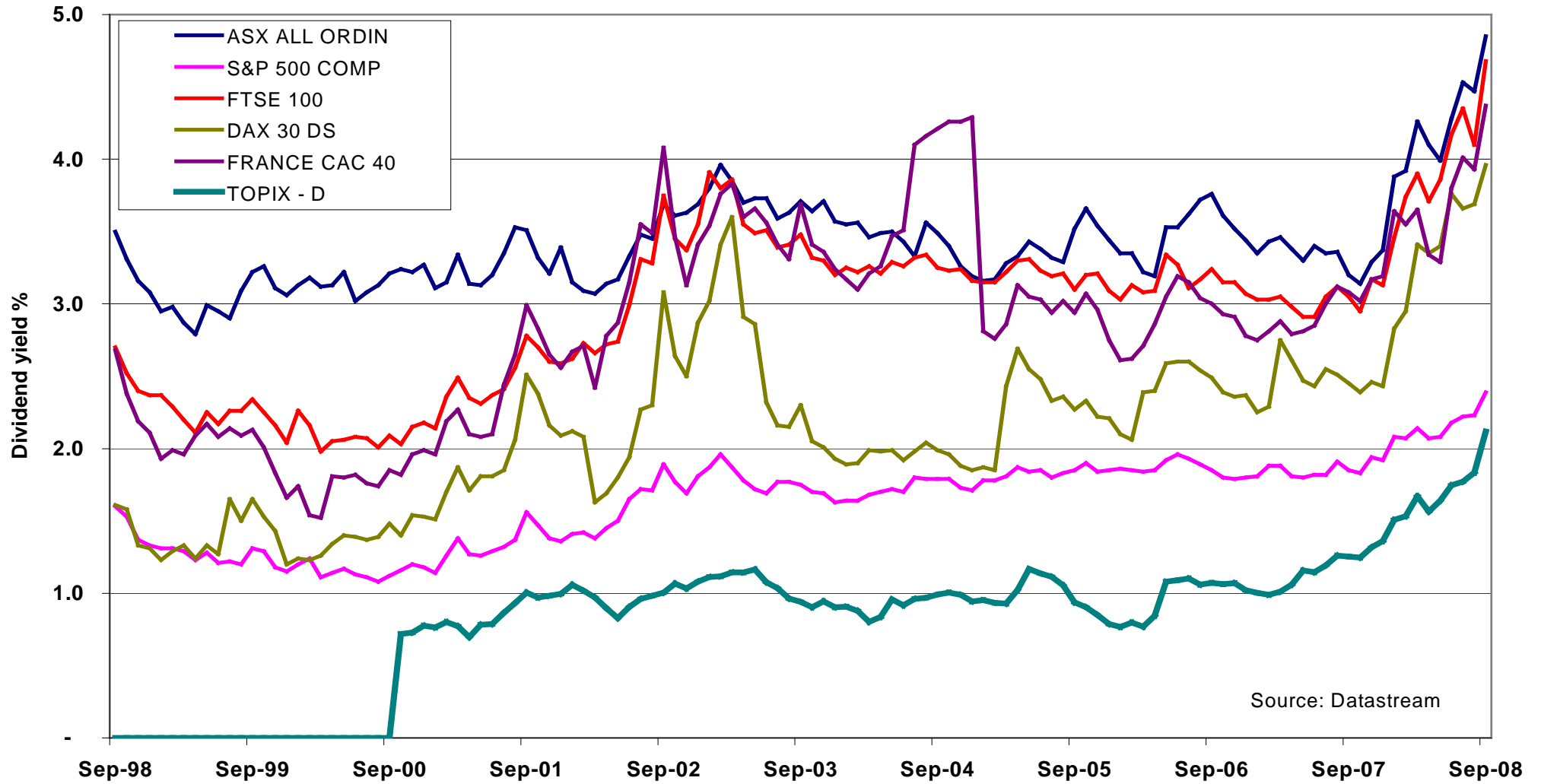


Source: Datastream



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## Dividend yields to September 2008



Source: Datastream



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# Australian sharemarket sector returns

Australian sharemarket sector returns for the 12 months ending September							
	2008	2007	2006	2005	2004	2003	2002
Energy	5.2%	39.2%	6.8%	75.5%	50.1%	15.0%	2.9%
Materials	-28.7%	60.7%	14.3%	48.9%	28.2%	27.4%	16.2%
Industrials	-34.7%	31.3%	11.0%	28.8%	29.8%	2.5%	-9.0%
Consumer Discretionary	-40.0%	18.8%	9.7%	10.3%	17.4%	26.0%	-18.2%
Consumer Staples	-11.6%	25.6%	19.1%	25.3%	19.4%	5.1%	0.8%
Healthcare	-2.1%	41.3%	15.5%	43.5%	26.7%	3.3%	-37.9%
Information Technology	-1.2%	14.2%	16.4%	40.3%	28.1%	7.1%	-52.9%
Telecommunication Services	-2.4%	28.8%	-4.4%	-2.7%	6.9%	6.8%	-6.9%
Utilities	-32.2%	18.5%	26.9%	32.7%	27.9%	17.0%	7.9%
Property Trusts	-40.4%	20.1%	25.6%	16.5%	29.0%	6.2%	11.7%
Financials (ex Property Trusts)	-30.8%	23.4%	18.5%	35.0%	13.6%	6.0%	9.9%
S&P/ASX 200 Accumulation Index	-26.8%	32.4%	16.0%	32.2%	20.7%	11.4%	1.0%

## Notes:

The benchmark index used in this table is the S&P/ASX 200 Accumulation Index.

The returns are total returns.

Source: Datastream



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# Overseas sharemarket sector returns

World sharemarket sector returns for the 12 months ending September										
<i>Unhedged in Australian dollars</i>	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
<b>Total Market</b>	-18.3%	7.5%	19.2%	17.4%	11.3%	3.8%	-22.6%	-23.2%	31.5%	23.0%
<b>Oil &amp; Gas</b>	-8.5%	14.7%	11.7%	46.4%	32.6%	1.2%	-10.4%	-0.7%	31.7%	13.0%
<b>Basic Materials</b>	-25.1%	42.5%	26.4%	20.6%	23.3%	8.4%	-9.7%	0.8%	2.8%	21.4%
<b>Industrials</b>	-24.2%	15.8%	21.3%	16.4%	14.6%	4.7%	-19.4%	-28.8%	43.4%	36.3%
<b>Consumer Goods</b>	-10.8%	6.8%	21.3%	12.7%	12.2%	0.5%	0.0%	-23.6%	15.3%	15.2%
<b>Health Care</b>	-1.6%	-8.0%	12.5%	13.6%	5.4%	-9.2%	-20.3%	5.9%	35.1%	-1.8%
<b>Consumer Services</b>	-16.6%	-1.0%	14.7%	7.5%	7.7%	1.5%	-19.4%	-18.3%	18.3%	23.1%
<b>Telecom</b>	-17.3%	23.3%	16.3%	12.2%	9.7%	14.9%	-43.0%	-35.7%	21.0%	38.2%
<b>Utilities</b>	-9.6%	15.0%	23.7%	29.4%	19.4%	0.7%	-25.9%	-4.6%	37.3%	-7.5%
<b>Financials</b>	-25.8%	-1.7%	26.5%	16.3%	13.7%	5.3%	-21.3%	-9.0%	34.4%	16.5%
<b>Technology</b>	-20.1%	3.3%	13.6%	10.5%	-5.2%	28.8%	-36.9%	-63.1%	56.6%	78.9%

## Notes:

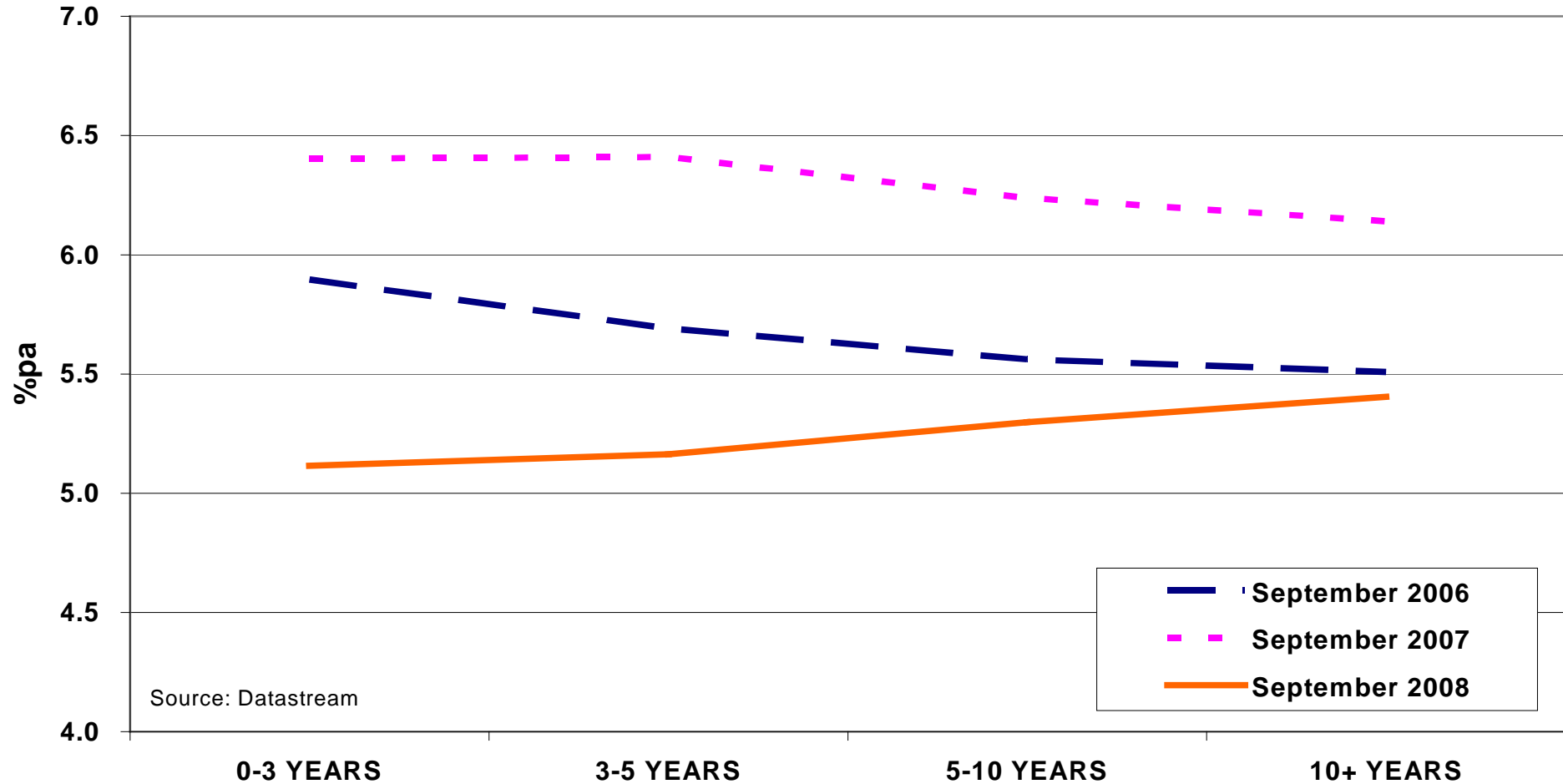
The benchmark index used in this table is a Datastream calculated index.  
The returns are total returns.

Source: Datastream



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# Australian Government Fixed Interest Yield Curve to September 2008



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# Benchmark indices used in this report:

- Australian shares: S&P/ASX 200 Accumulation Index. History before April 2000 was the All Ordinaries Accumulation Index
- International shares: MSCI World ex-Australia Accumulation (net dividends re-invested) Index in \$A
- Property: S&P/ASX 200 Property Accumulation Index. History before April 2000 is the ASX Property Trust Accumulation Index.
- Australian fixed interest: UBS Warburg Australian Composite Bond Index
- International fixed interest: Salomon Brothers World Government Bond Hedged Index \$A
- Cash: UBS Warburg Australian Bank Bill Index
- Source: Datastream



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