



Summer 2010 Newsletter

Murdo Macleod CFP Dipfp BSc JP
Authorised Representative (ARN 237603)

A NOTE FROM MURDO

Well it's been a tough year all round, with investment markets reaching their low-point in March before staging a long-awaited and strong recovery through to October. Over the past few months they have been catching their breath, however the outlook is positive.

As the volatility of recent years has shown, it's over the long-term that results are truly measured. In this regard the Fiducian funds have once again proven their worth and have provided strong performance in relation to their peers. Recent figures from Morningstar show the flagship Fiducian Balanced Fund as a top-quartile performer over; 6-months, 1 year, 5 years and 10 years.

A well diversified investment strategy should lie at the core of any financial plan and this has proven valuable through the turmoil of recent years. Since by holding a range of investments spread across the full range of asset classes clients are able to take comfort and reassurance in the knowledge they have defensive assets which can help support them through the down times.

As we stand at the end of 2009 looking forward to a new decade I'd like to thank everyone for their continuing commitment and support.

Let's make sure the next decade is something really great.

CHRISTMAS PARTY

This year's Christmas party was held on Tuesday 8th December at the Beach Hotel in Merewether.

There were lots of prizes up for grabs this year with Mark Smolarz taking out the grand prize in the raffle, a Fiducian hamper of goodies including an excellent bottle of Scotch. Other prize winners throughout the evening were; Aileen O'Sullivan, Carol



CHRISTMAS OFFICE HOURS

The office will be closed from midday Thursday 24th December 2009 and will reopen again on Monday 4th January 2010. However should you have an urgent enquiry over the holiday period please call Murdo's mobile on 0410 645 742.

We wish you and your families a very Merry Christmas and a healthy and happy New Year.



Johnson, Colin Schofield, Allan Bennett, Sharron Macdonald, Noel Dowzer, and Colin & Win Hoy.

We also had a very competitive game of trivia with "The Clansmen" sneaking in to first place to beat "The Invincibles" by only 1 point.



"The Clansmen" clockwise from left - Colin & Di Schofield, Noel James, Gail & Michael Macaulay, and Sharron & Ken Macdonald.

In the spirit of Charles Dickens' "A Christmas Carol", Murdo presented his perspective on the year past, with Fiducian's Managing Director, Indy Singh, providing an optimistic perspective on the years yet to come.

Throughout the course of the evening we were delighted at the level of appreciation expressed by all those attending, for the continued professionalism and friendliness displayed by all Fiducian staff.

Thank you again to everyone who helped to make the evening a great success.

NB: If you would like to see more photos from the night, including all the team photos, then go to the following web-site where we've put a selection of the best snaps on display.
<http://picasaweb.google.com/Fiducian03>



Indy getting into the festive spirit

SPECIAL DEALS!

We had a massive response to the last wine specials which we offered and as a result Scott and the crew at the "Bottle-O on Beaumont" are offering Fiducian clients some extra special discounts over the festive season:

Ta Ku - a new NZ Sauvignon Blanc that is extremely smooth with loads of passionfruit flavours. Normally \$19.99, they have an introductory offer in-store of \$12.99 each & \$10.99 in a 6 pack. Fiducian clients only pay \$9.99.

Yalumba "The Scribbler" - a Barossa Valley blend of cabernet sauvignon and shiraz. Deliciously smooth and full bodied with great flavour. Normally \$21.99 it is in store for \$18.99 single and \$15.99 for 6, however as a Fiducian Special its just \$13.99.

Just mention you want the "Fiducian price" when you pick up your bargain!

Contact us

Street

38 James Street
HAMILTON NSW 2303

Postal

PO Box 883
HAMILTON NSW 2303

Phone

02 4940 0488

Fax

02 4961 1700

Email / Web

newcastle@fiducianfs.com.au
www.fiducianfs.com.au



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CONRAD'S VIEW

At the end of 2009 it's great to get the view of Fiducian's Investment Manager Conrad Burge on what has been another turbulent year.

"The global economy continues to show signs of its emergence from the 'Great Recession' as it has now been dubbed.

However any recovery could be modest for quite some time in most of the advanced economies, with the International Monetary Fund (IMF) stressing the need for continuation of stimulus measures to maintain the 'economic recovery momentum'.

While there has been some positive news emerging from the US in recent months, including a return to economic growth in the September quarter, other data remains weak with US unemployment reaching 10.2% of the workforce in October. In Europe the outlook remains equally clouded, with only anaemic growth and unemployment reaching 9.7% in September.

China and India however have managed to avoid the recession altogether, with the IMF estimating that their economies will expand by 8.5% and 5.4% in real terms in 2009.

In the case of China it was thanks to massive monetary and fiscal policy stimulus helping to sustain the economy at a time of falling demand for the country's exports. The Indian economy on the other hand has traditionally been more insular and was therefore to a large extent isolated from the worst of the global financial crisis.

Here in Australia we were fortunate to avoid the worst of the global recession. Partly due to China's demand for raw materials supporting our resources sector and partly due to the very strong fiscal position that Australia enjoyed prior to the Global Financial Crisis.

From where we now stand there is a belief that in order to bring balance back to the global economy, asset markets must first stabilise and then recover some of their lost value. To facilitate this it is thought that central banks will have to keep interest rates low.

As such, it appears there could be further room for equity market appreciation over the coming year."

REGULAR SAVING WORKS!

An interesting fact to emerge from the turmoil of the last two years.

Had you started investing at the peak of the market in December 2007 and invested \$1,000 a month in the ASX 200 through the full 2 years of the Global Financial Crisis to date. You would have invested a total of \$24,000. This investment would however be worth more than \$25,374, representing a return of over 5% pa through the most turbulent investment market for 100 years.

The ASX 200 on the other hand is down 28% over the same period. This regular savings strategy, known as "dollar-cost averaging", helps to smooth out the effects of volatility and is a perfect example of why young people especially should set up a regular savings plan.

For more information about the benefits of

"dollar-cost averaging" speak to Murdo.

CRYPTIC QUESTION

What animal was featured on the 2 cent coin?

The first person to call the office with the correct answer will win a special prize.

The answer from the Spring Newsletter's Cryptic Question was:

Dynamo

Congratulations to Claire Nelmes and Diane Schofield who were the first to call with the correct answer

RECEIVING OUR NEWSLETTER

If you would like to receive this newsletter electronically, please let us know by sending an e-mail request to one of the following:

newcastle@fiducianfs.com.au

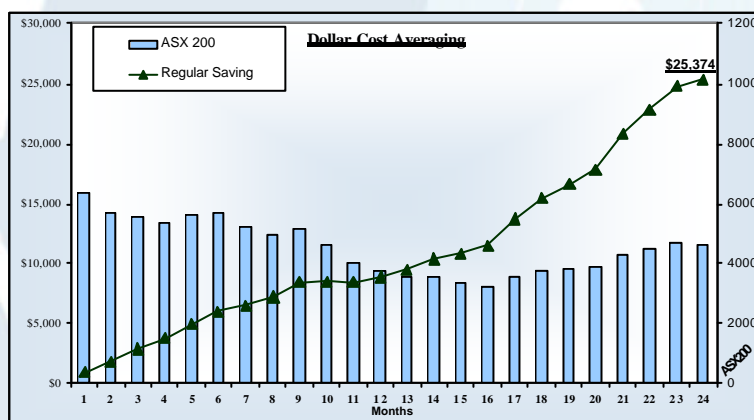
murdo.macleod@fiducianfs.com.au

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Fiducian Financial Services
Reply Paid 883
HAMILTON NSW 2300

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remove your name from our distribution list.



Assumptions: Regular Investment in the S&P ASX200 over 24 months; \$1,000 invested every month

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