



Who would have thought given all the global uncertainties that International Shares would have out performed our much beloved Australian Shares. The primary detractor was the Material Sector which was down in excess of -20% over 2011. The attraction of investing in our own backyard can result in additional risk given our over reliance on the performance of the Banks and Resource shares. Remember also that the total return from an investment is a combination of Income and Growth, so whilst dividends may look attractive, falling share prices can see the value of your investments fall. Only Cash, Fixed Interest and Gold gave positive returns over 2011 due to the flight to safety out of Risk assets as the European Debt Crisis continued to play on investors minds.

Calendar 2012 has started off with many of last years uncertainties continuing;

- Will Greece Default?
- Will China be in for a Hard Landing? and
- Will Kevin challenge Julia?

We believe whilst fundamentals are on the improve as long as these uncertainties exist, markets will remain volatile. It is important to receive sound advice that aligns your investments with your needs, objectives and tolerance to risk. Remember don't put all your eggs in one basket and make sure your eggs aren't cracked.

Well in hindsight they probably aren't so quick – I will leave it for you what you want to put in

Dave

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