



# Quarterly Market Outlook – December 2010

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## The Global Economy

### Introduction

There were several contradictory forces at play in the global economy over the September quarter which resulted in a volatile period for investments markets, which finished the quarter in positive territory. Europe's sovereign debt crisis showed significant signs of improvement but the fiscal austerity measures in place have caused fears regarding the ability of the region to grow. Concerns regarding China's government-induced slowdown were not supported by raw economic data, while the US recovery remains fragile.

The Australian economy continues to expand at trend pace despite the ongoing difficulties faced in the majority of the developed world. The Australian economy is gaining momentum with June quarter GDP data showing annual growth 3.3%. Key factors supporting the Australian economy include a strengthening employment market and a strong upswing in business investment.

December 2010 Quarterly Market Outlook as at 30 September 2010

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In the US, recently released data continues to point to a fragile economic recovery. Unemployment remains stubbornly high at close to 10% and employment growth is weak. Consumer spending continues to be constrained by bleak employment prospects and declining house prices.

Throughout Europe, concerns over the sovereign debt situation continued to take the focus off economic data releases, with Germany recording a 2.2% surge in GDP growth in the June quarter.

Japanese GDP expanded at an annual rate of 0.40% in the June quarter, showing a general trend of slower economic growth. The export-driven recovery in activity since last year has started to wane.

Emerging Asian economies continue to expand rapid rates in comparison to the developed world. The Chinese economy appears to be in a transition phase, with the GDP growth rate in the June quarter coming in at just above 10%, but an obvious decline on the near 12% growth recorded in the first quarter of 2010. India's economy expanded at an annual rate of 8.8% in the June quarter, driven by robust manufacturing activity.

### Australia

The Australian economy continues to expand at trend pace despite the ongoing difficulties faced in the majority of the developed world. June quarter GDP data released in September saw a better-than-expected growth of 1.2% bringing the annual rate of growth up to 3.3%. This data indicates the Australian economy is gaining momentum, however conditions will continue to vary between sectors. Key factors supporting the Australian economy include a strengthening employment market and a strong upswing in business investment while the rapid appreciation of the Australian dollar gave the RBA room to hold off raising the interest rate which improved domestic consumer confidence.

The latest unemployment figures are extremely positive, with the unemployment rate falling to 5.1% in August– 30,900 jobs were added, taking total job creation to almost 350,000 over the past 12 months. The rate remained steady at 5.1% in September, with positive underlying data. Employment growth rose to 0.4%, on the back of strong growth in full-time jobs.



The number of full-time jobs in Australia increased 0.7%, while part-time jobs declined 0.2%. The current unemployment rate is considered full employment in the economy and two key trends are in play. Employment is growing faster than population growth and unemployment is growing slower than population growth. In addition to this, the concentration of job creation in full-time positions will drive household income growth and support of consumer spending and retail trade over the coming December quarter.

Despite the improving employment market, the Westpac-Melbourne Institute Index of Consumer Sentiment fell 5.1% in September amid a bleak outlook for the next 12 months causing consumers to remain frugal and concerns over possible interest rate rises and political uncertainty surrounding the newly formed government. Sentiment since returned in October, rising by 3.3% following a surprise rates pause by the RBA, a surging Australian dollar and further improvements in employment conditions.

The September quarter saw the formation of a new Australian government. Newly appointed Prime Minister Gillard and her Labour Party struck a deal with three independents and a member of the Green Party to form a minority government. Concerns have been raised over the Government's ability to efficiently manage the country given such a marginal balance of power falling in the hands of minority party members. But the Government plans to push ahead with several key agenda items including rolling out the National Broadband Network, applying the Resources Rent Tax, implementing future tax reform, pricing carbon, developing infrastructure and population planning.

The key to sustainable economic recovery in Australia is for private sector demand to pick up the slack from fading fiscal stimulus. Public investment is set to fall by around 15% over the 2009/10 financial year, as the final school building projects are completed. This fall in public investment would shave 1% off domestic demand growth, which it contributed a 2% boost to over the year to June 2010.

Reflecting the significant increases in commodity prices, exports of goods and services increased 5.6% in the quarter and contributed 1.1% to economic growth, making it the most significant driver of the economy. Australia's terms of trade rose 12.5% in the March quarter to be up 24.5% over the year. The strong demand for Australia's natural resources exports has helped lift company profits, supported business and consumer confidence and driven household spending. Household consumption posted solid growth, rising 1.6%, which is more than triple the growth rate recorded in the March quarter.

Business investment, now representing 17% of the Australian economy, is another key driver in Australia's

overall economic outlook. The mining sector's plans to lift investment substantially to \$55 billion in 2010/11 are driving this strong overall result accordingly. This is a staggering 58% increase in actual mining sector capital expenditure 2009/10. These intentions highlight a particularly bullish outlook from the mining sector and, if correct, indicate another protracted mining boom lies ahead.

The Australian dollar rallied 15.0% over the September quarter to 96.72 US cents. This rise was welcomed by the RBA as it afforded it more time before raising interest rates in its endeavours to control inflation. While hinting at the need to raise interest rates in the near term, the RBA is cautious to do so due to Australia's two speed economy. Rate rises are needed to contain inflation in resource rich regions, but would dampen economic recovery elsewhere.

The September quarter was a strong quarter for the Australian economy. The June quarter GDP data showed that the Australian economy grew at its fastest pace in three years, while other economic indicators suggest that the economic recovery in Australia has gained momentum, driven by significant increases in commodity prices, rising corporate profitability, strengthening labour market conditions and higher wage growth.

### **United States**

In the US, recently released data continues to point to a fragile economic recovery. Unemployment remains stubbornly high at close to 10% and employment growth is weak, as businesses remain cautious given sluggish consumer demand. Consumer spending continues to be constrained by bleak employment prospects and declining house prices. The US housing market remains particularly weak, with house prices widely expected to drop further as foreclosed houses are slowly released on the market.

US June quarter annual GDP growth came in at 1.7%. While the economy continues to grow, the rate is slowing markedly from the 3.7% and 5.0% gains recorded in the two preceding quarters. This sluggish recovery combined with a high unemployment rate are eroding President Barack Obama's popularity and dashing the Democrats' prospects in November's mid-term elections.

Employment data was positive in August, for the first time in several months, with 67,000 jobs added in the private sector. However, the unemployment rate still rose to 9.6%. Further limiting the prospect of any near term improvements is the fact that state and local governments, which are unable to run deficits, are being forced to cut services and jobs. While the banking system is slowly recovering, credit conditions



remain tight, particularly for small business, and this is where most hiring is expected to occur during an economic upswing.

Household spending remains constrained by high unemployment and an increased tendency to save rather than borrow to consume. Retail sales rose by 0.6% in September, the third consecutive increase, but consumer confidence surveys continue to reveal a depressed consumer. Despite rising incomes and retail sales, consumer spending is expanding at a subpar level. On the positive side, the underlying data did show a broad based increase led by motor vehicles and parts (1.6%), electronics (1.5%) and building materials (0.6%).

The only major glimmer of hope in the US economy came from the business sector. June quarter data showed business investment rose by 17%, the largest increase since the first quarter of 2006, following a 7.8% rate over the prior period.

The US housing market showed continued weakness, with the expiry of the homebuyer's tax credit pushing housing activity to multi-decade lows, placing further pressure on household consumption. Housing starts did rise 10.5% in August, but over the quarter, both existing home sales and housing starts were driven by ongoing volatility. New home sales were flat in August, while existing homes sales rose 7.6%. This failed to make up for a massive 27% decline in July. The housing market remains at highly depressed levels with little scope for improvement in the short term.

An additional problem for the US economy is that policymakers have run out of conventional policy options to promote. Having already lowered interest rates to near zero levels, a lack of inflationary pressures and rising concerns over the prospect of deflation has causing the Federal Reserve to consider further stimulus. Assuming no notable improvements in the economic outlook, comments by US Fed Chairman Ben Bernanke in late August indicated the Fed is willing to provide further in the form of qualitative easing (printing money). Further quantitative easing measures however, may have limited impact on domestic demand.

The US government has been hesitating to implement further fiscal stimulus given the precarious state of government finances, but political pressure to do so has been mounting. In response, President Obama proposed a US\$50 billion infrastructure spending package in September including roads, runways and railways as well as a business tax incentive scheme worth approximately US\$200 billion aimed at boosting expenditure and research and development.

Less supportive financial conditions and slowing growth have prompted a renewed commitment to

accommodation by the Fed. GDP growth estimates for the December quarter continue to be revised down and final demand has not been solid enough to provide employment support. Signs of life are evident in the business sector, where increased profits will result in increased business investment, but deleveraging in the household sector and ongoing housing market troubles point to a modest economic outlook.

## Europe

Throughout Europe, concerns over the sovereign debt situation continued to take the focus off economic data releases. Recent information regarding 2011 budget proposals point to broad-based fiscal tightening of around 0.75% to 1.0% on average. Despite the much larger fiscal tightening occurring in smaller peripheral countries, fiscal risks in these countries will affect the overall region's performance in terms of sentiment and economic growth. Economic data released from the region's two largest economies, Germany and France, was mixed.

In late September, rating house Moody's downgraded Spain's credit rating to Aa1, with a stable outlook. This was widely expected, but highlights the enormous challenge Europe facing in balancing government debt reduction and managing economic growth. France recommitted itself to reduce its budget deficit from 7.7% of GDP in 2010 to 6% in 2011, while further austerity measures were announced by Portugal.

Recent Greek debt headlines have indicated that the Greek budget for 2011 aims to reduce the budget deficit more sharply than initially planned, from 13.6% of GDP last year to 7.8% this year (previously 8.1%). Moody's noted that should this reform continue, Greece's sovereign ratings risk "is to the upside".

This is in stark contrast to the situation in Ireland, where significant difficulties are being faced. A previously nationalised bank required a further capital injection because of ever-expanding mortgage losses from heavily falling home prices while another bank in a similar situation was nationalised. The Irish budget deficit is now projected to be 32% of GDP in 2010. There is now speculation that Ireland may need to tap into the €750bn EU and IMF contingency fund set up in May in response to the flare-up in the sovereign debt crisis.

Germany recorded a surge in growth in the June quarter, with GDP rising by 2.2%. Sentiment indicators for July/August suggest decent GDP of 0.9% in the September quarter. This has been supported by ongoing export expansion. Domestic demand should keep the recovery going, supported by decent income growth through job gains and modestly accelerating wages.



Business indicators in France point to ongoing expansion at a modest pace. After the deterioration in consumer sentiment since the start of the year, consumers turned more optimistic in August. Government officials have indicated a tightening in fiscal policy in 2011 of around 0.9% of GDP. This includes the likely implementation of the controversial pension reform without substantial concessions in coming weeks, which has seen protests and violence on the streets of France. In the June quarter of 2010, French GDP growth was also slightly stronger than generally expected at 0.6%

In the UK, a new coalition government is settling in, with new budget austerity measures announced. In an ongoing effort to support growth, the Bank of England is considering a further quantitative easing, with a further £50 billion expected to be printed by early 2011. Recent economic data continue to show decent growth, but investors are still nervous about the economy's ability to withstand the upcoming fiscal tightening. Second quarter GDP growth was revised up to 1.2% fuelled by rapid growth in exports and consumer spending. A low pound has provided strong and persistent boost to exports, which are growing at the fastest pace since 1980.

Overall, The Eurozone economy surprised on the upside second quarter GDP growth of 1.0% and the biggest quarterly increase in four years. The key risks facing the region are the possibility of further sovereign debt shocks in the smaller economies and the ability of growth to continue under tight fiscal austerity measures.

## Japan

The Japanese economy made headlines in September due to a leadership challenge for the prime ministership. The position was regained by Naoto Kan, who is an advocate for fiscal discipline and job creation. In contrast, the challenger, Ozawa was pushing for currency market intervention and further fiscal stimulus.

Following this result, the Bank of Japan decided to intervene in the currency market by buying US dollars and selling Japanese Yen. This is the first time they have done this since 2004. The Yen had appreciated to a 15-year high, placing significant pressure on exporters and the overall Japanese economy. Japanese exports slowed to an annual rate of 14.4% in August, down from 23.5% in July and a 45.3% February peak. This slowdown was driven by exports to the US, which fell 9% over the month. Markets had been hoping for the Bank of Japan to finally commit to "unconventional" monetary easing which has taken pressure off price levels and boosted Japanese competitiveness.

The most positive news was that Japan's unemployment rate fell to a four-month low of 5.1% in August, down from 5.2% in July, as the number of unemployed showed the second straight monthly drop.

Despite Japanese GDP expanding at an annual rate of 0.40% in the June quarter, the general trend of the economy is for slower growth. The export driven recovery in activity since last year has starting to wane. Looking ahead to the December quarter, the expiration of the government's subsidies for purchases of autos and home appliances is likely to result in volatile consumer spending and GDP figures, making assessment of the underlying economic trend considerably more difficult.

## Emerging Markets

Emerging Asian economies continue to expand by rapid rates in comparison to the developed world. While maintaining a strong growth rate, the Chinese economy appears to be in a transition phase. The key theme remains a policy-induced economic slowdown. GDP growth rate in the June quarter stood at more than 10%, an obvious decline compared with nearly 12% growth recorded in the first quarter of 2010.

The Chinese economy however, has been showing signs resilience towards the aggregate slowdown through the various policy initiatives. The winding down of infrastructure spending is proceeding as expected, rebound in profits are on schedule and housing construction has been resilient despite policy headwinds. Manufacturing remains strong in terms of both business surveys and the official data series. The Purchasing Managers Index (PMI) of China's manufacturing sector rose to 53.8% in September, up 2.1% points from August.

Another key development over the September quarter was China coming under increasing international pressure to revalue its currency. The US House of Representatives passed a bill, in bold attempt to pressure China, which imposes tariffs equivalent to the "currency subsidy". Meanwhile, the EU is threatening to ban Chinese firms from applying for government procurement deals.

India's economy expanded at an annual rate of 8.8% in the June, compared to an 8.6% annual expansion in the first quarter of 2010, driven by robust manufacturing activity. The manufacturing sector saw the fastest rate of growth, expanding 12.4% in April to June from a year earlier.

Strong economic performance was mirrored throughout the remainder of developing Asia. Recently released macroeconomic indicators suggest the 2010 growth outlook for developing Asia is remains strong, with



aggregate GDP in the region now projected to grow 7.9% over 2010. This has been driven by buoyant exports, strong private demand, and sustained stimulus policy effect.

Broad-based economic expansion is present in developing Asia, with growth forecasts being revised up, but downside risks in the second half of the year call for continued caution. These include the uncertain global environment, the sustainability of private domestic demand growth, and the challenges of managing capital inflows and exchange rates.

## Investment Sectors

### Australian Shares

The Australian equity market rose for the fifth quarter out of the last six during the July to September period. The market was buoyed by better than expected company earnings for the second quarter and a strengthening Australian economy. The All Ordinaries Accumulation Index (including dividends) rose 8.7% over the September quarter for a slightly positive 1.7% annual return. The quarter marked a renewed appetite for risk in the Australian equity market, with sentiment improving after Europe's debt crisis stabilised and the US Federal Reserve announcing it is prepared to further stimulate the US economy.

Reflecting this renewed appetite for risk combined with rising commodity prices, resources outperformed industrials over the quarter. The S&P/ASX 300 Resources Accumulation Index rose 10.3% for an annual return of 8.7% while the S&P/ASX 300 Industrials Accumulation Index rose 7.5% for the quarter, falling 2.5% annually.

This trend was far less obvious at the sector level, where strong returns were distributed across a variety of cyclical and defensive sectors. Of the cyclical sectors, Industrials (16.6%), Materials (9.5%) and Energy (7.0%) were the best performers. Strong gains were also recorded in the defensive Utilities (10.1%) and Consumer Staple (9.9%) sectors. Telcos (-17.5%) and IT (-5.1%) were the only sectors in decline over the quarter.

The dramatic fall in the Telco sector was driven by Telstra's share price crumbling 19.4% after announcing a 10% to 20% downgrade in fiscal 2011 earnings. As it has done so many times before, Telstra unveiled a bold strategy to turn the company around via aggressively targeting market share. It appears investors are highly sceptical, focussing on the proposed margin reductions associated with this strategy. Fortunately the plus 10% dividend will

continue to be paid for now, otherwise the damage could have been far worse. Confirmation of Telstra's inclusion in the proposed NBN may provide near term support, but this outcome is still uncertain.

On a more positive note, Rio Tinto's share price surged 15.2% over a quarter after announcing plans to invest a further US\$790 million to expand annual iron ore production from the Pilbara to 300 million tonnes. So much for the proposed resource tax preventing investment in resources! Other big name companies that enjoyed a strong quarter were Qantas (+26.1%) and Fortescue Metal (+26.5%).

The strength of the domestic economy remains highly supportive of the Australian sharemarket. The outlook for business investment remains strong, as does the financial position of the household and business sectors. However, in the current environment, the performance of international markets and the global economy will ultimately determine the direction of the Australian market in the short term.

### International Shares

Despite high volatility in market returns from month to month, global equity markets rose strongly during the September quarter. The MSCI World Index (ex-Australia) ending the quarter up 13.4% USD while declining by 1.4% in AUD terms due to the strength of the local dollar. September was a particularly strong month, as the fears of a double-dip in global activity subsided, which was depressing market sentiment during August. The main catalyst to the recovery in investor confidence was the announcement from the US Federal Reserve that it was willing to embark on a second round of quantitative easing to bolster economic growth.

On a global level, a more upbeat outlook for global growth saw stronger commodity prices, supporting the energy and resource sectors, emerging markets and cyclical stocks more generally. Despite a weakness during September (and excluding Australia), telecom companies performed strongly after posting solid gains in July and August. The sector was favoured by investors seeking a combination of relative defensiveness and high yields. Financials continued to lag the wider market despite a renewed tolerance for risk.

The US was the second best performing equity region behind emerging markets, with strong quarterly returns were recorded in all the major US indices. The tech focussed NASDAQ index was the strongest performer, rising 13.3% in the quarter and 11.6% on an annual basis. This was followed by the S&P 500 (10.7% QoQ, 8.0% YoY) then the Dow Jones (10.4% QoQ, 11.1% YoY).



European equities lagged the broader global market, as investors remained concerned about the effect fiscal austerity measures will have on economic growth in the region. The Eurotop index rose 6.3% over the quarter for a 4.6% annual gain. The regional heavyweights were not able to escape negative sentiment towards the smaller peripheral countries, with the German DAX index rising 4.4% over the quarter and 9.8% annually. France, walking a more difficult fiscal path, didn't fare so well. The French CAC40 index fared better, rising 7.9%, but falling over the last 12 months, down 2.1%. The UK FTSE was the strongest performing major index over the September quarter. The index rose 18.8%, for an annual return of 8.1%.

Emerging Asian was the best performing region for equity markets boosted by stronger data from China and the US Fed's recommitment to stimulating the US economy. All 10 countries in the regional index gained during the month as foreign investors are now seeking stocks in these fast-growing economies, to compensate for the sluggish outlook for most developed markets. The Shanghai B index rose 10.7% for the quarter but remained negative on an annual basis, down 4.5%. Clearly concerns still remain regarding the impact of Government measures to cool the economy. Indian shares rose for the seventh month in eight, completing a record seven consecutive quarters of gains. India's Sensex index rose by 13.4% for a 17.2% annual return. All the other major regional indices posted double digit quarterly returns.

Japanese stocks continue to tumble in the September quarter, hitting a year-to-date low at the end of August. Concerns about a slowdown in the global economic recovery and a sharp rise in the yen, which hit a 15-year high against the US dollar, weighed upon share prices. A large-scale currency intervention by the Bank of Japan (BoJ) resulted in a late market rebound, with the Nikkei ending the quarter down just 0.1%, for an annual fall of 7.5%.

International equity markets tracked higher after a volatile quarter. The key feature of the current global equity is the struggle between attractive market valuations and ongoing economic uncertainties in the developed countries. Uneven economic growth rates across the world will continue for the remainder of 2010 and are likely to be the norm for many years to come. While developed economies deal with high levels of debt and its strain on economic growth, emerging markets could well see a reacceleration of growth.

## *Property Securities*

The Australian REITs tracked sideways over the

September quarter after a strong outperformance of equities in the first half of 2010. The ASX A-REITs Accumulation Index rose by 3.6% of the quarter and fell 5.4% over the last 12 months.

After a particularly difficult few years following the global financial crisis, the Australian REIT sector has undergone an extended period of balance sheet repair. This has now largely been complete, and the sector is once again viewed as defensive. The difficulty Australian REITs now face is that current yields are relatively uncompetitive to other available defensive investments. The yield on larger name stocks average around 5.5%, which does not provide much of a margin above cash (4.8%) or 10-year government bonds (5.1% to 5.2%). Capital appreciation is required, with two possible sources including improved financing conditions and the possibility of further takeovers in the sector.

Return profiles however, showed more dispersion at the sector level. The Industrial REIT sector continues to outperform, rising 7.5% over the quarter for a slight 1.2% fall over the past 12 months. This was followed by the Diversified sector, returning 4.9% over the quarter and falling 5.1% on an annual basis.

There were some strong performers at the individual stock level due to the expectation of consolidation in the sector. The ING Industrial Fund rose 30.7% over the quarter after Goodman Group progressively increased its stake in the company, while Centro Properties rose 22.2% after speculation it is fielding a potential takeover offer.

It was a completely different story in the international REIT, which enjoyed stellar returns on both quarterly and annual measures. The UBS Global Property Index (hedged into AUD) rose 14.8% over the quarter, returning 26.0% annually. Globally, investors have been searching for yield in a low interest rate and uncertain economic environment. This combined with leverage to equity market returns and effective currency hedging resulted in the strong outperformance of the sector.

The outlook for the Australian REIT sector remains more difficult than its global equivalents, due to the relatively high interest rates in the domestic economy. Further consolidation in the sector, improving financing conditions and a lower risk profile than equities are the key to further upside potential. The current environment remains more supportive of global REITs in the short term. The sector will continue to benefit from improved investor confidence over the economic outlook and the comparative yield offered in a low interest rate environment. However, global bond yields



will eventually rise from unusually low levels and the sector may come under pressure when the yield play fades.

### **Fixed Interest & Cash**

There has been very little change in short term interest rates in Australia. The Reserve Bank of Australia (RBA) has left the official interest rate on hold at 4.5% since its May meeting. The September meeting provided little evidence of the timing in any further changes to the official rate, but the direction of the next move was plainly apparent. In the official statement, it was noted that "if the central scenario came to pass, it was likely that higher interest rates would be required, at some point".

The tone of the statement was a distinct turnaround from the previous quarter, with the RBA now referring to a strong economy in the midst of a resources boom and less caution regarding the global economic outlook. With no interest rate rise in September, it seems the RBA believes that the dramatic rise in the Australian dollar will contain inflation for now. Markets are pricing a further 0.25% rise by the end of the year. 90-day bank bills rose modestly from 4.8% to 4.9% over the quarter, and the UBS Australian Bank Bill index returned 1.2% over the quarter and 4.3% over the last 12 months.

The vastly different economic and monetary policy outlook in Australia has been reflected in the relative performance of long term bond markets in Australia. While falling early in the quarter, 10-year Commonwealth bond yields rose in September by 0.2% to 5.0%. The UBS All Maturities Composite Bond Index returned 1.3% over the quarter and 7.34% over 12 months.

Without any clear signs of economic improvement in the major developed economies, official interest rates remain unchanged over the September quarter. The US Fed Funds rate is expected to remain at 0.25% until mid-2011. The European Central Bank (ECB)'s main policy rate of 1.0% is on hold for the foreseeable future and the Bank of England (BoE)'s historically low level of 0.5% is set to remain in place until at least late 2011. The Bank of Japan's key short-term policy rate is assumed to remain effectively at 0% for 2010 and 2011. With interest rates remaining an ultra-low levels, these economies have had to turn to quantitative easing (printing money) to support growth.

Weak economic momentum in the US over the September quarter saw a continuation of the decline in 10-year government bond yields, falling from 2.90% to 2.56%. A similar trend was present in all major global bond markets. UK Gilts fell from 3.31% to 2.94%, German 10 year bonds from 2.67% to 2.27%. In Japan,

ongoing economic weakness combined with political uncertainty pushed bonds below the 1% mark, down 1.07% to 0.94%. In aggregate, the Citigroup World ex-Australia GBI (hedged) in Australian dollars returned 3.3% for the quarter for an annual return of 9.8%.

Over the past 12 months, both international and domestic bonds have performed their function of providing investors with insurance against weakness in economic activity, equity markets and financial system uncertainty. It is highly unlikely that yields remain at the highly depressed levels as global economic activity gains momentum.

# STOCK MARKET INDICES AS AT 30 SEPTEMBER 2010



<i>Stock Market Indices</i>	<i>1 yr % pa</i>	<i>3 yrs % pa</i>	<i>5 yrs % pa</i>	<i>7 yrs % pa</i>
ASX All Ordinaries Accumulation Index	1.73	-7.09	4.47	10.02
S&P/ASX 300 Industrials Accumulation Index	-2.48	-8.94	1.81	7.25
S&P/ASX 300 Resources Accumulation Index	8.72	-2.86	11.48	20.20
S&P/ASX 300 Listed Property Accumulation Index	-4.52	-24.65	-8.39	-0.39
Dow Jones Industrial Index - US	11.08	-8.09	0.41	2.18
Standard & Poors 500 Index - US	7.96	-9.25	-1.47	1.96
Nikkei Dow Index - Japan	-7.54	-17.66	-7.15	-1.23
Dax Index – Germany	9.67	-7.47	4.31	9.71
FT-SE 100 Index – UK	8.08	-4.98	0.26	4.45
Hang Seng Index - Hong Kong	6.69	-6.26	7.70	10.34
MSCI World Acc Index net divs in \$A	-2.68	-11.02	-3.64	0.39

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