



SMITH COFFEY

<p>PERTH INTERNATIONAL ARTS FESTIVAL</p>		<p>THE UNIVERSITY OF WESTERN AUSTRALIA</p>	<p>WIN TICKETS to the Perth International Arts Festival See Page 4 for details.</p>
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2009 – A TIME OF OPPORTUNITY

- ◆ Asset Values 
- ◆ Interest Rates 
- ◆ Aussie Dollar 
- ◆ G20 Global Action 
- ◆ Health Care Industry stable 
- ◆ Health Care incomes rising 

*THIS IS LIKELY TO BE ONE OF
THOSE TIMES HISTORY WILL
JUDGE TO HAVE BEEN AN
EXCELLENT TIME TO INVEST*

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VANTAGE Points

Quarterly Financial
Commentary
Summer 2008

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SEASONS GREETINGS



Our office will remain open other than
Christmas Day, Boxing Day and New Years Day.

On behalf of the team at Smith Coffey, we wish you and
your loved ones a safe and happy festive season and
continued success in 2009. As always, rather than sending
out Christmas cards, we will be making a donation to the
AMA Foundation — Dr YES Program

MARKET COMMENTARY

Global and Australian Market Analysis

The pattern of extraordinary volatility and sharply lower stock prices has continued with renewed vigour since our last newsletter. October was particularly volatile, with global credit availability once again contracting to critical levels.

Australian stock prices declined approximately 13% in the month, and in the case of companies outside the Top 100, the average fall was approximately twice that. The September and October declines were approximately 24%, the second sharpest decline in the history of the ASX share price indices (1987 still holding the record).

At the time of writing, markets were still gyrating violently with an overall downward effect. However, the emphasis appears to be moving from the dysfunctionality of credit (lending) markets to the more traditional worries of a general economic downturn. In Australia, there had been a generally optimistic consensus that our “Lucky Country”



status as a resource rich nation tied to the rising Chinese superpower would insulate us from the worst of global problems. This optimism has rapidly become a minority view, as the spot prices of our big earning exports - industrial commodities - have collapsed from very high levels.

Governments around the world have taken dramatic and hasty steps to support banks and selected other financial institutions in a myriad of ways. Initially, lack of policy detail, design flaws and sudden changes along the way exacerbated market turmoil. However, the sheer magnitude of potential public subsidy has seen key banking system indicators begin to stabilise, causing at least one major bank Chief Economist to declare

that the credit crisis ended in November 2008.

Overall, with the exception of residential property, we consider growth assets to be priced in favour of buyers – dramatically so in the context of the last 20 years.

Sector	Commentary	Outlook
Australian Shares	Australian share prices lower.	Australian shares now priced below our estimation of fair value.
International Shares	Major market prices also weaker, although the dramatic decline of the Australian Dollar has cushioned returns.	Many large multinationals appear good value for Australian investors.
Listed Property	Very low prices and extreme price volatility appear to indicate panic over solvency of most of the sector.	Very good value on offer but accompanied by increased financial risk due to the credit crisis and rapid Australian currency decline.
Fixed Interest Securities	Safe assets such as Government bonds have been bid up to levels that are surprising given the likely medium term effects of current policy. On the other hand, non-Government securities are very cheap — effectively lenders/investors now demanding excessive reward for taking any risk.	Long-term fixed interest rates appear unattractive to us although high quality corporate debt investments appear cheap. Prefer cash and non-Government over Government fixed interest.
Alternatives	Varied performance. Gold has performed relatively well whilst paradoxically gold stocks have not. Most (but not all) alternative strategies have performed relatively well.	Gold stocks abnormally cheap relative to current gold price. Reduce strategy-based alternative investments to finance increased investments elsewhere.

CHRISTMAS RECIPES

KOURAMBIEDES — Greek Shortbread Biscuits

Ingredients:

- 1 1/2 Cups Whole Almonds
- 450g Soft Butter
- 299g Sugar
- 3 Egg Yolks
- 2 tsp Baking Powder

Method:

Lay the almonds on a baking sheet and roast in the oven.
 Cream butter and sugar together, add egg yolks and vanilla essence. Sift the flour and baking powder into the bowl, add almonds (crushed).
 Tip the mixture onto a floured surface and knead into a smooth dough and roll to 1cm thick. Using a biscuit cutter, cut into assorted Christmas shapes.
 Bake for 20-25 minutes at 180°C until light golden brown.
 Leave to cool, sift plenty of icing sugar over the top.



PASTITISIO

Ingredients:

- 1 Onion,
- 1kg Ground Mince,
- 1 Can Whole Peeled Tomato
- 1 Tablespoon Tomato Paste,
- 1 Teaspoon Sugar,
- Parsley
- 5-6 Cloves Garlic,
- Salt & Pepper,
- Parmesan Cheese
- Thick Tube Long Pasta,
- 1/4 cup Marsala wine
- Bechamel sauce

Method:

Heat oil and garlic in a saucepan and saute until transparent. Stir in mince and saute 10-15 minutes until slightly browned. Mix the tomato puree, tomato paste, sugar and parsley together and pour over the meat. Cover and simmer for 1 1/2 hours or until the liquid is absorbed. Strain and toss cooked pasta with melted butter and let cool. Add pamesan cheese and one beaten egg white to cooled pasta.
 Spread half the pasta into a lightly greased oven proof dish, sprinkle with parmesan cheese. Add meat mixture and cover with remaining pasta. Pour the bechamel sauce over the dish and bake at 170°C for an hour until golden brown. Let stand for 10 minutes before serving.


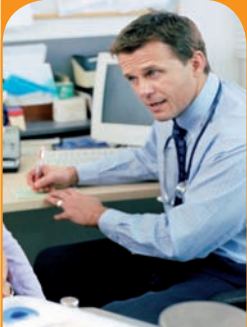




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WIN IN-SEASON TICKETS TO ANY OF THE FOLLOWING SHOWS OR DOUBLE PASSES TO ANY FILM IN THE 2009 PERTH INTERNATIONAL ARTS FESTIVAL

www.perthfestival.com.au

Festival 09

To be in the draw, simply post, fax or email your name and address to:

Irene Teo

Perth Festival Competition Draw

PO Box 268

Subiaco WA 6904

Fax: 9388 1566

Email: irene.teo@smithcoffey.com.au

Entries close **27 January 2009** and winners will be notified by mail and their names printed in the next edition of Vantage Points.



The Nargun and the Stars - Based on the novel by Patricia Wrightson

The story of Simon, an orphan and the Nargun, a huge living rock from the beginning of time. Giant puppets, fantastic flying creatures and inflatables from EARTH's innovative designers come to life in this spectacular adventure.

Commences 19 February 2009 at Regal Theatre Subiaco.



Chick Corea and John McLaughlin: Five Piece Band with Christian McBride, Kenny Garrett and Brian Blade.

Experience the awesome talent of Chick and John and their all star band in the beautiful surroundings of Kings Park.

For one night only - 15 February 2009.



The New Electric Ballroom - Druid Theatre Company

Set in a remote Irish fishing village, three sisters are trapped in the years since their halcyon days in the 1950s at the New Electric Ballroom. Equal parts absurd, funny and brutal, performances are delivered with a crackling energy.

Commences 17 February 2009 at the Playhouse Theatre.

For all enquiries call (08) 9388 2833



SMITH COFFEY

20 Nicholson Road, Subiaco WA 6008
PO Box 268 Subiaco WA 6904

Telephone (08) 9388 2833 Facsimile (08) 9388 1566
Email: smith.coffey@smithcoffey.com.au

Smith Coffey Financial Management Pty Ltd
A.C.N. 008 812 226
As trustee for the Smith Coffey Trust
A.B.N. 28 754 975 431

Smith Coffey Pty Ltd as trustee of the Bon Unit Trust
A.C.N. 008 819 458
A.B.N. 72 940 948 949
AFSL No: 237 972
FICS Membership Number F-3557

Smith Coffey Securities Pty Ltd
A.C.N. 008 812 208
A.B.N. 19 008 812 208
AFSL No: 237 971
FICS Membership Number F-1296

Smith Coffey Finance Solutions Pty Ltd
A.C.N. 090 885 857
Licensed Finance Broker (Lic. FB 1285)
A.B.N. 9909 088 5957

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