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Market not “R”-word talk key focus for investors

Investors were not swayed from their focus on the market with speculation whether Australia was in a “technical recession” or not.

Australian Investors Association (AIA) president Jolyon Forsyth said investors took more comfort from the local equities market barometer - Standard and Poor’s ASX Top 200 – posting a year-high.

“Investors were not distracted by talk about whether Australia was technically in a recession or not, but they were also not getting carried away by the S&P/ASX Top 200 breaking through the 4000 mark for the first time this year,” he said.

“However, we only need to look back 12 months to when the S&P 200 was at more than 5500. It shows how far the market has fallen and the long road to recovery.”

Mr Forsyth said AIA members have shown confidence in the value of Australian stocks.

“Our member surveys have consistently shown Australian shares are the most popular asset class in their investment portfolios,” he said.

More than 95% of AIA members surveyed included Australian shares in the investment portfolio. Those surveyed investors with international shares have fallen from 33% at the start of 2009 to 26% last month, while those with real estate investments has declined from 54% to 46%.

“It underlines the view of investors that the Australian equities market remains undervalued and there is room for significant improvement,” he said.

AIA is holding its National Investors’ Conference - Strategies & Opportunities – at the Gold Coast from 26 to 29 July. More information about the conference is available at www.investors.asn.au/G700GoldConf.asp

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