

SHAREMARKETS WILL BOUNCE BACK

PATIENCE IS REWARDED

Consecutive negative calendar year returns are generally always followed by a significant bounce back

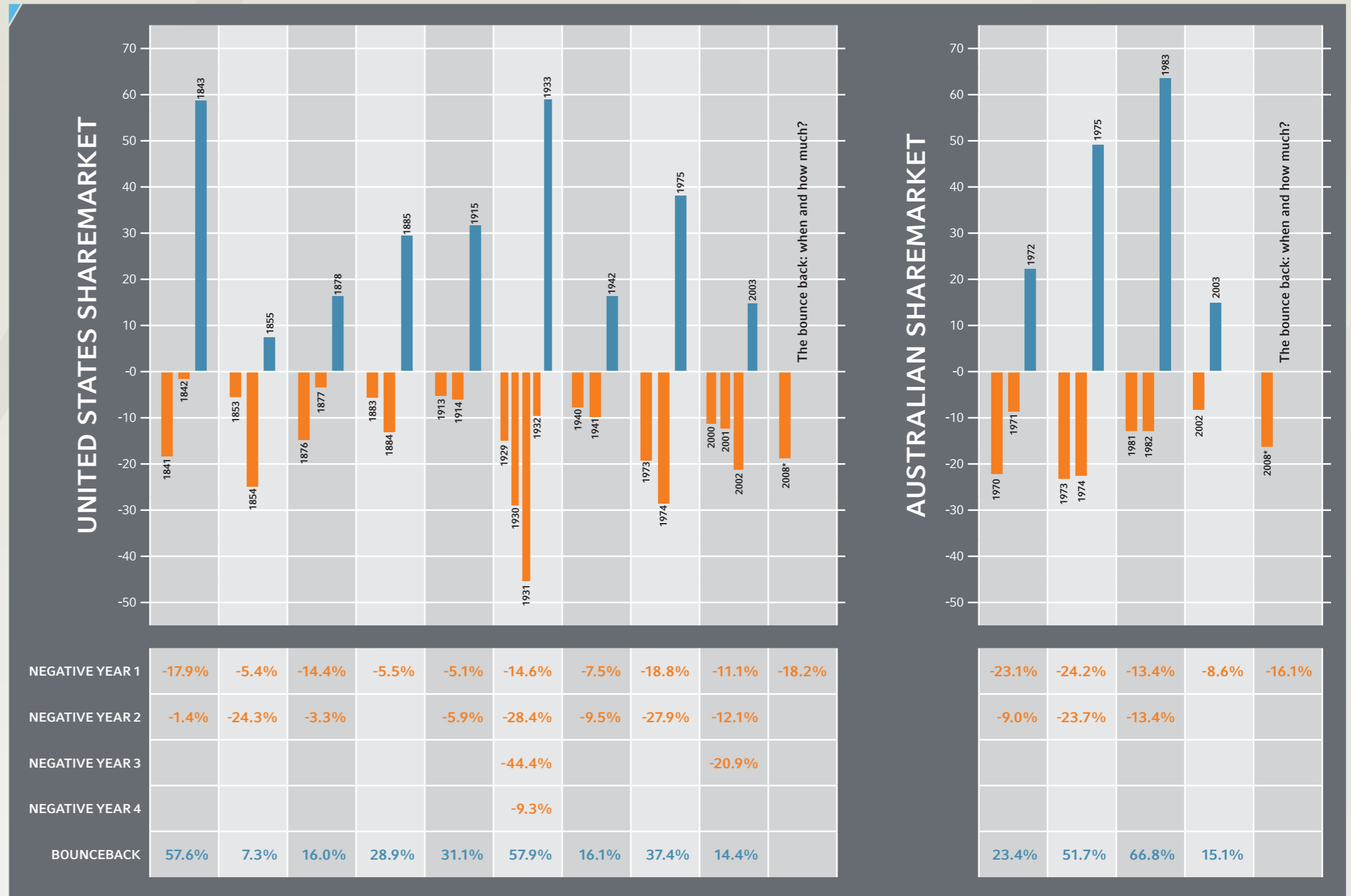
No one knows when a bear market will end. What we do know is that once sentiment changes, markets tend to recover so quickly that investors waiting to get back into markets will more than likely miss out on substantial returns. It is therefore critical to maintain a diversified and well-positioned portfolio to take advantage of a market recovery.

THE MARKETS WILL BOUNCE BACK

Historical trends tell us the markets will bounce back. The question is when, and by how much?

As an example, the Australian Sharemarket experienced consecutive negative returns in 1981 and 1982. However in 1983 the market bounced back in a big way climbing 66.8%. In 2003 we also saw evidence of this bounce back phenomenon in action with the Australian market climbing 19% and the US sharemarket rallying 26% from their lows in March. The historical trends above tell us that the markets will bounce back from the current bear market - the question is just when, and by how much.

UNITED STATES SHAREMARKET CALENDAR YEAR RETURNS. Sources: 1841-2002: Siegel, J., Stocks for the Long Run, "Stocks - nominal - total market returns: 1802-2002."; 2003 S&P 500 Price Index. AUSTRALIAN SHAREMARKET CALENDAR YEAR RETURNS. Sources: 1970-1979: Value-weighted index of the highest capitalisation industrial shares; 1980-1999: ASX All Ordinaries Accumulation Index; 1999-2003: S&P / ASX 300 Accumulation Index (formerly the All Ordinaries Index). Issued by Russell Investment Management Ltd ABN 53 068 338 974, AFS Licence 247185 ("RIM"). This document provides general information only and has not been prepared having regard to your objectives, financial situation or needs. Before making an investment decision, you need to consider whether this information is appropriate to your objectives, financial situation and needs. This information has been compiled from sources considered to be reliable, but is not guaranteed. Past performance is not a reliable indicator of future performance. Any potential investor should consider the latest Product Disclosure Statement ("PDS") in deciding whether to acquire, or to continue to hold, an investment in any Russell product. The PDS can be obtained by visiting www.russell.com.au or by phoning (02) 9229 5111. RIM is part of Russell Investments ("Russell"). Russell or its associates, officers or employees may have interests in the financial products referred to in this information by acting in various roles including broker or adviser, and may receive fees, brokerage or commissions for acting in these capacities. In addition, Russell or its associates, officers or employees may buy or sell the financial products as principal or agent. *Sharemarket returns are for the six months to 30 June 2008. R_Poster_Bounce_V1_0808 MKT/1815/0708



Order Ref No. PO1815