

Shares offer good potential to grow your money over longer time periods. But, share prices can also rise and fall a lot in short spaces of time – sometimes in one day. At the end of the day, history shows us that if you're investing for the long term, you'll usually recover any short term losses.

### Quarter 3 review.

Talk about investor blues. The sharemarket fell 10.7%, as worries about the credit crisis and global growth worsened. Resource companies fell hard on fears of weaker growth prospects for China – one of our biggest importers. And, to top it all off, company earnings disappointed, fanning concerns about a slowdown in economic growth.

On the bright side of the road, investors cheered the 0.25% cut in interest rates to 7% and Westpac successfully bought out St George. Overseas, the US tried to resolve the financial crisis by proposing a \$700 bn aid package.

### Outlook – continued jitters.

There's rising unemployment and weakening growth in the US and China's showing signs of slowing down. Both spell more volatility for investors down under.

### Confidence boosters.

More rate cut rumours should perk up investors. Plus, our economy is still travelling nicely, thanks to inflows of super money and cash from takeovers. More mergers and acquisitions are also on the cards.

### Confidence bursters.

It's important that the US financial bail out package can help kick-start economic growth, free up credit and support house prices. If not, more downturns will dominate the marketplace.

### How this relates to Virgin Super options.

The more Aussie shares you have in your asset split, the more relevant this information is.

- If you're under 40 and invest in Life Stage Tracker® Aggressive, please pay attention, because this investment option invests totally in Aussie shares.
- If you're in your 40s and invest in Life Stage Tracker® Aggressive or if you're under 40 and invest in Life Stage Tracker® Balanced, pay almost as much attention, because these investment options invest mostly in Aussie shares.
- If you're selecting your own asset split, it depends on how much you chose to put into Australian shares. A low exposure won't affect your account balance much regardless of whether the market rises or falls. A high exposure will strongly impact the size of your account balance.

### The legal bits.

Small note from the legal guys. This market report has been prepared by Virgin Money Financial Services ('we') Pty Ltd ABN 51 113 285 395 AFSL 286869 (VMFS) for Trust Company Superannuation Services Limited ABN 49 006 421 638 AFSL 235153 RSE L0000635 as Trustee for Virgin Superannuation RSE R1001440. The info it covers is current as at 30 September 2008, and applies to money matters in general, not you specifically. The info source is a third party provider. We haven't verified its accuracy so can't guarantee that it is correct, and accept no liability for inaccuracies, errors or omissions. Before deciding whether Virgin Super fits your financial objectives, situation or needs, we suggest a quiet word with a financial advisor. Important note is that past performance is not indicative of future performance.

### S&P/ASX 300 Accumulation Index

