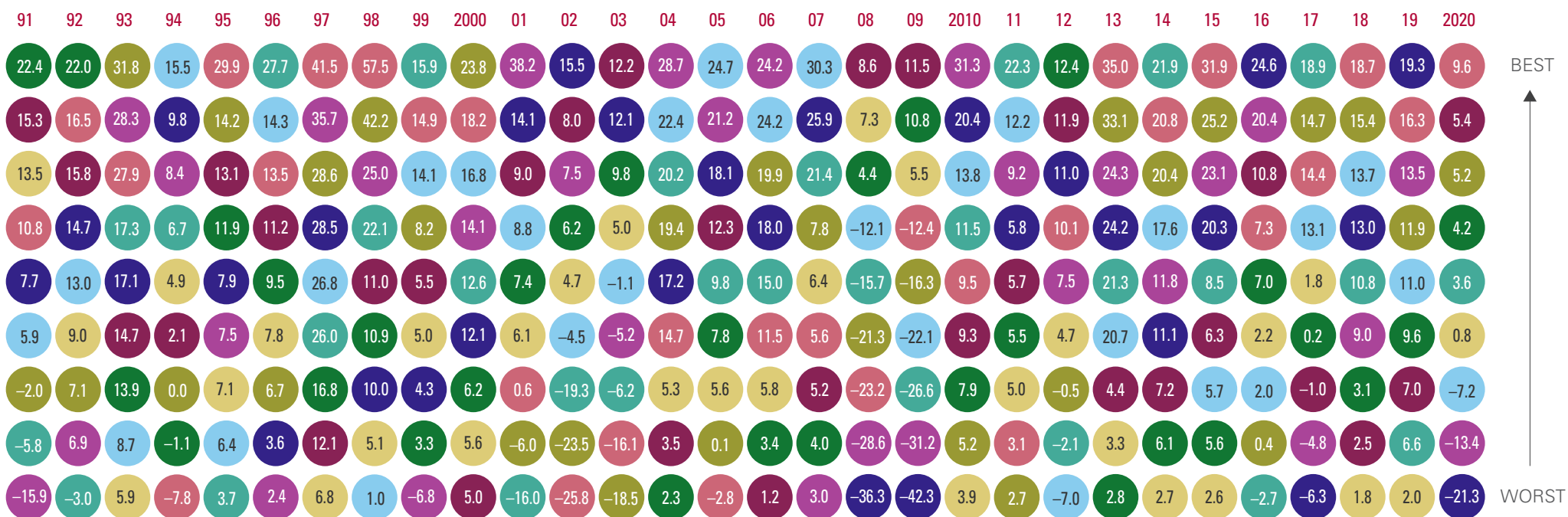


# The power of diversification

Financial year total returns (%) for the major asset classes for financial years ending between 1991 and 2020.

The diagram below shows the performance of various asset classes over the past 30 years ranked from worst to best. When deciding where to invest their money, it is important investors understand that the best and worst performing asset classes will often vary from one year to the next. Having a diversified mix of investments across multiple asset classes can help smooth out returns over time.

The diagram also reinforces the importance of sticking to an investment strategy and focusing on the long term.



ASSET CLASSES

- Australian Shares
- International Shares (Hedged)<sup>1</sup>
- Australian Bonds
- Australian Listed Property
- Cash
- International Shares
- US Shares
- International Bonds (Hedged)<sup>2</sup>
- International Listed Property<sup>3</sup>

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Source: Andex Charts Pty Ltd June 2020.  
 Notes: 1. MSCI World ex-Australia Net Total Return Index (Local Currency) – represents a continuously hedged portfolio without any impact from foreign exchange fluctuations. 2. Index prior to 30 June 2008 is the Citigroup World Government Bond Index AUD hedged, from 30 June 2008 the index is the Bloomberg Barclays Global Treasury Index in SA (Hedged). 3. Prior to 1 May 2013, index is the UBS Global Real Estate Investors Index ex-Australia with net dividends reinvested. From May 2013 the index is the FTSE EPRA/NAREIT Developed ex AUS Rental Index with net dividends reinvested. Past performance is not an indicator of future performance.  
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