



The Visual Investor

Another Solid Performance

The Australian market closed up 5.7% for the month of September another solid 5% plus performance.

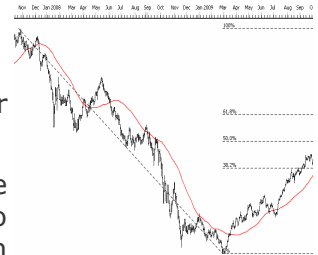
Harking back to last month's newsletter, and the Fibonacci levels, we wonder when the 50% retracement level will be breached. This will also approach breaking the psychological level of 5000 points. Another month like September and we will be through this level, but of course the naysayers are predicting a pull back... we shall see.

September saw mixed economic results with predictions that the Australian economy was out of the woods and at risk of overheating due to excessive stimulus! How things change in a few short months.

The Chinese economy has proved robust and we are riding this wave. However, the Japanese economy is still in a bad way so it is just as well that China has stepped in to take up the slack.

Forecasting a patchy economic recovery, Jillian Broadbent an RBA board member said; "Countries around the world are in different positions. Some will grow quickly like China, some will struggle to grow at all, and some will still be on zero growth, so it's just a mixed picture."

If the economists and the RBA are correct, Australia will have come through one of the worst financial crises in history relatively unscathed.



When 5000 plus?



MARKET VIEW

Frank Watkins

September saw the All Ords move from the open of 4481 to close the month at 4739, a rise of 5.7 percent. It looks like a test of the 5000 level is not far away. Banks have performed well but as suggested last month there has been real activity in the Property Sector. CER, CNP, and AEZ have put in a strong performances while AFA, LLP and VPG have done reasonably well.

Slow burners in this sector are CPA, FKP, GMG, GPT, IIF ILF MGR MOF and SGP. Two of the property "blue chips" are also worth a look at in the Super portfolio, namely WDC and LLC. The bears have also come to town. In last weeks' Sunday Times in Perth the first of the "Beware October" articles appeared with Dale Gilham looking for a 15 percent correction.

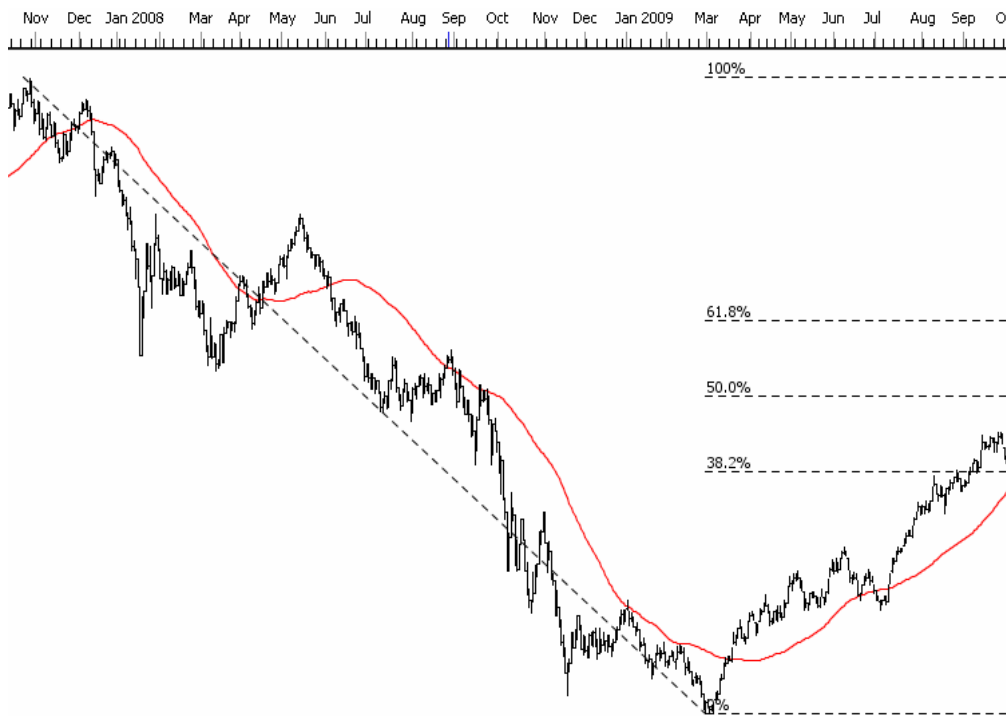
My suggestion for October is to tighten up your stops a little if you are concerned and particularly if you can lock in good profits. At the same time keep an eye out for any "spikes" down to very strong support levels and look to buy the dips.

DON'T KID YOURSELF!

I was talking to a chap on Monday (non-member) who told me he has 200,000 BWP. He went on to say that he had been holding them for a long time and was very happy with them as he had "done the fundamentals" and was satisfied to hold them indefinitely. He also told me he did not believe in stops, that fundamentals had stood him in good stead for many years and he was happy with the dividend and was never worried during 2008. Not looking for a debate at the time I just excused myself and carried on looking at the chooks. I noticed that one or two of them also attempted to bury their heads in the sand.

I cannot figure out how anybody can be happy watching a stock price fall from \$2.60 to \$1.30. What fundamentals tell you that? And you were never worried? Wow! Everyone else in the world was! Unfortunately BWP has rallied only 27% from it's low while the XAO has rallied 51%. Still happy?? Many people are running round at the moment happy with the 50% rally from the low, but I put it to you—we are still 30% off the high. You can fool some of the people.....

Broking Issues



Remember your risk level in any trade is the amount of money you are willing to spend to find out if you are right or wrong.

Index Performance for September		
XAO	+258	+5.7%
XJO	+267	+5.9%
XPJ	+83	+9.5%
XMJ	+307	+2.8%
XIJ	+62	+10.5%
XHJ	+312	+3.7%
XNJ	+199	+5.4%

The All Ordinaries closed out September at 4739, well above the 60-day moving average, and as mentioned on the front page, well placed for an assault on the 5000 level.

If sentiment is a driving factor in the market, a solid break of the 5000 should fuel optimism.

A report in the US during September showed that US retail investors were still reticent about the equities markets, preferring to remain in treasury bonds despite a 60% rally on the US market!

There are two ways of looking at this; on one hand it shows that the US rally is institutional driven—the so-called 'smart money'. On the other hand, solid retail investor participation is vital if a sustained Bull market rally is to continue.

Price Increments

On the ASX, orders may be placed in minimum price increments. The size of the increment depends on the price of the shares. The price ranges and increments are as follows:

Price Range	Price Increment
0.1 cents to 9.9 cents	0.1 cents
10 cents to \$1.995	0.5 cents
\$2.00 to \$999	1 cent
\$1000 and over	\$1

So if you are buying a share priced at 50 cents, you may bid at 0.5 cent increments. If you are buying a more expensive stock at say \$20, you may bid at 1 cent increments.

Does your broker offer conditional orders to help you optimise your entries and exits?

**No ... then isn't time you got another broker?
Phone Pro Trader Securities on 1800 123 015**

Company Profile

Definition

Prospectus

An official document approved by the Australian Securities Investment Commission (ASIC), inviting investors to buy the issuing Companies' shares.

GICS Industry Group Codes

1010	Energy
1510	Materials
2010	Capital Goods
2020	Commercial Services & Supplies
2030	Transportation
2510	Automobile & Components
2520	Consumer Durables & Apparel
2530	Hotels Restaurants & Leisure
2540	Media
2550	Retailing
3010	Food & Drug Retailing
3020	Food Beverage & Tobacco
3030	Household & Personal Products
3510	Healthcare Equipment & Services
3520	Pharmaceuticals & Biotechnology
4010	Banks
4020	Diversified Financials
4030	Insurance
4040	Real Estate
4510	Software & Services
4520	Technology Hardware & Equipment
5010	Telecommunications Services
5510	Utilities

Bank of Queensland BOQ



Bank of Queensland Limited (BOQ) is a Queensland-based banking institution. BOQ is active in the home and business lending spheres, but also provides services in the deposit, credit card, leasing, equipment finance, corporate and international services areas. A unique aspect of BOQ is its owner-managed branches.

The bank has grown considerably since 2000 with several key acquisitions including; ATM Solutions Australasia, UFJ Finance Australia an equipment finance company, and most recently, the Home Building Society in Western Australia.

BOQ paid a 26 cent dividend in August.

We currently have a fairly bullish outlook for Australian banks given the mild downturn here, and the Government guarantees. The big four have greatly benefited and perhaps the smaller regional banks are due for a good run.

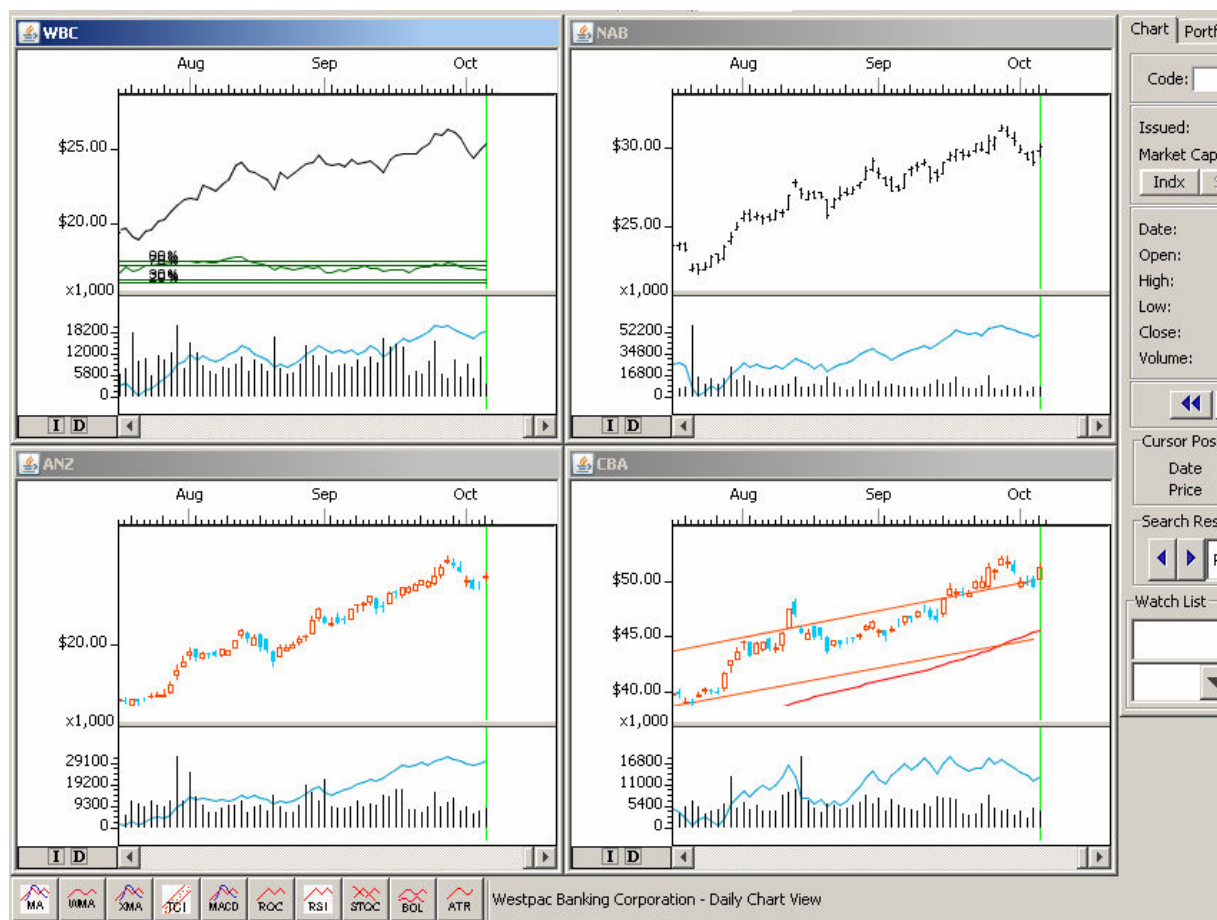
Technically, the chart is showing a good uptrend since around mid-May with a price increase from about \$7.50 to the current resistance level of \$12—\$12.10. We currently show a consolidation area with a breakout level around \$12.10. An initial stop loss below the \$11.30 level would be advisable.

Have you registered for our SMS trading alert service? It's FREE to Pro Trader Securities clients so why miss out, contact your adviser today and register to get alerts on potential trades straight to your mobile phone!

Technical Issues

Multiple Charts

The current version of your Pro Trader software can display up to four charts simultaneously. To open more than one chart, simply type the codes of the stocks separated by a space e.g. WBC NAB ANZ CBA will open the big four bank charts as in the following screen grab.



Clicking on an individual chart will make it the 'active' chart and its data will be displayed in the data panel.

Different chart types may be applied to individual charts and indicators may also be displayed. However, the resolution will be applied to every chart i.e. changing the resolution to 25% will cause every chart to display at this resolution.

The 'active' panel is the one that shows a blue status bar at the top of the panel.

Financial Planning

The Importance of Estate Planning

Estate planning is **much** more than just having a Will. It can involve family structures (trusts, companies), beneficiaries, powers of attorney, taxation issues, business succession, guardianship provisions, superannuation and insurance arrangements.

The aim of estate planning is to ensure that the right assets are transferred to the appropriate people at the appropriate time.

In contrast, a Will only deals with assets that are owned by the creator of the Will (the testator) in their own right. Assets controlled, but not owned, by the testator **cannot** pass through the Will. In some cases it is better to have assets bypass a will. This way the asset is guaranteed to go to the appropriate person. This is because Wills can be contested.

The importance of estate planning cannot be over emphasised. Not having an estate plan could leave nothing but arguments and hassles for those left behind. With blended families it is important to make sure your children from the first marriage get what they deserve.

You should act now. Sit down with a qualified person and nut out what it is you want to do.

WARNING: The above is a guide only. You should consider speaking to a registered tax agent about your personal circumstances or visit the Australian Tax Office web site for additional information.

GENERAL ADVICE WARNING

The information contained in this publication may be regarded as general advice only. That is, your personal objectives, needs or financial situations were not taken into account when preparing this publication.

You should consider the appropriateness of any general advice we have given you, having regard to your own objectives, financial situation and needs before acting on it.

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