

# farrelly's Investment Strategy Tipping Point Tables

Australian Equities			Developed Market Equities			Emerging Market Equities			A-REITs		
All Ords 7,970.8	10 yr F'cast return	Status	FTSE DM 515.7	10 yr F'cast return	Status	FTSE EM 787.1	10 yr F'cast return	Status	ASX REIT 1639	10 yr F'cast return	Status
10000	3.5%	Overpriced	560	2.6%	Overpriced	1150	2.9%	Overpriced	1850	3.8%	Overpriced
9750	3.9%	Overpriced	540	3.0%	Overpriced	1100	3.4%	Overpriced	1800	4.1%	Overpriced
9500	4.2%	Overpriced	520	3.4%	Overpriced	1050	4.0%	Overpriced	1750	4.5%	Fully priced
9250	4.6%	Fully priced	500	3.9%	Overpriced	1000	4.5%	Fully priced	1700	4.9%	Fully priced
9000	5.0%	Fully priced	480	4.3%	Overpriced	950	5.2%	Fully priced	1650	5.3%	Fully priced
8750	5.4%	Fully priced	460	4.8%	Fully priced	900	5.9%	Fully priced	1600	5.7%	Fully priced
8500	5.8%	Fully priced	440	5.4%	Fully priced	850	6.6%	Fully priced	1550	6.2%	Fully priced
8250	6.3%	Fully priced	420	5.9%	Fully priced	800	7.4%	Fair value	1500	6.7%	Fully priced
8000	6.7%	Fully priced	400	6.5%	Fully priced	750	8.2%	Fair value	1450	7.1%	Fair value
7750	7.2%	Fair value	380	7.1%	Fair value	725	8.7%	Fair value	1400	7.6%	Fair value
7500	7.7%	Fair value	360	7.8%	Fair value	700	9.2%	Fair value	1350	8.2%	Fair value
7250	8.3%	Fair value	340	8.5%	Fair value	675	9.7%	Cheap	1300	8.7%	Fair value
7000	8.8%	Fair value	320	9.3%	Fair value	650	10.2%	Cheap	1250	9.3%	Fair value
6750	9.4%	Cheap	300	10.2%	Cheap	625	10.7%	Cheap	1200	10.0%	Cheap
6500	10.0%	Cheap	280	11.1%	Cheap	600	11.3%	Cheap	1150	10.6%	Cheap
6250	10.7%	Cheap	260	12.1%	Cheap	575	11.9%	Cheap	1100	11.3%	Cheap
6000	11.4%	Cheap	240	13.2%	Cheap	550	12.6%	Cheap	1050	12.1%	Cheap

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Developed Market Equities		
FTSE DM <sup>1</sup> 516	F'cast return	Status
560	2.6%	Overpriced
540	3.0%	Overpriced
520	3.4%	Overpriced
500	3.9%	Overpriced
480	4.3%	Overpriced
460	4.8%	Fully priced
440	5.4%	Fully priced
420	5.9%	Fully priced
400	6.5%	Fully priced
380	7.1%	Fair value
360	7.8%	Fair value
340	8.5%	Fair value
320	9.3%	Fair value
300	10.2%	Cheap
280	11.1%	Cheap
260	12.1%	Cheap
240	13.2%	Cheap

US Equities		
S&P500 5278	F'cast return	Status
5500	0.9%	Overpriced
5250	1.4%	Overpriced
5000	1.9%	Overpriced
4750	2.5%	Overpriced
4500	3.1%	Overpriced
4250	3.7%	Overpriced
4000	4.4%	Fully priced
3750	5.2%	Fully priced
3500	6.0%	Fully priced
3300	6.7%	Fully priced
3100	7.4%	Fair value
2900	8.3%	Fair value
2700	9.1%	Fair value
2500	10.1%	Cheap
2300	11.2%	Cheap
2100	12.4%	Cheap
1900	13.8%	Cheap

World ex US Equities		
World ex US <sup>2</sup> 340.5	F'cast return	Status
510	2.0%	Overpriced
490	2.5%	Overpriced
470	3.0%	Overpriced
450	3.5%	Overpriced
430	4.0%	Overpriced
410	4.6%	Fully priced
390	5.2%	Fully priced
370	5.9%	Fully priced
350	6.6%	Fully priced
340	6.9%	Fair value
330	7.3%	Fair value
320	7.7%	Fair value
310	8.1%	Fair value
300	8.6%	Fair value
290	9.0%	Fair value
280	9.5%	Cheap
270	10.0%	Cheap

Emerging Market Equities		
FTSE EM <sup>3</sup> 787	F'cast return	Status
1150	2.9%	Overpriced
1100	3.4%	Overpriced
1050	4.0%	Overpriced
1000	4.5%	Fully priced
950	5.2%	Fully priced
900	5.9%	Fully priced
850	6.6%	Fully priced
800	7.4%	Fair value
750	8.2%	Fair value
725	8.7%	Fair value
700	9.2%	Fair value
675	9.7%	Cheap
650	10.2%	Cheap
625	10.7%	Cheap
600	11.3%	Cheap
575	11.9%	Cheap
550	12.6%	Cheap

1. FTSE All World DM (Loc)

2. FTSE All World Ex US (Loc)

3. FTSE All World EM (Loc)