

# Media Release



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## **ASSET ALLOCATION COULD BE ONE OF THE KEYS TO MAXIMISING SUPER**

ClearView Retirement Solutions says that those nearing retirement and still in the workforce may want to reconsider their asset allocation and risk profile in the wake of the ongoing market volatility.

"If you're just one or two years away from retirement and still working, it's time to do a stocktake of your super. You may not have control over the market, but you do have control over the way your superannuation is allocated. Making careful and informed choices could really help you to maximise your retirement income," said Dante De Gori, Technical Manager, ClearView Retirement Solutions.

"Your aim should be to try and save as much as you can through vehicles such as salary sacrifice and use this to help build up your investments," said De Gori.

"Crystallizing your losses on your equity investments – may not be the best approach - which is what would happen if you redeemed or switched all your growth assets into other defensive investments such as cash. Remember that you'll be living off your superannuation for a long time so you still need growth assets in your portfolio," he said.

Upon retirement, investors should consider drawing income from their cash and defensive investments, providing more time for their growth assets to recover from this year's market shocks.

"If you can leave your aggressive or growth assets to one side and let them be and live off your defensive assets when you retire, you'll give those assets the time and the chance to recover when the market turns," said De Gori.

However, if all of your superannuation is invested in equities and you don't have much of a cash balance, De Gori says you may want to think about switching some of your portfolio into defensive assets.

"The amount you switch will depend on your risk profile and the amount of loss you are willing to sustain. You'll need to balance your desire to have an income against the need to still be invested in growth assets so you can enjoy the market upswing and capital gains when they come.

Investors that do decide to switch, may want to switch over a period of time to help avoid cashing out at the lowest point.

"Regular switching can help you to average out the price you receive without trying to time the market," he said.

For investors who are still far away from retirement, or have the option of deferring their retirement for more than five years, you may want to really think about sitting on your growth assets and continue contributing into your super, De Gori said.

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"You want a portfolio which is diversified enough to correctly reflect your risk profile when you retire, with enough cash and growth assets to give you exposure to capital growth and income."

**-ENDS-**

## **About ClearView**

ClearView Retirement Solutions is a financial services group of companies that specialises in providing financial advice, products and services to people nearing, or in their retirement. ClearView Financial Advisers are committed to making high quality retirement advice and service accessible to their local community. Initial meetings are free of charge and without obligation.

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***For further information or to find out whether you could benefit from meeting with a ClearView Adviser please contact:***

Lisa Chikarovski  
BlueChip Communication for ClearView  
Tel: +61 2 9018 8606