



Diversified

Diversified Wealth Management Balanced Fund

January 2010 (as at 31 December 2009)

Update

The *Diversified* Wealth Management Balanced Fund achieved a +14.68% gain for investors in the last 12 months, adding to the superior, long-term performance of the strategy it pursues. The fund has a 5-Star Rating and is ranked No. 1 over 1 year, 3 years, and 5 year returns. Pleasingly, funds under management swelled from \$3.2 million to \$14.1 million over the course of the year.

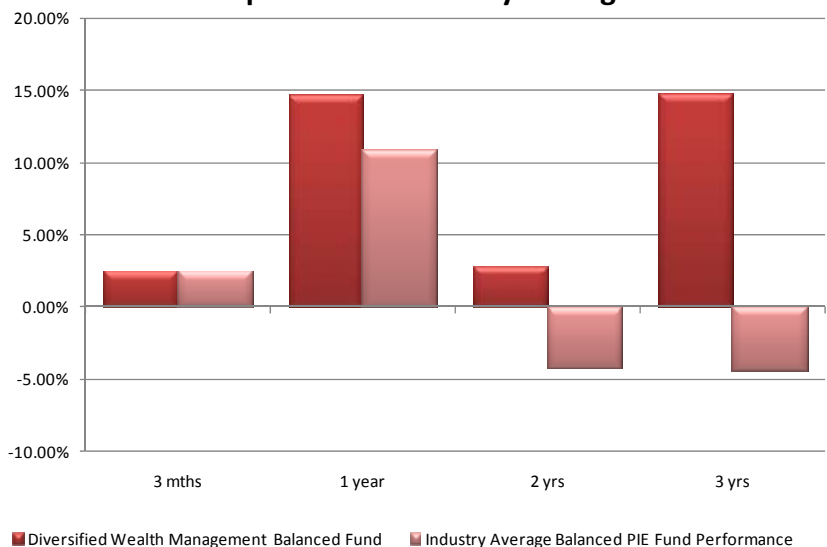
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	3 mths	1 year	2 yrs	3 yrs	FundSource Rating
Diversified Wealth Management Balanced Fund	2.43%	14.68%	2.84%	14.82%	★★★★★
Industry Average Balanced PIE Fund Performance	2.45%	10.84%	-4.22%	-4.45%	

FUND DETAILS

- FUM as at 31 Dec 09 – \$14.1 million
- Unit price as at 31 Dec 2009 – **1.0724/unit**
- Minimum First Deposit - \$2,000
- Regular Investments - \$200 minimum per month
- Monthly Withdrawals available to accommodate income requirements
- Management Fee of 1.4% (Including expenses)
- Advisor Fee of 0.6%
- No Entry or Exit Fees

Diversified Wealth Management Balanced Fund compared with Industry Average



OVERVIEW AND UPDATE

- Official monetary and fiscal conditions remain stimulative almost everywhere.
- Particularly the US economy & market may surprise on the upside.
- The global outlook still favours shares over bonds. The Fund is fully invested.
- After soaring through 2009, the global Bull-market in Equities may be punctuated by 'corrections' in 2010, but we gauge it will continue over a one-year horizon.
- The NZ\$ is too expensive. The Fund's International assets are currently unhedged. Diversification across a range of major international currencies is the Fund's usual position.
- Broad and synchronous global growth will lift demand for Oil.
- The Great Financial Crisis has passed. Gold Bullion is less needed as a safe haven.

www.diversified.co.nz – Tel: 09 366 7380 or 0800 55 88 11

Diversified Wealth Management Limited

THE DIVERSIFIED BALANCED INVESTMENT FUND

The *Diversified* Wealth Management Balanced Fund (The Fund) mimics *Diversified's* proprietary Balanced strategy, which has been successfully operating since 1994.

"Portfolio Investment Entities" (PIEs), offer the same investment strategy to investors with the simplicity of built-in tax, reporting, accounting and cost efficiencies.

The *Diversified* Wealth Management Balanced Fund is systematically diversified across the major asset classes in accordance with Modern Portfolio Theory. The Fund may form an ideal 'core', to complement individually selected, specialty satellites.

Diversified's strategies again proved sound during the financial market travails of 2008. Fund and portfolio investors' journey toward financial security, or a more prosperous retirement, remains very much intact.

THE ADVANTAGES OF USING THE DIVERSIFIED WEALTH MANAGEMENT BALANCED FUND

- Intelligent application of Modern Portfolio Theory;
- Macro-economic analysis as a basis for asset allocation (Commodities are generally accessed via International Equities).
- Superior strategy demonstrated over financial market ructions;
- Transparent & comprehensive reporting to each investor on a quarterly basis (you know where your money is invested);
- Ideal 'Core' to a core-and-satellite investment approach;
- Vigorously researched and completely independent investment selection.

FUND OUTLINE & STRATEGY

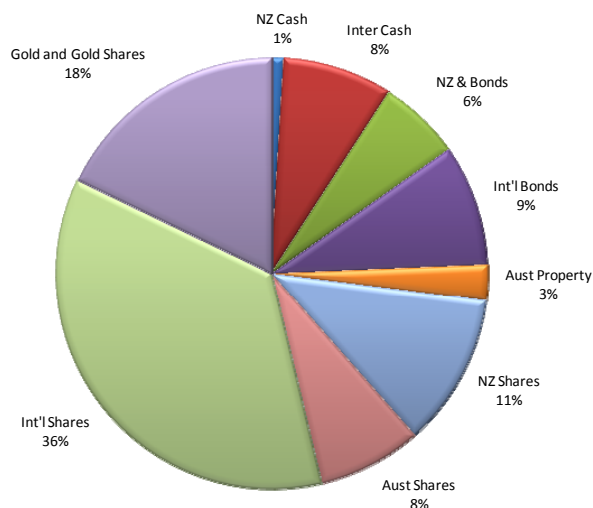
Diversified' is a proponent of Tactical Asset Allocation, based on our one-year to 18 month outlook for economic fundamentals.

The Fund's strategy is constantly monitored, and is formally reviewed on a Quarterly basis, most recently in December 2009.

Note: The Fund's Asset Allocation or Investment Selection may not be suitable for other passive, or 'set-and-forget' investment styles.

Strategy, asset allocation, investment selection and the performance form part of Unit Holders quarterly reports on their investment.

Asset Allocation as at 31 December 2009



MANAGER PROFILE

Diversified Wealth Management Limited (DWML) is associated with *Diversified* Investment Strategies Limited (*Diversified*); an established company offering investment advice to individuals, trustees and charities. *Diversified* is well known in the industry for leading and proprietary investment strategies, capably managing market volatility.

Important Notes

This information is intended to provide a general profile only and is believed to be accurate as at the date of issue unless otherwise stated. Diversified does not accept liability for any loss, damage, cost or expense that may arise from any reliance on this information. In addition to reading the Investment statement, Diversified recommends that you obtain professional advice on your individual requirements before making any investment decision. All fees stated are on a GST exclusive basis and are expressed as a percentage of the gross asset value of the fund. Past performance is not necessarily indicative of future performance.

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