



Hello Investors,

Welcome to GSI's 2009 Spring edition of 'The Investor' Newsletter.

In this edition we discuss what's been happening at GSI, along with some locally focused articles and personal stories.

There's an article about a recent trekking expedition with fellow director Peter Murphy on the Larapinta Trail, we promote some of our regional sponsorships and we profile our Sale branch. We also let you know of our trading hours over the Christmas/New Year period.

Taking a look at our staff, we introduce you to Joanne Hurley and we discuss our staff training day. We also note with sadness the passing of one of our founding fathers in Milton d'S.Murphy.

We hope you find this edition of The Investor interesting reading and with the year coming quickly to a close, we take this opportunity to wish you a safe Christmas and prosperous 2010.

We look forward to your continued support next year, the year in which we celebrate our 40th year of operation.

Glenn A. Sanford
Managing Director



Yarragon – Gippsland

GSI supports.....Gippsland Umpires Association

Gippsland Umpires Association President Shane Morgan was very appreciative of GSI's commitment to support the Association for the next three (3) seasons.

GUA members umpire the Ellinbank District and West Gippsland Latrobe Football Leagues and currently have a shortage of umpires. With GSI's support they will be able to introduce programs that will attract new umpires and remove the burden of the cost of their uniforms, which has been a barrier to recruiting and retention of members. GUA anticipate attracting ex-footballers to continue in the game by becoming an umpire, helping to provide the games for younger players.

GSI is pleased to offer its support and commitment, enabling the Gippsland Umpires Association to plan ahead for the development of their members and the game in the region. The umpires have a difficult job and it's an important part of the game – because without the umpires, there is no game.



Gippsland Umpires Association president Shane Morgan (left) with GSI Warragul branch manager, Noel Pullen.



Members of GUA at the official launch pictured with GSI management.

GSI's Administration Assistant/Investment Officer



Joanne Hurley joined the team in September 2003, employed part-time at head office in Bairnsdale as an Investment Officer. Jo's duties and responsibilities have grown progressively and in October 2007 due to the growth of the company, her position became full time.

Jo's role now focuses on providing administration and IT support to our seven branches, whilst assisting both the Managing Director Glenn Sanford and Business Development Manager Karen Cox as Personal Assistant. Coupled with attending to the day to day transactions of clients as an Investment Officer, Jo ensures high levels of customer service standards are delivered.

Outside work, Jo is President of the Lindenow Junior Football Club; she enjoys outdoor activities and spending time with her family.

Business Update



Economic outlook

At the time of the July newsletter, signs were emerging that a recession in Australia might be avoided and some sort of economic recovery was under way.

Some three months on, that recovery has gained significant momentum with

a number of key parts of the economy performing well – certainly in comparison with the doom and gloom predictions earlier in the year when in an economic sense, the sky was about to fall in.

The Australian sharemarket has risen approx. 50% from its low in March, demand for Australian exports has proved quite resilient and unemployment is unlikely to get to the levels previously predicted. On the negative side, business profits have suffered and will take time to recover, as will their appetite for capital expenditure.

At the household level, we've continued to spend moderately rather than retreat too much into saving and debt reduction, thus avoiding a sharp rise in unemployment. Historically low interest rates, together with Federal Government cash handouts have added to a rise in household disposable incomes – that's why unless we've been affected by a job loss, our confidence levels about the economic situation are quite upbeat.

Looking forward, the recovery is likely to be patchy until the business sector starts to return strong and consistent profits and the economy is weaned off the Government's stimulus packages.

At GSI, things are positive with funds available to lend, good demand for loans and our deposit levels are on the rise. The interest rate climate is reasonably stable at present and the next change in official rates is now expected to be up.

Glenn Sanford
Managing Director



GSI KINGS COVE METUNG OPEN CLASSIC 2009

RESULTS

GSI was the major sponsor of the feature golf event at Kings Cove Metung in June, attracting 120 golfers and a prize pool of over \$3,000, making it the largest amateur golf event in Gippsland.

This year's event was an open competition attracting the best of the regions amateur golfers, from as far as Melbourne and Mallacoota over the two days.

The weather provided a wonderful weekend of golf although the wind at times proved to be challenging for most. Entrants were treated to delicious evening dinner on Saturday night and a delightful afternoon tea on Sunday, all adding to the enjoyment of participants and success of the competition.

The results of the two day event were as follows:

Saturday Ambrose Winners:

WINNERS:

G. Adams, C. Ferreira, R. Sandy,
M. Linford (Score 54.25)



Mens single Stableford winner Les Coles with Karen



Winners of the Ambrose event: L-R Glenn with Graham Adams, Carlos Ferreira, Rhett Sandy and Mark Linford



Pictured with GSI Management are clients/members of the GSI Ambrose team L-R: Matt Martino, Marjorie Gleave, Glenn Sanford, Karen Cox, Sue Bayley, Marg Cusack and John Gleave.



Karen with ladies single Stableford winner Jennifer Dennis

RUNNERS-UP:

A. Dennis, Jennifer Dennis,
Jadon Dennis, Johnathan Dennis (Score 58.25)

THIRD:

C. Lesiw, C. Johnston, J. Wood,
R. Lesiw (Score 59)

Sunday Stableford Event:

LADIES – Winner: J. Dennis (Score 39)

Runner-up: E. Derham (Score 37)

Third: L. Risely (Score 32)

MEN – Winner: L. Coles (Score 41/ CB)

Runner-up: B. Shipperlee (Score 41/ CB)

Third: J. Young (Score 40)



Although our gallant GSI team did not get a place, they certainly gave the other competitors a run for their money. Thank you to our local GSI golfers for taking up the challenge and being part of the GSI team.

To launch our 40th birthday next year, GSI is entering a float in the Bairnsdale Christmas Parade on

Saturday 28th November

Many local businesses and service clubs etc. will be represented so give us a wave as we pass by.

Parade runs from
11 am to 1 pm

Pelicans Inc.



GSI Directors Peter Murphy and Glenn Sanford have recently returned for another "Pelicans" walk, this time on the Larapinta Trail which stretches some 223 kms along the backbone of the West MacDonnell Ranges in the Northern Territory.

There were 16 walkers in this year's expedition, all from East Gippsland and the group included several who participated in previous treks on the Sandakan Death March (Borneo) in 2008 and Kokoda Trail (PNG) in 2006.

Through the generous support of local sponsors, approx. \$6,500 was raised for the Pelicans, the Bairnsdale Hospital auxiliary campaigning for



urgently needed Oncology and Dialysis facilities at the hospital.

All walkers paid for their own trip, which was lead by World Expeditions and they slept under the stars at various camps along the trail such as Simpson's Gap, Standley Chasm, Serpentine Gorge and Finke River Camp.

The theme for this year's walk was "It's not a race ...", an often used expression during training walks when the competitive nature of some walkers comes to the fore. Apart from the ascent of Mt. Sonder (1,380 metres), where a race did eventuate after some healthy banter around the campfire the previous evening, the walkers were able to take in the vast beauty of central Australia over the 7-day trip. Many of the group went on to spend a few extra days visiting Kings Canyon, Kata Tjuta (the Olgas) and Uluru (Ayers Rock).

It's not a race



Trading hours – Christmas & New Year



Bairnsdale Branch:

Closed – 12 noon Thursday December 24
Re-open Tuesday, December 29, 2009
Closed – 12 noon Thursday, December 31
Re-open Monday, January 4, 2010

Warragul Branch:

Closed – 12 noon Thursday, December 24
Re-open Monday, January 4, 2010

All other Branches:

The following dates are gazetted public holidays and affect all branches.

Friday, December 25	Christmas Day
Monday, December 28	in lieu of Boxing Day
Friday, January 1, 2010	New Year's Day

Please refer to your local GSI branch for any additional Christmas and New Year closure times.

Sale in focus

Located approximately 200 kms east of Melbourne and first established as a busy port for steamers, Sale is a historic town located in the heart of Gippsland.

Sale is part of the Wellington Shire and has a population of just over 13,000 people. It is home of the East Sale RAAF Base and Officer Training school and has a diverse range of industry including agriculture, retail & professional services. Attributing much of its prosperity to the offshore oil and gas fields in Bass Strait (including Esso's Longford Gas Plant), Sale is seen as the engine of its local economy, providing work and attracting skilled people to the region.

With a long standing relationship with local Lawyers Warren, Graham and Murphy, GSI shares premises and facilities located in 99 Raymond Street, Sale. WG&M's Sale office has a staff of nine including Director Bill Jones, two Solicitors, a Legal Executive, four Administration Assistants and Kleianthe Inger who has the dual role of Receptionist and GSI Investment Officer.

WG&M Directors Bill Jones, Peter Murphy, Rohan Hubbard and Geoff Wigney are pleased to incorporate GSI into their day to day business at the Sale office, providing GSI clients with local representation and customer service.



GSI Investment & Customer Service Officer Kleianthe Inger, Sale branch



Kleianthe Inger, Bill Jones and Kim Hawryluk



Vale – Milton d'S. Murphy

GSI has been deeply saddened by the death of one of the company's founding fathers in Milton Murphy, who passed away on 12th September, 2009 in Melbourne after a short illness, aged 86.



Milton helped found GSI in 1970 and served on the Board for 30 years until 2000.

Milton will be remembered with enormous reverence and affection by everyone at GSI and all those who came in contact with him.

FOR SALE ...

With Christmas just around the corner, you may like to consider purchasing one of our GSI merchandise lines to help fill the Christmas stockings.

With 50% of the purchase price being donated to local charities, you not only purchase a useful item at a great price, but you'll help provide valuable financial support to local charities.



GSI Piggy bank: \$5.00



Almost unbreakable, our coin savings bank is moulded from ABS plastic with replaceable plug underneath. Size 125mmL x 100mmH, it comes in a white gift box which is great idea for stocking fillers for the grandkids, kids or the spouse to collect all that loose change.

GSI Premium drink bottle: \$5.00



Our 750ml premium plastic drink bottle with flip top lid and clear measure panel down the side is ideal for the sports person or those water conscious types. With summer on the way, a GSI drink bottle is an ideal way to ensure your fluid replacement is right at hand.

Remember, half the sale price of all items sold is donated to local charities. (See each branch for details of designated charity).

Wishing everyone safe and happy holidays for the fast approaching festive season.

Karen

Brrrrm, brrrrm.... Val's done it!



You may recall in our February newsletter Val Pearson, our Investment Officer from Warragul Branch, won a lucky door prize to take a 'hot lap' ride with V8 Supercar driver Jason Bargwanna. Well, after much consideration and deliberation as to whether she was going to do it – Val has done it!

Although being quite small and petite, Val rose to the challenge and on August 4 she took a wild ride around the Calder Park Raceway circuit and enjoyed every minute of it.

"There was another person in the front passenger seat and I was relegated to the back, so it wasn't nearly as scary as I'd expected", Val said.

Well done Val, you even made the Supercar support team wait for you to have your photo taken with a GSI drink

bottle. What a team player!



Val Pearson in front of Jason Bargwanna's V8 Supercar.

Training our staff to serve you better

At GSI we not only value our staff but additionally we value their ability to service our customers in a knowledgeable, professional and caring manner.

On Saturday 18th July, GSI employees from across the region made the trip to Head Office in Bairnsdale for our annual Professional Development day.

Staff heard from GSI management on

subjects relative to the industry, product knowledge, GSI past & present and what's in store in the future, along with customer service topics.

It was a wonderful day with all staff contributing and we hope the fruits of our training can be seen in the quality of service we provide.



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Sale

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Mallacoota

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Phone: (03) 5158 0600

Maffra

120 Johnson Street, Maffra 3860
Phone: (03) 5147 1088

Orbost

14 Ruskin Street, Orbost 3888
Phone: (03) 5154 2010

Lakes Entrance

383 Esplanade, Lakes Entrance 3909
Phone: (03) 5155 1286

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*Growing
Gippsland's
Future*