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PIS Timely Tips



Osteoporosis.... not just an older persons' disease



October 20 marks World Osteoporosis Day (WOD), and provides an all-important focal point for informing and educating us about the prevention of a disease which still suffers from poor general awareness.

Osteoporosis is a disease in which the bones become fragile and brittle due to decreased bone density and mass. Such bones will fracture more easily than normal bone. Even a minor bump or fall can cause a serious fracture. Osteoporosis is often called a silent disease, as there are usually no signs or symptoms until someone has a fracture. Any bone can be affected, but the most common are bones of the hip, spine, wrist, ribs, pelvis and upper arm.

What causes osteoporosis?

The health of your bones depends a number of factors: mainly your genes (60-80%), the level of hormones in your body, how physically active you are, and what you eat.

Other risk factors can also increase your chance of developing osteoporosis including your medical history, a family history of osteoporosis, and fractures.

Also, certain conditions and medications can increase your risk of osteoporosis: corticosteroids (commonly used for asthma), rheumatoid arthritis, over-active thyroid or parathyroid glands, coeliac disease and other chronic gut

conditions, and chronic liver or kidney disease.

The good news is osteoporosis is largely preventable. Key preventative actions include regular weight-bearing exercise, a balanced diet including calcium rich foods, adequate vitamin D levels and maintaining a healthy weight.

Cessation of smoking if you are a smoker and moderation of alcohol consumption is also important. Lifestyle choices certainly do impact on this condition in a significant way. Childhood and adolescence is a key time for building healthy bones and ensuring high peak bone mass.

Fast facts on osteoporosis

- In 2004-05, direct health expenditure on osteoporosis was more than \$304 million.
- More than 581,000 Australians have been diagnosed with osteoporosis, with 17% under the age of 55 years and 85% being female.
- Every five to six minutes, someone is admitted to an Australian hospital with an osteoporotic fracture. This is expected to rise to every three to four minutes by the year 2021, as the population ages and the number of osteoporotic fractures increase.

- One in two women and one in three men over 60 years will have an osteoporotic fracture in Australia.
- Income protection policies provide a benefit if a client is totally or partially disabled which is usually reliant upon whether the client is working or not. Whilst many of the 'plus' style policies offered provide minimum payments for broken bones, CommInsure's Specific Injuries benefit, for example, pays a lump sum of three months benefit for a thigh fracture requiring a plaster cast or an immobilising device.



Did you Know?

The Australian Bureau of Statistics (ABS) reported the number of people employed increased by 26,900 people to 11.057 million, seasonally adjusted, in May 2010. The rise in employment was driven by an increase in full-time employment, up 36,400 people to 7.780 million that was offset by a fall in part-time employment, down 9,400 people to 3.277 million. This was the ninth consecutive month Australia has seen a rise in the number of people employed full-time.

The ABS reported that monthly aggregate hours worked showed an increase in May 2010, up 43.9 million hours to 1,574.5 million hours.

Source | Australian Bureau of Statistics | 10 June 2010

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List of services:

- Wealth accumulation
- Superannuation/rollovers
- Retirement planning
- Mortgage elimination
- Shares and property
- Fixed interest and cash
- Tax planning
- Finance services
- Home mortgages
- Business planning
- Risk insurance
- Corporate superannuation
- Corporate services

At CommInsure we also cover severe osteoporosis under our Trauma Plus Cover option, whereby we will pay a partial trauma cover benefit of 20% of the trauma cover benefit (up to a maximum of \$100,000).

Source | CommInsure

Top Five Quirky Economic Theories

Standfirst: Economic theories can live in the most unlikely of places, from make-up bags to the medicine cabinet.

There are a number of obscure economic hypotheses that have been known to provide guidance to budding economists over the years. Whilst at Zurich Investments our economic outlooks are based on more conventional and sound hypotheses, we thought you may find the following theories as entertaining as we did.



1. The Leading Lipstick Indicator

The Leading Lipstick Indicator centres on the premise that when the bull turns into a bear, consumers turn to less expensive indulgences, such as lipstick. This term was coined by

Leonard Lauder (chairman of Estee Lauder), who consistently found that during tough economic times, his lipstick sales went up. In fact, the US reported that lipstick sales doubled after the September 11 terrorist attacks.

2. The Aspirin Count Theory

This abstract market theory discovered an inverse relationship between stock prices and aspirin production. We're not aware of any formal testing on this theory, but it makes sense that as stock prices fall, more and more people need pain relief to get through the day.

3. The Big Mac Index

This index is based on the sound economic theory of purchasing-power parity (PPP), where exchange rates should equalise the price of a basket of goods in different countries. The Big Mac Index, first published in The Economist in 1986 and reviewed annually, has been successful in helping explain exchange rate theory to many investors. As of January 2010, The Economist reported that the most overvalued currency against the US dollar was the Norwegian kroner at 96 per cent above its PPP rate – in Norway, you'll pay US\$7.02 for a Big Mac. The Aussie dollar is considered to be slightly overvalued, with a Big Mac here setting you back \$US3.98.

In 2004, The Economist put a fresh spin on this index by introducing a Tall Latte Index reporting on Starbucks coffee. This didn't take off in Australia – much like the coffee itself. In 2007, the Commonwealth Bank got on the bandwagon with an iPod index but we

still think the original burger indicator is the best.

4. The Packed Theatre Theory

It appears that when times are tough, people turn to the movies. Whether it's to escape the doldrums with some Hollywood glamour or because it's one of the cheapest forms of entertainment, box office sales in the US have increased during the last five recession years, according to the National Association of Theatre Owners.



5. The Laundered Shirt Theory

The international Drycleaning and Laundry Institute has reported that during an economic downturn, customers visit less frequently and leave clothes longer at the dry cleaners. The recent Global Financial Crisis (GFC) was no different, where the rise in unemployment reduced the demand for professional and formal clothing. In fact, IBISWorld estimates that revenue for the laundry and drycleaning industry will decline by 3.5 per cent over 2009-10 as a result of GFC-influenced changes to spending habits.

Source | Zurich

Your local adviser is:
SENSIBLE FINANCIAL PLANNING 8387 7010

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