

**DOLLAR COST AVERAGING continued.....**

As you can see the total value of the fund is \$212,500 for a capital investment of \$10,000 per year.  
 Now let's look at a fund that doubles over the same period but experiences steady consistent growth.

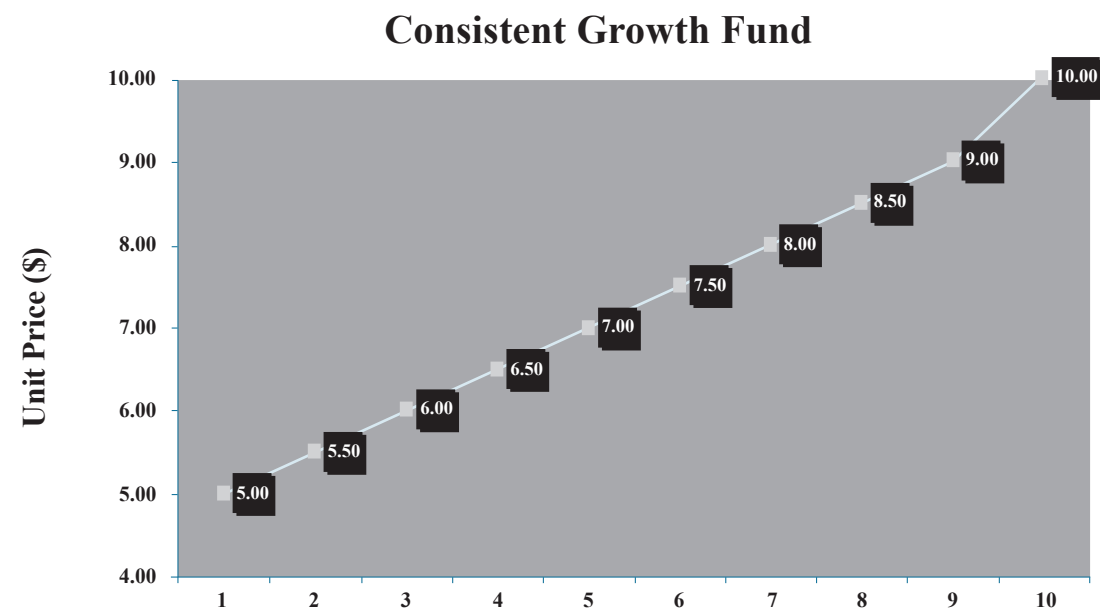


**DOLLAR COST AVERAGING**

**Y**ou are well aware that markets can go down as well as up. However, did you know that you can take direct advantage of market movements to make more money? The principle is very simple, it's called Dollar Cost Averaging.

When markets are depressed, unit values drop. However if the amount you save each month or year remains constant, you will buy more units when the price is low. When unit prices rise again you will obviously have a greater number of units than if the market had risen steadily.

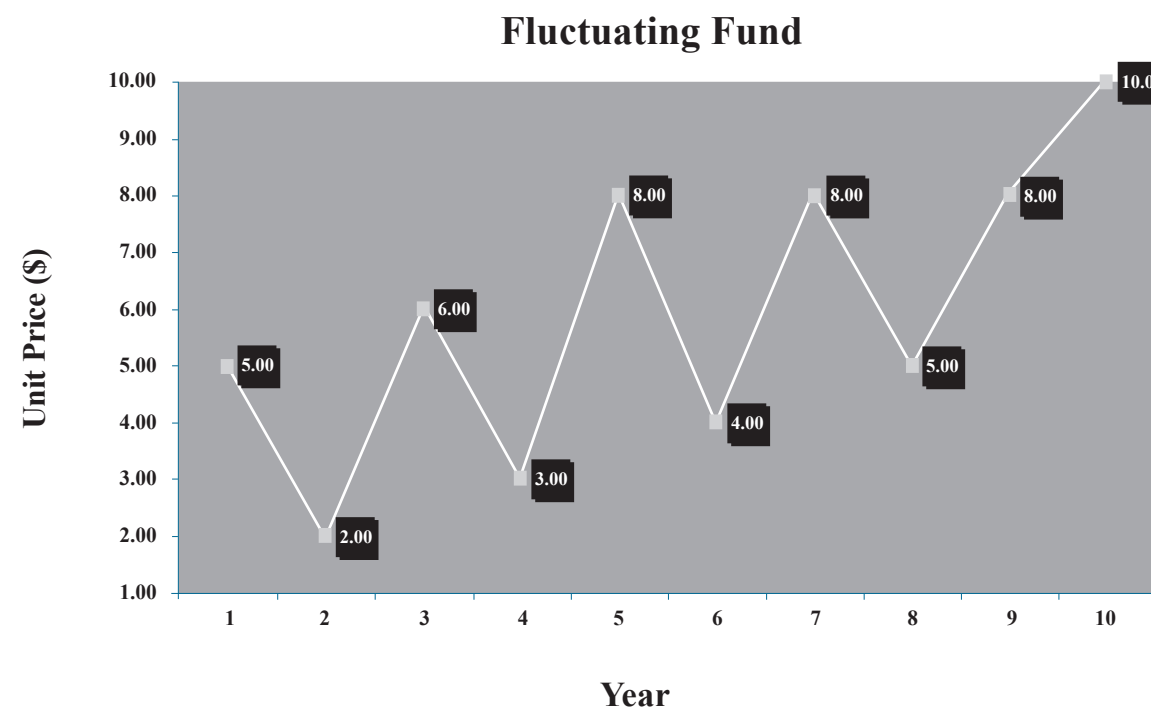
The graphs and tables below shown how this principle works in practice. The figures assume that the fund fluctuates but eventually doubles.



Year	Amount Invested	Unit Price	Units Purchased	Total Units Held	Value
1	\$10,000	\$5.00	2,000	2,000	\$10,000
2	\$10,000	\$5.50	1,818	2,818	\$15,499
3	\$10,000	\$6.00	1,667	4,485	\$26,910
4	\$10,000	\$6.50	1,538	6,023	\$39,149
5	\$10,000	\$7.00	1,429	7,452	\$52,164
6	\$10,000	\$7.50	1,333	8,785	\$65,887
7	\$10,000	\$8.00	1,250	10,035	\$80,280
8	\$10,000	\$8.50	1,176	11,211	\$95,293
9	\$10,000	\$9.00	1,111	12,322	\$110,898
10	\$10,000	\$10.00	1,000	13,322	\$133,220

The value of units invested in the second fund ends up substantially lower because the cheapest units were only available in the first year. In this case the \$10,000 per year amounts to just \$133,220. As you can see, consistently fewer units were purchased each year, whereas the first fund benefited from the depressed markets in years 2, 4, 6 and 8. Both funds started with a unit price of \$5.00 and finished with a unit price of \$10.00 but the more volatile fund gave the best overall return.

To find out how you can put this concept into practice, contact your financial adviser or take a look at our web site at [www.trinityhi.com](http://www.trinityhi.com)



Year	Amount Invested	Unit Price	Units Purchased	Total Units Held	Value
1	\$10,000	\$5.00	2,000	2,000	\$10,000
2	\$10,000	\$2.00	5,000	7,000	\$14,000
3	\$10,000	\$6.00	1,670	8,670	\$52,000
4	\$10,000	\$3.00	3,330	12,000	\$36,000
5	\$10,000	\$8.00	1,250	13,250	\$106,000
6	\$10,000	\$4.50	2,500	15,750	\$63,000
7	\$10,000	\$8.00	1,250	17,000	\$136,000
8	\$10,000	\$5.50	2,000	19,000	\$95,000
9	\$10,000	\$8.00	1,250	20,250	\$162,000
10	\$10,000	\$10.00	1,000	21,250	\$212,500