



FINANCIAL SERVICES GUIDE

19 June 2017

Purpose of the Guide

This Financial Services Guide (“Guide”) contains important information that a retail client should read and understand before deciding whether to obtain financial services from MarketTiming, a division of Kohler & Company Pty Ltd (ABN: 54 610 863 128 and ACN: 610 863 128) trading as The Constant Investor.

In particular, it is designed to assist you in deciding whether to use our services and contains important information about:

- ❑ the services we offer you
- ❑ how we and our associates are paid
- ❑ any conflicts of interest we might have
- ❑ what to do in the event of a complaint.

Contact details

You are able to contact us by email or in writing.

All inquiries should be directed to:

- ❑ Email: info@MarketTiming.com.au
- ❑ Postal address: 105/672 Glenferrie Rd, Hawthorn VIC 3122

Financial services provided by Market Timing

Kohler & Co Pty Ltd (trading as The Constant Investor and MarketTiming) is a corporate authorised representative (AFSL Authorised Representative No. 1244896) of MSC Advisory Pty Ltd ACN 607 459 441 (**MSCA**) which holds a current Australian Financial Services Licence (No: 480649).

We will provide services to you as an authorised representative of MSCA, who has authorised this Guide and has authorised Kohler & Co to:

provide general financial product advice to retail clients for the following classes of financial products:

- (i) interests in managed investment schemes excluding investor directed portfolio services; and*
- (ii) securities.*

We provide our financial services solely by publishing “market signals”. Specifically, we provide our clients (via our website and by email alerts) with ‘buy’ and ‘sell’ signals.

- ❑ A **buy signal** flags when it is opportune to be in the Australian share market (via an exchange traded fund or the like).
- ❑ A **sell signal** flags when it's prudent to be out of the Australian share market (and so when a shift to a safe cash management account is warranted).

We publish market signals for a number of different ETF trading strategies, each of which involve a different number of expected signals per year and different risk and return characteristics. Presently, our ETF trading strategies are:

- ❑ a **Conservative** strategy, which is expected to generate an average of two change in signals per year;
- ❑ a **Local Rotation** strategy, which is expected to generate an average of three signal changes per year; and
- ❑ a **Global Rotation** strategy, which is expected to generate an average of three signal changes per year;

Market *Timing* reserves the right to add to this list of strategies, or to modify or discontinue individual strategies.

Acting on our advice requires an investor to invest in exchange traded funds, listed investment companies or cash management funds. Accordingly we expect our clients to obtain and read Product Disclosure Statements which sets out details specific to these products and the key benefits and risks in purchasing those products before acting on our advice to use such products for purposes of timing equity or gold bullion markets.

General advice warning

We only provide “general advice”, not personal investment advice. As such, we do not take into account your objectives, financial situation or needs and risk tolerance. You should therefore consider the appropriateness of our advice in the light of your own objectives, financial situation or needs and risk tolerance before acting on the advice. Where our advice implies the acquisition or possible acquisition of a particular financial product, you should also obtain a copy of, and consider, the product disclosure statement for that product before making any decision.

Our credentials

Alan Kohler is the Managing Director of Kohler & Co (trading as The Constant Investor). Market *Timing* was founded in 2009 and its public website was launched in December 2009

Our philosophy

Our aim is to help investors avoid market crashes while still enjoying market advances. In this way, our service could help you to improve your chances of making capital gains without taking excessive risks with your hard earned savings. Market timing involves abandoning the roller-coaster ride of ‘buying and holding’ shares for an indefinite period regardless of market conditions.

Market Timing is designed specifically for investors who want to reduce volatility in the value of their Australian share portfolios by avoiding being short-term share traders on the one hand or long-term holders of shares on the other.

We do not attempt to forecast share prices. Instead, we embrace a "trend-following" philosophy designed simply to alert investors to medium and long term changes in share market direction as soon as possible after such changes are identified/confirmed. Our signals are based on purely mechanical models using well tested technical indicators of market trend and momentum.

Past performance disclaimer

We use backdated performance data to describe and compare our timing strategies and alternatives.

We recognise that past performance is not necessarily indicative of future performance. Investments can go up and down. Yet it's the best gauge we know to judge the pedigree of our timing strategies and competing alternatives.

In all cases, the past performance results we publish are derived strictly in accordance with guidelines for the preparation of such information issued by the Australian Securities & Investments Commission (ASIC), notably Regulatory Guidelines 53 (July 2003), "The use of past performance in promotional material".

Any remuneration, commissions and other benefits

Market*Timing* is funded by subscriptions paid by clients to The Constant Investor. It does not receive any remuneration, commission, product fees or other benefits from any other financial service provider.

Kohler & Company Pty Ltd's directors and employees are entitled to be paid salaries and its shareholders are entitled to any declared dividends.

Associations and relationships

Market*Timing* does not have any commercial associations or relationships with other financial service providers. Market*Timing*'s general advice on trading strategies is based purely on quantitative trading models developed in-house and is not influenced by personal opinions or forecasts on share markets from either inside or outside the company.

Privacy policy

The *Privacy Act 2000* (Cth) set out standards for the collection and management of personal information. We use your personal information only for the purposes for which you provided it to us originally. We do not provide any information about you or any of our clients to third parties.

Dispute resolution procedures

You can make a complaint about our services by email (hello@theconstantinvestor.com) or by phone (1800 813 063). We have established procedures to ensure that all complaints are handled in a timely manner. All complaints will be acknowledged immediately.

Additionally, you may contact our authorising licensee, MSCA.

If the complaint cannot be resolved to your satisfaction within 45 days you have the right to refer the matter to the Financial Ombudsman Service which is an external complaints service, of which our licensee is a member (member number 36916).

Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001
Phone: 1300 780 808
Email: info@fos.org.au

Our contact details are as follows:

Kohler & Company Pty Ltd
ACN 610 863 128; authorised representative no. 1244896
Suite 105, 672 Glenferrie Road
Hawthorn VIC 3122
Email: hello@theconstantinvestor.com.au
Phone: 1800 813 063

Our authorising AFS licensee:

MSC Advisory Pty Ltd
AFS licence no. 480649
Level 2, Professional Chambers
120 Collins Street
Melbourne VIC 3000
Email: enquiries@mscadvisory.com.au
Phone: 1300 798 790

Compensation and insurance arrangements

MSC has professional indemnity insurance in place that satisfies the requirements for compensation arrangements under section 912B of the Corporations Act. We also have professional indemnity insurance in place. These insurance policies cover the services provided by us and our representatives after they cease working with us.

Your obligations as a subscriber

Our current market timing signals are for the use of our subscribers only. Subscribers are under an obligation not to share our current signals with any other person or organisation without our express permission. If we have reason to believe that a subscriber has breached this condition of use, we reserve the right to immediately cancel that subscription and to initiate legal action for breach of contract.

When does this Guide apply from?

This Guide was initially prepared on 15 December 2009 and subsequently updated on 16 March 2012, 1 December 2015, 5 May 2016 and 19 June 2017.