

Update



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from the offices of **Gray Foreman & Robert Latimer**

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It's official ... Partner Financial Group!



A big thank you to all those who have passed on their best wishes as we adopt the name **Partner Financial Group** and switch our dealer service provider to Dover Financial Advisers P/L.

As explained in our last Update, very little else has change. However, we *do* look forward to working closely with Dover in the future and taking advantage of the flexibility and resources they offer as we seek to provide "tailored solutions" to client's ongoing "money questions". We also invite you to visit our new website at ...

www.partnerfinancialgroup.com.au

Should you have any questions or comments please feel free to get in touch.

Rob, Gray and the team of **Chris, Wilson** and **Soo Wah**

Been on holiday?

We are devoting a special section on our new website to "Travel"; specifically, travel undertaken by our clients. Over the years it's been great to hear about all the places visited ... the years of dreaming, the months of planning,



What about the world and sharemarkets? A month ago I set out a list of five measures that would help keep the global recovery going and provide confidence to investors. So where do we stand on this list?

1. Coordinated global monetary easing: *... well it's not quite coordinated but we are seeing global monetary easing with rate cuts in Brazil, Russia, Israel, Turkey and Indonesia, as well as quantitative easing in Switzerland and the UK and China starting to ease at the margin. Obviously there is more to go, with Europe and Australia likely to ease soon.*
2. An increase in the firepower of the European bailout fund: *...on the way but not as aggressively as hoped.*
3. Aggressive and unlimited buying of European peripheral country bonds by the ECB*/expanded EFSF^: *...there is still further to go on this front.*
4. Recapitalisation of European banks: *...this is set to occur although not optimally.*
5. The passage of President Obama's stimulus plan: *...this is yet to occur and looks debatable given the polarised political machinations in the US.*

While we are yet to see everything on this list achieved, we are at least moving in the right direction. Furthermore, US economic data has picked up some pace

recently, consistent with growth of around 2-2.5%. This is not great, but is also not the recession feared a month ago.

Overall, we have become more confident that the global recovery will continue with around 3% global growth next year, with 1% in advanced countries and 5% in the emerging world. This is sub-par but not a recession.

Since early October share markets are up by around 10 - 12%. A further bout of short-term weakness cannot be ruled out and the ride is likely to remain volatile. But against this:

Value is good. This is particularly evident in Australian shares, with grossed up for franking credits, dividend yields still high at 6.7%. For financials and blue chip stocks, dividend yields are even higher than this. This is well above bank term deposit rates and means share values only need to rise by 3% per annum or so to provide pretty attractive returns for long term investors.

US economic data has improved with solid September quarter profit results. Europe is far from out of the woods, but is moving to substantially reduce the risk of a rerun of a global financial crisis.

After the September quarter, which is normally the weakest quarter of the year, October often marks an important turning point ahead of some strengthening into year-end. So far, it looks to be the same this year.

Source: Oliver's Insights, 28/10/2011

* ECB (European Central Bank)

^ EFSF (European Financial Stability Facility)

the joys, the disasters, the costs, and the tips for those that might follow. We thought this type of news was best shared around—for everyone to experience and maybe even be inspired to do likewise. If you've been away in recent times and you'd like to share your experiences with others, (which includes a few photos) then we'd love to hear from you.

Cash in a crisis

Financial planning is often equated with super, investing, retirement, tax, budgets etc etc and whilst these things are often addressed, it can also include **personal insurance**.



Long-time client Ken Wong was most relieved recently to know that his plan did include personal insurance. His recovery from a heart attack was accompanied by a sizeable cheque paid out under a "crisis policy" which we'd recommended several years ago.

If you think it's time to review your personal insurance then feel free to call the office to arrange a time for a chat.



Is the **Low Income Health Care Card** for you?

You may not qualify for a pension but you might just qualify for a **Low Income Health Care Card** if your gross income for the past 8 weeks falls below the limit that applies to you. If you are single with no children the limit is \$3,840/8wks and for couples the limit is \$6,672/8wks. And the good news is ... it's **not** Asset Tested. Those clients we've been able to help in recent times include:

- ▲ those receiving most of their income from allocated pensions; which often have a "nil" Centrelink income assessment, *and*
- ▲ people between jobs, or working part time, whose salary is currently low.

The Low Income Health Care Card provides access to a range of benefits and discounts including ...

- ▲ cheaper medicines under the Pharmaceutical Benefits Scheme (PBS)
- ▲ concessions offered by private companies
- ▲ State and Territory Government and local council concessions, for example: energy and electricity bills
- ▲ health care costs including ambulance, dental and eye care
- ▲ public transport costs

If you think you might qualify, call the office to arrange a time to have a chat.

FREE Budget Planner

The MoneySmart Budget Planner turned out to be very popular when we



promoted it in the last edition of Update. If you missed out last time then call now for a copy, or download it direct at ...

www.moneysmart.gov.au

Thank You

Thank you to all those who have been asking about Linda — part time book keeper and fulltime wife, who has now passed the 6 year point since having been diagnosis and undergoing treatment for breast cancer. Linda is doing well, with regular check-ups continuing to give her the all clear. At the moment Linda is preparing for younger boy, James' 21st with Matt clocking over 25 years in August — my how time flies!



Where else but New Zealand!

Wisdom

Not everything that is faced can be changed. But nothing can be changed until it is faced.

Children have never been very good at listening to their elders, but they have never failed to imitate them.
James Baldwin

The manager accepts the status quo; the leader challenges it.
Warren Bennis

Great things are done by a series of small things brought together.
Vincent van Gogh

Optimism is the faith that leads to achievement. Nothing can be done without hope and confidence.
Helen Keller

Happiness is not in the mere possession of money; it lies in the joy of achievement, in the thrill of creative effort.
Franklin D. Roosevelt



Direct Property Fund Potential Redemption Option

Centro has advised of a potential redemption opportunity for the Direct Property Fund (DPF), which is subject to the aggregation of a group of Centro real estate investment funds and the subsequent listing of this entity on the Australian Stock Exchange. (ASX) The aggregation depends on necessary approvals and advice being obtained by Centro from the Supreme Court of NSW on 24 November 2011. If all goes to plan, listing on ASX will provide liquidity for unitholders in the Fund, based on the unit price at the time of listing. The potential withdrawal window commences on Wednesday 2 November, 2011 and closes Friday 2 December 2011. Centro are offering investors who want to redeem their holdings in the Fund the opportunity to lodge their requests now so that these requests can be acted upon as soon as possible after the aggregation, if aggregation is approved. The two most common options for clients are as follows:

1. Elect to redeem unit holdings in the Fund and receive cash.
2. Elect to remain a unit holder in the Fund by taking no action.

More information will be sent out shortly to those clients who currently hold this Centro fund.

"This wireless technology is kind of freaky..."



This Update newsletter is designed to provide information of a general nature only and should not be taken as advice or a recommendation to invest. Whilst every care has been taken to ensure the accuracy of the enclosed information, no warranty of reliability or accuracy is given. Before making investment decisions we suggest you consult your financial planner or adviser.