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THE RETIREWELL REPORT

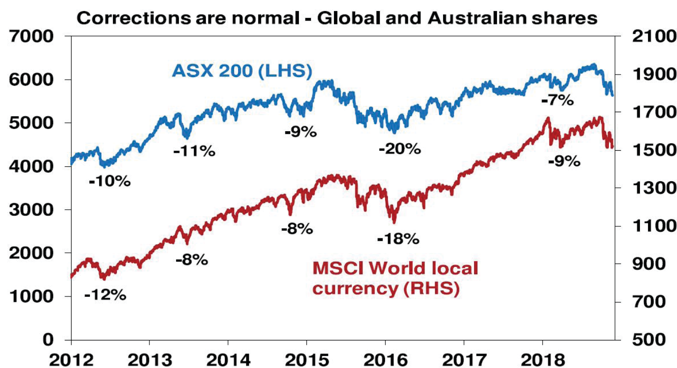
A Newsletter for Clients and Friends of Retirewell Financial Planning Vol. 21 No. 1 Summer 2018/2019

Just Grin and Bear It

Correction, Gummy Bear or Grizzly Bear?

Share Investing 101 makes it clear that short-term returns on share markets are uncertain. There is no guarantee that share values will increase over time or that dividend payouts will rise or even maintain past levels. Over longer periods, however, statistics show that a diversified portfolio of shares has been the best performing asset class.

Since the worst of the Global Financial Crisis (in March 2009), shares have been solid performers. The ASX All Ords Accumulation index (including dividends) has averaged 10.2% per annum with a negative return in only one year. The US S&P 500 price index has averaged 15.7% pa over the nine years and international shares have averaged 6.3% pa.



So far, financial year 2018-19 has been disappointing. The ASX All Ords price index (ex-dividends) after having risen by 3% since 1 July 2018 is now down by 9%, and in the same period the S&P 500 after having risen 7.4% is now down by 1%. Should we be upset when we see a short-term fall in share prices? Could it be that we too easily forget the basics of share investing?

Credit Suisse has come up with a good way to analyse falls in share prices. A substantial decline in share prices is called a "bear market", so they described different types of downturns using used the terms correction, gummy bear and grizzly bear.

A correction

These are "healthy" falls of up to 10% in share prices that prevent the markets getting too overheated.

A gummy bear market

These are short-lived falls of up to 20% in share prices. Because prices soon recover (within 12 months) they provide a buying opportunity and leave a sweet taste in the mouth - like the lollies!

A grizzly bear market

These are nasty – like getting mauled by a grizzly bear. These are protracted falls in share prices of over 20% lasting for more than a year. The Global Financial Crisis was a grizzly bear event and these bear markets are usually associated with recessions.

AMP Capital Investors is optimistic that we will not be mauled by the current fall in prices. Share prices are driven by monetary conditions, business and consumer confidence, economic growth and supply and demand for resources.

On the international front, positive trends are the continued strength of the US economy, likely resolution of the US-China trade stoush and falling oil prices. In Australia, strong economic activity is being driven by housing construction, infrastructure spending, population growth and strong global demand for resources.

The current correction may turn into to a gummy bear market, but a grizzly bear market is very unlikely (bar some totally unexpected external shock).

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Retirement
Three Phases

Simplistically, retirement might be seen as a period of leisure after a life of work. But it's more complicated than that because of the long period we now spend in retirement and changes in lifestyle, health and aspirations over that time. Good retirement planning has identified three stages.

The care-free years (or the Go-Go years)
You are fit and healthy. You have access to your superannuation, your essential spending needs are lower and you can enjoy more golf, travel, fishing, spoiling grandchildren or whatever takes your fancy. You might worry about how long your money will last but for now retirement is fun. This phase might last 10 years - or more if you look after yourself.

Some research shows that this is the peak spending time for retirees, though other analysis suggests that some retirees "hold back" spending as they fear running out of money.

The quiet years (or the Go-Slow years)
Inevitably, you will face health and medical issues and it is time to slow down. Your physical or cognitive health (or that of your partner) may mean you must lead a quieter life. You might play more games, do puzzles, go walking or eat out, but overseas travel and energetic pursuits may be dropped. Your spending needs may fall compared to the care-free phase. This phase may last 6-10 years.

The frail years (or the No-Go years)
We may not like to admit it, but there will come a time when we need a lot more medical and lifestyle support as our minds and bodies age. Spending costs may increase to meet health care, home adaption and support and residential aged care. This phase may last 4-10 years.

However, some reports suggest retirees over age 85 may spend one-third less than they did in their care-free years.

Future governments may find it difficult to sustain the costs of the unfunded age pension we have in Australia, as the population ages. So it would make sense to save for our own retirement. An emerging issue is the cost for older Australians (typically those over age 80) to live in their own homes or in residential care. We must look to our own resources to help fund this stage of our lives, by drawing on our superannuation or other investment resources and/or accessing the capital in our homes.

Fourth Pillar Of
Retirement Income

Almost hidden in the May 2018 Federal Budget, was a welcome expansion of the current Pension Loans Scheme (PLS) from 1 July, 2019. The existing scheme has been little used because existing conditions made it impossible for many retirees to qualify.

Up till now, the retirement income system has been based on three main pillars: the age pension, the compulsory Superannuation Guarantee and voluntary superannuation contributions. From 1 July 2019, improvements to the Government PLS will provide a fourth pillar allowing people of age pension age to use the equity in their home to boost their income.

Eligibility for the PLS will now extend to all Australians of age pension age and includes those receiving the maximum rate of age pension. Having an existing mortgage will not disqualify you completely, however the conditions of most mortgage contracts will often prevent an additional charge being placed on the property – a necessary requirement under the PLS. As well, the existence of a mortgage will reduce the maximum PLS loan available.

The two important enhancements to the PLS are set out below.

Enhancement 1: Currently, the PLS allows Australian residents who own their home and who qualify for a part- age pension or who get no age pension because they fail either the Income or the Asset Test (but not both), to apply for a fortnightly income top-up. The improved scheme will include anyone who meets residency requirements, is of age pension age (currently 65.5) and owns residential property in Australia to apply, even if they do not qualify for any age pension.

Enhancement 2: Currently, retirees can apply to top-up their fortnightly income to 100% of the maximum age pension. The improved scheme will allow applicants to receive up to 150% of the age pension – in other words, the maximum combined income stream (age pension + PLS top-up) for a single age pensioner would currently be $35,735.70 and for a couple , it would be $53,874.60.

The maximum PLS borrowing limits will depend on a number of factors, the main three being:

- Your age (or the age of the youngest person, for a couple), which will determine the age component factor applied to the loan
- The value of the property, and
- The value of any equity component you wish to maintain in the property (if any)

The Pension Loan Scheme is like a reverse mortgage paid as a fortnightly income and secured against the recipient's residential property in Australia. However, unlike a commercial reverse mortgage, the scheme does not pay lump sums. Interest is charged against the outstanding loan at a rate of 5.25% pa, which has not changed since 1997. This rate is very attractive when compared to standard retail reverse mortgages. The loan can be repaid at any time and must be paid if the pensioner dies or sells the property.

Example: Valerie lives alone in her own home and receives the full age pension. Her only other income is interest on bank accounts. She finds it hard to manage on the single pension, but will be able to apply to boost her income from $23,824 pa to $35,735.70 by unlocking the equity in her property.

Example: Brian and Tricia own their home and receive superannuation pensions. Their income and assets mean they do not qualify for the age pension.

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Labor's Election Tax Promises

Capital gains tax

Capital gains can be offset against previously incurred but unused (carried over) capital losses and against losses incurred that financial year.

Currently, individuals and trusts are entitled to a 50% discount on the capital gain amount providing they have held the asset for more than one year.

Labor proposes to halve that capital gains discount (CGT) for all assets purchased after a yet-to-be-determined date following the next election, if held over a year, to 25%. This will increase CGT by 50%.

The exceptions (for which the current rules will remain in place) are:

- Investments made before this date
- Investments made by superannuation funds
- Assets of small business owners.

Negative gearing

Negative gearing is where investment-related expenses (especially borrowing costs on a property) exceed revenue and the loss is claimed as a tax deduction against other income.

Labor proposes to limit negative gearing on property to new housing from a yet-to-be-determined date after the next election. Investments made before this date will be grandfathered from the impact.

Losses from new investments in shares and existing properties will still be able to offset other taxable investment income, but not against personal exertion income (salaries, wages and self-employed income).

These losses will need to be carried forward for offset in future years against future investment income or capital gains from the disposal of the investment assets.

Superannuation: non-concessional limits, catch-ups and tax deductibility

Speaking on behalf of Labor at the Financial Services Council Political Series Breakfast in Sydney in April 2018, Labor Senator Kristina Keneally, said:

"We will oppose the Government's measure to allow catch-up concessional contributions and tax deductibility for personal superannuation contributions. We will also lower the annual non-concessional contributions cap to $75,000 and further lower the high-income super contribution threshold to $200,000."

Changes to discretionary trust arrangements

In the "A Fairer Tax System for All Australians" speech in July 2017, Opposition Leader Bill Shorten announced a minimum 30% tax on distributions from discretionary (sometimes called family) trusts:

"Under Labor's policy, individuals and businesses will still be able to use discretionary trusts. However, the new minimum 30% tax rate on distributions will make sure discretionary trusts cannot be used as a vehicle for aggressive tax minimisation."

It should be noted that even if Labor wins the federal election next year, the policies above may be modified before they are put into law or amended or blocked by the Senate.

Proposed 'Retiree Tax' A Time Bomb

On 13 March 2018, the ALP announced a proposal, since dubbed the "retiree tax", to abolish tax refunds of excess franking credits to Australian investors other than for charities and endowment funds. The initial proposal was expected to impact 1.17 million individuals and superannuation funds and generate $59 billion in government savings over 10 years.

Following significant public criticism, on 26 March, the ALP revised its proposal. Direct investments by social security pensioners (part and full on aged, disability and other Centrelink and DVA pensions) also were excluded, ensuring 306,000 pensioners will continue to receive cash refunds. SMSFs are also exempt if they had at least one social security pensioner before 28 March 2018.

Labor's proposal to limit cash refunds of franking credits will clearly impact the vast majority of self-funded retirees with Australian share investments and most pension-phase SMSFs.

In addition, contrary to most media reports, we believe it also has the potential to impact many other superannuation funds.

A recent article in *The Australian* reported that $309 million in franking credit refunds was paid to over 2,000 APRA-regulated superannuation funds, including 50 (out of a total of 240) large public offer funds, in 2015-16, impacting 2.6 million member accounts.

Note that franking credits themselves would not be abolished under this policy. Australian investors would continue to be able to use franking credits to offset income tax payable and for a superannuation fund, contributions tax payable.

Under Labor's new policy, franking credits would be lost to the extent that total tax payable was less than franking credits received.

Tax payable is a function of tax on investment earnings on the accumulation portion of a super fund, as well as contributions tax payable on concessional contributions. The percentage of pension phase assets, the level of taxable earnings and the level of contributions will vary from fund to fund and from year to year.

Taxable investment earnings from year to year will be largely determined by the state of investment markets.

Clearly, funds with 100% pension assets will lose all their franking credits, however for a typical level of franking credits, it is estimated that funds with 70% or less in pension assets should not be disadvantaged.

If accumulation phase (or 15% taxed) members aren't paying contributions and therefore aren't paying contributions tax, they could lose franking credits in years with weak markets or a low level of realised capital gains.

When investment returns are very low or negative, tax on investment earnings also will be low, increasing the chance that the value of franking credits received by a fund exceeds tax payable.

Missing out on franking credits would exacerbate the impact of low investment returns.

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Only A Madman Crosses The Desert Without A Guide

Meet Retirewell senior adviser Sean Litchfield's son Ammon. He's on the first camel on the left. He recently returned from a trip to Jordan.

When you look at this picture, you can almost hear the theme music from Lawrence of Arabia!

It's when you are completely out of your depth, or in an unfamiliar environment, that you feel most vulnerable. At least that's what Sean's globetrotting son says.

It's at times like this that you wish you had a mentor, especially when it comes to financial matters.

One day you will stop working

It may still seem a long way off and governments want us all to work longer. But the day is coming when you won't work again and you should be prepared, emotionally and financially. You need to have a plan in place for that day.

You need money for a rainy day

One day life will not go as planned. It could be disablement, death or any number of crisis situations. Everyone who is working, or has a young family needs something in place, and someone who can help them navigate through the worries of a financial crisis.

It's not what you earn, it's what you save

Everyone has a fortune pass through their hands through their lifetime. In most cases, we have no idea where our money goes. A financial adviser can help to invest that income wisely, and more importantly, help to save it.

A little knowledge is a dangerous thing, but not so dangerous as a whole lot of ignorance

Understanding how money and investments work might allow your children, grandchildren, relatives or friends to focus on creating a plan for their own personal wealth and financial health. Getting advice on how to build and conserve wealth and how to survive in a complex financial world is why they may benefit from meeting with a financial planner.

So, if you think that your family members or friends – no matter what age – might benefit from having a financial planning strategy meeting, encourage them to come in for a chat.

Remember - only a madman crosses the desert without a guide.

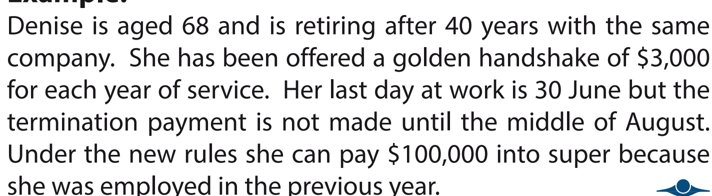
Relaxing The Work Test

Currently, anyone aged 65 to 74 who wants to make a contribution to superannuation must satisfy a work test in the financial year in which they want to make the contribution. The work test requires them to have been gainfully employed for 40 hours in a consecutive 30 day period.

The Government plans to relax this rule which has been criticised as being too inflexible. From 1 July 2019, it is proposed that someone between age 65 and 74 will be able to make an after-tax contribution of up to $100,000 if they satisfied the work test in the previous financial year. This opportunity can only be used once.

Example:

Denise is aged 68 and is retiring after 40 years with the same company. She has been offered a golden handshake of $3,000 for each year of service. Her last day at work is 30 June but the termination payment is not made until the middle of August. Under the new rules she can pay $100,000 into super because she was employed in the previous year.



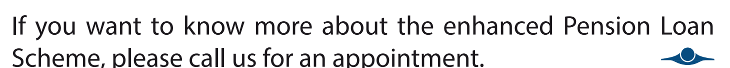
Fourth Pillar of Retirement Income

Continued from Page 2

They are supporting family members and have high living expenses, but do not want to draw down more on their superannuation. They will be able to apply for a **tax-free** income stream of up to $53,874.60 pa by accessing the equity in their home.

These changes to the PLS will provide more flexibility for retirees who are classically asset- rich but income-poor – a large proportion of the aged population – to improve their everyday living standards. Many people will be more comfortable dealing with a government entity than with a private sector lender, particularly given the low interest rate. However, these arrangements are long-term and can be complex, so independent financial advice should be sought.

If you want to know more about the enhanced Pension Loan Scheme, please call us for an appointment.



Warren Buffett Speaks...

"It's far better to buy a wonderful company at a fair price than a fair company at a wonderful price."

What is China's 'Belt and Road'?

China has two major economic policy initiatives on the go at the moment. The first is the "China 2025" initiative designed to achieve technological supremacy by 2025 in certain key industries. Its driving ambition to achieve this goal has led to accusations by the US and others of widespread intellectual property theft by the Chinese government and Chinese companies. It is a major central issue in the current trade dispute between China and the US Trump Administration.

The second is the "One Belt, One Road" (or Silk Road renewal) initiative. It was announced in 2013 by President Xi Jinping, and is an attempt to set up two new trade corridors between China and its neighbours, most notably Central Asia, the Middle East and Europe.

Economist.com

According to the Belt and Road Action Plan released in 2015, the initiative will encompass land routes (the "Belt") and maritime routes (the "Road") with the goal of improving trade relationships in the region primarily through infrastructure investments.

The One Belt, One Road initiative is set to cost about US$1 trillion and, according to China's state media, will rekindle a "new era of globalisation". According to the World Economic Forum, China "will ultimately lend as much as US$8 trillion for infrastructure in 68 countries". Those 68 countries account for 65% of the global population and a third of global GDP, according to McKinsey. It is a project with massive ambition.

The reasons why

So why is China pumping so much money into the "reopening the Silk Road" initiative? Partly for the economic benefits it will bring China. The new routes will bolster trade with China, helping win new business for Chinese companies. They will also put some of China's excess capacity in its heavy industry factories to work, helping ensure that China's economy keeps ticking along to maintain social stability and full employment.

They also are doing this for geopolitical reasons. The project will help tie neighbours to China by ensuring their economic fortunes are aligned with China's. Proposed infrastructure investment will also be a carrot to help China increase its influence and exert "soft power" globally.

But perhaps the most important reason for the initiative is that opening these new routes will address a key strategic weakness of China. China's problem is that currently almost all of its oil supply tankers are channelled through the very narrow Straits of Malacca between Singapore and Indonesia.

Opening up alternative land and sea-based routes will reduce China's reliance on that one route in the event of war. Diversifying key supply routes, while not explicitly stated, is probably just as important to China's leaders as opening up new markets (if not more so).

It is this type of bold, strategic thinking that will help China achieve its goal of overtaking US as the dominant world economy by mid-century.

Tax Rises Would Affect Housing And The Economy

Home ownership has been the traditional dream in Australia, with typically two-thirds of the population owning their own home.

The problems for first home buyers getting into the market have been exacerbated by the very favourable tax treatment of investment in residential property. On a positive note, this has boosted the availability of rental properties and kept rents lower than they otherwise would have been.

Since the Global Financial Crisis of 2008, credit has been plentiful and cheap - mortgage interest rates are at historical lows. Along with high levels of immigration, this has driven significant capital growth in property values, particularly in Sydney and Melbourne, which between 2010 and 2017, saw price growth of 70% and 50% respectively. Values have since declined up to 10% from their peak, with forecasts of further declines of up to 10% in Sydney.

Brisbane has had more modest growth and there are pockets of over-supply in some segments, such as apartments in the inner city - which has led to price falls.

Meanwhile, for many people, wages growth has been sluggish since the GFC and many have found managing mortgages more difficult.

Research has shown that 386,000 home owners are in "negative equity" – where the value of their property is lower than their mortgage. In Queensland, it is estimated that one in 10 borrowers are in this situation.

Any increase in interest rates is likely to push other borrowers into mortgage stress. Whilst most economists do not think the Reserve Bank will raise the cash rate anytime soon, banks and other lenders are under pressure.

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Downsizing Is Now Super

The best taxation environment for an Australian retiree's capital is a superannuation pension fund. This is because the earnings within a pension fund are tax-free and the regular superannuation pension paid from the fund is also completely tax-free.

This is why it is important for older Australians to know that since 1 July 2018, retirees have been able to contribute monies from the sale of their main residence into superannuation without many of the restrictions that would otherwise apply. This initiative is intended as an incentive for retirees to move into more appropriate accommodation and free up housing for families and new home buyers.

The opportunity is open to anyone over age 65 who has owned a home in Australia for more than 10 years. There is no maximum age limit and the work test for those 65 to 74 does not apply. In addition, they are not restricted by the caps on non-concessional contributions or the amount they already have in superannuation. There is no requirement that a new property be purchased.

The maximum contribution that can be made is $300,000 per person, so a couple can get $600,000 into super. The contribution must be made within 90 days of settlement.

An important issue to consider is the Centrelink means tests. The family home is exempt from the Assets Test, but superannuation held by someone over age 65 will count towards the Assets Test and will be deemed for the Income Test. Depending on individual circumstances, making a downsizer contribution could result in a lower age pension or loss of the age pension.

The rules governing this initiative are very flexible. We encourage you to come in for a chat to see if this strategy would be beneficial to you.

Illustration: Michael Mucci

Example
Jim and Jean are in their 80s and are full age pensioners. They own their home but have no superannuation and little in the way of savings. Their home is too big for them and needs maintenance that they cannot afford. They sell their home and move into a smaller new home in a retirement village. They make downsizer contributions to superannuation and each start a tax-free pension. They each receive a lower age pension but their superannuation pensions provide more income overall and greater flexibility to support their lifestyle.

Tax Rises Would Affect Housing And The Economy

Continued from Page 5

Higher funding costs, demands by the regulator to boost reserves and tighter lending criteria after the banking Royal Commission may mean higher mortgage interest rates.

All political parties would like to make home ownership easier for first home buyers, but it is a difficult task without impacting on existing property owners. About 67% of Australian are home owners and more than two million people own at least one investment property.

While property is an illiquid asset (you cannot turn it into cash quickly), you can borrow against it and it gives the owner a perception of being wealthy. The dangers of a general fall in property prices is that it flows onto other areas of the economy, reduces consumer confidence and spending may trigger a wider economic downturn.

Any modern economy is a complex network of inter-related financial factors. Major policy changes can lead to damaging unintended consequences.

Many economists believe the property market is delicately poised at present for the reasons outlined above and are concerned about federal Labor policies to remove negative gearing tax deductions (except for new residential properties) and to halve the capital gains tax discount rate to 25%, thereby increasing CGT by 50%.

If these policies are implemented, will they tip more people into negative equity, increase mortgage defaults and slash the wealth of existing property owners?

A recent BIS Shrapnel economic report forecast that the abolition of the tax deduction for negative gearing could lower residential property prices by 6% and increase rents by 6%.

Certainly, the last time the tax deduction for negative gearing was abolished, by then Treasurer Paul Keating in 1985, the experiment did not work and it was reinstated in 1987. Time will tell!

Proposed 'Retiree Tax' A Time Bomb

Continued from Page 3

While many SMSF members have been vocal critics of this proposal, members of other superannuation funds probably don't even know they receive franking credit refunds (as they are not reported on investment summaries) and won't know whether they might miss out on franking credits should this proposal be enacted.

As more super fund members migrate to pension status, the loss of franking credit refunds will impact a growing number of people, be they members of government, industry, retail or SMSFs.

As such, we believe this proposal, if enacted, may represent a ticking time bomb for the whole superannuation industry.

Pension Age Rise Back To Just 67

One of Scott Morrison's first acts as Prime Minister was to abolish the plan to increase the eligibility requirement for the age pension to age 70, originally announced as part of the unpopular 2014 federal Budget.

The qualifying age for the age pension used to be 65, but it is now 65.5, and will be 66 on 1 July 2019. It will rise by six months every two years until reaching 67 on 1 July, 2023.

Save On Fees When Overseas

An old saying is: "If you look after the pennies, the pounds will take care of themselves." This is so true of financial fees charged when you are travelling overseas – little costs all add up.

Many travellers carry a credit card and a debit card. The debit card gives you access to the cash in your bank account and the credit card lets you defer paying for an item or in an emergency lets you access emergency cash.

Cards may charge a basic membership fee, a fee for withdrawing money at an ATM and a commission for currency conversions. They also may profit from the buy/sell difference in the currency conversion. It pays to check out the fees on the cards you currently hold and the alternatives.

For instance, if you have an ING Direct Orange Everyday account, you can get a free debit card, free usage of ATMs in Australia and overseas, no online or international transaction fees and up to 2.8% pa interest on your cash in a linked Savings Maximiser account (provided that every month you deposit at least $1,000 into the Everyday account and make at least five settled purchases on the card).

Another example is the award-winning 28 Degrees Mastercard. It has no annual fees, currency conversion charges or foreign transaction costs. This saves you money not only when you are travelling overseas, but also when you shop online on foreign sites.

The card does charge 95c every time you make a payment by BPay (although you can avoid this by paying online through the card website or by automatic monthly debit). If you receive a cash advance or take cash from an ATM, the fee is the greater of $4 or 3% of the amount and the interest is charged at 21.99% pa. Of course, you can avoid interest on cash withdrawals by pre-loading your card with cash via BPay so it is in credit.

The 28 Degrees card also comes with free fast global wi-fi at more than 1 million hotspots worldwide, a free concierge service and complimentary access to LoungeKey airport lounges if your flight is delayed by more than two hours.

In addition, the card allows you to make purchases with any mobile or wearable device.

One trap for travellers is when the merchant asks if you want to pay the bill in Australian dollars or local currency. ING provides a free app for your phone which shows you the current wholesale exchange rates so you can compare the options. Usually paying in the local currency is best.

Look after those pennies and enjoy your travels.

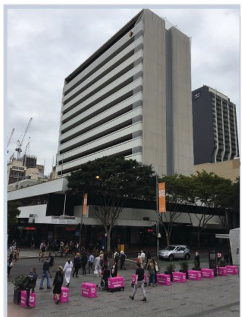
Words of Wisdom

- My super power is holding onto junk for years and throwing it out a week before I need it
- Sometimes I look at my husband and think "Damn, you are one lucky man."
- I can't believe how old people my age are.
- I am starting to think I will never be old enough to know better.

MARKET INDICES TO 30 NOVEMBER 2018

MARKET	INDEX	1 Mth %	6 Mths %	1 Yr % pa	2 Yrs % pa	3 Yrs % pa	5 Yrs % pa	10 Yrs % pa
Cash	Bloomberg AusBond Bank 0 + Y TR $A	0.15	0.99	1.91	1.83	1.93	2.17	3.10
Australian Sharemarket	S&P/ASX All Ordinaries Accumulation	-2.24	-4.12	-1.13	6.55	7.69	6.00	9.18
	S&P/ASX 20 Leaders Accumulation	-1.60	-1.63	0.77	5.24	5.99	3.76	8.50
	S&P/ASX100 Accumulation	-2.40	-3.33	-0.95	6.26	7.43	5.69	9.03
	S&P/ASX300 Accumulation	-2.18	-3.85	-1.03	6.53	7.69	5.82	8.92
	S&P/ASX Small Ords Accumulation	-0.37	-7.98	-1.63	8.87	10.39	7.07	7.77
Property	S&P/ASX300 A-REIT Accumulation Index	-0.27	0.78	1.64	7.40	8.36	11.86	9.26
Aust Fixed Interest	Aust Comm Bank All Series/All Maturities Accumulation	0.35	1.58	2.15	3.13	3.13	4.23	4.41
International Sharemarkets	MSCI World Accumulation Index ($A) (MSCI - Morgan Stanley Capital International)	-1.79	2.12	4.67	12.55	8.83	12.19	10.24
USA	MSCI USA Accumulation Index ($A)	-1.05	6.40	10.29	14.83	11.68	16.08	13.07
UK	MSCI UK Accumulation Index ($A)	-4.55	-7.44	-2.58	7.29	1.36	4.21	5.77
Europe	MSCI Europe Accumulation Index ($A)	-3.83	-4.96	-5.21	9.88	3.18	6.02	6.62
Japan	MSCI Japan Accumulation Index ($A)	-2.56	-3.60	-1.94	9.11	6.02	9.82	5.93
Asia Ex Japan	MSCI Far East ex Japan Accumulation ($A)	1.67	-9.87	-6.51	11.25	9.50	9.08	10.51
International Fixed Interest	Citigroup World Govt Bond Unhedged Accumulation ($A)	-2.48	1.01	0.84	2.28	1.93	4.70	0.82
Inflation	CPI – Weighted Capital Cities (@ 30/9/2018)	N/A	0.79	1.88	1.85	1.67	N/A	N/A

Retirewell Has Moved



After 13 years at 141 Queen Street, the landlord QIC wanted to undertake a major refurbishment of our floor. So we have moved into new office premises, just one block away from our previous location.

While we were sad to leave, at the same time we are excited to start a new chapter for Retirewell in a bigger office to allow for growth, as we plan to have more advisers join our firm in future.

Our mailing and business address is: **Suite 6A, Level 6, 79 Adelaide Street (cnr Albert Street), Brisbane Qld 4000.**

Our new building is the former Commonwealth Bank headquarters, on the corner of Adelaide St and Albert St Mall, opposite the Brisbane City Hall, and just across the road from King George Square bus station and car park. There is still a CBA bank branch on the ground floor next to the entrance to our new building. Above are photos of the new office building and entrance to the lobby.

Please note: Our phone number and our email addresses remain the same.

We look forward to seeing you at our new office at your next planning or review meeting.

New Client Service Manager

Annabelle Chapman recently joined Alan Baker's team at Retirewell, replacing Kristin as Client Service Manager. Annabelle has over 7 years of experience in the finance industry, with different roles in banking and insurance. She has her Diploma of Financial Planning and is currently studying a Bachelor of Business and Commerce majoring in Finance, with her graduation anticipated to be in June 2020.

Annabelle has two cherished pets, a cat named Leila and a dog named Teddy. She enjoys playing online games, and cooking when she is not busy with study.

Keep On Learning

Congratulations go to Ben Keep, an associate adviser on Alan Baker's team at Retirewell, who has obtained a Graduate Diploma of Applied Finance, majoring in Investment Management, to add to his Advanced Diploma of Financial Planning.

Ben is now studying for his Certified Financial Planner qualification, which he will complete in 2019.

We wish you a merry Christmas and a safe and successful New Year. The Retirewell office will be closed for two weeks over the Christmas-New Year period from Friday afternoon, 21 December and will re-open on Monday, 7 January 2019.

The best compliment that we can receive is a referral to one of your friends, family or colleagues.

RETIREWELL

WEALTH MANAGEMENT SOLUTIONS

A.D. (TONY) GILLETT

CFP® FPA Fellow CDec

ALAN BAKER

MCom(FinPlan) CFP® DipFP SSA CDec

Tony, Alan and Sean (front)
Angie, Marie, Ben and Annabelle

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