Print Post Approval PP424022/01054

THE RETIREWELL REPORT

A Newsletter for Clients and Friends of Retirewell Financial Planning Vol. 13 No. 1 Winter 2010

The Rewards Of Investing In Asia

Asian stock markets (with the exception of Japan) have shown strong performance over the last decade, even when the global financial crisis (GFC) is taken into account. They have, however, been quite volatile over the past year. For example, the Shanghai stock market is down 26.5% in the first half of this year, compared with the Australian sharemarket which is only down by 11.5% over the same period.

Does this mean the Asian sharemarket run is over, or is this a temporary setback? Should you remain invested in Asia?

There are compelling reasons to believe that Asian economies will continue their strong performance over the next two decades.

- Asian countries have higher household savings rates and lower levels of consumer debt than countries such as the US and members of the Eurozone.
- The growth of financial systems in the Asian countries should not be constrained by the increased financial regulation expected in the US and Europe in the wake of the GFC.
- Asian countries are undergoing dynamic structural changes. Millions of consumers with increasing disposable incomes aspire to better education and a standard of living equivalent to western countries.
- Asia is forecast to have stronger population growth than developed countries.
- Asia has a lower dependancy ratio (the ratio of children and retirees to working age people), which contributes to faster economic growth overall.
- Asian equities are trading at a discount to global shares, based on expectations from forecast earnings.

Asia has undergone a cyclical downturn from which it now appears to be recovering, and strong economic growth is expected to resume over the long term. Annual growth of 6% is expected across the region, with China expected to set the pace at 9% per year.

This is underlined by a report from Tim Hughes, director of Value Capital Management, previously the economist with Rothschild Australia, who visited China in May. He pointed out that Beijing and Shanghai together make up less than 3.5% of China's population, adding that "something truly remarkable is happening" in the west of the country.

For example, he said that the ancient city of Xian with its 8.7 million people has enjoyed an economic growth rate of 13% in the past year and Chongqing, the largest city in the world with 35 million people, grew by a staggering 20% over the same period.

China growth an 'unstoppable force'

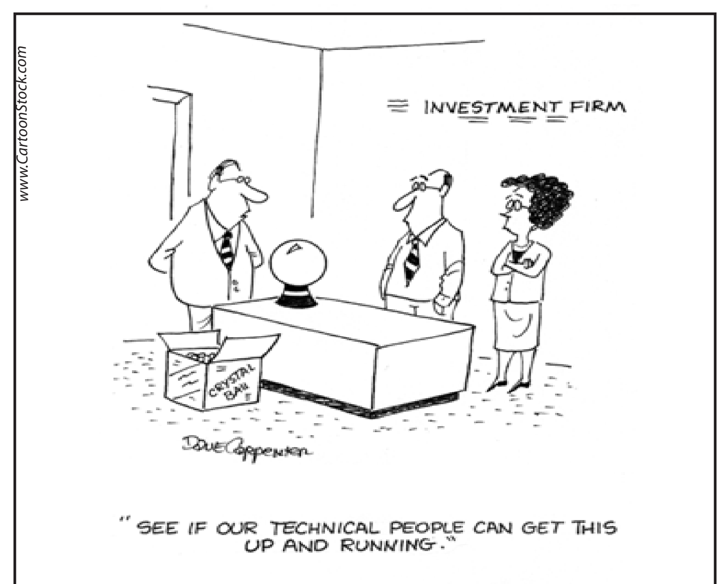
His conclusion is that China's "economic momentum is an unstoppable force… which should give us even greater heart as to our own economic future."

These views are supported by Clinton Dines, former China President of BHP Billiton, who has lived for 31 years in China and gave a presentation to the Lowy Institute and the Australia-China Council in February this year.

Continued on Page 6

What's Inside…

New Tax, Super and Centrelink Thresholds 2
A Modern Greek Tragedy 2
The Value of Investing in Shares 3
How Has Life Expectancy Changed Over the Last Three Decades? 4
Will You Outlive Your Money? 4
Do You Need a Power of Attorney or a Living Will? 5
Super Matters - Ageing Trustees 5
Interest Rates - How High Will They Go? 6
First Home Saver Accounts Much More Attractive 6
Generation Y: Welcome to the Real World 7
Market Indices 7
Retirewell News 8



New Tax, Super And Centrelink Thresholds

The following personal income tax rates and superannuation and Centrelink thresholds will apply in 2010-11.

Personal Tax Rates

Taxable Income	Marginal Tax Rate	Tax Payable
$0 - $6,000	0%	Nil
$6,001 - $37,000	15%	Nil + 15% above $6,000
$37,001 - $80,000	30%	$4,650 + 30% above $37,000
$80,001 - $180,000	37%	$17,550 + 37% above $80,000
$180,001+	45%	$54,550 + 45% above $180,000

Superannuation Contributions

Concessional contributions

Cap	Transitional cap for over-50s
$ 25,000	$50,000

Non-concessional contributions

Cap	Bring-forward rule over three years
$150,000	$450,000

CGT Cap: The lifetime limit for CGT contributions under the small business exemption has been indexed up to $1,155,000.

Low Rate Cap: This cap, which mainly applies to super withdrawals of taxable components between age 55 and 60, has been indexed up to $160,000.

Tax-free Redundancy Payment: This has been indexed up to $8,126 plus $4,064 for every full year of service.

SOCIAL SECURITY

Asset Test for Homeowners

Family situation	Assets Test free area	Maximum assets for part-pension
Single	$181,750	$649,250
Couple	$258,000	$963,000

Asset Test for Non-Homeowners

Family situation	Assets Test free area	Maximum assets for part-pension
Single	$313,250	$780,750
Couple	$389,500	$1,094,500

Income Test

Family situation	Assets Test free area (per year)	Maximum assets for part-pension (per year)
Single	$3,796	$40,253.20
Couple	$6,656	$61,620

A Modern Greek Tragedy

For a country with a population of only 11 million, Greece has recently attracted a great deal of economic attention. The country's high debt levels and structural weaknesses have caused widespread financial concern. The fear of economic difficulties spreading to other European countries has caused declines in international markets, including the Australian sharemarket.

What caused Greece's problems?

During the recent global downturn, many governments increased spending and borrowed money to stimulate their economies. Unfortunately, countries such as Greece had already been living well beyond their means before the crisis struck. Its government had borrowed heavily during better times to fund generous employment conditions for public workers, and to spend on projects including the 2004 Olympic Games. In addition, a thriving "black market" cash economy severely reduced the Greek government's tax income.

As a consequence of its enormous debt, Greece's credit rating was downgraded. Banks began charging Greece more interest on its loans, exacerbating the problem. A combination of a massive budget deficit and ratings downgrades led to concerns that the country may default on its loans and enter bankruptcy.

How did Europe respond?

The fact that Greece shares a common currency with the rest of the Eurozone meant its problems affected other European countries. It became clear that Greece needed help to overcome its debt, and in early May, a bailout was announced. The European finance ministers, the European Central Bank and the International Monetary Fund agreed on a US$962 billion loan package for the region, which aimed to prevent Greece's financial woes expanding to the rest of the Eurozone. Europe's two strongest economies, France and Germany, were the main contributors.

As part of the rescue package, the Greek government agreed to slash spending and implement austerity measures to reduce its deficit. It raised taxes on fuel, alcohol, and tobacco, increased the retirement age by two years, decreased military spending, imposed public sector pay cuts, and applied tough new tax-evasion regulations. The public did not react well to these measures, with strikes and violent protests occurring across the country.

What is the outlook?

There are a number of other European countries with weak economies. Portugal, Ireland, Italy and Spain also have debt problems, and are being closely monitored by central banks and the global economic community.

Some commentators have suggested that Greece's problems may signal the start of the Global Financial Crisis (GFC) Mark II. However, there a number of factors that would appear to discount this view.

- Debt levels in southern Europe are small in comparison with those that caused the US sub-prime crisis.
- Global interest rates are much lower than pre-GFC levels.
- The global economy is stronger than it was two years ago.
- Policy makers have acted decisively and co-operatively in response to Greece's problems.

Continued on Page 4

The Real Value Of Investing In Shares

In recent months, Australian equities have been quite volatile. With interest rates on the rise, investors may be tempted to revert to the "safe haven" of cash and fixed interest investments to preserve capital.

When you invest in cash, your money earns consistent income. Re-investing or "compounding" this income can enhance returns, however at the end of the term the initial capital remains unchanged. Cash is considered a low risk investment, but over time a cash-only approach has serious disadvantages. The "opportunity cost" of choosing cash over shares will affect portfolio performance over the long term.

When you invest in shares, it is too easy to focus on the fluctuations in price. At times of uncertainty these can be dramatic, but shares still have a significant advantage over cash.

Two Types of Returns

The share price reflects the change in the value of a company over time, and varies according to the market's perception of that company's worth. Capital growth in share prices can improve your portfolio returns dramatically over the long term.

Dividend payments are your share of the profits. In a well-managed company, these dividends will increase over time. Although companies distribute most of their profits as dividends, some is retained for future expansion. As a result, the company keeps growing, and your income keeps increasing, enabling you to maintain your spending power and to secure your future lifestyle.

Shares also provide tax advantages in the form of franking credits, which is simply a refund to investors of the company tax paid.

There's no question that volatility in share markets makes many investors uneasy, but it's important to look beyond the short term.

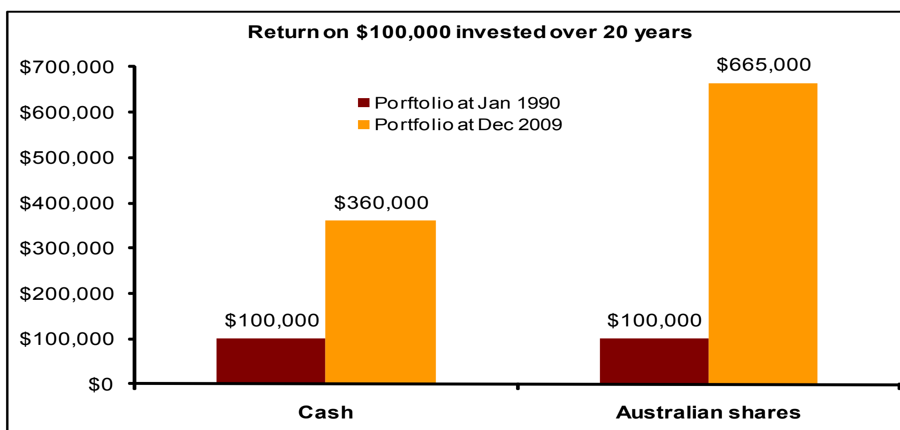
Long-term Performance

- Since 1956, the Australian sharemarket has experienced 39 positive years and 14 negative years.
- Over five-year periods, the chance of a negative return is one in 25.
- Over investment periods of ten years, the Australian market has never shown a negative return.
- Over the 15 years to December 2009, the Australian sharemarket produced an average annual return of 12.6%, including both capital gains and dividends (but excluding franking credits).
- The return for cash over the same period was 5.86%.
- A recent report by leading global fund manager Fidelity International showed that the Australian equity market has been the best performer among developed sharemarkets during the past 110 years, with a combined growth and dividend return of around 12% pa.

A Compelling Example

Consider the investor who set up a $100,000 cash investment in January 1990. If all the interest was reinvested, by December 2009 the initial capital would have grown to approximately $360,000. This appears to be an excellent result over 20 years.

If the same investor had placed $100,000 in a diversified portfolio of Australian shares, again reinvesting all dividends, after 20 years the portfolio would be worth $665,000. This is despite the fact that the period includes the infamous Global Financial Crisis. The return from shares dramatically exceeds the cash option by $305,000, even without including the value of franking credits.



Cash and fixed interest provide certainty and stability within a portfolio, and are ideal for the short term. Over longer periods, however, shares are necessary to turbo-charge returns.

The best defence against volatility and uncertainty is to remain diversified. Markets are unpredictable, and investment in quality shares boosts returns within a well-balanced portfolio. The most important thing is to hold your nerve, recognise that prices will fluctuate, and maintain a long-term view. A diversified investor with a "buy and hold" perspective can virtually ignore short-term price variations.

The capital growth and rising income stream from shares - either from a portfolio of direct equities or managed funds - will reward investors handsomely over time.

One of the pleasures of our business is that many of our new clients come to us because our existing clients suggest that they do. If you like what we've done for you, please tell your family, friends and colleagues about us. We promise to give them the same high quality of advice and service you have come to expect.

Warren Buffett Speaks...

"Whether we're talking about socks or stocks, I like buying quality merchandise when it is marked down."

How Has Life Expectancy Changed Over The Last Three Decades?

In November 2009, the Australian Government Actuary released the Australian Life Tables 2005-2007, which took effect from January 2010. These tables are published every five years, and show life expectancy based on age and gender. Centrelink also uses the tables to calculate the deductible amount of pensions under the Income Test. The tables below show changes in life expectancy over the last 30 years for those aged between 55 and 75. These figures need to be considered when planning your retirement. The next update is due in 2014.

Females: Life expectancy changes since 1977								
Age	Life expectancy (remaining years) at age ...							
Life tables	1977	1982	1987	1992	1997	2002	2007	30-yr change
Age								
55	25.19	26.27	26.96	27.78	28.53	29.91	30.53	5.34
60	21.04	22.02	22.65	23.42	24.11	25.44	26.00	4.96
65	17.13	18.00	18.56	19.26	19.88	21.15	21.62	4.49
70	13.52	14.26	14.77	15.37	15.90	17.08	17.42	3.90
75	10.29	10.89	11.37	11.87	12.26	13.33	13.51	3.22

Males: Life expectancy changes since 1977								
Age	Life expectancy (remaining years) at age ...							
Life tables	1977	1982	1987	1992	1997	2002	2007	30-yr change
Age								
55	20.06	21.02	22.04	23.13	24.22	25.92	26.95	6.89
60	16.40	17.23	18.13	19.09	20.05	21.66	22.63	6.23
65	13.13	13.80	14.60	15.41	16.21	17.70	18.54	5.41
70	10.31	10.81	11.46	12.14	12.80	14.08	14.76	4.45
75	7.91	8.31	8.78	9.31	9.82	10.90	11.31	3.40

Will You Outlive Your Money?

Australians are living longer. Babies born today can expect to live to an older age than those born five years ago.

On average, 65-year-old Australian males should live to 84, while their female peers will live to 87. Just 10 years ago their expected lifespans were 81 and 85 respectively.

There is a strong likelihood that you will die at an older age than those of your parents' generation.

Although long life is a blessing, it also increases the need for retirement funding. Health care, home-based support services and aged-care accommodation all need to be provided for in the older population. Ideally, retirees would like to know their expected life span. If they did not wish to leave an estate, they could then accurately plan their spending. Unfortunately, it doesn't work like this, and the only way to address the risk is to have sufficient retirement assets in case you live longer than planned.

Consider the following:

- The average retirement age in Australia is 57, and 11% of retirees did not choose to retire voluntarily.
- Only 10% of retirees currently have a paid job.
- The average Australian can expect to spend between 15 and 25 years in retirement.
- The current Australian age pension is $27,482 for a couple and $18,228.60 for a single person.
- The Association of Superannuation Funds of Australia (ASFA), in conjunction with Westpac, has calculated that a single home-owner requires an annual income of $39,159 to enjoy a comfortable lifestyle.
- To earn an indexed income stream of $39,159 for 20 years requires a superannuation lump sum of approximately $517,000 (based on an earnings rate of 7.7% pa and inflation of 3% pa). Of course, this assumes you will use up your capital over the period - which would usually not be the case because the safety net of the part-age pension would increase as the capital value of your portfolio diminished, thus letting your money last longer.

With advances in medical science, life expectancy will continue to rise. Against this backdrop, careful planning for a well-funded retirement is more important than ever. Don't put it on the back burner.

A Modern Greek Tragedy

.... Continued from Page 2

The debt crisis in Greece has spooked already nervous financial markets in the early stages of their recovery from the GFC. The European support package has provided a measure of confidence that disaster has been averted for the time being. However, high public debt levels in Europe and elsewhere remain a constraint to global recovery. Although Australia is a long way from Europe, instability in financial markets affects global confidence, with flow-on effects to our market.

There is some good news for Australian travellers destined for Europe: the fall in value of the Euro means you can buy more Euros with our "little Aussie battler"!

Unkind Thoughts On Government

A government which robs Peter to pay Paul can always depend on the support of Paul – *George Bernard Shaw*

A government big enough to give you everything you want, is strong enough to take everything you have – *Thomas Jefferson*

The only difference between a tax man and a taxidermist is that the taxidermist leaves the skin – *Mark Twain*

Do You Need A Power Of Attorney Or A Living Will?

In case you lose the capacity to make decisions about your finances, health and lifestyle, there are a number of arrangements you should consider.

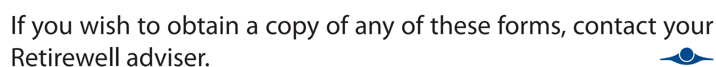
A **Power of Attorney (POA)** is a legal document giving authority to another person to act on your behalf if you are unable to make decisions yourself. The document will specify what the appointed person is authorised to do. A POA can be set up while people are travelling or working overseas, and enables the attorney to pay bills and manage investments. However, it becomes null and void if the person for whom the attorney is acting loses his or her mental capacity due to illness, accident or disability. Hence, we recommend using an Enduring Power of Attorney instead.

An **Enduring Power of Attorney (EPOA)** enables a trusted friend, family member or professional to act on your behalf at all times, even in the event of mental or physical incapacity. The authority to act endures until death or earlier revocation. It is possible to appoint more than one attorney, in which case they can be required to act jointly, or may have different decision-making areas. If you are appointing your spouse, it is advisable to also nominate a second attorney in case you both are in the same car accident and are incapacitated at the same time. If you are unable to manage your own affairs, control of your assets goes to a government body unless an enduring power of attorney has been established.

An **Advance Health Directive or "Living Will"** allows you to outline your preferences regarding your future health care. It comes into effect only if you are unable to make your own decisions. Your directive can apply at any time you are unable to decide for yourself, or you may want it to apply only if you are terminally ill. It is possible to give clear directions covering medical intervention and treatment under specific circumstances.

A health directive differs from a POA as no person need be appointed. Instead the document states the individual's wishes, which must be carried out by family members and healthcare providers. An alternative to making an advance health directive is to appoint the person(s) to whom you give an Enduring Power of Attorney the authority not just for financial matters but also for personal/health matters. This avoids the risk of locking yourself into a certain treatment ahead of medical advances, instead leaving the decision to the discretion of trusted family or friends at the time.

If you wish to obtain a copy of any of these forms, contact your Retirewell adviser.

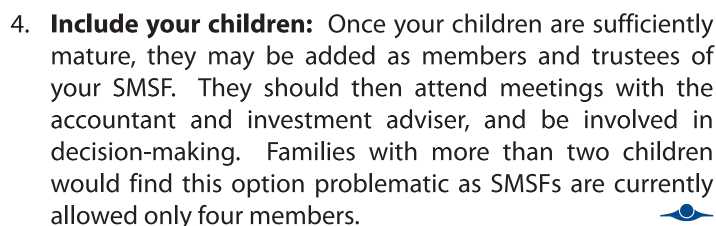


Super Matters - Ageing Trustees

Management and administrative problems can arise within self-managed super funds (SMSFs) if the trustees or members of the fund become physically or mentally disabled or die prematurely. Forward planning ensures that your fund's affairs can continue to be managed effectively.

There are a number of options available.

1. **Rollover to a public offer fund:** This involves selling or transferring the SMSF's assets, so capital gains tax implications need to be considered. Loss of control over the fund's investment decisions and the more restricted investment options available within the new fund need to be taken into account.
2. **Convert to a small APRA fund and appoint a professional corporate trustee:** These funds are regulated by the Australian Prudential Regulation Authority rather than by the ATO. Handing over full responsibility for the operation of the fund will involve extra costs. Your lifestyle also may be affected due to delays in accessing funds. A retiree running his or her own SMSF can access money immediately, while a professional trustee may take several days to release cash.
3. **Create a an Enduring Power of Attorney (EPOA):** It is necessary to exercise care when appointing someone to this role, as they will have full control of the SMSF and must act in the best interests of the fund members. A trusted family member or friend with an understanding of business and investment is advisable. To ensure consistency of estate planning, the person holding the EPOA also may be the executor of your estate.
4. **Include your children:** Once your children are sufficiently mature, they may be added as members and trustees of your SMSF. They should then attend meetings with the accountant and investment adviser, and be involved in decision-making. Families with more than two children would find this option problematic as SMSFs are currently allowed only four members.



Lessons From A Long Life

Regina Brett of Cleveland, Ohio, once wrote a popular column on the 45 lessons she had learnt from life. Last year she turned 90, and re-published the column.

The first 10 lessons are listed below, and we will cover the remainder in future editions of the Retirewell Report.

1. Life isn't fair, but it's still good.
2. When in doubt, just take the next small step.
3. Life is too short to waste time hating anyone.
4. Your job won't take care of you when you're sick. Your friends and parents will. Stay in touch.
5. Pay off your credit cards every month.
6. You don't have to win every argument. Agree to disagree.
7. Cry with someone. It's more healing than crying alone.
8. It's OK to get angry with God. He can take it.
9. Save for retirement starting with your first pay cheque.
10. When it comes to chocolate, resistance is futile.

Interest Rates - How High Will They Go?

The role of the Reserve Bank of Australia (RBA), our central bank, is to maintain a strong financial system through management of official interest rates. Adjustments to the cash rate by the RBA affect your investments.

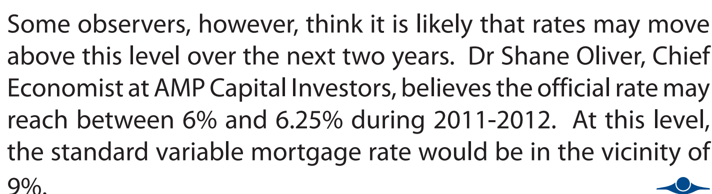
During the Global Financial Crisis (GFC), the RBA dropped rates to "emergency levels" to stimulate the economy and prevent Australia entering recession. The official cash rate fell to 3% in April 2009, the lowest level in 50 years.

As the economic crisis passed, and the Australian economy began to show signs of recovery, the RBA began raising, or "tightening" rates. This was to ensure the recovery occured at a steady pace, while avoiding the problems that come with inflation.

Rising interest rates affect households, businesses, investors, and retirees differently. Those who have no borrowings, and rely on fixed income investments for living expenses, welcome higher interest rates. Conversely, those with mortgages, loans or business borrowings are adversely affected.

First home owners who entered the housing market due to the Federal Government's first home owner's grant are highly sensitive to rate rises.

Rates have been rising steadily since October 2009, and most commentators expect this trend to continue over the medium term. The RBA has recently stated that it is appropriate for the official cash rate to move gradually towards "normal levels" of about 5%.



Some observers, however, think it is likely that rates may move above this level over the next two years. Dr Shane Oliver, Chief Economist at AMP Capital Investors, believes the official rate may reach between 6% and 6.25% during 2011-2012. At this level, the standard variable mortgage rate would be in the vicinity of 9%.

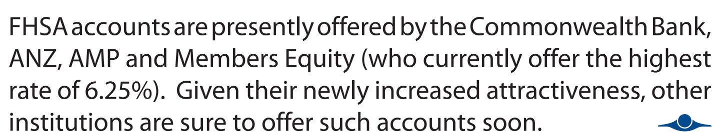
First Home Saver Accounts Much More Attractive

The First Home Saver Account (FHSA) was introduced on October 1, 2008. The intention was to provide a simple, tax-effective way for Australians aged 18-65 years, to save for their first home through a combination of Government contributions and low taxes. In the recent Federal Budget, the Government made the FHSA much more attractive by announcing some important changes to the design features of FHSAs.

After the legislation has been passed and received Royal Assent, FHSA savings will be able to be paid into an approved mortgage after the end of a 4 year minimum qualifying period, rather than having to be paid to a superannuation account, if a home was purchased within the 4 years. The new rule also requires a minimum deposit into the FHSA of at least $1,000 per financial year, in each of 4 separate financial years.

Once implemented, the proposed changes will mean that FHSAs will be seen as the ideal way for young Australians to save a deposit for their first home.

This is because the Australian Government contributes 17% on the first $5,000 (indexed) of individual contributions made each year, that is, a tax-free bonus of up to $850 on top of the interest the financial institution is paying. There is a cap of $75,000 (indexed) on the overall FSHA balance, after which no further contributions can be made. Earnings are taxed at only 15% within the account, and withdrawals are tax-free, when they are used to purchase a first home to live in.



FHSA accounts are presently offered by the Commonwealth Bank, ANZ, AMP and Members Equity (who currently offer the highest rate of 6.25%). Given their newly increased attractiveness, other institutions are sure to offer such accounts soon.

The Rewards of Investing in Asia

.... Continued from Page 1

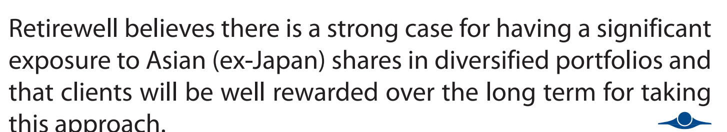
Mr Dines said that "the Chinese Government's issue in recent years has been one of managing the economy's propensity to overheat rather than supporting growth…

"If you doubt the sustainability and momentum of China's growth story, just think back for a moment on the challenges that China's economy, in transition and muddling through in many ways, has had to face – just getting the reform process itself started in the early 1980s, inflationary pressures in the late 1980s, the Tiananmen Square protests and the aftermath, another bout of very high inflation in 1993 and the slamming on the lending brakes in 1994, state-owned enterprise reform in the mid to late 90s (46 million people displaced), the Asian financial crisis in 1998 (when China alone did not depreciate her currency), the 2001 global dotcom recession, four months of virtual paralysis with SARS in 2003, overheating and inflationary stresses of 2004-5 (remember the blackouts and dire predictions).

"In 2008 there were snowstorms of unprecedented historic proportions, riots in Tibet and the associated geopolitical tensions, a massive earthquake in Sichuan that killed 80,000, four major typhoons and massive flooding, 100 year droughts in the north (the Yellow River ran dry), tectonic electoral change in Taiwan, North Korean missile launches and A-bomb tests, economic overheating and food price inflation, then the global financial and trade crisis from September onwards… all in one year. Oh and by the way, they still did 9% economic growth, they responded to the GFC with an unmatched agility in terms of policy adjustments and stimulus, and they hosted the Beijing Olympics too.

"In 2009 China more or less led the world economic recovery (to Australia's relief) by recovering and maintaining strong growth in spite of a major negative contribution from net exports.

"These guys [China's rulers] are good, these guys are muddling through quite well, so why is it that people still ask questions about China's sustainability?"



Retirewell believes there is a strong case for having a significant exposure to Asian (ex-Japan) shares in diversified portfolios and that clients will be well rewarded over the long term for taking this approach.

Generation Y:
Welcome To The Real World

The baby boomer generation, currently aged between 45 and 64, was hard hit by the Global Financial Crisis (GFC). Prior to the downturn, they had watched their houses rise in value, their investments perform strongly, and their careers prosper. They felt confident about their retirement prospects, and were generous with financial assistance to their children and grandchildren. A recent survey commissioned by the St George Bank shows that post-GFC, the "bank of mum and dad" is now putting up the shutters.

According to the St George Bank survey, 72% of parents have provided financial support to adult children in the past. Handouts have included free or subsidised rent or board, wedding expenses, first home deposits, child care fees and education costs. The recipients of this largesse took the generosity of their parents for granted and failed to develop good saving habits of their own. The survey states that just 36% of Generation Y (those aged 15 to 32) consider themselves experienced savers and budgeters. Four out of five parents of adult children wish that their offspring planned better for their financial futures.

Priorities have changed, and the baby boomers are now focusing on boosting their depleted retirement savings, paying off debt, and saving for future expenses of their own. Although they feel guilty about withdrawing support from their children, they are primarily concerned about their own financial outlook. Some are considering returning to the workforce and delaying retirement. According to the St George survey, only 6% of parents rate providing assistance to their children as their top priority at present.

The new priorities of their parents may have a silver lining for Generation Y. It's possible that over the long term they will be financially better off by learning to stand on their own two feet.

The Man Rules

We always hear "the rules" from the female side. Now here are the rules from the male side .....

If something we said can be interpreted two ways and one of the ways makes you sad or angry, we meant the other one.

You can either ask us to do something, or tell us how you want it done. Not both. If you already know best how to do it, just do it yourself.

If we ask what is wrong and you say "nothing", we will act like nothing's wrong. We know you are lying, but it is just not worth the hassle.

MARKET INDICES TO MAY 31, 2010

MARKET	INDEX	1 Mth %.	6 Mths %.	1 Yr % p.a.	2 Yrs % p.a.	3 Yrs % p.a.	5 Yrs % p.a.
Cash	UBS Warburg Bank Bill Index	0.38	2.08	3.75	4.80	5.60	5.79
Australian Sharemarket	ASX All Ords Accum (500 Stock)	-7.57	-3.91	21.41	-8.19	-7.22	6.20
	ASX Small Ords Accumulation	-8.18	-5.72	19.01	-14.47	-13.08	4.69
	S&P/ASX 20 Leaders Accumulation	-7.61	-4.30	22.38	-2.95	-2.25	8.53
	S&P/ASX100 Accumulation	-7.48	-4.10	20.89	-6.60	-6.48	6.24
	S&P/ASX300 Accumulation	-7.54	-4.24	20.72	-7.53	-7.26	6.04
Property	ASX Property Trusts Accumulation	-4.27	1.17	27.53	-20.99	-25.28	-7.28
Aust Fixed Interest	Aust Comm Bank All Series/All Maturities Accumulation	2.05	2.39	4.36	8.33	6.89	5.61
International Sharemarkets	MSCI World Accumulation Index ($A) (MSCI - Morgan Stanley Capital International)	0.46	4.04	8.98	-7.71	-10.53	-0.55
USA	MSCI USA Accumulation Index ($A)	2.03	9.69	15.46	-3.80	-8.94	-1.54
UK	MSCI UK Accumulation Index ($A)	-1.09	-1.88	4.65	-11.74	-14.07	-2.13
Europe	MSCI Europe Accumulation Index ($A)	-2.29	-6.60	0.24	-14.38	-14.66	-0.76
Japan	MSCI Japan Accumulation Index ($A)	2.01	9.26	-0.02	-8.37	-11.78	-1.67
Asia Ex Japan	MSCI Far East ex Japan Accumulation ($A)	1.65	7.55	13.85	-0.99	-1.22	8.88
International Fixed Interest	Citigroup World Govt Bond Unhedged Accumulation ($A)	9.82	0.83	-3.23	9.61	6.49	2.50
Inflation	CPI – Weighted Capital Cities (@ 31/3/2010)	N/A	1.42	2.88	2.67	3.20	N/A

Retirewell News

New Client Service Manager

Tirtzah Hartvigsen joined Alan Baker's team as Client Service Manager in December 2009. She has four-and-a-half years experience in the financial services industry. Tirtzah's name is pronounced Tier-tsah, but you can call her T for short. (We do!)

After living and working on the Gold Coast for the last 30 years, she is pleased to be back in Brisbane. Tirtzah is a mother of three children and has one grandchild. She enjoys trying to keep fit and active, as well as spending time with family and friends over good food and beverages.

Among The Nation's Top 50 Advisers

Congratulations are due to Alan Baker for being named in the Top 50 financial planners in Australia this year. Alan entered an exam run by the Financial Review Smart Investor magazine which was open to all Certified Financial Planners™ and financial planning specialist members of CPA Australia and the Institute of Chartered Accountants in Australia.

The Masterclass is a unique online exam that tests the technical knowledge of financial planners and their ability to apply their expertise to common client scenarios.

The areas of knowledge tested in the one-hour exam included financial structures, tax, superannuation (including self-managed super funds), asset allocation, social security and investment strategies.

Alan also was named in the Top 50 financial planners in Australia when he previously entered the Masterclass exam in its first year in 1999. On that occasion he came second, but the magazine would not reveal rankings of the Top 50 this year.

Third Grandchild

Alan Baker is a proud grandfather again following the birth of his second grandson, Christian, on 8 February. With a name like that, he has a lot to live up to. Christian is the third child for Alan's oldest son Tim and his wife Maryanne, who live in Sydney with their other children, Emma, 7, and Jack, 4.

Advice For Expatriate Australians

In June 2010 Mark Holzworth presented a wealth planning seminar in Houston, USA. Working in conjunction with the Australian-American Chamber of Commerce – Houston, Mark detailed to expatriate Australian attendees how they can apply wealth principles even when living overseas.

Typical attendees at such an event are expatriates intending to return to Australia. Australians figure prominently within resource, technology, communication and financial companies across the globe. Significant challenges in building and maintaining wealth arise for Australians living overseas. Where they intend to return to Australia at some future time, the plan to work overseas will usually be driven by a desire to build a nest-egg for their future family life, or retirement. Issues arising include technical taxation matters, superannuation accumulation and pension/annuity concerns, investment selection, personal risk insurance to gain adequate coverage, and estate planning concerns to name a few.

If you know family or friends working or living anywhere abroad and intend returning to Australia, you or they can contact Mark to explore how they can better achieve their objectives.

RETIREWELL

WEALTH MANAGEMENT SOLUTIONS

A.D. (TONY) GILLETT
CFP® FPA Fellow CDec

ALAN BAKER
MCom(FinPlan) CFP® DipFP

MARK HOLZWORTH
MCom(PA) GradCertProfAcctg
AdvDipBus DipFP FPNA

RETIREWELL FINANCIAL PLANNING PTY LTD
Level 24, 141 Queen Street
(Cnr Albert Street)
Brisbane Queensland 4000
Telephone 07 3221 1122
Facsimile 07 3221 3322
Email retirewell@retirewell.com.au
Web www.retirewell.com.au

IMPORTANT NOTE: The Retirewell Report is a private communication to clients and contains general information only. Because the particular circumstances and needs of individual investors may vary greatly, the information herein should not be used as a substitute for personalised professional advice. Whilst every effort has been made to ensure the information is correct, its accuracy and completeness cannot be guaranteed; thus Retirewell cannot be held responsible for any loss suffered by any party due to their reliance on the information or arising from any error or omission. The Directors and Authorised Representatives of Retirewell may have a financial interest in investments mentioned in this Report by way of investment, brokerage or fees. Retirewell Financial Planning Pty Ltd (ACN 070 985 509) is the holder of Australian Financial Services Licence No. 247062.

Privacy: Personal information held by Retirewell Financial Planning may have been used to enable you to receive this newsletter. If you do not wish to receive it in the future, please phone us on (07) 3221 1122, write to us at 24/141 Queen Street, Brisbane Qld 4000 or email us at retirewell@retirewell.com.au