GFM Wealth Advisory

TRADE SECRETS

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SMSF Specialists | Investment Management | Financial Planning | Accounting

IN THIS ISSUE

- Welcome to 2022
- Maree Meehan – 25 Years At GFM
- Client Profile – Ian and Elaine Whitehead – Clients of GFM Since 2007
- The Important Role a Financial Planner Plays for SMSFs
- Congratulations Rebecca and Anthony
- The Recent Market Sell-Off And Outlook for 2022
- Home Care Packages
- 10 Year Dinner
- Financial New Year Resolutions
- GFM Webinar
- Upcoming Lunch Seminar – Investing for Yield – Monday 9/5/22 at Leonda
- Christmas Cards And Charitable Donations

WELCOME TO 2022

By Paul Nicol

Welcome to our first newsletter of 2022. We hope you had a safe and enjoyable festive season, and we hope 2022 has started well for you.

Our staff enjoyed an extended period of rest over the New Year, with our office not opening until Monday, January 10. This was a well-earned break after a difficult 2021 in which the team spent a good part of the year working remotely from the office. Under challenging circumstances, I am incredibly proud of the dedication and resilience of our team, ensuring no disruption to our usual prompt and professional client service.

At the time of writing, we have staff working from the office in a two-team roster to ensure we maintain a COVID safe working environment. We hope we can all be in the office together in the coming months, returning to a somewhat normal working environment. It is also pleasing we have been able to welcome clients in the office in January, although somewhat limited by available COVID safe space and when the advisers can attend the office. It is also our hope in 2022 that we can return to face to face client events and more regular face to face meetings. We do miss seeing our clients in person.

Despite the difficulties of the last two years, we have been very fortunate that GFM has continued to grow. We are well aware many businesses have not enjoyed the same fortune, but we also feel it is important our clients know we have "strong bones".

It is also an exciting year ahead with several staff reaching significant employment anniversaries at GFM – Phil 45 years, Maree 25 years, Andrew, Miryam and Jacqui 15 years, and the pending retirement of our stalwart employees Bryan and Maree who have had long and distinguished employment careers. We also have several special birthdays for the year ahead and a wedding to celebrate.

The recent news that Australia's 3rd largest SMSF superannuation administration business Dixon Advisory went into liquidation due to escalating remediation for clients financially affected by conflicted advice was a timely reminder of the importance of non-conflicted advice.

Dixon Advisory advertisements of cheap SMSF administration and advice fees were plastered in newspapers. We now know that Dixon used this "discounted" price model to push their in-house products, which charged obscene fees and, in most instances, were very poorly performed. We feel sorry for the thousands of Mum and Dad SMSF investors lured into the Dixon Advisory network, which they thought was a brand of trust, that lost significant sums of money in these investments.

GFM remains differentiated from a majority of the financial services industry. As a privately owned firm with no institutional alignment, be it a bank or any other organisation, GFM does not have a "big brother" influencing our investment decisions. Most importantly, we are not a product manufacturer, nor do we run any in-house investment products.

At GFM, our core value is that our clients are our business. Our financial advice is tailored to each individual's unique needs, risk profile, and investment preferences, ensuring they receive the best advice. We are not interested in product pushing in-house investments.

We wish you all the best for the year ahead, and we genuinely look forward to seeing you in person throughout the year.

MAREE MEEHAN: 25 YEARS AT GFM

By Paul Nicol

It is with enormous pride that our stalwart receptionist Maree Meehan has reached 25 years at GFM, just before her impending retirement in June this year.

Maree is the friendly voice and familiar face that has greeted all our clients over the phone or when attending the office. During this period, Maree has got to know our clients extremely well and as our clients would attest, Maree has a wonderful, caring demeanour with a "can do" attitude.

Maree is a much loved member of staff. But she is more than just a work colleague, she is a friend, a shoulder to lean on, and the first to celebrate and recognise staff achievements and special life events.

It was a pleasure to surprise Maree with a special dinner that all the staff attended in which we celebrated all of Maree's achievements.

Gilham Financial Management Pty Ltd
ABN 69 006 679 394
Australian Financial Services Licence No. 229401

190 Through Road, Camberwell VIC 3124
T: (03) 9809 1221 F: (03) 9809 2055
enquiry@gfmwealth.com.au www.gfmwealth.com.au

Perhaps the most defining nature of Maree is the legacy she will leave at reception. Maree has carefully guided and moulded our reception team of Gerardine (Jez) and Leanne over several years now to ensure a seamless transition.

We are going to miss Maree and Bryan greatly, but we are thrilled both are retiring on a high and as a team we get to share these special moments with them.

Maree: My 25 Years At GFM

Amazingly, it has been 25 years since I joined GFM Wealth Advisory in February 1997 as a receptionist/administrator. I consider myself very fortunate to have worked for this outstanding company.

My predominant role as a receptionist at GFM has allowed me to meet and know the vast majority of our wonderful and loyal clients. Dealing with our clients has always been the most enjoyable part of working at GFM.

As you are no doubt aware, we (GFM) have a large number of our dedicated staff who have been with the business for a significant period. It is truly remarkable to think that the vast majority of our staff have been with GFM for at least ten years. I have made close friendships with many of the staff and have also watched them all grow into the wonderful people they are today.

Some background information about me that you may not know. Bryan and I were married in 1974, and we have three married daughters, Belinda (46), Rebecca (44) and Kelli (41) and nine grandchildren (six boys and three girls) from 11 to 20 years of age. We are all extremely close, and Bryan and I spend most of our time watching all the grandkids play their sport on the weekends. We love it. My darling Mum lived with us for 12 years before she passed away at the beautiful age of 97 in 2019. My Mum was an integral part of our family. We are all significantly richer for having shared our lives with such a beautiful and vibrant person.

Before joining GFM, I had rejoined the workforce in 1992 on a part-time basis in retail. We have been clients of GFM since 1976 (Bryan having gone to school with Tony Gilham, the founder of the business). At one of our appointments in 1996, Tony mentioned he was looking for a part-time administrator/receptionist. I was offered the role and commenced employment in February 1997, initially one day per week, but that quickly increased to four days per week.

In 2004, Bryan was offered a position at GFM, which I was apprehensive about, but 18 years later, we are still happily married, even though he is my boss!

For the last five years, the reception role has been shared by three: Gerardine, Leanne and myself. We all work seamlessly together and get on exceptionally well. As some of you may know, I am retiring at the end of June this year, and I am so happy that I am leaving the role I have loved for so long in the capable hands of Gerardine and Leanne. I now only work one and a half days a week, leading me into retirement beautifully.

I am grateful to Tony, Paul and Patrick for the opportunity of working at GFM and hope to continue a very close relationship with all the GFM family long into the future.

IAN AND ELAINE WHITEHEAD: CLIENTS OF GFM SINCE 2007

By Paul Nicol

Ian has kindly written the article below on his and Elaine's working life, retirement and relationship with GFM Wealth Advisory. We greatly appreciate Ian's contribution to Trade Secrets.

Elaine and I first met at a dance in 1963 and married in 1966. Our first nine years of marriage were spent living and working in the UK. In those days, working in the UK was pretty much self-preservation, and I often found myself working more than 100 hours per week and not having a large bank balance to show for it. My driving force was to provide the best life that we could for our family, so you did whatever kind of overtime was offered. Elaine also worked until our first daughter arrived, and then we relocated from the north of England to the southwest in Cornwall, where our second daughter was born. Elaine continued to work part-time for the local school and a cafe in the evenings.

We relocated to Australia at the beginning of 1975, by which time our daughters were 8 and 5 years old. We both started work straight away. Opportunities for overtime were frequent, so I worked as much as was offered and was grateful for it. It provided a lifestyle and opportunities that would never have been possible in the UK. Elaine retired in 2014 after working many years for Caprice Australia, and I retired from full-time work in 2016.

We feel blessed our daughters have excelled in their chosen professions, and we now have three grandchildren; the youngest is Ruby (aged 9), then Cameron (14) and Luke (17). I am passionate about motor car and motorcycle racing and have spent the last 42 years doing just that – ten years racing go-karts and then 32 years racing motorcycles. Now, I spend more time coaching the principles of road racing and supporting my eldest grandson, who is taking over in the skills and talent side. He is currently campaigning a 600cc road racing motorcycle in the Australian championships and, after two rounds, is in 4th position.

We always tried to save as much as possible for retirement. Unfortunately, our experience with two different financial advisers before joining GFM was exceptionally disappointing. We were going backwards due to poor advice, including having our superannuation invested in high fee and poor performing accounts, as well as a recommendation to purchase a poor quality commercial real estate asset. Naturally, after two bad experiences with financial advisers, we were somewhat sceptical.

In 2007, a friend recommended talking to Tony Gilham, which we did. At our first meeting with Tony, he quickly introduced us to Paul, and our first impressions were tremendous. After reviewing our financial position and discussing our previous poor experiences obtaining advice, Paul quickly reassured us that GFM is committed to client satisfaction. We set up an SMSF and focused on salary sacrifice and investing more sensibly towards retirement.

Our experience with Paul and the GFM team over the last 15 years has been everything promised and much more. Paul has guided us through tough times and keeps close contact through the highs and lows. Paul makes us feel very special. We listen to every recommendation, and I can say without hesitation that we feel financially secure in retirement, which allows us to focus on enjoying our retirement.

We are so proud of Paul and his achievements, including being regularly ranked in Australia's Top 100 Financial Advisers over the last years. This endorses what we already knew about Paul and the team at GFM.

THE IMPORTANT ROLE A FINANCIAL PLANNER PLAYS FOR SMSFs

By Witi Suma

One of the major roles of a financial planner is education – especially those who may be at risk of making poor financial decisions during times of market volatility – by advising of the consequences of switching investment options, how investment markets work, and explaining the nature of the investments themselves.

During times of crisis such as the COVID-19 pandemic and the GFC, many investors tend to panic, often leading to impulsive decisions that result in poor outcomes. Usually, these decisions are made due to a lack of understanding or having little to no access to financial information.

A recent study at Griffith University found that the number of super fund members who switched out of "growth" investments such as equities to more "defensive" assets such as cash had tripled during the COVID-19 pandemic. During March and April 2020 – the worst point of the market downturn – many nervous individuals sold out of growth assets in response to the falling share market. They not only crystallised a loss but were left with a lower balance than if they had done nothing. Furthermore, they missed out on the subsequent rebound in global sharemarkets.

We believe it is crucial for SMSFs to receive ongoing advice.

In addition to preventing behavioural mistakes, there are also many rules and regulations for running an SMSF, some of which are pretty complex. The number of SMSFs established over the past decade has grown. As such, the ATO, the regulator of SMSFs, has taken an increasingly more assertive position in monitoring compliance. It is more important than ever for SMSFs to be fully informed and educated to avoid costly mistakes.

Fundamentals that SMSFs can get wrong:

The SMSF's trust deed dictates what the fund can and cannot do. This document forms the fund's governing rules, and it is critical to check before making any investment or financial decisions to ensure that the deed allows for it. It is also essential to ensure the deed has been correctly executed. The provisions within the deed accurately reflect changes in super legislation – this is one of the reasons we recommend our SMSF clients update their deeds on an annual basis.

A common mistake made by SMSFs is drawing on funds for personal or business purposes, and this is in breach of the "sole purpose test", which is to provide for the members' retirement. Drawing funds from their retirement savings before a member meets a "condition of release" can lead to severe tax penalties for the fund. Similarly, suppose you purchase an investment property in your SMSF, and you or your relatives have private use of that property. In that case, this breaches superannuation law and can lead to harsh ATO penalties.

SMSFs may also inadvertently pay a fund expense using personal funds, e.g., the SMSF's annual accounting fee or an electricity bill for a property owned by the fund. If this occurs, the SMSF needs to reimburse the member immediately; if not, it must be treated as a super contribution. If it is a contribution, it is vital to ensure that the member is eligible to contribute to super, considering their age and contribution caps.

If an SMSF wish to borrow funds, strict rules apply. This includes what assets can be acquired, the documentation required, the requirements over the life of the loan and when it ends.

If you are an SMSF member drawing an income stream from the fund, the fund must pay you at least the minimum pension each year; failure to do so can result in the fund being deemed non-compliant, as well as unnecessary tax being levied on the fund's earnings.

Many super fund members believe that their member benefits are automatically covered by their Will when they pass away, but this is not the case. This will only occur if you have lodged a valid, binding death benefit nomination with your super fund, nominating your Executor (Legal Personal Representative) to distribute your super benefits per your Will. That is why we strongly recommend that members complete and lodge a binding death benefit nomination with their SMSF that states explicitly to whom their benefits are to be paid. In addition, the binding nomination itself must be signed and witnessed correctly for it to be valid.

Making contributions to a super fund also needs to be done correctly. For example, the fund cannot accept a contribution from a member if they have not received the member's Tax File Number or if the member is over age 67 and has not met the "work test". If a tax deduction is to be claimed, the member must lodge a formal election to the fund, which needs to be acknowledged. Furthermore, suppose the member wishes to commence an income stream from the fund and hasn't lodged the tax deduction election and had it acknowledged prior to the pension commencement. In that case, it is too late to claim that contribution as a tax deduction.

There are limits on how much you can contribute to super. Tax penalties may apply if you contribute over certain thresholds. These rules have changed so frequently over the past decade, and they can understandably cause confusion, which is why a financial planner is so important. They constantly stay on top of these regulations and can recommend appropriate strategies to take advantage of the rules in place at any point in time.

Suppose you have insurance cover in a retail or industry super fund and wish to transfer your super benefit to an SMSF. In that case, it is critical that before you do so, you have arranged to transfer the insurance cover as well or have set up new cover within the SMSF. The transfer of ownership to an SMSF involves specific documentation, so advice should be obtained.

Other areas in which financial planners can assist SMSFs:

- Navigating the complicated rules around the Transfer Balance Cap (TBC) to ensure members do not exceed their caps and how these rules interact with the "bring forward" contribution rules, particularly given the recent indexation of the TBC
- Helping you decide between an individual or a corporate trustee
- Advising members with blended families on the potential issues that can arise
- Helping you take steps to ensure your fund remains compliant if you plan to be overseas for some time
- Guiding SMSFs that own property in matters such as properly documenting COVID rental relief, ensuring property transactions are at arm's length, etc.
- Assisting you to obtain an "Electronic Service Address" to comply with SuperStream legislation concerning employer contributions and rollovers
- Alerting you to the risks of cyber fraud. Scams often target those most vulnerable due to a lack of knowledge.

Avoid costly mistakes:

Although SMSFs have many benefits, such as control and flexibility, they can be complex to manage, particularly around compliance. Most infringement notices handed down to SMSFs are not due to negligence but simply a lack of sufficient knowledge. In addition, a certain level of knowledge and experience is required to manage your investments successfully.

The GFM team is proud to have SMSF Specialist Advisors™ on board who have the knowledge, experience, and skillset to advise SMSFs on superannuation compliance and technical matters. As such, we are well-positioned to advise you and ensure you keep on the right side of the law at all times.

CONGRATULATIONS TO REBECCA AND ANTHONY

By Denise Slattery

All of us at GFM Wealth and GFM Gruchy, would like to extend our congratulations to our Senior Paraplanner, Rebecca Lowe on her marriage to Anthony Dhillon who were married on the 11 February.

Thankfully for the lovely couple, this was the one and only date that they had booked in and were not forced to reschedule their plans numerous times, like some other couples and the dance floor was open!..

As Anthony also works in the financial planning industry, we are sure that they will spend many years over dinner discussing re-contribution strategies, the tax arbitrage of salary sacrifice and the benefits of dollar cost averaging!

We wish them a lifetime of love and happiness together.

THE RECENT MARKET SELL-OFF AND OUTLOOK FOR 2022

By James Malliaros

The 2021 calendar year was strong for world sharemarkets despite the enormous, ongoing disruption of the COVID-19 pandemic to human lives, supply chains, and economies. The key driver of this strength was the unprecedented fiscal and monetary stimulus of governments and central banks. This supported employment, consumer demand, and corporate earnings, leading to soaring inflation in the US and other advanced economies.

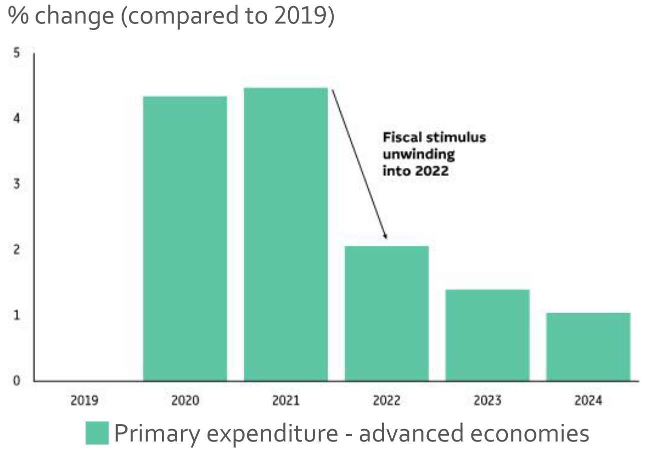
However, given the start we've had to the new year, it looks most likely that uncertainty will be the major theme in 2022.

The future direction of the COVID pandemic remains a significant unknown, with the potential of new variants, supply chain disruptions or, worse yet, other lockdowns likely to result in periodic spikes of volatility in economies and equity markets over the year ahead.

The level of inflation also remains a concern. There have been inflation spikes in many countries due to a combination of higher energy costs and supply chain and labour shortages in various key industries, which have all resulted in higher inflationary effects that have persisted longer than expected.

Equally uncertain is the response of financial markets to the unwinding of pandemic stimulus. As inflation increasingly looks to be a longer-term issue rather than transitory as initially thought, central banks have begun tightening monetary policy through higher interest rates. Governments are also expected to reduce their level of support over 2022, reflecting solid underlying economic fundamentals, including falling unemployment, increased household savings and pent-up consumer demand.

Deviation from pre-pandemic forecasts of fiscal expenditure in advanced economies



Source: IMF, World Economic Outlook Database, IMF estimates

This unprecedented level of uncertainty, including the current geopolitical risks between the West and Russia, has taken a toll on global equity markets, with the sell-off that started in mid-January most pronounced in the United States. Record-high Omicron case numbers and decade-high inflation readings drove fears of more aggressive interest rate hikes, dented consumer and business confidence and drove many investors to sell.

At the epicentre of the sell-off were technology stocks, particularly those trading on extreme valuations, cryptocurrencies, and anything else that was rate sensitive, such as real estate and, to a lesser extent, multiple healthcare stocks. At one point in late January, the US S&P 500 Index entered into a correction (defined as a selloff of 10% or more) for the first time since the COVID-19 lockdowns of early 2020. The benchmark US equity index has since recouped some of those losses, but it is still significantly down from its record high on January 3.

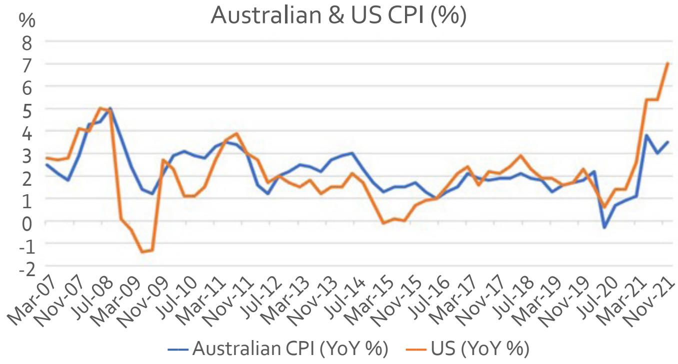
In Australia, the S&P/ASX 200 Index has fallen around 7% (at the time of writing) since the beginning of the year.

Outlook for the share market for the rest of 2022?

Given all the issues that financial markets have been dealing with since the beginning of the year, the story of the first half of 2022 is expected to be ongoing inflation and higher interest rates, resulting in more regular bouts of market volatility.

In the US, the Central Bank (The Fed) has signalled its intent to raise interest rates in March following a rapid rise in inflation to 7% (over the last 12 months) in December 2021 and an expected rate of around 7.5% in January 2022, due to surging energy prices and a strong labour market.

In Australia, inflation is also running at levels not seen in more than 20 years, prompting interest rate markets to price in hikes earlier than the Reserve Bank of Australia (RBA) has forecast, probably sometime in the second half of the year. The RBA has predicted inflation to now peak at 3.75% in June, well above the previously anticipated figure of 2.75%, led by increases in building costs (due to the Government's HomeBuilder incentives) as well as car and fuel price rises.



Source: Bloomberg; March 2007 – December 2021

How the second half of the year plays out for financial markets will crucially depend on how well The Fed does its job containing inflation. Although interest rates will most likely rise sooner rather than later, it is not expected that The Fed will go too hard and instead do just enough to cap inflation and not kill the economic cycle. However, there are no guarantees on this outcome.

In Australia, the risk is that the RBA waits too long to start monetary tightening. This will then risk allowing much higher inflation to become entrenched as inflation expectations increase, making it harder to get back under control again and adding to market volatility. While the RBA has made it clear it targets a 2023 rate hike, financial markets are pricing in interest rate rises as early as August 2022. This is due to a tight labour market and numerous indicators pointing to rising wages growth amidst ongoing reports of staff shortages.

The last few years have been good ones for share market investors as most central banks worldwide cut rates to zero and embarked on extremely stimulative policies.

For the year ahead, as the very favourable pandemic policy settings are unwound, share market returns are expected to return more in line with history – single digits with ongoing bouts of volatility.

In this environment, investors will need to be far more selective. They need to find opportunities to invest in good quality companies with a strong competitive advantage, generate good cash flow and are managed well. The outlook for the next three to five years looks favourable for these types of companies.

HOME CARE PACKAGES

By Sam Eley

One of the significant psychological shifts we've seen due to the pandemic has been a preference for people to remain in the home where possible rather than receive care in a specialist facility.

Home Care Packages (HCP) are one of the ways that older Australian's can access affordable care services to get help around the home. These services can be everyday tasks such as personal care, meal preparation and cleaning, or more complex care needs. A Home Care Package can significantly assist with providing access to care and services and financing a significant portion of the overall cost of receiving care in the home.

To be eligible for a Home Care package, you must meet specific needs and age-based requirements. These are:

- To complete an assessment with Services Australia on how much assistance you need with everyday tasks, and
- That you are over age 65

A trained assessor will visit your home and assess your circumstances and needs. They help determine what services may suit you best. Depending on the outcome of this assessment, you may be eligible for one of four potential packages:

- Level 1: covers basic care needs and provides financial assistance of $9,026.45 per annum;
- Level 2: covers low care needs and provides financial assistance of $15,877.50 per annum;
- Level 3: covers intermediate care needs and provides financial assistance of $34,550.90 per annum; and
- Level 4: covers high care needs and provides financial assistance of $52,377.50 per annum

These packages can only be used to fund care costs for you to remain safely and independently in your home. Following this assessment and successfully being granted a Homecare package, you can select a relevant service provider to assist you with your care needs. Your chosen provider can help identify your care needs and decide how best to spend your package funding. The service providers costs are paid directly from the Home Care Package.

While the Home Care Package will assist significantly in funding the costs of Home Care, you will also be required to contribute to the overall costs of your care. The longevity and ability to contribute to these costs are important considerations when looking at the viability of ageing in the home.

Basic Daily Fee

The Basic Daily Fee is an amount that everyone can be asked to pay towards their cost of care and is set by the Government. It is a percentage of the single basic age pension (varying between 15.68% to 17.50% depending on your home care package level). The fee is increased in March and September each year, in line with the Age Pension indexation.

The table below illustrates the current basic daily fees dependent on what Home Care Package level you are on:

Fee Charge	Daily Fee Rate	Annual Fees
Maximum Basic Daily Fee		
Home Care - Level 1 package	$9.88	$3,606.20
Home Care - Level 2 package	$10.44	$3,810.60
Home Care - Level 3 package	$10.74	$3,920.10
Home Care - Level 4 package	$11.02	$4,022.30

Income Tested Fee

The Income Tested Fee is assessed by Services Australia and is dependent on your financial circumstances.

If you receive a full age pension and your income is below $28,472.60, no income-tested care fee is applicable.

There are two separate Income Tested Fee Caps dependent on your income level and personal situation. To be within the first cap, which requires you to pay up to $15.81 per day towards your cost of care, you must be:

- Single and earning over $28,472.60 p.a. but less than $54,990.00 p.a.
- A member of a couple living together, earning over $22,094.80 p.a. each but less than $42,083.60 p.a. each, or
- A member of a couple living apart due to illness, earning over $27,952.60 p.a. each but less than $54,470 p.a. each

The annual fee cap under this first cap is $5,758.45.

However, if you are considered a higher income earner, a second cap applies to your income-tested fee. This second cap has a daily fee rate between $15.81 and $31.63, based on you being:

- Single and earning over $54,990 p.a.
- A member of a couple living together, earning over $42,083.60 p.a. each, or
- A member of a couple living apart due to illness, earning over $54,470 p.a. each

The annual fee cap under the second cap is $11,516.92.

There is a lifetime cap associated with the amount of income-tested fee you must pay towards your cost of care. The current lifetime cap is $69,101.75 and is indexed in March and September each year. Once your overall income-tested fees have reached this amount, you will no longer be required to pay an income-tested fee. This is six years of the second cap annual fees at the current rates.

Ensuring you receive the right amount of support to age independently at home is crucial. It's equally important to understand the financial implications and gain clarity around your ability to fund the cost of care over the long term.

10 YEAR TEAM DINNER

By Witi Suma

On Friday, February 4, we celebrated at Centonove to acknowledge those team members that have been with the company for more than ten years.

We also celebrated a very significant milestone. Maree Meehan reached 25 years of service at GFM on February 1. We are blessed to have Maree as part of our team.

It is pretty amazing to think that with 29 staff members, sixteen have now been with the company for more than ten years. We are looking forward to other staff members joining the ten-year club in the next few years.

This is our 12th celebration and is an annual event. The team members are:

Ivan Yeung	11 Years
Kushal Sharma	13 Years
Jacqui Umali	14 Years
Andrew Goldman	14 Years
Miryam	14 Years
Denise Slattery	16 Years
Annie An	16 Years
Bryan Meehan	17 Years
James Malliaros	20 years
Patrick Malcolm	20 years
Lorraine Miller	21 years
Paul Nicol	23 years
Maree Meehan	25 years
Witi Suma	25 years
Mai Davies	32 years
Phil Gruchy	44 years

FINANCIAL NEW YEAR RESOLUTIONS

By Patrick Malcolm

At the start of a new year, many make resolutions — goals they want to reach throughout the upcoming months. Getting a handle on money issues is usually near the top of many such lists.

One way that people can improve their financial knowledge is obviously through reading!

Here's our list of some of the best finance books available.

Broke Millennial: Stop Scraping By and Get Your Financial Life Together by Erin Lowry

This personal finance book has become a favourite among millennials for its relatable and straightforward language. It touches on all of the unique challenges of today's young adults, and it's a great starting point for young readers who want a broad overview.

The Richest Man in Babylon by George S. Clason

A personal finance book that is notorious for dominating the best finance book lists. It reads of stories and Babylonian principles still relevant to the modern-day.

The book started life as a series of pamphlets and informational pieces from banks and other financial institutions to educate people on money management tips and how to handle the ever-increasingly complicated world of personal finance.

The New Buffettology by Mary Buffett and David Clark

Buffett's investing career success spans decades, and his wisdom is timeless. This book shows how he's been able to do what he has, which is to build long-term wealth in the stock market through value investing.

On My Own Two Feet: A Modern Girl's Guide to Personal Finance by Manisha Thakor and Sharon Kedar

Thakor and Kedar, Harvard Business School graduates and leading investment experts, hit on the basic principles of money management and make all the main stops along the way

Why Smart People Make Big Money Mistakes by Gary Belsky and Thomas Gilovich

While other personal finance books teach strategies and outline plans to save, this book takes a varied approach, preferring to look at the psychology behind irrational behaviour and breaking common patterns of financially unviable thinking.

The Millionaire Next Door: The Surprising Secrets of America's Wealthy by Thomas J. Stanley and William D. Danko

Originally penned in 1998, this is the revised 21st-century version of this best-selling financial help book. It identifies seven common traits that show up repeatedly among those who have accumulated wealth.

Thinking, Fast and Slow by Daniel Kahneman

The Nobel-winning behavioural economist takes a tour of the mind and explains the two systems that drive the way we think. One fast and emotional, the other slow and logical. The book offers practical insights into how we make choices in our business and our personal lives.

The Behaviour Gap: Simple Ways to Stop Doing Dumb Things with Money by Carl Richards

A financial planner by training, Richards focuses on the silly mistakes people make repeatedly and explains how our instincts lead us astray even when we know what we should be doing instead.

Using simple, funny situations any person can relate to, the book explains why people make bad decisions with money and offers easy tips and suggestions on how to change behaviour.

The Man Who Solved the Market by William J. Bernstein

James Simons is a brilliant, decent, relaxed, charismatic, self-aware, billionaire hedge fund manager. He has devoted his considerable fortune to curing autism, improving math education in public schools, and solving the ultimate mysteries of the origins of life and the universe. In addition, he is an award-winning mathematician who helped solve some of the Cold War's thorniest code-breaking problems. He is also arguably the world's most successful investor.

GFM WEBINAR

By Mai Davies

We held our first webinar for the year on Wednesday, February 9, providing an update on the Wilson Asset Management – WAM Microcap (ASX Code: WMI).

We were delighted to see so many interested clients and guests dialling in to hear from Paul Nicol, our Managing Partner and our special guest presenters, Oscar Oberg and Tobias Yao. They are Portfolio Managers at Wilson Asset Management for the WAM Microcap.

Paul, Oscar and Tobias discussed Microcap investing, recent market events and provided an update on the WAM Microcap portfolio.

We look forward to hosting live seminars again when we can. In the meantime, we will continue to run additional webinars and hope you can join us.

If you have missed any previous webinars, they are located on the GFM website. Click on the link below to watch the recordings of the previous webinars.

https://www.gfmwealth.com.au/news-info/past-webinars/

UPCOMING SEMINAR: MONDAY, MAY 9, 2022, INVESTING FOR YIELD SEMINAR

By Mai Davies

We have missed holding live events and seeing our clients face to face.

It is fantastic to have clients coming into the office again for appointments, and we are looking forward to hosting our first face to face seminar this year on Monday, May 9, at Leonda By The Yarra.

The topics that we will cover include:

- How do we filter down which companies or investments to research with so many available investments?
- The GFM research process
- What available tools do we (GFM) have to give us the edge when selecting investments?
- Why a reliable and growing yield is essential when in the retirement phase
- Our preferred investments for a yield orientated portfolio

Invitations will be sent to clients in early April. Please save the date.

CHRISTMAS CARDS AND CHARITABLE DONATIONS

By Mai Davies

For 23 years, instead of sending Christmas Cards, we have donated a comparable amount to charities.

This year we had six nominated charities and have donated to each of them.

The 2021 money has been donated to the following charities as nominated by our clients:

- Effective Aid International
- Reaching Out Because We Can
- School of St Jude
- Second Chance Animal Rescue
- Wheelchairs for Kids
- Australian Wildlife Conservancy

GFM IS NOW ON FACEBOOK

GFM has recently established a company Facebook page, and we will share our webinars, articles of interest and a range of other informative content.

GFM Wealth would like to connect with you on Facebook. You can "Like" our page by clicking on the button on our page. Please feel free to invite your friends, family or colleagues to "Like" our page as well.

www.facebook.com/gfmwealthadvisory