GFM Wealth Advisory

TRADE SECRETS

October 2020

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IN THIS ISSUE

2020/21 FEDERAL BUDGET SUMMARY

By Rebecca Lowe

On Tuesday October 6, Treasurer Josh Frydenberg released the Government's 2020/21 Federal Budget.

All Federal Budgets garner significant interest. The 2020/21 Budget, however, takes this interest to a new level, coming at a time of great uncertainty due to COVID-19. At this time, these proposed measures are not yet law and could change through implementation.

Here is a summary of the key changes:

Personal income tax (Effective date: July 1 2020)

The Government will bring forward the second stage of its Personal Income Tax Plan by two years to July 1 2020. The changes aim to provide immediate tax relief to individuals and support the economic recovery and jobs by boosting consumption.

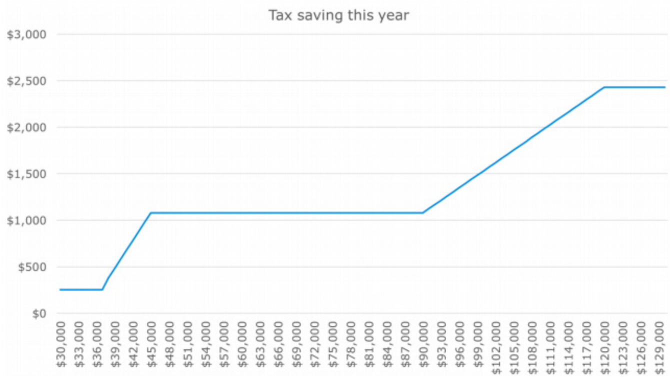
The proposed changes to the personal income tax thresholds from July 1 2020 are:

2020-21 Marginal Tax Rate	2020-21 Tax Bracket (Current)	2020-21 Tax Bracket (Proposed)
Nil	Up to $18,200	Up to $18,200
19%	$18,201 - $37,000	$18,201 - $45,000
32.5%	$37,001 - $90,000	$45,001 - $90,000
37%	$90,001 - $180,000	$90,001 - $180,000
45%	$180,000+	$180,000+

The Low Income Tax Offset (LITO) will increase from $445 to $700. The increased LITO will be reduced at a rate of 5 cents per dollar for taxpayers that have taxable incomes between $37,500 and $45,000. The LITO will then be decreased at a rate of 1.5 cents per dollar for taxpayers that have taxable incomes between $45,000 and $66,667.

The Government has also announced that the Low and Middle Income Tax Offset (LMITO), which was due to be removed with the commencement of the stage two tax cuts on July 1 2022, will be maintained for the 2020-21 year only.

The following chart shows the tax cuts individuals are proposed to receive this financial year (2020- 21) based on their income levels and current tax settings.



The Government made no announcements about bringing forward the effective date of the stage three tax cuts that were due to take effect from July 1 2024. Under these tax cuts, the 37% tax rate will be abolished, and the 32.5% tax rate will reduce to 30% and will apply from $45,000 to $200,000.

Business Tax

The Government aims to support businesses to invest, grow and create more jobs through the following targeted tax incentives.

Temporary loss carry-back for businesses (Effective date: July 1, 2019)

The Treasurer proposed to allow losses to be applied to previous years for corporate entities with an aggregated turnover of less than $5 billion. Under this arrangement, losses in 2019/20, 2020/21 or 2021/22 will be able to be applied to earlier financial years from 2018/19 onwards.

A refund would be available to eligible businesses who choose to use the proposed provisions when they lodge their relevant tax returns in 2020/21 and 2021/22.

Broadening temporary upfront deductions on capital assets for business (Effective date: October 6, 2020)

From Budget night, businesses with an aggregated annual turnover of less than $5 billion are proposed to be able to deduct the full upfront cost of eligible capital assets first used or installed by June 30, 2022. This will apply to new depreciable assets and improvements to existing eligible assets.

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Businesses with an aggregated annual turnover of less than $50 million can also fully deduct second-hand assets.

Businesses with annual turnover between $50 million and $500 million can still deduct the full cost of eligible second-hand assets costing less than $150,000 that are purchased by December 31 2020 under the instant asset write-off. Businesses looking to use this exemption are proposed to have an additional six months, until June 30, 2021, to first use or install those assets.

Businesses with an aggregated annual turnover of less than $10 million can deduct the balance of their depreciation pool at the end of the year of income while this proposed full expensing applies.

Small business definition for multiple benefits to be extended (Effective date: Various)

The current turnover threshold to be considered a small business for a range of exemptions is $10 million. This threshold is proposed to be increased to $50 million.

COVID-19 Response Package — making Victoria's business support grants non-assessable, non-exempt income for tax purposes (Effective date: July 1, 2020)

The Government will make the Victorian Government's business support grants for small and medium business as announced on September 13 2020 non-assessable, non-exempt (NANE) income for tax purposes.

Business incentives

JobMaker Hiring Credit (Effective date: July 1 2020)

The Government will provide $4.0 billion over three years from 2020-21 to accelerate employment growth by supporting organisations to take on additional employees through a hiring credit. The JobMaker Hiring Credit will be available to eligible employers over 12 months from October 7 2020 for each additional new job they create for an eligible employee.

Eligible employers who can demonstrate that the new employee will increase overall employee headcount and payroll will receive $200 per week if they hire an eligible employee aged 16 to 29 years or $100 per week if they hire an eligible employee aged 30 to 35 years. The JobMaker Hiring Credit will be available for up to 12 months from the date of employment of the eligible employee with a maximum amount of $10,400 per additional new position created.

To be eligible, the employee will need to have worked for a minimum of 20 hours per week, averaged over a quarter, and received the JobSeeker Payment, Youth Allowance (other) or Parenting Payment for at least one month out of the three months before they are hired.

Apprenticeships wage subsidy (Effective date October 5, 2020)

From October 5 2020 to September 30 2021, businesses of any size will be able to claim a new Boosting Apprentices Wage Subsidy for new apprentices or trainees who commence during this period. Eligible businesses will be reimbursed up to 50% of an apprentice or trainee's wages worth up to $7,000 per quarter, capped at 100,000 places.

Centrelink/Department of Veterans Affairs (DVA)

Economic support payments

The Government proposes to provide two $250 economic support payments to be made from early December 2020 and early March 2021 to eligible recipients of a range of payments and concession cards.

Aged Care

Additional home care packages and aged care funding

The Government will provide an additional 23,000 home care packages over four years from 2020-21 across all package levels.

The Government will also provide additional funding from 2020-21 to improve transparency and regulatory standards in aged care, including:

- Continuing to reform residential aged care funding;
- Maintaining the capacity of the Aged Care Quality and Safety Commission; and
- Supporting the Department of Health and the Aged Care Quality and Safety Commission to respond to requests from the Royal Commission into Aged Care Quality and Safety.

Aged care COVID-19 Response Package

The Government will provide the following support for older Australians throughout the COVID-19 pandemic:

- Continuing the COVID supplement in 2020-21 to assist all Commonwealth-funded residential aged care providers and home care providers;
- Extending the Workforce Retention Bonus Payment for two years from 2020-21;
- Providing additional funding in 2020-21 to support residents of aged care facilities who temporarily leave care to live with their families (Emergency Leave); and
- Providing additional funding in 2020-21 to support the operation of the Victorian Aged Care Response Centre.

Superannuation

Super funds to be "stapled" to employees

By July 1, 2021, an employee's super fund contributed to by their previous employer (if it is still active) is proposed to be the default fund into which a new employer would contribute.

The ability to compare funds through online YourSuper tool

By July 1, 2021, a new online tool, YourSuper, is proposed to be created that will allow the comparison of the fees and performance of MySuper products.

Super funds to be subject to annual performance tests

By July 1, 2021, all MySuper funds are to be benchmarked by APRA. Funds that are deemed to be underperforming will need to inform their members of this outcome. Funds that are considered to have underperformed for two consecutive years will be closed to new members until their performance improves.

ROBERT & MARLENE HOULDEN:
CLIENTS OF GFM SINCE 1986
By Paul Nicol

Robert has kindly written the article below on their working life, family, travels and their experiences with GFM Wealth

Advisory since 1986 and GFM Gruchy Accounting. We much appreciate Robert's contribution to Trade Secrets.

During her working life, Marlene was a primary teacher, teaching grades 1-3 and had several leadership roles during her teaching career. Marlene retired in 2013 after 33 years of employment, and in her "retirement" she is now a very active fibre artist using leaves from the Australian bush to transfer their patterns onto fabric. Marlene sells her work at several galleries around Melbourne, has an Etsy store, and conducts workshops and is very active on Instagram with over 2000 followers!

I am a formulation chemist. I had the great opportunity to work for the Nicholas Aspro Group straight out of university when they had a research lab at Burnham Beeches in Sherbrooke during the late '70s. Magnificent gardens, lyrebirds on the lawn and the occasional snowfall in the winter! For the last 30 years of my career, I have specialised in skincare working on sunscreens and dermatology products principally for the US market. I am proud to say that during my career, I have been acknowledged as an inventor on many Australian, US, EU and worldwide patents. Now retired, I enjoy volunteering one day a week at Puffing Billy in the museum where I am helping restore a guard's van from the 1920s.

Fortunately, Marlene and I have had the opportunity to travel extensively, usually after a business conference but also during long service leave. We have travelled through Europe, 25 US States and visited such diverse places as Iceland and Vanuatu, recently making a train trip in the snow through Switzerland then onto Italy, Germany and Belgium.

We have two daughters; one is currently in Fremantle as she makes her way around Australia with her fiancé; our other daughter works as a graphic designer and live music photographer in Melbourne.

We became clients of GFM back in 1986 before starting our SMSF with GFM in 2007 as our superannuation balances grew and our focus on retirement intensified.

The reason we have been long term clients of GFM is that the team has actively listened to our goals and objectives. They collaboratively engage with our investment preferences, rather than other planners we considered who pushed their investments, thoughts and products.

Paul is our primary adviser, proactively working with our SMSF portfolio. We continue to have more wins than losses with his advice which is the way investing should work. You can never have 100% wins! His ability is confirmed by his multiple rankings as one of Australia's top 50 Financial Advisers. This supports that we are with the right financial planning firm.

I started to use GFM Gruchy Accounting after they merged with GFM Wealth and found that to be a good option for us as they have access to all our financials. This made it a "one-stop-shop", dramatically simplifying tax time.

My advice to others who have a super fund is to try to avoid checking the market or your super balance daily, which will inevitably lead to emotional decisions. The GFC and the drop due to COVID-19 earlier this year are a testament that the market does recover if you are a patient investor and you keep your nerve. We have regular meetings with GFM, and I feel this is necessary to make changes to the underlying balance in investments to suit any lifestyle changes.

DENISE SLATTERY & ANNIE AN: 15 YEARS AT GFM

By Paul Nicol

At GFM, we pride ourselves on maintaining long-term relationships. Over the years, we have been blessed to maintain successful long-term relationships with our clients, but just as importantly, a strong culture of longevity within the team at GFM.

It is my absolute pleasure that key members of the GFM team Denise Slattery and Annie An have now reached the "15 year employment club".

Denise commenced employment at GFM in September 2005 as a Senior Para-planner. Denise had already spent almost a decade in the industry before starting employment at GFM having worked for the Trust company after completing a Bachelor of Commerce in Accounting & Commercial Law. Immediately, we knew we were on a winner with Denise. She fitted into the GFM culture with ease in her role as a Senior Paraplanner, supporting the advisors assisting in preparing our clients financial plans. After a couple of years of the Senior Paraplanner role, Denise graduated to becoming a Financial Adviser until 2009. At this time, Denise then prioritized the most important job in the world of motherhood having her first son Mitchell and then Callum in 2012. During this time of raising her young family with husband Daniel, Denise moved back into a part time role as a Senior Para-planner, and only recently, Denise has returned full time as her children are getting older.

Denise is a quiet achiever. She is a very popular member of our team, and a steadying influence when things become hectic and we need someone to step up to the plate. Nothing is too much trouble for Denise, she is an absolute pleasure to work with.

Annie commenced her employment with GFM in October 2005 as our Client Service Administrator. Annie had not long been in Australia having completed a Bachelor of Commerce (majoring in Accounting) with limited work experience in our industry. Bryan Meehan, our Operations Manager, interviewed Annie who (at the time) had only modest oratory skills in English. He recommended we "take a punt" on Annie based on a strong instinct, and he couldn't have been more right!

After spending two years in the Client Administrator role, it was clear to all Annie had exceptional technical skills. Annie joined our SMSF team and 13 years later is our Senior SMSF Administrator. Annie now has incredible experience across all areas of SMSF administration and accounting and is a vital member of our team. Annie completes her role with a minimum of fuss to the highest possible standard, and like Denise is a very popular member of the team due to her work ethic and quirky sense of humor.

Annie too is a proud mother to Amanda who was born in 2011 and Aiden, born is 2016. Annie combined her family duties with working full time only taking short maternity breaks.

The GFM team now incredibly has 14 staff who have been with the business for 15 years or greater across a staff base of 27. Our culture of longevity is driven by staff members like Denise and Annie who not only talk the talk, but walk the walk.

WHY SMSFS ARE HARD TO BEAT WHEN IT COMES TO TRANSPARENCY

By Witi Suma

Transparency is a hot topic amongst consumers who are demanding to know more about how, and where, their superannuation fund balances are invested. Currently, most superannuants in Australia are members of large APRA (Australian Prudential Regulatory Authority) regulated super funds, such as retail, industry or corporate funds. They are in the hands of others to make decisions on their behalf.

It can often be difficult for members of APRA regulated funds to obtain specific and up to date investment information about the assets that underlie their super balances. The data provided by these funds is generally limited to broad, generic asset classes such as "shares" and "property", with little detail regarding the underlying securities or the investment strategies underpinning the operation of the funds.

It is therefore not surprising that many choose to make the switch to self-managed superannuation funds (SMSFs) to take control of their valuable retirement assets.

Part of the attraction of having an SMSF is transparency and visibility when it comes to the operation of the fund. It is a legal requirement that members of SMSFs are also the trustees and vice versa. The "hands-on" nature of an SMSF trustee's role means that they are fully aware of what is happening.

SMSF trustees are also able to identify exactly why their fund has delivered the performance it has, as they can see where their money is invested. The trustees are required to put in place a written investment strategy for their fund that is tailored and specific, which considers variables such as each member's age, employment status, risk profile and retirement needs.

SMSF trustees can also ensure that their investment preferences are carried out – for example, if ethical investing is of importance to the trustees, they can choose to avoid investments in say tobacco or fossil fuels.

Apart from providing transparency, what are some other key benefits that make SMSFs such an attractive retirement vehicle?

Investment choice and control

One of the primary motivators for setting up an SMSF is the desire for investment control. The trustees can choose specific investments. SMSFs can invest directly in a wide range of assets such as cash, listed and unlisted shares, managed funds, direct property, term deposits and unit trusts.

Pooling superannuation balances

SMSFs are currently permitted to have up to 4 members (with a recently proposed increase to 6 members), allowing the members to pool their collective superannuation balances together, thereby opening up more investment opportunities, and potentially lowering the average annual cost for each member.

Contribution flexibility

SMSFs give more flexibility than other types of superannuation funds when it comes to contributions – for example, members of SMSFs can contribute via an "in specie" transfer of assets, and are also able to control the timing and allocation of contributions via the use of reserves. These strategies are generally not possible within APRA regulated funds.

Tax control

SMSF trustees have a high degree of control and flexibility over the tax position of their fund. Tax liabilities can be legitimately reduced through strategic planning. This can include timing when assets are sold, targeting investments with franking credits (which are refunded if members are in the pension phase), and selecting specific parcels to sell to minimise (or maximise) capital gains.

Minimising transaction costs

SMSFs can seamlessly transition from the accumulation phase to the pension phase without having to sell assets, thereby avoiding capital gains tax and other selling costs. Many APRA regulated funds require members to sell the assets that underlie their accumulation balances and repurchase assets in the pension phase, thereby triggering selling costs.

The ability to borrow to invest

SMSFs are permitted to borrow money to purchase certain assets such as commercial or residential property, enabling trustees to acquire large assets that would otherwise be outside of their reach.

Another advantage that SMSFs have over APRA regulated funds is the ability for small business owners to have their business premises owned by their SMSF and then leased back to the business.

Estate planning benefits

SMSFs generally offer greater control and flexibility when it comes to estate planning, as they allow you to create strategies to distribute your wealth in line with your wishes and a tax-effective manner.

In Summary:

Transparency and visibility have become driving factors for individuals to commence an SMSF, particularly those who have a keen interest in controlling their retirement savings. Furthermore, while APRA regulated funds may provide some of the benefits outlined in this article, SMSFs offer all of them. SMSFs can be designed to accommodate a wide range of strategies, making it very easy to understand why SMSFs are such a popular vehicle for retirement savings.

Although SMSFs are not for everyone given the responsibilities that being an SMSF trustee entails, the primary advantage of having active control over your retirement assets make it worth considering for the right individuals, in addition to the various benefits mentioned above. If you are thinking of setting up an SMSF and would like to know if it is appropriate for your needs, please don't hesitate to get in touch with us.

INDUSTRY SUPER FUNDS AND UNLISTED ASSETS

By Patrick Malcolm

Due to the Superannuation Guarantee, over many years, super funds have enjoyed significant inflows. Many Industry super funds concluded that liquidity would never be an issue.

Given this, many of the big funds have been moving a significant portion of their portfolios into unlisted assets. The benefit has been explained as a way of mitigating market return volatility.

Many of these Industry funds have allowed members to freely switch out of funds that include unlisted assets, daily.

These funds failed to take into account the impact of the rapid fall in global share markets. Research published in May found that super fund members were switching three times faster than usual due to the COVID-19 pandemic. The funds also didn't consider that the government would let their members take out $20,000 as a COVID-19 emergency measure.

When a member makes a switch, what is the value of the fund? Super funds are obliged to value the member's investment at market value. How can that happen if a large portion of the fund is in unlisted investments? How is it possible for super fund trustees to get a handle on how much these opaque investments are worth daily?

The Hostplus default Balanced option has 38% of the fund invested in unlisted assets including private equity, infrastructure, property and other alternatives. REST is another Industry super fund with a large allocation to unlisted assets.

Every time listed assets are sold down, the weighting of the unlisted part of the portfolio increases for these funds.

For the members who haven't switched or exited, this could be a bad result. If the unlisted assets are subsequently written down, the loss is pushed from members who fled to those who didn't.

Another possible reason for the inclusion of unlisted assets is so super funds can manipulate their performance relative to other funds, and make returns look better than they are.

Many super funds have invented definitions of a "defensive" asset.

On their website, Hostplus explains that "some asset classes, such as infrastructure, property and alternatives may have growth and defensive characteristics".

An analysis released by Chant West demonstrated the issue, with 40 per cent of not for profit funds using a 50-50 split between growth and defensive assets for unlisted property and infrastructure.

Traditionally, defensive assets have only included investments such as cash and fixed interest.

Is it possible for other assets to be defensive? This very much depends on the opinion of the super fund!

Some suggest that assets with a high income stream and low growth are defensive. An investment that delivers a big income stream does not make it defensive. We don't believe that infrastructure or property can ever be classified as defensive.

Over the last five years, the top-performing fund, according to Super Ratings, is the Hostplus balanced option. It claims a 24% allocation to defensive assets. This enables the Hostplus default to be compared to other funds with growth asset allocations of between 60 to 80 per cent. Hostplus Chief Investment Officer Sam Sicilia knows this: "If you assume only cash and bonds are defensive, we would be 95:5, and we would get booted out of the (Balanced category of the performance) survey."

Hostplus' self-defined defensive assets include infrastructure, property and alternatives. Cash makes up just 5% of the fund.

During the Global Financial Crisis, some funds stopped members from transferring money out because they couldn't sell illiquid unlisted assets. MTAA super lost $1.6 billion in 2011 due to unlisted assets. MTAA super lost its spot as one of the best performing funds in 2008 to become the second-worst according to Super Ratings.

Recently, a clause has been inserted into Hostplus' product disclosure statement that allows the fund to "suspend or restrict applications, switches, redemption and withdrawal requests". The statement previously assured members that any request to switch investment options would be processed if received before 4 pm on a business day. Now, the trustee retains "absolute discretion" to disallow the movement of money and warns requests might be processed with "significant delay".

Unfortunately, super funds aren't required to disclose how they classify their investments. Not even to ASIC.

Fortunately, some big institutional investors are pushing to introduce an industry-wide standard on categorising growth and defensive assets.

It would require more explicit disclosure of exposure to assets like unlisted property, infrastructure and alternative investments. Allocations to unlisted assets of above 15 per cent may need to be specifically flagged.

Hostplus Chief Investment Officer Sam Sicilia has previously criticised the move, saying "The definition of growth and defensive is a nonsense to begin with".

We don't think it is nonsense.

We strongly believe that defensive assets only include cash and fixed interest. These assets tend to carry lower risk levels and are expected to provide returns in the form of income. Periods of market volatility occur from time to time. Defensive assets play an essential role in this time for investors that hold them, providing diversification benefits that help weather these inevitable periods.

We also believe that superannuation funds are free to invest in unlisted infrastructure, property and alternative assets. The issue is calling them defensive. This implies a lower level of risk and is ultimately a problem for the consumer, with super fund members taking on a high level of risk than they may be comfortable with.

AUSTRALIA IN RECESSION: JUST HOW BAD IS IT?

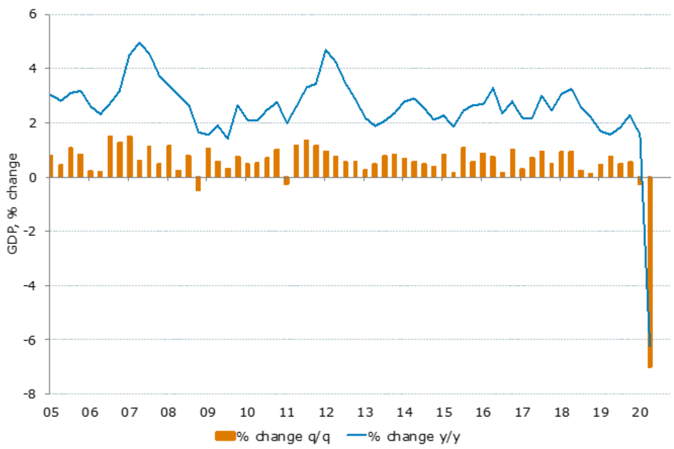
By James Malliaros

The Coronavirus pandemic has had a costly impact on world economies – one that has pushed individual countries, including Australia, into recession. But how bad is it and how long will the recovery take?

In Australia, a recession is often defined as two consecutive quarters (or six months) of contraction – that is, a significant decline in economic activity. Following a 0.3% contraction in the March quarter, the Australian economy (as measured by its Gross Domestic Product or GDP) shrank 7% over the June quarter, representing the largest decline in quarterly GDP since records began in 1959. On an annualised basis, GDP was a massive 6.3% lower than a year ago.

This recession, the first since the early 1990s, is in a class of its own. It was not caused by traditional business cycle triggers such as supply-side shocks or mismanagement of policy settings; it instead reflected lockdown measures driven by public health policies.

GDP fell 7.0% in Q2



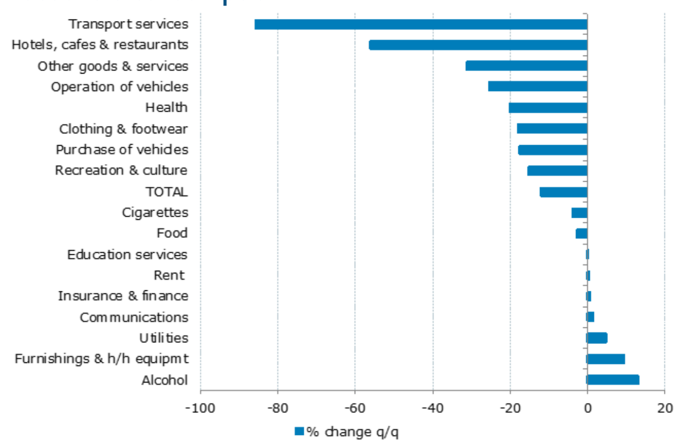
Source: ABS, ANZ Research

Not surprisingly, with close to 20% of the population unemployed or underemployed as a result of lockdown measures, household consumption collapsed, down 12.1% for the quarter - with consumer spending accounting for around 55% of Australia's GDP, it was the key driver of the weakness. Government spending and net exports each made substantial contributions to growth but not enough to offset weakness elsewhere.

The 12.1% drop in household consumption was driven by a 56% drop in hospitality spending and an 86% drop in transport services due to closed borders and stay-at-home advice. Health spending was also very weak, falling 20%, driven by a decline in GP visits and the cancellation of elective surgery. Very few industries were immune. However, public sector spending posted a rise of 0.9%, while finance, education and communications all managed tiny gains.

There were, however, some bright spots in the data. Although not good for the health of the nation, the data shows alcohol spending was up by 13%, but elsewhere (and more importantly), household furnishings and equipment spending rose 9.5% as the move to work from home drove home office makeovers and DIY projects. Utilities spending was also higher on the back of the movement to work from home.

Household consumption

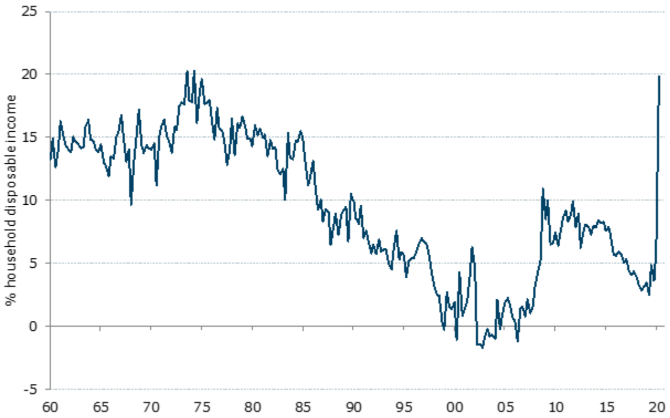


Source: ABS, ANZ Research

In response to the crisis, household incomes got a massive boost from government stimulus, with household disposable income rising a solid 2.2% for the June quarter. While wages fell 2.2%, the fall would have been much larger without the $35bn injection from the JobKeeper program, $5bn from the JobSeeker Coronavirus supplement and $5bn of other household stimulus payments.

Not surprisingly, the household saving rate spiked, as consumers worried about the economic outlook and were unable to spend the additional household income on goods and services, particularly travel. After trending lower since the global financial crisis, the household saving rate has been rising since mid-2019. In Q1, it jumped from 3.6% to 6.0% as spending shrank and then in Q2 it jumped to 19.8%, with the combined effect of a sharp fall in spending and a rise in household income. It is now at its highest rate since the early-1970s.

Household saving rate

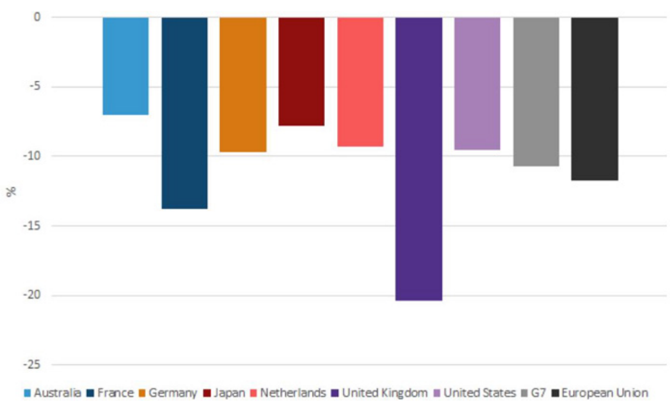


Source: ABS, ANZ Research

Although not a positive for the economy, the massive lift in the saving rate does give households some buffer as stimulus payments like JobKeeper have already started to taper down since the beginning of October.

However, it is vital to put this recession in context. While the 7% decline in GDP for the June quarter creates a massive hole in Australia's economy, the drop is much less than many of the other advanced economies have experienced. The UK's economy has been particularly hard hit with a decline of more than 20% for the quarter. Still, Australia also outperformed Japan, where the management of the virus has also been relatively successful.

Australia performed well on international comparisons



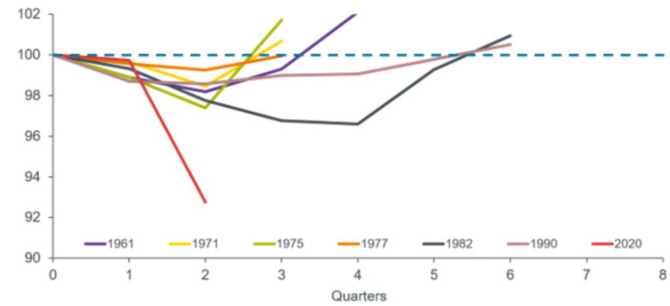
Source: ABS

What about the recovery?

While the Australian economy is experiencing its most significant economic contraction since the 1930s, the Reserve Bank of Australia (RBA) believes the downturn is not as severe as previously anticipated, with a gradual (although uneven) recovery underway across most of the country, other than in Victoria.

As the graph shows below, the recovery period from previous recessions (since records began in 1959) saw four recessions recover lost economic output in three to four quarters, and three recessions recover lost economic output in six quarters:

Real GDP Index (quarterly data) for various recessions



Source: Janus Henderson Investors, ABS.

While the road to recovery for the current recession is unknown, the outcome will be determined by the progress made in overcoming the COVID-19 epidemic, including the successful control of infections and outbreaks, the development of a vaccine and the speed at which the economy can be opened up and border controls removed.

Finally, it may be helpful to remember that although Australia is not out of the woods, the country's last recession lasted less than two financial years (1990–1991), followed by nearly 30 years of economic growth after that.

GFM WEBINARS

By Mai Davies

Meet the Managers – Stewart Investors – An Update On The Stewart Investors Worldwide Sustainability Fund and Ellerston Asian Investments Fund (EAI) – Why Investing In Asia Is Compelling

We held our third webinar on Wednesday, 26th August, on the Stewart Investors Worldwide Sustainability Fund.

Many interested clients and guests dialled in to hear from Patrick Malcolm, our Senior Partner and our special guest Nick Edgerton, who is an Investment Analyst with Stewart Investors. Patrick and Nick reflected on recent market events, provided an update on the Stewart Investors Worldwide Sustainability portfolio and answered questions from webinar attendees.

We held our fourth webinar on Thursday, 10th September, where an update on Asian share markets was provided. Clients and guests dialled in to hear from Paul Nicol, our Managing Partner and our special guest Mary Manning, who is the Portfolio Manager of Ellerston Asian Investments (ASX Code: EAI).

Paul and Mary covered:

- US/China Relations
- The Rise of Asian Megacaps
- The "Robinhood effect" of Asia
- A portfolio overview
- An outlook for investing in Asia and why it is compelling

During these times, we plan to host additional webinars and hope you can join us.

If you have missed any of the previous webinars, they are located on the GFM website blog. To watch the recordings, please click on the links below:

www.gfmwealth.com.au/blog/meet-the-manager-stewart-investors-an-update-on-the-stewart-investors-worldwide-sustainability-fund/

www.gfmwealth.com.au/blog/meet-the-manager-ellerston-asian-investments-fund-asxeai-why-investing-in-asia-is-compelling/

www.gfmwealth.com.au/blog/meet-the-manager-magellan-2020/

www.gfmwealth.com.au/blog/meet-the-manager-perpetual-equity-investment-company-limited-2020/

UPCOMING WEBINAR – MARKET UPDATE & OUTLOOK FOR 2021: WEDNESDAY 11TH NOVEMBER 2020 AT 7 PM – SAVE THE DATE

By Mai Davies

Traditionally this would be our last seminar for the year with the topic being a Market Update & Outlook for the year ahead. We have again been fortunate to have special guest presenter James Holt who is the Senior Investment Specialist for Equities at Perpetual Investments present to our clients for the last four years. The feedback from clients has been excellent, and they are very keen to hear from James again.

This is an event that many of our clients and staff look forward to each year. It's usually an opportunity to hear from James and get together with other clients and staff, have a chat and enjoy a celebratory drink together. Unfortunately, this is not possible this year, and we will miss seeing our clients face to face. Instead, we will hold a live webinar with James Holt and our GFM advisers on Wednesday 11th November at 7 pm. We hope that you can join us.

Please save the date, and the webinar invitation details will be emailed to clients shortly.

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.

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