



# FIDUCIAN FOCUS



August 2021

## A note from Robby Southall



**Robby Southall**  
LinkedIn

Last month I participated in Vinnie's CEO Sleepout and it was probably everything you imagined. Cold, wet (I live in Melbourne) and very uncomfortable. What I most remember was how incredibly unsafe I felt, even though I was in my own backyard. It was a humbling experience, and I am very proud to have supported this great cause, and raise some money for the thousands of Australians including more than 20,000 homeless children who spend every night in worse conditions than I did.

There are many reasons for why people become homeless including; poverty, unemployment or a shortage of affordable housing<sup>1</sup>, however financial difficulty is a clear trigger for many, and that is an area I can help further contribute.

At Fiducian, we're passionate about raising financial awareness within the broader community and helping people avoid those financial difficulties. If you know anyone who needs to get back on track, some basic money management tips below just might help.

- 1. Budgeting** – we say this all the time and I'm sure you have heard it all before but budgeting your finances is so important. Go by the 50, 30, 20 rule and you should be safe. 50% of your wages to live off, 30% to save and 20% is your disposable, or fun, allowance.
- 2. Compound Interest** – it's not regarded as the 8th wonder of the world for no reason. Whether you are young and saving for a car, growing your nest egg or already retired compound interest will boost your savings.

- 3. Emergency Fund** – COVID has had an immense impact on people all over the world and it has highlighted the importance of having an emergency fund as you don't know when or how quickly things can change. An emergency fund is where you have a separate saving account or investment that you can access for unexpected expenses. I would recommend having a minimum of three months' worth of expenses saved.

Setting some money aside every month is a great way to start building your wealth and our Financial Planners are here to help.

Finally, I just want to express my appreciation and thanks to everyone who supported me throughout Vinnies CEO Sleepout. We managed to raise \$6,558 for the cause which provided.



**20**

Individual Support Programs



**54**

Beds



**218**

Meals

<sup>1</sup> Australian Human Rights Commission; [Homelessness 2021](#).

# Fiducian Market Overview

The global economy is now in the process of rapidly recovering from last year's recession caused by COVID-19, which was the largest decline in global output since the Second World War. According to the International Monetary Fund (IMF) in its latest report, the world economy contracted by around 3.3% in 2020, a much larger decline than that experienced during the Great Recession of 2009.

The Australian economy has also been recovering strongly, although another wave of the virus has recently hit some regions, particularly Sydney and Melbourne, leading to further lockdowns, which could slow the economic growth marginally for a time. Vaccination rates though have been accelerating, with the Federal Government securing addition vaccines to be brought into Australia, which could assist recovery over the rest of the year, although monetary and fiscal stimulus looks likely to be needed through 2022.

Fiducian's diversified funds are offered through our Manage The Manager System and are currently performing above benchmark for international and domestic shares, around benchmark for listed property and well underweight in fixed interest sectors, while cash weightings remain well above benchmark.

The Fiducian Manage The Manager System is based on the principle that several carefully selected investment managers can, over any reasonable period, produce a better result, more consistently and with lower volatility, than a single manager.

Fiducian Funds	1-year return (ranking) p.a.	3-years return (ranking) p.a.	5-years return (ranking) p.a.	7-years return (ranking) p.a.	10-years return (ranking) p.a.
Capital Stable	9.5% <b>24/111</b>	5.6% <b>15/106</b>	5.5% <b>9/102</b>	5.6% <b>6/97</b>	6.1% <b>8/89</b>
Balanced	21.8% <b>37/182</b>	9.3% <b>13/171</b>	9.9% <b>7/165</b>	9.4% <b>3/159</b>	9.4% <b>8/146</b>
Growth	25.6% <b>5/182</b>	10.1% <b>2/171</b>	11.0% <b>1/165</b>	10.4% <b>1/159</b>	10.3% <b>2/146</b>
Ultra Growth	38.4% <b>1/129</b>	12.2% <b>2/123</b>	12.4% <b>1/116</b>	12.3% <b>1/106</b>	12.1% <b>1/96</b>

## Other specialist MTM funds

Technology	31.7%	24.5%	24.8%	23.3%	23.2%
India	57.5%	9.4%	10.6%	13.2%	13.2%

Returns are accurate as at 30 June 2021. Rates over one year are annualised.

Rates are net of investment management fees and are not adjusted for tax. Past performance is not a reliable indicator of future performance and Fiducian Group does not guarantee the performance of the Funds or any specific rate of return.

Source: Morningstar Direct, Effective date is 30 June 2021.

The above peer group rankings have the Morningstar Australia Category Multisector Aggressive for Ultra Growth, Multisector Moderate for Capital Stable and Multisector Growth for the Balanced and Growth Funds

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# Why is Estate Planning so important?



**Renee Hush**  
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By: Renee Hush, Senior Financial Planner, Fiducian Financial Services Sydney CBD.

Estate planning is much more than preparing your Will. Understanding your current situation and the strategies available are significant aspects of why estate planning is so important.

In a nutshell, estate planning is being prepared and making sure your assets are distributed upon your death in accordance with your wishes. Depending on your assets, liabilities and family situation, the simpler or more complex your estate plan may become.

For many Australians, their superannuation is their largest cash asset and they look forward to using this money in their retirement. Unfortunately, some people pass away and leave a significant amount of money locked away in their superannuation account. Without a binding nomination with your superannuation fund, and despite having a Will, your assets may not be distributed as you would have liked.

## Important estate planning considerations:

1. Consult a Solicitor or Estate Planning Lawyer to draft your Will, Powers of Attorney and other important legal documents to ensure they meet your wishes, are valid and minimise the chance of dispute.
2. Make sure you have up to date beneficiaries on your Superannuation, Pension and Insurance policies. Remember superannuation assets (both accumulation and pension) do not form part of your estate wealth automatically.
3. Consider the impact on your Centrelink benefits should your spouse pass away.
4. Talk to your family and beneficiaries about your wishes. This should include your financial situation, advanced health directive and how you would like your final wishes and funeral to be carried out.
5. Speak to your Financial Planner about the best strategies for the development of your Estate Plan.

Estate planning is important and can be complex depending on the circumstances, and you should always consider seeking professional assistance first.



For further information, read our article: [Estate Planning Document Checklist](#).



## The Fiducian Family

**Richard Piesse opens up new franchise office in Adelaide.** Richard and his family have moved from Devonport (TAS), leaving Fiducian Financial Services Devonport, to open the new Adelaide office.



## Fiducian Money Tip

**Spend less than what you earn.** The key is to live on less than you earn. From your next pay, try to save more and spend less. Find an experienced financial planner who can help you visualise and plan for your long-term retirement goals and try to save between 10% to 25% of your monthly salary to invest in that pursuit.



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Make sure you include your contact details so we can contact you if you win.

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