

# Alchemy

Kismet Financial Services

AUTUMN 2010



Commentary taken from AMP Capital Investors Market update of 12/3/09

## Market Outlook

- From a six to 12 month perspective, we expect the rising trend in shares to remain in place. While worries about monetary tightening and sovereign debt will cause occasional bouts of volatility, further gains in shares are likely to be underpinned by the continuing recovery in corporate profits, still low global interest rates, strong growth in the emerging world and the fact that there is still a lot of cash sitting on the sidelines. Our year-end target for the Australian All Ords and ASX 200 indices remains 5600.
- The ride for commodity prices and the A\$ will likely remain bumpy, but further gains are still expected this year as global economic growth will remain commodity intensive. With commodity prices likely to remain strong and the spread between Australian and US interest rates likely to widen further, it is only a matter of time before the A\$ breaches parity against the US dollar.
- Government bond yields are likely to be pushed higher over the year ahead as monetary tightening starts to be factored in, the supply of government bonds increases, and private sector credit demand picks up. Bond risk premiums are also likely to rise on the back of very high public debt levels in the US, Europe and Japan.



## Need a home, commercial or personal loan?

Natalie has recently attained the accreditation to broker loan solutions to our clients. If you are looking for a personal loan, commercial loan or a home loan or simply wish to see if your current loan is the best available for your needs, call the office for an appointment on 94273355 or 59646099.



Accredited by  AMP Financial Planning

## Welcome Woori Yallock!



We warmly welcome Laurie Mc Donald and Maryann Higginson to the Kismet team. Based in Woori Yallock, they are central to a well established and highly regarded practice established by Laurie which we have recently acquired.

Laurie has been a successful Financial Planner since 1971 and is very well known by the locals in the Yarra Valley Region. Laurie is a Justice of the Peace, and has been a member of the 'Rotary Club of Healesville' since 2004. He is actively involved in community events and is often at the forefront of fundraising and other activities directed at enhancing people's quality of life. As a keen fisherman, Laurie doesn't get to enjoy his hobby as often as he would like! Over the next few years with support from Kismet, Laurie intends to create more time for the things he loves including fishing, travelling and looking after his lovely garden in Warburton. He will try and achieve the best of both worlds by working part time and playing part time.



Maryann has been Laurie's Personal Assistant for over eight years and first approached Laurie for work experience whilst still at school. Laurie offered Maryann the opportunity to complete a full-time Traineeship in 'Business Office Administration Cert II & III', which she successfully completed. Over the years Maryann has helped manage the office at Woori Yallock, forming a warm professional relationship with Laurie's clients. Maryann is an accredited authorised Representative for AMP General Insurance.

Maryann has grown up and lives in the Yarra Valley, she has a good sense of the local community needs and enjoys helping with Laurie's role at Healesville Rotary fundraisers/events. Maryann enjoys music, gardening, reading, movies, travelling and is an avid Carlton Supporter (try not to hold this against her as she is really quite charming apart from this glaring character flaw).

Both Laurie and Maryann will add extra depth and sparkle to the Kismet team and we are very excited to be able to introduce them to you. If you are ever in the Yarra Valley and happen to be near Woori Yallock, pop in and visit them, they would be thrilled to see you.

"Autumn is a second spring where every leaf is a flower."

# Decadent Autumn Delight

## Mini Raspberry Melting Moments

Makes 15

### Ingredients

125g unsalted butter, softened  
 1/3 cup pure icing sugar, sifted  
 1/2 teaspoon vanilla essence  
 1 cup plain flour  
 2 tablespoons custard powder  
 Pure icing sugar, to serve

### Raspberry Filling

60g unsalted butter, softened  
 1/4 teaspoon vanilla essence  
 3/4 cup pure icing sugar, sifted  
 6 frozen raspberries, thawed

### Method



Preheat oven to 160°C/140°C fan-forced. Line 2 baking trays with baking paper. Using an electric mixer, beat butter, sugar and vanilla until light and fluffy. Sift flour and custard powder over butter mixture. Stir with a wooden spoon until just combined and a soft dough forms.

Using 1 heaped teaspoon of dough per ball, make 30 balls. Place on prepared trays, leaving room for spreading. Using a fork dipped in flour, lightly flatten each biscuit until 1cm thick. Bake for 15 to 20 minutes or until light golden. Cool on tray for 10 minutes. Transfer to a wire rack to cool completely.

Meanwhile, make raspberry filling: Using a whisk, beat butter in a bowl until light and creamy. Add vanilla. Whisk to combine. Add icing sugar. Whisk until well combined. Stir in raspberries.

Spread the flat side of 1 biscuit with 1 teaspoon filling. Sandwich with 1 biscuit. Repeat with remaining biscuits and filling. Serve dusted with icing sugar.

From the online publication [taste.com.au](http://taste.com.au)



## For the cooler autumn season, our alcohol guru Natalie suggests ... the Dark Raspberry Liqueur, Chambord !

### Chambord & Sparkling

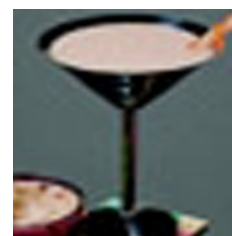
In Champagne flute pour 15 ml of Chambord™, then add sparkling wine of choice

### White Chocolate, Raspberry Martini

Blend together 60 ml vanilla flavoured vodka, 30 ml Chambord™, 30 ml white chocolate liqueur and 80 ml cream. Pour into chocolate coated martini glass.

### Chambord Mimosa

In a Champagne flute pour 15 ml of Chambord™ and 60 ml of orange juice, then add sparkling wine of choice



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Check out our website at  
[www.kismetfs.com.au](http://www.kismetfs.com.au)

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**‘Any Intelligent fool can make things bigger, more complex and more violent. It takes a touch of genius – and a lot of courage—to move in the opposite direction’**

Albert Einstein

### Some Sleep Facts

- Anything less than 5 minutes to fall asleep at night means your sleep deprived. The ideal is between 10 and 15 minutes, meaning you're still tired enough to sleep deeply, but not so exhausted you feel sleepy by day
- A new baby typically results in 400-750 hours lost sleep for the parents in the first year (that translates to 17-32 days!)
- Some studies suggest women need up to an hours extra sleep at night compared to men, and not getting it may be one reason women are much more susceptible to depression than men
- Dreams, once thought only to occur during REM sleep, also occur (but to a lesser extent) in non REM sleep phases. It's possible there may not be a single moment of our sleep when we are actually dreamless
- Elephants sleep standing up during non REM sleep, but lie down for REM sleep
- Tiny luminous rays from a digital alarm clock can be enough to disrupt the sleep cycle even if you do not fully wake. The light turns off a “neural” switch in the brain, causing levels of a key sleep chemical to decline within minutes
- In insomnia following bereavement, sleeping pills can disrupt grieving

From the National Sleep research Project's website

**Don't forget that your finances should be reviewed at least once a year, so call us on 94673355 or 59646099 to make an appointment!**

## What is deeming for Centrelink purposes?

The deeming rules are a central part of the social security income test. They are used to assess income from financial investments for social security and Veterans' Affairs pension/allowance purposes. Deeming assumes that financial investments are earning a certain rate of income, regardless of the amount of income they are actually earning. If pensioners earn more than these rates, the extra income is not assessed.

The main types of financial investments are: bank, building society and credit union accounts and term deposits, managed investments, loans and debentures, and listed shares and securities. Deeming is a simple way to assess income from financial investments, as customers with the same amount held in different financial assets receive a similar assessment, it reduces the extent to which income support payments fluctuate, it increases incentives for self-provision because returns above the deeming rate are not counted as income, and it simplifies choice of investments-it encourages customers to choose investments on their merits.

Currently a deeming rate of 3 per cent applies to the first: \$42 000 of a single customer's total financial investments, \$70 000 of a pensioner couple's total financial investments or \$35 000 of total financial investments for each member of an allowee couple.

A deeming rate of 4.5 per cent applies to financial investments above these amounts. The thresholds at which the higher deeming rate begins to apply are indexed in line with the CPI in July each year. These rates have increased from the 20th of March 2010.

Deemed income is calculated by multiplying the total value of a customer's financial investments by the deeming rates. Deemed income is then added to any other income (for example rental income) in order to work out the customer's payment under the income test.

Source Centrelink