

# Alchemy

Kismet Financial Services

WINTER 2011



Kismet now has a facebook page. Like us and be our friend...we want to feel the love!

Commentary taken from "Oliver's Insights". Dr Shane Oliver is AMP's Chief Economist. Market update of 29/6/2011.

## Oliver's Insights. Is too much information making us worse investors?

- A massive increase in economic and financial information flow, is likely adding to investor jitters and driving a shift further away from long-term investing. This is likely to work investors over time.
- Investors should consider turning down the 'news volume' refocus on investing for the long term, and remember the best time to invest is when everyone is gloomy. Averaging into weakness is a good way to go.

For all of our clients and friends in the Geelong region, don't forget that Grant lives in the area and is happy to visit you at a venue of your choice. To book an appointment directly with Grant call him on 0407048531 or phone our office to arrange a time



## Need a home, commercial or personal loan?

Natalie is accredited 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 9467 3355 .

Natalie Mercovich is an Authorised Credit Representative of AMP Financial Planning Pty Ltd



## Thinking about retirement?

**Are you expecting to retire soon? Here are some great tips to help you improve your outlook.**

**With retirement on the horizon, you may be asking yourself a number of questions, such as:**

- How much can I spend in retirement?
- How long will my super last?
- What can I do to improve my retirement lifestyle?
- What mix of assets can help my money last longer?

### **How much can I spend in retirement?**

According to calculations from the Investment and Financial Services Association (IFSA), most Australians will need approximately 65% of their pre-retirement income to maintain their current lifestyle in retirement.

This means that if you're currently earning \$70,000 a year, it's estimated that you'll need approximately \$45,000 a year to maintain your current lifestyle in retirement.

### **How long will my super last?**

If you're not sure how much you'll be able to spend in retirement, the first step is to work out how long your existing superannuation savings are likely to last. This is a combination of how much you want to spend in retirement, your life expectancy, and the cost and performance of your fund during your retirement.

If you are planning to retire at age 65, the research suggests that you're likely to live for another 20 years. The average Australian woman at age 65 has a life expectancy of about 86 years and the figure for Australian men is about 83 years.\*

### **What can I do to improve my retirement lifestyle?**

There are a number of simple things that you can do to improve your retirement. Firstly, **there's your retirement age**. Who says you have to retire at age 65? You might like to retire a little earlier or later.

Then there is your **annual income in retirement**. Reducing the amount of income you require in retirement just slightly can have a big impact on how long your funds can last.

Generally speaking, the more income you draw each year, the faster your money will run out. And, if you're still working, you could consider **consolidating multiple super accounts** and **topping up your super**. Even just a little extra now could make a big difference at retirement.

### **What mix of assets can help make my money last longer?**

You can also look at how you **structure your assets**. As a general rule, Centrelink treats assets held inside and outside of super differently, so you might like to investigate the effect of changing the amount of assets you hold outside of super. Restructuring your assets may impact on the amount of Centrelink benefits you receive and the amount of tax that you pay.

You might also want to think about how your funds are invested. It obviously depends on how comfortable you are with risk, but the general rule is more aggressive mixes come with the potential for greater returns – but the risk of lower returns is also higher. We can help you decide on the most appropriate asset mix for your personal circumstances.

### **Want to know more?**

We have a range of smart strategies to help you build for a better retirement. Of course everyone's financial needs are different, so please call us today to help you build your own personal roadmap towards your ideal tomorrow.

#### **What you need to know**

Information current as at February 2011. This article contains general information only. It does not take into account your objectives, financial situation or needs. Please consider the appropriateness of the information in light of your personal circumstances. Some of the information in this article is based on our interpretation of the laws. It is a summary of the subject matter covered and is not intended to be comprehensive legal, tax or financial advice. No reader should act on the basis of this article without obtaining specific professional advice. Further details are available from your planner or AMP Financial Planning Pty Limited, telephone 1300 157 173.

\* Based on 2006 life expectancy tables.

“Winter is the time of promise because there is so little to do - or because you can now and then permit yourself the luxury of thinking so.”

Stanley Crawford

## For some winter warmth!

### Sticky Orange and Date Puddings

Serves 6

#### Ingredients

180g pitted dates, chopped  
 3/4 cup(185ml) fresh orange juice  
 1tsp bicarbonate of soda  
 80g butter, softened  
 2/3 cup (140g) brown sugar  
 1 cup (150g) self raising flour, sifted, plus 1tbs extra of the same flour  
 1tsp vanilla essence  
 2eggs  
 2 tsp finely grated orange rind

#### Caramel Syrup

1 cup (220g) caster sugar  
 1/2 cup (125ml) fresh orange juice, strained



#### Method

Preheat oven to 180° c. Grease six 1 cup muffin pans. Place dates and orange juice in saucepan. Bring to the boil. Add bicarbonate of soda and remove from the heat. Cool for 15 mins.

Meanwhile beat butter and sugar until pale. Add tablespoon of flour and vanilla essence and beat.

Add eggs one at a time, beating well after each addition. Fold in flour, date mix and orange rind. Divide between muffin pans. Bake for 25 mins. Cool for 5 mins. Turn out and keep warm.

For syrup, heat sugar and 1/2 cup water in saucepan until sugar dissolves. Simmer til a rich golden colour. Remove from the heat. Carefully add orange juice. Return to the heat and stir quickly until smooth. Spoon syrup over warm puddings. Top with orange zest and double cream.

Recipe adapted from taste.com.au



#### Our wine guru, Natalie, suggests the following to accompany:

< \$15 Chateau Reynella 16 year old Port (375ml) \$10. Rich, sweet spicy fruit flavours will go well with just about any dessert, especially pudding!!

\$15-\$50 Brown Brothers Patricia Late Harvest Noble Riesling (375ml) \$30-\$40. Beautifully complex and rich dessert wine, lots of honey and marmalade flavours will match very well with the orange in the pudding.

Hang the expense (my financial planner is a genius) Campbell's Merchant Prince Rare Rutherglen Muscat (375ml) \$105-\$120. Recently received 100/100 from the USA Wine Spectator magazine, this Muscat provides a fantastic balance of sweetness with acid. It has a rich flavour that keeps going on without becoming cloying. It is easy to see why Rutherglen Muscat remains in a class of its own.

To keep warm over winter try Rekorderlig Winter Apple Cider with Cinnamon and Vanilla (500ml) \$6-\$10. If you love apple pie with a touch of spice, you will love this new cider from Sweden. Heat in a pan (without boiling) to bring out the full aroma and flavours of the cinnamon and vanilla. Could also be served cold as a light summer drink.

Level 1, 93-97 Plenty Road  
Bundoora VIC 3083

Phone: 03 94673355

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

Kismet Financial Services Pty Ltd is an Authorised Representative of AMP Financial Planning Pty Limited ABN 89 051 208 327 (AMPFP), AFS Licence No. 232706. Any advice contained in this document is of a general nature only and does not constitute personal financial product advice. In preparing the advice no account was taken of the objectives, financial situation or needs of any particular person. Therefore, before making any decision, readers should consider the appropriateness of the advice with regard to their particular objectives, financial situation and needs.

**“Remember that age and treachery will always triumph over youth and ability.”**

David Brent

### Yet More Completely Useless Facts

- The fear of peanut butter sticking to the roof of your mouth is called Arachibutyrophobia
- Not all polar bears hibernate; only pregnant female polar bears do
- Five thousandths of a millimetre is the tolerance of accuracy at the LEGO mould factories
- Chinese crested dogs can get acne
- China has more English speakers than the United States of America
- Japan has approximately 200 volcanoes and is home to 10% of the active volcanoes in the world
- In 1631, two London Bible printers accidentally left the word “not” out of the seventh commandment, which then read, “Thou shalt commit adultery“. This legendary book is now known as “The Wicked Bible”
- The youngest Pope was 11 years old
- The National anthem of Greece has 168 verses
- An average city dog lives approximately three years longer than an average country dog (not really sure what constitutes an average dog though...)
- The fastest moving land snake is the Black Mamba, which can move up to 7 miles per hour
- Eating dandelions can make you urinate more ( who...why...)
- The purpose of tonsils is to destroy foreign substances that are swallowed or breathed in
- A leech has 32 brains
- Leonardo Da Vinci invented the scissors
- In ancient Rome, it was considered a sign of leadership to be born with a crooked nose

Greatfacts.com

## **From the big to the small, Kismet does it all!**

Just a reminder that our financial advisors can assist you with anything from arranging extremely attractive corporate super packages for business's of all sizes, to developing your personal budget and dealing with Centrelink. If you are wondering if we can help you or your business, call us today on **94673355** and let our planners guide you to a better future.