

## February 2022 eGrow

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### STOP PRESS

I'm excited to advise that a number of significant superannuation rule changes were recently passed into law.

The key changes relate to:

- Post age 67 work test requirements
- Bring-forward rules
- Downsizer contributions
- First home super saver scheme
- Annual actuarial requirements (for SMSFs)
- Superannuation Guarantee eligibility

I look forward to explaining these rule changes to you at our future reviews, however if you would like to know more now, please click [here](#) for an article from Super Guardian.

Dear Friends

### It's not all gloom and doom

Should you bother to read a paper or listen to the radio, let alone look at social media, you will be convinced the world is about to collapse. It is not about to collapse. The positives are being drowned out by a cacophony of whingers, moaners and complainers.

Money isn't the only measure of success, but it does have a transparency that makes my point. On average, over 'the disastrous' calendar year 2021, clients invested in a 'moderate' portfolio (the term we use at Marinis to describe a 50% growth and 50% defensive asset allocation) will have seen their investments increase by around 11.0% pa. Those invested more aggressively will have achieved a return of approximately 17.0% pa.

Bear in mind, however, that with higher reward comes higher risk. My long-term target is for average annual growth of 5.0% over a decade.

At the same time, those of us who are homeowners have had a significant lift in our wealth, although it is only in death or downsizing that it matters.

One of my heroes, American President Franklin Delaney Roosevelt (FDR), famously said at his inauguration: "**The only thing we have to fear is fear itself**" – and that was in the depths of the Great Depression – now 90 years ago.

We need to be more optimistic. There has been too much fear over the last two years. Me, I'm in FDR's camp!

I look forward very soon to the pandemic moving to be just another endemic (like the seasonal flu) and to the fantastic benefits technology will bring to the lives of our grandchildren. They will look back at us and think we lived in the stone age!

I also look forward to solving the issue of health care and human misery, all of which I can see as a possibility in the not distant future. We are really going to be a very different world in the next 20 years – and provided we are true to our values and look after the vulnerable, our families and loved ones, the world will be good.

Coming up soon we have a federal election, and whatever happens, I fear it will be another festival of negativity. I will be looking at the cool, hard facts and use them to drown out the ping-pong of criticism and counter claims. And I will be looking for the (arbitrage) opportunities and the positive and optimistic messages.

So, what of the economic future?

The medium to long term is very bright for investors. The short term will be bumpy (signs of which, we are starting to see) as it always is. That's where our team at Marinis adds the most value. We help today to ensure tomorrow is great. There will be shocks and booms, but they really don't matter when we all stick to the long-term focus and follow the proven rules of investing (an eGrow message you will have seen in many issues).

This link to an article by Howard Marks of Oaktree Capital Management re-enforces the proven rules of investing <https://www.oaktreecapital.com/docs/default-source/memos/selling-out.pdf>

For those in the income draw down phase, the future is also bright. Markets have been very strong over the last 10 years or so, and remember your investments have the Marinis Buffer in place to act as a 'shock absorber' when the next bump comes along (and it will, as sure as night follows day).

Think about the Global Financial Crisis 14 years ago. Those of you who were with us then remained calm and relaxed – and still have a great portfolio today, one which has had good returns and capital growth.

#### **And One More thing – the value of ongoing service:**

The well-intended industry rule changes brought about by the Haine Royal Commission have forced new layers of expense on all financial planners. Many have decided to exit the industry due to these mandatory increases to annual service requirements imposed by the government and monitored by ASIC.

At Marinis, we have reviewed our ongoing service models to ensure we comply with the new requirements. We are committed to providing peace of mind to our clients, and we have pride in taking care of your financial needs, particularly at times of financial stress, illness, death of a loved one – or to advocate for you in certain situations (I refer you to my most recent Media Release ['Taking on government bureaucracy – and winning'](#) as an example of the support Marinis can provide).

We particularly enjoy helping our clients to get rich (slowly) and to stay rich – by riding the bumps of the economic cycles (as opposed to recommending 'get rich quick' schemes which are doomed to fail). The best part of our job is seeing our clients retire with financial security and dignity, something denied to so many of our grandparents.

#### **Media:**

If you would like to see our latest contributions to the media, please click [here](#).

As always, if I or any of my team can be of assistance to you, please don't hesitate to contact us on (08) 8130 5130 or email [admin@marinigroup.com.au](mailto:admin@marinigroup.com.au).

Yours sincerely

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