PEARLS OF WISDOM DECEMBER 2020

NEWSLETTER

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What a turbulent year 2020 has been! The bushfires early in the year were devastating, and many communities are still recovering.

Then of course the Covid-19 pandemic hit and we all had to get used to a new normal – lockdowns, social distancing, quarantine, personal protective equipment and border closures have all become regular words in our news and in social media content.

From a financial advice perspective, markets initially fell rapidly and economies went into recession, but the recovery has been equally swift – see our article overleaf.

At PRP we value the great work of our staff and there have been some recent changes that we want to recognise:

- After a veritable lifetime of service, we said farewell to our Senior Accountant Corrado Angeletti who retired from the business in September. Corrado was a great asset to PRP and will be missed. We wish him all the very best as he now focusses on family and other interests;
- Sonia Adamczyk left in November to pursue other business interests, and we also wish Sonia all the best in her endeavours;
- Austin McClure is taking a 6-month break at the end of the year to return to a baseball scholarship in the US, interrupted earlier in the year by Covid.

We welcome to the PRP team Callan Barich as Senior Bookkeeper; in our Client Services team Kylie Brauer and Elisha Brown; and in our Wealth Management team Ben Townsend and the return of Linh Le from a year's maternity leave.

As we prepare for 2021 several team members have taken on bigger roles in their continued development. PRP is proud to support local young people in forging a career in Accounting and Wealth Management – which translates to continued professional service to our clients.

See page 4 for our current team.

We wish all of our clients health and happiness over the festive season, and hope that you can spend some time with family. Even if it must be via technology, we hope you can stay connected to the important people in your lives.

BEST WISHES
RANDELL, STEVE, GARRY AND PHIL.

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INVESTMENT MARKETS
REBOUND AFTER PANDEMIC'S ECONOMIC FALLOUT

Markets have surged despite the coronavirus pandemic sending most major economies into recession. Investment markets have rallied strongly on the back of central bank support and renewed optimism about the pace of economic recovery in the wake of the coronavirus pandemic.

Markets remain volatile as most major economies battle recessions, rising unemployment, and ongoing uncertainty about a potential second wave of the virus.

The initial rapid coronavirus outbreak stripped about one-third of the value from global share markets. A wave of central bank stimulus has since propelled markets higher, with the US S&P 500 climbing back to near record highs.

The US Federal Reserve has led central bank stimulus efforts. Governments have also turned to strong fiscal policy in an effort to re-ignite economic growth.

The RBA has acknowledged that the depth of the downturn may not be as dire as initially expected with some signs that hours worked stabilised in early May and a pick-up in some forms of consumer spending. However, considerable uncertainty remains.

Australian residential property prices posted their first month-on-month decline since June last year with a 0.4% fall, according to CoreLogic. The decline was less than expected given tight restrictions on open inspections and auctions, which have now been eased. Nonetheless, banks have approved repayment deferrals across more than 480,000 mortgages by mid-June according to the Australian Banking Association.

Australia's unemployment rate now stands at 6.2% and could still quickly rise to 10%, according to the RBA. The central bank has held official interest rates at 0.25% and provided added economic stimulus by purchasing $50 billion of government bonds and supplying banks with a term funding facility.

The Australian dollar has also been on a wild ride, hitting a low of US57.4c at the height of the pandemic in mid-March before briefly climbing back above US70c in early June, making it one of the best performing currencies in the world.

Uncertainty about the ongoing impact of the pandemic prompted the Chinese government to abandon its annual economic growth target for the first time since the practice began in 1994. Tensions between Australia and its key trading partner related to trade conditions and how the pandemic was handled present another key risk for investors.

The pandemic has created significant volatility and uncertainty, underlining the ongoing need to invest in well-constructed and diversified portfolios that are positioned to meet your long-term goals.

WEALTH MANAGEMENT & ACCOUNTING SERVICES

WEALTH MANAGEMENT

45-50 YEARS OLD	**PROTECT** • Clear debt • Children's education • Health events	**BUILD** • Super • Other assets	**PLAN** • For empty nest
55-60 YEARS OLD	**TRANSITION** • From work to retirement	**RE-ASSESS** • Income needs • Centrelink	**PLAN** • Lifestyle post-work
70-75 YEARS OLD	**ENJOY** • Retirement with a comfortable income	**SHARE** • Get your kids building their plan	**PLAN** • Assets and income to last
85+ YEARS OLD	**CONTENTMENT** • Aged Care without worries		

ACCOUNTING

BUSINESS

- Profit planning
- Bookkeeping
- Asset purchase & depriciation
- Structuring
- Finanacial analysis

INDIVIDUAL

- Tax Planning
- Income & expenses

CALM HEADS

ACCOUNTING SERVICES

RANDELL
Accounting Director

JADE
Tax Accountant

CALLAN
Senior Bookkeeper

KATHY
SMSF Tax Consultant

NICOLE
Internal accounts, Client services and IT

THY
Client Services
Front of house in Renmark

MEL
Client Services Co-ordinator

MARIA
Client Services

KYLIE
Client Services

ELISHA
Client Services

WEALTH MANAGEMENT

GARRY
Financial Planning Director

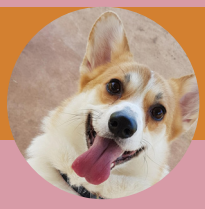
STEVE
Financial Planning Director

PHIL
General Manager/Senior Adviser

TRACY
Practice Manager

THU ANH
Financial Adviser

TRISH
Paraplanner



TRACEY
Client Services
Front of house in Adelaide.
Here's a cute picture of her Corgi, Emmie!

HOLLY
Paraplanner

GEORGE
Client Services

BEN
Client Services

AUSTIN
Client Services

LINH
Client Services

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