



The Australian Finance Podcast Episode Transcript

Episode: Money & Chill: Interest rates, buying property & new friends

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Speakers: Kate Campbell, Owen Rask & Monique Pizzica

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Episode transcript:

Owen:

Kate, welcome to this episode of the Australian Finance Podcast.

Kate:

It is wonderful to be back on. It's been a while since we've been in this room.

Owen:

Yes, it has been at least a few weeks. Today we're joined by Monique. Monique, welcome.

Monique:

Hi, I'm not used to talking so I don't know what to say.

Owen:

Hi is fine. Hi is fine. So normally Monique, you're behind the camera. Today you're in front of it and in front of the mic. We're doing a kind of a new episode format that we want to try out. We want to get everyone involved and we want to make it a bit more casual. So Kate, tell us a little bit about this new format.

Kate:

Yeah, I think we often take ourselves really seriously. Little bit. I just wanted to bring a bit of the reality of the conversations that we have in the office and with our friends and family about personal finance and investing in the resources. Because we're always sharing cool resources we find with each other, we're discussing things that are happening in the news, but we don't really bring that to the podcast that often, because sometimes it's very topical or it's just sort of like one or two short things. So we thought we'd round them all up and give you an episode once a month where we just share some of our favourite personal finance books that month. Maybe we want to discuss something that's happened in the news that's really relevant to people's finances. Maybe there's some Rask news to share.

Owen:

Yes, as there is today.

Kate:

Yeah. So feel free to send anything our way that we might be able to share with listeners, whether that's resources, tools, maybe you found a really cool new podcast. I've been listening to a few financial true crime stories recently. And yeah, we just sort of round up some of the things we've been sort of watching, seeing, reading, during the month. Things we've been talking about in the office and any news to share with you.

Owen:

Cool. So it's a bit more laid back for people.

Kate:

Yeah. As laid back as we can get.

Owen:

Yeah. For sure. And we can we go pretty broad. Normally we zoom in on one topic, but today we're going to bring some of our own things to the table and they're not necessarily like hardcore investing, hardcore personal finance. They can be more like, I guess, holistic and just look at everything. We're also going to talk about some of our new partners that we've got on the podcast series. So if you've wondered why we've got advertising on the podcast, we haven't really done that in the past. We'll explain why we're doing that and how we're doing it and probably why it's different to most other podcasts in the space. But Monique, just to confirm for people, people may have heard you before, but you are not a "finance person," right?

Monique:

No. So pretty much before this job I've been freelancing most of my work life, I guess, mostly as a live music photographer and videographer and editor. So that's kind of my world and where I come from.

Owen:

Yep. So you have your own Instagram page where you share all of your photos from gigs and that sort of stuff as well.

Monique:

At moniquepizzicamedia.

Owen:

Yeah. Moniquepizzicamedia.

Kate:

We'll put that in the show notes because you'll not able to spell that. If you want a non-finance follow, Monique does not talk about finance on her Instagram.

Monique:

Not at all.

Owen:

Lots of good shots of bands and gigs around Melbourne. So if you're interested.

Kate:

And Monique keeps it real for us. We don't get too tied up because-

Owen:

That's it. Yeah.

Monique:

I'm very good at changing the subject.

Owen:

But it's good to have you on the show because Kate and I do get bogged down in the finance things.

Kate:

And Monique's also a lot earlier on in her investing journey. So it's good to have someone to ask us different questions.

Owen:

Yeah. When we were at the Pearler event not too long ago, I did bring you up and you were, I guess, thrust into the spotlight for a few minutes because you did make an ETF investment. Your very first one. Yeah.

Monique:

Yep. I did.

Owen:

Do you remember which one it was?

Monique:
It was the IOZ.

Owen:
IOZ.

Monique:
Don't ask me anything more about it.

Owen:
Okay. So that's the ticker symbol. So that's the symbol which Monique looked for in the brokerage account and clicked buy.

Monique:
Yep. That's the very first one and I haven't looked at it in a while, so maybe I should.

Owen:
Maybe you should check in on it.

Kate:
Maybe not this week.

Owen:
It's not one that we recommend. It's a bit of a wild week for us this week on the stock market. So let's not go there. So we're going to bring a couple of things to the table each just to talk about. So Kate, you first.

Kate:
I think what I've been learning about a lot this month is at the very start of the property buying process. So I don't know why in my head I thought this was going to be really easy. It doesn't sound like it should be easy. You're buying this potentially massive asset. The biggest thing you've ever bought. And you're taking on a huge amount of debt. Much bigger than my [inaudible 00:04:57] debt. But I don't know. I just thought it'd be a bit more straightforward, but there's so many steps to the process, so many questions to ask. Even going to inspections is really exhausting. I went to a couple on the weekend and just the whole getting there, making sure you're there at the right time, finding the location, then you've got the pre-chat and the post-chat with the agent, they're taking your number, then they're calling you.

Monique:
Yeah. They follow up for the next month.

Kate:

Yeah. So I've got a few unread messages there from the weekend. But I don't know. It takes a lot more time than I expected. I don't know what I was basing that on, but I think a lot of people we'd spoken to said preapproval was really simple, but there's actually quite a few things you have to go through and you've got to find the statements and it's a bit of admin.

Owen:

Yeah. It's only simple if you've got a simple situation. I think what you might be basing it on is the comparison to shares where you can sign up for a brokerage account within five minutes and you can be ready to trade in a day. Whereas with a property, it takes typically many months.

Kate:

Yeah. And I guess that's because with shares typically you're using your own money. Whereas in this process, most of us, and I am, are trying to get a loan as well. And then there's this physical property and you're like, well, what's this crack? Is this going to end badly or not? I'm just at the very beginning now, but that's been a fun experience. It's taking a lot of time.

Owen:

Did you organise to get any of them inspected or is this more like preliminary?

Kate:

Just very early. Just sort of figuring out what's out there and bedroom sizes. Even just looking at the floor plan I'm like, well, what does that mean? How big of a bedroom does one need? What is too small, what is big enough? All those sort of things.

Monique:

Storage is important.

Kate:

Yes. Yeah. I know you're suffering from like a storage in your place.

Owen:

So Monique did buy a place. What was it, 12 months ago?

Monique:

Yeah. Exactly. Yeah.

Owen:

Did you end up figuring out if you could store stuff in the ceiling?

Monique:

Yeah. I think I can. It's just a matter of actually doing it and getting someone out to help me do it. So I've got a manhole situation at the moment that it's the whole roof, so there's so much storage up there. So hopefully I can actually get that done soon.

Kate:

Are the things you put in storage there ever going to come back down? They're just going to live there forever.

Monique:

I've got a lot of clothes, so I need to be one of those people that bring out the summer wardrobe when it's summer and then put it away and then bring out the winter wardrobe. Otherwise it's kind of a mess at the moment.

Kate:

I Just imagine things go in attics and never come out.

Owen:

Yeah. All the children's toys and things from when you were like 10.

Kate:

And the crafts.

Monique:

So many crafts, so many.

Owen:

So you could just put your winter wardrobe up there or your summer wardrobe up there.

Monique:

Exactly. Yeah. Vacuum pack it all and shove it up there. And then when it's winter, bring it back down.

Owen:

We used to use all of that space when I was growing up. That was the best place. You could actually stand up in our roof because we had a really high pitch ceiling. So when we got the house renovated, we were just going to put chipboard flooring down. Just old sheets of flooring. It was bigger than a lounge room up there. So you could just go up, store everything up there. So much free space to do things with. So you might have an untapped asset in your ceiling.

Monique:

Yeah, totally. And then hopefully, who knows? That might add more value to the place in the end.

Owen:

There you go. You never know. You could sell it. When Kate comes and inspects it, you could be like, "And check out the manhole."

Monique:

Oh my God. Perfect.

Kate:

But these are things you don't think about at the start. I remember Amy in our property course was talking about writing your wish and your want list and your must haves. And I wouldn't have thought about storage. And even which direction the property faced. Because when I spoke to one estate agent they're like, "What way do you want your windows? Do you want north facing?" I was like, "I don't know." And they said, "Oh, I can tell you're at the very beginning of this."

Owen:

Oh, okay. So they knew. That's a telltale sign.

Kate:

They knew. I did not know what way. Apparently there's a certain way. I think it's north facing people like?

Owen:

I'm going to say yes. I don't know because I didn't think about it that much either.

Kate:

I might have stuffed it up.

Owen:

I was just happy to buy the house that I did. I was like, yes, I like it. Good. But I think you're right. Sunsets and sunrise are very important. Particularly if you want some entertaining space. You don't want it to be on the cold side of the building where it only gets sun in the morning.

Kate:

Lots of considerations. So I'll bring you an update next month.

Owen:

We can play along as Kate goes on her buying journey. So mine is actually related to this so I might just talk about it, which is just interest rates and inflation. It's more a finance thing, but it's related to property because we've got a loan on our house. It's interesting that a lot of people would be thinking about this right now because even though we saw interest rates go up recently, a lot of people that own a home have probably been looking to refinance or to save, to get a better rate now. They think, well, why don't I lock in my interest rate now before the interest rates keep going up. The problem is the banks have already adjusted.

Kate:

They were pretty quick this year.

Owen:

Yeah. So they've already adjusted everything. So our interest rate on our mortgage, we have it split. So most of it was fixed for three years when we got it. And then part of it was variable because then we could have the offset account attached to that. And I spoke to our mortgage broker at Wealthful, which is Ben Sum. And Ben basically said, listen, if you wanted to refinance now you should think again, because your fixed rate still has a year and a half to go on it and it's so much lower than anything you can get in the market right now. So he's like, just stay. Keep it there for as long as you can. You can maybe look at adjusting that at a little smaller part, which is the variable bit.

Owen:

But one thing that we're doing at the moment is actually revaluing the house so the bank can determine how much equity we have in it. Because then if house prices fall, we might be able to use that equity to buy another house if prices fall. So it's like kind of going on the offensive instead of the defensive. Whereas a lot of people would be thinking about, okay, let's reduce our rate, which obviously if anyone can do that if they can. Think about that now.

Kate:

What a great statement. Anyone can do that if they can.

Owen:

If you're in a situation where you can refinance or you can negotiate a better rate, you can do that now. Whereas in my situation, we couldn't really because we were already in a really good rate. But we've then decided, okay, well maybe we can refinance and either we draw that equity out of the home to do an upgrade, or we could even make an investment. So it's early days yet, but that's kind of where we're at.

Owen:

There's one final thing that I wanted to say about this, which is just that we did a property episode, it was June 2020. So that's nearly two years ago now. And at the time, some Commonwealth bank analyst was quoted as saying house prices were going to fall 32%. That didn't happen. Prices went directly in the opposite direction. They went up in some places 35% in a year. And I bring that up because that's just a reason just to be wary. I was freaking out about higher interest rates because it's a big loan. Monique, you've got a property. Kate, you're about to get one. I did the calculation before. If you go from a 2.99% interest rate to a 4.99% interest rate, which is what some people expect, it's \$500 a month extra. So you go from 2100 a month to 2680. So it's 5% [crosstalk 00:12:36].

Kate:

There's been a lot of headlines about that recently in the news about Australians at the risk of defaulting on their mortgage because interest rate's increasing. There's been a lot of really scary headlines.

Owen:

Yeah. There has been. And the thing to remember is that for all of those headlines, there's another headline which is Australians have saved more money than ever before because of COVID. And many Australians are actually ahead on their mortgage. So of course there are going to be people that \$500 is going to really hurt. An extra 500 bucks a month is going to really hurt. But for many people, it won't. So that's important to remember too.

Owen:

So I know this is a finance thing, but you asked me to pick something. I couldn't really think of anything. But I was thinking about this because it's on the tips of everyone's tongue. When I was away in Noosa over the weekend, we were talking about how crazy house prices are up there. Absolutely wild. And the Uber driver was like yeah, some of these houses are selling and even the locals are like, this is just madness. And typically areas that are on coast or were investments or second houses go down the fastest. So it'll be interesting. It'll be an interesting space to watch over the next little while. That's my one. That's what I brought to the table. Not that interesting. But Monique, you've definitely-

Kate:

Well, I think it affects a lot of people, interest rates and increasing mortgage repayments.

Owen:

Yeah, it definitely does. So if you're out there and you're stressing out, don't worry. You're not alone. There are things you can do. Monique, what about you? What do you got?

Monique:

Yeah, mine's really random, I guess. So I actually came across it a couple of weeks ago. When you're in the gig economy, you don't really know what to charge when particular jobs come your way. I find in my circle of friends it's just an ongoing thing. We're always asking each other. And sometimes they're a bit funny about telling you what they actually charge, what their rates are and stuff. So I found this cool little, it's almost like a spreadsheet, from people all around the world, so you can even compare to people who do photography in New York if you want to, see how much they charge. So if a job comes your way, you can refer to this spreadsheet. It's not as if you have to copy them or anything, but it's just to give your own idea of a range of what to charge for what job when it comes to your photography, videography, graphic design. I think I saw something about brand management in there. So there's a really wide range of creatives in there.

Owen:

Here's one. Freelance designer in New York that do animation and graphic design. A specific job was a logo design for a podcast. They charged 40 bucks an hour.

Monique:

Yeah. There you go.

Owen:

And you can see, male, female, experience. Whether it was remote or in-person. Nearly 9,000 people have put something in here.

Kate:

What was the website?

Monique:

It is freelancingfemales.com.

Owen:

It's cool.

Kate:

I'll make sure that's in the show notes.

Owen:

I think that's great because like I say, if you're going to a gig and someone's asked you to do a shoot for a few hours, what do you charge?

Monique:

Yeah. I never respond straight away because it's always slightly different in the job. So it's not as if you have your fixed rates at all. It's very unique to each job that comes your way. So you really do need to think about it and be like, oh, is it too little? Is it too much?

Owen:

And you wouldn't be confident unless you had something to back it up to be like, this is my experience and this is how much I've charged in the past or here's what other people do.

Monique:

Exactly. Yep. Totally.

Owen:

I like it. That'll make life easier for a lot of people not just in creative space, but just across everything now. There's a lot of design work in here as well.

Monique:

Yeah there's heaps in there.

Kate:

There's a lot more websites and resources popping up where people are actually doing this similar thing for their jobs. And so you can actually see what people are being paid. I know some firms are starting to be a bit more transparent, especially in Australia about the numbers and what salary bands different jobs and roles fall into. Which it's good because then you've got some knowledge to go into those salary negotiation conversations with. Rather than just going

in blind going, oh, this is kind of the ranges I'm seeing on SEEK for a similar role, so that's all I've got to go off.

Owen:

Yeah. At least here you can point to someone and be like, this is what they charge. [inaudible 00:16:55] the average of this and yeah, here we go. That's cool. I like it because there are so many gig economy workers in Australia.

Monique:

I mean, if anything, it just gives you that little bit more confidence to charge what you want to charge because sometimes you just don't have the confidence to put yourself forward and be like, nah, I want this much.

Owen:

Yeah. And you'd know that say someone's charging \$50 an hour but you're desperate for work so you might be like, okay, I know that maybe I could push for 50, but I'll say I'll do it for 40 because I want the work or something like that. So you just have some type of reference point for negotiation.

Monique:

Yeah. Totally.

Kate:

And also if they say no to what you asked for, it doesn't necessarily mean your rate was too high. It might just be them. They have no budget.

Monique:

Most of the time, no budget.

Owen:

Cool. Okay. That's great. And I think you've got another one for us. This one's a bit more...

Monique:

This one was another random one. I think one of my friends actually forwarded to me last week as well. The government's giving, it's almost like a grant, if you compare your energy prices to any household. So it's not as if you need to be on a concession card or anything. It's literally anyone. So I think it starts from next month and each household gets \$250.

Owen:

Oh cool. So from June it's 250 bucks. This is Victorian government. So 250 bucks if you compare your energy providers. That's pretty good. All right, here we go. Sorry, I just saw on the website, from July 1st. From July 1st, the new financial year. And yeah, that's as simple as it is. Cool. I wonder if there are any more of those around other states? If you are listening to this and you're from a different state, please write in and let us know because we will feature them next

month. Why not? Free money. Okay. So just to recap there, Kate's on her home buying journey. She's early in that phase of her life.

Kate:

Lots of steps to go.

Owen:

It's exciting, but can be stressful. Interest rates are going up or have gone up. So people are quietly freaking out. You can look at getting your house revalued, you can compare your rates. You can use any of the websites or just call the bank itself. And just try and be wary of those headlines that try and catch us out. And Monique, you've got two things for us, which was a rate sheet for gig economy workers, web designers, graphic designers, so on and so forth. And also from July 1st, if you compare your energy, save 250 bucks. Pretty good. It's pretty good.

Owen:

Okay. So the second part of this podcast, which is more the formal parts of the podcast, is just talking about some things that we've been working on behind the scenes. So Kate, maybe I'll throw it over to you. People would've heard we've got some advertisers on the show. What's that about?

Kate:

Yeah. So if you've been listening in the last couple of weeks, you might have noticed we've got some new ads at the start and the end of the podcast. So that is part of our sort of efforts to make sure that we're partnering with great companies. And we're also making sure this show's really sustainable long term and we can keep bringing you lots of great free courses. We've got some more on the way. Free podcast episodes, sourced high quality guests. Produce high quality episodes and just keep great stuff coming your way. So we've actually partnered with a few companies that I'll sort of break down in a moment. But I think it's probably a good idea just to talk about why we've taken on some partners.

Owen:

Yeah, sure. So we've historically never really partnered with anyone other than ETF Securities. And that just kind of came out of, we just spoke to them and they were interested and we were interested. And we get a lot of approaches from different advertisers. A lot. They just send in random emails and they'll be like, hey, did you want to do this? There's this crypto thing coming up? There's this new brand of underwear or whatever. It's just totally random. And most of them, or at least all of them basically up until now we've said no. So we thought, well, let's actually do something with the podcast. It probably takes us at least, what would you say? Eight hours of effort to produce one podcast of an hour's length.

Kate:

Yeah. It's quite a lot of work.

Owen:

Yeah. At least. So people don't think that. They think you just rock up, hit record and you walk away. It takes a lot. We've got the three of us, then we've got obviously the guests and all their talking points. And then we've got creative stuff like social media, all of that sharing stuff, emails that we prepare to send out to our mailing list. The list goes on and on. That's just the podcast. And then we've got on the education side, we've got free courses that we've been doing for years. And basically having sponsors or partners on to advertise on the podcast are a way for us to monetize and then pay for all of that. So by bringing these sponsors on, we're not going to be retiring early. We can say that much.

Kate:

I've still got a few years before 40 Owen.

Owen:

Yeah. True. True. Yes you do. We're not going to be driving down Collins street in Melbourne or like George street in Sydney with a Lamborghini or something because of these advertisers. This is our attempt just to make things sustainable, as you said. And so our plan is just to have a maximum of two advertisements at the start of the show and there would probably never be more than two at the end of the show.

Kate:

And none during because that really annoys me when I listen to other podcasts. You're walking along, enjoying the show and then bam, mid roll.

Owen:

I think Tim Ferris does a good job of this if anyone listens to that. His are quite long at the start. Ours aren't anything like that. But the way we think about it is if we've got good partners that can bring something to a community, whether they've got good guests, which will go through in just a sec, or they can offer our community something for free or help them in some way. If you're already investing, can we make that cheaper for you? When we do events, get some support for events, because they take a lot of effort and time. So all of these things, it's kind of like if we can find groups that want to work with us and educate people, then why wouldn't we?

Kate:

And I think the other important thing that I want to add about the partnerships is they're just sort of a flat fee. So if we can give you a special code to get a discount or some extra brokerage credit or something like that, we're not getting a sort of volume based commission based on that. It's just completely flat fee. There's no sort of kickbacks per code usage which we've made sure of. So if you use a code and get a special discount, we don't get anything for that individual thing. It's just a clean, flat fee.

Owen:

Yeah. It's just for them to know where you've come from and also to get the perk. So we have always been in the business of education and memberships. So this is kind of new to us. And when we came into it, we really didn't want to have an advertiser this month, an advertiser next

month. Because quite frankly, we don't want to do that. We're not searching for the highest paying advertiser. We're not really interested in that. All of the partners that we bring on, we want to stay on permanently for long periods of time, years, hopefully. So for us, we don't need to do those volume based things. And that can add a different layer of complexity to the marketing and whatever and we don't really want that. So keep it simple and we'll just try and bring things from them to you. That's basically it.

Owen:

So if you want to, have a look at all the partners. You'll find links. The way we do it is we have an advertisement and then in the podcast description there'll be a link to that platform. So it's pretty easy to find and if you want to learn more about them, you can. And that's basically it. And obviously it helps us if you do go there and you do use the code that we set, because then they know that it's worth advertising with us. And that's basically how it all comes together. So let's introduce some of them, Kate. We'll spend a couple minutes on each, but why don't we start with Pearler?

Kate:

Yeah. So our first partner for the finance podcast is Pearler. So they're our broker partner. We've talked about Pearler in one of our brokerage comparison episodes before, but Pearler is a low cost. They make investing simple. It's a way to buy your Australian and US shares and ETFs. I think they're about \$6.50 in brokerage at the moment flat fee and even cheaper if you prepay it. But one of the cool things is that you can actually automate your investments. So instead of having to manually go in every second month when you've hit your thousand dollars to place your buy order for the next ETF, you can automate it. So your portfolio automatically invests that thousand dollars into an ETF when X amount of rules are triggered. So you can set all of this in your portfolio, you can set your goals. And they've got community features as well. And I think they just keep it real. And instead of the other brokers that are very corporate, Pearler is more human focused and focused on their user, which is a really different and refreshing approach.

Owen:

So one of the things that we like about Pearler is basically that ability to automate. And once you automate, then you can basically just set those long term goals in motion and things can just trickle into the account, trickle into the stock market or wherever you're investing. And the fact that it's flat fee makes it really transparent as well because we know that-

Kate:

Talk about automating the good stuff in your finances and this is one way to do it.

Owen:

Yeah. We know that time in the market is what's really important. Not timing the market, but time in the market and staying invested for long periods of time is what really counts. So yeah, we're stoked to have Pearler on as our partner on the Australian Finance Podcast.

Kate:

We're excited to share some more of their guests on the show and they've got some great data on ETFs and what people are buying and selling. So we get to have a bit of a look behind the scenes during our ETF episodes. And also they're going to help you as well. So normally you'll be able to use the code RASK, RASK to sign up and get \$10 of Pearler, they call it Pearler credit, but it's just essentially money that you can use to offset against the cost of brokerage. But during May, they're actually giving you \$50 of Pearler credit if you sign up using the code RASK. So that will cover quite a few purchases for ETFs.

Owen:

So I think you have to use that in the first six months of signing up to the platform, but basically you can join, get free brokerage for a limited number of trades. And there's also to celebrate us launching with Pearler, you can go in the draw to win a thousand dollars as well, already funded in your Pearler account. So all you've got to do is sign up in May using the coupon code RASK and place a trade, if I'm not mistaken.

Kate:

Yep. Make your first investment.

Owen:

And you go in the draw. It's pretty simple. And you'll see it on social media as well. So get around it, comment your friends in if you think that they would be interested or they're new to the platform. Monique, I know you checked out Pearler even before I'd heard of it. You were like, oh yeah, I was on there the other day.

Monique:

Yeah. Well, I still don't really know much, but it was the first account I opened just to have a look. And the one thing that I liked the most about is that you can see other people's portfolios. So someone like me, no idea about anything, I just saw the people on there and how they even structured their portfolio and what they liked and stuff. And then that kind of gave me like, oh yeah, maybe this one's good. I'll have a look at it.

Owen:

I'll have a look at that. Yeah. So you don't necessarily have to do exactly what they're doing, but you can just look at what other people have been doing as kind of like ideas for you to go and research.

Monique:

Inspiration.

Owen:

Yeah. Cool.

Kate:

Yeah. And we'll have a profile as well that people can follow along. So I'll include that in the show notes as well. So it's kind of like Twitter, but for finance. You can follow people's portfolios, which is kind of cool.

Owen:

Yeah. Cool. So that's Pearler. You'll find the links in the show notes. The other one that we've brought on recently. So these are both in addition to ETF Securities who have been our long term partner of the show and they've appeared on the show a few times as you know. Which is great.

Kate:

You might know them for the GOLD ETF. They've got a few others.

Owen:

Yeah. The FANG+ ETF. There're heaps. So they're specialists in those commodities focused ETFs, but also with thematic ETFs. So they've done a great job with those. But the other one that we've brought on is InvestSMART. So InvestSMART is a different brand for a lot of people. For our demographic at least, for an older demographic, it's very, very popular. That's because some of the names there, Paul Clitheroe, Alan Kohler, Effie Zahos, so many fantastic names at InvestSMART. They've kind of grouped these big wigs of the industry together and brought them all into this one platform called InvestSMART. But the other reason you might not necessarily know InvestSMART is because they operate under different names. One being the Intelligent Investor, which is an investment research subscription service.

Kate:

I think they've got over 10,000 members.

Owen:

They do, yeah. They're big.

Kate:

Even my mom was a subscriber back in the day. They've been around for decades. But they do ASX share research. So if you want to know what their thoughts are on BHP or Telstra or Fortescue, you can actually go in and read their analyst research on those companies and get the buy hold and sell stuff.

Owen:

Yeah. And they're really good. So they've got [inaudible 00:29:50] there as well. Nathan Bell. All of these people have fantastic profiles and they're all inside Intelligent Investor, all working for various parts of the business. Then we have the Eureka Report, which is also owned by InvestSMART. So that's where Alan does a lot of his bidding.

Kate:

And they've got economist updates. They've got a lot of information for people that run self-managed super funds getting the experts in. They talk about fixed interest. So some of the stuff that's maybe slightly older demographic, but it brings a really different perspective and a whole lot of different experts.

Owen:
Lots of experience.

Kate:
They even have a futurist that writes some columns for them, which is kind of cool.

Owen:
Oh, Really? Haven't seen that. Okay. So the other thing that they do, which is something that's becoming more interesting and was really appealing to us is actually under the InvestSMART banner, they offer products that are more focused on ETF investing. And you can choose diversified portfolios or single kind of asset class or types of investments within that. And they call them PMAs. So if you Googled InvestSMART PMA, it would come up. And the idea is that it's kind of like an automated solution for you. And the really interesting thing, which I think is still unique in Australia, I don't think anyone else does this, is they cap the fees. So you could have say a million dollars or you could have a hundred thousand. I think that's where the line is drawn, a hundred thousand. It's the same fee. So it's all automatic. You can just dollar cost average into it. Does tax reporting, customised portfolios. So it's pretty cool. We looked at doing something like this ourselves and we couldn't.

Kate:
It was just going to be too many costs and layers and complexity, but they've got the team to run it. And I think it's really good for people getting started who maybe don't want to build their ETF portfolio or the investment portfolio themselves. You can actually just use a low cost solution. We've talked about a couple of other robo-advisors in the past, but I think InvestSMART's probably not heard of as much.

Owen:
Yeah. At least not in our community. And the thing is, they probably should be because they have low fees, they have an experienced team. It has all the same functionality as well.

Kate:
Get your own Holder Identification Number. All those sort of things.

Owen:
So it's got all of the things you would want, and it's run by people with experience. And it's ASX listed. InvestSMART is actually on the stock exchange itself. So you know it's audited, it's properly checked all the balances. So it's a really good partner InvestSMART. We're on the team.

Kate:

And they've got a lot of experts. So we're hoping to bring some of the experts onto the show for different episodes. So bring some of the analysts in because I know listeners love episodes on shares. And maybe even Effie Zahos. I've spoken to her before and she's fantastic. Especially talking about all things personal finance. So that would be wonderful.

Owen:

Yeah. Cool. And so you can stay tuned because we are going to do a giveaway for InvestSMART and bring those guys together with us and we're going to do a bit of a giveaway. Kind of like we've done with Pearler, maybe in a slightly different way. We might give away some Intelligent Investor subscriptions or things like that. So stay tuned on our socials, but also on the podcast because we'll be announcing that in the next month.

Kate:

So lots of exciting developments, but hopefully it means good results for listeners getting extra special deals. I know there's a discount for Intelligent Investor if you subscribe using the code RASK as well.

Owen:

There's a free trial as well.

Kate:

Yeah. More guests, more experts for events that we're really hoping to run later in the later half of this year.

Owen:

Yeah. So this is always part of it. Like [inaudible 00:33:13] making the podcast more sustainable, we can get bigger guests to the show. International guests, Aussie guests, people that maybe didn't have an incentive to join us for a conversation now can. And so this is our attempt to try and get that scale to bring them to you. And it also allows us to do episodes more like this, where we can be a bit more casual. So why don't we leave listeners with something a little bit more interesting, which is a little bit spicy this one Kate. A financial advisor turned someone's-

Kate:

[crosstalk 00:33:45] she was ever a financial advisor, but she was pretending to be one.

Owen:

Okay. We'll say pretending to be. Allegedly pretending maybe to be a financial advisor.

Kate:

Yeah. I mean, I haven't finished the whole podcast series, so I'm not up to date, but there's a podcast produced by the Sydney Morning Herald and The Age called Liar, Liar. And it's about Melissa Caddick who fleeced friends and families out of 30 plus million dollars posing as a

financial advisor who was opening them CommSec accounts and trading on their behalf. Not that she ever did any of that. And she was funding a very high flying lifestyle.

Kate:

But the story, there's so many twists and turns. I think it's probably a very lighthearted take on a very serious topic. And it's probably reflected in the reviews of the podcast. They take it very sort of lighthearted and I think it's very serious matter, but I think it's important. One, it's a bit of entertainment of sorts, but it's a good reminder that you want to actually check these things.

Kate:

So if someone's opening a CommSec account for you, which you really should open directly yourself, a brokerage account, and placing trades, you should actually check these things. And check that the number exists. She was giving a AFSL number, but it was for someone else. So actually checking all of these numbers. The Moneysmart website has an advisor search. So you can actually search the name, you can search the numbers, you can look at their qualifications and all those sort of things. But it reminded me to do your due diligence. Like when we did that fraud episode a few weeks ago about all those TV shows. Some of these people, they weren't going looking for crazy results. They were just investing their 10 or a hundred thousand dollars. Their life savings in some cases. But yeah, just been really, really careful.

Owen:

Yeah. It's hard because we say check the AFSL, but there are people that do these cons know that's what you're going to do. I think that's the thing. We saw that with Who the Hell Is Hamish? And this was a podcast which is based on a very similar thing where they'd get people to invest. They'd give them fake documents that look legit.

Kate:

Yeah. And she was giving fake documents. She reconstructed brokerage statements and all sorts of things like that. And she was charging management fees and all sorts of things.

Owen:

Yeah. So you wouldn't even need to charge a management fee, would you? When you think about it, you wouldn't need to charge a fee at all because you're getting the money.

Kate:

But it was more legit because she was charging a management fee.

Owen:

So she made it look like she benefited in some way. Also, if your financial advisor takes more photos of themselves in the gym than at the office, that's probably a concern too. So keep that in mind.

Kate:

I think it was quite a good podcast series to sort of open your eyes to that, but it is a very lighthearted take on a serious matter. A lot of people did lose their life savings. Always need to ask questions. So those are like trust but verify.

Owen:

Trust, but verify. Okay. That's a good one. And you've also read a book Die with Zero.

Kate:

Yeah. Another interesting book.

Owen:

Another great, lighthearted.

Kate:

Yeah. This was not about dying with zero by getting scammed. It was more about structuring your life in a way that you didn't end up with all of your assets at the end of your life and no memories. And it was really thinking about memory dividends. And so the experiences you have earlier in your life actually pay off over the decades to come. Because you might retire with a million dollars, but you might not be able to do the things you wanted to do because you're not well enough. You're too frail. So it's actually making sure you use your money as you go through life. The book could have been written in a few pages, but I thought it was a good eyeopener and a refresher. You would have to have some investing sort of basic knowledge to read this book and have it be worthwhile. But I thought it was a good discussion starter as well and it's been mentioned a lot on [crosstalk 00:37:40].

Owen:

Yeah. [inaudible 00:37:41] brought it up when we spoke to her. So Die with Zero is the book. First few pages?

Kate:

I'd probably get it from the library.

Owen:

Okay.

Kate:

It was good. Or read a review. It could be summed up in a few pages.

Owen:

One of those short notes. The books that are only like 10 pages that are summaries of the big books.

Kate:

Or Blinkist.

Owen:

Blinkist, yeah. They'll do it for you.

Kate:

I do think a lot of personal finance books could be written in a few pages.

Owen:

But you know why? It's because the personal finance book publishers tell you you have to write 200 to 300 pages.

Kate:

Well, people don't want to pay \$20 for [crosstalk 00:38:11].

Owen:

Because they're not going to pay \$20 or \$30. So they force you to write more. We've talked about this before. You could probably just do it in 50 pages and done.

Kate:

Yeah. So the more personal finance books you read, the more similarities you start seeing between them all.

Owen:

Yeah. Save something, invest it, enjoy your life.

Kate:

There's a lot of similar vibes. I mean, you've been discovering some personal finance books in your parents' attic recently.

Monique:

Yeah. My parents are doing a big move, so dad's been digging out some books and showing me and brought some in here.

Owen:

So we may have a giveaway courtesy of Monique's dad in the next few weeks. Stay tuned for the latest in property investing from 2007. It's come out of the attic. But just one final thing is don't forget the get started investing course. It's free. We launched it in collaboration with Equity Mates. It's available on Rask education. Totally free. As it says on the tin, get started investing. It's after their book, which is a great book and it can be a companion for that where you can just take the online course, do the quizzes and just help yourself get confidence to make that first step in investing. Once you've done that, the rest is easy.

Owen:

So that's it for today. If you do have anything to share with us, feedback or however we can do better. If you want to get in contact with Monique, get some gig photos done, she's got a rate card, just so you know. It's fully transparent now. You can head over to the Rask Australia Facebook page or community and jump in there, say g'day, share what you want with us and we'll go from there.

Kate:

And we'll share the giveaways and the resources we mentioned in today's episode with you there as well. Keep the conversation going.

Owen:

Cool. Sounds good. Kate, Monique, thanks for joining me on the Australian Finance Podcast.

Monique:

This was fun.

Owen:

You made it.

Monique:

Yay.

Kate:

You did it.

Owen:

Well done.

Kate:

Actually your second time podcast start.

Monique:

Oh my gosh. I've made it.

Owen:

Famous. And thanks for listening.