

# BRAMWELL BROWN LTD

## INVESTMENT ADVISERS – BROKERS

Director: Brett Dymond – AFA, BBS, GradDipBusStud (Personal Financial Planning)

### **Bramwell Brown Limited – Newsletter – October 2020**

#### **Income**

Low interest rates are having an increasingly significant effect on most people's incomes. In the August newsletter I listed areas we can influence that can mitigate lower returns:

- Retirement date – pushing it out allows more time to build capital, and leaves less time to use it
- Spending – it might not be palatable but we do have the ability to curb our spending
- Leaving a legacy for the kids – not necessary in my opinion – spend it yourself
- Risk – instead of investing in bank deposits, we have the ability to take on risky investments such as shares in an attempt to boost returns
- Consume capital – we have the ability to erode our capital over time
- Income – consider taking on part-time work to boost your income

My concern is that investors see the sharemarket as the only legitimate avenue when trying to fill the income gap due to low interest rates. The premium paid for taking on share market risk is now very low in my view, and I worry that some investors don't fully understand that risk. I wonder if consuming capital is one option that could be explored more fully for some. There have been some incredible capital gains on shares since 2009 – perhaps now is the time to realise some of those gains to boost income. Obviously, every investor's situation is different, so if you would like to discuss this further please don't hesitate to contact the office.

#### **Oceania Healthcare Bond Offer**

Oceania Healthcare has announced an offer of up to \$75 million (with the ability to accept up to \$50 million in oversubscriptions) of seven-year, secured, fixed-rate bonds maturing on Tuesday October 19<sup>th</sup> 2027. The offer is expected to open on Monday October 5<sup>th</sup>, and close on Friday October 9<sup>th</sup>. At the time of writing the interest rate payable on the bonds was unknown. That will be set on October 9<sup>th</sup>.

**PLEASE CONTACT THE OFFICE AS SOON AS POSSIBLE IF THIS OFFER IS OF INTEREST  
TO YOU**

## Support Staff

There have been a few changes in the Amy Kerr & Associates building over the last month. Nathan Haglund and his team of accounting staff have decided to branch out on their own, and have set up a new Haglund Consulting Limited office in Queen Street, Kuripuni. Angeline Colquhoun, who works both for Nathan and Bramwell Brown Limited has moved to the Kuripuni office. Covid 19 has highlighted our ability to work remotely, and after some planning and reorganising, we have agreed there is no reason Angeline working off-site for Bramwell Brown Limited can't work effectively. At times when I'm unavailable, phone calls will divert to Angeline, and she will be able to assist you. If you need to see her in person she will organise a time to meet with you at the Bramwell Brown office.

At the same time our bright and bubbly receptionist, AnneMarie Lynch, has decided to pursue some other opportunities. We will miss AnneMarie's friendly nature, and wish her all the best for the future. Vickie Jacobs from Amy Kerr & Associates will fill the receptionist role. Please make yourself known to Vickie if you haven't met her already.

## Holiday

I'll be taking some time away from the office in October. Considering we are unable to travel overseas to visit our kids, we thought we'd spend some time exploring parts of New Zealand we rarely visit. We will be heading to Northland from Friday October 16<sup>th</sup> to Tuesday October 27<sup>th</sup>. Angeline will be running things in my absence, and I will be available by phone and email where necessary. If there's something you need done, please email in the first instance [admin@bramwellbrown.co.nz](mailto:admin@bramwellbrown.co.nz)

Phone calls will divert to Angeline. Please leave a detailed message for her, and she will return your call as soon as she can.

## Bank Term Deposit Rates

Here is a summary of some of the bank rates on offer at present.

	<b>1 Year</b>	<b>2 Years</b>	<b>3 Years</b>	<b>4 Years</b>	<b>5 Years</b>
<b>ANZ</b>	1.20%	1.20%	1.20%	1.20%	1.20%
<b>ASB</b>	1.15%	1.15%	1.20%	1.20%	1.25%
<b>BNZ</b>	1.15%	1.15%	1.15%	1.15%	1.15%
<b>Heartland</b>	1.50%	1.50%	1.85%	1.60%	1.60%
<b>Kiwibank</b>	1.15%	1.15%	1.15%	1.15%	1.15%
<b>Rabobank</b>	1.45%	1.45%	1.50%	1.50%	1.60%
<b>Westpac</b>	1.15%	1.15%	1.15%	1.15%	1.15%