



FYI MONEY

# NAVIGATING THE MAZE

YOUR GUIDE TO ALL THINGS FINANCE AND FINANCIAL PLANNING

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A reminder that we have moved | What AGES has to do with memory  
A mistake corrected | Do Christmas wishes come true? Science investigates.

## HAPPY VALENTINE'S DAY: A RENEWED FOCUS ON YOU

FEBRUARY NEWS 2020

**The simple truth of the matter is that without customers, nobody can be in business. And in order for a business to work, there has to be a happy marriage between both what I, the business owner, likes to do, and providing a service that you, the customer, finds useful.**

As the Astute Financial and Harcourt's Real Estate businesses got bigger, I noticed a bit of gap developing. There was a bigger and bigger divide between what I was best at doing (helping my clients with their finance) and what I was actually doing - managing staff.

This is what led to the restructuring of the old business and going back to "FYI" brand after all these years.

The Harcourt's franchise was sold from the existing business structure, and Sam and his team are still at the old location.

We are still good friends, we had lunch together a few weeks back. In this case, splitting out that business seemed to work better for all of us.

It means that my small team and Richard Johnson's small team are now under the one roof at our 'new' location in Brookvale.

After all, we've gone from 22 staff down to five. All that extra space was downright cavernous and if we kept it, decadent.

The re-brand and the move hasn't stopped some clients from showing up at the wrong location for face-to-face meetings. And for that I am truly sorry. It has been 6 months, we should be through those sorts of teething problems.

### SO WHY DID WE DO THIS?

Basically each of the directors of the old company took stock of where they were at. We each decided that we needed to do a better job of looking after our clients.

For me this especially felt like a wakeup call. I knew I was getting by more and more just being reactive when a client needed something rather than being proactive. All that time I was spending managing staff meant I couldn't do my favourite job properly.

So... here we are, a new decade and a renewed focus on you. Going forward this scaling back means that we can focus on looking after you. Help you build your wealth more effectively so you can reach your actual goals in life. It means I'll be reviewing your position regularly and letting you know when we find nothing and when we find something we think you should act on.

Welcome to a new decade and the approach to finance I always envisaged at FYI Money.

*Ben*

- Principal, FYI Money

# USE THE 'AGES' MODEL TO INCREASE LEARNING AND MEMORY



**Research from the NeuroLeadership Institute suggests that successful learning occurs when our brain's hippocampus is engaged. This is where new knowledge gets stored as long-term memory.**

For the hippocampus to do this, a few conditions must first be met. In what is referred to as the AGES model, those conditions are defined as attention, generation, emotion, and spacing.

If you are scheduled to attend a workshop, facilitate a training, or learn a new skill, keep the following four points in mind:

## ATTENTION

The best way for us to learn something requires a singular focus of about 20 minutes. Multitasking is discouraged during this time because it creates enough of a distraction to prevent the development of new memories.

After 20 minutes, it's best to take a break of a few minutes to ask questions or change tasks. This allows the hippocampus to recharge before it is ready to take in more.

## GENERATION

Making connections to or associations with things we already know is another way that our brain stores knowledge. Successful generation occurs when we are actively listening and making associations between what we are learning and our past experiences, thereby creating a more personal connection to the material. Another way to aid in generation is actively listening with the intent of being able to explain what you are learning to someone else. The brain becomes more active in creating memories when a social component is involved.

## EMOTION

Stimuli that generate an emotional response are easy to remember. Positive emotions that are fun and entertaining work best because they promote insight, creativity, and more social connections. In contrast, negative emotions such as anger or fear tend to shift the focus away from what you are learning or attempting to teach because they tend to trigger other physiological responses in us— fight, flight, or fright.

## SPACING

Retaining what you are learning happens with repeated exposure to the material. Rereading a training manual, reviewing your notes, and practicing the concepts you are learning assist the brain in storing that information as long-term memories. It's not necessary to review this material the same day you are exposed to it, but allowing yourself to revisit it at least three times over the course of a few days will help you develop the neural connections that will allow your brain to retain this new knowledge.

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## “ QUOTES OF THE MONTH

*You understand something if you have the ability to view it from different perspectives. Changing your perspective makes your mind more flexible, it makes you open to new things, and it makes you able to understand things.*

ROGER ANTONSEN

*Your health is what you make of it. Everything you do and think either adds to the vitality, energy, and spirit you possess or takes away from it.*

ANN WIGMORE

*Twenty years from now, you will be more disappointed by the things that you didn't do than by the ones you did do, so throw off the bowlines, sail away from safe harbor, catch the trade winds in your sails. Explore, dream, discover.*

MARK TWAIN

*The most difficult thing is the decision to act; the rest is merely tenacity.*

AMELIA EARHART

*One thing to keep in mind is that mathematics is a story and that teachers are storytellers; the teaching and curriculum sequences are there to help you with the structure of the story. If you can bring the story of mathematics to life, then you will have a much better chance of reaching all your students.*

SCOTT BALDRIDGE



# Congratulations are in order!

FYI Money would like to thank the following clients who settled a loan with us in the last 60 days. We really appreciate your business. We wouldn't be in business without each and every client.

- Simona & Billy
- Dayna B
- Ashley & Jane
- Matthew I
- Phil & Freya
- David & Kathryn
- Mark I
- Kirby & Chantal
- Claudia F
- Nick & Nat
- Trevor & Lorna



## MY WORST PREDICTION OF THE LAST DECADE: SURELY FIXED RATES CAN'T GO UNDER 4%

**I always hated fixed rates. For a long time I'd advise my clients to avoid them like the plague. The premium you paid to get a guaranteed re-payment never seemed like a good deal. The lack of flexibility to make extra repayments made it an even worse deal.**

As the interest rates fell I was certain we'd hit bottom. Then they'd go lower. Then I was certain they'd hit bottom again. Then they'd go lower. I was gobsmacked when I read that they'd dropped below 4%.

The RBA is promising a rate cut at some stage this year. Likely in February, dropping the official cash rate to .5%.

Surely it can't go any lower than that... The flirtations with

negative interest rates have not worked where they have been implemented. Sweden just raised its interest rate to zero because negative rates haven't worked out. I believe that means we are unlikely to give negative interest 'a go' here.

Based on what has happened in Canada (which is the country we are most like in the world, similar population, standard of living, government etc.) when they hit a similarly low rate after the GFC - we'll cruise along at these reduced rates for some time yet.

### GETTING BACK TO FIXED RATES - YOUR CHANGE TO GET AHEAD.

Fixed rates have been dropping faster than P & I rates. I'm now seeing 2.89% fixed rates, with all things being equal, is better

than some of the other lenders' variable interest rates.

This is your chance to really get ahead in this low interest environment with almost zero risk.

The strategy is simple - we can look at fixing a percentage of your home loan for say 2 years at these bargain rates, and making extra repayments on the variable portion, giving you the best of both worlds - low risk and the flexibility to pay down your mortgage faster (something you can't do if you are fixed for 100% of the loan amount).

Then when the variable amount is paid down we can lock in again and start the process over - speeding up your repayments.

If you want to get ahead of your finances the first thing we need to do is review your current situation, understand where you want to get to and how we can get there the fastest. If you want to get ahead, then you need to do the work now.

To arrange your financial strategy session call **0416 294 483** or email me: **ben.white@fyimoney.com.au** and we'll tailor a plan just for you.

We've been handed an unprecedented opportunity. Why not take advantage of it today?





## CHRISTMAS WISHES COME TRUE

**One in four people have succeeded in realising their Christmas wishes, a new poll claims.**

In the United Kingdom, 2,000 adults were surveyed by National Express Coach, which found that around a quarter had had their Christmas wishes come true.



**FINANCE:** Twenty-three percent of those responding to the survey say they would like to be able to make the Christmas wishes of loved ones come true but have been unable to do so, with 47 percent acknowledging they are being held back by finances.



**TIME:** Around a fifth of survey respondents say that time was the issue for failing to make Christmas wishes come true.



**DISTANCE:** Nineteen percent say it is difficult to realise the Christmas wishes of loved ones come true because of physical distance.



**MEMORIES:** However, 75 percent say that the point of Christmas is not so much about making wishes come true as it is creating lasting memories with friends and family members.

# Thank you for the referral!

It means a lot to us when you stick your neck out for us and recommend our services to peers, friends and family, you don't have to do it and each time you do we feel incredibly grateful. Thank you to the following clients - we are truly humbled.

- Justine B for referring Simona & Billy
- Michelle C for referring Adele
- Michelle C for referring Dayna
- Barbara H for referring Daniel & Natalie
- Barbara H for referring Elias
- Louise S for referring Belinda
- Mike B for referring Kate
- Steve B for referring Claudia
- Heather W for referring Kerrie & Reece
- Christie H for referring Brooke & Terrence



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