

Getting Started or Getting Serious

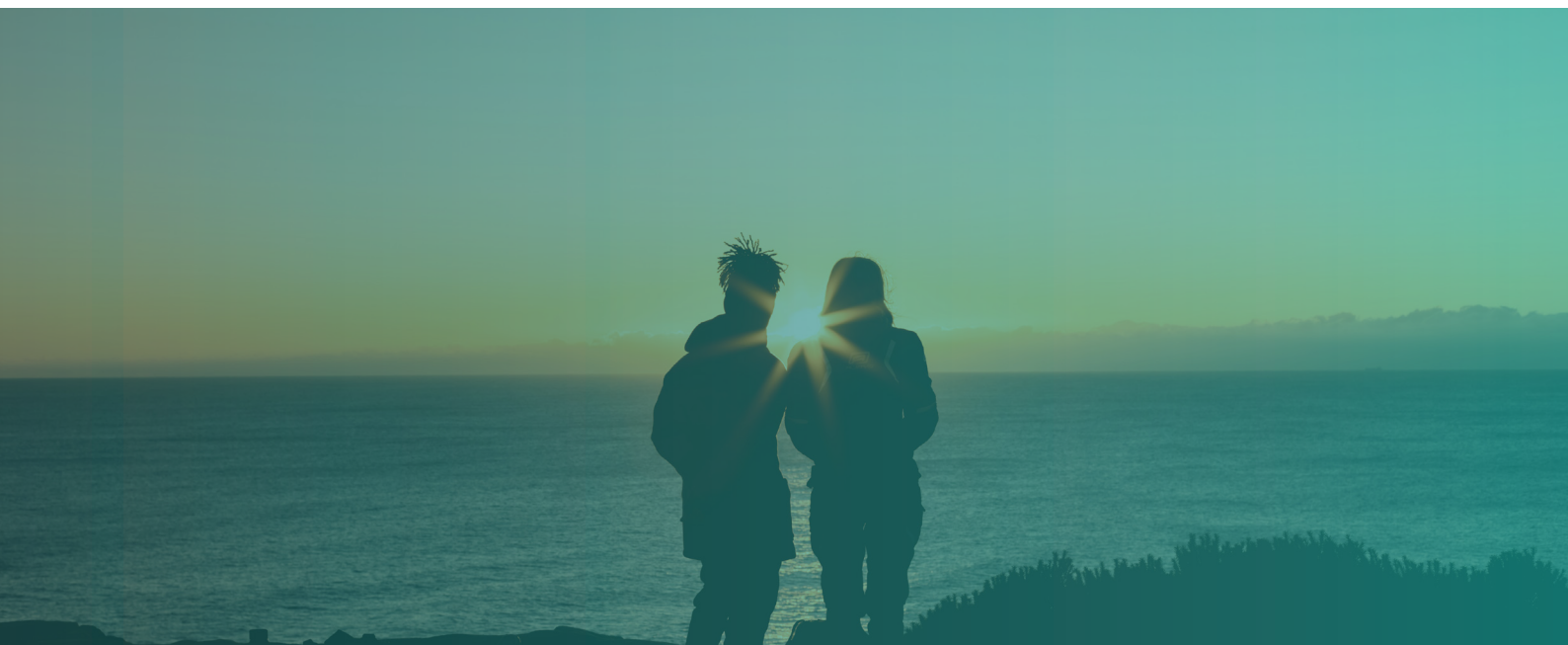
You've come to the right place

Research shows that investing \$10,000 in the Australian sharemarket in 1990 resulted in \$141,110 by December 2019¹. Notwithstanding the recent negative sentiment, the reality is that the Australian sharemarket continues to be a true performer and enables many investors to build long-term wealth.

Owning shares is not as daunting as you may imagine. Over 30% of all adult Australians own shares². And there is little wonder, investing in shares offers real advantages over other forms of investing including lower start-up costs (as little as \$2,000), price transparency, liquidity, flexibility and control. Unlike property, there are no conveyancing costs, stamp duty or ongoing expenses, nor expensive

real estate agent fees. You can even manage your investment over the internet or phone.

Of course people invest in shares to make money, both through share price growth and income paid as dividends. Shares can also provide welcome tax benefits.



¹ Fidelity International 30 Years in Australian and global shares 31 December 2019

² ASX - Australian Investor study 2017

There is no magic formula for buying and selling shares, however based on Burrell's more than 80 years helping clients build wealth, we present our top five investment tips:

BURRELL'S TOP 5

Tip 1. Identify a strategy and stick to it

An investment strategy reminds you (and your broker) of why you're investing, what your goals and objectives are, and what risk you are prepared to accept. Your broker will work with you to determine your relevant personal circumstances, investor profile and investment strategy, and then agree with you your investment solution having considered the tax implications.

Once you've set your investment strategy, give it time to work. Such discipline will keep you on track and help you to think long-term during short-term fluctuations.

Tip 2. Equip yourself with knowledge

Different investors operate differently. Some like to track their investments day to day, be in regular contact with their research analysts, and regularly review sources like the Australian Financial Review, Personal Investor magazine, the ASX website, and other credible sources.

Others neither have the time nor inclination, and rely on their broker to do the research and make recommendations. Then there are the investors in between. Regardless, enlisting the services of a full-service broker ensures you'll have ready access to the information you need to make smarter investment decisions.

Tip 3. Invest for the long term

One of the most effective ways to reduce risk is to invest over the long term. Investing involves a long-term commitment and not being easily swayed by short-term crises. If you sell when the market falls you will make real losses which are going to be much harder to get back in other ways.

On the contrary, when the market falls, it is often a good time to make new investments. Remain focused on what you are looking to achieve.

Tip 4. Diversify, diversify, diversify

Diversification reduces risk and is a key strategy to building an efficient investment portfolio. This means diversifying across asset classes like shares, fixed interest or cash, as well as diversifying your portfolio across companies, industries and countries, or even across different investment managers of managed funds. Diversifying across time is another tactic: buying at attractive share prices and building your portfolio over time.

By spreading your money across a well-diversified portfolio, you can lessen the effect of a fall in one company or market, as well as realising the benefit of various types of investments that perform better at different times.

Tip 5. Remember the tax implications

Don't forget to consider the tax implications of holding, buying and selling shareholdings. Your objective is to harness tax breaks and incentives and minimise the effects of taxation like Capital Gains Tax. Australian investors have the advantage of franking credits: the company pays tax on their profits before distributing to the shareholders; they can then claim a franking tax credit for the amount already paid by the company. A word of warning however: focus too heavily on the tax and you may lose your focus on the success of your investments and after-tax return.

"Time in the market not timing the market."

FOUR STEPS TOWARDS INVESTMENT SUCCESS

Step 1. Sign up for Burrell's broking benefits – what's in it for you?

From your first contact with Burrell you will feel like you've made the right move. Whether you are getting started in the sharemarket or you're looking for a better way, we've listed below the approach you can expect from us which sets us apart. Our clients want peace of mind in their investment endeavours and they want the process to be as transparent, quick and easy as possible. Most importantly, they want results. That's where we come in:

Your investments are important. We will treat them that way.

Despite our long history in stockbroking, you may feel hesitant in trusting us, or any firm, with your investments. That's why we take a disciplined approach to:

Get to know you and your goals.

You will be met with a member of our new business group who is adept at making the new advisor process easy for you. Then we encourage face-to-face contact as much as possible to get to know you and make sure you and your advisor are well matched. We also set portfolio review dates up-front: face-to-face 'check-in' points between clients and their advisor to regularly review your portfolio and objectives.

Ensure market returns and less volatility across portfolios.

Burrell's daily team meetings to share ideas and research, as well as regular supervisory reviews by Burrell directors, provides multiple inputs on your portfolio and means you and your advisor never work alone. For clients on a portfolio service, regular advisor 'desktop' reviews of your portfolio, close involvement and review by the Burrell Directors helps ensure your portfolio is on track.

You don't want to feel like a number. We provide personal service that is becoming so rare.

Burrell offers a level of personal service that many bigger firms are unable to match. Our trading, broking, research and settlement teams are close enough that we can afford to interact with our clients as individuals on a first name basis rather than as account numbers.

In one client's words: *"One of the advantages I enjoy with Burrell is that you can ring up at any time and speak to someone who knows either you personally or your company personally and knows what you are on about."*

You want to enjoy a trusted relationship with your own personal investment advisor.

For portfolio advice clients, Your personal advisor is your 'go to' person for everything you need. Backed by the Burrell team, they will:

- Work with you to set your service level based on your needs
- Work with you to plan an investment strategy to meet your goals
- Help you make important investment decisions
- Provide ongoing advice and act as your sounding board
- Facilitate trades
- Identify potential opportunities to enhance your portfolio
- Coordinate and deliver to you the best of Burrell's resources
- Regularly review your portfolio performance
- Over time, transfer their expert knowledge to you.

For portfolio advice clients, alongside your advisor stands a second advisor as well as a qualified team of asset sector specialists in fixed interest, property, international managed funds, options, and Australian equities.

You want to work with a private firm that aims to meet your needs, not ours.

While Burrell has broker access to select floats, placements and IPOs that may not be available to the general public, as a private firm we are less susceptible to the conflicts of interest and pressure to shift product that some larger brokers and underwriters may experience. We are not owned by a bank or other financial institution.

You want to be kept informed, and have confidence in the information.

Up-to-the-minute information is essential to identify investment opportunities and enable good decision making. Our in-house research facilities include 'live' world and company news services, in-depth profile analysis on listed companies, and, thanks to our alliances with major Australian broking firms, access to a national network of research compiled by renowned analysts and experts.

This gives us the capacity to cover a larger universe of stocks in-depth and to construct broad portfolios with a wide degree of confidence. It also enables considered advice built over time, not just blindly following what is hot in the financial media from week to week.

As a portfolio service client, each day you can receive Burrell's Daily Research Notes, as published the Burrell Bourse, and as needed, our latest research is available to you when you login at burrell.com.au. You can even have access to your own Burrell desktop software that gives you many of the market and portfolio information our advisors use in their day-to-day operations.

You want to leave your trade with us and know it's sorted.

Burrell is one of only two Queensland stockbroking firms who maintain our own inhouse stock clearing and settlement operations. Most other brokerage firms now outsource this vital function. In contrast, Burrell offers unparalleled control over the trading process from execution to settlement, giving us a level of efficiency and compliance that other firms can only dream of. No third party clearing houses, no delay, lower cost, and a Burrell expert to see it through.

You want your investments to be well-managed and wealth-producing.

Burrell offers three levels of portfolio service to help you keep up to date and make informed choices, and to help us provide you with the most valuable advice and recommendations. Importantly, our portfolio analysis software means we can take a more strategic approach to portfolio review.

"Call us conservative but we prefer to focus on long term growth not short term gains, and we like to measure portfolio returns, not transactions"

**— Chris Burrell,
Managing Director**

You want competitive brokerage rates.

Burrell remains one of the last privately held broking firms in the country. We are not multinational or even national and we don't outsource our scrip and settlement or portfolio services functions. Where there is less bureaucracy and complexity, there is more efficiency and less cost and we can pass the savings on to you with competitive brokerage rates and flexible pricing structures. Also, we don't trade unnecessarily, further minimising your costs.

That's because Burrell's overarching investment philosophy is to protect and grow your wealth and measure returns, rather than transactions or trades.

Ask us for our pricing fine points. You'll find once you get started with Burrell, like us you'll tend to focus more on your returns and less on the costs involved.

You want to deal with a firm that can offer more.

Burrell is a full service retail broker which means we provide advice on buying and selling shares, investment recommendations and research.

For new investors, the Burrell Top 20 Program gives you a share of the top 20 companies listed on the ASX. It doesn't require a big investment up-front and provides a new investor with transparency, flexibility and diversity. Ask us for more information if this sounds like a sure start for you or perhaps a thoughtful gift for a loved one.

We don't just trade listed Australian shares though; we do much more:

- Portfolio solutions
- Fixed interest
- Term deposits
- Cash management
- Listed debt and hybrid investments
- Government and corporate bonds
- Options and warrants trading
- Initial Public Offerings
- Real Estate Investment Trusts
- Margin lending
- International trading
- Off market transfers
- Managed investments

Of course we have a significant wealth management financial planning and superannuation practice too. Let us know if you'd like more information on how we can help.

Step 2. Sign up with the ASX's CHESS Subregister

The two ways shareholders can register legal title to ASX listed securities are on the:

CHESS Subregister

Clearing House Electronic Subregister System, the settlement transaction system of the Australian Securities Exchange or

Issuer Sponsored Subregister

A separate register as appointed by the public company.

The entire holdings of the two electronic subregisters make up the principal register of all shareholdings for a particular company. Irrespective of how you hold your securities, you will always need to trade through a broker.

We strongly recommend investors use CHESS to register their shares as this paperless electronic system offers many benefits. CHESS is free and:

- holds all your CHESS securities under one Holder Identification Number or HIN
- has efficient and accurate record keeping
- reduces transaction time and streamlines settlement, making sell transactions faster and easier
- provides monthly statements if there has been movement in the balance of your holding
- eliminates the risk of statements being lost
- reduces the chance of fines for late delivery
- reduces fraud
- facilitates off-market transfer
- substantially reduces the paperwork involved in deceased estates.

Unlike issuer sponsored holdings which allocates a different Shareholder Reference Number (SRN) for each parcel of shares you own, your CHESS sponsor/broker has immediate access to your HIN and can sell your shares without needing to find and provide the right SRN, and without first contacting the company's registry to confirm your ownership. To participate in CHESS, you'll need to appoint Burrell as your sponsoring broker by signing a sponsorship agreement which sets out the terms and conditions under which we can operate your holdings. As your CHESS sponsor, Burrell will issue you with a unique Holder Identification Number. Each time you purchase listed securities through us, your holdings will automatically be registered under your HIN. Burrell Premium Portfolio Service clients also have the added efficiency of your portfolio platform linking directly to your CHESS holdings.

Step 3. Consider a secure, higher interest, and seamless Money Market Deposit Account

We recommend you open an account with DDH Graham Limited which can be fully integrated with your portfolio at Burrell. This seamless service will facilitate automatic settlement of buy and sell transactions and enable quick and easy payment of dividends.

An account with DDH Graham provides bank security and competitive interest rates. DDH Graham has a strong history in servicing the investor market and we find it offers an efficient and competitive service which will save you time and money and ensures that funds are not left in our trust account at nil interest.

By depositing money in a DDH Graham Money Market Deposit Account, you are making a direct deposit with the Bank of Queensland. We can provide you with a copy of their Product Disclosure Statement.

Alternatively you may prefer to provide us with the authority to debit and credit your nominated bank account to facilitate settlement of trades.

Step 4. Select a portfolio service that suits you and your investment activities

We ask that all our clients subscribe to one of our three portfolio services. Why? Because a portfolio service can make all the difference to your portfolio's success. It will save you time and money, and in most cases, your portfolio costs will be tax deductible. Choose from:

Option 1. Portfolio Service

From this base level service, we support you by providing comprehensive research services and regular information on the value of your portfolio.

Option 2. Premium Portfolio Service (PPS)

Provides a complete solution to support your investment activities: a client-focused PPS administration team to handle your administration and paperwork, a skilled personal investment advisor to guide and support you, valuable research to inform you, and super-smart technology to capture it all and enable you to make better investment decisions.

Option 3. Individually Managed Portfolio Service (IMP)

Gives you the PPS above with one major add-on: once we agree your investment strategy, you prefer to leave the stock selection and other investment decisions, as well as implementation of the agreed investment strategy, in our hands.

GET STARTED

Whether you are getting started in the sharemarket, re-entering the market or you're an experienced investor, contact us for an obligation-free conversation.

P 1300 4 2877 355

W www.burrell.com.au

E clientcare@burrell.com.au

OUR OFFICES

Brisbane

P 07 3006 7200

Bundaberg

P 07 4153 4499

Gold Coast

P 07 5583 7800

Ipswich

P 07 3884 5700

Sunshine Coast

P 07 5353 5224

General Advice Disclaimer

This document contains general information only and does not take into account your personal objectives, financial situation or needs.

You should consider the appropriateness of the information in this document with regard to your objectives, situation and needs. You should obtain financial advice tailored to your circumstances. Contact us if you would like to speak to a qualified financial adviser

Participant of ASX Group and NSX
ABN 82 088 958 481
AFSL No 247431