



TRUE FINANCIAL ADVICE

By Jonas Wealth Management

The cornerstone of True Financial Advice comes from having a deep understanding of your ambitions, aspirations and goals. True Financial Advice is our name from the process in which we work together to establish, define, prioritize your goals which enables your advisor to build a financial plan with your individual goals in mind. Our advice focuses on placing your goals at heart and centre of the advice we provide to you. This means that your advisor will take the time to truly understand your desires, motivations, priorities and long term objectives. We utilise our expertise and unique understanding of your situation to provide you with clarity on your objectives and a precise plan on how to achieve these. Experience how True Financial Advice will enable you to achieve the financial freedom that you have always coveted.

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GENERAL ADVICE WARNING

The information contained has been provided as general advice only. The contents have been prepared without taking account of your personal objectives, financial situation or needs. You should, before you make any decision regarding any information, strategies or products mentioned on this website, consult your own financial advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

**Your Financial
Planning
Guidebook**

**Building Wealth Over
The Long Term**

THE FINANCIAL ADVICE PROCESS

BY JONAS WEALTH MANAGEMENT

True Financial Advice is about developing plans for the future that are tailored to your circumstances and what you are looking to achieve. We strive to construct bespoke solutions to help you achieve your goals and provide you with certainty for your financial future.

Our process starts with a complementary phone call to get to know you and see if you are ready for the advice process.

Step 1. Establish your current position. This encompassing taking wholistic approach to your current situation. Typically this will include developing an understanding of your income, assets, liabilities and financial picture as whole.

Step 2. Develop an understanding of how you want your future to look. This involves having a deep discussion regarding your goals, values and what are the non negotiable things your want you life to involve. For some this might be as simple as paying off the mortgage as soon as possible, while for others the overarching goal is to develop an income stream outside of employment to enable them to travel, enjoy the good things in life or simply remove the stress of the typical 9-5 grind.

Step 3: Understanding your knowledge of financial assets and risk. During this stage, we will discuss the risk and rewards of investing, how you prefer to invest, your level of financial education and determine your risk profile. Possibly, the most useful tool an investor.

Step 3. Once we have a clear picture of where you want to be and what is most important to you, we will perform in depth analysis of your existing situation and how it compares to your preferred future. Typically this will involve: reviewing your cashflow, modelling various financial scenarios (should you contribute more to the mortgage or should you start investing), how prepared you are for an unfortunate situation, if your investments are appropriate for your goals, the platforms and vehicles you are using to build or preserve your wealth and the suitability of various investment approaches for your circumstances.

Step 4: We will construct the formal financial plan (your Statement of Advice) that will highlight the recommendations we have made and alternate strategies that we have considered. During this stage, we will explain how we came to our recommendations and ensure that you are both comfortable and understand the advice that we have provided.

Step 5: Implement that advice that we have provided.

Step 6: Perform regular reviews of the advice that we have provided and the ongoing suitability of our recommendations as your situation changes.

OUR INVESTMENT PHILOSOPHY

BY TYSON JONAS

Investing is a long term game. It's not about trying to get one up on the market every single day, it is a process that requires dedication, prudent decision making and most importantly time.

It might surprise you to learn, just how important the last one really is. Take the Oracle of Omaha himself, the most quoted investor on earth Warren Buffett. As unbelievable as it sounds, over 99.5% of his wealth has been generated after his 52nd birthday. Time is your best friend when it comes to investing.

I believe that particularly for your investments within the stock market, there are core principles that are essential to hold as the integral rationale behind your investments.

1. Understanding and remembering that shares are stakes of ownership in actual businesses. Much like a private business owner would not sell a highly profitable, fast growing business in a sector with a huge market if it was to have one bad month of sales, it is crucial for us to remember to do the same with our public owned companies (shares).
2. Focusing on the true worth of the business, rather than the price. For 6 hours a day, 5 days a week the price of a share in a company is constantly changing. However, almost always the underlying worth of these companies have not changed, and it is an essential part of the process to disconnect the current price with the long-term value.
3. Using fundamental analysis of the business to calculate the intrinsic value of the company. This means critically evaluating the cash flow statements, income statements, balance sheet and implementing this through long term analytical tools such as the Discount Cashflow Analysis. In simple terms, it means working out how much cash the company will generate in the future, then applying a discount to this value to account for the risk of owning a business versus safer investments such as a government bond.
4. Recognizing that the greatest investment opportunities occur when there is a significant divergence between the price of an investment in the market and the true fundamental value, we have determined using the tools of point 3.
5. Utilising the emotional and psychological discipline to act only when opportunity is presented and not simply because others have been buying or selling a company we own or are interested in.

Equity markets can be a fickle beast at times. In a perfectly market efficient world, stock prices would only move when significant fundamental information regarding the future prospects of the underlying company and moves would be inline with the associated changes to intrinsic value.

However, other than the Mona Lisa, things in life tend not to be perfect. In the context of financial markets, this means that share prices can be driven by a multitude of factors of which include; rampant speculation, mania, momentum and a raft of other causation factors.

As we all know, bubbles are delicate instruments and only require the slightest friction before they are imminent demise. Throughout the history of financial markets periods of extreme over exuberance are followed by a painful (and often over enthusiastic) sell off. Typical of these events every investor who exhibits extreme confidence in the future, became pessimists of the highest magnitude

WEALTH CREATION

BY JONAS WEALTH MANAGEMENT

Wealth Creation involves careful investing into growth assets over a period of time in order to achieve financial independence and peace of mind. We firmly believe that your investment portfolio should be bespoke to yourself.

When thinking about creating wealth, it is important to understand:

- 1. What investments are available and your appropriate for your goals?** The investment universe is ever expanding and ever changing through an initial purpose of investment filter we are able to take this down to areas in which are suitable for yourself.
- 2. What level of investment risk are you prepared to take?** As your portfolio will be bespoke, it will be essential for us to understand how comfortable you are with risk and individual asset classes. An example of an individual who is looking to achieve higher long term performance is going to have to take more risk than an individual who is seeking lower returns.
- 3. What is your anticipated time horizon?** The longer you are looking to invest, the less important short term drawdowns in your portfolio will affect your ability to achieve your goals. In fact, often these are great times to reinvest in the strategy. However, if you are investing for shorter periods of time, an inconveniently timed draw down in the market may impact upon your ability to achieve your goals.
- 4. Do you have a need for liquidity?** Often growth assets are best held for the long term, if you are likely to have an event in the near future that is going to require redeeming your capital, it is appropriate to hold investments in highly liquid and less volatile asset classes.
- 5. What are your personal values?** It has never been easier to align your investment strategies with your personal values and beliefs. While some investors only care about the total return of their portfolio, for others it is of immense importance to invest in causes that they are passionate about. One of the most common examples we experience routinely is avoiding the presence of fossil fuels and investments with a negative environmental impact for clients who are passionate about sustainability of the planet.
- 6. The different taxation treatment associated with each strategy?** The old saying is that the only two certainties in life are death and taxes. Often it is important for investors to minimise their tax burdens so it is essential that your investment strategy aligns with this.

WEALTH PROTECTION

BY JONAS WEALTH MANAGEMENT

Many individuals take all of the right steps and put in place sensible Wealth Creation strategies that will ultimately lead to financial independence at their target retirement age. Often the main threat to that objective being achieved is illness or injury that results in the individuals earning capacity being reduced or lost either permanently or for a period of time.

To protect against these events it is vital that personal risk insurance is in place. A detailed analysis of your current position and future objectives is required to accurately calculate the amounts you require and how the policies should be owned. Having your policies structured correctly will avoid significant unexpected tax consequences at a time when you need financial certainty and security.

A combination of Life Insurance, Total and Permanent Disability Insurance, Income Protection and Trauma Insurance will provide comprehensive protection against unforeseen events.

We can assist you and/or your business in the following areas:

- Term Life Insurance
- Total and Permanent Disability (TPD) Insurance
- Trauma insurance
- Income Protection Insurance
- Keyperson Protection
- Partnership Insurance
- Group Salary Continuance