



REDE ADVISERS

UNLOCKING WEALTH, FOR LIFE

Financial Planning and Investment Advice



"Rede"

- *to prepare a plan or method,*
- *to set in order and arrange,*
- *to give counsel and advice,*
- *to take care of and protect.*

“A goal without a plan is just a wish”

Antoine de Saint-Exupery



Who is Rede Advisers?

Rede Advisers Limited (the 'Financial Advice Provider') holds a transitional licence issued by the Financial Markets Authority (FMA) to provide financial advice services (FSP 19741).

Rede Advisers is a Christchurch based financial planning practice that has been providing comprehensive financial advice and planning services since 2003. The Rede Advisers team has four Financial Advisers, three of whom are Certified Financial Planners^{CM}.

We provide tailored personalised service to ensure that financial plans and investment solutions are driven by our clients' goals and aspirations. Through the relationship with our team, clients gain clarity and confidence in their financial future.



Our Core Values

INTEGRITY – uncompromising integrity and honesty in all we say and do by always placing your best interests before any other consideration.

ADVICE – excellence in advice by accessing comprehensive research, advanced analysis tools, and highly competent and professional advisers.

RELATIONSHIP – we believe that relationships are paramount to great advice, both with clients and other professionals.

BEST SERVICE – excellence in service through unconditional respect for all clients and belief that service will set us apart from our peers.

LEARNING – absolute commitment to be the best we can be, obtain the highest qualifications available, and continually strive to learn more.

TEAM – we adopt a collaborative team approach to advice and service, ensuring clients receive the best of our collective knowledge, wisdom and experience.

“An investment in knowledge always pays the best interest”

Benjamin Franklin



Rede Financial Planning Team



Michael Shears – Director & Financial Planner

FA, CFP^{CM}, CLU^{CM}, B.Com, G.Dip.Bus.Stud (PFP end)

Michael's goal is to empower clients to make the best financial decisions through financial education, advice and planning. This advice is founded on long-term, often intergenerational, relationships. Michael enjoys helping clients find peace of mind, unlocking their wealth to achieve their goals in life.



Scott Stokes – Director & Financial Planner

FA, CFP^{CM}, G.Dip.Bus.Stud (PFP end)

Scott is passionate about helping people succeed. His aim is to eliminate the jargon and provide simple yet effective financial solutions to help clients unlock their full potential. Scott is an experienced facilitator and delivers the Sorted Workplace programmes run by the Commission for Financial Capability.



Steve Benton – Consultant & Financial Planner

FA, CFP^{CM}, CLU^{CM}, Dip.Bus.Stud (PFP end)

Steve was the founding partner of Rede Advisers and has nearly 36 years' experience as a financial planner. His experience and considerable knowledge assist in providing security and safety when building client portfolios and enabling his clients to make sound financial life decisions.



Ona Mackonyte – Financial Adviser

FA, BSc, MSc, Grad.Dip.PFP

Ona is passionate about investment planning, with a focus on behavioural finance, financial decisions and how they relate to your personal situation. Ona enjoys building long-term relationships with clients helping them make informed financial decisions.



Michael Borthwick – Client Services - Investments & KiwiSaver

Michael assists the advisers by providing efficient client service in relation to investment and KiwiSaver matters. He helps with all general investment and KiwiSaver enquiries. Michael is working towards becoming a qualified adviser.



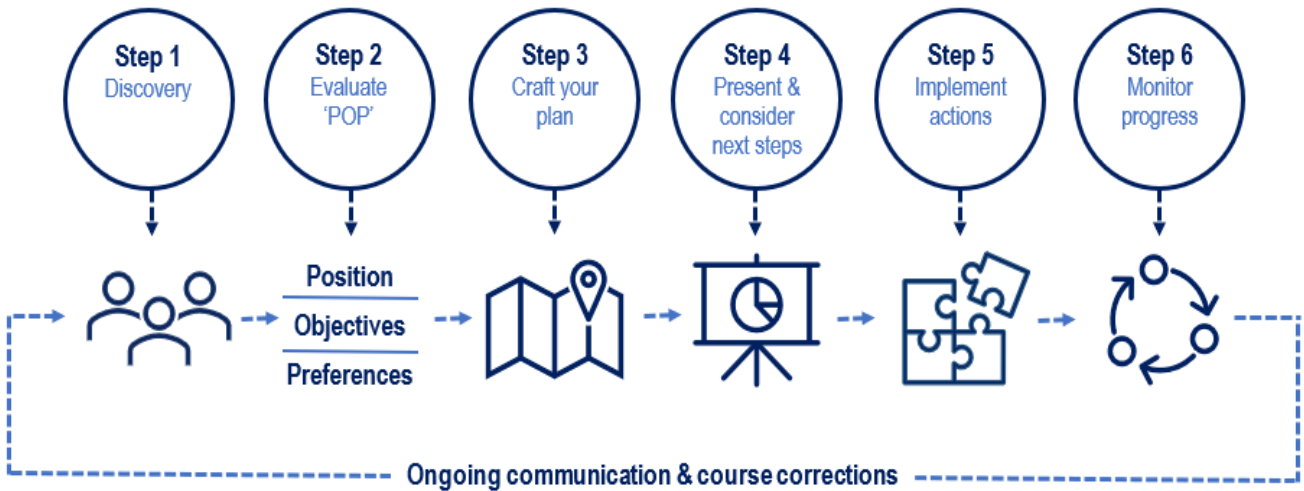
Frances Algar – Office Administrator & Client Services

Frances is your first point of contact with the Rede Office. She looks after all office administration tasks for Rede Advisers. She also supports the wider team in providing insurance and investment client service.



Financial Planning

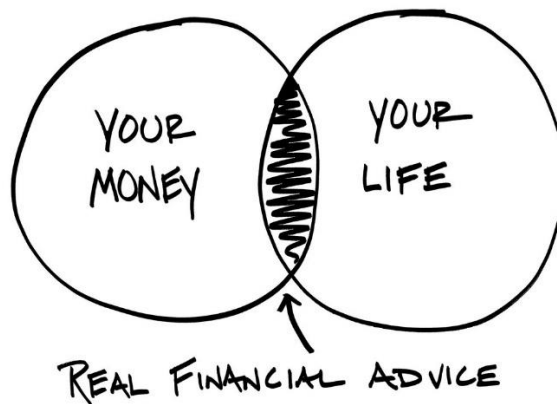
There is immense value in comprehensive financial planning and good financial decision making. It's important to remember and easy to forget that the end goal of comprehensive financial planning goes beyond choosing the right investments.



As financial planners, we help to identify and quantify your key financial and life goals, and then work with you to determine where you are now, where you want to be – and how you are going to get there. The chart above illustrates the Rede Advisers' collaborative advice process.

Through this process, the Rede Advisers team will gather information from you, complete an analysis and prepare recommendations for you. We will ensure that you understand the advice and how this will benefit you. This includes discussion around behaviours and actions that could impact on the chances of you achieving your goals.

Importantly, this is not a 'set-and-forget' process. Circumstances will change over time and we work with you to monitor progress and keep you on track. The Rede Advisers team are uniquely positioned to provide this as we aim to continue developing lifelong, and often intergenerational, relationships.

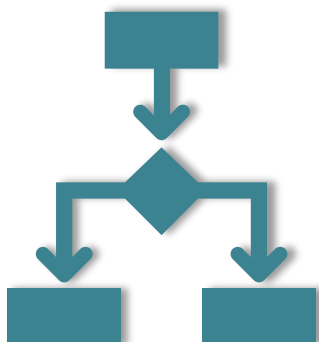


BEHAVIOR | GAP



We offer comprehensive advice, including the following key areas:

Financial Planning



Comprehensive Financial Planning

A comprehensive six-step process - identify goals, assess key issues, analysis and planning, financial plan implementation and on-going review.

Cash Flow Management

Planning and implementation of cash flow management plans to provide regular and reliable cash flows, including use of cash manager accounts.

Debt Management

Advice on use of debt, debt repayment strategies, term structures and tax deductibility.

Investments



Investment Management

Goal setting, risk profiling, asset allocation, portfolio construction and management to meet personal objectives.

Investment Review

Review and analysis of investment portfolios vs objectives, investment rules, tax effectiveness.

Trust Review

Trust portfolio review and advice for trustees and beneficiaries, ensuring prudent investment strategy and documented processes.

Retirement Planning



KiwiSaver

Advice for individuals on benefits, first home, contributions and investments, employer schemes.

Retirement Savings Modelling

Cash flow modelling, advice on retirement accumulations based on cash flow needs, accumulation and decumulation plans.

Superannuation, Pension and Annuity Analysis

Financial modelling on cash flows, annuities and pensions, including UK defined contribution or benefit schemes, G.S.F. and National Provident Funds.

Insurance



Personal Insurance Protection

Advice on appropriate covers to meet risks including life, disability, income protection and critical illness insurance.

Medical Insurance Protection

Medical cover for individuals and their families, group medical schemes for employers.

Business Insurance Protection

Advice on covers and ownership for directors, shareholders, “key persons”, business continuity, ‘buy-sell’ agreements and succession planning.

Financial Services



Estate Planning and Trust Management

Advice on asset ownership and compliant Trust management, operating a Trustee Company.

Custodial and Record Management

Holding and managing documents for security including both electronic and physical storage.

Where other professional advice is required, outside our scope of expertise, we work with a select group of accountants, solicitors and other professionals to ensure that our clients' needs are met.

Investment Principles

1 Embrace Market Pricing

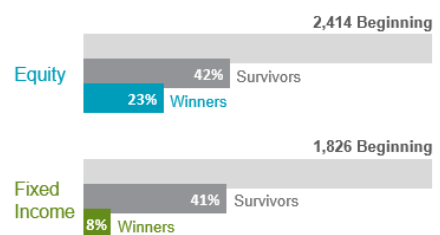
The market is an effective information-processing machine. Each day, the world equity markets process billions of dollars in trades between buyers and sellers - and the real-time information they bring helps set prices.



2 Don't Try to Outguess the Market

The market's pricing power works against mutual fund managers who try to outperform through stock picking or market timing. As evidence, only 23% of US equity mutual funds and 8% of fixed income funds have survived and outperformed their benchmarks over the past 20 years.

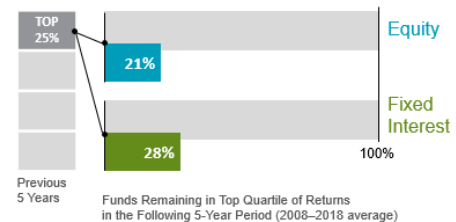
US-Based Mutual Fund Performance, 1999–2018



3 Resist Chasing Past Performance

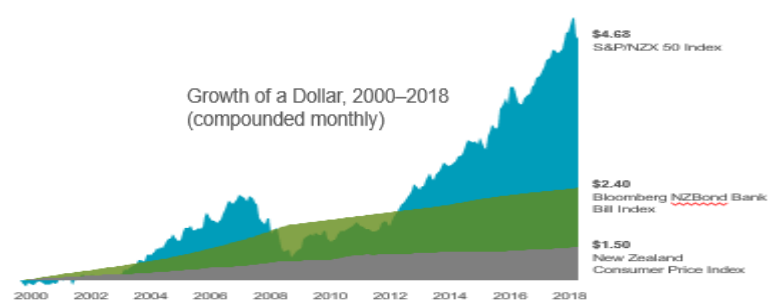
Some investors select mutual funds based on their past returns. Yet, past performance offers little insight into a fund's future returns. For example, most US mutual funds in the top quartile (25%) of previous five-year returns did not maintain a top-quartile ranking in the following five years.

Percentage of Top-Ranked US Mutual Funds That Stayed on Top



4 Let Markets Work for You

The financial markets have rewarded long-term investors. People expect a positive return on the capital they supply, and historically, the equity and bond markets have provided growth of wealth that has more than offset inflation.



5 Consider the Drivers of Returns

There is a wealth of academic research into what drives returns. Expected returns depend on current market prices and expected future cash flows. Investors can use this information to pursue higher expected returns in their portfolios.

Equities:

- **Company Size** (Market Capitalisation)
- **Relative Price** (Price / Book Equity)
- **Profitability** (Operating Profits / Book Equity)

Fixed Interest:

- **Term** (Sensitivity to Interest Rates)
- **Credit** (Credit Quality of Issuer)
- **Currency** (Currency of Issuance)



6 Practice Smart Diversification

Holding securities across many market segments can help manage overall risk. But diversifying within your home market may not be enough. Global diversification can broaden your investment universe.

Home Market
Index Portfolio



S&P/
NZX 50 Index
2 countries,
50 stocks

Global Market
Index Portfolio

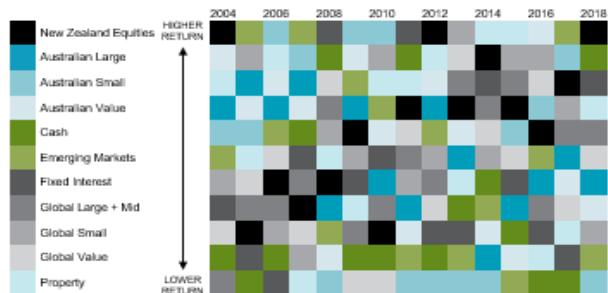


MSCI ACWI
Investable
Market Index (IMI)
47 countries,
8,722 stocks

7 Avoid Market Timing

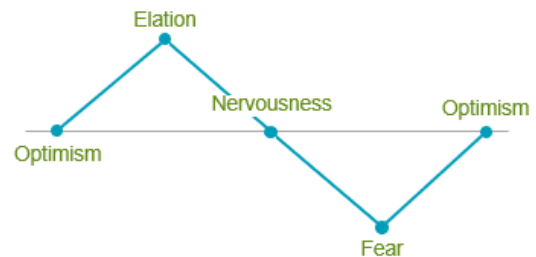
You never know which market segments will outperform from year to year. By holding a globally diversified portfolio, investors are well positioned to capture returns wherever they occur.

Annual Returns by Market Index



8 Manage Your Emotions

Many people struggle to separate their emotions from investing. Markets go up and down. Reacting to current market conditions may lead to making poor investment decisions.



9 Look Beyond the Headlines

Daily market news and commentary can challenge your investment discipline. Some messages stir anxiety about the future while others tempt you to chase the latest investment fad. When headlines unsettle you, consider the source and maintain a long-term perspective.



10 Focus on What You Can Control

A financial advisor can offer expertise and guidance to help you focus on actions that add value. This can lead to a better investment experience.

- ✓ Create an investment plan to fit your needs and risk tolerance.
- ✓ Structure a portfolio along the dimensions of expected returns.
- ✓ Diversify globally.
- ✓ Manage expenses, turnover, and taxes.
- ✓ Stay disciplined through market dips and swings.



Investing in a Better World

Ethical, Green, Responsible, ESG, Socially Responsible, Sustainable investing.... these are all terms used to describe investment approaches that aim to exclude certain companies or sectors, but not purely based on their investment outlook. Such investing has gathered significant momentum in recent years with investors wanting to ensure their funds are invested in line with their personal values and passions. However, the challenge is that everyone's interpretation of what is responsible, ethical or green is different. Rede Advisers has helped many investors to invest in such a manner, in investment and KiwiSaver portfolios.

WHAT IS RESPONSIBLE INVESTING (RI)?

Responsible Investing is a holistic approach to investing that includes environmental, social and governance (ESG) factors into all investment decisions, to better manage risk and generate sustainable long-term returns. Responsible investment does not typically just rule out investing in any sector or company. It simply means considering ESG factors when making investment decisions. However, all companies in some controversial sectors can end up being excluded based on the depth of their social impact (e.g. cluster bomb manufacturers).

WHAT IS SOCIALLY RESPONSIBLE INVESTING (SRI)?

Socially Responsible Investing is the broad term for an investment approach which seeks to consider investments in companies delivering both a financial return and a social benefit. The most common approach is for SRI funds to utilise a "negative screening" process specifically excluding certain companies or industries assessed as having a negative impact on society. Exclusions can be based on values, ethical or moral grounds, and cover areas such as alcohol, gambling, tobacco, all weapons and, more recently, fossil fuels.

*In short RI includes ESG factors – a positive approach,
SRI excludes investments based on certain criteria – negative screening*

Here are examples of the specific ESG factors:



Environment
Climate change
Greenhouse gases
Overuse of resources
Waste and pollution



Social
Working conditions
Child labour
Community labour
Health and safety



Governance
Board diversity and structure
Pay level
Bribery and corruption
Lobbying and donations

Some of our Investment Partners

We work with many financial institutions and make recommendations depending on each client's specific goals and needs.





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The information contained in this document is general in nature. It may not be relevant to individual circumstances. Before making any financial decision, you should consult a professional financial adviser.

