Stockbroking | Wealth Management | Corporate Advice

morgans

Morgans Kedron

Look through the lens of experience

Clear, Sound Advice

Never underestimate the power of a well-made decision

Our wealth managers consider more possibilities – not always the most obvious ones.

About Morgans

Morgans has been helping investors since our beginnings 30 years ago. While our reputation was established in stockbroking, we now assist with all aspects of wealth management.

Morgans is Australia's largest national full-service stockbroking and wealth management network, with over 500 qualified advisers across 60 offices in all states and territories who assist our clients with over $60 billion in funds under advice.

We recognise, for advisers to fully service our clients, they need access to comprehensive research analysis, global strategic insight and new investment opportunities. With this in mind, we formed an alliance with global banking group ABN AMRO in 2000, continuing with Royal Bank of Scotland from 2009 and since 2013 with CIMB Group, one of Asia Pacific's largest investment banks.

This alliance allows us to retain our Morgans name and operational Independence and enables us to invest in state-of-the-art client service and portfolio administration infrastructure – which empowers our advisers to assist their clients in achieving their financial goals.

Under the alliance, the Morgans research team has expanded and offers significant equities research coverage across both large and small cap stocks with over 200 companies researched by more than 20 analysts.

Our Unique Service Offering

Our office was established in 1999 from a need to offer a unique and comprehensive investment service to our clients in Chermside and its surrounding suburbs.

Our office is owner managed – we believe this differentiates us from many other financial planning groups, adding another level of commitment, focus and motivation to our role as your adviser. Our origins began in stockbroking, and our experienced advisers are attuned to the markets and its various cycles.

Full Service Broking

The business is built on providing tailored professional advice based on comprehensive market knowledge, thorough research and years of experience in the Australian share market.

Advisers are supported by a powerful national research team, access to global research, as well as a leading corporate finance team providing a diverse range of investment opportunities. If you are new to share investing, Morgans regularly produces a number of publications you may find helpful.

Research

The Morgans research team is one of Australia's leading research teams. The team was awarded Australia's joint-best in the prestigious annual StarMine AFR awards for 2009, 2010, 2011, and 2012. The Morgans technical research team compliments company analysis, sector updates and market commentaries, with updates on legislation, superannuation and investment strategies.

Wealth Management

Our wealth management service offers clients advice across all areas of investment strategy. Our team will help define the right financial structure and tailor comprehensive financial solutions, to enable clients to achieve returns that meet their investment goals.

Our financial advisers can offer assistance and advice on:

- Investment structures
- Superannuation and SMSFs
- Personal insurance and estate planning, retirement structuring and income strategies

Floats and Initial Public Offerings

The Morgans corporate advisory team is one of the countries leading teams, with experience in all aspects of corporate finance. The team boasts extensive capital raising experience and is ranked number one in the small to mid cap market.

Morgans Kedron

The success of the Kedron office is driven by the tailored and individualised nature of our service.

Morgans Kedron believes in the value of long term relationships built on trust through considered and appropriate investment advice and solutions. Relationships with our clients are based on trust and transparency.

Our range of services include:

- Stockbroking
- Retirement planning
- Superannuation
- Self Managed Superannuation Funds
- Estate planning
- Portfolio administration
- Managed funds
- Margin lending
- Derivatives
- Personal Insurance and risk management
- Cash and fixed interest

Investing with us

Our Investment Philosophy

Our investment approach is fundamentally and technically based. This style recognises that in any investment or asset class there can be a valuation range from being undervalued to overvalued. Through proactive portfolio management we aim to capture this range when establishing and maintaining a portfolio.

We adhere to well developed principles and methodologies that have worked over extended periods of time and during a variety of market conditions. We aim to protect your portfolio from significant falls, and perform well over the long term. We worked closely with our clients during the market correction of 2008 to 2009 to achieve the best possible returns despite the volatile market.

Our Advisory Process

We recognise that many investors have neither the time nor the expertise to manage their portfolios or keep abreast of developments in legislation and investment markets. Your adviser, together with the range of specialists in head office and across the network, pride themselves on operating as a team to provide a complete solution for your financial needs.

Our process seeks to provide a:

- **Comprehensive overview** of your current financial situation
- **Full assessment** of your goals and objectives
- **Analysis** of alternative strategies and identification of relevant issues
- **Investment recommendations** in the context of a total solution
- **Implementation** of your preferred strategy using the best internal and external resources
- **Active ongoing management** of your portfolio of investments
- **Regular, ongoing review** of your situation and requirements
- **Control of all reporting** and administration.

This process assists to build a financial strategy that appropriately addresses our clients needs and goals.

Financial Advice

Although every client has individual circumstances and specific financial goals, we believe most clients aspire to similar goals – maximising their wealth now and for the future to ensure financial security and an improved quality of life. Planning for your future in today's complex and changing environment is paramount for ensuring financial security.

We work with you to define your investment goals and set financial objectives to suit your lifestyle, income and future needs. We then help you to build an investment portfolio with a mix of assets to meet your personal and financial objectives. To assist you to achieve the objectives you have set and are taking advantage of investment opportunities as they arise, we recommend reviewing your portfolio on an ongoing basis.

The fact we can offer clients a wide choice of investment options, allows us to formulate personal investment strategies based on individual needs and objectives. Our advisory team has expertise in areas of funds management, superannuation and retirement planning.

Asset Classes and Risk Profile

There are five main asset classes that are often referred to, being Property, Cash and Fixed Interest, Australian Shares and International Shares.

How an investor's assets are allocated across each class is broadly determined by their risk profile and valuation metrics. Over an extended period of time an investor's risk profile and subsequent asset allocation provides the largest part of the variation in returns between different portfolios.

For all asset classes a well defined exit strategy ensures that the emotion is taken out of the decision. The focus should not be on the profit or loss of the particular investment at the time but on the selection and exit criteria.

Following is a brief outline of each asset class.

Property

Property is often perceived as a secure long term investment. For the majority of investors, the only way to invest in a spread of quality residential, retail, industrial or commercial property is through a diversified property trust. As an investor you share in the rents received and the increases in the capital value of the properties in the trust. Listed property trusts income provides certain tax advantages. This may include a tax free/deferred component which represents the depreciation on building plant and equipment.

Cash

Funds in this investment category, are normally invested in bank guaranteed areas and are often available at 24 hour call. There are also some longer term investments where return is higher than cash investments, but you still have security. These can include debentures, mortgages and bank deposits. In most cases income is paid periodically.

Fixed Interest

Fixed interest securities can include longer term investments such as Government and Semi Government Bonds and capital notes. These types of investments pay a fixed rate of interest until maturity. Whilst the income is usually fixed, the underlying capital value can rise as well as fall. This is because prices are determined by market interest rates. On a general basis fixed interest can be less volatile than growth assets such as shares and property. This asset is often liquid, meaning that it is easily accessible. Therefore, holding a portion of your investments in fixed interest can address your concern relating to easy access to your capital and increased capital stability.

Australian Shares

Investment in Australian shares can provide investors with a hedge against inflation. This can happen in two ways. History shows that quality companies provide you with dividends that increase over time. The increasing dividends increase the value of the shares, providing capital gains.

Dividend imputation enables shareholders to receive a credit for tax already paid by the company. In effect, only shareholders whose personal marginal rate of tax is higher than the company tax rate (currently 30%) will be taxed further on dividends received. In many cases, investors whose marginal rate of tax is less than the company rate will receive a tax credit on dividends received, which can then be used to offset tax payable against other taxable income.

International Funds

The Australian sharemarket represents a small percentage of the world's sharemarket capitalisation. International funds therefore offer investors the opportunity to access a wider global investment market. The focus of international fund managers is to buy shares in larger, more productive foreign companies that are not directly available to Australian investors.

International shares have the volatility of market returns plus the added volatility of currency. If you have an investment in, say the US, and our currency gains in value relative to the US dollar your investment will be worth less in Australian dollars. The reverse is also the case. It is possible to hedge against currency risk, particularly through investment in managed funds.

Portfolio Management

Investing for the long term

We aim to buy assets which are good enough to keep for life. Even with these, however, circumstances can change and the need to sell sometimes arises. By regularly reviewing your investments, we can advise you when appropriate opportunities to buy or sell arise.

The long term performance of an investment in a listed company will be significantly improved if the company has most, if not all, of the following characteristics:

- A sound business model which is transparent and easily understood
- The potential to grow profitably and consistently
- A competitive advantage making it difficult for others to establish themselves profitably
- Are operated by competent and prudent managers
- Low debt levels
- Conservative accounting practices
- A high return on equity
- Finally and most importantly, a reasonable valuation

Despite the use of the aforementioned criteria, situations will arise when a stock should be sold. We may consider selling an investment should any of the following situations arise:

- Opportunity to take profits
- If one of the above stock selection criteria begins to deteriorate
- If a profit downgrade is announced
- If the share price enters a longer term down trend.

When investing, it is useful to think of it as buying a stake in a business not an investment in the stock market. Over the long term a company that is able to consistently increase its profit will prove to be a successful investment.

Maintenance of a core portfolio

All portfolios are designed to include a core portfolio of quality, long term stocks aimed at representing the broader market.

Reduce risk through diversification

A key aim for any portfolio is diversification across a range of sectors (to reduce sector specific risk) and asset classes, according to each client's risk profile.

Focus on total return

Identify stocks that offer long-term growth prospects as well as income potential.

Research driven process

Morgans and the Kedron Office continuously utilise research and analyse macroeconomic factors and individual investments.

Tax effective management of portfolios

This involves tailoring the solution to fit individual taxation needs, incorporating optimisation of capital gains and losses.

Accurate and timely information

wealth+

Wealth+

Our Managed Portfolio Service Wealth+ provides a complete administration service which can cater for the most complicated strategies or investment structures a client may have. Across the Morgans network Wealth+ manages over 12,000 portfolios and in excess of $12 billion in funds invested.

The Wealth+ service ensures your adviser can closely monitor investment portfolios, manage a tax efficient outcome, and provide a full reporting structure to help make investment decision and investing easier.

The key features of this service include:

- All administrative tasks are taken care of, sparing you the time consuming task of sorting mail, providing TFNs, bank account details and keeping track of paperwork
- All dividends and income distributions are collected and recorded
- Quarterly portfolio and transaction reports providing detailed information on activity and progress of your investments
- Forecast cash flow and income reports
- Interim and annual tax summary reports which include capital gains tax calculations
- Periodic payments to your designated accounts to meet regular living expenses if required
- The establishment of a cash management account from a choice of leading providers
- If managed funds or margin loans are recommended all trail commissions will be rebated to you
- A reduced brokerage rate for Wealth+ clients

Details of your investment portfolio can be viewed at any time on our website. Our website also provides you with access to our research database, market news, watchscreens, and more.

Our comprehensive portfolio review service

In addition to the contact you will receive from your adviser, we offer clients a comprehensive regular portfolio reviews service. These reviews are conducted between the adviser and the client, and involve a detailed review and analysis of the performance of your portfolio.

Portfolio review meetings are set at regular intervals (e.g. annually or bi-annually), and can include the following where relevant:

- Confirmation of your needs, goals objectives and your risk profile
- An update of how the broader market has performed during the period
- An overview of the performance of your portfolio during the period
- A review of your asset allocation
- Analysis of your portfolio yield, forecast yield, and the timing of future dividend payments
- An overview of your tax position (realised and unrealised gains)
- Consultation between you and your adviser as to any actions to be implemented based on the out comes of the meeting

To change your future, shift your perspective

We see the big picture for our clients.
We stick our neck out to help
expand your horizons.

A Cohesive and Dynamic Team

We have assembled an experienced and highly motivated team of professionals with complementary and diverse skill sets, who take pride in helping clients achieve their financial goals.

Jeff Kumnick

Authorised Representative: 000259251

Branch Manager

"My objective is to help clients create, preserve and utilise wealth through effective financial management and tailored personal advice."

Jeff specialises in working with clients to establish their short to medium and long term investment goals. He will then deliver ongoing advice for investment selection and portfolio management strategies to assist clients to work towards achieving those goals. The core of this strategy is to buy good quality assets and review their performance and prospects regularly.

Andrew Horsbrugh

Authorised Representative: 000259114

Senior Private Client Adviser

"I consider your needs as a whole and aim to provide comprehensive advice across all areas of financial planning and investments."

Andrew specialises in direct share investment. He has a particular interest in medium/long term growth portfolios and conservative options strategies to boost income or protect capital. He believes he can best assist clients when he has a thorough understanding of their financial position goals and objectives.

William Peters

Authorised Representative: 000259644

Senior Private Client Adviser

"I strive to identify market opportunities and align them with my clients' goals. Clients can be assured that I will do everything I can, to assist them in achieving their long term objectives."

William's preference is to build portfolios of quality shares with the aim of creating wealth over longer investment periods. William is accredited to provide advice in managed funds, superannuation funds, financial planning and insurance. Subject to the investment risk profile of the client, William can also recommend short term trading opportunities as an additional component to a quality portfolio.

Matt Hollyman

Authorised Representative: 000322372

Senior Private Client Adviser

"As markets ebb and flow, it is my personal relationship with clients that enables them to trust and profit from my advice."

Matt has been working in financial services since 1999 in a variety of capacities. Experienced in investments, financial planning and superannuation, Matt directs his efforts to building and managing wealth for small business operators, professionals and retirees through shares, managed funds and cash-based products.

A Cohesive and Dynamic Team

We believe in the value of long term relationships built on trust via the provision of tailored and professional expert investment advice and personalised service.

Ian Schuntner

Authorised Representative: 000335413

Senior Private Client Adviser

"I believe my strength in advising stems from a passion for the industry and the experience I have gained from advising clients through diverse market cycles."

Ian's objective is to work towards maximising Morgans' clients' investment returns. The emphasis is to assist in building long term wealth through the construction of quality portfolios while being ready to take advantage of shorter term trends in the markets.

Curt Mathews

Authorised Representative: 000442359

Senior Private Client Adviser

"I look to optimise the quality of life for my clients by providing them with clear and considered investment advice and strategy."

Curt will work closely with clients to identify their financial goals and needs, and construct an investment strategy in line with an agreed investment risk profile to assist in achieving their financial objectives. A tailored portfolio comprising direct shares and/or managed funds may be recommended to ensure asset allocation and performance objectives are met.

Liane Dobson

Authorised Representative: 000259304

Advisers Assistant

Liane's main role in the Kedron office is to provide administration and compliance support to the advisers. Liane's wealth of customer service experience and extensive knowledge of financial industry procedures also enables her to assist clients with their investment and administration requirements.

Lydia Bramwell

Advisers Assistant

Lydia's role within the Kedron office is to provide administration support to the advisers and their clients. Lydia previously worked in the banking and government sectors before joining Morgans in 2018.

Investment Opportunities

Initial Public Offerings (IPOs) / Secondary Raisings – equity markets*

Morgans provides our clients with access to a wide range of investment opportunities including IPOs, secondary raisings and hybrid offers. Over the years, Morgans has had a named role in the IPOs of many quality Australian companies including Flight Centre, Corporate Travel Management, Domino's, Apollo, Telstra and Bank of Queensland.

More recently, Morgans has had a lead role in the IPOs of Smart Group Corp, (up 703.1% since listing in 2014), Lovisa (up 431.5% since listing in 2014), Beacon Lighting (up 163% since listing in 2014), People Infrastructure (up 120% since listing in 2017), Baby Bunting (up 82% since listing in 2015), Wagners (up 65.7% since listing in 2017) and Medibank Private (up 62.9% since listing in 2014).

Initial Public Offers

Initial Public Offerings (IPOs) – fixed interest*

Morgans is a major participant in the ASX listed bond, hybrid and debt capital market. Our experience includes large offers for the 'big 4' banks as well as other major corporations delivering strong retail support for the issues.

We have extensive experience in structuring convertible notes and other debt issues. We also offer money market and treasury services for our corporate clients.

Our clients have the opportunity to invest into a large number of ASX listed bank and corporate hybrid issues. Recent fixed interest raisings in which Morgans had a lead role include ANZ, NAB, Macquarie, Commonwealth Bank and Suncorp.

Fixed Interest Offers / Debt Capital Markets

Sophisticated Investor

For clients that meet the definition of a Sophisticated Investor under the Corporations Act (sec 761G and 708), opportunities such as share placements, underwriting and unlisted investments are available. Often these capital raising's allow investors to participate in 'institutional placement's' at attractive discounts to prevailing market prices or investments at the pre IPO (seed capital) stage. For more information as to whether you may qualify talk to Morgans.

*Morgans acted in a corporate capacity for the companies and transactions outlined here. Past performance is no indication of future performance. Data is at 1 October 2018.

Client Service Offering

	Wealth+		Personal Service		General Service		Transactional Service	
Adviser Access Offering								
In Person	✓		✓					
Via Phone	✓		✓		✓		✓	
Via Email	✓		✓		✓		✓	
Strategy Adviser/Financial Planner	✓		✓					
Stockbroker	✓		✓		✓		✓	
Portfolio Review Offering								
Strategy Review Appointments	✓	Annually	✓	Annually				
Portfolio Reviews – Emailed or Posted	✓	Quarterly	✓	Semi-annually				
Asset Allocation Review	✓	When required	✓	When required				
Annual Client Summary Update of Situation	✓	Annually	✓	Annually				
Stock Specific Recommendations (where appropriate)	✓	Targeted	✓	Targeted	✓	General		
Level of Advice Offering								
Personal Advice	✓		✓					
General Advice	✓		✓		✓			
Executional Services	✓		✓		✓		✓	
IPO/Floats Access Offering	✓	Priority Allocation	✓	Priority Allocation	✓	If Available		Not Offered
Reporting								
Investment Summary Report	✓							
Forecast Income Report	✓							
Accountant Tax Summary Report	✓							
Electronic file provided direct to your accountant	✓	Where available		Where available		Not Offered		Not Offered
Portfolio Position Report	✓	Free on Request	✓	Free on Request	✓	$55	✓	$55
Quarterly Newsletters	✓		✓		✓			
Morgans Client Website Access								
Wealth+ Holdings	✓							
Wealth+ CGT (Capital Gains Tax) Screen	✓							
Wealth+ Reports Screen	✓							
Portfolio Holdings Screen	✓		✓		✓		✓	
Research Access	✓		✓		✓			
Fees & Charges								
Account Setup and Establishment Fee	$0		$0		$55		$55	
Portfolio Management and Administration Service	Refer Fee Schedule		Variable		N/A		N/A	
Ongoing Personal Advice Service	Included in W+ fee		Max 1.10% pa		N/A		N/A	
Brokerage	Discounted Rate		Refer Schedule		Full Rate Schedule		Full Rate Schedule	
Annual Account Fee	$0		$0		$110		$110	
Off Market Transfers	$0		$110		$110		$110	
Trade Confirmation Re-Issue	$0		$55		$55		$55	
Statements of Advice								
Single Strategy	$660		$990		N/A		N/A	
Dual Strategy	$900		$1,375		N/A		N/A	
Triple Strategy	$1,300		$1,980		N/A		N/A	
Complex Strategy (A)	$1,650		$2,530		N/A		N/A	
Complex Strategy (B)	$2,500		$3,740		N/A		N/A	
Multi Faceted Specialist Advice	P.O.A.		P.O.A.		N/A		N/A	
SMSF Investment Strategy/Testamentary/Special Disability	$0		$550		N/A		N/A	
Hourly Rate (Additional adviser contact outside of package inclusions)	$0		$220		$220		$220	

* Note: All prices quoted are inclusive of GST

Tomorrow's blossoms rely on today's seeds

We're experts at nurturing growth for your future.
The transformation may surprise you.

Morgans Financial Limited
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A Participant of ASX Group | A Professional Partner
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