

HARTEY NEWS



KEEPING YOU ABREAST OF COMPANY DEVELOPMENTS AND INFORMING YOU OF CHANGES WITHIN THE FINANCIAL INDUSTRY

SPRING 2016

www.harteywm.co.uk



CONTENTS

- 2 Chester Office Now Open!
Hartey Wealth Management
launch Second Opinion
service
- 3 Don't Panic!
- 4 Pensioner Scams – Beware of
fraudsters
- 5 You don't have a Will?
- 6 Spring Seminars
- 7 Charlotte Hartey
Foundation: What we've
been up to....
- 8 You loved your last book, but
what are you going to read
next?

With 2015 well and truly behind us, we welcome what promises to be another hugely busy 2016.

We've started the year by introducing a couple of new branches to the business, which you'll find out more about by reading on, but we're also eager to catch you up on some important things that the last month or so of 2015 raised.

So, enjoy the read, and remember, if there's anything you have any questions about, please do not hesitate to get in touch with us by calling 01691 654613 or emailing info@harteywm.co.uk

OPENING HOURS:

Monday – Thursday 9.00 am – 5.00 pm, Friday 9.00 am – 4.00 pm



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CHESTER OFFICE NOW OPEN!

As well as our Oswestry Office we have taken a step closer to the Cheshire Life by opening a permanent office on Hilliards Court, Chester Business Park.

Not only does the opening of the Chester office mean that we can better-serve our clients in the local area, but it is a clear investment for the rest of the community as well.

Aside to it being an opportunity to offer a well-established Financial Advice service to more prospective clients, it also means that over the next few months a number of job openings will become available to job seekers too.

Karl Hartey shares his thoughts on the opening; “I’m delighted to be opening our second office! We will be creating up to six new jobs with more to follow, and we have firmly shown a commitment to the community which I have been part of for the last 25 years.”



HARTEY WEALTH MANAGEMENT LAUNCHES SECOND OPINION SERVICE

Over the past couple of years there has been more and more media coverage that suggests high street banks and building societies are giving poor advice and inappropriate recommendations on investment products.

For example, in a 2012 investigation undertaken by Which? consumer magazine, just 5 out of 37 advisers in banks and building societies were found to have given good advice about investments. In fact, it was only the minority of these advisers who showed a suitable understanding of the risks of investing, the majority made a number of misleading statements about the features and costs of available products.

After hearing a number of stories that favour the above findings, Hartey Wealth Management are launching a ‘Second Opinion Service’. This will enable the family and friends of our clients, along with others who are uncomfortable about the state of their investments and finances, to access impartial, sound financial advice.



How does the Second Opinion Service work?

We will hold a complimentary meeting with your friend or loved one at one of our offices, or their home if it is more convenient, to listen and understand their worries, ambitions, and financial needs. We will then spend a short time explaining our client journey and investment beliefs and determining their attitude to risk.

The client educates us on what existing policies and investments they may have which, in turn, will be sent to our paraplanner to analyse so that we can offer our advice on a suitable and strategic investment strategy or Financial Plan.

Who is the SOS service suitable for?

- Someone who has brought a financial product but has not received any service since
- Anyone who is unsure about advice received from their Bank, Building Society or Insurance company representative
- Anyone who is unsure about the advice or service received from their Independent Financial Adviser
- Someone who needs advice investing a lump sum
- People struggling with paperwork from numerous investments and/or financial policies

DON'T PANIC!

Overvalued Chinese shares come to a shuddering halt after hitting a seven-year peak

In August, the Chinese Government attempted to stimulate the economy by devaluing its currency (the Renminbi) and suspending trading on many stocks. The effect of this caused a tsunami throughout both Chinese and global markets, followed by significant falls in global stock markets, including the S&P in the US and the FTSE in the UK. On 24 August, the day many in the media called ‘Black Monday’, the Chinese market was down by 8%, UK markets fell by over 4.5% and the US by over 3.5%[1], with the FTSE falling below 6,000 on 22 September.

Reasonable margin

Warren Buffett, the American investor and philanthropist, puts it very succinctly: ‘Our favourite holding period is forever.’ Over the long term, investors do experience market falls which happen periodically. Generally, the wrong thing to do when markets fall by a reasonable margin is to panic and sell out of the market – this just means you have taken the loss. It’s important to remember why you’re invested in the first place and make sure that rationale hasn’t changed. Although headlines have focused on the decline in the Chinese stock market and the knock-on impact on other global investments, most commentators have not changed their long-term view on markets or the global economic outlook and remain cautiously optimistic on the outlook for equity and property markets, supported by an improvement generally in company profits.

Long term view

If you do decide to make changes to your investments, make sure they’re for the right reasons. Don’t react out of panic. And, if possible, take a long-term view. The longer you invest, the bigger the potential effect of compound performance on the original value of your investment

Source data: [1] Google Finance, www.marketwatch.com

Information is based on our current understanding of taxation legislation and regulations. Any levels and bases of, and reliefs from, taxation are subject to change.

The value of investments and income from them may go down. You may not get back the original amount invested. Past performance is not a reliable indicator of future performance.

Overvalued shares

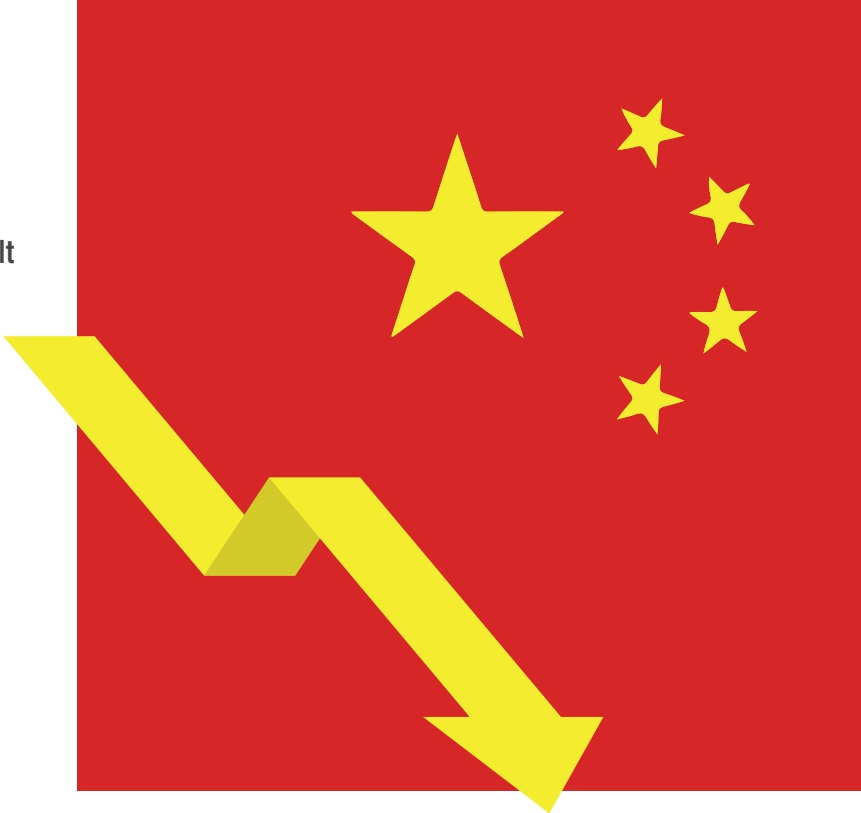
Shares in China had soared 150% in the 12 months to mid-June as individual investors piled into the rising market, often borrowing heavily to do so. But the shares were overvalued and the momentum came to a shuddering halt when shares hit a seven-year peak. About £74bn was wiped of the value of the FTSE 100, and, on Wall Street, the Dow Jones Industrial Average slumped by a record of more than 1,000 points at one stage.

Buying opportunity

The falls need to be looked at in context of the overall picture. For instance, the FTSE 100 Index had broken its all-time high earlier this year, and the situation created a buying opportunity. It’s worth remembering what investor and mutual fund pioneer Sir John Templeton said: ‘The time of maximum pessimism is the best time to buy, and the time of maximum optimism is the best time to sell.’ Professional investors haven’t been filled with panic, regardless of the situation the media has portrayed. Most of them are viewing this as a ‘market correction’ – just bringing things that have got a little inflated back down to earth.

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- Sir John Templeton



PENSIONER SCAMS – BEWARE OF FRAUDSTERS

A NATIONWIDE STUDY by MetLife [1] shows that among retired people, 9% say they have been victims of financial scams or targeted by financial scammers since they stopped work. That rises to 14% among retired people in the South West.

Vishing scams

Recent reported frauds involving retired people have ranged from attempting to gain access to bank or savings accounts through so-called vishing scams, where people are tricked into handing over bank details and cards, to selling bogus investment and pension schemes.

The risk of fraud underlines the need for professional financial advice, especially as people retiring this year have greater pension freedoms enabling defined contribution pension savers aged 55 and over to take their funds as cash, subject only to tax rules. Beware of financial fraudsters who take advantage of these new options by tricking people into cashing in their pension and handing over their money for them to invest – you could lose some, if not all, of your pension savings, or end up with a large tax bill



The Association of British Insurers in conjunction with The Pensions Advisory Service [2] has launched a campaign to help people avoid pension scams, including the warning signs and how fraudsters operate.

REGION	PERCENTAGE OF RETIRED PEOPLE TARGETED
South West	14
Wales	13
London	11
East Midlands	10
South East	10
West Midlands	9
Yorkshire & Humberside	7
North East	6
Scotland	5
Eastern	3
Average	9

The table shows the picture across the country – retired people in the South West are the most likely to have been targeted by fraudsters.

Source data:

[1] Research conducted online between 2 and 15 January 2015 among a nationally representative sample of 1,006 retired people by independent market research from consumer intelligence.

[2] [Http://www.Pensionsadvisoryservice.Org.Uk/news/tpas/tpas-and-abi-launch-new-socialmedia-campaign-tackling-pension-scams](http://www.Pensionsadvisoryservice.Org.Uk/news/tpas/tpas-and-abi-launch-new-socialmedia-campaign-tackling-pension-scams)

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A pension is a long-term investment. The fund value may fluctuate and can go down. Your eventual income may depend upon the size of the fund at retirement, future interest rates and tax legislation.

If you want to learn more about multi-asset management we recommend you come along to one of our Autumn seminars to find out more!

* Survey conducted by J.P. Morgan Asset Management

YOU STILL DON'T HAVE A WILL?

By Bill Evans



Your Will tells everyone what should happen to your money, possessions and property after you die (all these things together are called your 'estate'). If you don't leave a Will, the law decides how your estate is passed on – and this may not be in line with your wishes.

REASONS WHY YOU SHOULD HAVE A WILL

1

A Will makes it much easier for your family or friends to sort everything out when you die – without a Will, the process can be more time consuming and stressful.

2

If you don't write a Will, everything you own will be shared out in a standard way defined by the law, which isn't always the way you might want.

3

A Will can help reduce the amount of Inheritance Tax that may be payable on the value of the property and money you leave behind.

4

Writing a Will is especially important if you have children or other family who depend on you financially, or if you want to leave something to people outside your immediate family.

Personal wishes

Your Will tells people two very important things:

- Who should have your money, property and possessions when you die
- Who will be in charge of organising your estate and following the instructions you leave in your Will – this person is called your 'executor', and you can name more than one person if you want to. You can also use your Will to tell people about any other wishes you have, like instructions for your burial or cremation. Your executor will do their best to make sure your wishes are followed, as long as they don't involve breaking the law.

It might not always be possible to follow your instructions (for example, a person you want to leave something to might die before you do), but if you have a Will, there's a better chance of things happening the way you want.

Legal validity

Your Will doesn't have to be on special paper or use a lot of legal language. A document is a valid Will as long as it:

- Says how your estate should be shared out when you die
- It is signed and dated by you in the presence of two witnesses, and then signed by the two witnesses in your presence – the witnesses can't be people who are going to inherit anything from you (or their husband/wife or civil partner)
- Was made when you were able to make your own decisions and you weren't put under pressure about who to leave things to

Careful planning

If your family is quite small and you want to leave everything to them, making your Will should be quite straightforward.

If your situation is more complicated (for example, if you have a second family or you want to leave money and gifts to lots of people), you may need to plan more carefully. Either way, don't put it off – make sure that what you leave behind passes to the people you intended.

Start by thinking about what you want to leave to who and then talk to your family – they may have some suggestions you haven't thought of. Once you have a plan, look at the different options for making a Will.



SPRING SEMINARS 2016

Many of you may already have investments that you have bought through banks building societies and insurance company representatives, but did they really take into account your objectives, your attitude to risk, your needs and your long-term goals?

This presentation, delivered by Hartey Wealth Management, introduces you to the 'second opinion service' and how it can benefit you.

The second opinion service gives you the opportunity to gain another completely unbiased opinion on your investments, pensions, wills and trusts, providing you with a greater insight and understanding of how they are performing.

WHAT'S INCLUDED IN THE FULL PRESENTATION?

- ✓ The new Inheritance Tax (IHT) rules
- ✓ The main exemptions and relief that can reduce IHT

- ✓ The planning opportunities available to you
- ✓ How you can identify which funds are overcharging and under delivering
- ✓ Introduction to the 24/7 portfolio
- ✓ Understanding investment risk
- ✓ The five important areas of Wills and Trusts

WHAT WILL YOU LEARN FROM THE PRESENTATION?

- ✓ You will gain an understanding of what investment companies do with your money and to see whether you are aligned.
- ✓ Revise and reduce the charges you're currently paying, increasing the amount of money that's in the pot for you.
- ✓ Align your risk levels so you don't get caught out in the future.

EVENT DATES AND LOCATIONS

There are a number of dates and locations to choose from, so take a look below and pick the event that's right for you!

The Albright Hussey Hotel, Shrewsbury:

26th January 2016 & 8th March 2016

Thornton Hall Hotel, Wirral:

28th January 2016

Cottons Hotel & Spa, Knutsford:

2nd February 2016 & 12th April 2016

Lion Quays Hotel & Spa, Oswestry

9th February 2016 & 15th March 2016

Chester Racecourse, Chester:

23rd February 2016 & 19th April 2016

HOW TO BOOK...

We have limited spaces available so make sure you book your **FREE** place today to avoid disappointment!

Call: 0808 168 5866*

Email: info@harteywm.co.uk

Book online: www.harteywm.co.uk



The Charlotte Hartey
FOUNDATION

PROVIDING OPPORTUNITIES FOR THE FUTURE

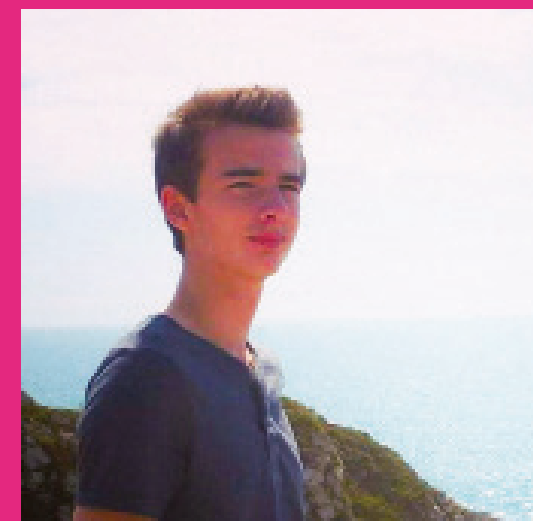
What we've been up to...

www.charlottehartey.co.uk

New Season, New Kit!

Eager to kick off the football season with a new kit, the Whitchurch Allport Juniors came to the Foundation to ask we could help out with funding and to see if we would like to sponsor them. Of course, we were quick to offer our support in both areas and the team have received their smart new kit!

Awaiting photo



Project Trust: David's Year in Malaysia

Fulfilling a life-long dream of travelling, David will be heading to Malaysia for a year to be a secondary school teaching assistant. During his time he will be helping to teach English as well as setting up extra-curricular activities for the students.

The Foundation sponsored David £500 to help him on his way to raising his target of £5950. We would like to wish David the very best for his adventure and can't wait to hear about his time over in Malaysia.

Foundation adds £1000 to Hospital appeal for E.C.G machine

Rose Martin got in touch with the Foundation to see if we could help with a desperate appeal to raise funds for an E.C.G machine for the Dolgellau and Barmouth Community Hospital.

Patients were having to commute over 50 miles if they required this type of treatment so the local community have been holding several fundraising events to help reach their £5500 target. The Foundation added £1000 to the appeal and fortunately the Hospital managed to raise enough for their E.C.G Machine!



YOU LOVED YOUR LAST BOOK, BUT WHAT ARE YOU GOING TO READ NEXT?

Karl Hartey introduces us to some recommended reads of his own and gives us a glimpse of what they're all about.

'Elon Musk: Tesla, SpaceX, and the Quest for a Fantastic Future'

*Ashlee Vance's thoroughly-researched, thoughtful **Elon Musk: Tesla, SpaceX, and the Quest for a Fantastic Future** has come along to provide the next serving of techno-utopian fantasia.*

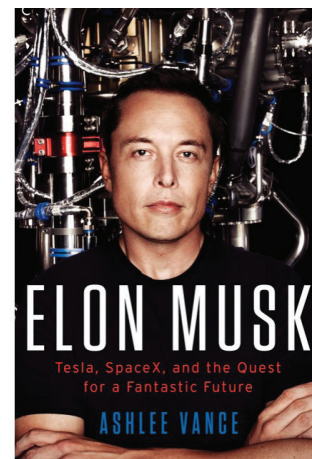
Vance paints a complicated picture of a complicated man in this biography of Silicon Valley tycoon Elon Musk. Vance follows Musk from a difficult childhood in South Africa to his education at Queen's University in Ontario and later at the University of Pennsylvania.

It soon becomes clear Musk's early successes with PayPal and Zip2 were only the beginning. He later became the prime mover behind SpaceX, "the only private company to dock with the ISS"; Tesla, maker of the Model S electric car; and SolarCity, a solar power company with a unique business model.

SpaceX was intent on making space travel cheap; Tesla wanted to make the electric car a luxury. The idea was to compete with Ferrari, not Honda. Musk spent as much time on the Tesla Model S interior (seating for seven, if you include two fold-down rear-facing seats in the back, and quality detailing on everything from the seats to the sun visor) as its specs.

A chronic over-promiser and under-deliverer, Musk ran into trouble with the media and customers by running chronically behind schedule. But as other electric-car start-ups (like Fisker, started by a former Tesla designer) rapidly flamed out, Musk's attention to detail paid off: the Model S was the first electric car named Motor Trend magazine's Car of the Year, and orders skyrocketed.

Throughout, Vance elucidates Musk's unusual combination of vision, determination, intelligence, whimsy, and ruthlessness that enabled these successes. He describes Musk not as someone "chasing momentary opportunities in the business world" but as someone "trying to solve problems that have been consuming him for decades." Vance ably conveys the reality of this man who is both a dreamer and a doer.



Once upon a Time in Russia: The Rise of the Oligarchs – A True Story of Ambition, Wealth, Betrayal and Murder.'

Ben Mezrich's latest book tells the tale of the rise of the super wealthy in Russia after the fall of communism and their eventual battle for control of the state. It's so good, in fact, that while the author's missteps mar it, the tale remains compelling.

Like Mezrich's one-note protagonist, the self-made billionaire Boris Berezovsky, this narrative survives numerous threats.

While Berezovsky lives through a car bombing, his story must push its way through overwritten prose. Berezovsky exists in a world of extreme sensitivity, where "every molecule beneath [his] skin seemed to vibrate," skin that can sense a nearby fire's "concentric waves of fragrant heat through the material of his tailored suit." And yet the poor oligarch only exists to consume — and to become furious when his right to consume is thwarted (or even questioned). Berezovsky, we are repeatedly told, is a man of action. "Berezovsky simply wasn't built that way — he couldn't sit still, he couldn't be silent. Such behaviour was not in his nature."

