



NEGOTIATOR eNEWS

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www.negotiator.com.au

“Empty the pennies from your pocket into your mind and your mind will fill your purse with pennies” – Benjamin Franklin

Welcome to the first issue of Negotiator eNews – the free newsletter with Tips, Strategies, Articles and News related to Wealth Creation.

Interest Rate News

As expected, the reserve bank has lifted interest rates, by one quarter of one percent (0.25%) in November. This was passed on to all variable rate mortgages.

Hopefully we are now close to the top of this rate cycle. Most economic forecasters are predicting another 0.25% rise in February and maybe followed by another in May this year.

Hopefully this would see the height of the cycle and rates would then steady out and even begin to fall late 2008 or early 2009. By most accounts this seems to be the scenario most forecasted.

This can be a time when many borrowers tend to panic and lock-in to fixed rates, while I am not saying don't do this, I am saying be cautious and take all things into consideration before doing so.

For what it is worth, right or wrong, I am leaving my mortgage variable.

Remember, we are living in great times with low unemployment and a great economy so the future is bright.

Feature Articles

Buying an Investment Property

The number of property renters in Australia is rising as homes become less affordable to buy. This is good news if you own an investment property because maintaining a good occupancy rate is crucial to your investment success.

Click on the link to read more:

<http://www.news.com.au/business/money/story/0,25479,22601258-5013966,00.html>

Academic vs Real Life Education

Isn't it interesting that we're told that if you work and study hard at schools and universities to get a degree, you were guaranteed success in life – only to realise later, that being highly educated with degrees and having a high profile career is not a guarantee to financial independence.

Academic qualifications is nothing to do to being financially successful so this requires a new set of skills by focusing on your own philosophy, psychology and mindset and developing your emotional intelligence when it comes to investing.

Understanding money is like learning a new language and what's important is what you do with your money, not how much you earn. Usually if a person needs instant gratification, this can be a psychological obstacle that could sabotage their success.

After working, for example, 25 years, a lot of people are shocked to find out that their own personal financial situation will be less than ideal if they would like to retire at 55 years of age.

One of the keys to building your wealth and financial independence is to understand the system in which we work in – by this I mean, financial structure and the Tax Laws so you can minimise your tax legally and make the Tax Man your investment partner in building a substantial real estate portfolio. It is very rewarding when people educate themselves on how investment and money really works in reality. It is as if a light goes on in their head and they finally realise and start to understand how making money, investing and the tax system really work.

Investing in property has had a positive and amazing impact on my life. It is a feeling of self-empowerment and financial freedom. It alleviates any worries because of the security of my financial future.

The biggest obstacle for people investing is fear but I have a saying for this “feel the fear and do it anyway”. Once you develop the confidence from real life results, the fear subsides.

Set your goals and let the journey begin.

Ask The Negotiator

Email gregg@negotiator.com.au to ask a question relating to investing/wealth building and I'll publish the answers in future newsletters.

Helpful Product/Tip

Here are two Budget Planners to help you plan your personal or household budget. Budget planning can help you control your personal finances and manage your money.

<http://moneytools.news.com.au/banking/calculate/flash/budget-planner.asp>

or

<http://au.pfinance.yahoo.com/calculators/budget-planner.html>

Joke Of The Month

Three engineers and three accountants were travelling by train to a conference. At the station, the three accountants each bought tickets and watched as the three engineers bought only one ticket.

"How are three people going to travel on only one ticket?" asked an accountant.

"Watch and you'll see", answered an engineer.

They all boarded the train. The accountants took their respective seats, but the three engineers all crammed into a rest room and closed the door behind them. Shortly after the train departed, the conductor came around collecting tickets. He knocked on the restroom door and said, "Ticket, please".

The door opened just a crack and a single arm emerged with a ticket in hand.

The conductor took it and moved on.

The accountants saw this and agreed it was a quite clever idea. So, after the conference, the accountants decide to copy the engineers on the return trip and save some money (being clever with money, and all that). When they got to the station, they bought a single ticket for the return trip. To their astonishment, the engineers didn't buy a ticket at all.

"How are you going to ride without a ticket"? said one perplexed accountant.

"Watch and you'll see", answered an engineer.

When they boarded the train, the three accountants crammed into a restroom and the three engineers crammed into another one nearby. The train departed. Shortly afterward, one of the engineers left his restroom and walked over to the restroom where the accountants were hiding. He knocked on the door and said, "Ticket, please."

<http://www.ajokeaday.com/>

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