



**BEST FINANCIAL ADVISORS**

A REGISTERED FINANCIAL SERVICE  
PROVIDER  
FSP Licence nr: 8941

# Financial focus

**ADDRESSING THE INSURANCE NEEDS OF INDIVIDUALS AND PLANTING THE SEEDS FOR  
A SECURE FUTURE.**

*Here we are 2011, another Christmas and New Year behind us and another loooooong January, for a lot of people...! This year is looking very positive and I know that for a fact because clients are asking about retirement planning and savings plans, this is normally an indication that consumers have more money in their pockets and are positive about the economic future.*

*We decided that this year we would like to make sure that our clients improve their Vitality status in order to benefit more from the Discovery Integration Model. Please read this newsletter and follow the links to earn points!*

*Be sure to read page 2 for a Tax efficient investment opportunity.*

## Your Vitality in 2011

### WHY IS IT IMPORTANT TO IMPROVE YOUR VITALITY STATUS?

- If your vitality status is higher it means that you are more informed about your health, which in turn means that you can make adjustments to your lifestyle if you pick up any problems like a raised cholesterol level etc.
- Most people who are on Discovery's medical aid by now have a Discovery Life policy as well. The life policy has a Pay-back Benefit, this means that you will get a portion of your life policy's premiums back every 5 years. The higher your Vitality status, the higher the Pay-back which you will receive.
- You also have the power to control the premium increases on your Life policy through your Vitality status. The higher the status, the LOWER the premium increase.
- Your discounts/pay-backs will increase as your Vitality status improves.

### WHAT TO DO?

1. Register on the Vitality web-site, **IF THERE IS MORE THAN ONE ADULT MEMBER IN THE FAMILY, ALL OF THEM MUST REGISTER AND CREATE THEIR OWN LOG-IN.** go to [www.discovery.co.za](http://www.discovery.co.za)
2. Make sure that you are logged in and then click on the link below, this will take you directly to a page where you have to complete all the different questionnaires, e.g. Personal Health review, Non Smoker's declaration, Nutrition Assessment and watch out for more than one questionnaire to do in the Stress Centre, by completing the questionnaires you will earn 13 000 points per person and if you have kids complete the Kids' Personal Health Review and earn a further 2 500 points per kid.  
[https://www.discovery.co.za/discovery\\_za/web/logged\\_out/you\\_and\\_your\\_family/vitality/points\\_and\\_status/overview/get\\_to\\_gold\\_content/get\\_to\\_gold\\_family\\_step1.xml](https://www.discovery.co.za/discovery_za/web/logged_out/you_and_your_family/vitality/points_and_status/overview/get_to_gold_content/get_to_gold_family_step1.xml).
3. Do your Vitality Check, this can be done by visiting any Clicks or DisChem pharmacy which has a Clinic Facility. It takes less than 30 minutes and one prick on your finger and is worth 14 000 points if you include the HIV test.
4. Do your Vitality Fitness assessment with a registered Biokineticist and earn 7500 points. Most of the Virgin Active clubs have one working from the premises. You pay them cash and claim it back from the medical aid. You can also follow this link to find a Biokineticist near you.  
[https://www.discovery.co.za/discovery\\_za/web/pdfs/vitality/vitality\\_wellness\\_network\\_biokineticists.pdf](https://www.discovery.co.za/discovery_za/web/pdfs/vitality/vitality_wellness_network_biokineticists.pdf)
5. If you do the Vitality Nutritional Assessment, you will earn another 5000 points, click here to find a Dietician near you.  
[https://www.discovery.co.za/discovery\\_za/web/pdfs/vitality/youth\\_and\\_schools/dieticians\\_list.pdf](https://www.discovery.co.za/discovery_za/web/pdfs/vitality/youth_and_schools/dieticians_list.pdf)

*Are you in the higher income tax bracket? Do you require an investment product that could help you minimise tax?*

*Did you know?*

*"That you can sweeten a sauce/dish by adding carrots instead of sugar."*

*Men's Health*

**The Flexible Endowment Option could be right for you if you have a growth investment strategy and do not require immediate maximum liquidity.**

### **Product Features**

**Cash Management Solutions** - you can choose from two low risk funds for the cash portion of your investment and for unique options in terms of managing the transactions of your investment.

**Managed Solutions** - you can access our specially-created range of in-house funds that cater for growth and income needs for different risk profiles and time frames, with no ongoing administration fees.

**Tax efficiency** - investment returns are taxed at a fixed rate of 30% (income tax) and an effective rate of 7,5% (Capital Gains Tax) for individual investors. It is recommended that you seek independent tax advice to ensure that this product is suited to your individual circumstances.

**Estate planning** - investments in an endowment product can pass directly to your nominated beneficiaries on death. The investment contract does not need to be handled by an executor and, as such, would not incur executor's fees.

**Long term, structured investing** - the initial restriction period of five years would benefit you if you need a more formal and structured approach to investment planning or have a medium- to long-term investment horizon and do not need maximum liquidity.

**Less administration** - Momentum Wealth pays tax on the underlying investment portfolio, relieving you of tax reporting and eliminating the complexity of tax forms. All tax payments are calculated and carried out by Momentum Wealth.

*On the lighter side of things*

*The number of liquidations in 2010 dropped significantly compared to 2009, indicating that fewer businesses were going under as SA recovered from recession.*

*Economic data out in January indicates that the South African economic recovery is on a stable, yet not dramatic path.*

A survey released by Ernst & Young, indicates that confidence in the asset management industry rose in the 4<sup>th</sup> quarter of 2010, in line with strong growth in the local equity market. The rise in confidence levels was significant, offsetting the decline in the previous quarter.

Asset manager confidence rose from 71 index points in the 3<sup>rd</sup> quarter to 89 points in the 4<sup>th</sup> quarter.