



# The Australian Finance Podcast Episode Transcript

**Episode:** Kate and Owen's Christmas wrap up & personal finance highlights

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**Speakers:** Kate Campbell & Owen Rask

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## **Episode transcript:**

Owen:

Welcome to this episode of The Australian Finance Podcast. Kate, what a pleasure.

Kate:

Our final episode for 2021.

Owen:

Yes, it is indeed. We are recording this a few weeks ahead of time. So hopefully, it ages really well.

Kate:

Yes. And we're in a beautiful ... I don't know if you're watching the video version, you'll be able to see behind us, we have this beautiful location in [Daylesford 00:00:19] we're staying at, at the moment.

Owen:

Yeah. And we're on a Rask retreat. It's where the team comes together and we can just relax and do some podcasts, which is nice.

Kate:

Yeah. So I guess this episode is all about thanking you for an awesome year. You've really what's made the podcast what it is, and just thanking you, wrapping up a few things. I know giving you a little bit insight into the behind the scenes of the podcast.

Owen:

So what goes on, on the other side of the mic. And we'll fill you in some of the details for the year ahead. Some of the things we've learned this year.

Kate:

What we're planning and what you're going to be hearing from us over the summer break.

Owen:

Yeah, so it's heaps of fun. And so this is actually our third year of The Australian Finance Podcast. So, wow.

Kate:

Yeah. It was dreamed up in about December 2018 and it kicked off 2019 and-

Owen:

Kate and ...I don't know if I've said the story on the podcast, have I? Have I told the story of how it-

Kate:

I don't know.

Owen:

We were out with a friend at a pub in Melbourne. And I said to Kate, "Oh, it'd be great to do a podcast," because Kate already had the How To Money podcast. And I said, "It'd be great to do a podcast covering the essentials. The first 10 or 11 episodes would just be the basics." And Kate started giving me all these tips. But what I was actually trying to do is ask Kate to do the podcast with me.

Kate:

I thought he was just asking for advice, podcaster to podcaster.

Owen:

Just podcaster to podcaster, P2P. And there was some great advice in there, but we thought it was going to be 10 episodes. It turned into 11, which then kind of did pretty well.

Kate:

We had to add a Q&A in, and it just sort of went from there.

Owen:

And here we are. Now, we do two episodes a week, which is probably maximum bandwidth for us.

Kate:

I don't think ... If you need three episodes a week, you might have to source some other entertainment or go to The Investors Podcast.

Owen:

Go to The Australian Investors Podcast because ... So Kate and I do two together a week. You occasionally do How To Money as well. And I do two on The Australian Investors Podcast. One of those is a live show. So it keeps us really busy, but it's great. Everyone's kind of received it really well. And we're very fortunate to have both of our podcasts in the top 10 normally.

Owen:

So that's a huge feat because we've seen some massive podcasters enter the space and just haven't been able to keep up. We're just delighted that everyone likes what we have to say. And I've got to say still surprised.

Kate:

It's amazing every day that we do this, and people still want to listen to us. We're just two weirdos talking about finance. I feel like it's sometimes those conversations that we would be having anywhere at a café, but they just go on air.

Owen:

That's it. And I think maybe that's part of the appeal. It's just a bit more honest. There's no kind of show about this. We don't try and dress things up or dress things down. We just talk about the things that are interesting to us. It's been a fascinating year, this year actually. And one of the things that we wanted to do this year was talk about financial resilience, covering the story of people who maybe were in debt or trying to get out of issues themselves financially. And they've conquered those.

Owen:

And so we saw that, and we heard those stories earlier this year with a couple of listeners coming on the show.

Kate:

Yeah. Renee and Ben, and Tash even-

Owen:

Tash, yeah. It's been a fantastic journey. And to hear from the community and hear from listeners has been wonderful. I think that's probably been a big highlight for me for the year, just from a podcasting perspective, just to hear from everyone. And we've started the Facebook community.

Kate:

I think that's probably been one of my highlights because we only started it at the end of last year, just seeing everyone's really diverse opinions and perspectives on things. And I know we always say, don't take financial advice from Reddit or Facebook group, but I think asking these questions and just hearing different perspectives, you're going to get some really outlandish things on the super high risk and the conservative. Not everything will be right, but it does give you some inspiration, encouragement on your journey.

Kate:

I think that's helpful because you might think you're the only one in that situation, but chances are, there's someone that has faced something similar in the past that can give you some different perspectives or tips.

Owen:

And we've spoken about this before, but what I really like about the group in particular is that it's not just things like people focus on those get-rich-quick schemes. I want to say what I mean by that is they don't have to be schemes. They can just be the idea that people want to get rich quick like they'll talk about the hot stock or have you heard about this property scheme or this company is doing this over in Africa or something like this. There's been really none of that, which is surprising because it's fine to ask those questions.

Kate:

There's plenty of places to find that stuff.

Owen:

There's heaps of different Facebook groups and Reddit groups where you can go, but we haven't really had that. It's just been really respectful, honest and lots of diversity in opinions, male, female, young, old, which is great.

Kate:

I think that's another thing I love about our finance podcasts. According to the Spotify analytics, it's pretty even split between male and female listeners, which is amazing.

Owen:

Whereas our Investors Podcast is more male. And that's what we find when we have events, the finance events. Even if they have the same-

Kate:

Not that we've had an event since the startup last year.

Owen:

No, no, but we'll have something in 2022. We'll get to that in a minute. But when we have the events, if we have a finance event, we can literally have the same guests and we'd get 50% female to male, half, half. But if we have the investors event, we get males. It's funny how that works.

Owen:

I think it's expected, I guess. You often see that a lot.

Kate:

And hopefully, we can change it in a really small way.

Owen:

And that's what we're trying to do. And this is more of The Investors Podcast thing, but Monique and I went about trying to find more female investors because we think it's such an important thing to profile female investors as well.

Owen:

But hey, let's talk about some stats. Let's talk about some things behind the scenes. So these are things that we were talking about this yesterday. You often think to yourself, "I'm listening to this podcast. I really like it. I wonder who else is listening." So Kate, tell us a little bit more about it, the podcast in general, who listens and whatever.

Kate:

I think the Facebook community has been a good thing to see actually who's listening because otherwise for us, we just speak into a microphone, put it out there to see who wants to listen. But we don't really get much back. So we don't really know who's listening and what they think. And we're happy to hear different perspectives because they're ... I guess that's why the industry is so big because everyone has a different perspective. Everyone thinks they have a different edge in different areas.

Kate:

And so I think it's been really interesting and as well as the questions coming through the podcast inbox as well. But I guess in terms of total downloads after three years, we've had 2.23 million today as we're recording, which is phenomenal. I don't think any of us could have expected that. That's pretty amazing.

Owen:

No, that's out of this world. We're stoked with that. And the thing is it's growing faster than it ever has, which is also fascinating in itself. In investing, we talk about things growing exponentially and across both of the podcasts to see how fast they're growing, how many more people are listening. We're probably in the right place at the right time in terms of when we started, but also in terms of how we positioned ourselves in the podcasting community.

Owen:

I think it also helps that we're a male and female, a duo. And I also think that over time, people begin to get a little bit tired of kind of either the shallow type of banter that sometimes happens on podcasts. It's good. And it's good to feel like you're part of the community, but at the same time, you sometimes want substance to what you're listening to.

Owen:

So I think we've been able to do that. And I think over time, we're going to bring more of those things into the conversation.

Kate:

And the good thing about having this is that we can get cooler guests like Morgan Housel who was one of our highlights for the year.

Owen:

Morgan is probably, other than say Warren Buffett, he's for me personally, he was like the gold standard, AAA-rated guest.

Kate:

One of our team members said the other day, it always comes back to Morgan because we seemed to mention him every week.

Owen:

Yeah, it does. And he's just so good. And we wouldn't have been able to get him on the show if we weren't at the certain size. And we've got few more that we'd love to get that are in that kind of echelon. And so by having the community around us, it goes a long way.

Kate:

And I guess, I was just going to share some of the favourite episodes based off downloads. The most favourite episode of 2021 was the ... And it's a bit of an in-joke in the office now because we did not realise that this would be the episode, was the 21 Ways to Save and Invest Your Money in 2021.

Owen:

So Kate, I feel like we have to have 22 Ways to Save and Invest Your Money in 2022. So watch this space. Your favourite episode of all time is coming back.

Kate:

Hopefully, new and improved.

Owen:

With a few extra, not just one more, but a few in the mix there. What about number two?

Kate:

The 10 Must-Know ATO Tax Rules for 2021. And that was one Owen did with-

Owen:

Wait, that was number two?

Kate:

Yes.

Owen:

Really?

Kate:

Yeah. Two tax episodes got in the top five episodes for the year.

Owen:  
Wow.

Kate:  
Everyone was keen on tax tips this year.

Owen:  
Well, I guess, because of a lot of the things changed with COVID. You could do the home offers. You could do-

Kate:  
Those are a few many things.

Owen:  
... a bunch of depreciation things, small business changes, job-

Kate:  
I reckon people bought a lot more like home tech for their office, chairs and stuff.

Owen:  
That's cool. That's good to know. That's great to know.

Kate:  
Then there was your top 10 money hacks and that was actually from the community. So I think that's something else we started doing this year is more giveaways and getting to hear from our community when we did like investing resources and money hacks and things. And there was great, great participation in that one.

Kate:  
And there was so many things like taking the two-minute cup noodles on the plane with you, and asking for hot water. That just blew my mind. I can't believe. I never thought of that.

Owen:  
Makes sense though, right? You probably think that if you rocked out with two-minute noodles, I might be like, "No, no, no, no freedom."

Kate:  
You just ask for a cup of water.



Owen:

Yeah, I know. It makes sense. It makes sense.

Kate:

It made sense, but there's so many things that we finance, unless someone tells you or you stumble across it, you just never think about it. That's why it's so important to have these conversations, to talk to people about it because everyone's got all these little strategies, but they don't share them openly. But once you say, "Hey, I'm comfortable talking about it. Do you want to talk about it with me?" And then you can start learning. And we learn so much from our friends and family.

Owen:

Totally. And even the community like that 21 Ways to Save and Invest, I'm pretty sure this is the one where I learned the hack from your parents. I keep bringing this up.

Kate:

Sharing the large cup of coffee between two is much cheaper than two small lattes.

Owen:

You pay extra 50 cents to get the large one than the medium coffee. So if you both drink the same thing, just split it in half. It's like mind-blowing.

Kate:

I've been given a hard time by many friends about the fish finger thing. I was like always have the frozen fish fingers in the freezer. So instead of Uber Eats, just chuck them in the oven.

Owen:

Frozen, and that's fine.

Kate:

Yeah. But many people have repeated this back to me. So I'll have to be careful what I say next time.

Owen:

Well that's good. I like to see those. Those are heaps of fun. So we'll probably do more of those episodes in the year ahead. Things like focus on community, hearing what you have to say is huge for us. It's a bit selfish for us because we also get the chance to just lean on you guys for ideas.

Kate:  
Inspiration.

Owen:  
I noticed that the property versus shares-

Kate:  
Yes. The property versus shares, that was money and regret with Andrew Page.

Owen:  
Yep. So that was interesting. And I've actually got one takeaway here. It's one of the things that I've learned this year.

Kate:  
Because that's a question we get asked all the time, rent versus buy, property versus shares. And we're always like, "Well, you can do both."

Owen:  
Yeah. In Andrew's case, which I'll get to in a minute, but Andrew's case, he kind of regrets the decision that he made with property and going into investing purely in shares.

Kate:  
And the fifth most popular episode for the year was 10 Tax Time Tips.

Owen:  
So tax property, money hacks. We also did the share's month this year.

Kate:  
That was very popular.

Owen:  
We've had a lot of requests come in for that.

Kate:  
Oh, I skipped that one. That was the second most popular. That was the \$10,000 Share Portfolio.

Owen:

So you put it in the notes here. I thought that was separate. So we've got 21 Ways to Save and Invest. We've got 10K Share Portfolio, the 10 Must-Know ATO Rules, the Top 10 Money Hacks. There's a lot of tens in here, Property versus Shares and 10 Tax Time Tips.

Kate:

I see a theme.

Owen:

As long as we put 10 in the title, people like it.

Kate:

Yes. And we've had many requests to bring back that 10-K Portfolio where we got all our analysts involved in the new year, so stay tuned.

Owen:

Yeah, we can do that for sure.

Kate:

I'll make that happen.

Owen:

And if you do like those themed months, I think that's a big thing that we can focus on.

Kate:

We did kind of a tax theme month shares. That was a five-part. And then we did super-

Owen:

Super was two or three episodes. We got Bronwyn on for that. We did the tax with Jacob. I think we should do things like that again. So if you want us to do those, please just reach out. Let us know on the Facebook community. What do you want us to do next year? If you want us to do a deep dive into tax or property or whatever, just let us know. It actually helps us pick ideas and stay creative.

Owen:

So the thing that we are very proud of, Kate, is that we've now enrolled a total of 11,500 students into the course as of the date of recording. This is the 1st of December. And that's a huge, huge thing for us, right?

Kate:

It's been amazing. And I think the courses are a way to go even deeper than the podcast. The podcast can't really touch and address everything. But with the courses with videos, we can link to extra resources. They give people, I think, more confidence to get started. And I think like the ETF course is by far the most popular course, and that has helped so many people take their first step on their ETF investing journey.

Owen:

And I think like some of the things that we're adding in there now are things like, the episodes that we did where to help people choose a broker, what are the fees involved in brokerage accounts? So it's taking people from, "Okay, these are what ETFs are. This is kind of how you use them. This is how you build a portfolio. And this is some of the tools. These are some of the tools that you need to do it."

Owen:

And so that kind of journey is really valuable for people. We had a conversation about this internally the other day. If you only focus on the absolute basics, a lot of people are still overwhelmed because they get into it. And then they think, "Oh, well, I just learn about these things called shares, the pay dividends. These things got franking credits. It all sounds great, but what actually is going on? Like how do I see and do this thing called investing?"

Owen:

And that's where we're going with the courses, so it's super promising. And we love the feedback from the courses. We've had hundreds of reviews on the courses now and it just really makes our day. So I actually just on this ... This is kind of not really related to the courses, but I was doing a financial wellness webinar earlier this year where I just spoke to a group for an hour. And this is something we want to do more of you and I, where it was via Zoom. There were 150 people that dialled in and they were asking questions, in which I do like a little presentation about financial wellness.

Owen:

And it turns out that a son of one of the people that were listening, was listening in the background and he was like 12 or 13 or something. No, he was a little bit older than that, he was about 14. And I said in the wellness session, I think 25% of Australians can't save \$2,000 for an emergency fund. And he heard that and he was like, "What?" He's like, "\$2,000. That's all I need to have this thing called an emergency fund?" So he went and got one.

Kate:

Oh, wow.

Owen:

He started working and he went and got an emergency fund. And I heard through the grapevine the other day, his mom was saying that he is now saving up for a house and he's got like years to save. He's actually doing busking and gigs on the weekend because he loves music.

Owen:

And he's like, "Oh, I'll just go and do this. And it makes me money, which I can put towards my emergency fund, which will turn into my deposit." And these tiny little things that I think maybe you and I take for granted can have such a profound impact on people's lives. That's really cool.

Kate:

I think that's why we encourage you, as listeners, to start talking about money with your friends and your family and your community because you just don't know how these conversations will have such like a ripple effect down the road. And just because it has been a topic we haven't talked about, it's really important to start and like this, you don't know if it's going to just change the direction of this young kid forever.

Owen:

That's it. And I remember speaking to my friends when I was growing up and they had read *The Barefoot Investor* and I was like, "How are you guys so good with money?" And they're like, "Oh, well, we just started reading this book and we have the ING card," because that was the thing at the time. And from there on, they were just so much better with money because they got started.

Owen:

Most of them didn't even read the full book, to be honest. They just saw bits of it, and they took that, and that was all that was needed. They just needed to start. And that was super, super empowering for them.

Owen:

So Kate, just on the course front just tying this off, we added a bunch of new courses this year.

Kate:

Yeah. We had the Financial Independence Retire Early course-

Owen:

Which we got a great review for yesterday.

Kate:

... December, January, I can't remember. But anyways, so lots of people have gotten involved in that one, which is cool because to me the idea of financial independence really changed the game for me. And then we had Matt from Aussie Firebug actually come on for an episode a few months back. So I'd really recommend listening to that one, if you haven't.

Kate:

We also launched The Property that was this year.

Owen:

I'm pretty sure that was this year.

Kate:

We've done a lot this year. It's hard to keep track.

Owen:

We have property course introductory with Amy Lunardi and Chris Bates. It's actually been very, very popular.

Kate:

Yeah. And that really takes you through the basics. If you're ready to just buy your first home, I'd really recommend, just it's free. And even just to avoid termites or something, there was like a whole checklist of what to look for in your inspection.

Owen:

So this is the thing, these two are like two of Australia's leading experts. So we've gotten Chris who's in the top 10 mortgage brokers in Australia. It's out of like 16,000 and then Amy, who's an absolute guru.

Kate:

If you're in Victoria-

Owen:

... advocate. She's like the person to see. And so we were stoked to have these people come and contribute to the course and it's totally free. We got their time, all their energy, and we put all of it together with our energy.

Kate:

And there is no affiliate links on kickbacks-

Owen:

There's nothing. It's nothing. [crosstalk 00:19:13] It's totally free. It's totally free. So I just keep emphasizing that because people, and that's what we saw in-

Kate:

People were like, "What's the catch? What's the catch here?"

Owen:

Yeah. What's the catch? And this is the whole part of our business is that we want to make things accessible to more people. And so if we were to charge \$500 for this course, sure, some people might be like, "Oh, it's more valuable." But the reality is this is still awesome. So go and check it out.

Owen:

The ethical course, I think we did that earlier this year. Didn't we?

Kate:

Yeah. You were in the forest.

Owen:

That's right.

Kate:

You have a lot going on.

Owen:

There was a lot of green in the background. So we did the ethical investing course. And I think leading into that course, it's more of a shorter course. So you could probably get it done in an afternoon or two nights. And the ethical investing courses teaches you the essentials of investing in an ethical way or a way that's mindful of the ethical impacts or the sustainability impacts.

Owen:

And it actually changed the way I think about investing, to be honest. Doing the research to discover that you can invest in a way that feels good and makes you more money potentially was a game changer for me. And I think it's going to shape the way I invest in ETFs and pretty much everything going forward.

Kate:

Yeah. And even if you don't want to call yourself an ethical investor, I think investing in line with your values makes it a lot easier to stay the course when a company's having a challenging time. If you know that company is in line with your values, it's much easier to go through that time with them.

Owen:

And even I think with ETFs, I think many ETF providers and all this have missed the point here, which is that if you're launching an ETF, you may as well make it ethical. It doesn't need to say in the title, it can literally just be like a filter that they run to say, we just going to exclude these industries, because those are the investors you want to attract anyway, because those are the investors that are mindful of their investing.

Owen:

So I think in the future, 70%, 80%, 90% of the things that we invest in will be "ethical" whatever definition you have, because I think it's such an important thing for so many people.

Owen:

Kate, there is one final course, which you participated in most recently and you ran, which is awesome. Tell us a little bit about it.

Kate:

So we haven't really officially launched it because I'm still getting feedback from people, but it is a careers course, which takes you ... I've interviewed some experts on how to apply for jobs and how to really set yourself apart from the crowd because I think sometimes school just kind of goes, "Oh, yeah, you just send off the resume. You've got the basic degree," bam.

Kate:

But even now and into the future, as jobs change the world of work changes, you need to set yourself apart. It's kind of like you've got the degree and what else? I think this course is all about finding your point of difference and really being able to show that to people in more than just a resume whether that's through posting what you learn online, having an online portfolio, contributing to different places, like actually building your personal brand rather than just relying on that traditional resume. Because most of the jobs you don't get through seek, they come through the back door, especially in our industry-



Owen:  
In finance-

Kate:  
People tapping your shoulder and saying, "Hey, I know this friend hiring for this job." Even recently a friend texted me, so it's those networks. And I think that's what we really need to be aware of. And I think my course tries to illuminate that a little bit that it's not just the ways that used to work won't necessarily work for every job in the future.

Owen:  
And this is not just ... When you think about careers, you tend to think about people in the 20s, but it's not just younger people. A lot of people now are realising getting to 30s, 30s, 50s, and thinking, "I don't want to do this forever. I want to go back and study for a little while. I want to do this. I want to break into that industry."

Owen:  
If that's you, this is the course that you want to take soon because it prepares you for how you can present. And I think we had Andrea Clarke on the show again. And she's basically told us that it's not about like what you present, it's about how you're perceived and how people think of you and what they say about you.

Kate:  
What they say about you when you're not in the room.

Owen:  
That's it.

Kate:  
That's another point that kind of stuck with me.

Owen:  
And so in a modern environment where we're seeing more gig economy work, if you want the job that is potentially becoming more prestigious and more elusive, you have to differentiate yourself. So using these tools and strategies is really important.

Kate:  
I shared the idea of a small-scale career experiments and thinking of different ways. If you're really interested in a different type of job or industry to what you're already in, brainstorming 10 different ways, you can kind of experiment with that role to see if it

would be interesting to you without having to quit your day job or go and commit to a three-year degree.

Kate:

There are so many ways you can experiment with things and think a bit more like a scientist and have a hypothesis. "Oh, I think I might be interested in that field, but I don't really know." And I think sometimes we switched too quickly and we don't test the waters.

Owen:

That's a great point. So basically, we had a target this year of hitting, or two targets, which we kind of hit but they were a bit delayed. The first one was 10,000 students by June 30th. We didn't quite hit it on June 30th, but that's okay. And the other one was enrolling a thousand new students a month, which we are close to. I think the month of November was about 927 new students or something like that.

Owen:

So this once again is amazing. And it actually comes back to you. If you're listening to this, it's enrolling or sharing it with a friend or a family member or a child or whatever, your colleague who needs this or who would be interested. And that kind of network is so valuable. Your personal network recommending something to you when normally you don't talk about these things is so valuable. And we really appreciate it too, obviously.

Owen:

So the other two courses, which we are recording this a little bit earlier before it goes live, but the other course that I've been working on most recently is more of a revamp of the value investor programme. So this is the only course that we charge money for. And this course is designed specifically for people who want to learn the real nitty-gritty of investing. So this is not, "Oh, what is a share?" It's not, "How do I start a portfolio?" This is, "How do I get into the spreadsheet and do discounted cash flow analysis?"

Kate:

The things we kind of touch on a little bit, maybe if you go listen to the shares month, you might have heard some terms that you didn't recognise. These are the sort of thing that Owen and his team look at all day, not the kind of thing I do.

Owen:

I just want to point one thing out here is this is very intimidating for a lot of people and you're probably thinking this is not for me, that's totally cool. But we do have a way to

articulate to it. So what I mean by that is you can start with the share beginners course, and you can view all the downloads that we've got in the course.

Owen:

Then you can go to the valuation intermediate course, which is the next one up it's also free. And that takes you through how to value a company like Woolworths. And then that also suggests some books and those types of things. And then if you read that, then you can go to the value investor programme. So it's kind of like if you go to university, you have bachelor's, master's, PhD. You could just work your way up. This is basically that.

Owen:

So that's something that we're doing now. And it's probably the biggest project I've taken on in a long time.

Kate:

So will it be out by the time this episode goes live?

Owen:

Well, that's the key.

Kate:

That is the mystery.

Owen:

I don't know. I think I will have done all the curriculum by then. I think the video edits ... I just look over at Monique, she's given me a nod. But the video edits take an incredibly long time because there's so much of it to do. And I should say it is actually easier in some ways, because a lot of it is over the shoulder, like I'm explaining things as people go through. So maybe those are easier to edit. You're getting a kind of a nod from Monique over there.

Owen:

The other one that it's been on the back burner for a while because of stuff going on outside of the education side of our business, but the Business 101 course is a course that we are going to get up and running. And I said to you before, I think it's going to take me a week. I've been thinking about it all year. I've been slowly chipping away, like planning it. And it's just about doing it now. So I'm hoping that's out and so people can start it over summer.

Kate:

And what a great time to think about-

Owen:

Perfect time.

Kate:

... starting a business.

Owen:

Yes, starting a business. If you're already in your business and you're thinking, how can I kind of recover out of COVID and take advantage of tax and set up the right structures, the question that always gets asked is, "Hey, I don't know whether I should be a sole trader or I should get this thing in ABN and become a company. Should I have a trust? Do I need to worry about copyright," all these questions. "What's a shareholder's agreement? Can you teach me the basics of accounting for my business? Should I use Xero or MYOB?" All of these questions, we're going to tackle.

Owen:

And Jacob who did the tax episodes with us, he's actually agreed to come on and do a few of them with me. So, he's going to take the kind of tax and how to set yourself up from a tax perspective and save money.

Kate:

We've had a lot of requests for this business course. So there's a lot of pressure on here-

Owen:

... beneath my hands here. We've had a lot of requests because it has been something that we want to do this year but we just haven't got to it, and that's on my shoulders. But it's coming and we've got two really, really impressive courses there. There is actually a third one that is, but it's kind of ... Let's just say it's a bit of a top secret joint venture right now. So, it's actually all been ready to rock.

Kate:

So Owen's not very good at keeping secrets, sorry. We'll try to keep this one for a bit longer.

Owen:

Keep this one a secret. You'll probably hear about it if you're in the finance community. Even outside of our community, you'll probably hear about it in the next couple weeks. So, exciting stuff. Kate, what are some of the big things that you've learned from podcast guests this year?

Kate:

I think one of the main things was just learning from our community that a lot of people were recovering from maybe periods of unemployment or tough circumstances throughout COVID and just seeing the sheer resilience of our community members to get through hard things. And I think that's coming back to that, "I can do hard things," just like that mantra almost.

Kate:

And I think it was when we got people to share the 10 things they've done to help their financial future during lockdown. That was probably where I saw it the most. And just even if it wasn't a financial thing, because some people didn't have any money to invest, but just taking the time to check their super. And there's so many things you can do even doing some of the courses, reading widely that aren't sort of ... You don't need the money there to do.

Kate:

There's just so many things you can do. And I think it was amazing to see people really trying to look after their financial future. And I hope that sort of we'll maybe we do something similar next year. But just taking some action, it's just those small steps to be like 1% better than the week before. And the small things you do this year, even just the super stuff, some small changes of your super can have humongous effects of your lifetime.

Owen:

Totally. And it doesn't have to be a thing. The amazing thing about finance is that you can just put in a lot of effort for a couple of weeks and you could really make the world of difference to your future. It's not like ... Imagine if you could be like, "Okay, for the next two weeks, I'm going to exercise every day and for the rest of my life, I'm going to be doing okay." That is basically what we're offering you with finance. Yeah, sure-

Kate:

I wish that worked for exercises. That would be nice.

Owen:

Imagine I'm going to run 10Ks a day for the next two weeks and I'm going to be fit for the rest of my life. The thing is, of course, you're not going to be super fit in finance lingo, but you're going to put yourself on the best foot with the minimal effort. We've quoted all those studies about just sorting out your super. It takes like 10 minutes if you know what you're doing. We've done the episodes on that.

Owen:

If it's like paying down debt is having a strategy to do that, or if it's getting a better rate on your mortgage, really, really simple strategies. You don't need to do them every day.

Kate:

... if you know what an ETF is, that doesn't change. You know what it is, then you can move on to the next thing.

Owen:

You know what dollar cost averaging is? You got your five ETFs. Just put your money into there every month, done. Like you want to contribute extra to super, set it on BPAY or automatic deposit, done.

Kate:

And that's the amazing thing. Once you actually learn some of the basics, you don't have to be thinking about it all the time. For us, we do talk about finance every day, but we don't talk about probably our situation. We've worked out what we want to do. We've set it up in the background and we just get on with our lives and enjoy things. We don't have to think about that minute detail because we've kind of figured it out.

Kate:

And that's what I'd love to happen for all our listeners is you figure what financial path works for you. You check in once a month, maybe you do an annual review and go, "Hey, do I want to change my strategy slightly?" But you don't have to keep relearning what an ETF is and relearning how to save every day. You can kind of set up systems so it just happens in the background.

Owen:

That's it, and we've covered so much of that this year. I think the thing that I've learned this year is that, and this was the quote from Morgan's book, *The Psychology of Money*, which is wealth is invisible.

Kate:

It all comes back to Morgan.

Owen:

It all comes back to Morgan. All roads lead to Morgan. Wealth is invisible. It's all of the things that you can't see. And that struck me because in the modern society, it's having a nice phone, it's having a nice car, it's having a beautiful house, but all of those things don't equal wealth. You might seem rich, but wealth is the stuff you can't see. And I just found that profound, that kind of that juxtaposition if you like between the two.

Kate:

And we can get caught up because you can't see debt.

Owen:

That's it, yeah.

Kate:

We don't know if someone is sinking trying to pay their mortgage. We don't know if all the cars in their garage are leased. We don't know if all the fancy watches and the clothes are on massive credit card debt, but we kind of get confused. And I think it's like that being wealthy and being rich different kind of mindset. That was one of the things I took away.

Owen:

You can have a significant income. You can earn \$200,000 a year and you might be rich, but are you wealthy? It comes back to, it's not necessarily about how much you earn, it's about maybe how much you keep.

Kate:

And sometimes, it's that mindset as well, like knowing when is enough. For some people, they just have to keep working, keep working because they can never find that point that's enough. They always think they need more and more and more. And I think that's part of what I tried to get through in the financial independence course, is that working out what is that enough number and you can kind of stop or slow down there. You don't need to accumulate forever.

Owen:

And that was actually one of the things that I was also going to bring up was the discussion that we had with Matt from Aussie Firebug is that, yeah, I guess he realised that as he got closer to his target, he could really take the foot off the pedal. And it wasn't that he didn't want to achieve it ASAP. He does, but he quickly made a realisation

that, "Hey, I'm going to hit it. And then I've got the rest of my life to live. I can just chill out. I don't need to hit it as soon as I thought I did."

Owen:

And so he's one of the guys that did a lot of hardcore saving early on. And what's interesting one of the things, and this is, we talked about property featuring the top five episodes. My reflection of the year would probably be that property can be great, but it's not always the best option for everyone.

Kate:

You've certainly had an experience which listeners got a glimpse into. And now there's two, one last year, one this year of your first home buying journey.

Owen:

And I think there were three key guests here. Amy talked about property from the investing and buying perspective. But if we talk about the personal reflections of some of our guests, we had Andrew who featured in that Money Versus Regret. He regrets selling the house because of all the lifestyle aspects. Matt from Aussie Firebug said he has invested in properties, but is now selling them because he doesn't want to deal with it anymore.

Owen:

And Chris Bates, who's the mortgage broker who helped us with the course, he was like, "Well, you can use property in multiple ways." And therefore, it's not just the value that you see going up. You can take credit against it. You can invest in shares using that credit and all this sort of stuff, and the tax benefits. So there's a total range of opinions on property.

Kate:

Which is fantastic.

Owen:

It is. Yeah.

Kate:

We do try to bring different approaches and opinions onto the show and there's just no one right way to do anything.

Owen:



And I think the lesson from each of these three is that you've just got to kind of learn for yourself what works for you. And that's definitely what's been the case for me. So there is actually one other thing that I wanted to bring up here and it was ... I'm going to butcher the phrase or even if I paraphrase, it's probably wrong but it comes from Ren, Alec from Equity Mates who are close friends of ours. They came on the show.

Owen:

And one of the comments that Ren said that he's realised over the last few years of starting Equity Mates with Bryce is that people think that they need to complicate things in terms of investing. They need to go and invest in this thing and that thing in crypto and mining and biotech. And he's like, "To be honest, people don't have to do any of that if they don't want to." And this is something we've advocated for a long time. You don't have to do that.

Kate:

It can be simple. I think from the outside, we think finance is complicated, so we keep looking for the complexity where we don't stop at ETFs like shares. Then we want to go to another asset class. What about commodities? We want gold. We want silver. Then we wanted marijuana stocks. That was the trend a few years ago in our own companies. We keep looking for that complexity, but we can actually ...

Kate:

Once we figure out how investing works and how ETFs work, even shares if you're interested in, we can actually kind of bring it back to basics and have a very simple, straightforward strategy. And we don't have to keep searching for that next level.

Owen:

For sure. What were your personal highlights?

Kate:

I think this year when I was reflecting, one of my highlights was just creating a system that works. And I think I've been, partly for the podcast, but testing so many different like [inaudible 00:37:53] advice, micro investing every broker under the sun. I've tested a lot of different things and different types of investing. And I've decided to work out, this is the approach that works for me. This is the setup. This is what accounts I want to use for each thing. And I've been able to automate a lot of it.

Kate:

So, there's been less mucking around really, and more just like a strategy that I set up at the start of the year and I just sort of consistently worked towards on a monthly basis.

And I've sort of had those check-ins and I had to revise my goals slightly in the middle of the year, but it was just like having a really simple strategy that works. And I'm not testing as many things at the moment because you do end up with a lot of paperwork at tax time.

Owen:

And if we could only see your digital fingerprint.

Kate:

Oh, my details are in too many services.

Owen:

And I think that's great.

Kate:

What about you?

Owen:

I was reflecting on this before and as I've got down in my notes here for the show that I think it's been, say, three or four or five years since I've taken a proper wage. And what I mean by that is occasionally I'd pay myself like 500 bucks a month.

Kate:

Yeah, had it go a long way. Just feed the chickens?

Owen:

Yeah. I got me chicken feet. And then they produced eggs, which I ate and there's this vicious circle. So now, this year was actually the first year of debt. I was able to take a wage consistently, which for our personal finances made a huge difference. Particularly when you own a home, when you're in the middle of a reno, it does make a huge difference.

Owen:

And we talk about this a lot where the easiest way to accumulate wealth in the early years is basically to drive a wedge between how much you earn and how much you save or keep. And there are two ways you can do that. A lot of people focus on being more frugal and keeping costs low, which does work for a lot of people. I do it to a certain extent. There's a lot of things I don't spend money on, which is different to other people. We have one car, have no interest getting a second one.

Kate:

Spends all that money on Apple products.

Owen:

So spend it on Apple products, make up for it. Actually, my computer is worth twice as much as our car.

Kate:

Oh, my god.

Owen:

So anyway, that's an aside. But the other thing is, so you can keep your cost low but you can also increase your income. And so for years, not having a wage was pretty hard and now having a wage has been fantastic, because it's given us a buffer. And I just think that was a huge, huge benefit this year.

Owen:

And I was very fortunate a few years ago when I started my career, I was earning a pretty good wage and I managed to save a fair bit of money, which we then turned into the business. And I think the thing is that for a long time there, there were months where we couldn't invest even 50 or a hundred bucks, even though we wanted to, whereas in the past we would invest consistently.

Owen:

And so getting back to that, even if it's just tucking away \$500 a fortnight, if we could, just a little bit here and there account. And that's been really good because since COVID, since this thing that was meant to wipe out the stock market, the stock market has actually, as we record this on December 1st, the stock market is up about 50%.

Kate:

And I know you've researched and worked hard and found so many amazing companies. And then you've always like, "Oh, but I kind of invested."

Owen:

That's it. So, I wasn't supposed to be too specific on the podcast, but I did do a calculation on the back of an envelope that would show that if we didn't buy the house, we would've made potentially a lot more money from investing in the companies that we recommended rather than the house.

Kate:

But you have a beautiful deck now.

Owen:

We have a beautiful decking, which took me-

Kate:

I probably should have said the full word that come out wicked.

Owen:

Don't say that with a Kiwi accent. So yeah, we've been very fortunate to get the house when we did. But some of the companies have done really well. Even if you just had an index fund, if you owned A200 or VAS, if you had invested in the lowest day in March 2020, which is when COVID really had its impact and you held that through to today, this is the 1st of December, you would be up around 50%. That's from an index fund. That's in like 18 months. Sure, the music is playing. The party is going. It's in full force. But imagine that. That is fantastic.

Owen:

And so seeing that this year, I was saying to you, was it you yesterday? Maybe not, maybe it was Catherine. I owned three ETFs and all of them have done similar amounts of money in terms of returns. And I'm like, this is, come on.

Kate:

The ETFs are outperforming you?

Owen:

No.

Kate:

Okay, there we go.

Owen:

But it's still fantastic. You don't have to do anything. We talked about these ETFs all the time on the show. It's just so good.

Kate:

It can be simple.

Owen:

It can be simple. So that's one of my big financial highlights of the year, seeing it in full force. Kate, what's on the calendar for 2022? Do we have anything in particular that we're working on?

Kate:

The big thing I wanted to highlight were during a summer school or university, or something sounding cooler. I haven't quite worked out the name, but hopefully the time you hear this episode, I'll work it out. But we are going to go back to our roots, our first 10 episodes revised, better, revisited with different examples. We're going to include action points from every episode for new investors and also our advanced investors. So there'll be something for everyone there.

Kate:

But we're just going to take you over January through some of the fundamentals. So you can either learn all this for the first time because I don't know if some of the stuff from 2019 might have changed, like brokers have changed a hundred times.

Owen:

Health insurance has changed.

Kate:

Yeah, a lot different. But also just sometimes, it's nice to revise some of this. And also, it's a good way to think of different ways to explain it to your friends and families, so that might give you that encouragement you need. We'll air this series over January and then we've been given many great suggestions from the community of episodes you want us to do, people you want us to interview in 2020. So, we're busy planning that at the moment.

Owen:

I would say that's the-

Kate:

2022 ...

Owen:

2022. I would say that's the big thing, is if you have a guest in mind for us, please let us know. The guests are really, really amazing. And if you read a book on economics, or you read a book on a financial scam or whatever it might be, or you listen to a podcast you're like, "Whoa, that person was amazing. I want to learn more from them," please, please, please write into us because those ones ...

Owen:

To be honest with you, we get a bunch of emails and people are like, "Hey, you should interview this guest because this person, blah, blah, blah," and it's from like a PR company or from a company that's paid to write into us to say, "Hey, do you want to interview Bob from down the road? He does finance and crypto." And we're like, "Nah, we're good."

Owen:

But if you actually have a genuine request, those are really powerful for us. And they do move the needle in terms of helping us get guests because then we can go straight to them and say, "Hey, we've got 50,000 listeners and, hey, this person is requesting you to come on the show. So please, we want you on the show," and it goes a long, long way.

Owen:

So yeah, I'm really excited for this. And it is a funny story. The other day, someone messaged me on Instagram and he's like, "Hey mate, just wondering, love the show. Do you guys do anything, like have you recommended or suggested any brokerage accounts?" And I was like, "Well, yeah." And I'm like, "Where are you up to?" And he's like, "I'm on episode 12 or something. I'm just going through the list." And I was like, "Okay, that's three years ago. You got a lot of catching up to do."

Kate:

Yeah. The brokerage episodes were until late this year.

Owen:

Yeah. So I sent him the thing. He's like, "Okay, I'm going to make one exception. I'm going to skip forward to episode 156 or whatever it was, and then go back to that." I'm like, "Okay. Respect for you. But you'll catch up. And you'll hear this in a few years."

Kate:

I think that's the fun thing. Everyone listens to podcast in different ways. Some people go at the start. I've been doing that with some of the Tim Ferris episodes. I've been running, just going back to the very start. It's really interesting. And you get to hear their development, and many of the podcast, the audio, even for ours improves along the way.

Owen:

Doesn't it? Yeah. And so this listener in particular, he was going back over those first 11 because he thought, "Well, I need to learn the foundations." And so if you're going to do a lap of the podcast, that's the first lap you want to go there, finish those, and then maybe go on and do the other things. Pick out the episodes that you want to listen to. And if we redo them, they're going to be more relevant than they were if they're still a few years old.

Owen:

I guess the big thing for us as a team going forward is maybe just getting more people enrolled in courses. That's a huge priority for us because basically what happens is if you think about it from our business and network perspective, is that as the courses get bigger and enrol more students, again it means we can go to people like Amy Lunardi, Chris Bates. And we can say, "Hey guys, now we know you're super busy and you're super popular and you've got your own networks, but we've got this massive community of students that want to learn more from you. And if you come and do a course with us, then you get exposure to all the students and they might become clients." So, there's an incentive for them to do that there.

Kate:

And if you know someone who is an amazing educator anything to do with finance, investing, send their name our way. We're keen to add more courses for you for free. And also I guess the other thing you want to mention is like getting on the road next year.

Owen:

Yes, that's the big thing. Yes. That's a big thing. So COVID committee-

Kate:

Owen thinks he's going to hire a van and we're all just going to hop in and go around Australia. After seeing his driving this week, I'm slightly worried about that idea.

Owen:

Speed bumps, who needs them? So that would be heaps of fun. And one of the things that I know that you have as priority for you personally is getting financial education to people in rural communities and regional communities.

Kate:

Because the road shows for any, even like managed funds and all sorts of things, they usually only hit like Melbourne, Sydney, Brisbane, maybe Adelaide if you're lucky.

Owen:

That's it. And so we want to go beyond those. And we are willing to go to the regional cities if that's what it takes to share some of this knowledge and to get communities built in those environments. So if you are in a, let's say you're near Wagga or you're near Warragul or Margaret River.

Kate:

You run the local library, the school, a great venue.

Owen:

You're in Alice Springs, just write to us. Let us know. Tell us how many people in your community might be interested in something like this because it's something, we love it. And so if you just tell us where you are ... We did a few in Melbourne and Sydney. We've done events in those major hubs, but we know those two cities only account for around about 60% of the audience.

Owen:

So maybe give or take a few percentage points either side of that, so that means there's a lot of people outside those two major cities that want and need this type of stuff. The community aspect and the community feel that you get from regional communities, I said again, is really, really uplifting. So we want to get out there and help in any way that we can. Cool.

Owen:

We're also going to sign off of socials for a little while. You'll still see, there'll still be episodes over Christmas and January.

Kate:

There will still be some posts coming out. You'll have your summer series, but I think we need to hop off the hamster wheel for a couple weeks to actually get some R&R, learn some new things.

Owen:

Just break away from the microphone for a little while.

Kate:

But we will certainly be back and reading all your emails and messages when we return.

Owen:



And I think if you are listening to this and you're thinking, "Oh, these guys are clocking off," we're not clocking off. We still have the podcast coming out. We still got some really punchy episodes coming up on how to set financial goals or work towards your money goals. Even if they're not specifically targeting goals per se, you can work towards them with some of the hacks that we're bringing out.

Owen:

Be sure to keep listening, be sure to check in with us, and share it with friends who may be setting their own financial goals over New Years and Christmas. Christmas is a good time to catch up with family. And sometimes, that means you can share with them what you've been doing and they might come to you and get ideas from you too.

Kate:

Great Christmas lunch talk.

Owen:

Great Christmas lunch talk. So how's about that boxing day test coming up? But also, have you heard about dividends?" I think that that's just a perfect segue. Kate, it's been an absolute pleasure this year, doing the podcast with you and seeing you grow and do everything. So as always ...

Kate:

I'd like to say the same.

Owen:

She'd like to. You hear that? She'd like to.

Kate:

Oh, well, and thank you to all ours as well for joining us and sticking by us this year, for the last three really.

Owen:

It's been huge and we are so, so grateful for all the reviews, for all the people writing into us just saying nice things. It really doesn't just make our day, it's made our year. So, thank you so much. And Kate, as always, thanks for joining me.

Kate:

Merry Christmas, Owen.

Owen:

Merry Christmas.