

# CLIENT

## INFORMATION BULLETIN

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With compliments:  
TENNI & ASSOCIATES

**Ph. 9720 9880**

[grant@tenni.com.au](mailto:grant@tenni.com.au)  
[www.tenni.com.au](http://www.tenni.com.au)

### Welcome to the Future

This is what is going to happen over the next few years if the Cycle stays on course. As it has so far, since 2008!

Sourced from

[www.propertysharemarketeconomics.com](http://www.propertysharemarketeconomics.com)

#### **From 2021 to 2024:**

The Land Boom commences – World's Tallest buildings announced and construction commences. Complaints about property taxes grow in number. Lavish government spending for public works continues.

Real Estate activity becomes frenetic as we approach the peak

#### **Around 2025 to 2026:**

Activity slackens, but confidence remains high, warnings of an impending land crash are dismissed by Government leaders

Foreclosures and bankruptcies increase, although the general public are unaware, and don't really want to know as they are celebrating life never having been better

#### **Around 2027**

Stocks enter a bear market from past all times high

Credit creation institutions reverse their lending policies

Economic activity stalls

A general wipe out of debts and stagnation in the economy  
The wreckage is cleared away

#### **Around 2030**

Stocks start climbing and we are ready for the next boom

No guarantees, but that is how this Cycle is tracking. This Investment Cycle is following a path almost identical to the Cycle from 1973 to 1990, almost identical to the path from

1991 to 2008. It cannot be guaranteed, however Government decisions and policies around the world are, yet again, replicating the decisions made in past cycles. So it is hard to imagine that, with the same policies being followed, how can anyone expect a different outcome?

At Tenni & Associates we are able to use this knowledge in a unique way to benefit our clients.

The knowledge of the Investment Cycle enables us to provide appropriate advice to not only our clients undertaking investments, not only our retirees, but also to our clients weighing up whether to start a business, change careers, buy a house, a myriad of other decisions related to finances, that can be better made in the knowledge of where we are in the economic cycle.

Economists try and explain what happened in the past. People who study history can tell you what will probably happen in the future. In 2015 we wrote

*"We may well have the normal mid cycle slump around 2019, (there is normally a recession around 11 years after the previous major crash, i.e. 2008), however the amount of technology advancement, infrastructure, new Government permits and population growth occurring currently will mean that we will not have a severe downturn."*

The Cycle is turning like a Swiss watch, so if it continues, we can expect a peak around 2026 and a fall into 2027/28.

2008 crash, 4 years flat, then 7 years growth followed by a recession. The Cycle so far is following the same pattern as it has for the last 222 years.

No-one else predicted the recession. No-one else saved their clients from

borrowing millions of dollars and buying a business that collapsed when the recession hit and they could have lost it all.

We are building up to that "I told you so moment" Which will be when the next major crash, a crash akin to the 2008 GFC, occurs around 2027/28.

In the next couple of years we still have time for those who wish to undertake a property development to do so. Closer to 2025 we will reach a point where it will be too late to undertake a successful development. Instead, clients will need to wait until a couple of years after the crash, when banks start to recommence lending money.

### The Future for Tenni PL

When the next major crash occurs we want you, your children and your friends, to be our clients, preferably earlier than then of course.

You already have as your accountants a Unique Firm. Our Uniqueness being, we understand the Investment Cycle and align our accounting advice and our investment advice with the knowledge of what is coming next. We make no apologies for being passionate about understanding the cycle. What we write may be repetitive, but for good reason, it keeps being correct. The predictions keep eventuating, so it would be stupid to ignore the cycle.

We want you and your children to be the future of our business. Do you want them to have the knowledge of how the economy works, to know when is the ideal time to invest?

We are all doing constant training on the Cycle. After 2027/28, if you don't believe us already, you will then. We want to be your go to source for all of your financial needs, and also to be the Trusted Advisor for your children.

## Blockchain & Cryptocurrency

This is not a recommendation to buy cryptos, just some explanation about them. Virtually all Financial Planning Dealer Groups ban their Advisors from advising on Cryptocurrency.

In the late 90's and into 2001, Technology Stocks were running hot. The likes of Microsoft, Amazon, Google, most of the current 10 largest companies on the American Stock Market, plus 1,000's of other often Dud stocks. They had been running hot for quite some years. During that time AMP would not allow advisors to recommend Tech Stocks to clients. However in early 2001 AMP brought out their AMP Technology Fund. Launched at the peak of the market, it was so bad it no longer exists. If you ever needed a sign that a much favoured investment area was about to crash, watch the timing of when major investment institutions move from having nothing to do with a sector, to releasing it on their product list. NB, AMP did it again with a China Fund as we got close to the 2008 crash! Many of the major Tech Stocks of the late 90's are now the worlds biggest companies.

Currently advisors can't advise on crypto's. They are all regarded by the Financial Planning Industry as dangerous, criminal, ponzi schemes, every possible description to blacken their names. Some are, many aren't.

What is money? You already have digital money. The apparatus you are reading this Newsletter on (your computer) allows you to check how much money you have in your account. You check your balance digitally. The bank records your account using Ledgers.

Bitcoin is a store of wealth, transactable between people, based on it being a unit of Trust. (A dollar note, money, is a store of wealth built on the basis that you trust it will be recognised by others as being of value. Please remember, it is still a piece of plastic paper!!)

Most of the current crypto currencies, and many of those yet to be invented, will probably fail. Many opinions believe Bitcoin will be one that will last. No guarantees, but when a new technology has been so accepted by

major companies and institutions around the world it is unlikely that it is ever going to fail and just "go away".

Over the last 220 years the following were New Technology. Railroads, telegraph lines, cars, planes, internet, computers, mobile phones. How many people scoffed at each of those?

The amount a person owns of Bitcoin is recorded on a Ledger, a Ledger using a computer program called Blockchain. It has very little fees, unlike the bank fees charged on most bank accounts, accounts that can be manipulated by Governments. In fact some Governments in recent years have paid negative interest rates to their depositors.

A potential horror story - Governments themselves, including the Australian Government are working on the release of Central Bank Digital Currencies (CBDC). It will replace the money in your digital bank account, and because of the coding included in it, the Australian Government will be able to track where every single dollar spent by every single Australian is spent.

Is it a case of Governments thinking, if you can't beat something, join them, or in this case, create your own. How scary to know that the Government will know every single item you spend money on. They can then stop you transacting on certain items, e.g., you are too fat you can't buy that cream cake, you've lost too much money this month on the horses so no Melbourne Cup bet for you, um that transaction is cheating on your spouse, you drink too much.....

Talk about Big Brother!!

NB, sales of cryptocurrency and transfers between them are all reported to the ATO, so do please remember to advise us when you send us your tax return information.

## Currency

Barter, meteorites, amber, beads, Roman coins, Government Bonds, paper money, copper, silver, gold, numbers written on a cheque, numbers typed on pieces of plastic, plastic cards that fit in your wallet, numbers on a statement on your computer, phones that Tap and Go, these are or were all Money!

**Money is Trust.**

Those who believe that the current store of value as recognised by Governments should never change, do they have their heads in the sand, or do they have some other agenda for not wanting change?

## Covid Savings

Correction – Last year I said there *"There is \$230 million additional cash in Australia compared to a couple of years ago"*. I have been corrected, it was more like \$230 Billion. No major recession in the near future with rising wages, immigration, cash like that waiting to be invested!

## Growth in 2023

In 2022 shares went sideways, housing gave back some of its Covid gains, interest rates returned closer to normal. In 2023 I expect growth in just about everything. Shares, housing, interest rates maybe steadier, inflation to top out, wages up, your superannuation up, world tensions up, plus plenty of "once in a hundred year" events!

The bells are ringing to invest.

## Health – Don't die

Warnie, Rod Marsh. Fellas, if you're at that age, don't put off a day longer your cholesterol check or your Calcium Blood Test. Ladies, once you reach that age, you are just as susceptible to heart attacks as us blokes, so go and get a full health check so you are around for your kids weddings and your grandchildren.

## 2023

Been great to see many of you again in the last 12 months.

Our office will be close at lunchtime Thursday 22<sup>nd</sup> December, and reopen Monday the 9<sup>th</sup> January.

We again extend our deepest appreciation for your custom, your loyalty and your support during 2022.

Good health to you all.

Wishing you a very Merry Christmas and a Happy New Year in 2023

**Grant, Jeanette,  
Emma, Rizwan & Suba**