

APRIL 2008

Print Post Approved PP243056/00011

FINANCIAL Planning

OFFICIAL PUBLICATION OF THE FINANCIAL PLANNING ASSOCIATION

Volume 20 Issue 3 | \$10.00



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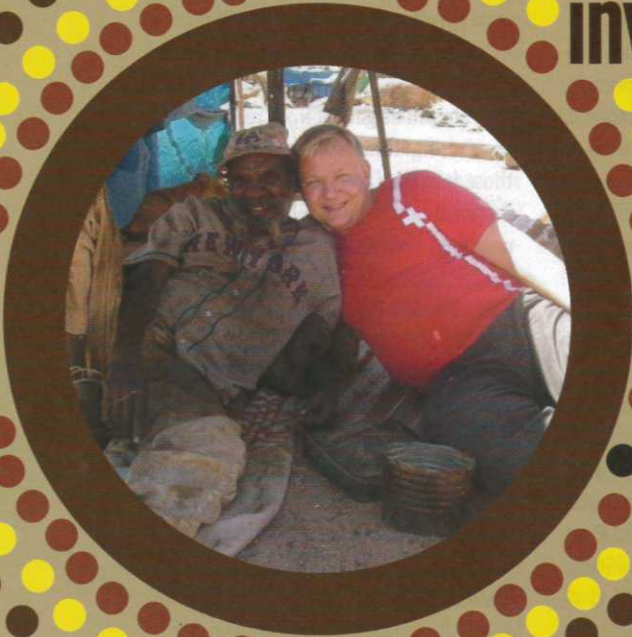
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Creativity fosters community spirit



Creative community

invests in brighter future



A chance sighting of an Aboriginal artwork sparked an interest in Greg Nazvanov CFP® that has led to an ongoing commitment to a growing art community, writes SUE WEBSTER



Some people see life as a road map – mainly going from A to B, but Greg Nazvanov's life is more like an atlas.

From night-diving in Thailand and trekking in Vietnam, to bunking down in a shack on the red earth outside Alice Springs, one world seems hardly enough for the Sydney-based CFP®.

In his working life Nazvanov is a private banker for Credit Suisse. But away from the suit-and-collar world he's quite a different creature.

When it comes to Greg Nazvanov's life ... where on earth do you start?

Last December he was named among the top 10 in the *APR Smart Investor* Masterclass. He admits to making a bucketload of money. And yet, the personal investment that repays him in the greatest measure is also the one that gives him no financial return. In fact, it has cost him up to \$200,000 in the past five years.

He gives away art. He buys paintings from members of Aboriginal art groups and donates them to charities. Both transactions bring benefits, by supporting the Aboriginal artists, and by the funds generated for the needy in Australia and overseas.

One of his closest contacts in this transaction is an onion grower from near Alice Springs.

"More than four years ago I met this onion grower, Brenton Cowley, who is aged 57 with two kids. I got talking to him about life in an Aboriginal community," Nazvanov said. "For the last 20 years he has been providing refuge for Aboriginal people, not a commercial operation - just free food and accommodation for anyone who wants it. And they come there to paint or meet to chat. Often members of different communities turn up and share their experiences.

"People can just walk in because he does not have gates. They sit down by the fire and they paint. It's how they express their Dreaming."

The catchment for this informal artists' colony covers "thousands of kilometres", Nazvanov said.

The participants are given the canvas and paint and left to create. Alcohol is banned, but Cowley goes through a three litre bottle of cordial and a tank of drinking water a day.

"I go up there every couple of months and in the meantime I send money to buy the canvas and help with the costs."

Cowley tries to sell works to galleries and has close links to Kununurra-based art dealer Pam Lindaker.

But Cowley is certainly not doing it for profit, said Nazvanov. "Not everyone wants to buy the paintings and he has accumulated piles of them, not knowing what to do next. In his house the walls are not plastered or painted because that's not a priority. He says: 'I need to look after the artists first.' He's one of those people who believe that you have to look after the community."

Nor it appears, is the onion grower alone.

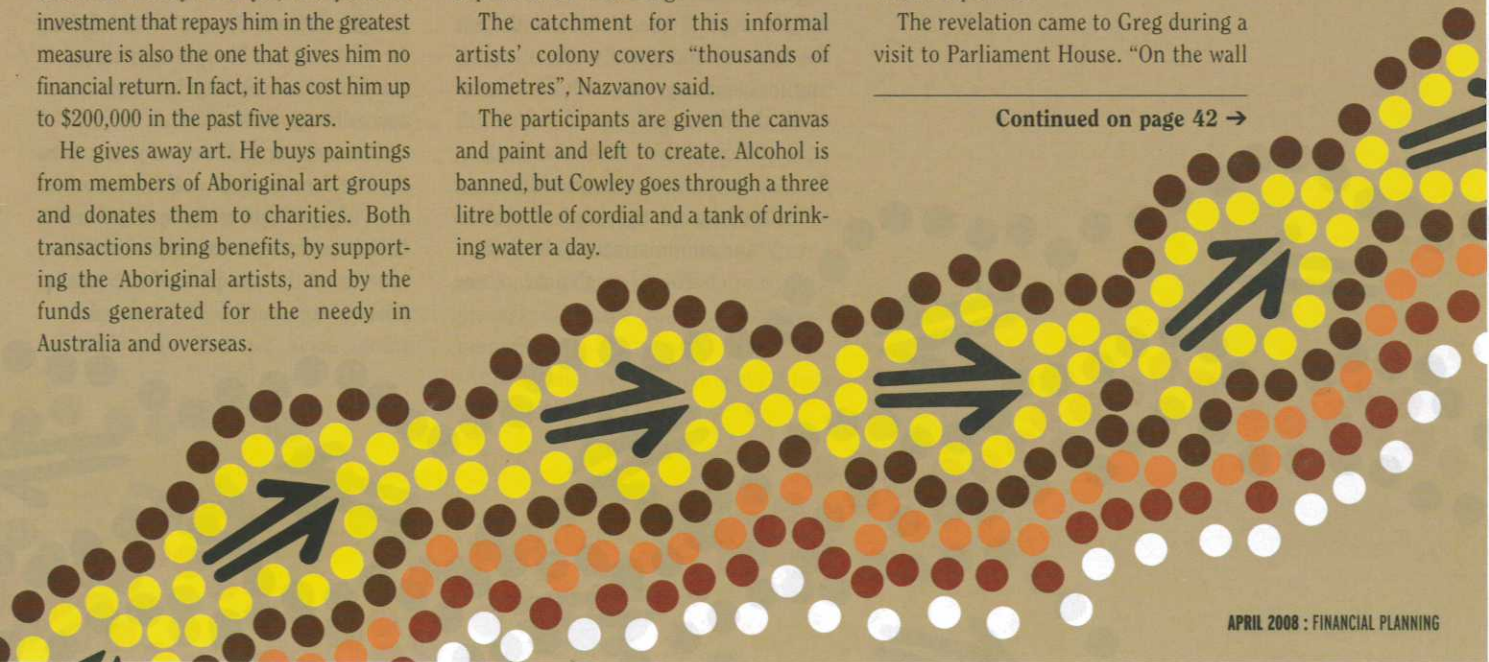
Nazvanov donates the Aboriginal paintings he buys by giving them to a charity or selling them through an auction, getting the art house to donate their services and drop the usual 15-25 per cent commission.

"What attracted me to this art was that here is something bright and not predictable," he said. "Being brought up in a family that went to art galleries every weekend, I used to get bored looking at traditional art forms. It was all predictable, it was all the same.

"I prefer to look at something that wasn't explained."

The revelation came to Greg during a visit to Parliament House. "On the wall

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Creative community invests

Being brought up in a family that went to art galleries every weekend, I used to get bored looking at traditional art forms.

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there was a painting by Pintupi woman Elizabeth Marks Nakamarra called 'Lightning Strike' and I thought, 'Wow! That's amazing'."

The highly geometric grid-like maze of lines zig-zag madly across the canvas. Its style is both hypnotic and full of energy.

"I like collecting abstract things," said Nazvanov. But he also likes giving them away, too.

"Understanding markets, I can make money easily. And because I make very good money I want to give some back," he said. "I realise the Aboriginal community is not being treated as well as it could. And, regardless of the 'sorry' issue, I feel that an entire generation has been forgotten."

His latest campaign is a donation of nine paintings in an effort to raise \$70,000 for the McDonald Foundation which funds, among other things, scholarships at the McDonald College for talented and gifted youth – including indigenous youth – who are financially disadvantaged.

"I'm doing this with a colleague, Lyndon Arthurson. I'm the donor and he's doing all the implementation and administration," he said.

There might be some

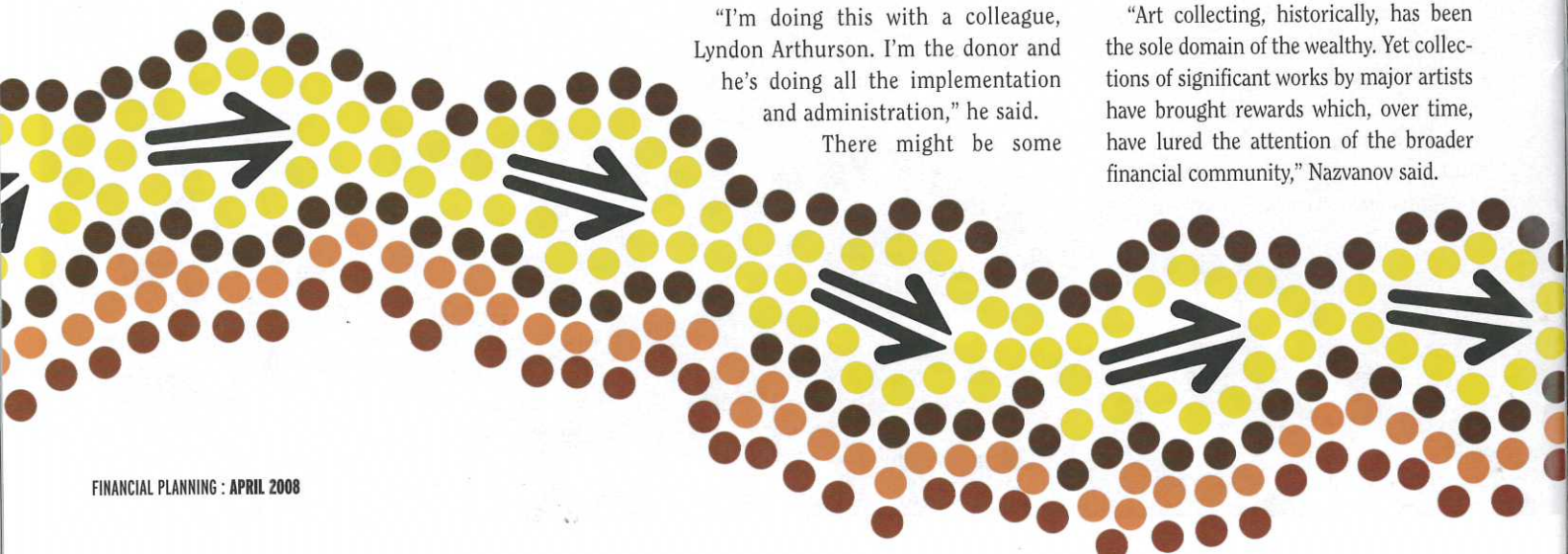
financial wisdom in his goal of boosting art appreciation. The US reports that the Mei Moses All Art Index, which tracks repeat auction sales, rose 14.52 per cent last year, compared with a 4.91 per cent total return for the Standard & Poor's 500-stock index.

International auction monitors, Artprice.com recently announced that the global figure for total fine art sales revenue is four times higher than it was 10 years ago.

Over the last 12 months, the Artprice global index is up 16.5 per cent, with contemporary art ranked as the most dynamic segment, and along with modern art, both achieved average price increases of 20 per cent.

In May 2007, Emily Kngwarreye's painting called 'Earth's Creation' sold for \$1.056 million. The painting was owned by an Adelaide superannuation fund, which commissioned the work in 1995, a year before Kngwarreye's death. In July 2007, the National Gallery of Australia bought Clifford Possum's Warlugulong for \$2.4 million. The previous record at auction for a painting by Possum was approximately \$400,000.

"Art collecting, historically, has been the sole domain of the wealthy. Yet collections of significant works by major artists have brought rewards which, over time, have lured the attention of the broader financial community," Nazvanov said.



in brighter future

"Art could be viewed as a tangible lifestyle asset, and has come to the fore as a viable alternative to traditional asset classes. It stands out as an irresistible combination of pleasure and profit in otherwise staid, electronic or paper-strewn portfolios."

Nazvanov explained: "There are distinct variances between investing in art and other traditional assets, such as shares and bonds. Studies by Higgs and Worthington have shown that a low correlation exists between returns in the art market and returns in other mainstream markets, strengthening the argument for portfolio diversification by Australian investors into art.

"A couple of academic studies show that art has significantly outperformed bonds and has kept pace with equities. Not surprisingly, these studies find that the returns from art are not particularly correlated with the overall capital markets."

Does Nazvanov himself paint for a hobby? No, only scuba diving, taekwondo, gym and ballet.

And meditating. This was something he learned from the Aboriginal artists who are known to scorn accommodation and take themselves off to makeshift shelters in the bush for contemplation. Nazvanov finds himself following their example.

"I was in my second year of my MBA at Macquarie and we were going

through a unit called Executive Coaching. Professor Dr Steven Segal is one of the best in the industry and encourages you to listen to self-talk, to learn about yourself. And the more time I spend with Aborigines, the more I realise they do this," he said. "They do for free what I have to pay MGSM \$48,000 for the course to learn!"

Money is not everything. Money spent well is everything. Nazvanov explained: "Being a fiduciary rather than a product flogger means you really care about the client. You don't take advantage of the client."

A recent report, *Good Times and Philanthropy*, scolds affluent Australians for lagging behind Americans and Europeans on philanthropy. On an income basis, wealthy Americans allocated 3.8 per cent of their income to charities, while average wealthy Australians gave less than 1 per cent.

The study found that charitable giving had hardly increased in the past 10 years, despite a 36 per cent rise in mean household wealth among affluent Australians in the period.

Nazvanov said: "Looking 20 years ahead, I think Australian society will be meaner. People are trying to be commercial about everything. When I am looking at making donations, people ask me 'have you got too much money?'

"They don't realise that some things can't be measured in money." ❖

Art could be viewed as a tangible lifestyle asset, and has come to the fore as a viable alternative to traditional asset classes. It stands out as an irresistible combination of pleasure and profit in otherwise staid, electronic or paper-strewn portfolios.

