Cuffelinks
Connecting investors with ideas

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ATO confirms SMSF global allocation "strongly understated"

Graham Hand

Here we go again. Let's breathlessly ignore the blindingly obvious for the sake of a good headline.

Each quarter, the Australian Taxation Office (ATO) releases the asset allocation figures for SMSFs, and like moths to a flame, journalists, PR firms and analysts are drawn to incorrect interpretations. The stories ignore the logic, as shown in *Let's debunk this myth about SMSFs and global shares*.

After the recently released June 2015 data, the analysis again went like this:

"With less than 1 per cent of assets invested in overseas equities, criticism has arisen that SMSFs are 'underdone' internationally and not taking advantage of an important foreign exchange risk buffer." - Major national newspaper repeating article in leading investment newsletter.

"SMSFs are on the verge of a diversification disaster, as trustees pump record amounts into Australian cash investments while ignoring good value overseas assets, it has been claimed ... SMSFs have just $1.8 billion invested in overseas shares (less than one per cent of their total portfolios), and even less in offshore managed investments and offshore property ($533 million and $329 million respectively)." - PR release also picked up by leading industry newsletter.

(I have deliberately not identified the sources because Cuffelinks is a friendly publication not eager to make enemies, but I am not inventing this material. It happens every quarter).

Dozens of global investment managers operate in Australia, including the most popular in Magellan and Platinum, plus global Exchange Traded Funds (ETFs) and Listed Investment Companies (LICs), managing billions of dollars in global equities, and despite $590 billion in total SMSF assets, only $1.8 billion is in global equities. It's clearly impossible.

The only way to settle this is to interview the ATO.

What does the ATO say?

The person responsible for collecting statistics at the ATO is Nathan Burgess, Director of Income Tax and Regulatory Risk. He confirmed that the $1.8 billion listed under 'Overseas shares' in the ATO Report is only the direct share investments held by SMSFs on overseas exchanges. Nathan said, *"When we have spoken to many SMSF trustees, they say they would rather invest through domestic investment vehicles than directly on overseas exchanges."*

The ATO only looks at the first point of domicile of the investment vehicle, and the vast majority of global shares are held in domestic vehicles.

He identified three other categories in the ATO Report where other global equities might be held:

- Listed trusts, total value $23.3 billion, listed on the ASX and including LICs and ETFs that hold global equities
- Unlisted trusts, total value $52.5 billion, including managed funds on platforms
- Other managed investments, value $29.4 billion.

The total of these three categories is $105.2 billion or 17.8% of SMSF assets.

Mr Burgess told me: "It's fair to say a substantial amount is in international equities, much larger than the number quoted under the 'Overseas shares' category."

The global allocation by SMSFs is "STRONGLY UNDERSTATED"

The ATO Director said it is not possible to put an exact number on the global allocation, because, "We don't do a look-through to the final assets."

In fact, he went further and said that the ATO prefers SMSFs to invest in domestic vehicles, because the ATO would rather monitor vehicles "located within our jurisdiction."

"It gives the ATO the chance to interrogate and deal with local investment people. We like to know where the original money is controlled. We are interested in people located within our jurisdiction, under our overview and rules."

He also said most of the global real estate investment is done through local investment trusts, and again, this is welcome because there are risks in individual trustees buying property overseas.

When I showed him some of the articles making claims about SMSFs investing in global equities, he repeated that the ATO only looks at the first point of domicile of the vehicles, and that the assumptions in my previous article are correct.

So what is the correct number?

Nobody knows the correct number, not even the person in the ATO in charge of collecting the statistics. But he has talked to many SMSF trustees in the supervisory and risk role, and confirmed substantial allocations to global equities.

My best guess is about 10% (which is still underweight compared with institutional balanced funds). When I spoke to three SMSF administrators, they reported numbers of 5%, 14% and 20%. It probably depends on the type of customers serviced. An administrator who targets financial advisers will see a larger allocation to the managed funds recommended by advisers.

A broker wrote to me after the last article, stating: "Of the total share portfolio data we have for 15,000 SMSFs, global exposure is less than 1% (via ETFs and LICs). If you talk to an administrator dealing with primarily self-directed funds (50-80% of the market), their allocation to managed funds is negligible and their portfolios look a lot like ours (ie massive skew to top 20 stocks, almost exclusive AUD bias)."

Despite the focus on ETFs, their total size in Australia is only $17 billion, according to BetaShares. Retail managed funds hold $730 billion and wholesale managed funds $820 billion, according to Plan for Life, so that's where most of the global equities are. It is unlikely to be correct that up to 80% of SMSFs have 'negligible' exposure to managed funds.

Mr Burgess was unwilling to guess the correct allocation beyond saying that only looking at the "Overseas shares" category is "strongly understated". We welcome any other SMSF service provider giving more insights.

Of course, many SMSFs do have low allocations to global equities, but there are 556,998 SMSFs with 1,049,840 trustees. The 'less than 1%' articles are way off the mark for the SMSF market as a whole. Often, the authors are either talking their book to make a case for global investing, or jumping to the wrong conclusions.

Graham Hand is Editor of Cuffelinks.

Here’s how a Chinese hard landing could play out

Jonathan Rochford

There are two diverging views on what the economy in China could do after the 38% fall in the Shanghai Composite in the last two months. One view is that the share market has little interaction with the real economy and thus there’s no need to worry. The other has the two heavily interlinked, with the economy and the share market both moving down. The key to which view will ultimately prevail is what links exist and how strongly the changes in one flow over to the other.

In order to show what the links might be and how the problems could spread I’ve mapped out a ‘hard landing’ scenario. This isn’t a prediction, but rather an attempt to show that a hard landing is possible and not unforeseeable.

Stage 1: Equities fall hard

The equity sell-off began in June, with initial falls only halted when the government intervened, banning large owners from selling and forcing securities groups to buy. Towards the end of August, the Chinese government temporarily withdrew its direct support of equity markets. Once the sell-off began it accelerated quickly, as unusually high levels of margin debt forced many to liquidate their positions. The government re-entered and compelled more buying, as it could not stomach a collapsing stock market raining on its grand military parade on 4 September.

To stabilise the market at this point would require a combination of (i) the end of forced sales from margin debt unwinds, (ii) the ‘get out while you still can’ sentiment of retail buyers fading and (iii) institutional investors seeing value and beginning to buy as the P/E ratios reach levels similar to or below those of developed markets. None of these factors appear likely in the near term. Whilst government intervention continues, relative stability can be maintained, but if that stops then the dominos start to fall.

As investors digest that there is no longer a government safety net for equities, they assume this applies to their other investments. As a result, a wave of selling hits property markets and wealth management products. Some investors need to sell other assets and deleverage after their equities fall, whilst others sell out of fear.

Stage 2: Collapse of shadow banking

Prior to the falls in equities, losses on property and wealth management products were both limited, and in a number of cases, had been papered over by government organised bailouts. However, as the equity-linked defaults mount and the Chinese government chooses not to intervene, investors refuse to rollover their investments in wealth management products. As almost all of these trusts have investment periods of six months or less, a liquidity crisis rapidly compounds. Chinese peer to peer lenders also find that their investors are no longer willing to supply capital. Loans made to small and medium businesses, local governments, and equity and property investors are called in.

As a result of credit being cut-off, forced liquidations of property investments begins. Developers lose access to funding and halt construction on existing developments leaving many investors out of pocket and without a habitable property. The glut of empty properties, with little prospect of finding tenants, means investors have no cashflow generation to point to when seeking finance or when offering their property for sale. A second wave of equity selling begins as providers of margin loans call in their debts in order to repay investors and protect their positions.

Many intermediaries collapse with senior management fleeing, leaving their businesses in disarray. Investors are horrified to learn that their money was used to fund defunct property developments, mining companies and steel companies. After investing based on the brand name of the bank that sold them the product, they learn that the underlying businesses have long been unprofitable.

Courts are swamped with insolvencies dragging out the recovery proceedings. Provincial governments are too busy cleaning up their off-balance sheet activities to be able to assist. Guarantee companies drown in a sea of claims, failing to do the very thing they are supposed to do at their first major test. The recovery rates of defaulted wealth management products and other shadow banking investments is minimal.

Stage 3: Collapse of the banking system

The lack of trust in governments and financial institutions exacerbates the panic sentiment. Bank depositors withdraw their funds en masse, creating a liquidity crisis for banks. Whilst the Chinese government provides liquidity to meet the outflows, it cannot stop the defaults and destruction of capital reserves at many banks. Decades of 'extend and pretend' lending finally comes unstuck with banks forced to reveal their losses as bad loans are sold off to asset management (restructuring) companies at a substantial discount to face value.

The Chinese government is forced to recapitalise banks and takes full control of the banking system. Government debt to GDP skyrockets as a result. Depositors are left with some losses but many bondholders and equity investors receive nothing. Investors now assume that nothing is safe, other than physical gold and investments outside of China.

Stage 4: Credit crunch and recession

Banks are overwhelmed with problem loans and new lending grinds to a halt. Only buyers with sufficient cash reserves are able to purchase businesses and properties with prices of both severely depressed as a result. International investors have pulled their capital out and won't be back anytime soon after suffering heavy losses. Many businesses close down completely and others have to lay off most of their staff. Business and consumer demand craters with only government stimulus to offset the damage.

Due to the losses on other investments and the widespread lack of trust, investors are unwilling to buy government bonds and the Chinese government is forced into quantitative easing. The Yuan collapses with hyperinflation taking hold. After years of urbanisation China sees large flows of young people returning to their home villages. There simply isn't enough work in the major cities to support current population levels.

Property and infrastructure construction plummets taking down the demand for electricity and steel. The demand for imported goods dwindles as many Chinese simply cannot afford them with their reduced wages and the decline in the Yuan. Widespread public protests are crushed with military force with citizens now fearful of their lives as well as losing their remaining wealth. Affluent citizens use all means available to get their money and families out of China.

Conclusion

This is obviously a bearish scenario, but it has been put forward to illustrate a possible (but not necessarily probable) outcome for China. As well as the future being unknown, there is much about China's economy and markets that is currently unknown to outside observers like myself. Low levels of disclosure raises the possibility that much of what is generally thought to be known about China may subsequently be discovered as untrue. How the Chinese government reacts to changes at each stage will have a big impact on future levels of growth or decline.

In the face of such uncertainty, consider several key facts on China. It is an emerging market that has averaged 10% growth per year over the last 30 years. Official debt levels have more than quadrupled in the last eight years with widespread mal-investment. By most valuation methods its equity and property markets are overpriced compared with global peers. China is now such a large economy that it can no longer export its way to high growth levels. Its workforce is shrinking and its population is aging. Just as trees don't grow to the sky, China's ability to record high levels of growth is unsustainable, with the possibility that a hard landing occurs in the medium term.

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Adapting to buying shares when markets fall

Tony Hansen

The Australian share market experienced what felt like a virtually uninterrupted winning streak for the roughly six years between the March 2009 bottom of the GFC and the recent highs in April 2015. The falls since then are likely fresh in your mind.

The Total Return Index, including dividends reinvested, between the 'bottom-tick', ASX200TR index at 21298.06 on 6 March 2009, and the most recent 'top tick', ASX200TR index at 52822.21 on 27 April 2015, the advance amounted to over 148%. $10,000 became more than $24,800 without any of the stress and effort of individual stock selection.

If you sell, when do you buy back in?

Despite your memory of that period likely being constant gains, in fact the recent fall is one of three double-digit reversals in the index over that period:

1. 15 April 2010 to 5 July 2010 saw a 15.0% decline.
2. 11 April 2011 to 26 September 2011 saw a 20.4% decline. A bear market is customarily defined as a reversal of at least 20% from the previous peak. The 2011 reversal is remarkable for the fact that the index was in a technical bear market for exactly two days, 26 September and 4 October 2011. Perhaps the shortest 'bear market' in Australian investing history.
3. 14 May 2013 to 25 June 2013 saw a 10.5% decline.

In Australia lately, the old line 'sell in May and go away' seems more applicable to April. The bigger problem if you chose to do so is when to return, for each of the falls described above, despite starting within 33 days of each other ended in different months.

There were a few other instances over the period with reversals that didn't quite make it to double digits, so it really has not been a steady one-way path to profits. There have been plenty of opportunities to make big mistakes of timing, buying at tops and selling at bottoms.

Why do investors react in these ways?

Behavioural economists Daniel Kahneman and Richard Thaler have written excellent texts on the various ways our mind is predisposed to trick us. Over thousands of generations, humans have evolved to employ heuristics for much of our day-to-day decision-making. A heuristic technique allows for a rapid decision, but often not the optimal decision. Given we customarily make thousands of decisions daily, this process is critical to efficient operations, but it gives rise to occasional sub-optimal decisions.

When we were living as tribesman on the plains of Africa, heuristics were enormously useful: "Quick, a hungry-looking lion, better run" or "I've never seen anyone eat these berries before, so I won't either." In fact, those who failed to use heuristics ensured the tendency toward such decision-making techniques passed down through the ages because those failing to use them were often eliminated from the gene pool.

In the financial markets, heuristics will often lead to the wrong decision, so you need to train yourself to override these natural tendencies. In his book '*Thinking, Fast and Slow*', Kahneman describes two systems of thinking. System 1 is the foundation for heuristics and it is very fast, almost automatic. System 2 is applied when we slow down and really reason out a problem. System 2 is what you need to train yourself to employ in your decision-making in financial markets.

Contrarianism is something that is given much lip-service in investment circles, but is much harder to apply in practice. This is for good reason, as the crowd is usually right more often than wrong. Despite this, crowds are occasionally also very wrong. When the stock-market is plunging, the driving force is usually a reason that sounds quite reasonable at the time. Inevitably, in retrospect, it seems overblown or short-term.

Once we can master the emotional side of investing, we place ourselves in a position of considerable advantage. We must train ourselves to consider whether whatever economic problem is causing the market concerns of the day actually has a practical effect on the underlying valuation of the business we are investigating. Suppose you were considering buying Telstra shares, and you decided at prevailing prices they would deliver a sound economic return over coming years. However, you didn't buy because the debt issues in Greece caused you to feel uncertain. You probably made a mistake of reasoning. If you were considering buying BHP shares and the apparent slowdown in China caused you to feel uncertain about the long-term prospects for commodity prices, then your reasoning was probably on more solid ground.

Opportunities arise in tough markets

When the wider market drops by 15%, there will often be individual stocks that might fall by perhaps 30% (or not at all, of course). In order to succeed at investing, we need to train ourselves to reflexively consider this as a likely opportunity and go searching for where the best opportunities have arisen.

We seem to be able to reflexively adapt our habits as consumers. When a desirable product that has previously been fairly valued or expensive suddenly becomes inexpensive, consumers pounce. These critical supply and demand structures often become disjointed in investment markets. For the patient and disciplined investor, as Albert Einstein said, "In the middle of difficulty lies opportunity."

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Where do Australian funds sit in the global pension industry?

Iain Middlemiss

Australia's largest superannuation and pension funds recorded a compound growth rate of 11% per annum between 2009 and 2014, stronger than the growth rate of funds across the entire world of 6.4%. Yet despite this strong growth, a current challenge for all funds is how to diversify across return opportunities and risks in an environment of increasing asset market and interest rate uncertainty.

These are two of the findings in Towers Watson's annual report of the top 300 global pension funds, available here. It contains analysis of growth rates, asset allocations, fund types, regions and countries.

Towers Watson said the key drivers behind Australian funds' growth are:

"The net inflows resulting from the compulsory superannuation guarantee which continue to aid in growing Australia's retirement savings and perhaps more importantly the fact that Australian superannuation is 84% defined contribution with a larger allocation to equities and other growth-orientated assets than other geographies. This last point, and the strong, positive returns over the five years since the global financial crisis in these growth-oriented assets, have held Australian funds in particularly good stead."

Other points specific to Australian funds include:

- Australia had 16 funds in the top 300, as listed in Figure 1, the same as in 2013, with no new entrants in the last year
- Of these 16 funds, eight improved their ranking compared to 2013, one fund stayed the same and seven funds fell
- The number of Australian funds in the top 100 increased by one, with UniSuper joining the Future Fund, AustralianSuper, QSuper and First State Super
- Australia has no funds in the top 20 but two in the top 50, the Future Fund and AustralianSuper.

Figure 1
Australian funds in global 300 total assets 2013-2014

Fund	Total assets 2014 US$bn	Total assets 2013 US$bn
Future Fund	89	86
AustralianSuper	69	65
QSuper	45	43
First State Super	41	40
UniSuper	38	36
State Super	32	35
REST	29	27
Commonwealth Superannuation Corporation (CSC)	28	28
Sunsuper	25	24
HESTA	25	24
Cbus	24	23
ESS Super	19	19
Super SA	17	16
GESB	17	16
HOSTPLUS	14	13
Telstra Super	13	13
Total	**525**	**508**

Note: Figures as at 31 December

Source: Pensions & Investments/Towers Watson Global 300 survey

The Future Fund ranked ninth amongst sovereign pension funds in the survey with US$89 billion in assets. Established during an era of Federal budget surplus, the fund will help provide for the defined benefit entitlements of Government employees. The report notes the decrease globally in defined benefit funds' share of pension assets from 75% five years

ago to 67% in 2014. Defined benefit funds continue to grow but at a slower rate than newer defined contribution funds.

In the next 12 months a number of economic and market factors will impact Australian funds' rankings and rates of growth relative to international peers. These include:

- The Australian dollar's exchange rate against the US dollar, with a falling Australian dollar adversely impacting Australian funds' rankings;
- Global and Australian interest rate changes impacting rankings of funds with higher bond asset allocations; and
- Equity market returns, with rising markets generally improving rankings of Australian funds given their higher equity allocations.

The top 300 global pension funds combined had assets under management (AUM) of US$15 trillion in 2014, representing 43% of the estimated US$36 trillion total global pension asset pool. The total pool has doubled in the last decade, riding out the GFC and subsequent market recovery. North America remains the largest region accounting for 42% of AUM and 49% of funds, with 78% of their AUM in defined benefit funds.

While longer term growth has been strong, the annual growth for the top 300 decreased from 6.2% in 2013 to 3.4% in 2014, through lower global equity market and interest rate returns. Longer term asset mix and currency management will remain important in achieving strong and steady growth, with funds increasingly considering future sources of return value and adjusting their investment strategies accordingly.

Towers Watson says many funds are developing their product range, especially:

" … in 'added-value spaces' to find the extra returns that no longer come from the market. In the process they are increasingly thinking about diversification in the context of all return drivers and adding the necessary governance or outsourcing to ensure success. This is likely to increasingly polarise winners and losers and could reshape the investment industry, completing the shift away from siloed - and indeed expensive - 'asset class' thinking and increasingly breaking down the distinction between 'traditional' and 'alternative' investments."

While fund assets have doubled over 10 years, questions remain whether the funds management industry has focussed enough on the outcomes for members or reducing costs enough. In the past, most funds emphasised relative investment returns and less the value chain cost containment. This has allowed risk to build up in portfolios, and the cost gains that should have come from such increases in fund size have been modest. There have been some cost improvements, especially in MySuper offers, and with greater scale, this should continue.

Iain Middlemiss was Executive Manager Strategy at Colonial First State and Head of Strategy at Superpartners. This article is for general educational purposes only.

Financial Advisers Register a good place to start

A note from ASIC to Cuffelinks readers

In March this year, ASIC launched the Financial Advisers Register (FAR), the first comprehensive register of people who provide personal advice on investments, superannuation and life insurance.

The Register, which now has around 22,500 appointments, makes it easier for investors, employers and ASIC to find out where a financial adviser has worked, their qualifications, training, memberships of professional bodies and what products they can advise on.

In the last six months more than 150,000 people have searched the register to find out about a financial adviser. If you haven't had a look yet, you can search on ASIC's MoneySmart website. There is also information on MoneySmart about what questions to ask when choosing a financial adviser. If you have any questions regarding the FAR, please email far@asic.gov.au.

Licensees alert

The register is a major undertaking and has relied on licensees providing up to date information on

their financial advisers. During the transition period ASIC did not impose late fees for changes.

Licensees should be aware that the transitional arrangements for the Financial Advisers Register and Authorised Representatives Register ended on 30 September 2015.

From 1 October 2015, new fees and notification periods will apply:

- Licensees will have 30 business days from the date of change to notify appointments
- A fee of $29 will apply to update details or cease a representative
- A $75 late fee will apply when a notification is less than one (calendar) month late
- A $312 late fee will apply when a notification is over one (calendar) month late

Improvements to ASIC Connect

ASIC is also implementing some system improvements to ASIC Connect. From October 1 2015, licensees will be able to update all financial adviser and authorised representative details online.

This includes the ability to:

- update addresses
- nominate a business name
- update names and ABNs

There are also some changes to the invoice: fees will now show a representative's name, and include the type of fee applied.

Further information about the end of transitional arrangements for the Financial Advisers Register are on www.asic.gov.au/far from 1 October 2015.

What are all these fintech startups actually doing?

Graham Hand

It was an eye-opening conference. Under the auspices of the financial technology ('fintech') network started by Afiniation, 31 startups with 'market-ready' solutions presented their businesses to an eager audience of potential investors, customers and partners. It provided a snapshot of the digital disruption potential in wealth management and finance generally. Whereas other industries such as music, books, newspapers and videos have seen massive shifts to online services with severe revenue impacts, finance has to date been relatively unaffected.

The great, the good and the not-so-good

A curious routine spontaneously developed at my table. We would watch each presentation attentively, then everybody would look at each other and either give an approving nod, muttering some words like "That's a good idea", or frown doubtfully, saying "I don't think so" or similar. And so it was possible to gain immediate market feedback on the quality of the idea.

My thoughts after the event were:

- As with entrants to any new activity, some fintechs will flourish and some will crash. It's difficult to judge the winners because it only takes one large customer to support a business and it can flourish, but without that slice of luck, it can run out of money.
- Although it is not easy to raise venture capital, there is money available for the right ideas, well executed (the total global investment in fintech is estimated at $270 billion). One experienced VC investor told me, "Always start by investing in the person, not the business." Which I'm sure is true but it helps if it's also a good idea.
- Many large banks and insurance companies are watching this space and are keen to partner with new fintech ventures. I asked someone from a major bank why they would not just put a few people on a project instead of paying a startup. He said that by the time they called a meeting of the right people, organised papers, set time lines and deliverables, gained permission from every affected party and tried to run regular meetings, the whole project would become mired in politics, lost time and extra costs. Much easier to let a startup prove the concept and then throw a few million dollars at them. He said, "There's too much S.H. in front of I.T."

Deloitte research

It was good timing in the same week when Deloitte issued a comprehensive study, linked here, called 'The Future of Financial Services: How disruptive innovations are reshaping financial services.' It identifies six areas expected to experience changing customer demands and the rapid growth of fintechs:

- payments
- deposits and lending
- financial markets
- investment management
- capital raising
- insurance.

It highlights innovations around cashless payments, crowdfunding, peer-to-peer lending and crypo-currencies that incumbents need to watch and reinvigorate their business models. Customers are familiar with online usage and solutions, and may embrace new entrants in a way that has not been possible in the finance industry before.

Presentations at the Afiniation Showcase

The list below shows the companies that presented with my understanding of what they do. Each business was given only seven snappy minutes to present. I am not involved in any of these businesses, and listing them here is not an endorsement, it is intended only to show the innovation and changes underway. Many of these companies are looking for venture capital funding.

Ignition Wealth - automated investment advice, making investing easy for everyone. Pitching B2B to advice groups more than B2C. Custody and execution remains in client system.

SuiteBox – Allows sharing of documents and interacting between users, including integrated video meetings. Improve the ways advisers engage with their clients, redefine the customer experience.

MyProsperity - Whole portfolio at your fingertips, including cars, loans, etc. All powered by data feeds, including rent statements, car values from Redbook, home values from RPData.

Einsights - Global business and data analytics, control decisions and amount of data using tools that think not do. Derive insights from data to take charge of your business.

My Angel Investments – Current focus on NZ, match investors with businesses (especially technology and engineering) under special NZ licence. Australia stymied by poor legislation.

Avoka – Approve personal loan in under two minutes, Avoka Transact creates world class sales experience, banking most important activity, build white label in a few days.

Cumulus Networks - Support open networking that is responsive and affordable, validated solution designs that empower people who use them.

BigFuture - Nudge people to better understanding of their wealth, change the ways they live their lives to make them sustainable, show what revealed preference will look like, aiming mainly at advisers.

Mclowd - SMSF services market place, core technology is free. Want to be 'Elancer' of SMSFs, creating a growing ecosystem by leveraging the crowd and cloud.

ML^2 - Online trading investment platform, especially derivatives and FX. CFDs and retail FX with links to brokers. What do I need to know to trade well?

Sharesight - Aggregate all your assets in online reporting, integrate with broker for immediate updates, set up historical trading and tax records, connect to Xero for reporting, open API.

Swipe – Converts documents into optimal format for reading and amending, 90% websites not optimised, such as annual reports presented in pdf form. Making reading documents easier.

MapMyPlan - Financial planning without financial planners, remove conflict of interest using virtual financial planner with no link to final product, demystify financial planning, single snapshot.

LAB Group - Application processes, connected onboarding, amalgamate product applications using forms linked to other providers. Data already entered, easier experience for customer.

Hashching - Online place to access home loans, they negotiate rates on behalf of borrower, even go back to previous lender to see if want to match. Other loan websites not a great experience.

Banqer - Online financial education for classroom, turns class into economy, we would grow the economy if people knew more about finance, motivate students with fake currency. (This business won the 'Best in Show' award).

Simply Wall St - Share investing infographics, not stock recommendations but explore company statistics with interesting pictures, able to visualise the ratios of over 10,000 companies.

DomaCom - Fractional property investing, matches buyers and sellers in any residential property, undertakes a book build to get to market price, like a syndication to create a secondary market.

SMSFCheck - Early stage analysis of SMSF investment strategy before go into adviser, shows range of returns and outcomes and asset allocations.

Listcorp - Platform that connects listed companies to private investors, paid for by company who maintain own profile online in consistent format, helps investor discovery process.

CapitalPitch – Platform that matches startups with investors as a capital-raising accelerator, structured six step process to show how to become worthy of the money, like an online adviser.

Stocklight – Investing app, research tool for listed companies, track ratios to find good investments using quantitative analysis inspired by Ben Graham's value investing methods.

Adviser Intelligence - Manages everything advisers do, including insurance, investments, customer relationship data, office efficiency, client goals.

Serko – Corporate travel expense management system, records business expenses and cuts the cost of corporate travel.

StrykeTax - Simple tax return process allows submitting tax information to accountant using an app, review and sign online makingtax returns easier.

CapitalU – Online financial advice including comprehensive SOA using Yodlee to connect various accounts, recommends how much to save, how long to work and includes implementation.

Ezidox - Collects home loan documents and streamlines workflows involved in home ownership.

Paydock – Gateway agnostic low cost payments solution, including transaction processing, billing platforms and cloud payments, real-time notifications and automated engagement.

SuperEd - Build client engagement and financial literacy over time, democratising investment, people who receive financial advice are better off, parts of financial advice better done online.

Eight Wire – smart data migration onto the cloud quickly, reducing data errors and reducing costs, establishes connections when moving from on premises to the cloud.

Airdocs - self-service, cloud-based document delivery.

Graham Hand is Editor of Cuffelinks and attended the Showcase courtesy of Afiniation.

The results of the Cuffelinks roboadvice survey will be published next week. The survey remains open based on this article and we welcome more opinions.

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