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lifelines

Here comes the sun

WELCOME TO THE SUMMER edition of *Lifelines*.

It's been another challenging year – but the warmer weather and longer evenings will have provided a welcome boost to many. (So too, we hope, have the tax cuts!)

Perhaps you've taken the opportunity to spring-clean the house. But how many of you have considered doing the same with your lifestyle? In this issue of *Lifelines* we offer you some tips to do just that.

You can also read about the benefits of linking your insurance cover to the rate of inflation; the importance of protecting yourself against the sun this summer; and how topping up your insurance to keep pace with your life can be easier than you think.

Have a fantastic summer – and a safe one.



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BEGINNER'S GUIDE



WOULD YOU LIKE YOUR INSURANCE COVER TO KEEP PACE WITH THE COST OF LIVING? THEN YOU MAY WISH TO CONSIDER HAVING IT LINKED TO THE RATE OF INFLATION.

Future-proofing your cover

IT'S A FACT OF LIFE THAT, year on year, the cost of living increases – so to make sure you continue to be adequately protected, your insurance cover needs to increase too.

Did you know that most life insurance companies offer you the option of linking the amount of cover you have to the Consumer Price Index (CPI)? This means that for each year that the rate of inflation increases (indicated by the CPI), the amount of cover you are insured for will increase at the same rate.

FOR EXAMPLE: If you took out life cover of \$100,000 in the year 2010 – without linking it to the CPI – and claimed on that cover in the year 2040, you would receive \$100,000 (which is certain to be worth less than it is today). However, had your cover been linked to the CPI, it would have increased to \$242,000, assuming an average 3% annual increase in the CPI over those 30 years.

Of course, you need to bear in mind that if your cover is linked to the CPI, your premiums will also be linked, and will therefore increase each year that the CPI increases. Nevertheless, this option is something to think about, especially when there is higher than normal inflation.

Talk to us today for more tips on future-proofing your insurance cover.

Once burnt, twice shy... Why it's better to be safe than sorry

IT'S SAFE TO ASSUME – especially after the spring we've just endured – that most people will be hoping for a long and gloriously fine summer.

However, with the summer sun comes the ever-present risk that accompanies prolonged exposure to UV rays – skin cancer.

New Zealand has one of the highest rates of skin cancer in the world, and skin-related health issues account for an increasing number of insurance claims.

- * **Skin cancer is the most common form of cancer affecting New Zealanders, with more than 60,000 new cases each year.**
- * **There are two types of skin cancer: melanoma and non-melanoma. Melanoma is the more serious and can spread rapidly.**
- * **More than 300 New Zealanders die from skin cancer every year – one of the highest rates in the world.**

For Kiwis who spend, or have spent, time in the sun, it really is a case of 'it's better to be safe than sorry'. Overexposure to UV rays is the cause of over 90% of all skin cancer*, making prevention and early detection of skin cancer key health goals.

All New Zealanders need to be aware of the risks; to take the necessary measures to protect themselves, and to be vigilant in checking for sun spots, or better still, getting a professional to do it for them.

At highest risk are those who:

- Have a family history of skin cancer
- Have a large number of moles
- Have pale skin, which burns rather than tans

Exposure before the age of 20 is a particularly strong risk factor for melanoma. If diagnosed, skin cancer can often require surgery, aftercare, and careful monitoring. This can be costly.

If you were to suffer a skin cancer without having health insurance in place, you would find yourself uninsurable for this condition should you wish to take out insurance. This would mean you having to reach into your own pocket, or rely on the public system, for the ongoing treatment of this condition, even with insurance.

So if you or your family spend time in the sun, and especially if you are in the 'high risk' category, always think of your safety first and stay protected.

For more information on health insurance, contact us today.



Is your cover keeping pace?

LIFE DOESN'T STAND STILL – so you need insurance cover that keeps pace with your changing lifestyle.

Have you got married recently, or divorced? Had a baby? Taken out a home loan, or increased your mortgage? Perhaps you've taken responsibility for the full-time care of a family member.

Changes in your personal circumstances usually mean changes in your financial circumstances, and many of us wouldn't even realise the impact of this in terms of our insurance cover. After all, we put insurance in place for peace of mind, and then we forget about it. That's what it's for. But, if you've had any changes, it's a good idea to review your insurance to ensure it remains relevant to your circumstances today.

It could be that you need to 'top up' your existing cover. Of course, there will be an increase in your premiums for improved levels of cover, and depending on the insurer, you may need to provide evidence of the special events mentioned above.

There may also be limitations, such as the time period in which you can make an increase to your cover (typically one event every year) or the amount you can increase your cover by (generally up to 50% of the original sum). An age restriction may also apply.

**Talk to us for more information
information and advice on
hassle-free top-ups.**



Source: *www.sunsmart.org.nz



Spring-clean your life



AS WITH OUR HOMES, OUR LIVES CAN GET CLUTTERED – WITH BAD HABITS AND OLD IDEAS – OR JUST PLAIN NEGLECTED. CHANCES ARE YOU'VE RECENTLY GIVEN YOUR HOME A SEASONAL TIDY-UP. SO WHY NOT SPRING-CLEAN YOUR LIFE?

Here are 10 simple tips to get you started.

- 1 GET LOTS OF SLEEP.** In order to maintain a healthy body, you'll need 8-10 hours of sleep every day. This keeps you awake and alert – you don't need to drink caffeine and sugar-loaded energy drinks! Sleep deprivation can lead to headaches, fatigue and decreased mental and physical function. Recent studies also show that people who get at least eight hours of sleep a night are less likely to be overweight or obese. Reserve your bedroom for sleeping. Performing work or watching TV in bed trains your mind to expect anything but sleep in your bed.
- 2 LAUGH AND SMILE!** Smiling and laughing not only make you more attractive, but can also trigger positive responses in your body, improving your mood and reducing stress levels – adding up to better health.
- 3 EAT MORE FRUITS AND VEGETABLES.** Fruit and vegetables are an essential part of a healthy diet. Try to get at least five servings a day. Nutrient and fibre-rich, fruit and vegetables are low in calories and high in nutrition. To sneak in more servings, chop broccoli and cauliflower into small pieces and add them to spaghetti sauce. Add lettuce, tomato and onions to your sandwiches. Apples slices and grapes make a great addition to chicken and tuna salad.
- 4 DRINK WATER.** Good old H₂O is essential for proper body function throughout the day. Try drinking eight large glasses of water each day. It helps you re-energize and keeps you going. Not drinking enough fresh water can lead to acne, headaches, and dehydration.
- 5 DO SOMETHING YOU LOVE.** Play with a pet, go swimming, read a good book, jump on a trampoline! Doing things you love puts you in a good mood, and relaxes you. If you've had a bad day, go for a walk or ride a bike to take out your frustration. Not only is this fun, but it allows you to be yourself for a while.
- 6 GET A LITTLE EXERCISE EVERY DAY.** There's no need to join a gym or exercise for an hour a day to get healthy and drop kilos. Just get moving. Look for ways to work in extra activity. Park at the far end of the car park, play catch with your child, walk up stairs instead of taking the lift. Buying a good pedometer can make you more aware of your activity level. Try to squeeze in at least 30 minutes of exercise a day.
- 7 FLOSS.** Believe it or not, flossing every day can help keep your blood pressure down and your heart healthy. Scientists from Columbia University published a study in the medical periodical 'Circulation' in 2005 that found a correlation between patients who suffered from gum disease and oral plaque build-up and patients with increased carotid artery wall thickness. The researchers concluded this might mean that people who have gum disease are at greater risk of developing atherosclerosis and heart disease.
- 8 SPRING-CLEAN YOUR HOUSE.** Vacuuming, dusting and laundering may seem like a drag sometimes but a clean house is an important part of a healthy lifestyle. Too much dust around the house can irritate allergies, making you sluggish and adverse to exercise. Unlaundered clothes, towels and bed sheets provide a breeding ground for immunity-weakening bacteria in your home.
- 9 FOOD FOR THOUGHT.** Start the day with a healthy breakfast to help you stay alert, and prevent overeating later in the day. Choose healthy snacks throughout the day. Here are some quick and simple ideas: a handful of raw, unsalted almonds and a piece of fresh fruit; hummus and carrot sticks; sushi rolls with avocado; a veggie and sprout wrap; or a berry smoothie with soy or low fat milk.
- 10 GET YOUR FINANCES IN ORDER.** Are you prepared for a rainy day? Do you have a retirement plan in place? Is your family protected financially in the event you are unable to work? Have there been any changes in your lifestyle that require you to adjust your life insurance cover for?



Now's a good time to put your house in order, and if necessary, seek the help of a professional adviser.



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JUST WHEN IT SEEMED THE INVESTMENT MARKETS WERE RETURNING TO NORMAL, another bump in the road has jolted our confidence. Thankfully, most investors in South Canterbury Finance will receive their funds in full, owing to the Government guarantee. But the overall outlook remains uncertain.

There's a lot of talk about where investment markets are heading, but the truth is no one really knows. However, we are at least clear on some of the major influences on investment markets right now:

- While many of the larger companies have large cash accumulations, most governments are now heavily indebted because of the stimulus packages they have put in place. Governments will have to repay these borrowings, placing downward pressure on government spending and upward pressure on taxes, reducing people's ability to spend.
- US housing is still in poor health. Large numbers of US house owners are in default and the number of new housing starts is low. Some say this was the trigger for the Global Financial Crisis and so, until US housing recovers, global financial health may not be restored.
- Most markets eventually self-correct. Those countries and companies regarded as risky, have their currencies and share prices marked down by the market. This motivates buyers of those currencies and shares, as they are paying less to take on the risk. Ultimately, this has the effect of ensuring countries and companies can raise the money to produce and sell goods and keep economies moving.
- Emerging markets (generally those countries in Asia and Latin America), remain strong and are likely to remain so for the medium term at least. The number of citizens regarded as middle class is forecast to almost double over the next five years and this means that these countries will have a growing domestic market for goods and services.
- While a lot of overseas banks faced dire times during the Global Financial Crisis, many are now stable after raising large amounts of capital. This provides some stability to economies and investment markets, although caution is evident amongst banks with regard to providing credit.

You will see that the influences are both positive and negative. This will undoubtedly mean that investment markets remain reasonably volatile in the short term at least, and returns are likely to be low for a while yet. So take good advice on your investments to make sure you are on the right road, and do not be spooked by the bumps along the way.