**PIAA Newsletter**

**Juwai.com reports:**

Juwai.com surveyed 256 Chinese from 28 provinces as well as from overseas. The respondents reported that over 90% were planning to travel overseas in 2018 and 77% of them would consider buying property in the country they visited. The main reasons for purchasing: living environment, education, healthcare and welfare support. They are buying for healthy retirement living.

According to China Outbound Tourism Research Institute and China Tourism Academy, the number of China’s outbound travellers will rise from over 122 million in 2016 to hit 154 million this year in 2018, and reach 200 million by 2020. 

As a bonus, here are their top ten stories for the year 2017.

<https://list.juwai.com/news/2017/12/year-in-review-juwai-top-stories-of-2017?&utm_source=EmarsysEDM&utm_medium=email&utm_campaign=2017+December+Newsletter+%28Industry%29+%E2%80%93+Part+1&utm_content=NiHao+2017.12-Part1%3A+https%3A%2F%2Flist.juwai.com%2Fnews%2F2017%2F12%2Fyear-in-review-juwai-top-stories-of-2017>

**The ABC**

“Real estate sales companies are using big commissions to tempt mortgage brokers, financial planners and accountants to sell overpriced properties to unsuspecting clients.”

The ABC reported that fees were being offered by developers up to 10 and 15% as they seek to move their stock in markets with gluts. It also mentioned and sought to explore the relationship between Mortgage Choice and Blue Wealth. Neither were prepared to comment.

“The Real Estate Institute of Australia (REIA) said it has been "ferociously lobbying" both the federal and state governments to impose more regulation on this type of property sales tactic.”

Didn’t touch on property investment advice which is given in writing, with client’s best interests business standards and factual property information to support informed decisions.

Read the full article here.

http://www.abc.net.au/news/2018-02-01/property-investment-spruikers-paying-mortgage-brokers-financial/9380602

**APRA boosting bank profits?**

The productivity commission has reported that the APRA drive to reduce interest only loans cost Australian tax payers $500M over the year in higher interest payments, less competition and that these funds boosted bank profits[[1]](#footnote-1). The ACCC is investigating.

**PIAA courses**

We have courses planned for:

Sydney: 1st and 2nd plus 15th and 16th March

Melbourne 2nd, 3rd and 4th May plus one day by virtual connection.

SE QLD: 21st, 22nd, and 23rd April plus one day by virtual connection

Please contact me if you would like to know more.

**Update on Lithium in Australia – will this drive WA economy.**

Lithium demand is set for a meteoric rise based on international Government Policy driving its use in batteries to stablise the use of renewable sources of electricity in the grid; and, their commitment to electric vehicles. Meanwhile electricity and battery producers are turning themselves inside out to keep up with the expected surge in demand.

Australia is currently the world’s largest exporter of lithium, however is only in third place in reserves held. Argentina has the highest reserves, followed by China, Australia and then Chile. Within Australia WA dominates this market.

WA has several notable projects[[2]](#footnote-2).

Talison Lithium is located at Greenbushes which is 250km south of Perth, and 90km south east of Bunbury Port[[3]](#footnote-3). It is currently undergoing a $340 million expansion. This is forecast to deliver 200 construction jobs from May 2017 and then 40-60 operational jobs from mid 2019.

Tianqi Lithium is spending $300 million on a lithium hydroxide plant and now has the green light for a $317 million expansion at Kwinana[[4]](#footnote-4), 38km south of Perth[[5]](#footnote-5). It is forecast to have 500 construction jobs in phase one, that is forecast to finish late 2018, and phase two jobs may be similar with its finish in late 2019.

Altura Resources at Pilgangoora is located 120km west from Port Hedland. Its $139 million project is moving so fast it is reported as ‘in the early part of construction with hundreds of jobs from March 2018 and operational from early 2019’.

Pilbara Resources also has a project at Pilgangoora with an investment of $234 million they forecast they can produce 2million tonnes per annum (mtpa) with a workforce of about 400 at peak construction with 120 operational jobs to follow[[6]](#footnote-6). The value of the mine is projected at A$9.23 billion over an estimated 36-year mine life.

In addition, there is Mt Cattlin at Ravensthorpe on Highway 1 between Albany and Esperance[[7]](#footnote-7). At full capacity they project 1mtpa. They have commitments to ship the bulk concentrate to China.

Plus, the Mt Marion Lithium project about 40k south west of Kalgoorlie. It is jointly owned with one of China’s largest lithium producers. Annual production is planned at 400,000tonnes per annum[[8]](#footnote-8).

Lithium shipments from Australia have been in an unrefined state leading one group to claim there is $2Tr being left on the table that could be income for Australian miners. The new Kwinana project has the potential to change this and lead to further wealth for WA.

Those being conservative look to population centres over 100,000 people. Miners spending their above average incomes are more likely to be in the Perth property market as fly in fly out talent dominates. Evaluating the shipping routes for the exports from Kwinana, Greeenbushes, Mt Cattlin and Mt Marion ore may highlight suburbs of interest with stronger potential.

1. https://thenewdaily.com.au/money/finance-news/2018/02/07/bank-profits-productivity-commission/ [↑](#footnote-ref-1)
2. https://www.miningpeople.com.au/news/lithium-boom-now-a-job-promise-for-wa-mining [↑](#footnote-ref-2)
3. http://www.talisonlithium.com/projects/greenbushes [↑](#footnote-ref-3)
4. https://en.wikipedia.org/wiki/City\_of\_Kwinana [↑](#footnote-ref-4)
5. http://tianqilithium.com.au/ [↑](#footnote-ref-5)
6. <http://www.pilbaraminerals.com.au/site/our-business/pilgangoora-lithium-tantalum-project> [↑](#footnote-ref-6)
7. http://www.galaxyresources.com.au/projects/mt-cattlin [↑](#footnote-ref-7)
8. <http://www.mineralresources.com.au/mrl-mining/lithium.html>

   http://www.afr.com/business/mining/why-now-might-be-a-good-time-to-buy-asx-lithium-producers-20170914-gyhysv [↑](#footnote-ref-8)