March 2024

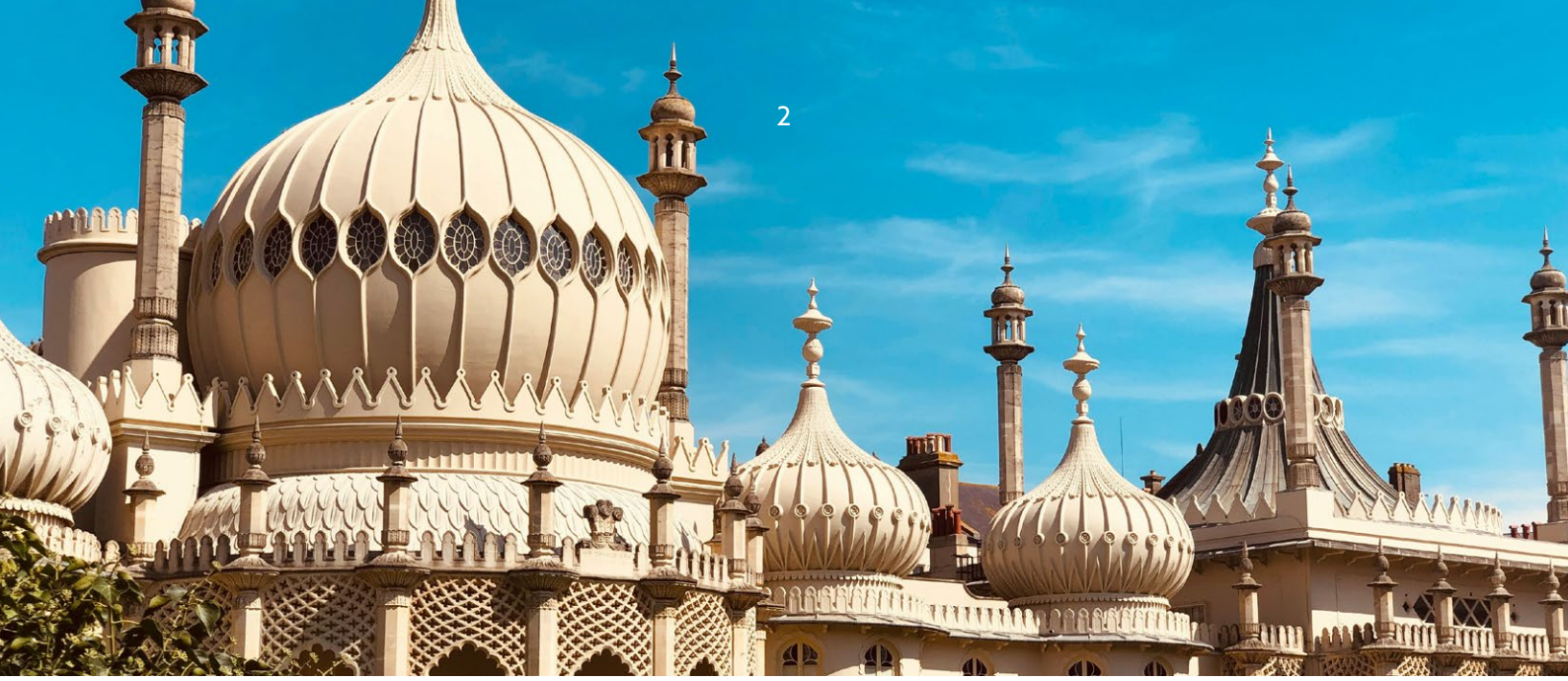
Britannic Place

Financial Management Ltd.

10 things you can **learn about your financial plan** from these ABBA hits

01905 419890

info@britannicplace.co.uk



On 6 April 1974, performers from 17 countries descended on the Brighton Dome for the 19th edition of the Eurovision Song Contest.

Alongside seasoned performers including Olivia Newton-John was a Swedish foursome who had qualified to represent their country at the third attempt.

Performing eighth on the night, ABBA introduced themselves to a global audience, romping to victory with their hit 'Waterloo'.

ABBA fact

The UK jury awarded "nul points" to ABBA in Eurovision 1974, giving their maximum points to Italy, who finished second.

In the intervening five decades ABBA – made up of Agnetha Fältskog, Anni-Frid Lyngstad, Björn Ulvaeus, and Benny Andersson – has become one of the world's best-selling and most enduring artists.

ABBA fact

The group had to seek permission to use "ABBA" from a Swedish canned fish company with the same name.

Their greatest hits collection, *Gold*, is the second biggest-selling album in UK chart history and the quartet can boast nine UK number one singles, including timeless classics 'Dancing Queen', 'The Winner Takes It All', and 'Mamma Mia'.

April 2024 marks the 50th anniversary of ABBA's Eurovision win. So, to celebrate five decades of fantastic Swedish pop, here's what you can learn about managing your money from 10 iconic ABBA songs.

1. "The history book on the shelf is always repeating itself..."

There haven't been many pop songs that use Napoleon's defeat at the Battle of Waterloo as their metaphor, but that's exactly what ABBA did on their breakout hit.

Named as the greatest Eurovision song ever at the contest's 50th anniversary celebration, 'Waterloo' reached number one in 10 countries, including the UK, and broke the band across the globe.

In the lyrics, Agnetha and Anni-Frid sing that "the history book on the shelf is always repeating itself". The notion that history repeats itself is not a new one and is key to taking a long-term perspective when it comes to investing.

The value of company shares, funds, and stock markets can change every day. You'll have heard news bulletins telling you that the FTSE 100 or the Dow Jones is "up" or "down" at the end of a day's trading.

But the truth is, worrying about short-term market movements – that can be caused by anything from political instability to war – may lead to stress and concern.

However, it may reassure you to remember that the long-term trend of markets, over a century or more, is towards growth.

Research by Nutmeg found that, looking at global stock market data between January 1971 and July 2022, if you had randomly picked one day during this period and chosen to invest for just those 24 hours, you would have had a 52.4% chance of making gains — similar odds to the toss of a coin.

However, if you'd invested for any 10 years during this period, your chances of gains increased to 94.2%.

So, if you take a patient, long-term view and follow the path of investors over many decades, you could meet your destiny in quite a similar way.

ABBA fact

Note that although Napoleon was defeated at Waterloo, he did not actually surrender there, but rather some weeks later at the port of Rochefort, about 700 km away from Waterloo.

2. "Still there never seems to be a single penny left for me..."

Released in November 1976 as the second single from their hit album *Arrival*, it would be hard to exclude a song called 'Money, Money, Money' from a guide about ABBA and financial planning.

In the song, Anni-Frid opines, "I work all night, I work all day to pay the bills I have to pay. Ain't it sad?" before ruefully revealing, "Still there never seems to be a single penny left for me..."

In a world where the cost of living has risen sharply, it can sometimes feel like a challenge to put money aside for your future. Higher mortgage payments, energy bills, or grocery shops can all eat into your spare cash.

The message here is that budgeting is the cornerstone of good financial planning.

If you don't know what is coming in and going out each month, it's hard to keep control of your finances. Sitting down and going through your bank statements regularly may help you to identify where savings can be made.

You could then use this spare "money, money, money" to boost your savings, pension, or investments.

ABBA fact

In the popular musical, *Mamma Mia!*, 'Money, Money, Money' is sung by the character of Donna as she explains how hard she has to work to keep the taverna in order, as well as her dreams of a better life.

3. "Does your mother know?"

In 1979, the single 'Does Your Mother Know?' marked a departure for the band, as it featured Björn Ulvaeus on lead vocals. A male voice didn't stop the song from becoming a huge hit across Europe, with *Billboard* saying: "the sweet, airy vocals contrast effectively with the rocking instrumentation".

The title of the songs hints that speaking with your family about your finances can be beneficial.

A recent survey reported by *Professional Adviser* found that almost half (45%) of respondents under the age of 65 are reluctant to discuss the topic of death with someone planning to bequeath assets to them. In fact, this hesitance was the main blocker to initiating a conversation.

Intergenerational planning – including your parents, children, and grandchildren in your financial plan – may help you to ensure the smooth transfer of wealth. It could also help you to pass on assets tax-efficiently.

If you have not had a conversation with your parents or children about their financial affairs and any potential inheritance, you could find yourself liable for an Inheritance Tax bill along with additional headaches when it comes to passing on wealth. "Does your mother know" what your family plans are?

ABBA fact

As currencies from Soviet states were embargoed during the Cold War, ABBA's royalties were paid in lucrative oil commodities rather than rubles.

4. "Take a chance, take a chance, take a ch-ch-chance..."

When it comes to growing your wealth for the future, ABBA's 1978 number one single references one of the important factors when deciding how to invest: risk.

Your tolerance for risk is one of the key facts a financial planner will establish with you when building a portfolio.

Broadly speaking, the more risk you are prepared to take, the higher the potential for return.

If you keep your wealth in a building society account, your capital is at relatively little risk (your main risk is the institution failing).

ABBA fact

ABBA are extremely protective of their intellectual property. To this day, The Fugees (on 'Rumble in the Jungle') and Madonna (on 'Hung Up') are the only two artists to gain permission to sample the music of the Swedish band.

However, the return you receive on your money may not be sufficient for you to grow your wealth to the level you need in the longer term, and its value may be eroded by inflation.

Conversely, if you invest in equity-based investments like funds or shares, the potential for growth is usually greater although there is a risk that your capital could fall in value.

If you "take a ch-ch-chance" by allocating some of your portfolio to investments with the potential for higher returns, this may help you to grow your wealth by the amount you need to reach your goals.

Remember, though, that the value of your investments (and any income from them) can go down as well as up and you may not get back the full amount you invested. Past performance is not a reliable indicator of future performance.

ABBA fact

'Take A Chance On Me' was notably covered by British band, Erasure, in 1992. The duo took the song back to number one in the UK as part of their *Abba-esque* EP.

5. "You can dance, you can jive, having the time of your life..."

In the autumn of 1975, ABBA went into the studio to record what would become one of popular music's defining hits. As Agnetha said: "It's often difficult to know what will be a hit. The exception was 'Dancing Queen'. We all knew it was going to be massive."

Over more than four decades, 'Dancing Queen' has been good to ABBA. It's been re-released, inducted into the Grammy Hall of Fame, ranked fourth in a UK poll of the greatest number one singles, and been hailed as "one of the best pop songs ever".

ABBA fact

'Dancing Queen' had the working title of 'Boogaloo'.

The song imagines you as the "dancing queen" enjoying "the time of your life", something financial professionals encourage you to think about when building a plan for your future.

Your planner will likely encourage you to think about your life goals and ambitions:

- When do you want to retire?
- What is on your bucket list?
- Are there family members you'd like to support?
- How do you pass on your wealth in the most appropriate way?

Only when you establish your future aims can a financial planner help you work out what you need to do to get there.

So, whatever you want to achieve, a bespoke financial plan can help you to "have the time of your life".

6. "I'm not the one you knew, I'm now, and then combined..."

In the autumn of 2021, the unthinkable happened. Almost 40 years after the release of their previous album, ABBA returned with a double single release, and a brand-new album, *Voyage*.

In the top 10 hit 'Don't Shut Me Down', Agnetha sings of revisiting an old flame after many years. While she and her love parted on difficult terms, "in the shape and form, I appear now, I have learned to cope, and love and hope is why I am here now."

As you progress through your life, your circumstances will inevitably change. You'll move jobs, begin and end relationships, and add new members to your family. There will likely be periods of prosperity as well as difficult times. And your goals and ambitions will also evolve – this is part of your "transformation" as Agnetha sings.

Life events and changing circumstances mean it's vital that you revisit your financial plan regularly. A new child might mean your protection needs to change, while a new business venture could require you to adapt how you save for your retirement.

An annual review with a financial planner can ensure that your plan always reflects your ever-changing financial position and goals, ensuring you always account for your "now, and then, combined".

ABBA fact

The album *Voyage* sold more than 1 million units worldwide in its first week of release and is the UK's fastest-selling vinyl LP of the 21st century.

7. "We have a story and it survived..."

On 6 June 2016, ABBA informally reunited at a private party in Stockholm, a meeting that led to a more formal reunion.

Two years later, in April 2018, they announced they had recorded a new song 'I Still Have Faith in You', a track that was eventually released in September 2021.

The piano ballad chronicles the quartet's decades-long relationship and has been described as "an ode to their friendship and to the bonds that have matured and survived despite divorce and heartbreak".

ABBA fact

At their peak in the 1970s, ABBA were Sweden's second-biggest export after Volvo cars.

If you went back to 1972 and explained to ABBA that they would still be globally popular more than half a century later, have a sold-out London show, and be featured in two hit films, they would have likely asked what you were drinking.

However, their eventual reunion proves that you do have to plan for longevity – as Anni-Frid sings, "we have a story and it survived".

If you retire in your late 50s, your retirement will, statistically, last almost as long as your working life. The Office for National Statistics (ONS) says that the average 58-year-old man will live to age 84, with a 1 in 10 chance of living to 97. The average 58-year-old woman will live to age 87 with a 1 in 10 chance of living to age 99.

Your retirement could last 20, 30, or even 40 years, so it's vital to plan for a long life. If you don't, you could risk running out of money in later life, or not having sufficient assets to pay for any later-life care you might need.

While it might be "inconceivable [...] to reach this far" you need to have faith that your plan accounts for the number of retirement years you might enjoy.

8. "Someone way down here loses someone dear..."

In arguably the most bittersweet and personal break-up song ever written, the four members of ABBA chronicle their own separation in the timeless 'The Winner Takes It All'.

Commenting on the unpredictable and fickle nature of the world, Agnetha sings: "The gods may throw a dice, their minds as cold as ice, and someone way down here, loses someone dear."

While the loss in question may have referenced her own divorce, it could equally apply to the passing of someone dear to you.

When an unexpected life event throws you off course, the right protection can be the scaffolding that holds up your financial plan. Ensuring that there is financial support available if the unexpected happens – a period off work through illness, the diagnosis of a serious condition, or the death of a loved one – could give you the peace of mind that your finances are one less thing to worry about at a stressful and emotional time.

Sadly, without the right protection in place, you may struggle to maintain your current lifestyle if one of these events occurs. It can also be hard to continue to make savings or pension contributions, and that could also have an impact on your future standard of living.

While it can be a confronting area to discuss – you might "not want to talk, about things you've gone through" – a robust financial plan begins with the right protection.

ABBA fact

ABBA picked their outrageous stage costumes for tax reasons. Swedish law allows costumes to be written off for tax purposes as long as they could never conceivably be called "daywear", so the band chose clothes they could never wear in their normal lives.

9. "When you're gone, though I try, how can I carry on?"

In their 1975 single, 'SOS', Agnetha sends out a distress message, asking "when you're gone [...] how can I carry on?"

Research from Canada Life has revealed that 1 in 2 UK adults don't have a will. And, worryingly, a third of over-55s say they do not have a will in place.

Having a will ensures you are able to:

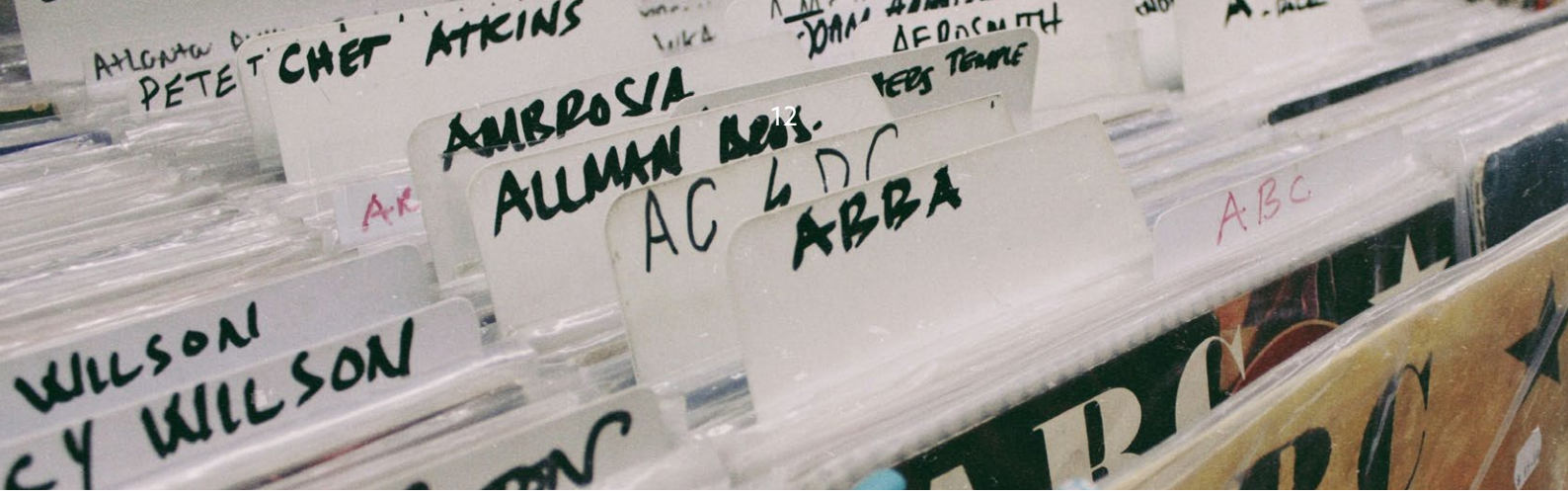
- Distribute your estate in the way you wish
- Reduce stress for your loved ones at a time of grief
- Nominate guardians for your children
- Avoid disputes about who inherits your assets
- Make your funeral requests clear.

Without one, you run the risk of your wealth passing to someone you would not have chosen yourself. A will may also help ensure your loved ones receive any inheritance quickly, meaning they could pay any bills or meet their financial commitments.

While it will be tough to cope when you or a loved one passes away, a will means one less thing for your heirs to worry about – helping them to "carry on [...] when you're gone".

ABBA fact

More people in Australia tuned in to watch ABBA's 1976 Australian TV special than the 1969 moon landing.



10. "You know the rules, you know the game, masters of the scene"

Perhaps surprisingly, 'Voulez-Vous' was not a major hit for the group when compared to their singles before or after.

In the 1979 hit, Agnetha and Anni-Frid eulogise working with a qualified professional, singing, "I'm really glad you came [...] you know the game, master of the scene".

A regulated financial planner has to undertake years of training and pass several examinations to become "master of the scene". So, if you want to know your finances and your future are in safe hands, there are many benefits of working with us.

ABBA fact

'Voulez-Vous' is the only ABBA song (apart from live recordings) to be recorded outside Sweden. The backing track was recorded in Miami.

Once you get to know us, and we know you, there is nothing we can't do!

"Voulez-vous" help from a professional to help you to achieve your life goals? If so, please get in touch – it "ain't no big decision, you know what to do!"

01905 419890

info@britannicplace.co.uk

Please note: This guide is for general information only and does not constitute advice. The information is aimed at retail clients only.

The Financial Conduct Authority does not regulate estate planning, cashflow planning, tax planning, Lasting Powers of Attorney, or will writing.

The value of your investment can go down as well as up and you may not get back the full amount you invested. Past performance is not a reliable indicator of future performance.

Britannic Place Financial Management Ltd. is registered in England & Wales - Company No. 05899086 - Registered Address: 20 Camp Hill Road, Worcester, WR5 2HE. Britannic Place Financial Management Ltd. is Authorised and Regulated by the Financial Conduct Authority. Our FCA No: 588420