

QUARTERLY INSIGHT

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Welcome to our Spring Edition

Spring has arrived, the mornings are crisp, the days are brighter, and there's a sense of fresh energy in the air. It is the perfect season for a reset, and in this edition we are exploring ways to lighten the load, find balance, and make the most of new opportunities.

Inside this issue, you will find:

- **Keeping Your Cool When the Markets Heats Up**
– how emotions play into investing, and how to turn them into strengths rather than setbacks.
- **Your Future Just Got a Super Boost**
– unpacking the latest changes to superannuation and what they mean for your retirement savings.
- **Legacy or Liability?**
– strategies for planning a smooth and thoughtful transfer of your wealth.
- **Time to Clear Out Your Digital Cobwebs**
– practical tips for spring cleaning your digital life.
- **Spring Reset**
– gentle ways to care for your wellbeing, along with updates on state-wide mental health initiatives.

As the season shifts, we invite you to take a moment for yourself – whether it's resetting your financial goals, refreshing your digital space, or simply enjoying the fresh spring air.





Keeping Your Cool When the Markets Heat Up

Investing isn't just a numbers game. It's an activity that stirs various emotions from hope and optimism to fear and anxiety.

Whether the ASX is surging or stumbling, emotional responses to market movements can shape outcomes just as much as economic fundamentals. Understanding those responses is crucial to building resilience, especially in unpredictable times.

These patterns underscore the importance of long-term perspective, especially in a market shaped by both global sentiment and uniquely local factors.

How emotions enter the equation

We like to think our financial decisions are rational, but the truth is more complex. Investors aren't robots crunching numbers in isolation. We are influenced by news cycles, cultural values and personal stories from friends, family and colleagues.

When markets rise, euphoria and FOMO can drive hasty buying decisions. During downturns, anxiety and regret can push investors to sell at a loss, despite having sound long-term strategies.

This pattern has played out across decades, from the dot-com bubble to the COVID recovery. And remember that emotional investing isn't just a beginner's problem. Even seasoned investors can be swept up by sentiment if safeguards aren't in place.

Psychologists have long observed how financial stress activates similar responses to physical threats, triggering fight-or-flight instincts rather than thoughtful analysis. That's why even well-informed investors may react defensively when facing market instability.



The good, the bad and the balancing act

Emotional investing isn't all risk. In the right conditions, it reflects conviction, clarity and purpose. For example, values like patience and belief in the future can help investors stay committed during market dips.

Life changes such as home ownership, welcoming a child or retirement can bring useful emotional clarity to financial decisions. And ethical investing often stems from emotions such as care and connection to community.

When used with discipline, emotions can reinforce sound decisions rather than undermine them. Investors who use emotional clarity to establish long-term goals tend to feel more confident, even when short-term volatility strikes.

That said, emotions can also derail strategy. Panic selling during downturns, overconfidence after gains and herd mentality all pose risks.

The 2022 market correction saw many Australians pull out of super investments prematurely, missing the rebound that followed. These reactions stem not just from fear but also from a desire to act, even when patience may be more effective.

Learning from behavioural finance

Behavioural finance gives us tools to interpret emotional reactions. Biases like loss aversion, recency bias and anchoring affect decision-making in subtle but powerful ways.

These include:

- **Loss aversion** – People often feel the sting of losses more intensely than the joy of equivalent gains, which can lead to overly cautious or reactive choices.
- **Recency bias** – Recent events weigh heavily on perceptions, leading investors to expect trends will continue simply because they've just occurred.
- **Anchoring** – Fixating on a past portfolio value or arbitrary benchmark can skew rational assessment.

Recognising these tendencies helps investors avoid knee-jerk decisions and design portfolios that stay aligned with goals over time. It's not about eliminating emotion; it's about becoming aware of how it operates and mitigating its effects through smart responses.

After all, markets are always shifting. Emotions will always emerge. The goal isn't to shut them out, but to understand them and develop structures to keep emotions from steering the ship. When investors learn to pause, reflect and act with intent, they not only improve outcomes but feel more confident in their journey.

If you'd like to explore strategies to build emotional resilience in your portfolio, or tools to help remove bias from investment decisions, please give us a call.





Your Future Just Got a Super Boost – are you ready?

With the new financial year comes a fresh wave of superannuation changes that could make a real difference to your retirement savings.



Let's unpack what's changing – and how to make the most of it.

The SG rate hits 12%

One obvious lift to retirement incomes is the increase in the Super Guarantee (SG) rate from 11.5 per cent to 12 per cent. That means more going into your super account.

Your employer must now pay 12 per cent of your ordinary time earnings into your chosen super account. So, it's a good idea to check your first payslips for the new financial year to make sure the changed rate is applied.

If you have a salary sacrifice arrangement, note that the SG calculation applies to your total salary, as if the arrangement was not in place.

For a quick update on what the change will look like for your super balance, check the MoneySmart calculator.

More for retirement phase

Beyond your regular contributions, the amount of super that can be transferred into the retirement phase – known as the general transfer balance cap (TBC) – has increased from \$1.9 million to \$2 million from 1 July 2025.ⁱ

If you exceed the cap, you'll need to transfer the excess back to your accumulation account or withdraw it as a lump sum – plus, you may pay tax on the earnings.

If you've already started a retirement income stream, you'll have a personal TBC - your own individual limit, which may be less than the general TBC. Your personal cap is based on the general cap at that time you started, adjusted for how much you've used and any indexation you're entitled to.ⁱⁱ

For example, if you started a pension with \$2 million on 1 July 2025, you've used your entire cap. The cap doesn't limit the amount you can hold in super. If you have more than the cap available, the remainder can be left in your super fund's accumulation account.

You can check your cap in ATO online services, which records all the debits and credits that make up your balance.

Special rules apply for defined benefit income streams.

More qualify for after-tax contributions

The change in the general TBC to \$2 million may also allow you to increase non-concessional (after-tax) contributions using the bring-forward rule. While the \$120,000 annual limit on non-concessional

contributions hasn't changed, eligibility for using the bring-forward rule now applies to those with a total superannuation balance below the general TBC of up to \$2 million.

The rule allows you to bring forward the equivalent of one or two years of your annual non-concessional contributions cap (\$120,000), allowing you to make contributions two or three times more than the annual cap.

No change to contribution caps

While more investors may now be eligible to access the bring-forward rule, the caps on both concessional (before tax) and non-concessional contributions haven't changed.

The tax paid on contributions depends on whether you're paying from before-tax or after-tax incomes, you exceed the contribution caps, or you're a high income earner.ⁱⁱⁱ

The concessional contributions cap is \$30,000 and if you have unused cap amounts from previous years, you may be able to carry them forward to increase your contribution in later years. You can make up to \$120,000 in non-concessional contributions each financial year and you may be eligible for the bring-forward rule allowing up to \$360,000 in one contribution.

Not sure how the rules affect you? Talk to us today about how to stay ahead and make the most of your retirement savings plan.

Awaiting the new \$3m tax

The proposed new tax on earnings above \$3 million in super accounts, known as the Division 296 tax, has not yet been ratified by Parliament. Nonetheless, it is expected to be applied from 1 July 2025.

The new tax doubles the tax rate from 15 per cent to 30 per cent for earnings on balances that exceed \$3 million.

An earnings loss in a financial year, can be carried forward to reduce the tax liability in future years.

i <https://www.ato.gov.au/tax-rates-and-codes/key-superannuation-rates-and-thresholds/transfer-balance-cap>

ii <https://www.ato.gov.au/individuals-and-families/super-for-individuals-and-families/super/withdrawing-and-using-your-super/retirement-withdrawal-lump-sum-or-income-stream/calculating-your-personal-transfer-balance-cap>

iii <https://www.ato.gov.au/individuals-and-families/super-for-individuals-and-families/super/growing-and-keeping-track-of-your-super/caps-limits-and-tax-on-super-contributions/understanding-concessional-and-non-concessional-contributions>



Legacy or Liability?

Planning a smooth wealth transfer

Australians inherited an estimated \$150 billion in 2024, an increase of more than 70 per cent in a decade, according to a JBWere report.ⁱ

It's a number that's predicted to grow more rapidly over the coming 20 years to \$5.4 trillion, the report finds.

Managing this flow of wealth to family groups, often complicated by divorce and remarriage as well as children from previous marriages, can lead to disputes and legal challenges if not carefully handled.

Legal firms agree that the number of challenges to wills has been increasing each year with adult children most likely to take action. One firm estimates more than 60 per cent of claims are brought by adult children and around 20 per cent by partners or ex-partners.ⁱⁱ

Yet, many still do not have wills.

In the latest research available, the Australian Law Reform Commission found that almost 40 per cent of adult Australians did not have a will although, this figure declined to 7 per cent for those older over 70.ⁱⁱⁱ

If you die intestate in Australia, your estate is distributed according to state and territory laws, and the laws vary slightly between each state and territory. Generally, the estate goes to the next of kin starting with the surviving spouse or partner followed by children, parents, siblings and then other relatives. If no relatives can be found, the estate may go to the government.

So, if it is important to you to have a say in how your assets will be distributed, a will is a must.

Meanwhile, for those in a new partnership but have children from a previous marriage, a binding financial agreement can be a useful way of protecting your partner's interests if something happens to you.

It's a legally enforceable contract that details how assets, liabilities and responsibilities will be divided if you separate, divorce or one partner dies.

Designing your transfer of wealth

Distributing your wealth now or later can depend on the family dynamics, any businesses you may own and whether you have a passion for creating a legacy – donating to a charity, for example. Alternatively, you may prefer to spend it on yourself and your partner to enjoy your later years.

The housing crisis and the emergence of the 'bank of mum and dad' has increasingly seen wealth transfer happening while the benefactor is still alive. You may wish to help your children or grandchildren to get a foot onto the property ladder, contribute to their superannuation, or pay their school fees or student



loans. But it's crucial to obtain professional advice to understand any consequences of giving lump sums, particularly those receiving government entitlements, as they could potentially be impacted.

Another alternative is testamentary trust. This is commonly used to provide financial security for beneficiaries, such as family members or loved ones. It is used to manage and distribute assets according to specific instructions laid out in the will.

It can be specifically written and incorporated in your will and takes effect when you pass away. It is administered by a trustee, who you would also name in your will. The trustee would take legal control over the trust assets and is responsible for the management and distribution of the assets to the beneficiaries, based on the instructions in the trust.

This strategy could also potentially minimise any tax liabilities. However, there are a lot of things you need to consider when deciding whether or not a testamentary trust is right for you.

Some might prefer to establish or contribute to a charitable foundation as a way of building a family legacy. It's a move that allows you to have some say

over how your hard-earned wealth is distributed and could involve family members to allow them to build knowledge and experience in philanthropy.

Most importantly, creating a family legacy relies primarily on the strength of family relationships. Any disputes will more than likely be magnified after a death and some relationships may be strained, so it may be helpful to discuss your intentions with family members and any other beneficiaries. Be clear about your plans and don't ignore negative reactions.

Getting your affairs in order

After all, wealth transfer isn't just about finances – it's about securing family harmony and ensuring your legacy is preserved according to your wishes. Taking the time to plan, communicate openly with loved ones, and seek professional guidance can make all the difference.

i <https://www.jbwere.com.au/campaigns/bequest-report>

ii <https://solomonhollettlawyers.com.au/news/the-rise-and-rise-of-inheritance-claims/>

iii <https://www.alrc.gov.au/publication/elder-abuse-a-national-legal-response-alrc-report-131/8-wills/>





Time to Clear Out Your Digital Cobwebs

Spring cleaning isn't just for closets.



We're used to tackling physical mess. We clear out closets, sort through garages, and sometimes even face that overflowing junk drawer in the kitchen. But there's another kind of clutter we often ignore – the kind that lives on our devices, in our inboxes, and across the dozens of apps and platforms we use every day.

Our digital lives can become chaotic without us even realising it. Old files pile up, passwords go unchanged, unused apps stake up digital space, and outdated accounts hang around long after we've forgotten them.

Cleaning up your digital life isn't just about tidiness. It's about taking back control, reducing stress, and protecting your personal information. A little effort can help you make the most of the technology you rely on every day.

Start with the inbox

Email is one of the easiest places for clutter to grow unnoticed. Between unread messages, endless subscriptions, and decades of digital dust, many of us feel buried in content before we even open our inbox.

Start by archiving or deleting messages you no longer need. Use the search function to batch-delete emails from certain senders, especially those you no longer want to hear from. Unsubscribe from newsletters or promotional emails you tend to ignore and consider setting up filters to automatically sort messages into folders moving forward.

Even if you only clean up a few hundred emails, you'll immediately feel a sense of relief. A tidier inbox helps you spot what's actually important and reduces the mental load of "dealing with it later".

Declutter your devices

Next, look at your phone and computer. These devices often become digital dumping grounds. Photos, documents, apps, and downloads accumulate over time and can start to feel overwhelming.

Begin by deleting apps you haven't used in the last three to six months. If you're not sure about something, check when it was last opened. Move photos and videos to cloud storage or an external drive to free up space. Organise documents into clearly labelled folders and delete duplicates or outdated versions.

Some parts of digital clutter are less visible but still worth clearing. Take a moment to empty your downloads folder, clear your browser cache, and remove temporary files. These forgotten corners of your devices can quietly slow things down and make everything feel more chaotic.

Audit old accounts

Over the years, you've probably signed up for countless shopping websites and other services, many of which you've long forgotten. These inactive accounts can pose security risks, especially if they're linked to old or weak passwords.

Use a password manager to help identify and organise your accounts. Close the ones you no longer use and update the passwords for those you still need. Closing unused accounts limits the number of places your data is stored, which reduces your exposure in the event of a data breach.

This step may take a little time, but it's one of the most powerful ways to protect your digital footprint.

Check your digital security

While you're auditing, take time to strengthen your online security. Start with your most important accounts – like email, banking, and cloud storage – and make sure each one uses a strong, unique password.

Enable two-factor authentication where possible. This extra layer of protection only takes a few minutes to set up and can make a big difference in keeping your accounts secure.

Finally, don't forget to check for software updates on all your devices. These often include important security patches, so keeping your system up to date is one of the easiest ways to stay protected.

Refresh your social media

Social media can be a powerful tool, but only if it reflects who you are now. If your feed feels stale or overwhelming, take a few minutes to clean it up.

Unfollow or mute accounts that no longer resonate with you. Curate your feed so that it reflects your current interests, values, and goals. This simple step can turn mindless scrolling, or doomscrolling, into a more positive, inspiring experience.

Digital spring cleaning is not about perfection. It's about creating a digital environment that supports how you live and work right now. If this all sounds a little intimidating just take it one step at a time. Wherever you begin, the most important thing is to begin.



Spring Reset:

gentle ways to care for yourself

Spring has arrived, the mornings are still cool, the air feels fresher, and summer is only a few months away. The season of renewal is the perfect season for a soft reset. It doesn't take big changes to feel better, often, the smallest shifts help us feel lighter, calmer, and a little brighter.

Here are some caring ideas, along with a few updates on what's happening across the states to support wellbeing.

Support is always close by

From September 2025, Medicare Mental Health Services are offering free, confidential support for everyone in Australia. There is no referral required to utilise this service. Whether you would prefer to talk face-to-face, pick up the phone, or chat online, there are safe and welcoming options.

And remember, you don't need to have feel you have everything "worked out" before reaching out.

Tiny habits that truly help

The beauty of wellbeing is that it often comes from small daily choices. Here are some easy ones to try this month:

- **Pause and breathe:** Notice the sky, the blossoms, or simply take a quiet moment for yourself.
- **Move gently:** Stretch, walk, or dance around the living room. Movement shifts energy.

- **Create calm mornings:** Wake a little earlier to enjoy tea or coffee before the day begins.
- **Reconnect:** Call a friend you miss. Shared laughter is a powerful tonic.
- **Wind down well:** Put the phone aside a little earlier, dim the lights, and let your body ease into rest.

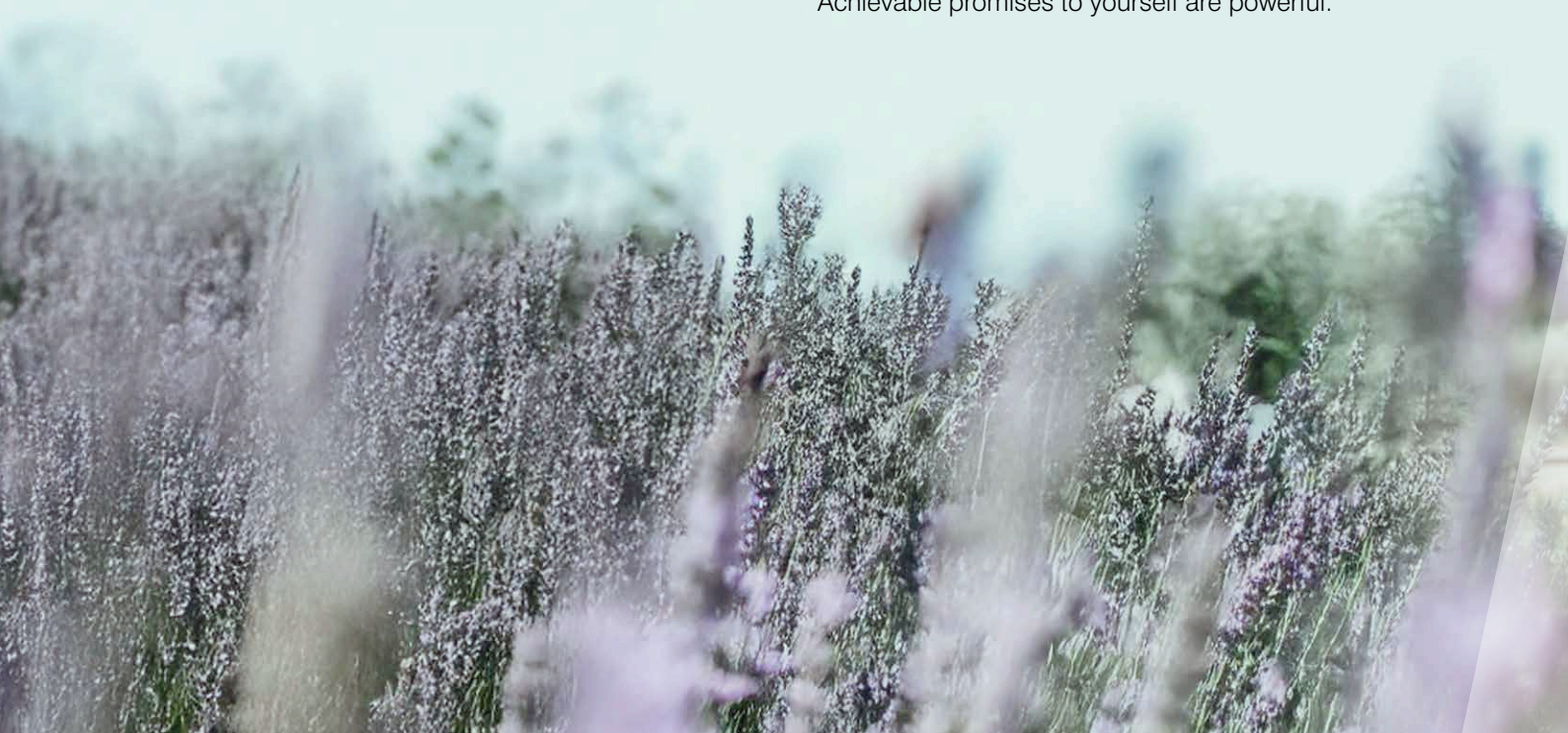
Small rituals done often can carry you a long way.

Happiness comes in different shapes

It's natural to have days that feel flat. Happiness isn't about always being cheerful – it's about noticing little sparks of joy and meaning.

- A warm conversation.
- A walk in fresh spring air.
- Gratitude for the smallest things.

Gentle goals help too. Try: "I'll spend 5 minutes outside each morning" or "I'll call a loved one this week." Achievable promises to yourself are powerful.



It affects us all

Every industry has its own pressures – long hours, heavy workloads, or the constant push to perform. No matter the role, it's important to recognise when stress is building and to know where support can be found. There are always people and services ready to listen – you just need to identify who that is for you.

For example, in the trades sector, research shows many tradies face ongoing challenges with long hours and physical demands. That's why initiatives like the "4:01 Club" (created by Mitre 10 and partners) are so encouraging. They're all about taking small breaks, connecting with others, and opening up about mental health. If you're a tradie – or know one – sharing and supporting these conversations can make a real difference.

What's happening across the states

The *Wellbeing in Victoria Strategy (2025–2035)* is focusing on creating greener spaces, stronger community connections, and more ways to feel safe and supported. It is all about prevention and making it easier to look after your mental health before challenges become overwhelming.

New South Wales is shaping a new Mental Health & Wellbeing Strategy that puts prevention and accessibility front and centre. The message is simple: looking after your wellbeing should feel as normal as looking after your physical health.

Queensland is building stronger community supports. There is also a big focus on creating healthier futures for younger generations, reminding us all that wellbeing is a whole of community effort.

With *Wellbeing SA*, the state has made prevention and healthy living part of everyday life. Expect to see more programs that help people stay active, eat well, and connect socially in all foundations of good mental health.

WA's *Mental Health, Alcohol and Other Drug Services Plan* is investing in community care and prevention, with a strong emphasis on making sure support is accessible no matter where you live, from the city to the regions.

A gentle Spring challenge

- Pick one small habit that feels good and make it part of your routine.
- Explore local parks, wellbeing events, or community groups near you.
- Reach out if things feel heavy. Support is always there.
- Above all, treat yourself with kindness.

A kind reminder

Wellbeing doesn't come from grand gestures, it is in the little things we do consistently. This Spring, give yourself permission to pause, and to embrace joy in small ways. You deserve it.





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