

Update

June 2025

Well well then...

Donald was probably more of a blip on the radar than I expected—and what a short, sharp, and sweet comeback it's been. Markets initially wobbled when Trump returned to the spotlight with renewed talk of tariffs, trade wars, and political chaos. As they do, markets quickly priced in the risk, falling from all-time highs of around 8,550 points down to 7,350... and now? We're basically back.

So, what's actually happened?

- **Markets bounced back fast.**
After the fall of anywhere between 10-25%, most major indices have recovered strongly since April.
- **Tariffs? All talk, mostly.**
While Trump made headlines with threats of sweeping new tariffs, few have materialised so far—and Australia has mostly stayed out of the crosshairs. Mostly. A 50% tariff on our steel and aluminium has come into effect.

What Should You Do?

I want to share a recent conversation with someone who just engaged me to help plan for retirement. We had only *just* moved their super over when Trump decided to make his grand entrance... and boom—markets drop. Not exactly the dream start.

Like I said in the last newsletter, reacting to short-term noise is rarely a smart move. But this week we had another call, and I said—in some form or another:

"Given everything that's just happened, would you like to reduce your exposure to shares? Markets are back up, so it wouldn't be a bad time if you were feeling rattled. I'm comfortable with the cash buffer we've left, but your 'sleep at night' factor is important to me."

Their response?

"Jayden, I see investing as a long-term game—this kind of stuff is just going to happen."

Love it.

Then I got a crash course on the "Taco Trade." I didn't even know what it meant—look it up if you enjoy a bit of American political satire.

Important Updates

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| FirstWrap to Edge Transfer | It's happened—and we've heard your feedback. Edge is actively improving its platform functionality, and we're hopeful that more flexibility around client communications will roll out soon. |
| Staff | We have a new starter—Jess 😊 Her first day is 23/06/2025, so please give her a warm welcome if you speak with her on the phone. Jess will be spending her first couple of months shadowing the team to get across our systems and back-office processes. She is currently studying to become a Financial Adviser and aims to be starting her professional year in 2027. |
| Holidays | Kathy is away until the end of June. In the meantime, please direct any questions to Emma. |
| Pricing Project | We are currently undergoing a pricing review, and from 1 July, we'll be introducing new fixed term service packages for all clients, new and existing. This project has taken place under the advice of a business coach to ensure that we can continue to provide the level of service, care and attention that you can rely on and ensure the business continues to be sustainable for many years to come. |
| New Clients | Thanks to everyone who's been referring new clients our way 😊 Just a quick reminder — our initial consultation fee is \$550, but for referrals, we're reducing it to \$440. So please make sure they mention who sent them our way! |
| Payment by Credit Card | We've now added the option to pay your fees by credit card. This applies to any upfront or ongoing fees not deducted from your super or pension account. Please note, credit card payments will incur merchant fees, so EFT remains the most cost-effective option. |
| Tax Deductibility of Adviser Fees | The government has confirmed that some financial advice fees may now be tax deductible if they directly relate to managing income-producing investments or your tax affairs . Ongoing advice fees for reviewing and adjusting investments may be eligible, but they must be paid personally — not from your superannuation. If you'd like to explore whether this applies to you, chat with your adviser at your next review. |
| Portfolio Updates | We regularly review and update our portfolios to keep them aligned with long-term performance goals. Recent updates will be rolled out over the next 12 months for clients on an advice package. If you're a transactional-based client and would like us to rebalance your portfolio, get in touch and we can provide a quote. |

Article of Interest

An important conversation

None of us likes to consider our own mortality. For our older loved ones, it's an even more confronting topic and difficult to discuss.

When Lindsay became ill, his family's priority was to support him through his treatment, and keep him positive and as comfortable as possible.

Typical of his generation, Lindsay had always been very private, never sharing personal information – not even with his nearest and dearest. After he passed away, it dawned on the family that nobody knew whether Lindsay would have preferred cremation or burial. At such an emotionally charged time, the question caused quite a dispute.

As parents, we aim to have open dialogue with our children over issues like drugs, sex, etc. But as our parents age, difficult discussions around medical arrangements, Wills, money, etc, are usually put off until something occurs to trigger the talk. Often, by then it's too late, which is why it's so important to communicate while you still can.

Once Lindsay's funeral was over, the family faced more complex questions: did Lindsay have a Will? Was there any insurance? What investments and assets did he have? Trying to locate Lindsay's paperwork and make sense of his finances became a nightmare. If only someone had asked him.

What should you talk to your parents about?

If you think about all those things you'd rather not discuss you're off to a good start.

Before the conversation, consider:

- Finances, assets, investments, accounts, insurance policies, etc
- Will:
 - Is it current?
 - Where is it kept?
- Who is the executor?
- Medical:
 - Medications
 - Power of attorney
- Funeral preferences
- Aged care arrangements, family home, care facilities
- Location of important documents
- Usernames and passwords for online accounts
- Contact details for doctor, financial adviser, trustees, power of attorney, solicitor, executor, etc.

Carefully consider your approach. These are sensitive topics; introduce them gently and tactfully. It may be helpful to involve their executor, financial adviser or accountant.

During the conversation:

- **Extend an invitation**
Invite your loved one to express their feelings and articulate their wants. Present the discussion as a means to making their life more manageable. Stress that you're not taking over, but that you care and that they are in control.
- **Present an example**
Use examples of challenges faced by others, explaining that you hope to avoid the same situation. Tell them you'd like to help them organise their paperwork to provide peace of mind and a plan for their future.
- **Support independence**
Point out that you're not reducing their independence but ensuring they maintain their independence as long as possible.
- **Don't judge**
As your loved one opens up, listen respectfully and without judgement. Encourage discussion around their choices so you can understand and help implement them.

Afterwards, follow up and fulfil any promises you made.

Finally, just when you think your job is done, have the same discussion with your children, only in reverse. Be clear about what you want and why you're talking to them.

Children don't want to think about your mortality any more than you do. They'll think you're overreacting and probably won't thank you for the information – not right now anyway. But that's the nature of kids.

The main thing is that when your time comes, they'll realise you've saved them a lot of heartache.