summeredition 2021

financiallyspeaking

Brought to you by Leenane Templeton Wealth Management Pty Ltd a Corporate Authorised Representative of LT Advice Pty Ltd ABN 21 637 033 286 | Australian Financial Licensee 523026

Economic outlook:

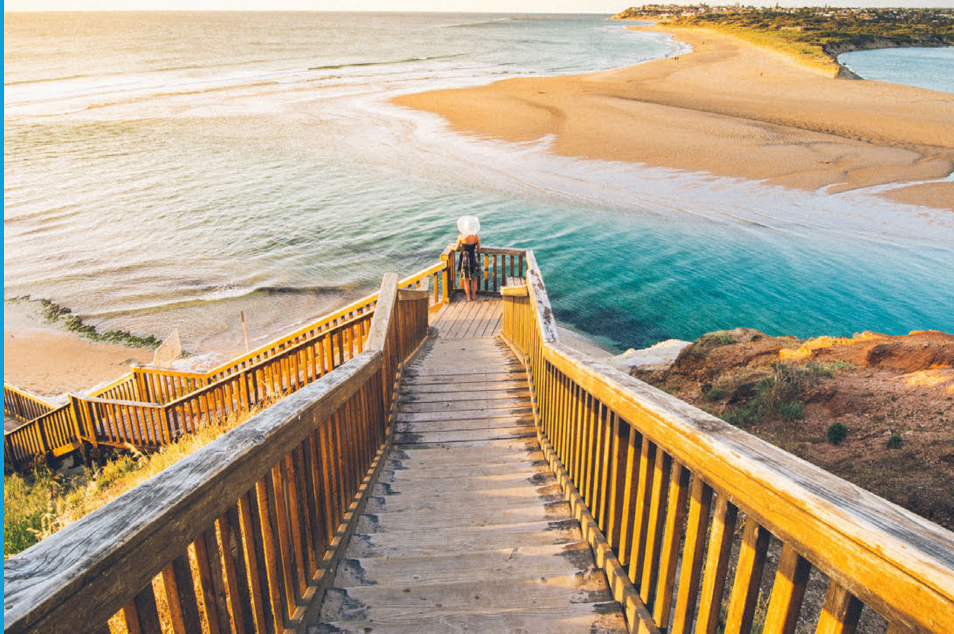
September 2021 quarter economic review

Global economy

The COVID-19 pandemic remains a major feature on the global stage, although with growing vaccination rates and declining cases, the focus has shifted to China and inflation.

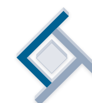
Inflation has been at the forefront of global news, driven by issues in supply chains. During the pandemic we had substantial government stimulus driving demand for goods with many services shut down. In addition to rising demand, we had issues with supply as COVID-19 outbreaks shut down ports and delayed transport from major manufacturing countries such as China. These factors have combined to drive up inflation for certain goods. A combination of weather and other issues has triggered a shortfall in energy commodities such as oil and natural gas. This has seen energy prices surge in recent weeks leading to concerns about inflation spikes and the derailing of economic recovery in the likes of Europe, China and India.

In China, news of the expected collapse of major property developer Evergrande Group sparked concerns of a weaker Chinese property market and slower economic growth in the near term. This was exacerbated by a reluctance from Chinese authorities to bail out the company given its excessive risk-taking behaviour including substantial amounts of leverage. These fears drove a decline in prices of commodities linked to the Chinese construction industry such as iron ore (used for steel production).



In this issue

- Economic outlook
- How do interest rates affect stock markets?
- Financial tips that anyone can use
- It's our business to know your business
- 5 things you and your partner should know about super
- Managing the financial impacts of a mid-life crisis



LeenaneTempleton wealth management

Leenane Templeton Wealth Management Pty Ltd
484 Hunter Street
Newcastle NSW 2300
Tel (02) 4926 2300 Fax (02) 4926 2533
info@leenanetempleton.com.au

Australia

Through the September quarter, the Australian economy struggled under the weight of east coast lockdowns as cases escalated in both NSW and Victoria. Importantly though, more vaccine supplies have been made available and new vaccines approved which has seen vaccination rates grow at a rapid pace. This should lower the worst-case potential of the pandemic in terms of hospitalisations and fatalities. At the end of the quarter, Australia was on track to have over 70% of eligible persons fully vaccinated by late October and, 80% by early November. Pleasantly, both targets were hit earlier than anticipated[1].

In addition, both consumer confidence, as indicated in the Westpac-MI Consumer Sentiment survey, and business confidence, as indicated in the NAB Monthly business confidence survey, have held up well in this period. This is in sharp contrast to the March/April experience last year in the first wave of the pandemic. This bodes well for a bounce back in economic activity during the December quarter.

Fixed income and currencies

Global central banks such as the US Federal Reserve maintained a commitment to keeping interest rates low in the near term.

Both the US Federal Reserve and the European Central Bank flagged the commencement of tapering later this year. Tapering, also known as quantitative tightening, refers to central banks reducing the amount of bonds they are buying.

Bond purchases were increased last year at the height of the pandemic to reduce long-term interest rates and to keep them low to make borrowing costs cheaper for debtors and allow those savings to be spent elsewhere in the economy. Buying fewer bonds reduces the demand for bonds which may see yields rise in the months ahead to levels attractive enough for other buyers.

Concerns of inflation, sparked by an energy crunch and supply chain disruption, and tapering by central banks saw bond yields climb during September. Despite this, both global bonds (up 0.1%) and Australian bonds (up 0.3%) performed positively overall. This is because investor expectations of weaker long term growth saw heightened levels of bond purchases that offset the loss experienced in September.

The Australian Dollar struggled, falling 3.6% against the US Dollar and down 3% against a broad basket of trading partner currencies. Some key drivers were:

- the decline in iron ore prices driven by production curbs within China and fears for their property sector. This is maily due to the potential collapse of Evergrande , impacting a major source of iron ore demand, our largest export
- The impact of lockdowns restricting economic activity with other countries looking comparably more attractive.

Shares

The Australian market continued to climb higher, finishing the September quarter up 1.7%. It was a case of vastly differing fortunes with energy stocks rising 9.3% on global energy supply fears. In contrast, the mining sector was down 9.9% as investor concerns about China saw a crash in iron ore prices (down 44.2%) with investors lowering profit expectations for these businesses as a result.

Global share markets also performed strongly, rising 4%. However much of this gain was due to the fall in the Australian dollar (down 3.6% against the US dollar) which increased the value of foreign shares. If we remove the impact of the Australian dollar, global markets were only up 0.6%. Optimism was an initial feature of the quarter as strong vaccination rates supported the economic reopening of Europe while US growth continued to track positively. However this sentiment reversed in September as investors grew increasingly concerned with a looming energy crunch and Chinese growth due to the potential collapse of Evergrande.

Source: IOOF Research

[1] SMH Covid-19 Vaccine Tracker accessed 11 October 2021

Disclaimer: The information contained in this document is based on information believed to be accurate and reliable at the time of publication. Any illustrations of past performance do not imply similar performance in the future. To the extent permissible by law, neither we nor any of our related entities, employees, or directors gives any representation or warranty as to the reliability, accuracy or completeness of the information; or accepts any responsibility for any person acting, or refraining from acting,on the basis of information contained in this newsletter. This information is of a general nature only. It is not intended as personal advice or as an investment recommendation, and does not take into account the particular investment objectives, financial situation and needs of a particular investor. Before making an investment decision you should read the product disclosure statement of any financial product referred to in this newsletter and speak with your financial planner to assess whether the advice is appropriate to your particular investment objectives, financial situation and needs.

How do interest rates affect stock markets?

Interest rates are at all time lows around the world, however it's been said they're 'lower for longer' – not 'lower for ever'. Here, we will look at how interest rates affect stock markets and what may happen in an interest rate rise.

Ask yourself this – how much would someone have to give you in a year's time for you to hand over $100 today?

Assuming it is guaranteed they will pay you back, is it $105? $107? $110?

The amount that would make you ambivalent about whether you had the cash today or received it in the future is known as the 'time value' of money.

The percentage difference between the two numbers, meanwhile, is known as the 'discount rate'.

The discount rate vs interest rate

There is an extremely strong link between the discount rate and the interest rate and this is because, if you had $100 today, you could put it in a bank account and earn interest over the coming year.

The more you can earn in interest, therefore, the greater the amount you need to receive in the future to compensate you for not receiving that interest.

If, for example, interest rates were currently 10%, you would not accept less than $110 in a year's time as, obviously enough, you would otherwise be better off taking your $100 as it is now and stashing it away in a bank account.

When interest rates are 0%, however – as they effectively are today – the future amount you would accept for your $100 now is likely to be lower. In this scenario, perhaps $102 would suffice.

We can also turn this question around

If we know we want to receive $110 in three years' time, say, how much would we need to set aside now?

The answer to that question would again depend on where interest rates stood. If interest rates were high, you might only need to set aside $100. If they were low, however, the amount might be closer to $108.

Why interest rates move stock prices

This, in effect, is the sum the stock market is trying to solve – and why interest rates move share prices.

While the value of a theoretical company in, say, 2030, may not move in itself, a reduction in discount rates triggered by a reduction in interest rates will have an effect.

If, then, that company was seen as worth $110 in 2030, with interest rates high, the share price today may be $100.

With interest rates low, the company may be worth $108.

Impact around the world

The reduction in interest rates that has been seen around the world has had precisely this impact on stock markets globally.

It should, in other words, come as no surprise that share prices have seen a succession of all-time highs in different countries – at a time of historically low interest rates, such moves are totally understandable and justified.

That said, investors need to remember the mantra intoned by central bankers around the world as they responded to the credit crunch by cutting rates to these levels was 'lower for longer' – not 'lower for ever'.

What we think about rate rises

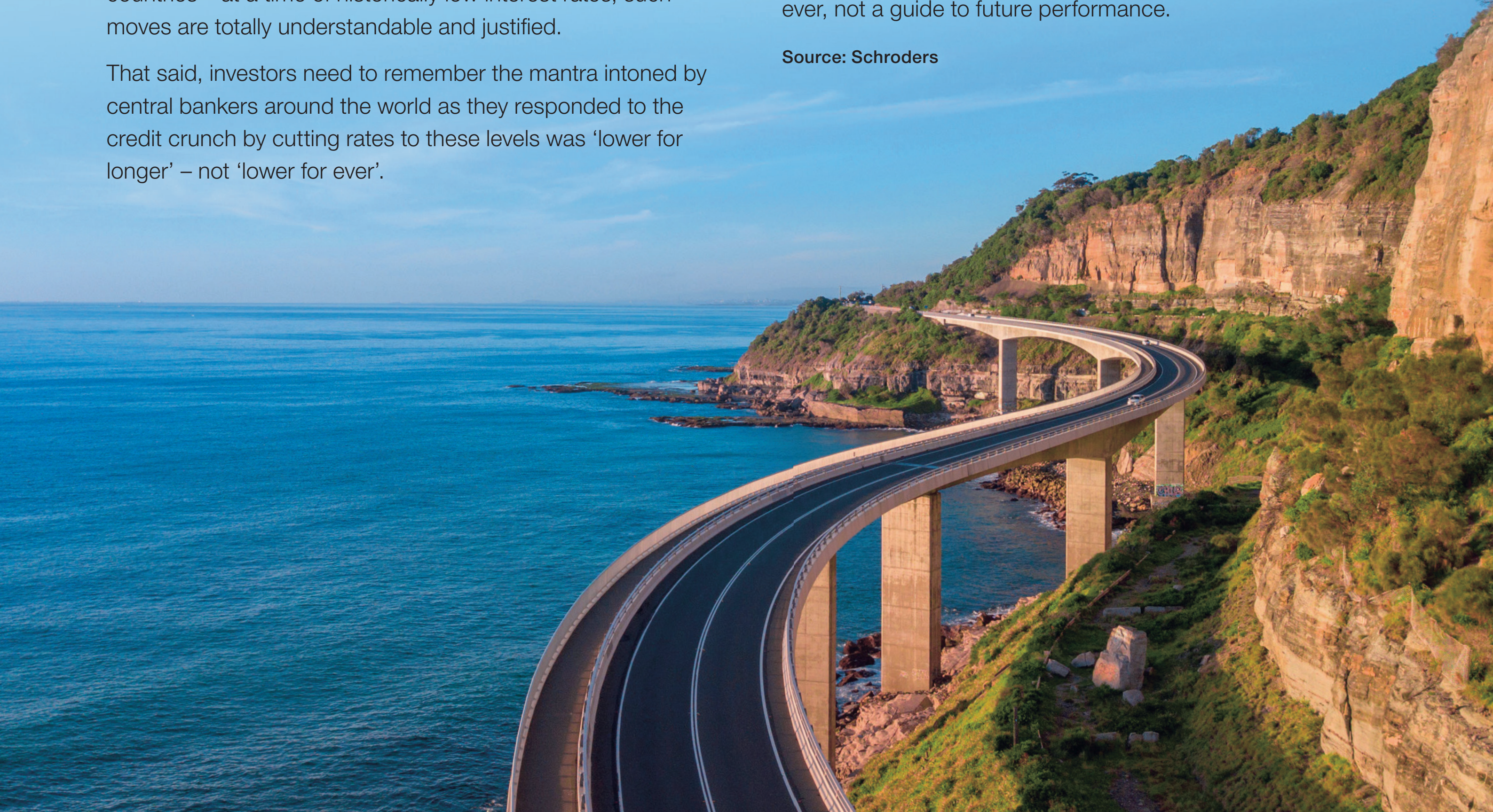
While the impact that will have on markets is impossible for anyone to predict with any certainty, we believe we can say two things with some confidence.

1. A market that has become used to low rates is likely to have some adjustments to make.
2. In the process of making those adjustments, the market is likely to overreact in some areas, creating opportunities for stock picking investors.

We sincerely hope the adjustments to come do not prove too painful.

That said, our value-oriented investment process is specifically designed to take advantage of emotion and overreaction within the wider market and more than a century of history suggests that we and our investors should benefit from the sort of environment likely to prevail as and when interest rates start to rise. Past performance though is, as ever, not a guide to future performance.

Source: Schroders



IMPORTANT INFORMATION

This article is intended for professional investors and financial advisers only and is not suitable for distribution to retail clients. Opinions, estimates and projections in this article constitute the current judgement of the author(s) as at the date of this article. They do not necessarily reflect the opinions of Schroder Investment Management Australia Limited, ABN 22 000 443 274, AFS Licence 226473 ("**Schroders**") or any member of the Schroders Group and are subject to change without notice. In preparing this article, we have relied upon and assumed, without independent verification, the accuracy and completeness of all information available from public sources or which was otherwise reviewed by us. Schroders does not give any warranty as to the accuracy, reliability or completeness of information which is contained in this article. Except insofar as liability under any statute cannot be excluded, Schroders and its directors, employees, consultants or any company in the Schroders Group do not accept any liability (whether arising in contract, in tort or negligence or otherwise) for any error or omission in this article or for any resulting loss or damage (whether direct, indirect, consequential or otherwise) suffered by the recipient of this article or any other person. This article does not contain, and should not be relied on as containing any investment, accounting, legal or tax advice. You should note that past performance is not a reliable indicator of future performance. Schroders may record and monitor telephone calls for security, training and compliance purposes.

Financial tips that anyone can use

There are lots of tips when it comes to getting ahead, financial speaking. Most of them are really simple - if you're struggling to get on top of your finances take a look at our suggestions and make a commitment to just start with one. If that works, maybe you will want to tackle a few more.

Seek advice

The importance of a good Financial Adviser

Sometimes we try and take on everything ourselves. Whilst it's great to have a can-do attitude, we cannot expect ourselves to be experts in everything, so luckily there are people who are experts in money who can help you on your financial journey. Financial Advisers understand money, they know how it works and they have the skills, tools and technology to make the complicated world of financial planning work for their clients – no matter what their age, income or financial goals.

If you want to get your finances into an achievable financial plan that helps you reach your financial goals sooner, talk to an expert, listen to their ideas, and commit to doing something about it.

Spend smart, save smarter

The importance of having a budget

What if your finances take a sudden hit, are you prepared? Events such as losing your job, being asked to take a pay cut, taking time off work to be a stay-at-home parent or suffering an illness or injury can take you out of the workforce and reduce your income – which can be a shock if you are not good at budgeting.

A Financial Adviser can work on a realistic financial budget with you and discuss personal insurance options that may provide financial protection if you become ill or injured.

And remember, a budget is not just about telling you what you can and can't spend money on, it's a way of tracking your spending, understanding what you can cut back on, compare prices and learn what you are willing to forego in ordser to reach a more desirable, long-term financial goal.

Financial planning is about exploring options

Diversifying your wealth creation strategies

There are many ways you can increase your wealth, and it's worth exploring all of them and considering whether or not they suit your individual situation, needs, values and goals. A Financial Adviser can help you look at different options such as shares, managed funds, bonds, superannuation and property, whilst keeping in mind your risk tolerance level and need for a certain level of income to pay your bills and put food on the table.

Take the lead and stay in control

Don't leave the important financial decisions to someone else, get involved

If you share finances with a partner it's a good idea to make sure you are both informed and that you discuss any major financial decisions before making them. If the relationship breaks down, or one partner becomes ill or injured, then it's good to know the other partner in the relationship has a clear understanding of your financial position, goals and expenses. If you have any questions, please speak to your Financial Adviser.

Source: IOOF

It's our business to know your business

If you are a small business owner you would know the importance of having a good team behind you. That includes a team that can help look after your finances, talk to you about appropriate business insurance and discuss succession planning for when you decide to wind up the business, or you are forced out due to ill health or death.

A professional Financial Adviser is ideally placed to have these discussions with you, and with any other business partners or family members, who may be impacted by the decisions you make.

In a time when many businesses, particularly small to medium businesses, have taken a hit with the COVID lockdowns and restrictions, now is the time to get your business plans and finances in order so you can move forward with growing your business and servicing your clients.

Contingency plans to protect you and those you love

When you are busy running your business and things are going relatively smoothly it's easy not to think about what would happen if you hit a rough patch. This could be a downturn in business, illness, injury or death of yourself or your business partner. There are many unexpected things that could stand between you and a successful transition of ownership once you are ready or forced into removing yourself from your business.

A Financial Adviser can talk you through some of the unexpected events that may occur, and the plans you can put in place to deal with them.

The importance of business insurance

There are a few different types of business insurance policies every business owner should consider – key person insurance, buy/sell insurance, business continuance insurance, professional and public liability insurance. A Financial Adviser can discuss the type of cover you may need, the different insurers on the market and any possible tax implications that you can further discuss with your accountant so you get appropriate insurance cover in place.

Tax implications

Fully understanding the tax implications of a business and business insurance policies is complex and requires specialist tax advice to ensure you end up with the optimum structure for your business ownership and policy ownership. It's critical to get professional assistance so that you understand the benefits and the tax implications now, and for future successors in your business.

Your business is not your superannuation plan

We live in a time of unprecedented change when businesses that were thriving yesterday find themselves in difficulty today – struggling to keep up with technology, superseded by more agile newcomers, impacted by recent business shutdown periods or they just plain run out of steam.

If that happens to your business, or simply your business does not yield enough profit at sale to fund your retirement, you'll need something substantial to fall back on. That's why your business and your superannuation should be separate. This may be a standalone superannuation policy in your name, or a self-managed super fund. There are pros and cons with both that a Financial Adviser can discuss with you.

With a proper superannuation policy in place for your retirement, you can rest easy that no matter what happens with your business, your hard work, the long hours, the stress and the strain on your family will all be worth it because you can retire with sufficient funds to keep living your life to the fullest.

Life beyond work – your transition plan

When the time comes for your succession to happen – and this may not be in your control – who's going to take on the day-to-day running of your business, potentially at short notice, until the transition to the new owner is complete? Having a solid transition plan in place and ensuring all the key parties who will have a role to play are across the plan is critical to ensure the smooth transition of your business and minimal disruption to your clients. Having a third party professional, such as your Financial Adviser, to assist in these discussions and the formulation of the plan can help everyone to feel comfortable that business will continue, even if you are not around.

Talk to us about your business

If you do not have a solid business insurance policy, superannuation fund and transition plan then it's time to book a meeting with a Financial Adviser and get one. We can guide you through the process – the planning and the implementation – safely and successfully.

Source: IOOF

5 things you and your partner should know about super

Super rules can affect couples differently to single people. And being part of a couple can have a big impact on your retirement savings goals too. Here are five things to understand about your super as a couple.

Money issues are often cited as the biggest causes of stress in a relationship. Yet despite their importance, a recent survey of Australian couples found that 43% hadn't discussed how they'd share their incomes before they committed. And close to a third hadn't talked about their financial situation with their potential partner at all.*

Even if you and your partner manage your day-to-day finances well, have you considered the impact your relationship has on your retirement savings? Here are five things that every couple should know about super.

1 Understand how super rules apply to you as a couple

When it comes to super, you have the same rights regardless of whether you're married, in a de facto relationship or in a civil partnership.*

This means if your partner passes away, you could be entitled to receive their super – and potentially any life insurance in their super account. What's more, if your relationship breaks down you could either receive some of their super or need to pay some out to your partner.

In a relationship breakdown, super is considered property by the courts for married couples and those in de facto or civil partnerships. And like other assets, it can be divided between the two people. You can agree to split your super, or the court can order you to do so. Alternatively, you can choose to split your other assets but leave your super benefits untouched. In some cases, you can put off your decision until later on – say, in retirement.

Remember, if you do split your super with your former partner, neither of you can access this money until you reach preservation age or meet another condition for early release of super.

2 Work out how much you need for retirement

As a rule of thumb, couples have the better deal when it comes to saving for retirement because they can pool their resources. If you own your home and are in good health, the Association of Superannuation Funds of Australia estimates that you'll need an annual income of $40,739 for a modest lifestyle in retirement or $62,562 for a comfortable one. By comparison, a single person may need $28,179 or $44,224 respectively.* So if you're part of a couple, it may be easier for you and your partner to reach your retirement goals.

But of course, your situation will differ from other couples. You may have complex health needs, or still have a mortgage by the time you retire. Maybe you don't own a home – or perhaps you'll still have financial dependants after you've finished working. Whatever your situation, it's important to discuss with your partner the kind of lifestyle you want in retirement – and how much super you'll need to support it.

3 Find out if you'd benefit from spouse super contributions

If you're a high earner and your spouse earns $40,000 or less a year, you could both potentially benefit from the spouse contribution strategy.

Here's how it works: you make an after-tax contribution of at least $3,000 into your spouse's super. If your spouse earns $37,000 or less, you could then earn a tax offset of $540 – and your spouse gets a welcome boost to their super. You may still receive a partial offset if your spouse earns up to $40,000.

4

Consider splitting your super

Did you know that couples can split up to 85% of their Super Guarantee (SG) contributions each year – plus any salary sacrifice and personal super contributions you might make? To do this, your spouse must be under preservation age and not retired, and you must split your contributions at the end of financial year in which they were made.

Splitting super could benefit you as a couple if one of you has substantially more super than the other, and where:

- There is an age difference: The older spouse can reduce their super balance by splitting it with the younger spouse, and then they may be entitled to a part Age Pension when they retire.
- You want to withdraw large lump sums in retirement: Currently, lump sum withdrawals are capped at $215,000 (that's set to increase to $225,000 for 2021-22). But if you split your super, you could potentially both withdraw up to $430,000 tax-free (or $450,000 from 1 July 2021).
- You want to avoid going over the $1.6 million super cap: While you can have more than $1.6 million in your super account, you can only transfer a maximum of $1.6 million into a tax-free pension account. The transfer balance cap will be indexed and increased to $1.7 million from 1 July 2021.

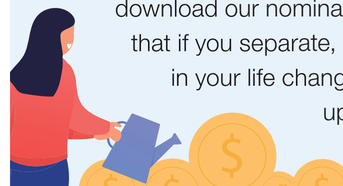
5

Decide if you want to nominate your partner or spouse as a beneficiary to your super

You can decide who you want to nominate as a beneficiary for your super. You might want to nominate your spouse – but you don't have to. Instead, you could choose someone else who is considered your dependant. For example, a child (including an adopted child or stepchild) or someone who is financially dependent on you.

One strategy is to leave your spouse the family home so they can continue living there – and then leave your super to your children. Or, if you're a business owner, you could potentially leave the business to your spouse to continue running it and leave your super to your children. A financial adviser can help you work out what approach is most appropriate for your financial situation.

Whoever you decide to leave your super to, it's a good idea to set up a binding death benefit nomination so you have more certainty about how your super will be paid out if something happens to you. You can download our nomination form here. Remember that if you separate, or if other circumstances in your life change, you may need to update your nomination.



* At the time of writing, de facto couples in Western Australia are not able to split their super upon relationship breakdown. Legislative developments are well advanced to make splitting available to de facto couples in WA in the near future.

*** References**

[1] Relationships Australia, January 2019: Finances and Relationships, accessed 22 February 2021.

[2] ASFA, ASFA Retirement Standards, December Quarter 2020

Source: Colonial First State

Disclaimer: Colonial First State Investments Limited ABN 98 002 348 352, AFSL 232468 (CFSIL) is the issuer of the FirstChoice range of super and pension products from the Colonial First State FirstChoice Superannuation Trust ABN 26 458 298 557. CFSIL also issues interests in products made available under FirstChoice Investments and FirstChoice Wholesale Investments. This document may include general advice but does not take into account your individual objectives, financial situation or needs.

Managing the financial impacts of a mid-life crisis

A look at how to survive – and even thrive – through a mid-life crisis.

For some, the thought of a mid-life crisis may bring to mind quirky Steve Carell comedies like Crazy Stupid Love or The 40-Year-Old Virgin. But if you or a loved one are actually going through something that resembles one, you probably have fewer reasons to chuckle.

A mid-life crisis is a transition where you might start to question your identity and confidence. The term was originally coined by Canadian-born social scientist Elliott Jaques* and it's a phenomenon that often strikes people in their forties and beyond.

Those going through a mid-life crisis might increasingly find work, relationships and previous pastimes they enjoyed mundane or pointless. Their responsibilities suddenly feel enormous and dull. They yearn for fun and excitement. And there may be desperate attempts to hang onto youth or a sudden race to achieve unmet goals.

Barbells, Botox and bad sleep

A mid-life crisis could be partly caused by the biological processes of ageing. It could also be existential as we become more aware of our own mortality. But it's just as likely to be a social construct.

In a youth-obsessed culture like Australia, we tend to over-value youth, causing many of us to try and hang onto our younger selves at all costs. In fact, it's said that in cultures where age is valued and respected, people aren't as likely to experience the mid-life crisis phenomenon.*

Movies about mid-life crises usually involve yearnings for a younger partner, hitting the gym, getting Botox or purchasing the ultimate cliché: a red sportscar. What they don't usually show are the tougher features of this transition period – poor sleep, juggling work and kids, dealing with illness or the death of parents, and job dissatisfaction.

We've rounded up some tips to help you get through a mid-life crisis without adding debt to that list of woes.

Budget for your dreams

Do you regret foregoing your younger dreams of being a painter (or ski instructor, or trapeze artist, or… the list goes on) for a secure salary with sick pay and annual leave?

There's no reason you shouldn't follow your dreams – but maybe don't quit your day job just yet! Instead, prioritise time to explore your passions. Consider delegating some of your responsibilities by asking for help from friends, siblings or your kids – or if you can afford it, paying someone else to help out. Then you'll have time to pursue your interests, whatever they may be.

Don't forget to budget for the costs of your passion though – depending on what you're into, they can add up. You might even consider setting up a separate bank account purely for your hobbies.

Your passion could eventually turn into a side hustle, making it pay for itself. But remember, it's also okay to do things simply for the fun of it.

The key is to indulge in something that brings you joy, without going into financial hardship over it. For example, if you've been hit by the urge for a sportscar, consider renting one for a weekend rather than handing over your life savings.

Security matters

This might sound counter-intuitive when all you want to do is throw caution to the wind but, now more than ever, you need to protect your assets and ability to earn a living. That's because mid-life brings with it financial uncertainties like redundancies or serious health conditions.

> "The key is to indulge in something that brings you joy, without going into financial hardship over it. "

One way to protect yourself is by setting up income protection insurance. Then if you did become ill or injured and couldn't work, you'd still have regular income. You might also consider trauma insurance – you'd get a lump sum payment if you were unable to work due to a serious medical condition like a stroke or heart attack.

If you're watching from the sidelines

You might be fine in your forties or fifties, but what if your partner isn't? While their version of a mid-life crisis mightn't go beyond a sudden taste for surf wear and Triple J tunes, it could still lead to relationship breakdowns or financial difficulties.

If your partner is suddenly spending more money than you're comfortable with, set up a time to express your concerns and discuss a budget with them. Revise your needs and wants together, and make sure you're setting aside some money for fun as well. You might even consider keeping a joint account for household expenses and two separate accounts for your own spending.

If your relationship is looking particularly rocky, you might feel the need to protect yourself financially and therefore seek professional advice. This could be from a lawyer or a financial adviser – both can help you get all your ducks in a row in case you did need to leave the relationship.

There's an upside to a crisis

Despite what Hollywood would have us believe, a mid-life crisis isn't inevitable. In the US, for example, only about a quarter of middle-aged people say they've been through one.*

But for those of us who do experience the mid-life blues, remember that it can be a catalyst for positive change. Some people say that a mid-life crisis propelled them to finally quit a dead-end job, seek therapy to address destructive patterns or work on their relationships. And many start making their health, wellbeing and dreams a priority for the first time.

How a financial adviser can help

Financially speaking, mid-life is a time when many people finally get their act together. They might get clear on separating their wants from their needs, pay off their debts, apply for insurance and start investing for the future.

Even if you feel way behind in terms of what you think you should have achieved by now, it's never too late to make a change. A financial adviser can help you set and achieve goals – ensuring you protect your financial security for the next chapter of your life.

* References

1. March Jackson, The Royal society Journal of the History of Science: Life begins at 40: the demographic and cultural roots of the midlife crisis, 25 March 2020
2. Sally Squires, Midlife Without A Crisis, 19 April 1999.
3. Amy Morin, Carly Snyder MD, Are midlife crises real? Very Well Mind, 24 November, 2020

Disclaimer*: Taxation considerations are general and based on present taxation laws and may be subject to change. You should seek independent, professional tax advice before making any decision based on this information. Colonial First State is not a registered tax (financial) adviser under the Tax Agent Services Act 2009 and you should seek tax advice from a registered tax agent or a registered tax (financial) adviser if you intend to rely on this information to satisfy the liabilities or obligations or claim entitlements that arise, or could arise, under a taxation law.

Source: Colonial First State

Disclaimer: Colonial First State Investments Limited ABN 98 002 348 352, AFSL 232468 (CFSIL) is the issuer of the FirstChoice range of super and pension products from the Colonial First State FirstChoice Superannuation Trust ABN 26 458 298 557. CFSIL also issues interests in products made available under FirstChoice Investments and FirstChoice Wholesale Investments. This document may include general advice but does not take into account your individual objectives, financial situation or needs. The Target Market Determinations (TMD) for our financial products can be found at www.cfs.com.au/tmd and include a description of who a financial product is appropriate for. You should read the relevant Product Disclosure Statement (PDS) and Financial Services Guide (FSG) carefully, assess whether the information is appropriate for you, and consider talking to a financial adviser before making an investment decision. The PDS and FSG can be obtained from www.cfs.com.au or by calling us on 13 13 36.

Leenane Templeton Wealth Management Pty Ltd a Corporate Authorised Representative of LT Advice Pty Ltd ABN 21 637 033 286 | Australian Financial Licensee 523026

Leenane Templeton Wealth Management Pty Ltd
484 Hunter Street
Newcastle NSW 2300
Tel (02) 4926 2300 Fax (02) 4926 2533
info@leenanetempleton.com.au

Disclaimer: The information in the newsletter contains factual information and general financial product advice only. It has been prepared without taking into account any person's individual investment objectives, financial situation or particular needs. A person should not act on this information without first talking to a financial adviser. This information is given in good faith based on information believed to be accurate and reliable at the time of publication, including the continuance of present laws and Lonsdale's interpretation of them. Lonsdale does not undertake to notify recipients of changes in the law or its interpretation. Forecasts and other representations about future matters are based on economic and other factors. These factors can change and this can affect the future outcomes. This newsletter contains some general tax information. While your Lonsdale financial adviser can advise you on the tax implications of any recommended strategy, we are not accountants or tax advisers and are unable to provide tax advice as such. We therefore recommend you consult your accountant to ensure that you understand the tax implications for you of any recommended strategies. While all care has been taken in preparing this newsletter, Lonsdale gives no warranty of accuracy or reliability, accepts no responsibility for any errors or omissions, including by reason of negligence, and shall not be liable for any loss or damage whether direct, indirect or consequential arising out of, or in connection with, any use of, or reliance on, the information contained in this newsletter.

WMA-30082 (50722) 1121