



WealthDesign FP

February Newsletter

War and the impact on you

Escalating tensions in the Middle East could affect Australia if oil supply or shipping through the Strait of Hormuz is disrupted. A significant rise in oil prices could push petrol prices higher and increase transport and freight costs across the economy.

If energy prices remain elevated, it could complicate decisions for the Reserve Bank of Australia and place upward pressure on interest rates.

If the disruption is short-lived, the impact on inflation and markets may be temporary. However, prolonged higher oil prices could weigh on share markets, increase living costs and potentially soften borrowing capacity and property demand.

Key point: The main risk is how long energy prices stay elevated, as this will determine the impact on inflation, interest rates and the broader economy. Sectors sensitive to economic activity, such as consumer and growth stocks, may face more volatility, while gold and defensive assets historically perform well. The energy sector is expected to benefit while property and interest rate sectors will be taking a hit.

Staying Calm in Volatile Markets

Market ups and downs are a normal part of investing, but headlines can often make short-term movements feel more significant than they really are.

For long-term investors, reacting emotionally to market swings can lead to decisions that may harm overall returns. A well-diversified portfolio and a clear strategy are designed to manage volatility over time.

Staying focused on long-term goals, rather than daily market movements, can help keep your plan on track. Regular reviews with your adviser can also ensure your investments remain aligned with your needs and risk tolerance.

Active SMA Investments: Managing Geopolitical Risk

Separately Managed Accounts (SMAs) offer active, flexible portfolio management that can respond quickly to geopolitical events, such as conflicts or energy shocks. Managers can shift allocations toward sectors that benefit from uncertainty, like energy, gold, or defence, while reducing exposure to vulnerable areas such as property or cyclical equities.

This active approach helps investors navigate volatility, protect long-term growth, and adapt to global risks, providing a tailored solution in uncertain markets.

Healthcare and Aged Care Costs in Retirement – Planning Ahead

Healthcare and aged care often become significant expenses in retirement. While Medicare and the Age Pension provide some support, retirees may still face costs for medications, specialists, home care, or residential aged care.

Planning ahead can make a big difference. Consider reviewing your health insurance, setting aside savings for unexpected medical costs, and understanding how you are going to fund your future aged care fees. Discussions with family around your aged care future is important, and shouldn't be put off. Early preparation helps ensure your retirement savings continue to support both your lifestyle and care needs.

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The Wave is Here

As more Australians reach retirement and life expectancy increases, **retirement can now last 20–30 years or more**. This “retirement wave” is expected to reshape both the economy and financial markets. **Demand for healthcare, retirement income solutions, and age-focused services is growing**, while the financial sector continues adapting with new strategies, technology, and support for longer retirements.

For individuals, the focus is no longer just stopping work – it’s ensuring savings can fund a lifestyle over decades. Turning super into reliable income involves the right pension structure, sustainable drawdown rates, and an investment strategy that can manage market volatility and inflation. Understanding eligibility for the Age Pension through Centrelink can also make a meaningful difference, and **help your funds go the distance by paying less on services and medication**.

With thoughtful planning and a few smart structural adjustments, retirement can be approached with greater clarity and confidence.

Employer Contributions Paid More Frequently

From 1 July 2026, employers will be required to pay Superannuation Guarantee contributions at **the same time as wages or within 7 business days of payday rather than quarterly**. This should help super balances grow faster since contributions hit accounts sooner.

Estate Planning for the Next Generation

Clear estate planning ensures your wealth is passed on according to your wishes while protecting loved ones. **Keeping your wills and beneficiary nominations up to date** helps avoid delays or disputes.

At regular reviews, we consider tax-effective strategies for superannuation, gifting, or trusts to maximise what your heirs receive, so when you pass, their not getting a tax bill too.

Scam Watch

Scams are becoming more common and increasingly sophisticated, so it’s important to stay vigilant. Scammers can now make calls or messages look like they’re coming from a trusted organisation by cloning phone numbers, which can make them seem very convincing.

A few simple steps can help protect you. **Check your bank and super statements** regularly so you can quickly spot anything unusual. **Be cautious of unexpected emails or text messages** and **avoid clicking on links**, especially if they ask for personal or financial details. If you ever receive a call or message that doesn’t feel right, it’s best to contact your bank or provider directly using their official phone number to confirm. Staying alert can make a big difference.

Stay informed, plan ahead, and work with your adviser to adjust investments and savings strategies to protect your lifestyle and long-term goals.

Talk to us today – the right advice starts with a conversation