



PFG Connect - Spring 2025

Spring is here, bringing longer days and an opportunity to venture outdoors and enjoy the warmer months ahead.

A higher-than-expected jump in inflation figures may prompt the RBA keep interest rates on hold at this month's meeting. Headline CPI climbed to 2.8%, up from 1.9%. The trimmed mean, the RBA's preferred gauge of underlying inflation, also rose to 2.7% in July from 2.1% in June.

Markets responded cautiously, though the S&P/ASX 200 still edged higher for the month and notching another all-time high. The rally was driven by mining and banking stocks.

The unemployment dipped slightly to 4.2% in July and business confidence is upbeat. The number of Australian businesses rose by 2.5% over the past financial year to more than 2.7 million. Total wages and salaries increased 5.9 per cent year-on-year. The momentum appears to be lifting consumer sentiment with the Westpac-Melbourne Institute Index posting a solid gain 5.7% in August, a 3.5 year high.

As Aussie dollar finished the month at US65c and continues to be shaped by global factors.

In the US, the S&P 500 hit records highs, led by tech giants, as investors weighed tariff impacts and speculated on future rate cuts.

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Strategies for an unexpected retirement

The best time to start planning for retirement is yesterday. But the second-best time? Today.

About two-thirds of Australians retire earlier than they anticipated because of unexpected events such as job loss or redundancy, they need to care for a family member, have a sudden illness or injury, problems at work or a partner's decision to retire.ⁱ

But, whether you're in your 50s, 60s, or even beyond, it's never too late to take meaningful steps toward a more secure and fulfilling retirement.

The good news is that with the right guidance and a few smart moves, you can still build a retirement plan that reflects your values, supports your lifestyle and gives you peace of mind.

Where to begin

Before you make any changes, it's important to understand your current financial position. This includes:

- your superannuation balance
- other savings or investments
- debts such as your mortgage, credit cards and personal loans
- expected retirement income sources including the Age Pension, rental income and part-time work

Boost your super

Even if you're starting later, there are ways to accelerate your super growth using:

- **Salary sacrifice** Contributing pre-tax income into super can reduce your taxable income while boosting your retirement savings
- **Personal contributions** You may be eligible for a tax deduction or government co-contribution depending on your income
- **Catch-up contributions** You may be eligible to add to your super but be aware of the caps on contributionsⁱⁱ

These strategies can be especially powerful in your 50s and 60s, when your income may be higher and retirement is in the near future.

It's also a good idea to regularly consider your super investment options and review your risk tolerance and time horizon.

Deal with debt

If possible, getting your debt under control before you retire is a useful strategy.

You could consider using your superannuation or other savings, or downsize your home to pay off a mortgage or other loans. But first, it's essential to carefully check the tax impact, the effect on your super and whether any potential government benefits will be affected.

Reassess your lifestyle goals

Retirement isn't just about money, it's about how and where you want to live, how much travel you'd like to do and if you'd continue to work part-time.

Clarifying your lifestyle goals helps shape your financial strategy. It also ensures your retirement plan reflects your values, not just your bank balance.

How much will I really need?

Aim to create a retirement budget. Estimate your future expenses including housing, food, travel and healthcare and compare them to your expected income. This helps identify any shortfalls and guides your savings strategy.

You will also need to consider the amount of time you might spend in retirement. This will depend on when you retire (planned or unexpected) and how long you live. This is called longevity risk. Given life expectancy is unpredictable, there is a possibility that your retirement savings may not last throughout retirement.

Understand your entitlements

Many Australians are eligible for government support in retirement, including:

- **Age Pension** Based on income and assets, available from age 67 (for those born after 1957)

- **Concession cards** For discounts on healthcare, transport and utilities
- **Rent assistance** If you're renting privately and receive the Age Pension

Even if you don't qualify now, you may be able to restructure your finances to maximise future entitlements.

Review regularly and remain flexible

Retirement planning isn't a one-time event. Life changes and so should your strategy. Regular reviews help you:

- Adjust for market movements or legislative changes
- Update your goals and spending patterns
- Ensure your estate planning is current

Flexibility is key. Whether you retire gradually, take a sabbatical, or pivot to a new venture, your plan should evolve with you.

Next steps

Retirement planning is about taking the next step rather than chasing perfection. Whether you're starting late or simply refining your strategy, every step you take now helps shape a more secure and meaningful future.

And remember that retirement isn't an end point. It's a new beginning even if you retire earlier than you anticipated. With the right plan in place, you can step into this next chapter with clarity, confidence and purpose.

We'd be happy to help you review your current retirement plan and identify any gaps in retirement goals and create a strategy should you need to retire earlier than expected.

ⁱ <https://www.abs.gov.au/statistics/labour/employment-and-unemployment/retirement-and-retirement-intentions-australia/latest-release>

ⁱⁱ <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>

Protecting what matters most



We plan for holidays, home renovations, and retirement but we're less likely to plan for the unexpected. Life insurance is one quiet but powerful way to protect the people you love from financial stress if something happens to you.

Whether you're raising a family, supporting a partner, or building a business, life insurance helps ensure that your legacy includes stability rather than uncertainty. It can be a strong tool for your family's financial resilience.

Life insurance is designed to provide a lump sum payment to your nominated beneficiaries when you die or, in some cases, are diagnosed with a terminal illness. The payout can help ensure that your loved ones aren't left scrambling to cover costs such as mortgage repayments or rent, outstanding debts, funeral costs and living expenses during an already emotional time.

It can be particularly helpful if:

- you have dependents who rely on your income
- you're the primary breadwinner or contribute significantly to household finances
- you have joint debts with a partner
- you want to leave a legacy or charitable gift
- you're a business owner

Even if you're young and healthy, life insurance can be affordable and locking in a policy early may mean lower premiums over time.

How much life insurance do you need?

There's no one-size-fits-all answer, but a good starting point is to ask yourself: "If I were gone tomorrow, what financial gaps would my family face?"

Here's a simple framework to help you estimate your coverage needs:

1. Calculate your financial obligations

Start by listing the major expenses your loved ones would need to cover:

- **Mortgage or rent:** how much is left to pay?
- **Living costs:** groceries, utilities, transport, childcare
- **Children's education:** school fees, uniforms, university costs
- **Debts:** credit cards, car loans, personal loans
- **Funeral and legal costs:** can be around \$10,000–\$20,000ⁱ

Add these up to get a baseline figure.

2. Consider your income

How long your family would need financial support. Multiply your annual income by the number of years you'd want to replace it, for example, five to 10 years.

If you earn \$100,000 and want to provide seven years of income, that's \$700,000.

3. Factor existing assets

Do you have savings, superannuation, or investments that could help cover costs? Subtract these from your total needs to avoid over-insuring.

4. Account for inflation and future needs

Costs rise over time, and your children's needs will evolve. It's wise to build in a buffer of say, 10-20 per cent to future-proof your coverage.

5. Review regularly

Your life changes, and so should your insurance. Marriage, children, mortgages and career shifts can all affect how much cover you need. We can help with a regular review to ensure your policy stays aligned with your goals.

Different types of life insurance

There are a few key types of cover to be aware of:

- **Term life insurance** pays a lump sum if you die or are diagnosed with a terminal illness
- **TPD (Total and Permanent Disability)** covers you if you're permanently unable to work due to illness or injury
- **Trauma insurance** pays a lump sum if you're diagnosed with a serious illness like cancer or stroke
- **Income protection** replaces a portion of your income if you're temporarily unable to work.

Life insurance in super

For many Australians, life insurance is already tucked away inside their superannuation fund. Most super funds automatically include a basic level of life cover and TPD insurance, and some also offer income protection.ⁱⁱ

Premiums are typically lower than retail policies and are deducted from your super balance. In many cases, you won't need to complete a health check to get default cover, and the premiums may be more tax-effective depending on your circumstances.

While insurance in super is convenient, it's not always comprehensive and it's not guaranteed to suit your needs in the long term.

If you're relying on insurance through super, it's a good idea to review your fund's policy and consider whether it's enough especially if your circumstances have changed.

If you're unsure where to start, we're here to guide you through the options, crunch the numbers, and make sure your policy reflects your values and responsibilities.

ⁱ <https://www.finder.com.au/funeral-insurance/cost-of-a-funeral>

ⁱⁱ <https://moneysmart.gov.au/how-life-insurance-works/insurance-through-super>



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.



FROM bad reputation TO *dream destination*

When you start researching for a trip overseas it's easy to be swayed by what can be a lingering bad reputation of a region or country. The landscape of travel is constantly shifting and what may once have been a no-go zone can now be a dream destination – and vice versa.

Some of today's most compelling places to visit were once dismissed as too dangerous, politically unstable, or simply unattractive. Thanks to urban renewal, political shifts, and the sheer resilience of local communities, these destinations have reinvented themselves and now welcome travellers with open arms.

Here are a few places that were once avoided but now deserve a spot on your bucket list.

Albania: Europe's little secret

Let's start with Albania. The once-hermit kingdom of Europe, it spent most of the 20th century shut off from the world under a dictatorship. Today? It's a Mediterranean dream in disguise.

While tourists crowd into Italy and Greece, Albania's beaches remain blissfully peaceful. The mountains are rugged, the food is incredible (think olive oil, cheese and stunning wines), and the prices? Almost suspiciously low. It's a reminder that the best destinations are often the ones that haven't been given the glossy treatment – yet.

And by going now, you're not just ahead of the trend, you're helping shape the nation's tourism story from the ground up.

Rwanda: The quiet recovery

Few countries have flipped their narrative like Rwanda has. Once known for the horrors of the 1994 genocide, it is now one of Africa's safest, cleanest, and most

forward-thinking destinations. Kigali, the capital, is plastic-free, progressive, and is pulsing with creativity.

But the real magic lies beyond the city. Rwanda's forests are home to some of the world's last remaining mountain gorillas and tracking them in Volcanoes National Park is one of the most profound wildlife experiences on the planet. It's not cheap, but every permit supports conservation and local communities so you can feel good about travelling with purpose.

There's a quiet pride here and a sense of renewal. And for travellers, it offers that rare thing: a trip that's humbling, hopeful, and unforgettable all at once.

Sri Lanka: The comeback island

Hop over to Sri Lanka, and you'll find another country rising from the ashes of conflict and challenges. After decades of civil war, the 2004 tsunami, and an economic tailspin that led to widespread protests in 2022, the island nation has really started to shine as a holiday destination.

From leopard-spotting in Yala National Park to sipping world-class tea in the hill country, the island is a compact slice of paradise. The trains rattle their way through lush green hills, elephants roam wild, and its beaches are postcard perfect. Sri Lanka isn't hiding its past; it's simply writing a better future. It's travel that feels good – and does good.

Vietnam: From conflict to cool

Vietnam is a nation that's spun a difficult history into a compelling narrative. Once the setting for a war that defined an era, it's now the backdrop for stunning cuisine and jaw-dropping natural beauty.

But what links Vietnam to places like Sri Lanka is its authenticity. The chaos of Hanoi's Old Quarter, the sleepy magic of Hoi An, the emerald waters of Ha Long Bay all strike a chord when you remember just how far the country has come.

And yet, prices remain low and you can still find yourself the only tourist at a countryside café sipping egg coffee like a local.

The final boarding call

So, what do these places all have in common? They're not perfect. And that's exactly why they're perfect. Destinations that have overcome hardship – be it conflict, natural disasters, or political upheaval – often offer something more rewarding than your average sun-and-souvenir spot.

These are places where your visit helps fuel recovery, where locals genuinely want to welcome you back, and where the scars of the past give way to a kind of hospitality you won't find in more polished places.

So, skip the predictable and go where the stories are. Because sometimes, the best places to visit are the ones that were once off the map entirely.

Note: It's crucial to stay informed about the current safety situation in any destination, even those that have undergone positive transformations.