

Informed Investor

November 2025

CONTENTS

Economic update

Australian property market approaches \$12 trillion as national price momentum builds

Protecting your money - Cybersecurity and scam awareness

Investing an inheritance from \$10,000 to \$100,000 whatever your life stage



Welcome to the November edition of our quarterly newsletter, Informed Investor.

Economic update

Global

Trade tensions re-escalated in October, with the US responding to increased rare earth export controls from China with an additional 100% tariff alongside export controls on critical software. This led to the S&P500 experiencing its largest one day decline since Liberation Day in April, falling by -2.71% on October 10.

Gold prices accelerated to fresh record highs amid global trade tensions, the continued US government shutdown and expectations of further Fed cuts. The yellow metal then pared gains in the second half of the month as trade tensions eased and investors took profit, with the spot gold price ending the month +3.7% higher at US\$4,002.92/oz.

By the end of the month, US President Donald Trump and China's President, Xi Jinping met to discuss a potential

deal, during which Trump reduced the fentanyl tariff on China by 10%, while China agreed to pause export controls on rare earths.

Global equity indices continued to create fresh highs throughout the month amid robust corporate earnings and continued monetary policy easing from global central banks. The Morgan Stanley Capital International (MSCI) World Index advanced +1.9%, with a strong contribution from US equities. The S&P500 added +2.3%, the Dow Jones gained +2.5% and the tech heavy NASDAQ rallied +4.7%. European equities also fared well, with the Stoxx600 gaining +2.5% on the month and the FTSE100 adding +1.9%.

The global services Purchasing Managers' Index (PMI) declined to 52.8 in September, from 53.4. The global manufacturing PMI ticked lower to 50.8, from 50.9.

FURTHER INFORMATION

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US

The US federal government entered a shutdown on 1 October, resulting in delayed economic data prints and missed pay checks for furloughed employees. Treasury yields rallied on the risk off sentiment and as markets fully priced in a 25 basis points (bp) cut at the October Fed meeting.

Nvidia became the first stock to reach a US\$5tn market cap, amid a broader AI rally. Major US stock indices continued to reset record highs amid corporate quarterly earnings and increased AI related spending. NASDAQ +4.7%, DOW +2.5%, S&P500 +2.3%.

Fed Chair, Jerome Powell indicated in a speech mid month that the Fed was on track to deliver a 25bp rate cut at its end of October meeting, despite the lack of economic data, as the economic outlook appeared unchanged since the Fed last met.

Core Consumer Price Index (CPI) surprised to the downside in September, rising +0.23% month on month (MoM) vs consensus +0.3% MoM.

At the end of the month the Fed delivered the widely expected 25bp rate cut, however Fed Chair Powell advised that a further rate cut in December was not a “foregone conclusion”. The market was fully priced in a 25bp cut in December, with Powell’s commentary sparking a repricing in the market. By the end of October, this had fallen to 67% priced in.

The US Dollar Index (DXY) appreciated +2.1% during October amid the more cautious outlook towards future rate cuts from the Fed.

Australia

The ASX200 traded +0.4% higher in October, reaching a fresh high at 9,108.6. Annual General Meetings (AGMs) and a mixed bag of trading updates captured investor attention.

The monthly household spending indicator slowed to +0.1% in August, below consensus expectations of +0.3%.

The unemployment rate rose unexpectedly to 4.5%, from 4.3% in September, the highest level of unemployment since November 2021. This saw money markets begin to price in the likelihood of a rate cut in November.

The Reserve Bank of Australia (RBA) Governor, Bullock provided hawkish commentary at an industry dinner, during which she advised that the labour market remained tight, with upside risks to the RBA’s expectations for Q3 trimmed mean CPI. The chance of a November cut was largely priced out again.

Q3 CPI came in higher than expected, up +1.3% during the quarter, boosting the annual CPI increase from +2.1% to +3.1%. This caused markets to almost entirely price out the chance of a further rate cut in 2025.

Interest rate sensitive stocks, including Real Estate Investment Trusts (REITS) and tech companies, sold off as the likelihood of further rate cuts diminished.

The Aussie Dollar experienced a U-shaped month against the USD, ending October -1.0% lower. The AUD sold off on the unemployment print and then appreciated as the market began to price out the likelihood of imminent future rate cuts.

New Zealand

The Reserve Bank of New Zealand (RBNZ) delivered a unanimous 50bp rate cut in its October meeting to 2.5%. The market had priced a ~50% chance of a 50bp rate cut at this meeting. A further 25bp rate cut in November is almost fully priced in.

Q3 CPI increased by +1.0%, slightly higher than market expectations for +0.9% and bringing yearly CPI to +3.0%, from +2.7%.

Europe

The FTSE100 and STOXX600 both reset their record highs during the month, advancing +3.9% and +2.5% respectively, tracking gains from its US peers.

Eurozone inflation ticked higher in September in line with consensus, up to +2.2% year on year (YoY) from +2.0% YoY previously.

European Union countries turned in their 2026 general government budgets to the EU Commission during October. Germany’s budget showed front loaded fiscal expenditure growth, with its general government deficit widening to 4.75% of Gross Domestic Product (GDP) in 2026 and 4.25% in 2027. Conversely, Italy’s budget saw a continuation of moderate fiscal conservatism.

S&P downgraded France’s sovereign credit rating in an unscheduled decision, to A+ from AA-. The ratings agency highlighted risks to the French government (present or future) being able to see through fiscal consolidation.

The European Central Bank kept rates on hold at 2% as widely expected, reiterating that the policy rate was in a “good place”.

The Euro depreciated -1.7% against the USD during October, partially due to ongoing political uncertainty in France. The Euro closed the month at 1.1534 USD, its lowest point during the month.

China

Policymakers at the Fourth Plenum remained committed to the 2025 Objectives, which included modern industrial system and tech self sufficiency.

Q3 GDP growth slowed to 4.8% YoY, slightly above market expectations for 4.7% YoY. This was the lowest GDP growth reading in four quarters; however, the slowdown was likely expected due to softer monthly indicators released throughout the summer.

Australian dollar

After posting a +1.1% gain against the USD in September, the AUD ended October at 0.6545, losing -1% over the month. AUD/USD traded a 177-pip range, opening around the month's high of 0.6623 and touching a low of 0.6446 mid month.

AUD declined into mid month as risk sentiment softened amid thin liquidity and a brief stall in the US equity rally. The USD index had one of its best weeks year to date (YTD) which saw AUD fall to its lowest level in two months.

Focus then turned to AU Q3 Inflation on October 29. The metrics that the RBA typically focuses on were stronger than expected, including details around shelter costs, domestic services and market based prices. Following this, the market began to price out the chance of a further rate cut in 2025 from the RBA. On the pickup in AU rate expectations, AUD climbed to a high of 0.6618 post CPI print. It settled around 0.6550, before closing the month slightly lower at 0.6545.

Australian equities

The ASX200 gained +0.4%, resetting its intraday record high mid month at 9108.6. AGMs and trading updates were the focus of the month.

Materials led the index, up +4.3%, led by lithium stocks as they tracked gains in the underlying commodity price and headlines that China intends to impose export controls on advanced lithium batteries. PLS +31.0%, LTR +19.3%.

James Hardie traded +14.7% higher on the month after reporting its preliminary Q2 results ~67% ahead of previous guidance at the midpoint due to improved performance in its Siding & Trim business. At the AGM, the Chair was voted off the board, alongside two other directors.

Tech stocks underperformed the index, down -8.4% on the month. Of the group's constituents, WTC saw the largest percentage decline, down -23.4% after reporting that officers from the Australian Securities and Investments Commission (ASIC) and the Australian Federal Police (AFP) executed a search warrant regarding alleged trading in Wise Tech Global (WTC) shares from Richard White and three other WiseTech employees. WTC advised that it was unaware of any charges.

The Consumer Staples sector ended the month near flat with the major supermarkets seeing divergent share price performance; Woolworths (WOW) +6.4%, Coles (COL) -5.3%. While WOW reported softer than expected Q1 earnings, the company provided a Q2 trading update which suggested AU Food sales growth had risen +3.2% month to date (MTD) in October, outpacing market forecasts for the full quarter. COL reported in line Q1 earnings a day later.

Health Care stocks declined -4.8% in October, with sector heavyweight CSL down -9.9% on the month. CSL fell after downgrading its Financial Year 2026 Net Profit After Tax and Amortisation (FY26 NPATA) growth outlook at its AGM by 3% at the midpoint and delayed the Seqirus demerger.

Global equities

Global equities traded higher during October, with many global indices resetting their record highs during the month driven by quarterly corporate earnings. The MSCI World Index gained +1.9%.

US indices NASDAQ +4.7%, DOW +2.5% and S&P500 +2.3% reset highs on positive earnings from major banks and mega cap tech companies.

Tech stocks led the S&P500, with the sector gauge up +6.2%. Nvidia gained +8.5% on headlines that it will invest US\$100bn into OpenAI and build seven supercomputers for the US Department of Defence.

Alphabet gained +15.7% during October, seeing gains after reporting Q3 Search and Cloud revenue ahead of expectations. Amazon advanced +11.2% after reporting better than expected Q3 results and Q4 guidance, due to AWS revenue accelerating to +20% YoY and adding 3.8GW of new capacity.

In Europe, the STOXX600 gained +2.5%, while the FTSE100 advanced +3.9%. Both reset record highs.

In Asia, the MSCI Asia Pacific Index increased +3.6%, boosted by gains in Japan (+16.6%) and Korea (+19.9%).



Property securities

Global property securities fell slightly in October down -1.5% in USD, after ~12% return to September YTD. The weaker October result followed two consecutive months of positive returns in September (+1.2%) and August (+4.5%).

The Americas region performed in line with Global being down -1.6% in October driven by US China trade war escalation. The negative month follows consecutive months of positive returns with 1.3% in September and a strong >4% return in August. The Americas region REITs are now up ~4% YTD.

Europe/UK returns outperformed global average in October but were down -0.6% following +0.4% returns in September and +1% in August. However, Europe/UK has performed strongly YTD with ~18% total return.

The Asia Pacific region returns underperformed global averages with -2% returns in October on trade war concerns. The key driver was weaker returns in China/HK. This is a change in trend with positive returns seen in the Asia Pacific (APAC) region since April, as inflation cools across the region. However, the APAC region has outperformed YTD with ~20% returns.

Locally, Australian Real Estate Investment Trusts (AREITs) were down -3% this month, a continuation of the weaker -3% from September. The weaker performance was primarily driven by higher CPI and resulted in a November rate cut no longer being expected or lower rate cuts this cycle. YTD, AREITs are up ~6%.

Fixed income and credit

October 1 marked the beginning of the US government shutdown and most tier 1 data was not released. This saw Treasuries rally in a 100% chance of a Fed cut in the October meeting.

Over the month, Treasuries grinded lower, with the 10yr US Treasury yield closing the month -7.3bps lower at 4.078%.

AU swap spreads were the domestic topic of the month, as the 10yr point grinded wider from approximately -8bps to +0.875bps at month end.

This move became a US story after Fed Chair Powell made comments on ending Quantitative Tightening (QT) in the coming months in mid October. This was a catalyst to see US invoice spreads push wider and add to the sharp widening domestically in Aussie swap spreads.

Credit spreads widened mid month on concerns regarding the health of the global credit market amid the collapse of several small lenders in the US. Spreads tightened again towards the end of the month on strong corporate earnings and advancing equity markets.

US investment grade credit spreads finished the month mostly unchanged. High yield spreads followed a similar trend, however finished the month +6.7bps wider.

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Australian property market approaches \$12 trillion as national price momentum builds



Overview

- The total value of Australian residential real estate is now \$11.8 trillion.
- National housing values are gaining momentum, rising 2.2% over the September quarter alone.
- Darwin markets are setting the pace for capital growth since the first interest rate cut in February, with suburbs like Wanguri and Durack (NT) soaring by 20.1%.
- Conversely, Sydney and Melbourne accounted for the majority of areas experiencing a dip in value since the rate cuts began.

Australia's property market has reached a new milestone, with the total value of residential real estate climbing to \$11.8 trillion for the first time, increasing by \$678 billion over the past 12 months, according to Cotality's October Monthly Housing data.

The milestone comes as momentum in national housing values continues to build, with dwelling values up 2.2% over the three months to September. This is the largest quarterly increase since the three months to May 2024 (2.2%).

The annual growth trend also shifted higher for the fourth consecutive month, up from a low of 3.7% over the 2024-25 financial year, to 4.8% in the 12 months to September.

This \$11.8 trillion milestone is a clear testament to the resilience of Australia's property market, where national dwelling values are now up 4.8% over the past year.

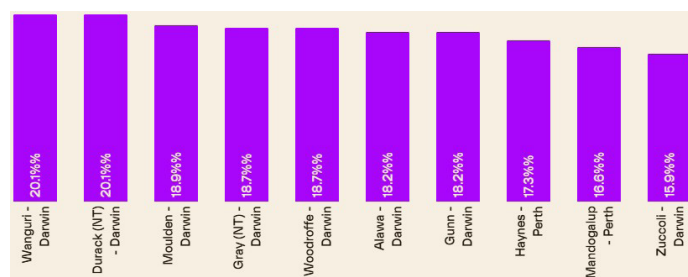
There's a clear building of momentum, with a 2.2% rise over the September quarter alone, the largest quarterly increase since May 2024.

At the moment, there's some uncertainty around the timing of another cash rate reduction and inflation impacting market momentum through to the end of the year. However, if the property market were to continue at its current rate of growth, it's possible the combined market value could hit \$12 trillion by the end of the year.

Which market values have changed the most (or least) amid rate cuts so far?

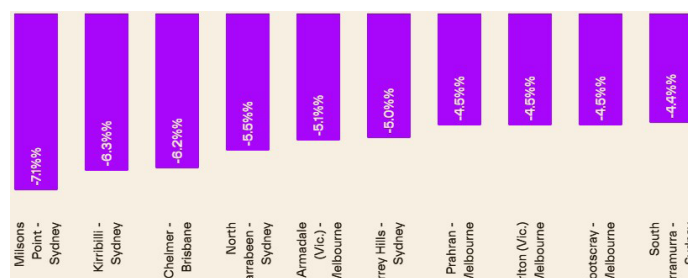
Largest and smallest change in suburb dwelling values between 28 February 2025 and 30 September 2025

Highest change - CAPITALS



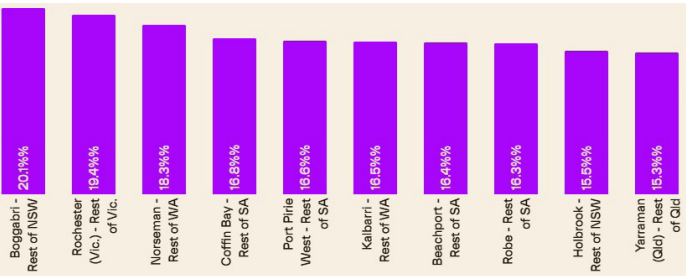
Source: Cotality

Lowest change - CAPITALS



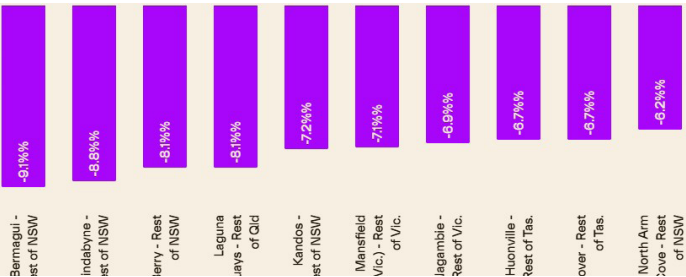
Source: Cotality

Highest change - REGIONALS



Source: Cotality

Lowest change - REGIONALS



Source: Cotality

Drilling down into the performance of individual suburbs reveals where the market has thrived most decisively since the first interest rate cut in February.

This period, between the end of February and September 2025, highlights the markets responding strongest to lower borrowing costs and tight supply.

Cotality’s analysis of suburb level dwelling values since February shows a clear trend: Darwin markets are setting the pace for capital growth.

Suburbs like Wanguri and Durack (NT) both led the nation with outstanding growth of 20.1% in that time. This surge in Darwin suburbs reflects a powerful combination of relative affordability, extremely low levels of housing supply and a notable lift in investment activity.

Conversely, Sydney and Melbourne accounted for the majority of areas experiencing a dip in value since the rate cuts began. The largest declines were concentrated in inner city, lifestyle suburbs, primarily those with high density unit stock. Milsons Point in Sydney saw the greatest fall at -7.1%, with Kirribilli close behind at -6.3%.

This reflected market dynamics more broadly.

Even though the suburb analysis is hyper local, the data highlights a broader trend of Darwin leading Australia’s capital growth trend. City home values are up 13.4% through the year to date. It’s a relatively affordable market and investors may be taking note of high yields and rapid value increases. Some of the top performing regional markets were also the most affordable, such as Boggabri in regional NSW and Rochester in regional Victoria, each dwelling market with a median below \$400,000.

With other capital city and major regional markets soaring in value over the past few years, it seems like buyers are targeting what is left of the affordable land and housing across the country as interest rates fall and rents reaccelerate.

Other highlights include:

- The strongest quarterly pace of growth has rippled from the lower quartile of the market (2.4%) to the broad middle (2.5%). Nationally, the ‘middle’ of the market is dwellings valued between \$648k and \$1.2m.
- Outside of Darwin, where values rose 5.9% in the September quarter, the ‘midsized’ capitals continued to lead growth, with Perth home values up 4.0%, Brisbane up 3.5% and Adelaide up 2.5%.
- Cotality estimates 44,436 sales occurred nationally in September, taking the rolling 12 month count to 540,775. Annual sales were roughly in line with the number of sales this time last year.
- The amount of time it takes to sell a property by private treaty has increased year on year to 30 days nationally but results vary depending on the market. For example, the recent strength in the Darwin market has driven down selling times from 51 days in the September quarter last year to just 39 days. In Melbourne, selling times have fallen from 35 to 32 days year on year.
- The discounts offered by sellers are generally smaller than they were a year ago amid rising buyer activity and low stock levels. The vendor discounting rate shrank from 3.3% in the September quarter last year to 3.2% in the three months to September 2025.
- Total stock levels have moved subtly higher in the past four weeks, with just 122,173 properties observed for sale nationally over the four weeks to October 5. Since the start of spring, total listing levels have risen 2.7%. However, stock levels generally remain tight, sitting -19.3% below the historic five-year average for this time of year.

Source: Cotality

Protecting your money – Cybersecurity and scam awareness



Your super and investment savings represent years of hard work for a secure future. Unfortunately, they can be a prime target for scammers, causing significant financial loss and emotional distress.

Financial scams are on the rise and becoming more sophisticated, making them harder to detect. This article will help you recognise common types of super and investment scams, how to identify them and how to protect yourself and your loved ones.

Super scams

These scams usually involve individuals or companies pretending to be from a super fund or regulatory body seeking your personal information. They may claim they need it to update your super account or verify your identity. Or they could offer to help you access your super before you're eligible to under law. They may claim that doing this can, for example, help you pay off debts or purchase a house. But accessing your super early can result in significant penalties. In addition, these scams may involve high fees or charges which can eat into your super savings.

We recommend that:

- You never give out your personal information unless you're sure it's safe.
- You're aware of the conditions of release to withdraw your super.

Given the variety of scams out there, following these four steps can help prevent you falling victim.

Stop

If you receive a suspicious call, email or text, pause and assess. Genuine organisations never pressure you to act immediately or ask for your password via email.

Reflect

Be careful about sharing personal information online. Scammers piece together details from various sources to exploit or create accounts in your name. Always reflect.

Protect

Whether it's personal or work, staying vigilant is crucial. When in doubt, reject contact, delete suspicious messages and avoid opening unknown links.

Report

If you receive a suspicious email, do not click on any links or attachments or provide any information. If you receive a suspicious email, you can report it to the Australian Cyber Security Centre (ACSC).

Amy's story: a crypto cautionary tale

Amy, intrigued by a cryptocurrency investment promising high returns using her super, fell victim to a scam that led to the loss of her savings and her involvement in criminal activity.

Her story highlights the dangers of crypto scams. It will help you to recognise and avoid such fraudulent schemes and the potential consequences, including financial loss and legal repercussions that victims may face.

Amy was contacted by a man named Michael via Facebook. He was promoting a cryptocurrency investment business promising amazing returns that didn't require an initial deposit from her bank account but rather from her superannuation.

A complex scheme

Intrigued by this, Amy engaged in further conversation with Michael. He walked her through the steps of setting up a legitimate Self Managed Super Fund (SMSF), allowing Amy to take the funds she had invested with her existing super fund and place them into a bank account, which was then invested into a fake crypto wallet/fake investment website.

As time went on, Amy would check her balance on what she believed was a genuine trading platform – it showed significant growth, her initial \$30,000 deposit soaring to over \$170,000. However, after hearing about instability in the crypto markets, Amy decided that it might be time to withdraw some of her profits. Amy contacted the crypto business, which advised that she would need to pay an upfront sum of \$4,500 to cover taxes – funds that Amy didn't have readily available.

Amy reached out to Michael and explained that she wanted to withdraw some of her money from her crypto investment but couldn't afford to pay the upfront lump sum tax. Michael explained if Amy agreed to open a number of bank accounts and handle some fund transfers on his behalf that would "help to grow the Australian business", she would be able to earn a 5% commission on each amount transferred and accumulate enough money to pay the lump sum tax.

Amy agreed to the arrangement and funds began being transferred into the bank accounts Amy had opened. Michael would call Amy and request her to "transfer \$x into the crypto wallet, then purchase this specific crypto coin". The crypto wallet would then be emptied by Michael/Crypto Investments.

How did the scam work?

Amy unknowingly fell for a crypto investment scam. Michael convinced her to open an SMSF, allowing her to access funds that were meant to be preserved until retirement.

The fake crypto platform showed huge growth, giving Amy confidence in the investment and making her feel good about the nest egg she believed was growing.

By quoting her high upfront costs to access the funds, Michael manipulated her into becoming an unwitting money mule, engaging in money laundering and helping the scammers deceive other unsuspecting people out of their funds.

Unfortunately, Amy has not only lost her super but has also become involved in criminal activity. The matter is now with the police and Amy faces possible prosecution for money laundering offences.

Source: MLC

Investing an inheritance from \$10,000 to \$100,000 whatever your life stage



Receiving an inheritance may be a once in a lifetime financial opportunity that also coincides with a very difficult, emotional time in your life. Whether you inherit \$10,000 or \$100,000, your age, life stage, risk appetite and financial preparedness are likely to play a key role in decisions about how and where to invest.

Many Australians are likely to be left some form of inheritance, most likely from a parent, at some point in their life, with 81% of retirees currently expecting to leave wealth behind.

The average amount Australians expect to inherit is \$184,000, according to research commissioned by Colonial First State*.

And while one in two Australians consider up to \$10,000 a sizeable amount with which to start investing, the research shows the average amount most Australians consider to be a sizeable investment to own is more than \$600,000.

Investing an inheritance may help close that gap. Following are some general thought starters to consider by age, life stage and size of inheritance but please consult a financial adviser for advice relevant to your personal situation.

Also consider your risk appetite. Generally, the more risk you're willing to undertake, the higher the potential reward may be. However, higher returns come with a higher risk that the value of your investment may fall.

In general, if you only have a short time frame to invest, lower risk investments could be a safer option as they're less likely to fluctuate in value.

What to do when you first receive an inheritance

The first thing to do when you first receive an inheritance, particularly if it comes at an unexpected time, is to consider your options.

That may mean putting it in a high interest savings account or a mortgage offset account while you decide what to do.

Then consider your goals. Do you need to pay off debt? Are you looking to build long-term wealth? Pay off your home loan? Build a diversified investment portfolio? Or invest for the kids?

Most people with a six figure amount to invest will consult a financial adviser, although it can also be cost effective to obtain one off financial advice for smaller amounts.

Inheriting assets like shares or property, such as the family home, can also have different capital gains tax implications if you decide to sell, so getting tax advice may also be important.

In your 20s

In your twenties, it may be helpful to pay off any high interest debt or build an emergency fund to cover three to six months of living expenses. Otherwise, the earlier you invest, the more time your money has to grow and compound.

\$10,000 to invest:

- A growth oriented exchange traded fund (ETF) or managed fund may allow money to grow while offering flexibility to access it later if needed.
- A voluntary contribution to super, allocated to growth or high growth, can be a tax effective investment that compounds over the long term if you're within the super contribution caps, or limits, although you generally can't access it until you reach age 60 and have retired.

* Colonial First State research conducted with 2,250 Australians online between January and June 2025.

\$100,000 to invest:

- Low touch investors might consider a diversified range of shares via set and forget growth ETFs and managed funds, such as a US shares themed ETF or a long-term growth managed fund.
- It may be worth consulting a financial adviser to start building a diversified growth portfolio of managed investments.

In your 30s

For many, the thirties are about getting into the housing market.

\$10,000 to invest:

- A high interest term deposit or savings account that offers some growth may be a good option over a short time frame.
- A voluntary contribution to super may allow you to save for your deposit faster using the First Home Super Saver scheme. The tax rate is generally 15% on earnings in super, while the amount of your contributions you can release to buy your first home increases in line with the shortfall interest charge rate (currently 6.78%).

\$100,000 to invest:

Starting a family or looking to enjoy a little extra income?

- Dividend focused ETFs may help generate a passive income stream.
- If property investing is more your thing, you may have enough to invest in a growing regional market or a real estate investment trust (REIT).

In your 40s

At this point, many Australians who have a mortgage are looking to reduce it.

\$10,000 to invest:

- Those with a mortgage that's more than 50% of the value of their home might consider paying it down or putting their inheritance in a mortgage offset account.
- If a mortgage is less than 50% of the value of the home, it may be worth considering shares as average share market returns most years can be higher than average mortgage interest rates – again, there are many low cost ETFs and managed funds available.
- Or consider making a one-off voluntary concessional (pre-tax) or non concessional (after tax) contribution to your super and investing it in a long-term, high growth shares investment option, a gold or silver-themed ETF or the growth focused managed fund of your choice.

\$100,000 to invest:

- Thinking about paying for the kids' education? Investment bonds can be a good option to include in the mix as withdrawals are tax free after 10 years.
- Some investors may consider debt recycling by paying down the mortgage and then applying for a new loan to buy an investment property. Interest on the new loan is generally tax deductible so those interest payments can be offset against your income to reduce the amount of tax you pay.
- For those who can afford to invest the money outright, it may be worth building a diversified portfolio of ETFs or managed funds. Global and local shares have historically offered among the best returns. We can connect you with a financial adviser if you'd like help to invest.

In your 50s

After the age of 50, it's often a good time to maximise pre tax and after tax super contributions to harness some of those tax advantages.

\$10,000 to invest:

- Have you reached your annual super contribution cap limits? You can contribute up to \$30,000 a year in concessional contributions, which are generally taxed at the concessional rate of 15%. These include compulsory employer contributions and salary sacrifice, as well as voluntary personal contributions (which could include a tax free inheritance) for which you claim a tax deduction.
- Alternatives might include investing in income producing shares that usually pay a dividend, income or dividend ETFs or REITs.

\$100,000 to invest:

- If you haven't fully used your concessional contributions cap in any of the previous five financial years (and your total super balance was less than \$500,000 at 30 June of the most recent financial year), you may be able to use those unused cap amounts to make additional catch up contributions over the standard concessional cap amount (currently \$30,000).
- Non-concessional super contributions (up to \$120,000 a year to a maximum super balance of \$2 million) are not taxed on the way in and are an effective means of growing your super quickly. While you can't claim a deduction against these contributions, they compound relatively quickly in the super environment. Depending on how much you have contributed in prior years, you may be eligible to contribute up to \$360,000.
- Investors who are likely to need to draw on their investments in the next few years, might consider including some fixed income securities or managed volatility funds alongside higher risk investments, such as shares.

In your 60s

Many people approaching retirement focus on preserving capital against sudden falls in value but there are also real costs in going too conservative too early.

From age 60, you can also access super if you meet a condition of release, such as retiring from a job. You can access your super regardless from age 65.

\$10,000 to invest:

- It may be helpful to pay down any remaining debt or top up super.

\$100,000 to invest:

- After 60, be cautious with gifting, as it may affect your eligibility to receive the government's Age Pension from age 67. Gifts over \$10,000 per year or \$30,000 over five years will still be counted among your assets when it comes to Centrelink means-testing.
- For those who have reached their super contribution cap limits, it may be worth topping up your spouse's super.

In your 70s and beyond

Enjoy your retirement. Most investors are focused on capital preservation and income generation and it may be worth using the bucket strategy with the goal of making your money last longer. At the same time, don't forget to tick off the things on your bucket list.

\$10,000 to invest:

- Keep some money in cash or term deposits for accessibility.

\$100,000 to invest:

- A mix of fixed income investments, REITs and conservative managed funds may help reduce risk, alongside higher growth shares or managed funds that you don't expect to access in the next five years.

Whether you inherit a modest sum or a substantial windfall, align your investment strategy with your life stage, goals and risk tolerance.

For smaller amounts, many Australians manage without advice but for larger inheritances, professional advice from a financial adviser and an accountant can help you navigate tax implications, diversify your investments and plan effectively for the future.

Source: Colonial First State