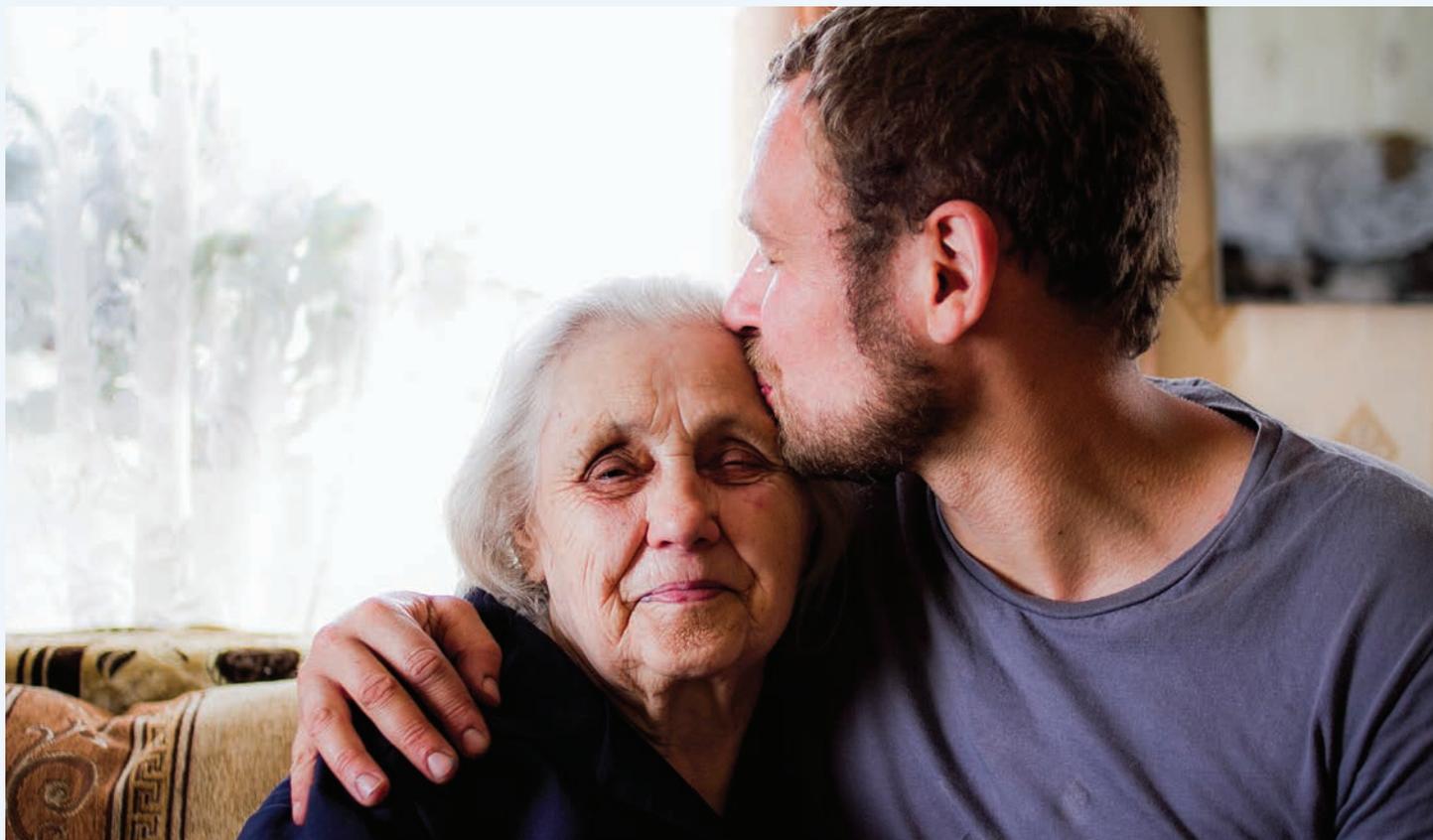




Carers in Australia



1 in every 8 people or 2.7 million in Australia are unpaid Carers so chances are you, or someone you know is a carer. The number may in fact be higher as the most recent Survey of Disability, Ageing and Carers report was published by the Australian Bureau of Statistics (ABS) in 2015.

The highlights from this report showed:

- The average age of a primary carer was 55 years.
- Over one-third of primary carers (37.8%) were living with disability themselves.
- Females made up the majority of carers, representing 68.1% of primary carers and 55.5% of all carers.
- For people aged 15 to 64 years, the labour force participation rate for primary carers (56.3%) and other carers (77.2%) was lower than for non-carers (80.3%).
- 272,000 carers are under the age of 25, which equates to around 1 in 10.
- Almost all primary carers (96%) care for a family member.

Source: *Australian Bureau of Statistics (2015) Survey of Disability, Ageing and Carers.*

Managing Money and Finances as a Carer

As a carer, you sacrifice a lot just to make sure your loved one has what he or she needs. Life is expensive and if you're caring for someone it often means quitting a job or only accepting part-time positions. You may also need to purchase medical aids and equipment, or pay for healthcare. The person you care for may also need financial support. A carer's situation usually comes at a huge financial cost.

Here's some tips to help you keep your footing financially while you continue to provide care to your loved one.

Financial, health & lifestyle planning

Carers may have to make legal, financial, medical or lifestyle decisions on behalf of the person they care for. Planning in advance can make difficult choices easier for the caring family.

Planning for the future will enable caring families to make decisions on how and who will make personal, lifestyle and treatment decisions on behalf of the individual requiring care, if they become unable to do so for themselves.

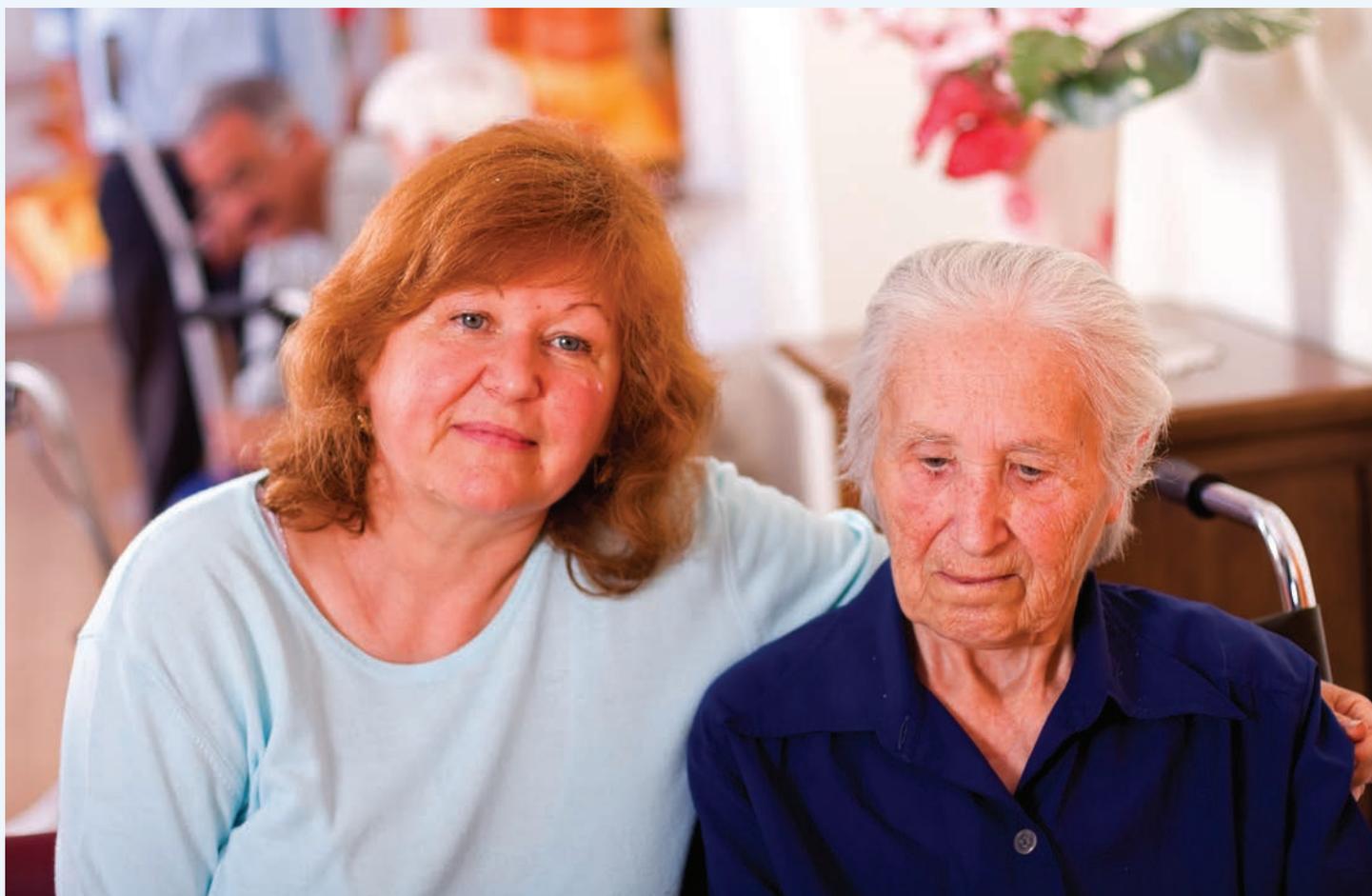
Forward planning and decision making can minimise conflict and confusion within the caring family and ensure decisions are made in the best interest of the care recipient.

Planning ahead allows you to organise your finances so that you and important people in your life can get maximum benefit from your financial resources with minimal complications.

Seek Government Assistance

Providing care full-time can leave you with minimised opportunities to work. Fortunately, there are government resources that can provide you with financial support. Your financial planner may be able to provide advice about what avenues you may qualify for.

Some popular government subsidies include the Young Carers Payment, Carer Allowance, Carer Supplement and the Young Carer Bursary Programme. There are others besides these which you'll want to explore and you may even qualify for more than one at a time.



Economic commentary

The global economy has been slowing in recent months. In its latest report (April 2019), the International Monetary Fund (IMF) reduced its forecast for global growth for 2019 to 3.3% (down from 3.5%), while it maintained its growth forecast of 3.6% for 2020 (growth was also 3.6% in 2018). The better outlook for next year is based on the IMF's forecast that 'a pickup is expected in the second half of this year', due to 'significant policy accommodation by major economies, made possible by the absence of inflationary pressures'. In particular, earlier this year, 'the US Federal Reserve, in response to rising global risks, paused interest rate increases and signalled no increases for the rest of the year', while 'the European Central Bank, the Bank of Japan and the Bank of England have all shifted to a more accommodative stance'.

Furthermore, China has also 'ramped up its fiscal and monetary stimulus'. All this is positive news and has seen financial markets settle down this year and reverse the market declines due to negative investor sentiment that were a feature of the December quarter. This more expansionary monetary policy environment across most of the advanced economies, coupled with the huge fiscal stimulus provided by historically large tax cuts in the US, has also helped to stabilise much of the developing world, with many emerging markets experiencing 'a resumption in portfolio flows (foreign investment in their share markets) and a decline in sovereign borrowing costs'. As the IMF notes though, 'while the overall outlook remains benign, there are many downside risks'. In particular, 'growth in advanced economies will continue to slow gradually... given ageing trends and low productivity growth'.

The Australian economy slowed in the second half of 2018, growing by only 0.5% for the half-year and contracting on a per capita basis. With a federal election campaign now in full swing, much will depend on policies that the new government (of whatever makeup) is able to implement over coming months. Attention needs to be focused on how to boost the country's lagging international competitiveness, constrained as it is by high costs and tax rates. The Reserve Bank will also almost certainly have to cut interest rates sooner rather than later to lift activity and incentives to invest.

Most major share markets rebounded over the first four months of this year, following statements by the US central bank that monetary policy would likely not be tightened further this year. Heavy stock market declines in the December quarter were followed by strong rebounds in most markets. Over the period from 1 January to 26 April this year, major market movements included rises of 17% for the broad US market (S&P500) and 23% for the technology-focused US Nasdaq index. In Europe, the UK market rose 10% and Germany rose 17%; while Japan rose 11%, China rose 24% and the Australian market (ASX200) rose 13%. Overall, most major share markets continue to appear more attractively priced than other broad investment opportunities, including bonds and cash.

Major global government bond markets saw little net movement in yields over the course of 2018 and into 2019, before negative sentiment began to set in. The US 10-year Treasury bond was yielding 2.50% by 26 April, while Japanese and German equivalent yields were actually negative and the Australian 10-year Commonwealth bond yield had dropped to an historically low 1.78%. Overall, most bond markets continue to appear expensive.

Fiducian's diversified funds are currently above benchmark for international shares, around benchmark for domestic shares and listed property and well underweight fixed interest sectors, while cash weightings remain above benchmark.

Conrad Burge
Investment Manager

In the spotlight



Q. How long have you worked at Fiducian

A. Since November 2018.

Q. Your title

A. Client Services Administrator

Q. Your main tasks in that role and who you mainly deal with on a day to day basis

A. I mainly look after and process all the New Business applications including Super applications, Investment applications and Pension applications. I also look after the Fiducian email inbox that advisers and clients use for their queries or to submit any forms/instructions that they'd like us to process. I also answer any phone calls that come through from advisers and clients and assist with their queries. Therefore, I mainly deal with Fiducian financial advisers and clients on a daily basis.

Q. What are the aspects of your job that you like?

A. I like that every day is different and it's not one of those jobs that you do the same thing day in and day out – this makes it a good challenge.

Q. What do you most like about working at Fiducian?

A. The people – Everyone is so friendly and helpful and this makes Fiducian an enjoyable place to work.

Q. What do you have planned for your next holiday?

A. Gold Coast at the end of the year.

Q. What was the last movie you watched?

A. Escape Room.

Q. Person you'd most like to be left on a remote island with, and why?

A. Someone who can fly...maybe Superman? So we can fly back home – I wouldn't last on a remote island LOL.



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