

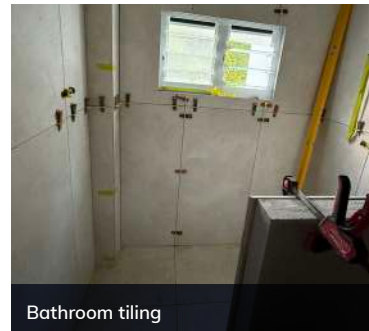
Hello everyone! It's hard to believe we're halfway through 2025 already. With so much activity happening on a global and national scale, as well as within our business, it's a good time to pause and update everyone on what's been happening.

Firstly, we are pleased to announce we are getting very close to moving into our new office at The Chapel, Whitfield. It's been all hands-on deck since we moved across from Earlville last November. Here are some of our progress photos so far. A big thanks to all of the countless tradies who have made this renovation possible. In particular, our builder Stan Gooding and Peter Lustenberg, who have diligently worked to project deadlines to ensure a smooth transition into our new space. And last but not least, Matthew and Fred for managing the project and coordinating all the work. We anticipate moving across in mid-July and look forward to showing you all around the new space.

In other news, overall economic growth remains very soft in annual terms and is still around its weakest (ex. COVID) since the early 1990s. The first quarter of 2025 presented investors with significant challenges as trade tensions, monetary policy divergence, and technological disruptions drove market volatility. Looking ahead, investors face a complex environment shaped by US growth concerns, evolving central bank policies, and ongoing trade tensions. The Reserve Bank cut its cash rate by 25 basis points to 4.10% in February—its first reduction since November 2020 and then again in May to 3.85%.

On top of this, the 2025-2026 Federal Budget was released on 25 March ahead of the Federal election in May. The Budget was a balancing act – trying to appeal to voters before the election through personal income tax cuts and cost of living relief, while also demonstrating fiscal responsibility. We have summarised the key budget announcements on Page 3.

As always, we are here to assist you in meeting your financial and lifestyle goals and thank you for your ongoing support and trust in us.



Bathroom tiling



Landscaping the front of the Chapel



Delilah inspecting the client bathroom



The new front entrance



Tanille, Helen and Marinda trying out the new lift!



Glazing Matthew's office



Panelling the boardroom walls



WEALTH PORTAL

12 months ago, we introduced our online Wealth Portal with MyProsperity, which has enabled us to connect with you in a more secure cyber environment. Our initial focus was to assist clients with activating their Wealth Portal accounts and start using the basic functions of the software (ie. document sharing and eSignatures). Thank you for all your feedback and cooperation with embracing this new portal.

Over the next 12 months, we will be focusing on sharing helpful cheat sheets, introducing a couple more features, as well as offering you a short demonstration on "How to use the Wealth Portal" on your own device after your review meetings.

Tips for Setting Password

Your password must contain the following:

1. 6 characters or more
2. A lower case letter
3. An upper case letter
4. A number
5. A special character (!@% ^*?)

IMPORTANT TO NOTE! Passwords cannot contain the following three special characters & # <.

Multi-Factor Authentication (MFA)

MFA adds an extra layer of security to your account. It requires you to verify your identity through a two-step process each time you log in.

After activating your account or logging in with your username and password, you will be directed to a page where you can configure MFA. You can choose from:

1. Receiving an SMS code
2. Receiving a code via email
3. Authenticator App code
4. Biometric verification (face / fingerprint recognition)

Once set up, everytime you login to the Portal, you'll verify your identity by entering the temporary code from your chosen MFA option.



Step 1: Username and password entered



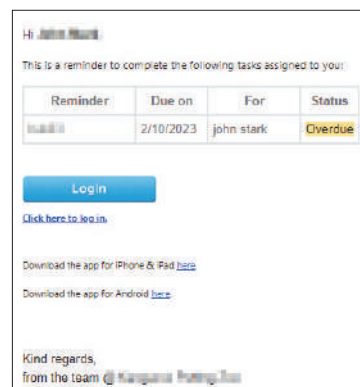
Step 2: Verification via secondary factor



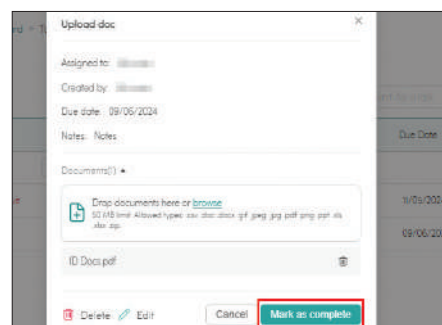
Step 3: User access granted

How do Tasks work?

1. When a Task is created and assigned to you, you'll receive an email letting you know you've been assigned a new Task.



2. You'll receive reminder emails (and push notifications to the Mobile App) until you mark the Task as complete.



"How To" Demonstrations

If technology is not your forte and you would like some hands-on assistance, please get in touch with us to book a short demonstration meeting. Bring your own (BYO) device, iPad or your mobile phone, and we will happily show you around the Portal and go through a few common scenarios.

To make a booking, please phone **07 4053 2888** or email **contact@parrishfinancial.com.au**

PLEASE NOTE: while it is encouraged, using our wealth portal is NOT mandatory. We will continue to use your preferred method of communication, until you advise otherwise.

2025 FEDERAL BUDGET

HIGHLIGHTS AND SUMMARY

On 25 March 2025, the Federal Government handed down its Budget for 2025-26. It focused on tax cuts and rebates to ease continuing cost of living pressures. Here are our highlights from the budget and what they might mean for you if they become law.

COST OF LIVING RELIEF

Power Bill Rebate

From 1 July 2025

The Government plans to continue the energy bill relief for eligible Australian households and small businesses until 31 December 2025. This means, starting from 1 July 2025, you'll see \$150 come off your power bill, paid as \$75 over two quarters.

Cheaper Medicine

From 1 January 2026

The most you'll pay for prescription medicines covered by the Pharmaceutical Benefits Scheme (PBS) will reduce from \$31.60 to \$25.00. This is to start on 1 January 2026. Concession card holders will continue to pay \$7.70 for medicines listed on the PBS.

Cutting Student Debt

From 1 June 2025

A number of proposals were announced to ease the burden of student loans. Outstanding Higher Education Loan Program (HELP) and other student debts are proposed to be reduced by 20 per cent from 1 June 2025.

Plus, from 1 July 2025 the Government has proposed to increase the amount that people can earn before they are required to start paying back their loans from \$54,435 in 2024-25 to \$67,000 in 2025-26. On top of this, compulsory repayments will be lower for people earning under around \$180,000 and above the current minimum threshold.

PERSONAL TAXATION

Income Tax Cuts

From 1 July 2026, the Government plans to introduce new tax cuts for all taxpayers.

The tax rate for taxable income between \$18,201 and \$45,000 will be reduced from 16% to 15%, and further to 14% from 1 July 2027. This will give taxpayers up to \$268 in 2026-27 and up to \$536 in 2027-28 extra in their pockets.

HEALTHCARE AND AGED CARE

Medicare Levy Threshold Increased

1 July 2024

The Government will increase the Medicare levy low-income thresholds for singles, families, seniors and pensioners. This means over one million vulnerable Australians will continue to be exempt from paying the Medicare levy or pay a reduced rate. The thresholds are proposed to be increased as follows:

Income Category	Levy low-income threshold increase for 2024/25
Singles	from \$26,000 to \$27,222
Families	from \$43,846 to \$45,907
Single Seniors	from \$41,089 to \$43,020
Family Seniors	from \$57,198 to \$59,886

More Bulk Billing

A commitment of \$8.5 billion has also been proposed to increase availability of bulk billed doctor appointments and expand the Medicare Urgent Care Clinics Program. This will include an additional 50 Medicare Urgent Care Clinics across Australia, bringing the total to 137.

Aged Care Reform and Funding Pay Increases for Aged Care Nurses

The Government has announced additional funding to continue the delivery of aged care reforms and the implementation of recommendations from the Royal Commission into Aged Care Quality and Safety.

The Government has also announced additional funding to increase the minimum award wages of registered and enrolled nurses employed in the aged care sector.

EDUCATION

Expanding Access to Early Education

The Government is investing \$5 billion towards building a universal early childhood education and care system.

This includes a new 3 Day Guarantee where every child is eligible for at least 3 days per week of subsidised early education and care, regardless of the families level of work or study. This replaces the Child Care Subsidy Activity Test.

HOUSING

Help to Buy Program

The Government will increase funding for the Help to Buy program by \$800 million, so more first-time home buyers can purchase a property. This includes increasing income caps from \$90,000 to \$100,000 for singles and from \$120,000 to \$160,000 for joint applications.

Restricting Foreign Ownership of Housing

The Government has announced a range of measures to apply restrictions to the foreign ownership of housing. This includes banning foreign persons (including temporary residents and foreign-owned companies) from purchasing established dwellings for two years from 1 April 2025, unless an exception applies.

Exceptions include investments that significantly increase housing supply or support the availability of housing on a commercial scale, and purchases by foreign-owned companies to provide housing for workers in certain circumstances.

If you would like to discuss how any of the above measures may impact you, please feel free to give us a call on 07 4053 2888 or speak to us at your next review.

FINANCIAL SERVICES GUIDE UPDATE

The Financial Services Guide (FSG) is a document designed to provide clients with enough information to decide whether to obtain financial advice (or any other financial service) from us. Along with other financial services disclosure obligations, the FSG aims to ensure that clients receive good quality advice and are able to make informed decisions.

Previously, it was a requirement to provide an individual copy of the FSG to all clients. However, from 10 July 2024, to reflect the *Delivering Better Financial Outcomes* (DBFO) Tranche 1 legislation, there is no longer a requirement to give an individual copy of the FSG to clients. Instead, the FSG is now readily available on our website at parrishfinancial.com.au. For clients who do not have access to internet or email, a copy will still be provided.

If you have any questions about the FSG or changes in legislation, please contact us on 07 4053 2888.



STAFF UPDATE

Kokoda Trek

On 6 May, Matthew flew to Papua New Guinea with friends to tick off a bucket list adventure hiking the Kokoda Trail. An unforgettable wartime historical and cultural experience trekking 152 kilometres through dense rainforest over 10 days. Matt said it was "a rewarding experience and very humbling to walk in the steps of our courageous diggers".

Here are some photos from his trip!

The Great Wheelbarrow Race

The Mareeba to Chillagoe Wheelbarrow Race was held Friday 9th - Sunday 11th May 2025. Rochelle and her hubby, Dean joined forces with the Couch Constructions team, raising funds and awareness for MS Queensland.

The team ran (and pushed a wheelbarrow!) for three days, totally 140kms. Day 1 Mareeba-Dimbulah (42km), Day 2 Dimbulah-Almaden (65km) and Day 3 Almaden-Chillagoe (33km). Great effort Rochelle, Dean and all involved!



NAVIGATING TURBULENT TIMES

in the share market



As investors grapple with uncertainty, keeping a cool head has never been more important.

"Time in the market, not timing the market" is a popular investment philosophy that emphasises the importance of staying invested over the long term rather than trying to predict shortterm market movements. While markets can be volatile in the short term, historically, they tend to grow over time.

It's a strategy that helps you avoid getting caught up in shortterm market fluctuations or trying to predict where the market is heading.

With the recent market turbulence, from the global effects of US President Donald Trump's administration to ongoing conflicts in Ukraine and the Middle East, savvy investors look beyond the immediate chaos to focus on strategies that encourage stability and growth over the long-term.

It's a hallmark of the approach by the world's most high-profile investor, Warren Buffet, who argues that short-term volatility is just background noise.

"I know what markets are going to do over a long period of time, they're going to go up," says Buffet.ⁱ

"But in terms of what's going to happen in a day or a week or a month, or even a year ... I've never felt it was important," he says.

Buffet first invested in the sharemarket when he was 11 years old. It was April 1942, just four months after the devastating and deadly attack on Pearl Harbour that caused panic on Wall Street. But he wasn't fazed by the uncertain times. Today Buffet is worth an estimated US\$147 billion.ⁱⁱ

Long-term growth in Australia

While growth has been higher in the US, investors in Australian shares over the long-term have also fared well. For example, \$10,000 invested 30 years ago in a basket of shares that mirrored the All Ordinaries Index would be worth more than \$135,000 today (assuming any dividends were reinvested).ⁱⁱⁱ

And it's not just the All Ords. If that \$10,000 investment was instead made in Australian listed property, it would be worth almost \$95,000 today or in bonds, it would be worth almost \$52,000. In real estate, the average house price in Australia 30 years ago was under \$200,000. Today it is just over \$1 million.^{iv}

Meanwhile, cash may well be a safe haven and handy for quick access but it is not going to significantly boost wealth. For example, \$10,000 invested in cash 30 years ago would be worth just \$34,000 today.^v

Diversify to manage risk

Diversifying your investment portfolio helps to manage the risks of market fluctuations. When one investment sector or group of sectors is in the doldrums, other markets might be firing therefore reducing the chance that a downturn in one area will wipe out your entire portfolio.

For example, the Australian listed property sector was the best performer in 2024, adding 24.6 per cent for the year. But just two years earlier, it was the worst performer, losing 12.3 per cent.^{vi}

Short-term investments – including government bonds, high interest savings accounts and term deposits – can play an important role in diversifying the risks and gains in an investment portfolio and are great for adding stability and liquidity to a portfolio.

Ongoing investment strategies

Taking a long-term view to accumulating wealth is far from a set-and-forget approach and by staying invested, you give your investments the best chance to grow, avoiding the risks of missing out on key growth periods by trying to time your buy and sell decisions perfectly.

Reviewing your investments regularly helps to keep on top of any emerging economic and political trends that may affect your portfolio. While it's important to stay informed about market trends, it is equally important not to overreact when there is volatility in the share market.

Emotional investing can lead to poor decisions, so remember the goal is not to avoid market declines but to remain focussed on your overall long-term investment strategy.

Please get in touch with us if you'd like to discuss your investment options.

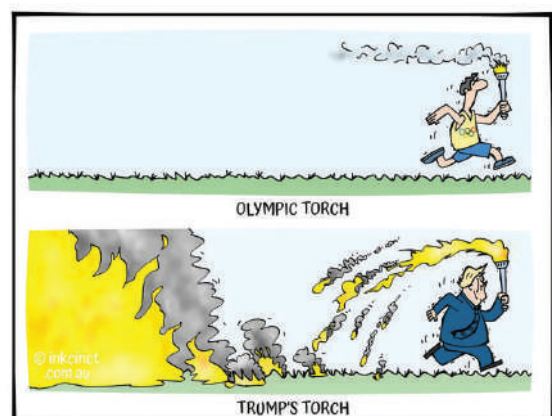
(Article provided by CentrePoint Alliance, Alliance Wealth Pty Limited AFSL 449221)

i https://www.youtube.com/watch?v=5jdll1_mcbk

ii <https://www.bloomberg.com/billionaires/profiles/warren-e-buffett/>

iii, v, vi <https://www.vanguard.com.au/personal/support/index-chart>

iv <https://propertyupdate.com.au/the-latest-median-property-prices-in-australias-major-cities/>



ECONOMIC UPDATE

This economic update has been provided by Evergreen Consultants – an external investment consulting business who work with financial advisory firms and institutions to provide a range of bespoke investment solutions designed to deliver flexibility, efficiency and an enhanced client experience. Parrish Financial work closely with Evergreen to obtain external and quality investment and portfolio research.

RATE CUTS IN FOCUS - WHEN AND BY HOW MUCH?

- Global trade discussions have dominated the economic landscape following President Trump's announcement of his 'Liberation Day' tariffs.
- While the final impact of the tariffs remains uncertain, central banks round the world appear intent on cutting interest rates over the coming 12 months to stimulate economies.
- The timing and magnitude of such cuts remains a topic of much debate and we are likely to see increasing divergence amongst individual countries.
- Here in Australia, we have just seen the RBA cut rates for the second time in 2025 and it would appear there are more cuts to come. If delivered, this should provide much needed relief for households and the broader Australian economy.

Financial markets have seen a remarkable couple of months as investors endured the seemingly daily developments of what could be called a new global regime. Global trade has dominated the picture with President Trump's worse than expected tariff policy announcement taking centre stage from early April before a 90-day delay to their implementation was announced.

The initial response to the news was dramatic, with many worrying that the new tariffs would push the global economy into recession. However, many of these worries eased as the implementation delay to the tariffs was

announced and negotiations between the US and its key trading partners began.

While the tariffs have taken the limelight, the secondary impacts of their imposition have also been hotly debated, notably in relation to their impact on growth and inflation. Both factors are vitally important as they will strongly influence the outcomes for interest rates we are likely to see from the world's central banks over the next 12 months. With the battle against high inflation seemingly won, it is unlikely that the world's central bankers will want to see it return by letting interest rates fall too much.

At this point, there is an expectation that central banks will be cutting interest rates over the next 12 months, with the recent moves by the Reserve Bank of Australia (the RBA) an example of this. In relation to the next stage of interest rate cuts, how much and when are now the big questions, and developments on the global growth and inflation front will be huge determinants in their decision making.

The biggest worry for central banks, and ultimately investors, is a world where trade negotiations break down and higher than expected tariffs are imposed, resulting in an economic environment where growth is constrained and inflation rises back to elevated levels. For now, though, many countries continue to display relatively resilient economic conditions with low levels of unemployment, generally solid consumer

spending and inflation remaining in line with central bank targets. That said, a number of these key indicators are expected to see growing weakness over the rest of 2025 due to this ongoing policy and trade uncertainty, potentially increasing the need for monetary policy stimulus.

US and Australian interest rate markets have shifted to reflect this and Australian interest rate markets are now priced for three 0.25% cuts. Currently, the RBA is expected to undertake the three cuts over the remainder of 2025, with each of these is likely to come after the three remaining quarterly inflation data releases scheduled for this year. Inflation looks like it is now in check and should remain so, as signalled by the RBA's recent downward revisions in their most recent forecasts. This will provide the RBA with the flexibility they require to cut rates and stimulate the economy.

The picture for the US is a little less clear however, with the impact of any new tariffs likely to be inflationary. These concerns are likely to see the US central bank hold interest rates for the time being, before potentially having to cut rates more aggressively towards the end of 2025 and in early 2026 as the negative growth effects of any new tariffs take hold.

This global outlook is likely to continue to evolve as trade and other new US policies come to the fore.

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HAVE YOUR PERSONAL CIRCUMSTANCES CHANGED?

Contact us to arrange an appointment
Phone: 07 4053 2888 or email
contact@parrishfinancial.com.au