INFORMED INVESTOR

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threePILLARS wealth management

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ECONOMIC UPDATE

INTRODUCTION

Welcome to the latest edition of our quarterly newsletter 'Informed Investor.'

Equity and bond markets bounced back hard from disappointing returns in June, amid suggestions that rising interest rates in key regions will help bring inflation under control.

Australian shares registered gains of more than 5%. Most major overseas share markets performed even more strongly – the MSCI World Index closed the month 8.0% higher, with selected markets enjoying double-digit gains.

This made July the best month for risk assets since late 2020, when encouraging Covid vaccine trial results were first reported.

The tone of earnings announcements among US firms for the three months ending 30 June was generally encouraging.

Fixed income markets also generated solid positive returns, following dismal performance in the first half of 2022. A sharp drop in government bond yields in all key regions supported positive returns from sovereign bonds. In fact, returns from US Treasuries in July were the strongest in more than two years.

Credit securities fared well too, as the general improvement in risk appetite saw spreads narrow.

Continued over...

FURTHER INFORMATION

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Capstone FINANCIAL PLANNING

ECONOMIC UPDATE
CONTINUED

AUSTRALIA

The Reserve Bank of Australia raised the Official Cash Rate by 0.50 to 1.85 per cent on August 2, 2022.

Consumer price inflation rose by 1.8% in the June quarter, and by 6.1% on a rolling 12-month view. Whilst high, these measures were below consensus expectations. In turn, this prompted hopes that local interest rates might not need to increase as much as previously feared.

Encouragingly, Australian employment increased quite sharply in June, with more than 88,000 jobs created. This pushed the unemployment rate down to 3.5%; a record low.

NEW ZEALAND

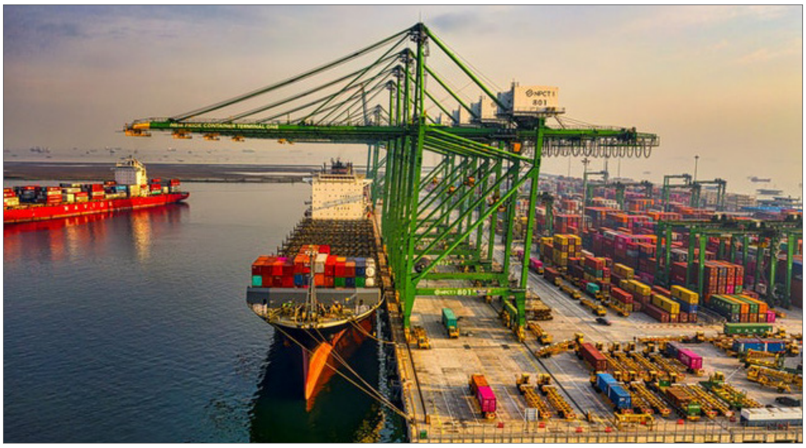
Controlling inflation appears to be the primary goal for now, despite the risk of strangling growth and impeding the housing and labour markets.

Inflation in New Zealand quickened to an annual rate of 7.3% in the June quarter, which was higher than expectations and seemingly unpalatable for the central bank.

US

The US economy contracted in the three months ending 30 June. According to the latest available data, the economy shrank by 0.9% over the period, following a 1.6% contraction in the first quarter of the year. By one measure, this suggests the world's largest economy is already in recession.

Some observers argue that activity levels remain quite buoyant, however, and not consistent with a recessionary environment. The labour market also appears to remain healthy. More than 370,000 new jobs were created in the US in June, taking the total in the first half of 2022 to more than 2.7 million.



While debate rages on about whether or not the economy is in recession, most commentators agree that conditions are deteriorating. Consumer price inflation quickened to an annual rate of 9.1% in June, which is eroding confidence levels and clouding the outlook for spending. Households are also facing higher debt repayment costs owing to rising interest rates. Time will tell whether these pressures result in a full-blown recession or a shallower, temporary downturn.

EUROPE

The European Central Bank raised interest rates by 0.50 percentage points in July; the first increase in borrowing costs for 11 years. Further rate hikes are anticipated in the remainder of the year, despite a projected slowdown in growth in the region. According to central bank forecasts, GDP in the Eurozone will rise 1.5% in 2023, down from an earlier estimate of 2.3%.

The weaker economic outlook saw the euro briefly trade below parity with the US dollar, for the first time since the inception of the currency more than 20 years ago. The Bank of England released a Financial Stability Report in July, which warned that the UK economic outlook has 'deteriorated significantly'.

ASIA

Chinese authorities reiterated their 'zero Covid' policy, which soured sentiment towards shares in China and Hong Kong. There were also concerns about further potential regulatory changes affecting Chinese technology firms.

In Japan, the central bank persisted with a negative interest rate policy, holding official borrowing costs at -0.1% – a stark contrast from policy settings among other major central banks.

Meanwhile, in a shocking development, former Prime Minister Shinzo Abe was assassinated whilst giving a speech. Abe held the top job twice in Japan, initially in 2006/2007 and then again from 2012 until September 2020.

AUSTRALIAN DOLLAR

The Australian dollar strengthened in July, appreciating by 1.5% against the US dollar and closing the month just under the 70 cent level; slightly below the average over the past five years. The AUD also added 2.1% against a trade-weighted basket of other major currencies.

AUSTRALIAN EQUITIES

Australian equities benefited from a broad-based rally in July, with 10 out of 11 sectors posting gains. This resulted in the S&P ASX 200 Accumulation Index closing the month 5.8% higher.

The IT sector, which returned 15.2%, was the best performing area of the market. Solid gains in the A-REIT and Financials sectors also propelled the market higher, with several stocks clawing back lost ground from June.

Despite strength towards month end, Energy (+2.1%) and Materials (-0.7%) stocks initially struggled on the back of commodity price weakness, owing to US dollar strength and concerns about a moderating demand outlook. Oil prices slipped below US$100/barrel, for example, before stabilising and closing the month around US$103.

Investors in Materials stocks remained cognisant of China's increasingly challenging GDP growth targets, given the impact of Covid outbreaks and associated disruptions. The outlook for China's property construction market remains particularly uncertain. This is important, as the sector accounts for around a third of China's steel demand. Concerns weighed on iron ore prices, and on sentiment towards Materials stocks in general.

The overall improvement in risk appetite supported small caps. The S&P/ASX Small Ordinaries Accumulated Index returned 11.4%, outperforming the large cap index for the first month this calendar year. All small cap sectors fared well, with performance of Health Care stocks a particular highlight.

LISTED PROPERTY

Global property securities performed well in July. The FTSE EPRA/NAREIT Developed Index returned 6.4% in Australian dollar terms. Although high frequency data are starting to show signs of an economic slowdown in the US, investors seemed confident that macroeconomic headwinds are now priced in to valuations. This supported an improvement in sentiment.

The best performing regions included Sweden (+22.8%) and France (+15.6%). Laggards included Hong Kong (+0.0%), Singapore (+2.5%) and Japan (+2.5%), all in local currency terms.

In general, the more defensive Asian property markets – including Hong Kong, Japan and Singapore – significantly underperformed those in the Americas and Europe.

A-REITs performed even more strongly, with the S&P/ASX 200 A-REIT Index returning 11.9%. Stocks in the Industrials subsector fared particularly well, collectively adding nearly 16%. Office A-REITs performed less well, but nonetheless rose an impressive 7.6%.

GLOBAL EQUITIES

Broad-based optimism among investors supported strong gains in most major regions. The MSCI World Index added 8.0%, rebounding from weakness in the June quarter.

Developments in the US set the tone. The S&P 500 Index rose 9.2%, essentially reversing June's move lower. Favourable earnings releases among tech firms supported a 12.4% rally in the NASDAQ. This was the best monthly return for more than two years.

Most major European markets added between 3% and 8% over the month, supporting a return of 7.3% from the Euro Stoxx 50.

Asia bourses were mixed. Stocks in Japan and Singapore registered solid gains, but the Chinese and Hong Kong markets both lost around 7% of their value.

GLOBAL AND AUSTRALIAN FIXED INCOME

Sovereign bond yields fell quite sharply in most major regions, despite further increases in inflation. This resulted in favourable returns from fixed income.

Investors appear increasingly confident that central banks' efforts to control inflation through aggressive policy tightening will be effective, and that borrowing costs might not need to be raised as high as some previous forecasts.

Ten-year Treasury yields in the US closed July 0.36% lower, at 2.65%. Yields fell meaningfully in Europe too, and by an even greater margin in Australia. Ten-year Commonwealth Government Bond yields fell 0.60% over the month, to 3.06%. This was a welcome development for investors in the local bond market; after losing nearly 10% of their value in the first half of the year, Australian bonds added more than 3% in July.

GLOBAL CREDIT

Equity market strength and moderating concerns about the extent of interest rate hikes supported sentiment towards credit.

Spreads narrowed in the investment grade and high yield subsectors, supporting favourable returns from corporate bonds in Australia and other major markets. Spreads on EUR-denominated securities subsequently narrowed quite sharply, raising optimism that the market will be resilient without the artificial support of such a large, price-insensitive buyer.

Source: Colonial First State

AUSTRALIANS ARE LOSING MORE MONEY TO INVESTMENT SCAMS

Australians are being urged to be extra diligent when it comes to investment opportunities that look too good to be true.

According to Scamwatch, Australians lost over $205 million to scams between 1 January and 1 May this year - a 166 per cent increase compared to the same period last year.

INVESTMENT SCAMS ON THE RISE

The majority of losses over this period have been to investment scams with $158 million lost - an increase of 314 per cent compared to the same period last year.

However the true losses to scams are likely to be much higher, as research suggests that only around 13 per cent of people report their losses.

While the reported losses have increased the number of reports has reduced slightly, indicating that on average people reported higher individual losses.

The majority of losses to investment scams involved crypto investments, with $113 million reported lost this year. Cryptocurrency is also the most common payment method for investment scams.

People aged 55 to 64 reported the highest total losses, $32 million between 1 January and 1 May and over 80 per cent of losses reported by this age group was lost to investment scams ($26m). Scammers are becoming increasingly sophisticated in their techniques and strategies with one such strategy targeting victims again through "money recovery" scams.

WHAT IS A MONEY RECOVERY SCAM?

These scams target people who have already lost money to a previous scam by promising to help victims recover their losses after paying a fee in advance. Australians have lost over $270,000 to these scams so far this year, an increase of 301 per cent.

"Scammers will ask for money and personal information before offering to 'help' the victim and will then disappear and stop all contact," ACCC Deputy Chair Delia Rickard said.

"Money recovery scams are particularly nasty as they target scam victims again. These scams can lead to significant psychological distress as many of the people have already lost money or identity information."

This year Scamwatch has received 66 reports of money recovery scams - a 725 per cent increase compared to the same period in 2021.

Scammers target previous scam victims, contacting them out of the blue, and pose as a trusted organisation such as a law firm, fraud taskforce or government agency. They may have official looking websites and use fake testimonials from other victims they have 'helped'.

As well as an up-front payment they often ask victims to fill out fake paperwork or provide identity documents. Scammers may request remote access to computers or smart phones, enabling them to scam their unsuspecting victims.

Another tactic scammers use is to contact people by phone or email who haven't actually been a victim of a scam and convince them that they've unknowingly been involved in one and are entitled to a settlement refund.

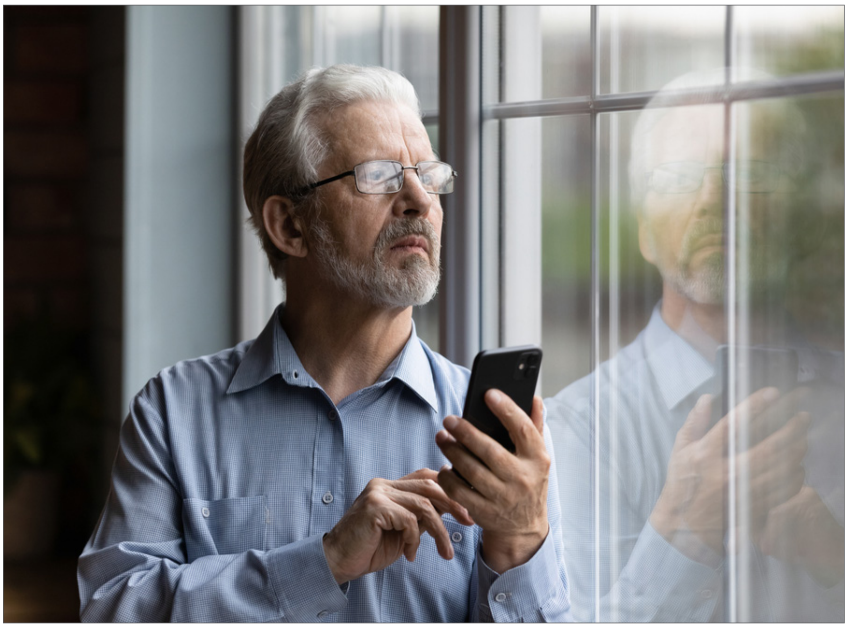
"If you get contacted out of the blue by someone offering to help recover scam losses for a fee, it is a scam. Hang up the phone, delete the email and ignore any further contacts," Ms Rickard said.

"Don't give financial details or copies of identity documents to anyone who you've never met in person and never give strangers remote access to your devices."

"Scammers can be very convincing and one way to spot them is to search online for the name of the organisation who contacted you with words like 'complaint', 'scam' or 'review'," Ms Rickard said.

WARNING SIGNS OF AN INVESTMENT SCAM

- Promise of low risks with high returns: Always remember, if something seems too good to be true it probably is. If you are promised 'guaranteed returns' this is a warning sign.
- You are contacted out of the blue: You receive a call, email or message on social media from someone offering unsolicited advice on investments.
- High-pressure tactics: You are contacted repeatedly and are told that you need to act quickly and invest or you will miss out.
- Remember you have less protections with cryptocurrency investments and scammers know this.
- Someone you haven't met in person offers you investment advice: Never take investment advice from someone you meet on social media or a dating app.
- Use of celebrity endorsements or images: These are usually fake. Celebrities rarely discuss their investments or financial decisions in public.



- Someone has convincing promotional materials or websites: If documents like prospectuses aren't registered with ASIC, it is likely part of a scam.
- You are asked to deposit funds into different accounts for each transaction: Scammers may claim this is for security reasons, or because they are an international company.

DO YOUR RESEARCH

Do not let anyone pressure you into making decisions about your money or investments and never commit to any investment on the spot.

Take time to research before investing. You can check who owns a website using search websites such as who.is. It's also a good idea to check whether any account details you have been told to transfer to match the name of the company you are supposedly dealing with.

If you feel an offer to buy shares might be legitimate, always check the company's listing on the stock exchange for its current value and recent shares performance. Some offers to buy your shares may be well below market value.

IF YOU SUSPECT YOU HAVE BEEN SCAMMED

People who have lost money to a scam should contact their bank or financial institution as soon as possible. If they are not happy with the financial institutions response, victims can make a complaint to the Australian Financial Complaints Authority which is a free and independent dispute resolution service.

Financial institutions may be able to find where the money was sent, block the scam accounts and help others to avoid sending money to scammers.

People who are a victim of a scam or identity theft should act quickly to reduce the risk of financial loss or other damages.

For more advice on how to avoid scams and what to do if you or someone you know is a victim of a scam, visit the Scamwatch website (www.scamwatch.gov.au).

Source: Scamwatch

YOUR BIGGEST INVESTING PROBLEM MAY BE YOU

The human brain is an incredibly powerful processing unit.

Every day we make numerous judgements and decisions – hundreds if not thousands if you conclude everything we do is an individual 'decision'.

As the human brain has evolved, in part due to the increasing complexity of our environment, it's developed little shortcuts, or 'heuristics'. These mental pathways circumvent multi-stage decisions and allow us to make judgements quickly and efficiently.

While heuristics are helpful and allow us to function without stopping to think about our next action, they can – and do – lead to cognitive biases. There are actually over 100 of these recognised habits, and their mix and dominance varies from person to person.

Unfortunately, these biases sometimes trip us up leading to bad judgements and poor decisions.

Consequences of sub-par decisions or erroneous conclusions are most often inconsequential but unfortunately – and consequentially - such biases exist in the full spectrum of our decision-making, including those in the realm of safety – and investing.

A vital ingredient to successful investing over the longer term is knowing yourself – and specifically knowing the mental traps you may fall into when making investment decisions. So to better help know yourself, here are a few of the more typical behavioural biases of investment decision-makers.

ANCHORING BIAS

Anchoring bias is the tendency to rely on, or anchor to, a particular piece of information, or event. There are a few common anchors for investors. Many people base their investment decisions on the current price of an asset relative to its history.

Where a price is now relative to where it has been in the past is not a reliable indicator of the future direction of the price, or whether the asset might be cheap or expensive.

Another Anchor is the purchase price of an asset. While a gain or loss represents the difference between the current price and the purchase price, is this actually helpful when deciding to buy, hold or sell?

An event Anchor; a good example being the Global Financial Crisis. Many investors, scarred by their loss of capital through the GFC, now anchor to the event (and the associated financial loss or psychological pain) when making investment decisions.

An asset should be assessed based on its intrinsic value and investors should attempt to determine an asset's current and potential future worth in isolation from other values (or events). Disconnecting from Anchoring bias can be difficult, but a good starting point is to consider what you anchor to and when you do it.

> **"THE INVESTOR'S CHIEF PROBLEM — EVEN HIS WORST ENEMY — IS LIKELY TO BE HIMSELF."** BENJAMIN GRAHAM

HERD MENTALITY

There's something innately safe about being in a herd. We humans are hard-wired to herd. So it's not surprising that this is common in investment circles where investors place a big emphasis on what groups are doing.

There are all sorts of emotions at play with this bias. There's an element of FOMO (fear of missing out) when there's a bull-rush to a type of investment; there's the psychological pain of going against the crowd; and then there's the fear of humiliation or embarrassment (aside from the financial consideration) of just being proven wrong.

Recognising the lure of running with the pack requires an ability to think independently. Be self-aware about the social and emotional pull of the herd. If this is confusing or overwhelming, then consider using a professional investment manager to dislocate you from this pull.

CONFIRMATION BIAS

Confirmation bias is the tendency of people to pay close attention to information that confirms their belief, and ignore information that contradicts it. This can lead to overconfidence and the risk of being blindsided.

Our natural tendency is often to listen to people who agree with us. It feels good to hear our opinions reflected back to us. Many people choose their news sources based on a confirmation bias. Do your news sources reflect your views and opinions? There's nothing particularly wrong with this per se, but such bias can be disastrous for investors, as it can validate and reinforce a view which may be flawed. Instead, we should be looking for disconfirming information to test against an initial view.

A discipline of stress-testing and deconstructing ideas runs consistent in many of the world's most successful investors. To overcome this bias start looking for information that might disprove your ideas, rather than confirm what you want to do.

OVERCONFIDENCE BIAS

People tend to overestimate their skills, abilities, and predictions for success. This bias is prolific in behavioural finance. Careful risk management is critical to successful investing and overconfidence tends to make us less cautious in our investment decisions. Many of these mistakes stem from an illusion of knowledge and/or an illusion of control.

Anecdotally, a significant number of SMSF-holders suffer from overconfidence bias. Asset allocation data collated by the ATO suggests the average SMSF is highly concentrated in domestic assets (particularly shares and cash), poorly diversified and consequently exposed to various material risks.

Overconfident investors often put down their wins to talent and losses to plain bad luck. Guarding against overconfidence involves acute self-awareness and the ability to isolate the role of skill versus timing, or luck.

LOSS AVERSION

Loss aversion is a tendency to dislike losing money a lot more than enjoying making money. This kind of bias is commonplace with stock traders, but definitely also applies to longer term investors. The GFC is a period in many investors' lives which created an enduring fear of substantial loss. Scarred by losses from such periods, investors can be at risk of creating portfolios too conservatively invested with a primary goal of fortifying against loss, rather than looking at their time horizon and structuring a portfolio to suit.

Investors need to remember that to generate a certain level of returns they need to take a certain level of risk, and periods of negative returns are to be expected when taking on risk.

The idea is to not take excessive risks in seeking to achieve a return goal.

Source: BT

DID YOU KNOW GIFTING CAN IMPACT YOUR AGE PENSION?

Gifting, or financially assisting family or friends by giving away some of your assets or accumulated retirement savings, can be a great way to help out younger family members or friends.

But before you gift a significant amount, it's important to understand how this could impact your Age Pension or other social security benefits you receive now or in the future.

WHAT IS GIFTING?

Gifting can be a viable strategy as gifts given within certain limits can not only provide you with the satisfaction of being able to help others, but also slightly increase your Age Pension entitlement.

However, exceeding these limits could result in the gift continuing to be treated as your asset for a period of time, even though you no longer hold this asset.

But gifting isn't just about giving away an amount of your savings. There are a number of other scenarios where gifting rules may apply, for example:

- Transferring shares to someone without receiving the full market value in return.
- Giving up control of a company or trust which holds underlying assets.
- Transferring an investment property worth $300,000 to another person for less than its true value (for example, for $200,000).
- Forgiving a loan someone owes you.
- Providing money to a company or trust you don't control, without a loan agreement showing the amount is to be repaid.

WHAT'S NOT INCLUDED AS GIFTING?

You wouldn't be viewed as gifting an asset when you sell or reduce any of your existing assets to meet normal living costs – for example, to pay for a holiday or fund renovations to your home.

You're also able to transfer assets between yourself and your spouse without the gifting rules applying. Additionally, there may be opportunities to contribute assets to your spouse's superannuation account and increase your Age Pension entitlements, where your spouse has not yet reached their age pension age.

HOW MUCH CAN YOU GIVE WHEN GIFTING?

While you are not limited in the amount, there are limits within which a gift wouldn't affect your Age Pension benefit. Centrelink use two tests to determine if you are within or outside the allowable gifting limits.

Firstly, individuals and couples combined can gift up to $10,000 per financial year or up to $30,000 over a five financial year period and remain within the gifting free area.

Any amounts gifted outside this limit will result in the excess amount being treated as a 'deprived asset' which will be counted as an asset under the assets test and deemed under the income test.

HOW CAN GIFTING AFFECT YOUR AGE PENSION?

The deprivation provisions are designed to limit the potential for social security recipients to reduce their assets and as a result reducing the impact of the income and asset means tests on their benefit entitlement.

Where a person has given away, destroyed or diminished the value of an asset or given away an amount in excess of the gifting free area, Centrelink will treat the individual as continuing to hold the asset under the asset and income means test for five years from the date of the gift.

CONCERNED ABOUT THE IMPACT OF GIFTING?

Given the complexities involved in planning for and calculating the impact a gift may have on your Age Pension or other Centrelink benefit, it's worth seeking help from a qualified financial adviser or Centrelink directly, before you gift.

Source: BT

TIPS FOR MANAGING MONEY IN RETIREMENT

How to manage your savings, debt, estate plan and dependants in retirement

Aussies are living longer than ever before, with men expected to live until age 80 and women until age 85.

However, an increased life expectancy also means Australians may spend longer in retirement than previous generations, and in turn, need more money to fund retirement during those extra years.

When you're retired and no longer earning money, it can be difficult to know how much you can afford to spend and what you need to preserve for the future, without the fallback of a regular retirement income.

You may also have added pressures in the mix, such as paying off debt, healthcare costs, and dependants in the form of kids or elderly parents.

Striking the right balance between enjoying your retirement and having enough to live on can be tough. However, you don't have to go without - you may just need to consider your budget a bit differently.

If you're planning your retirement, here are some money management tips that may help you get off on the right foot.

LOOK INTO HAVING A U-SHAPED BUDGET

Rather than a linear budget, where your expenses remain the same year after year, it may be worth considering a 'U-shaped' budget in your retirement.

This is where your spending over the period of your retirement resembles a 'U', with the highest expenses in the first years of retirement and your later retirement years.

When you first retire, your spending will most likely be higher as you take that trip of a lifetime, splash out on that caravan or boat, or pay off your home loan (or all of the above) and engage in an active, and possibly more expensive, social life.

Your spending is then likely to settle into a more regular pattern in mid-retirement, before increasing again in your later years when greater healthcare costs and aged care expenses come into the mix.

TIPS FOR PAYING OFF DEBT IN RETIREMENT

Carrying debt into retirement isn't ideal, but it's a reality for many of us. If you find yourself owing money on your credit card, a personal loan or home loan once retired, there are things you could look into to help manage your repayments and minimise the amount of interest you pay.

Consolidating your debts by bringing them together into one loan could mean you pay less in interest, fees and charges. You could also contact your providers to try to renegotiate your repayment terms.

How much super should I have, and can I use this to pay off debt?

Some Australians withdraw their superannuation as a lump sum once they reach their super preservation age and use it to clear their debts, to avoid having any repayments and interest during retirement.

CONSIDER WHERE YOU CAN SAVE MONEY

Although you may not have a steady income like before, it's still possible to save money so you have more to spend on what's important to you during your retirement. You can do this by leveraging some of the government's benefits and subsidies, or by reducing your expenses.

Here are a few ideas to get started:

Consider selling your second car (if you have one), and take advantage of public transport concessions available to seniors instead. You may be able to save on car registration, insurance and maintenance costs, plus you'll be doing a bit for the environment.

Take a look at government websites to learn about benefits and payments you may be able to access, such as pensions, allowances, bonuses, concession cards, supplements and other services.

Consider bundling your phone and broadband to save on technology bills, and your electricity and gas to save on energy costs. Compare providers' rates through comparison websites and ask if they offer a seniors discount.

Think about ideas to entertain more at home instead of going out, such as dinner parties, game nights or movie nights. It also may be handy to subscribe for newsletters to your favourite restaurants and shops, or invest in a coupon book like the Entertainment Book, so you can take advantage of any offers and special deals when you do go out.

It may be worth putting your bills onto direct debit rather than paying them month by month. This way, you may be eligible to qualify for the pay on time discounts and avoid late fees if you forget a payment.

Groceries are a necessary expense, but it's possible to save money here as well. Consider researching online for sales ahead of time, buying seasonally for fruits and veg, or buying in bulk and sharing with family or friends.

If you're considering this, think about whether you'll still have enough to live on in retirement, and the tax implications of doing this. In this case, it's a good idea to speak with a financial adviser to weigh up your options.

TIPS IF YOU'RE HELPING YOUR FAMILY FINANCIALLY

If you're part of the 'sandwich generation', with elderly parents who are dependent on you and adult kids who are still at home or continue to need a bit of financial assistance, it's still possible to have a good quality of life in retirement.

In order to do so, it's all about finding balance. It's important not to lose sight of your own goals during retirement, while still helping the ones you love. You may consider having some conversations with your children on the limits of what you can provide, and spend more time to help them understand the benefits of financial independence: for example, instead of financial assistance, perhaps you can help them with some invaluable financial education.

TIPS IF YOU'RE ESTATE PLANNING

Estate planning is also an important part of your financial planning in retirement. Estate planning goes beyond just making a will. It can also be valuable to think about who your super beneficiaries are, and how you want to be looked after (both medically and financially) if you can't make your own decisions later in life.

If you get your estate in order during the early years of retirement, it means more peace of mind in the long term and could potentially help prevent some family tensions in the future.

When planning your estate, here are some key things to think about.

Who will get your assets?

Making a will plays a big part in estate planning. A solicitor or estate lawyer can help you draw up a legally binding document that advises who should receive your assets after you pass away. If you don't have a valid will, your estate will be distributed in line with the law in your relevant state.

Who is your executor?

An executor is the person responsible for making sure your assets are distributed according to your wishes, as well as paying bills, closing any banks accounts, and so on.

Who are the beneficiaries for your super?

Your super is often treated differently to the other assets in your will, so it can be useful to think about this as a separate aspect. Consider how you want your super to be distributed after you're gone and try to keep your super beneficiary nomination up to date. If you don't, there's a risk that your super money may end up in different hands.

Who is your enduring power of attorney and/or guardian?

If you have an enduring power of attorney, you are allowing someone to make financial decisions on your behalf. In some states, your power of attorney holder can also make lifestyle decisions, such as health and medical choices and where you live, while in others you'll need to appoint a separate guardian to do this.

Source: AMP