stonehouse

Newsletter

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This Mother's Day: Empowering Women to Take Charge of Their Financial Future

Cath Perry
General Manager

Mother's Day is not just a time for cards and flowers – it's a moment to celebrate the incredible resilience, growth, and evolving roles of women. Mother's Day is a time for empowering them in an area often overlooked – financial planning.

Historically, financial management was predominantly handled by men within relationships. Women, often passive participants, left the decision-making to their partners. For those without partners, financial decisions were sometimes a daunting new reality. But today, that narrative is changing. More women are stepping into their financial power, and it's a beautiful sight to behold.

Motherhood presents some of the greatest financial challenges for women. The rising cost of living means many women don't have the option to be stay-at-home mothers. For those who choose to take career breaks to raise their children, the long-term financial consequences can feel overwhelming. Striking a balance between family needs and financial stability is a personal and often difficult decision.

Stonehouse is proud to support closing the financial confidence gap by empowering women with the tools and knowledge they need to thrive. Our female advisers, who draw on both their expertise and personal experiences, offer an important option for women who feel more comfortable discussing their financial situations with someone who truly understands their perspective.

To further support women in their financial journeys, Stonehouse offers workshops like Financially Empowered Women and Women's Wellness Workshop. These workshops are designed to provide women with the tools, knowledge, and confidence to take charge of their financial futures.

If you'd like to learn more about how we can support your financial journey or refer a friend to start their own pathway to wealth, contact our friendly team today. **Happy Mother's day to you and the inspiring mothers at Stonehouse.**

Andrew Stewart

Belinda Auld

Michelle Poulsen

Cath Perry

Navigating Turbulent Times in the Share Market

Martin Baker
Partner

In times of market uncertainty, it's natural to feel concerned about your investments. But, as the saying goes, "Time in the market, not timing the market" – the key to success lies in staying invested for the long term, even during periods of volatility. It's a principle that has stood the test of time and can help you avoid the temptation to react to short-term fluctuations.

As we navigate turbulent times, from global political uncertainty to economic challenges, staying calm and sticking to a solid strategy is more important than ever.

Why Long-Term Investment is Key

The idea of "time in the market" emphasises the importance of remaining patient during market fluctuations. While it's tempting to try and predict short-term movements, history shows that markets tend to grow over the long term, despite temporary dips. Savvy investors focus on long-term growth and avoid making knee-jerk reactions to market noise.

Warren Buffett, one of the world's most successful investors, embodies this strategy. He argues that short-term market movements are just "background noise" in the grand scheme of investing.

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

Buffett, who first invested in the stock market at age 11, remained unfazed even during the chaos following the attack on Pearl Harbour in 1941. Today, with a net worth of $147 billion, his strategy continues to be a testament to the power of long-term thinking.

Long-Term Growth in Australia

While the US market has seen impressive growth, Australian investors have also enjoyed solid returns. For example, $10,000 invested 30 years ago in a portfolio reflecting the All Ordinaries Index would be worth over $135,000 today (assuming dividends were reinvested).

If you had chosen to invest in Australian-listed property instead, that same $10,000 investment would now be worth almost $95,000, or about $52,000 if invested in bonds.

Meanwhile, the Australian real estate market has experienced remarkable growth. The average house price in Australia 30 years ago was just under $200,000; today, it's well over $1 million.

On the other hand, cash might feel like a safe option, but its ability to build wealth is limited. For instance, $10,000 invested in cash 30 years ago would have grown to just $34,000 today – far below the returns of more dynamic investments.

The Power of Diversification

One of the most effective ways to manage risk in your investment portfolio is diversification. By spreading your investments across different sectors, you reduce the impact that downturns in one area can have on your overall portfolio.

For example, in 2024, the Australian listed property sector was one of the best performers, adding 24.6%. Yet, just two years prior, it had been one of the worst performers, losing 12.3%. Diversification helps protect your investments during volatile periods.

Short-term investments like government bonds, high-interest savings accounts, and term deposits can play an important role in balancing the risks and returns in your portfolio. These options provide stability and liquidity, making them a great addition to a diversified investment strategy.

Ongoing Investment Strategies: Stay Calm, Stay Focused

Investing is a long-term game, and it's important to remember that successful wealth accumulation requires more than just setting and forgetting your strategy. The key is staying invested and giving your investments the opportunity to grow, even when the markets are volatile.

Regularly reviewing your investments is essential to stay on top of any economic or political changes that may affect your portfolio. However, while it's crucial to stay informed, it's equally important not to overreact during times of market volatility.

Emotional investing often leads to poor decisions. The goal is not to avoid market declines but to remain focused on your long-term investment strategy. Market declines are a natural part of the investment cycle, and with the right strategy, they can be used as opportunities for growth rather than moments of panic.

Let's Work Together

If you're feeling uncertain about your investments or would like to discuss your options in the current market, we're here to help. Please feel free to get in touch with us. Together, we can create a strategy that helps you ride out the turbulence and position your portfolio for long-term success.

Easy Steps to Improve Your Finances

Phoebe Mumbray
Financial Adviser

Improving your finances doesn't need to be overwhelming. With just a few simple steps, you can take control of your financial journey and make significant progress toward your goals. Working with your financial adviser each year is a great way to stay on track, but there are also things you can do along the way that will make a big difference.

1. Break Your Goals into Smaller, Achievable Steps

When it comes to improving your financial position, it's often better to take small, gradual steps rather than making drastic changes all at once. Financial success is a result of being patient, persistent, and disciplined with your daily, weekly, or monthly financial habits. Over time, these habits will add up to huge improvements.

Here's a great way to break down your financial journey into manageable steps:

Let's say you want to set up an investment plan for your children. One of our clients recently planned to invest $5,000 for each of their two children by the start of the next school year. By breaking that down, they realised they needed to save about $417 per month for each child. This made the goal more achievable, and they could track their progress month by month.

Think about your own goals: whether you're saving for a holiday, paying off debt, or building an emergency fund, breaking your goal into smaller steps will help you stay motivated and on track.

2. Use SMART Goals to Stay Focused

SMART goals are one of the most effective ways to ensure you succeed in achieving your financial goals. SMART stands for:

- **Specific:** Clear and defined.
- **Measurable:** You can track your progress.
- **Achievable:** Realistic and possible.
- **Realistic:** Within your reach and resources.
- **Time-bound:** Set deadlines for success.

For example, instead of a vague goal like "I want to save more for my kids' education," make it SMART: "I will save $5,000 for my child's education by the end of the year by saving $417 every month."

Setting goals like this allows you to have a clear plan and makes it easier to measure your progress. Each year, take a look at your goals and ensure they are SMART. Your financial adviser can help you set realistic goals and create a strategy to meet them, making sure your actions align with your long-term plans.

3. Review Your Spending Habits

As we approach the end of the financial year, it's the perfect time to review your spending habits. Many of us have small, unnoticed expenses that quickly add up. A daily takeaway coffee, unused subscriptions, or services that could be cheaper – these can all quietly drain your finances.

Here's a simple way to assess your spending:

- **Track your expenses:** Most banks offer tools to help you break down your expenses. If not, try keeping a notebook or using a budgeting app to jot down every expense—no matter how small.
- **Categorise your spending:** Group expenses into categories such as subscriptions, transport, entertainment, food, etc.
- **Identify unnecessary spending:** Are you spending more than you thought in certain areas? Are there subscriptions you no longer need?
- **Compare your energy bills:** If you've been getting phone calls about cheaper electricity, it might be worth researching better deals. The Australian Government's Energy Made Easy comparison service is a great place to start.

By reviewing your spending regularly, you'll gain a clearer picture of where your money goes and find areas where you can cut back.

4. Organise Your Income and Expenses

Once you've reviewed your spending, it's time to make sure every dollar works hard for your financial goals. A simple way to do this is by allocating your income into three categories:

1. **Essential spending**
   (e.g., bills, housing)
2. **Savings**
   (e.g., emergency fund, investments)
3. **Discretionary spending**
   (e.g., entertainment, hobbies)

A typical ratio could be 60% for essentials, 25% for savings, and 15% for discretionary spending, but feel free to adjust based on your priorities. Talk to your financial adviser to determine the best allocation for you.

5. Build an Emergency Fund

One of the most important parts of financial security is having an emergency fund. A good rule of thumb is to save enough to cover at least three months' worth of living expenses. This fund can help you avoid going into debt when unexpected expenses arise, like car repairs or medical bills.

Using your budgeting steps, figure out how much you need to keep in a readily accessible account for emergencies.

6. Track Your Progress and Adjust

As you work toward your financial goals, it's essential to track your progress regularly. This will help you stay focused and motivated. Look at your savings, investments, and expenses every few months to ensure you're on track. If things aren't going as planned, don't be afraid to adjust your budget, savings plan, or even your goals.

7. Get Professional Help

Improving your finances is a journey, and you don't have to do it alone. A Stonehouse financial adviser can help you develop a personalised financial plan, monitor your progress, and provide guidance when life throws you curveballs. Whether you're saving for a big goal, managing debt, or preparing for retirement, working with a professional can ensure you stay on track and feel confident about your financial future.

By following these easy steps, you'll be well on your way to improving your finances, building wealth, and achieving your financial goals. With patience, consistency, and the right support, you can take control of your financial future today.

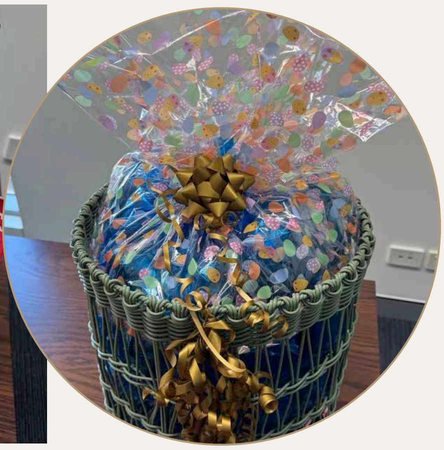
*If you're ready to get started or need help reviewing your finances, reach out to one of our friendly advisers at **Stonehouse Wealth Management**.*

Escape Room Event March 2025

In a refreshing break from the day-to-day operations, Stonehouse traded in their laptops for lockboxes during an exciting team-building outing at Fox in a Box escape rooms.

The group took part in a series of immersive escape room challenges designed to test their problem-solving skills, collaboration, and creativity under pressure. The experience proved to be more than just a fun afternoon out—it was a valuable opportunity for team members to strengthen communication, think outside the box, and build trust in a high-energy, fast-paced environment.

The event also gave individuals the opportunity to step into leadership roles, connect on a personal level, and recharge in a high-energy, low-pressure environment, all while reinforcing the company's commitment to a positive, people-focused culture.



Easter Client Survey Thankyou April 2025

We're thrilled to announce the lucky winner of our Easter survey: Carole from Queensland.

They received a delicious Easter gift basket full of chocolates and a Gold Class movie tickets, a perfect combo for indulgence and relaxation!

Even if you didn't win this time, please know that your participation means a lot to us. Every response we received plays an important role in helping shape the future of our services and the way we connect with clients like you.

We hope that each of you enjoyed a wonderful Easter, filled with joyful celebrations, peaceful moments of relaxation, and cherished time spent with family and friends creating lasting memories.

It's a Girl

Welcome to the World, Baby Singh!

We're overjoyed to share the heartwarming news that Mohkam and his wife have welcomed their first child!

A beautiful baby girl named Akaal Kaur meaning eternal princess. Born in the middle of Autumn and weighing a healthy 3.2kg, she has already filled their home with love and happiness.

A huge congratulations to Mohkam and his growing family, and welcome to the world, little Akaal Kaur! We can't wait to see all the love and laughter you'll bring to your family.