

NEWSLETTER

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HOW TO PROTECT YOURSELF AND OTHERS

1. **Wash your hands often** with soap and water for at least 20 seconds, especially after being in a public place, or after blowing your nose, coughing, or sneezing
2. **Avoid close contact** with people who are sick. Some people without symptoms may be able to spread the virus
3. **Cover your mouth and nose with a cloth face cover** when around others and when you must go out in public, such as to a grocery store. The cloth face cover is meant to protect other people in case you are infected
4. **Cover your coughs and sneezes.** Use a tissue to cover your nose and mouth and throw used tissues in a lined trash can. If a tissue is not available, cough or sneeze into your elbow — not your hands. Wash your hands immediately.
5. **Clean and disinfect frequently touched surfaces daily.** This includes tables, doorknobs, light switches, countertops, handles, desks, phones, keyboards, toilets, faucets, and sinks.

IMPORTANT INFORMATION:

All staff are now back in the office and working hard! Some client reviews will still be conducted over the phone/ video chat to ensure the safety of both staff and clients.

Do not forget, the office is shut on Friday's as Kathy and Emma work from home these days.

They can be contacted on their mobile phones –

Kathy: 0413 348 472

Emma: 0488 198 200

Your Health and Wealth during the COVID-19 Pandemic

There isn't a single person in the world who hasn't been impacted by COVID-19. As new case numbers start to slow in Australia, so too is our economy. This time presents new challenges as everyone gets used to a "new normal" and figures out the best way to weather the coming months. This article provides an overview of different measures the Federal Government has announced to support individuals and businesses, current market performance and what you should be thinking about when it comes to your finances and continuing to build long-term wealth.

Government support for individuals and businesses

The Federal Government has announced two economic stimulus packages and the JobKeeper Payment to support individuals and businesses. An overview of the Federal Government's measures announced to date is detailed below.

Support for individuals

The Federal Government has announced a range of measures to help individuals. Eligibility to access these measures is determined on criteria such as your employment status or loss of income due to COVID-19. Some of the key measures include: two \$750 payments to social security, veteran and other income support recipients (first payment from 31 March 2020 and the second payment from 13 July 2020);

access to the JobKeeper Payment from your employer (if eligible) equal to \$1,500 per fortnight;

a time-limited supplementary payment for new and existing concession recipients of the JobSeeker Payment, Youth Allowance, Jobseeker, Parenting Payment, Farm Household Allowance and Special Benefit equal to \$550 per fortnight;

early release of superannuation funds (see overview below); and

a temporarily reducing superannuation minimum drawdown rates (see overview below).

Full details about the Federal Government's measures to support individuals are available on the Treasury website.

Early release of superannuation

Eligible people will be able to access up to \$10,000 of their superannuation in the 2019-20 financial year and a further \$10,000 in the 2020-21 financial year. To access your super early, you need to meet one of the following five criteria:

You are unemployed.

You are eligible for the JobSeeker payment, Youth Allowance for jobseekers, Parenting Payment special benefit or the Farm Household Allowance.

You were made redundant on or after 1 January 2020.

Your working hours reduced by at least 20 per cent after 1 January 2020.

You are a sole trader, and your business activity was suspended, or your turnover has reduced by at least 20 per cent after 1 January 2020.

If you are considering early release of your superannuation, you need to consider what the potential long-term impacts may be to the growth of your superannuation fund and retirement income. While \$20,000 split across two \$10,000 withdrawals may not seem like a lot of money now, it could have significant compounding value if it's left in your fund. Understandably, people may not have any other choice to support themselves financially. Make sure you speak to a financial professional to understand your risks and if this is a suitable option for you. If you're eligible, you can apply for early release of your superannuation directly with the ATO through the myGov website.

Temporarily reducing superannuation minimum drawdown rates

The temporary reduction in the minimum drawdown requirements for account-based pensions has been designed to reduce the need for retirees who have account-based pensions to sell their assets to fund their minimum drawdown requirements. The new minimum drawdown rates are outlined in the table below.

Age	Current Minimum Drawdown Rates (%)	Reduced rates by 50 per cent for the 2019-20- and 2020-21-income years (%)
Under 65	4	2
65-74	5	2.5
75-79	6	3
80-84	7	3.5
85-89	9	4.5
90-94	11	5.5
95 or more	14	7

What should you focus on when it comes to personal finance?

While it can be tempting to sell all your investments now as the market declines, this locks in your losses and puts your wealth in a weak position. If you haven't already defensively positioned your investments, speak with a financial adviser about how to best adjust your investing over the coming months. You should also consider how to maximize your returns as the market recovers. As the author of the best-selling investment book *The Intelligent Investor* Ben Graham says, "Be the realist who buys from pessimists and sells to optimists".