



On the Pulse

August 2022

Market Update

Index returns at end June 2022 (%)

	1 mth	3 mth	6 mth	1 yr	3 yr	5 yr	10 yr
Australian Equities							
S&P/ASX 200 TR Index	-8.77	-11.9	-9.93	-6.47	3.34	6.83	9.29
S&P/ASX Small Ordinaries TR Index	-13.09	-20.39	-23.74	-19.52	0.38	5.07	5.37
Global Equities							
MSCI World NR Index (AUD)	-4.64	-8.42	-16.13	-6.52	7.83	10.12	14.11
S&P 500 PR Index (USD)	-8.39	-16.45	-20.58	-11.92	8.77	9.33	10.76
FTSE 100 PR Index (GBP)	-5.76	-4.61	-2.92	1.87	-1.16	-0.4	2.55
MSCI Emerging Markets NR Index (AUD)	-2.61	-3.3	-12.91	-18.43	1.25	4.44	7.26
Real Estate Investment Trusts							
S&P/ASX 300 A-REIT TR Index	-10.39	-17.49	-23.03	-11.22	-1.95	4.96	9.5
FTSE EPRA/NAREIT Dev. NR Index (AUD Hgd)	-7.82	-15.62	-18.59	-10.49	-1.36	1.93	6.57
Fixed Interest							
Bloomberg Ausbond Composite 0+ Yr Index	-1.48	-3.81	-9.46	-10.51	-2.58	0.87	2.58
Bloomberg Ausbond Bank Bill Index	0.05	0.07	0.08	0.1	0.33	0.95	1.73
Bloomberg Global Aggregate TR Index (AUD Hgd)	-1.64	-4.66	-9.41	-9.33	-1.63	0.78	3.12

Data source: Bloomberg & Financial Express. Returns greater than one year are annualised.

Commentary regarding equity indices below references performance without including the effects of currency (unless specifically stated).

Key Points

- Market volatility will persist for the remainder of the year.
- Interest rates are expected to increase to around 3.0% later this year.
- All asset classes (Shares, Property and Fixed Interest) experienced losses over the past year.

Despite expecting a significant economic slowdown it's unlikely Australia will fall into recession in 2023. However, many sectors within the economy will experience recession-like conditions (i.e. consumer spending, housing) while others will remain reasonably well supported (i.e. business investment, corporate profits and unemployment).

Market Update

Like the rest of the world, Australia has an inflation problem. Despite already elevated levels (5.1% y/y in Mar-22) it's expected inflation will rise further, hitting 7% by end-2022. Thereafter analysts expect quite a rapid decline to between 3-5% over the following 12-18 months. However, it's unlikely to get back down to the Reserve Bank of Australia's 2-3% target band before 2024.

Central banks are behind the inflation fight. Following the 50bp hike in May, analysts expect another two 50bp hikes over July and August with the cash rate to reach 2.60% by year end before peaking at 3.10% in 1H23. After a brief pause, the RBA will be forced to reverse its policy tightening in order to reduce recession risks. We are forecasting cuts of 100bps to come by end-2024.

House prices will come under significant pressure from a rapid rise in borrowing costs, with nationwide declines of approx. 15%. There will be pockets of stress, pushing bad and doubtful debts higher but this is unlikely to become systemic. Structural demand drivers (i.e. undersupply and immigration) alongside improving affordability will ultimately help stabilise prices, but without lower borrowing rates house price gains will level off.

The global economy as a whole may escape recession, but many economies will not. The US, UK, Europe and Japan are all on a path to recession but these downturns are expected to be short and shallow. However, there remains a great deal of uncertainty around the growth outlook as a consequence of Russia, China's zero covid policy and the commitment of global central banks to bring inflation down.

Above all, achieving your financial objectives requires a long-term focus, a willingness to be different from others and a disciplined investment approach to regular rebalancing when and where it makes sense to do so.

Update... **with the Financial Planning Team**

Our team has grown and we welcome Scott Bickerton, Carla Padget and Sue Stevens who have over 35 years combine experience in Financial Planning.

These are exciting times for the team as we grow and build a sustainable business for the future.

If you would like to discuss our views or have any questions,
please contact our office on 07 4192 8900



Important changes to your Fuel Tax Credit Claims

When you claim fuel tax credits, you'll need to apply the lower rates for fuel acquired from 30 March 2022 to 28 September 2022.

The lower rates for fuel tax credits are the result of halving the fuel excise duty for 6 months. The reduced rates apply to petrol, diesel, and all other petroleum-based products.

You **won't be able to claim fuel tax credits** for fuel use in heavy vehicles for travelling on public roads. This is because the road user charge exceeds the excise duty paid, which reduces the fuel tax credit rate to nil.

When you're calculating fuel tax credits:

- Apply the lower rates for fuel acquired after 30 March, the easiest way to do this is by using the fuel tax calculator at ato.gov.au/ftccalc
- Remember to keep accurate records to support your claims. Records need to show the type, date, and quantity of fuel acquired for business activities. Find out more at ato.gov.au/ftc_records
- If an error is made, it can be corrected on the next BAS. For more information, visit ato.gov.au/ftcerrors



Increase in Super Guarantee

From 1 July 2022, the super guarantee percentage for employee super contributions has increased from 10% to 10.5%. The rate is set to increase half a percent each year, over the next 4 years until it reaches 12%.

Period	Super Guarantee Rate (%)
1 July 2022 - 30 June 2023	10.5%
1 July 2023 - 30 June 2024	11%
1 July 2024 - 30 June 2025	11.5%
1 July 2025 - 30 June 2026	12%

To assist you with a smooth transition, we recommend that you review your employee set up and superannuation settings in your cashbook file to ensure that super guarantee is set to the statutory rate option, which means, your cashbook program will automatically increase the percentage for you at the relevant time.

Claiming work related deductions this tax time?

Here are three important things you will need to claim these expenses:

1. You must have spent the money yourself and not be reimbursed for it directly. Note you can still claim expenses you incur for which you receive a specific allowance in your payslip such as for laundry or overtime meals.
2. It must directly related to earning your income, including rental and share trading expenses.
3. You must have a record to prove that you incurred the expense, commonly a receipt. We recommend maintaining a digital backup of all records so you don't lose any information or potential deductions. Please note, the ATO requires records for expenses to be kept for 5 years from the date you lodged your tax return. Important details to include in your records include the following:
 - Name of the supplier of the goods or services
 - Amount/Price
 - Nature of the goods or services
 - Date the expense was paid
 - Date of the document

The ATO have released a general guide to support you with your record keeping activities. This guide will help you understand what records to keep to support your claims this tax time.

- ATO Record Keeping Guide - https://www.ato.gov.au/individuals/income-and-deductions/records-you-need-to-keep/?utm_campaign=ato_tt22&utm_source=mailout&utm_medium=email&utm_term=agent-records

The ATO have also released Occupation and Industry Specific Guides with more details for your specific industry:

- ATO Occupation & Industry Specific Guides - <https://www.ato.gov.au/Individuals/Income-and-deductions/Occupation-and-industry-specific-guides/>

For example:

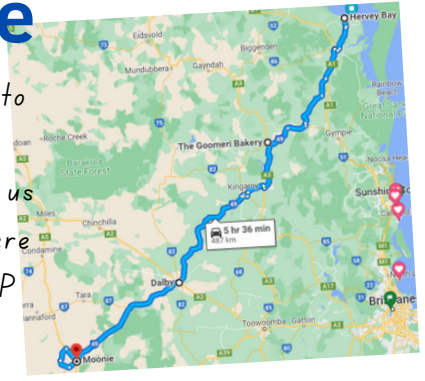
- For Construction workers and Tradespeople, you can claim a deduction for trips between different worksites and from home to work only if you don't have a fixed workplace or you are carrying bulky tools and equipment for your work which cannot be secured at your workplace.
- For Education, Clerical and Medical workers, you can claim deductions for all teaching aids, professional publications, and union fees you incur. You can also claim deductions for any courses or seminars undertaken, including travel expenses incurred for them such as meals, accommodation, and parking, provided that the course/seminar is directly relevant to your occupation.

We note that each individual circumstance is unique, and if you are uncertain about an expense that is not covered in this guide, or how they apply to your circumstances feel free to contact our office, we would be happy to answer any questions you may have.



Team event... **Team Retreat in Moonie**

Moonie was the destination for our Annual Team Retreat and is the opportunity to review our business goals and strategy. Traveling by bus, with stops at Goomeri Bakery for freshly baked breakfast & coffee and then Dalby for lunch. Many of us couldn't image the experience we were about to embark on in Agriculture, and were amazed with the depth and knowledge of our host family property 'Traighli' E & P Petersen's farm and the use of technology used on their farm.



The team learnt about daily activities on the farm including transplanting seedlings, checking crops for insects/beetle and livestock feeding we learnt a great deal. The experience has given us a deeper understanding of our clients in regional areas.



As a team we appreciate and value what all our Australian farmers and their families do and how vital their role is in our economy.

Although we worked hard in planning, it was time to let our hair down and have some fun and what better why to than our very own 'Talent Show'.... let's just say we laughed so much!



Can you do tricks with a skipping rope? Just ask Bron, James & Cheyenne to show you and who would of thought baking muffins could be so messy... a magic show that could cut you in half, followed by Dad jokes that we all agree still needs a little more work... and a flying carpet that took us on a magical ride. We look forward to sharing some highlights with you but I think some of the staff have paid the cameraman to ensure the video clips never see the light of day.



All in all our team is geared and ready for the year ahead in 2022/2023



Message from ... Barcoo Beef Challenge



Dear Bronwyn, Pam + The UNIQsol Team,

The 2022 Barcoo Beef Challenge Committee would sincerely like to thank you for your generous contribution to our successful feedlot and carcass competition. Your support enticed a total of 396 cattle entered in the inaugural competition by 25 primary producers across Central and Western Queensland.

During the competition approximately 50 entrants and sponsors enjoyed the BFeeders Feedlot Field Day, having an opportunity to inspect their cattle at the feedlot and be informed about the feed rations and progress of the animals. Your support also provided a platform for presentations at the Awards Evening where we hosted and enjoyed a three-course meal, live entertainment with 135 guest of likeminded producers and industry counterparts.

Because of your support the Barcoo Beef Challenge has raised over \$20,000 of which will go directly back into rural communities to provide better health care facilities for the Tambo region and beyond. The Feedlot Field Day and the Awards Evening Dinner have provided opportunities for primary producers to increase social connectedness and boost mental health in non-invasive and friendly environment.

Without your generosity, events in rural areas would struggle to gain enough momentum to provide the substantial prize money that Barcoo Beef Challenge offers. Once again, we sincerely thank you for your support and look forward to partnering with you again in 2023.

The Barcoo Beef Challenge Committee.



For further assistance to help support your business in this time of uncertainty, please call our office on 07 4192 8900.

This Newsletter may not take into consideration your individual goals or circumstances and should in no way be considered advice unless expressly stated. Except so far as any liability which cannot be excluded, Envfp Pty Ltd Trading as UNIQsol Wealth ABN 62618207882, its directors and employees accept no liability for any error or inaccuracy in, or omission from, the information contained in this document or any loss or damage suffered, directly or indirectly by the reader or any other person as a consequence of relying upon the information. The document and any attachments is general information only and should in no way be considered advice. Envfp Pty Ltd t/a UNIQsol Wealth is a Corporate Authorised Representative (1265921) of Capstone Financial Planning AFSL No.223135





Sunshine Coast Dunga Derby began with an early start at Aussie World. After spending the past year fundraising and getting prepared, the teams were full of energy and excited for the next four days of adventure and fun. A young recipient of the charity sent us off with the words "Start your engines!" and we were off. Frantically reading the route notes we had just been given we polished up our lefts from our rights. The route took us down through Woodford and the Scenic Rim, up into the border ranges where we arrived at Killarney Showground. Our arrival was met by the local kindergarten waiting at their fence, teams had installed horns and sirens in their cars for moments like this, it would have felt like the circus had come to town.

After packing our frozen gear away, the next morning we took off. The day was spent zigzagging in and out of NSW through rough forestry roads, stopping along the way to meet the locals. The teams camped the night outside the pub in Thallon where we were greeted by true country hospitality. Warm fires, live music and good tucker, the locals had caught a few hundred fresh yabbies for the feast.

The next morning was first broken by the last post coming from someone's car radio. For those that didn't wake up to that, our lead car "The Road Hog" drove around 20 minutes later blaring sirens. As the third day took us back towards the coast, past Westmar and Moonie, the convoy navigated through and around the often-flooded backroads. The group arrived at the Chinchilla showgrounds and was welcomed by the Fraser Coast Dunga Derby for a big night celebrating together.

The fourth day was spent as a group, Fraser Coast + Sunshine Coast united in a convoy of dirty Dungas. The convoy arrived in Gympie together for a late lunch and the teams departed their separate ways to return home in a wild roar of horns, lights and sirens.

The funds raised through this event go directly toward supporting families in need in the local community, families dealing with the burden of debilitating medical conditions and disabilities. The Dunga Derby is the accumulation of a years' worth of fundraising from each individual team through sausage sizzles, lawn bowls competitions and comedy nights, not to mention the hilarious auctions, games and competitions held along the Rally to raise even more contributions.

On behalf of UNIQsol, it has been an honour to be a part of this incredible event and to witness the conviction of its participants and the effects it has made on the community.



For further assistance to help support your business in this time of uncertainty, please call our office on 07 4192 8900.

A tasty treat...

Scones all round.



One of our favourite foods from our team retreat was the freshly baked scones with jam & cream...

Ingredients

2 cups Self-rising flour for gluten free, you can replace with GF flour)
1 cup of pouring cream
½ cup milk
1 large teaspoon of baking power.

Method

Prepare baking tray and pre-heat oven to 180°C



1. Mix all ingredients in a bowl until well combined. (try to not over knead it)
2. Pour the scone dough out onto a floured work surface and knead 10 times, no more or you could toughen the dough, then form the dough into a 2-3cm thick rectangle.
3. With a scone cutter, push the cutter straight down and pull straight back up. This will ensure your scones rise and they rise straight, not wonky & don't smooth the sides once cut, for the same reason.
4. Place scones onto baking tray, allowing room for scones to bake.
5. Brush the tops of the scones with milk to help with browning and place into an oven for about 20-25 minutes or until golden brown.
6. Cool the scones on a wired rack until ready to service.
7. Serve with jam & cream.



*Can not go past
fresh baked scones
with jam & cream...*

