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Prepare for Life

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Spring: a season for taking stock

For many of us, spring cleaning means opening the windows, clearing out cupboards and finally tackling the jobs we've ignored through the year. While a tidy home can certainly lift your mood, the changing season also offers something more valuable: an opportunity to take stock of different areas of your life.

Just as clutter accumulates in our homes, it also builds quietly in other areas. Our calendars fill with commitments we've outgrown, our finances become cluttered with forgotten subscriptions and unnecessary expenses, and our minds become crowded with unfinished tasks and good intentions waiting for "the right time."

Spring is the perfect reminder to pause and ask a simple question:

Is my time, energy and money being invested in the life I actually want to build?

Know where your money goes

One of the best places to start is with your finances, because awareness of where your money is spent is the foundation of every good financial decision. You may not need a complete overhaul, just an honest review. Take a quick look back over the past three months of bank statements. Most people are surprised by where their money actually goes. Small, recurring expenses can quietly erode savings, while impulse purchases can have a bigger impact on your bottom line.

Rather than focusing solely on cutting costs, think about redirecting your funds and putting your money to better use. The money saved from cancelling unused subscriptions, reviewing your insurance or switching to a more competitive electricity or internet plan, could be transferred automatically into an emergency fund or used to pay down high interest debt, like a credit card. These are not dramatic changes, but they are the sort of practical decisions that steadily improve financial security over time.

Spring is also a good time to review the financial decisions that are easy to forget. Check your superannuation, make sure you're not paying duplicate account fees, update your beneficiaries if your circumstances have changed and consider salary sacrificing a little extra to boost your super if you can afford to.

Where do you spend your time?

Learning where your money goes is the foundation of budgeting, and the same principle applies to your time. Before you can make better choices, you need to understand how you're currently spending both. Just as reviewing your bank statements can reveal spending habits you hadn't noticed, taking an honest look at your week often uncovers hours lost to mindless scrolling, unnecessary meetings, or commitments you've taken on simply because they've always been there.

Neither of these exercises is about guilt. It's about awareness. Once you know where your money and your time are going, you can begin directing them towards the things that genuinely improve your life.

That might mean reconnecting with those you care about, creating space for regular exercise, finally booking that overdue health check, or simply giving yourself permission to say no to commitments that no longer reflect your priorities. Time, like money, is a resource. Spending it intentionally is one of the best investments you can make.

Curate your life

The same philosophy applies to your home. Rather than simply creating more storage, ask whether you still need everything you're storing. Every possession requires space, maintenance and attention. Clearing out items you no longer use doesn't just free up cupboard space, it creates a sense of order and makes it easier to appreciate what you already have.

Progress is rarely about adding more. More often, it's about removing the things that quietly consume our money, time and attention without adding value in return.

Once you've cleared some space, take a moment to think about what you want to fill it with. Whether your goal is to pay off debt, save for a home, travel more, spend more time with family or friends or simply enjoy a less stressful life, writing down those goals gives your decisions direction. It's much easier to say no to unnecessary spending or time-wasting commitments when you're saying yes to something more meaningful.

You don't need to change everything at once. A few thoughtful decisions made today can have a lasting impact by next spring. Small, consistent actions, guided by clear goals, have a remarkable way of transforming the bigger picture.

Life moves fast.

IS YOUR INSURANCE UP TO SPEED?

Life rarely stands still. A new home, a growing family, a career change or the transition to retirement can all have a significant impact on your insurance needs.

Yet insurance is often one of those financial arrangements that gets filed away and forgotten. Over time, that can leave you underinsured, paying for cover you no longer need, or relying on arrangements that no longer reflect your circumstances.

That's why it's worth checking your insurance annually to make sure it still fits your life.

When life changes, check your cover

Many people take out insurance and then rarely look at it again. But the amount of cover that was appropriate five or ten years ago may not be suitable today.

Consider some common life events:

- Buying, building or renovating a home
- Getting married or entering a new relationship
- Having children
- Separating or divorcing
- Taking on a larger mortgage
- Starting or selling a business
- Approaching retirement

Each of these milestones can change both the level and type of insurance you need. For example, a growing family may require increased life insurance to protect loved ones financially. Conversely, someone who has paid off their mortgage and whose children are financially independent may find they need less cover than they once did.

Check your valuations

One of the most common insurance mistakes is failing to update valuations.

Property values and replacement costs have risen significantly in recent years. Construction costs, building materials and labour expenses may mean that rebuilding a home after a major loss could cost far more than expected.

The same applies to contents insurance. Think about how many valuable items may have been added to your home over time, such as electronics, furniture, jewellery, sporting equipment or appliances. A quick estimate made years ago may no longer reflect the true value of your possessions.

Business owners face similar challenges. Equipment, stock, technology and business interruption costs can all change substantially over time.

A regular review can help identify potential gaps before they become costly surprises.

Are your beneficiaries still the right people?

Life insurance and superannuation death benefit nominations deserve particular attention.

The people you intended to benefit from your insurance years ago may no longer be the people you would choose today. Marriage, divorce, the birth of children, blended families and changing personal circumstances can all affect your wishes.

Reviewing beneficiary nominations regularly helps ensure your proceeds are directed according to your current intentions rather than outdated paperwork.

This is especially important after major life events. An old nomination that no longer reflects your circumstances can create unnecessary complications and stress for loved ones at an already difficult time.

Don't forget income protection

Many people insure their home, car and contents, yet one of their most valuable assets is often their ability to earn an income.

Income protection insurance can help replace a portion of your income if illness or injury prevents you from working. As your salary, expenses and financial commitments change, it makes sense to review whether existing cover remains appropriate.

If you've recently received a promotion, changed careers, become self-employed or taken on additional financial responsibilities, your current level of cover may not provide the protection you expect.

Review your premiums and policies

Insurance products evolve over time and so do premiums.

A review may reveal that you're paying for features you no longer need or that changes in your circumstances mean you require additional cover. It can also help you assess whether you're receiving good value for the premiums you're paying.

But it's important not to focus solely on price. A cheaper premium may come with reduced benefits, stricter conditions or exclusions that limit protection when it's needed most.

The goal is not necessarily to find the cheapest policy but to ensure you're receiving appropriate value for the cover you have.

Major life events are a natural trigger to revisit your insurance. Even if nothing significant has changed, it's worth checking your cover each year to make sure it still reflects your needs.

The best time to review your insurance is before you need it.

If your circumstances have changed or you can't remember the last time you checked your cover, speaking with your financial adviser can help identify any gaps, overlaps or opportunities to update your protection.

AI IS CHANGING EVERYTHING

Does your portfolio need to?

It can feel as if artificial intelligence (AI) makes its way into almost every conversation, and especially for investors. From headlines about trillion-dollar technology companies to predictions that entire industries will disappear, we are being bombarded with AI news, forecasts and investment themes every day.

For investors, the challenge is in determining who will ultimately capture the value and how to avoid concentrating portfolios around a handful of highly publicised winners. The most sensible response may be the least exciting: stay diversified, invest regularly and resist the temptation to chase the latest AI headline.

Beyond the AI giants

Much of the media attention has focused on the companies developing AI models and infrastructure. These include "The Magnificent Seven" firms such as Nvidia, Microsoft, Alphabet, Apple, Amazon, Meta and Tesla, which are investing hundreds of billions of dollars into AI-related infrastructure and services.

These companies have obviously benefited from the AI boom. Nvidia, for example, has become one of the world's most valuable companies because its graphics processing units (GPUs) power much of the world's AI computing capacity.

But successful investing rarely comes from simply identifying a major trend. The important question is who benefits most and for how long. History shows that new technologies often create value far beyond the companies that invent them. Railways, electricity, automobiles and the internet all reshaped economies, but the eventual winners were not always the pioneers that first captured investors' attention and there were casualties along the way.

Categorising AI

Investors can think of AI opportunities in three broad categories.

The first category is the direct AI beneficiaries such as semiconductor manufacturers, cloud computing providers, data centre operators and AI software developers. These are the companies building the infrastructure and tools that enable AI.

The second category includes businesses that successfully use AI to strengthen their competitive advantages. These companies may not be seen as AI businesses, yet they stand to benefit significantly through higher productivity, lower costs, improved customer experiences and new revenue streams.

The third category includes businesses that indirectly benefit from AI-driven investment. Growing demand for data centres, computing power and electricity is creating opportunities for resource companies, energy infrastructure providers, network operators and industrial businesses.

Private equity and venture capital

Investors focusing solely on listed markets may be seeing only part of the AI story. Beyond the listed market, many of the most innovative AI businesses remain privately owned. AI companies attracted almost half of all global venture capital funding in 2025, as investors backed startups developing applications in areas such as healthcare, robotics, autonomous systems, cybersecurity and enterprise software.[i]

For investors with access to diversified private market investments, exposure to venture capital and private equity can provide participation in AI innovation beyond the listed market. However, these investments typically involve higher risk and reduced liquidity.

The risk of AI 'roadkill'

Every technological revolution produces winners and losers.

During the internet boom of the late 1990s, many investors correctly identified that the internet would transform society. What they got wrong was assuming every technology company would prosper. Many failed. As with every major technological shift, AI is likely to leave some casualties behind.

Businesses that rely on repetitive information processing, basic content creation or undifferentiated software solutions may find themselves under significant pressure. Companies whose products can be easily replicated by increasingly capable AI tools could see profit margins erode.

The challenge for investors is that identifying future casualties in advance is rarely straightforward. That's why diversification remains so important.

Why diversification wins

The biggest investment risk may be in becoming overexposed to a small number of companies that seem to be unbeatable today.

Technology leaders change over time. Diversification acknowledges this uncertainty. Some of the strongest beneficiaries may emerge from unexpected areas such as energy infrastructure, industrial automation, logistics, healthcare or specialised software. Others may come from venture capital and private equity portfolios that provide access to innovations before they reach public markets.

Diversification also helps investors resist the temptation to chase every new headline. In a rapidly changing AI landscape, spreading risk across sectors, asset classes and business models may prove more valuable than trying to pick every winner.

i https://www.cbinsights.com/research/report/venture-trends-2025/

We hope you enjoyed our quarterly newsletter Prepare for Life.

Please contact our office if you would like to discuss anything in this edition.

From the team at
Synectic Wealth

synectic

Synectic Wealth
49 Best Street, Devonport
PO Box 6003, Devonport, Tasmania, Australia 7310
P: 03 6424 1451
E: info@synecticgroup.com.au
W: synecticgroup.com.au