



Wealth Update

Summer 2026



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Super tax reforms – How Division 296 might affect you

On 3 October 2023, Treasury released its draft legislation and explanatory materials on the proposed tax on individual superannuation balances exceeding \$3 million. On 13 October 2025, in response to significant lobbying pressure, the Government announced it would make significant amendments to the Division 296 tax (Div 296), including scrapping the highly controversial tax on unrealised gains. Amendments to the legislation have yet to be made and so all the details and potential impacts remain unclear. Treasury however has released a factsheet providing some guidance on how it is intended to operate.

Part 1: How is it likely to operate?

The tax is now proposed to start from the financial year beginning 1 July 2026. The precise calculation methodology has not been settled. The fact sheet released by Treasury refers to a number of steps required to calculate tax payable which we have summarised as follows:

Step 1: ATO notifies the super fund that there is an in-scope member (i.e. a member with a total superannuation balance of \$3 million or more)

Step 2: Calculate realised earnings

Realised superannuation earnings = Income + realised gains

- The government has announced that it will consult with the sector on the best approach to calculate realised earnings
- The concept of *realised earnings* is understood to be based on taxable income which would include, but not limited to, interest income, dividend income, rental income and taxable component of distributions from trusts.
- It is not yet clear if the definition of *realised earnings* will include franking credits.
- In terms of realised gains, the Treasurer announced on 17 October 2025 that Div 296 will only be payable on capital gains that accrue from 1 July 2026. This is significant as capital gains accrued before 1 July 2026 will not be subject to Div 296, which should stop a wave of selling before 30 June 2026.
- The Treasurer also announced on 17 October that the CGT discount for superannuation funds will be available for superannuation funds with a Total Super Balance (TSB) over \$3 million. There was no detail provided on this statement, but this should mean where assets are held for more than 12 months, a 1/3 discount will continue to apply for the purposes of calculating realised earnings under Div 296, such that the effective tax rate on gains will only be 10% (15% x 2/3), not 15%.



Step 3: Calculate the proportion (%) of earnings that is attributable to a superannuation balance in excess of \$3 million

$$\frac{\text{Your total superannuation balance at end of year} - \$3 \text{ million (indexed)}}{\text{Your total superannuation balance at end of the year}}$$

Step 4: Calculate the proportion (%) of earnings that is attributable to a superannuation balance in excess of \$10 million

$$\frac{\text{Your total superannuation balance at end of year} - \$10 \text{ million (indexed)}}{\text{Your total superannuation balance at the end of the year}}$$

Step 5: Tax liability

$$\text{Division 296 Tax liability} = (15\% \times \text{realised earnings} \times \text{proportion of TSB above } \$3 \text{ million}) + (10\% \times \text{realised earnings} \times \text{proportion of TSB above } \$10 \text{ million})$$

- The new legislation will not be housed in the Superannuation Act but in a new Division of the Income Tax Assessment Act 1997.
- Under the original proposal, the Div 296 tax was to be levied directly on individuals and imposed separately to personal income tax and superannuation fund tax. Individuals would have the option of paying their tax liability by either releasing amounts from their superannuation or using amounts outside of the superannuation. This aspect is not expected to change.

Part 2: Examples in Treasury factsheets

Treasury released the following two examples:

1. Megan – both APRA-regulated fund and SMSF interests

- Megan is 58 and she is both a member of an APRA-regulated fund and a member of an SMSF
- Total super balance of \$4.5 million, of which \$2.3 million is in an APRA fund and the remaining \$2.2 million is in an SMSF
- In the 2026-27 financial year, Megan had \$100,000 in realised earnings from her APRA fund and \$200,000 in realised earnings from her SMSF (a total of \$300,000)
- The proportion of her \$4.5 million balance above the \$3 million threshold is 33.33%
- The proportion above \$10 million is nil
- Megan's Div 296 tax liability is \$15,000 ($15\% \times 0.3333 \times \$300,000$)

2. Emma – SMSF member with over \$10 million

- Emma is 55 and a member of an SMSF and has a total super balance of \$12.9 million at the end of the 2026-27 income year
- That year she was attributed \$840,000 of the fund's realised earnings for the purposes of this tax
- The proportion of her balance above the \$3 million threshold is 76.74 % and the proportion of her balance above the \$10 million threshold is 22.48%
- Emma's Div 296 tax liability is \$115,581 ($15\% \times 0.7674 \times \$840,000 + 10\% \times 0.2248 \times \$840,000$)



Part 3: Examples not in factsheet (based on our understanding of how it might work)

There are no specific examples in the factsheet relevant for clients in pension phase and so it is not clear exactly how this might work. For the purposes of this example, we have assumed that income attributable to the pension phase account is included in the definition of realised earnings and is not treated as exempt income for the purposes of calculating Div 296. This would be consistent with the original draft legislation. It is only the Total Super Balance (TSB) that matters for the purposes of calculating Div 296.

Tara – SMSF member in pension phase

Facts

- Tara, 67, has a SMSF and is the sole member
- Pension fund balance 30/6/27: \$2.0m
- Accumulation fund balance 30/6/27: \$3.0m
- Total super balance of combined funds as at 30/6/27: \$5.0 million
- Income + realised gains in FY26/27: \$150,000 (\$120,000 income + \$30,000 in realised gains) This was split:
 - \$90,000 accumulation (\$72,000 income + \$18,000 gain); and
 - \$60,000 pension (\$48,000 income + \$12,000 gain)
- Unrealised gains FY27: \$350,000
- Pension drawn in FY27: \$100,000
- Realised gains made on investments were held for more than 12 months so are eligible for the 1/3 discount

Workings

- Realised superannuation earnings: $\$120,000 + (\$30,000 \times 2/3) = \$140,000$
- (Proportion of earnings above \$3m: $\frac{\$5.0m - \$3.0m}{\$5.0m} = 40\%$)
- Div 296 Tax payable: $\$140,000 \times 40\% \times 15\% = \$8,400$

Summary

- Total tax paid
Div 296 payable by Tara: \$8,400
Plus: Tax payable by SMSF on regular earnings
(income + realised gains) in accumulation phase: $15\% \times [(\$72,000 + (\$18,000 \times 2/3))] = \$12,600$
Total tax: \$21,000

This translates to:

- Effective average tax rate on realised earnings: $\$21,000 / \$150,000 = 14\%$
- Effective average tax rate on realised earnings above \$3 million: $(\$12,600 \times 0.4 + \$8,400) / \$60,000 = 22.4\%$
- Effective marginal tax rate on assessable realised earnings above \$3 million: $\$16,800 \text{ tax} / \$56,000 = 30\%$



Part 4: Application across different balances

To understand the potential impact of the tax on different account balances, we have modelled potential outcomes based on average super fund returns assuming a super fund member is in accumulation phase.

The assumptions used are as follows:

- Funds invested in a balanced portfolio (70% growth assets / 30% defensive assets),
- The fund returns 8.0% p.a. before tax
- The return consists of 4% income, 1% realised gains and 3.0% unrealised gains
- Realised gains have been held for more than 12 months
- We have not calculated latent tax on unrealised gains

Accumulation balance	Income @4%	Realised gain >12m @ 1%	(A) Tax on Super@15%	Taxable % > \$3m	Taxable % > \$10m	Assessable Realised income	(B) Div 296 Tax	(A+B) Total Tax	Effective tax rate%
\$1,000,000	40,000	10,000	\$7,000	0%	0%	46,667	\$-	\$7,000	14%
\$2,000,000	80,000	20,000	\$14,000	0%	0%	93,333	\$-	\$14,000	14%
\$3,000,000	120,000	30,000	\$21,000	0%	0%	140,000	\$-	\$21,000	14%
\$3,500,000	140,000	35,000	\$24,500	14%	0%	163,333	\$3,500	\$28,000	16%
\$4,000,000	160,000	40,000	\$28,000	25%	0%	186,667	\$7,000	\$35,000	18%
\$5,000,000	200,000	50,000	\$35,000	40%	0%	233,333	\$14,000	\$49,000	20%
\$6,000,000	240,000	60,000	\$42,000	50%	0%	280,000	\$21,000	\$63,000	21%
\$7,500,000	300,000	75,000	\$52,500	60%	0%	350,000	\$31,500	\$84,000	22%
\$10,000,000	400,000	100,000	\$70,000	70%	0%	466,667	\$49,000	\$119,000	24%
\$15,000,000	600,000	150,000	\$105,000	80%	33%	700,000	\$119,000	\$224,000	30%

- Ordinarily, the tax rate on superannuation in accumulation phase is 15%. Tax is levied on income plus realised gains.
- A capital gains tax (CGT) discount applies to complying superannuation funds. Where the asset was held for more than 12 months, a one-third discount applies. This means only two-thirds of the realised gain is assessable, bringing the effective rate down to 10%.
- The *effective tax rate* shown in the table above is the total tax paid divided by the income and realised gains. We have assumed that the CGT discount applies to the definition of *realised earnings* for the purposes of calculating Div 296 tax.
- The *effective tax rate* in these examples peaks at 30% at \$15 million. If a client could achieve a lower effective tax rate in a different structure, then consideration could be given to alternative ownership structures.



Part 5: Where clients have met a condition of release, should they consider moving funds outside of superannuation instead to reduce tax?

Tax rates for different entities are broadly as follows:

	Superannuation				Individual	Company
	Accumulation	Pension	Super	Super	MTR	
TSB balance	\$0m-\$3m	\$0m-\$3m	\$3m-\$10m	\$10m+		
Existing rate	15%	0%	15%	15%	0-47%	30%
Div 296 rate	0	0%	15%	25%		
Total	15%	0%	30%	40%		

Notes:

1. TSB means total superannuation balance.
2. We have not specifically included trusts because even though undistributed income would be subject to tax within the trust, these are typically flow through structures with the end beneficiary being subject to tax.
3. Earnings on pension balances are currently exempt from tax.
4. Div 296 applies to member balances above \$3 million regardless of if they are in accumulation phase or pension phase.
5. The amount a member can put into pension phase is limited by the transfer balance cap (currently \$2 million). However, if the value of the asset rises then it is conceivable that the member could end up with a pension phase balance higher than \$3 million, in which case the earnings would still be exempt from the ordinary 15% tax rate but would become liable for the Div 296 tax. The table above assumes pension phase balances are less than \$3 million for simplicity.

Because some entities get a discount on capital gains for assets held for more than 12 months, the *effective* capital gains tax rate is broadly as follows:

CGT rates by entity	Super			Individual				Corporate
	CGT >12m	CGT >12m	CGT >12m	CGT >12m	CGT >12m	CGT >12m	CGT >12m	CGT >12m
	TSB \$0m-\$3m	TSB \$3m-\$10m	TSB \$10m+	MTR 18%	MTR 32%	MTR 39%	MTR 47%	
Existing rate	10%	10%	10%	9%	16%	19.5%	23.5%	30%
Div 296 rate	0%	10%	16.67%					
Total	10%	20%	27%					



Notes:

1. CGT>12m means the discounted rate of CGT that applies on the realised gain if the asset has been held for more than 12 months.
2. TSB means total superannuation balance.
3. Marginal tax rates (MTR) shown above *include* 2% Medicare levy.
4. Companies are not eligible for the CGT discount.
5. Companies are subject to tax at 30% unless they are classified as base rate entities in which case the rate would be 25%. For the purposes of the examples shown in this article, we have assumed that the company derives only passive investment income and is taxed at 30%.

Using the assumptions used in Part 4 shown earlier, the effective tax rates can be summarised as follows:

Capital balance	Income @4%	Realised gain >12m@1%	Super tax incl. Div 296	Effective tax rate%	Pension phase incl. Div 296	Effective tax rate%	Individual tax	Effective tax rate%	Corporate tax	Effective tax rate%
\$1,000,000	\$40,000	\$10,000	\$7,000	14%	-	0%	\$5,188	10%	\$15,000	30%
\$2,000,000	\$80,000	\$20,000	\$14,000	14%	-	0%	\$19,588	20%	\$30,000	30%
\$3,000,000	\$120,000	\$30,000	\$21,000	14%	-	0%	\$33,988	23%	\$45,000	30%
\$3,500,000	\$140,000	\$35,000	\$28,000	16%	3,500	2%	\$42,762	24%	\$52,500	30%
\$4,000,000	\$160,000	\$40,000	\$35,000	18%	7,000	4%	\$51,537	26%	\$60,000	30%
\$5,000,000	\$200,000	\$50,000	\$49,000	20%	14,000	6%	\$71,887	29%	\$75,000	30%
\$6,000,000	\$240,000	\$60,000	\$63,000	21%	21,000	7%	\$97,737	33%	\$90,000	30%
\$7,500,000	\$300,000	\$75,000	\$84,000	22%	31,500	8%	\$124,762	33%	\$112,500	30%
\$10,000,000	\$400,000	\$100,000	\$119,000	24%	49,000	10%	\$177,637	36%	\$150,000	30%
\$15,000,000	\$600,000	\$150,000	\$224,000	30%	119,000	16%	\$283,387	38%	\$225,000	30%

Note:

1. Effective tax rate is defined as tax paid divided by income and realised gains.
2. Pension phase balances shown above are assumed to be within the client's transfer balance cap. In other words, pensions were started with balances within the transfer balance cap but pension balances may have grown due to asset appreciation.



Optimisation

Where a client's super balances (accumulation or combination of accumulation and pension) are above \$3 million, then the decision on whether or not to move funds into a different structure will depend on a range of factors including whether or not they have met a condition of release, can split income (e.g. with a spouse or via a family trust), the type of asset held, costs associated with moving assets (brokerage, capital gains tax and stamp duty), and whether or not the client has other assessable income outside of superannuation.

Using the assumptions used in Part 4 shown earlier (balances yield 4% income and 1% realised gain on assets held for more than 12 months), the potential optimal structuring arrangement for a member with no other income outside of superannuation is shown below:

Super accumulation balance	Total tax on realised income (incl. Div 296)		Super accumulation balance	Individual balance	(A) Super tax incl. Div 296 on realised income	(B) Personal tax (incl. Medicare) on realised income	(A+B) Total tax
\$3,500,000	\$28,000	Combination:	\$3,000,000	\$500,000	\$21,000	\$1,138	\$22,138
\$5,000,000	\$49,000		\$4,000,000	\$1,000,000	\$35,000	\$5,188	\$40,118
\$7,500,000	\$84,000		\$6,500,000	\$1,000,000	\$70,000	\$5,188	\$75,188
\$10,000,000	\$119,000		\$9,000,000	\$1,000,000	\$105,000	\$5,188	\$110,188
\$15,000,000	\$224,000		\$10,000,000	\$5,000,000	\$119,000	\$71,887	\$190,887

In this example, where the client has no discernible income outside of superannuation, then it is likely that the client in a typical balanced superannuation fund (subject to CGT, stamp duty and any other relevant considerations that may apply to their circumstances) may be better off by:

- Withdrawing the first \$1 million above \$3 million out of superannuation and investing in their own name.
- If their super balance is above \$4 million, then after withdrawing the first \$1 million, retaining any balance in super up to \$10 million.
- Where balances exceed \$10 million, the member should consider withdrawing the balance above \$10 million to another entity.

To calculate the breakeven point of how much funds should be left outside of super when balances exceed \$3 million, we need to know:

- Estimated income return on asset (e.g. 4% p.a.)
- Estimated realised gain on asset (e.g. 1% p.a.)
- Assessable income outside of super
- Individual's marginal tax rate

Individual taxable income	Marginal tax rate
\$0 – \$18,200	0%
\$18,201 – \$45,000	16%
\$45,001 – \$135,000	30%
\$135,001 – \$190,000	37%
\$190,001 +	45%

Note: rates do not include Medicare levy.



Example 1

- Age 66
- Current super balance \$4.2m
- Funds invested outside of super: Nil
- Estimated income return on asset: 4% p.a. (assessable = 4%)
- Estimated realised gain on asset (>12m): 1% p.a. (assessable = 0.5%)
- Current assessable income outside of super: Nil

Outcome

As the marginal rate in superannuation for balances above \$3 million for the purposes of calculating Division 296 increases from 15% to 30%, then an individual may be better off moving an amount over \$3million into their own name, calculated as follows:

Optimal amount:

$$\begin{aligned} &= (\$45,000 \text{ minus assessable income outside super}) / \text{realised income (assessable \%)} \\ &= (\$45,000 - \$0) / (4.5\%) \\ &= \$1,000,000 \end{aligned}$$

Therefore:

- Proposed super balance after restructure: \$3.2m
- Funds invested outside of super: \$1.0m

Example 2

- Age 66
- Current super balance \$5.0m
- Estimated income return on assets in super: 4% p.a. (assessable = 4%)
- Funds invested outside of super: Yes
- Current assessable income outside of super: \$25,000

Outcome

As the marginal rate in super for balances above \$3 million jumps from 15% to 30%, then an individual may be better off moving an amount over \$3 million into their own name calculated as follows:

$$\text{Optimal amount: } (\$45,000 - \$25,000) / \text{realised income \% assessed (4.0\%)} = \$500,000$$

Therefore:

- Proposed super balance after restructure: \$4.5m
- Withdraw from super and invest outside of super: \$500,000



Example 3

- Age 66
- Current super balance \$3.5m
- Estimated income return on asset: 4% p.a. (assessable = 4%)
- Estimated realised gain on asset (>12m): 1% p.a. (assessable = 0.5%)
- Current assessable income outside of super: \$50,000

Outcome

As the marginal income tax rate for any incremental investment outside of super will exceed 30%, then there is no immediate benefit in moving funds outside of super.

Conclusion

As the legislation has not been finalised, it is important to understand that no definitive conclusions can yet be drawn as we are still waiting for clarity on a range of issues including, but not limited to, the definition of realised earnings.

Every client will need to be assessed on their individual merits, including understanding their broader circumstances and objectives.

The analysis shown above should be interpreted with caution as it is based on assumptions that may change when the legislation is revised. Further, it is not designed to be holistic in nature as it does not take into account individual circumstances or potential death benefit tax issues within superannuation. As a result, this should be interpreted as general information only and not personal advice.

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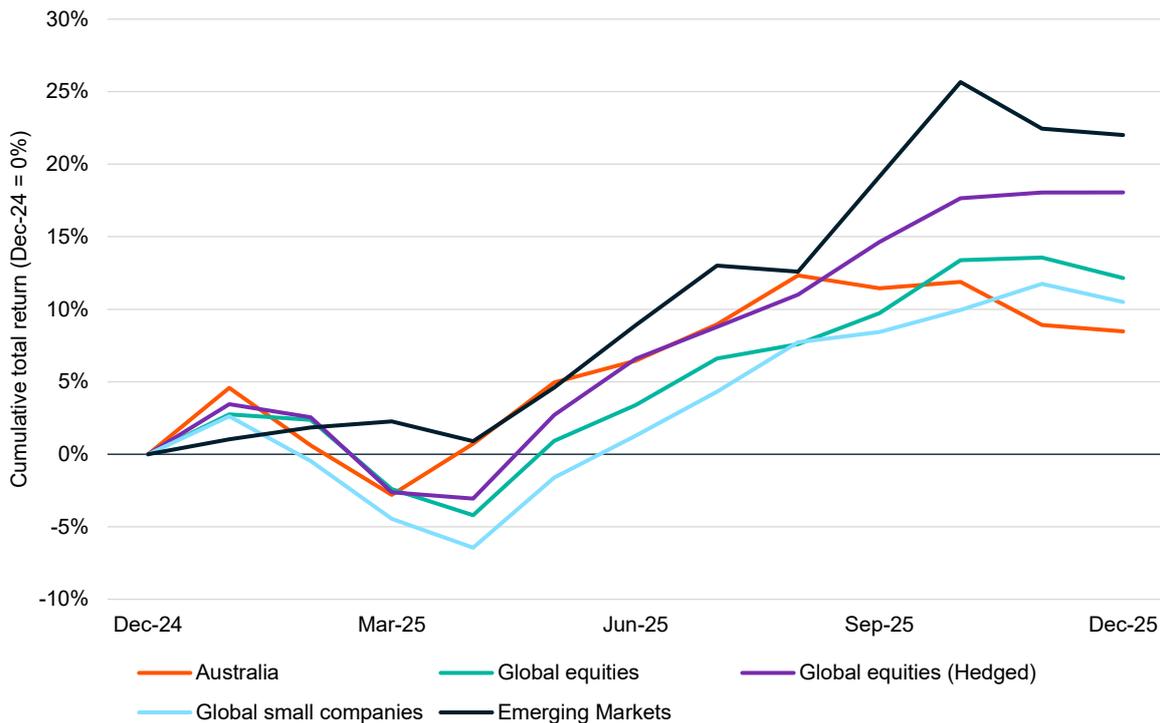


Taking stock of equity markets in 2025

Overview

2025 has marked another strong year for equity markets with many returning in excess of 10%. Beneath the surface however we have seen cases of substantial divergence. Emerging markets are one case in point. This segment has languished in relative terms thanks to the underperformance of China. There, a government crackdown on consumer technology names such as Ali Baba had weighed heavily on investor sentiment. A refocusing of government intentions to build national leaders for artificial intelligence has triggered a resurgence in fortunes for the equity market.

Equity market performance in 2025 as at 10 December



Source: Bloomberg, PPSPW calculations

Another telling factor has been a story of currencies. Since peaking in 2012 the Australian dollar has tended to depreciate particularly against the US dollar. This has been a meaningful tailwind for investors that do not employ currency hedging that receive the full benefit of depreciation. 2025 has been a year of contrasts however with currency hedged exposures substantially outperforming, rising a further 5%.

The decline in the US dollar has several causes including

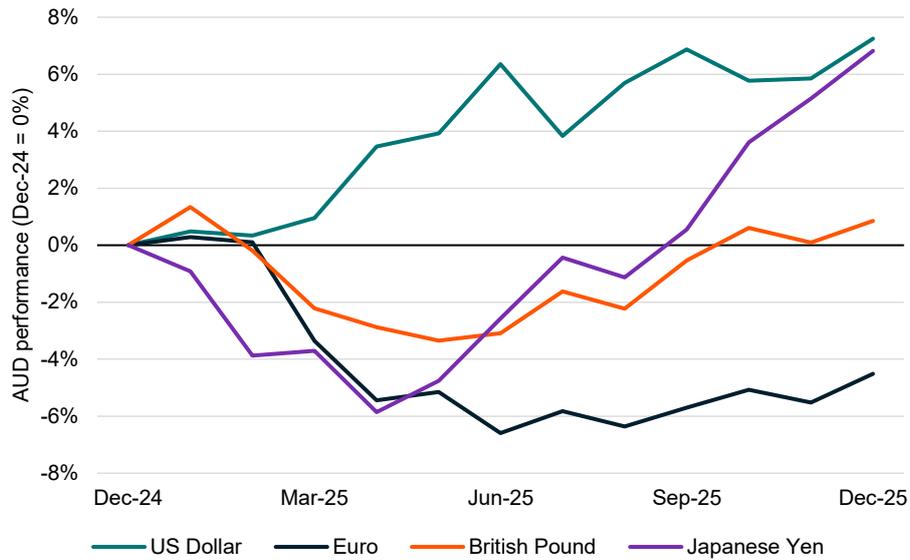
- Increased expectations of US rate cuts, reducing the relative attractiveness of holding US dollars,
- Rising concerns over US government solvency amidst a record-long shutdown of the US government at 43 days¹.

US dollar weakness has also coincided with some investor repositioning to the benefit of non-US financial markets including the Eurozone which has driven the Australian dollar's relative weakness towards the Euro.

¹ 'Trump signs bill to end longest government shutdown in US history', *ABC News* (13 November 2025), [Trump signs bill to end longest government shutdown in US history - ABC News](#), (accessed 1 December 2025).



Australian dollar performance versus major currencies as at 10 December 2025



Source: Bloomberg, PPSPW calculations

The headline index performance obscures considerable volatility at a sector level. Both domestic and international markets have seen marked concentration with a small handful of outperformers, led by idiosyncratic factors. The Communication sector has been driven by a material rally in the Alphabet (GOOGL) share price of over 68%. Investors are now pricing in a rosier future for the Google parent following its development of new AI advancements in its Gemini model as well as the prospect of selling its own chips to external customers with a mooted, multi-billion deal with Meta being reported. This raises the potential of Alphabet as a rival to current leader Nvidia. Stronger iron ore pricing meanwhile has driven a marked rally in the Australian Materials sector, dominated by miners Rio Tinto (RIO) and BHP Group (BHP).

Sector calendar year share price performance versus benchmark as at 10 December 2025

Sector	Global	Australia
Consumer discretionary	-11.9%	-3.0%
Consumer staples	-12.1%	-5.6%
Energy	-7.6%	-5.3%
Financials	+2.5%	-0.6%
Health care	-8.2%	-26.9%
Industrials	+2.6%	+3.7%
Info tech	+8.7%	-22.7%
Materials	-1.0%	+21.9%
Real estate	-14.5%	-2.3%
Communication	+11.9%	+3.2%
Utilities	+1.4%	+2.2%

Source: Bloomberg, PPSPW calculations; Global = MSCI World Index, Australia = S&P/ASX 200 Index; AUD price performance only.



Performance this year has seen investors become even more concentrated in their exposure to technology stocks. This is especially so when one includes some notable contributors that, for historic and other reasons, sit outside the formal Information Technology definition. Increasingly, even for passive investors, a rising amount of concentration risk has become the downside of optimistic views on these large technology businesses.

Technology sector weighting within MSCI World ex Australia (Dec-15 to Dec-25)



Source: Bloomberg, PPSPW calculations; Note Tech sector weighting includes GOOGL, META and AMZN.

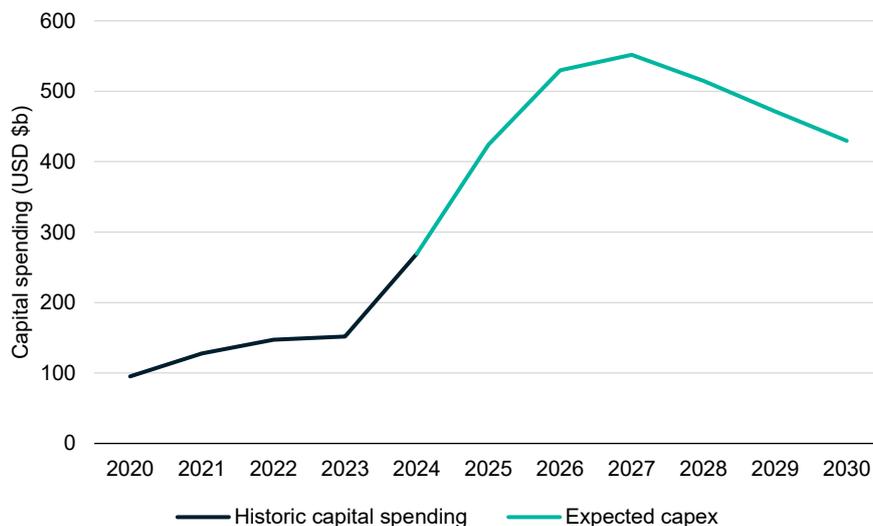
What to expect in 2026?

Looking ahead to 2026 there are several major beliefs that should transpire:

1. Investment spending on AI to continue at a strong pace

Spending by major tech companies has seen a marked inflection in recent years with 2026 expected to be another record, albeit at a decelerating pace. This should support earnings growth for global markets, concentrated in sectors such as technology, industrials and utilities which benefit from the buildout in datacentres needed to power AI models including the power generation required.

Major tech company investment spending – actual versus forecasts (2020-2030)



Source: Bloomberg Intelligence

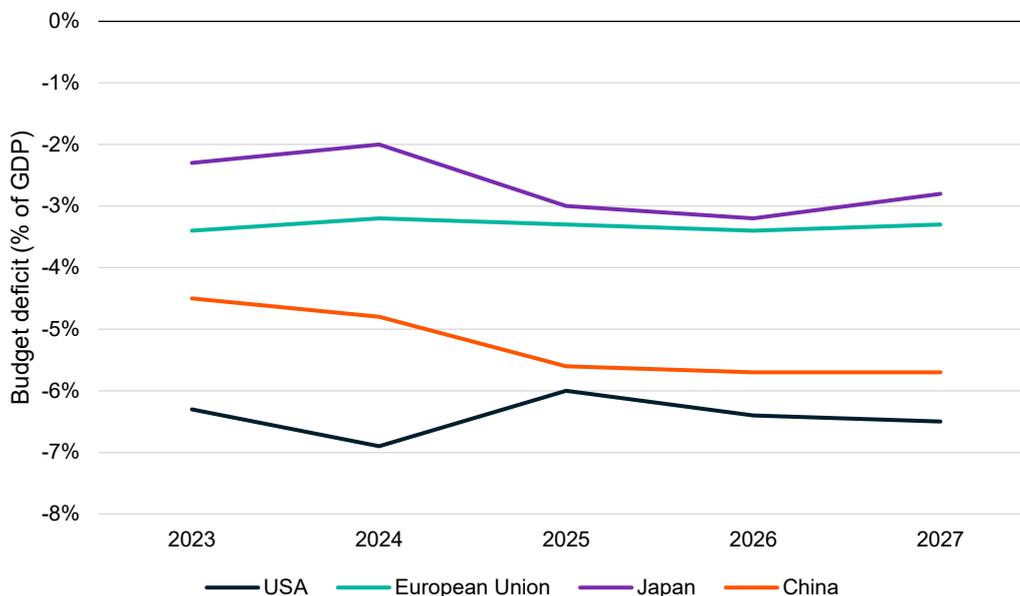


The key takeaway is that whilst this investment boom persists the actual earnings expansion we have seen in recent years can continue to persist. This benefits a relatively narrow segment of markets and remains sensitive to perceived risks. We saw an instance earlier this year when the unveiling of a Chinese AI model, DeepSeek, triggered fears about potential competition for the US and triggered a short but fierce correction. Worries about the long-term value of this investment spending are only going to persist in our view and we anticipate further volatility will result depending on changes in technology quality as well as, eventually, the economics of these investments over the long term. It remains an open question what the return on investment will ultimately look like.

2. Policy support remains intact

Government spending is expected to remain supportive globally in 2026. China, a country that has been notably reticent in fiscal policy, has flagged being more proactive as a priority for next year² with an expanding deficit expected in consensus forecasts. Similarly, the US is expected to remain supportive of growth with deficits of over 6% of GDP despite inflationary pressures with headline inflation expected to remain near 3% in 2026.

Budget deficit as percentage of GDP – actual versus forecast (2023-2027)



Source: Bloomberg

Broadly speaking fiscal stimulus of this order should play an important role in supporting global growth expectations in 2026. Monetary policy by major central banks is similarly expected to do the same.

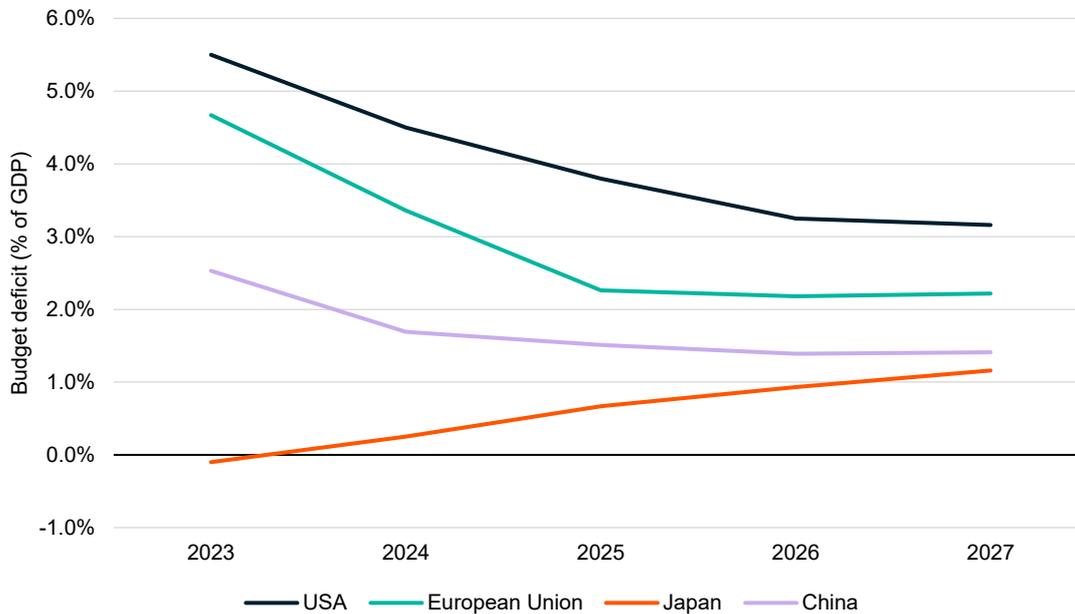
In the US, the Federal Reserve is expected to ease notably next year. The upcoming replacement for Federal Reserve Chairman Powell whose term concludes in May 2026 will be an important factor. It will, together with other resignations and removals at the Federal Reserve allow the Trump Administration to effectively control the Fed via its appointments. The President has had no qualms about his advocacy for a lower interest rate policy in the US and we, together with many market participants, anticipate a board dominated by his appointees to follow accordingly.

Japan remains one exception where rates have been rising. In Japan the combination of inflationary pressures and a desire to move away from unproductive negative interest rate policy have been drivers for this shifting stance. Europe is notable in that nothing is expected on the interest rate front. The European Central Bank appears set to reserve rate cuts for any further economic weakness and remain on hold in the meantime.

² S. Ma and J. Siqui, 'China's Politburo pledges action to tackle trade 'struggles' in 2026', *South China Morning Post* (8 December 2025), [China's Politburo pledges action to tackle trade 'struggles' in 2026 | South China Morning Post](#), (accessed 8 December 2025).



Central bank interest rates – actual and forecast (2023-2027)



Source: Bloomberg

Conclusion

This year has been marked by tech stock dominance particularly offshore. At the same time however we have seen some notable changes in market leadership with markets outside the US enjoying strong outperformance for the first time in years especially in the Chinese case. Looking forward to 2026 we expect the current trends favouring AI and AI-related companies to persist whilst the capital spending of major technology companies remains intact. It is this spending that remains critical to the supply chain that is dominated by the likes of Nvidia and TSMC as well as related industrial businesses, utilities and more that help build and power these initiatives.

Global growth should continue to be supported materially by policy measures with no notable cutbacks in government spending anticipated across the major economic reasons. Similarly, central banks are expected to continue stimulating via rate cuts or, at worst, holding policy steady. This combination should continue to underpin risk asset prices such as equities by reducing the risk of any major economic damage impairing earnings. If we see a notable inflection higher for global growth, we could also see a broadening of share market performance away from the technology sector to more cyclically sensitive areas that would stand to benefit most from higher demand conditions. Broadly speaking whilst there are concerns over market concentration with the growth of tech company share prices we should also be prepared to be optimistic and continue to participate especially when policymakers are providing meaningful tailwinds.

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This view is general advice only and does not take into account your personal circumstances or finances. If you have further questions, we encourage you to consult with your advisor.



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