



November 2025

Australia's economy remained under pressure in October with a surprise bump in inflation, dampening hopes of a rate cut and prompting some economists to predict the next move in interest rates may be an increase.

Headline CPI rose to 3.2% in the September quarter, up from 2.1% in June, the highest quarterly rise in more than two years.

News of the higher-than-expected inflation numbers was followed by the biggest daily fall in the Australian share market in two months. Wall Street ended the month subdued with mixed results over concerns about no further rate cuts this year but optimism about US-China relations after a positive meeting between the leaders.

The lift in inflation appears to have rattled consumers. The Westpac-Melbourne Institute Consumer Sentiment Index fell 3.5% in October, adding up to a 6.5% drop in the past two months after gains between May and August when rate cuts were giving a boost.

The Aussie dollar strengthened by the end of the month, closing at US65.4c, making up some of the last ground of the previous fortnight.

Unemployment rose to 4.5% in September, the highest in nearly four years.



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Super tax shake up

Superannuation tax rules are changing again and there are implications for those with very large balances as well as those on lower incomes.

In a nutshell, the new plans include:

- more targeted tax rules for people with very large super balances
- extra support for low-income earners who contribute to super
- indexation (automatic increases) to make sure the tax thresholds keep up with inflation
- the removal of the proposed tax on unrealised gains

The new super tax rules will begin on 1 July 2026 and will be based on your total super balance as at 30 June 2027.

The changes follow feedback from industry groups, financial experts, and the public. Treasurer Jim Chalmers said the updates are designed to make the system fairer while still meeting the government's goals.ⁱ

New rules for higher balances

If your total super balance (TSB) is more than \$3 million, you'll be affected by new tax rates on earnings.

Here's how it works:

- for balances between \$3 million and \$10 million, earnings will be taxed at 30 per cent instead of the usual 15 per cent for the proportion of earnings between the thresholds
- for balances over \$10 million, a tax of 40 per cent will apply on the proportion of earnings over the threshold

These are still concessional rates, meaning they're lower than the top personal income tax rate, but they're higher than the standard super tax rate.

The thresholds will be indexed over time. The \$3 million threshold will increase in steps of \$150,000 while the \$10 million threshold will increase by \$500,000 each time.

This means fewer people will be affected in the future as the thresholds rise with inflation.

Only a small number of Australians will be affected by the new rules. Less than 0.5 per cent of super account holders are expected to have balances exceeding \$3 million in the 2026-27 financial year. The \$10 million rule is expected to apply to fewer than 8,000 accounts, less than 0.1 per cent of all super accounts.ⁱⁱ

If you're affected, you can choose to pay the tax from your super account or from funds outside of super.

No tax on unrealised gains

One of the most controversial parts of the original proposal was a tax on unrealised gains, meaning increases in the value of assets that haven't been sold yet (such as property or shares).

This idea has now been dropped.

Instead, the new tax will only apply to realised gains (actual earnings such as interest, dividends or profits from selling assets).

Extra top-up for low income earners

The government is increasing support for low-income earners through the Low Income Superannuation Tax Offset (LISTO).ⁱⁱⁱ

LISTO is a 15 per cent tax offset paid by the government into the super accounts of people earning up to \$37,000 a year and is worth up to a maximum of \$500.

From 1 July 2027, the current LISTO income threshold will increase to \$45,000 to match the top of the second income tax bracket. Around 3.1 million Australians will then be eligible for LISTO.

The maximum government top-up payment will also be increased from \$500 to \$810 to account for the recent increase in the Superannuation Guarantee (SG) rate to 12 per cent.

Special rules for defined benefits funds

Some judges and politicians are members of defined benefit super funds, which work differently from regular super accounts.^{iv}

Because it's harder to calculate earnings in these funds, the government will develop equivalent arrangements to apply the new tax fairly.

We're here to help you understand how the changes may affect your super and your long-term financial goals, so please give us a call.

ⁱ <https://ministers.treasury.gov.au/ministers/jim-chalmers-2022/media-releases/reforms-support-low-income-workers-and-build-stronger>

ⁱⁱ <https://www.superannuation.asn.au/media-release/proposed-super-tax-changes-will-make-system-fairer-for-low-income-workers-asfa/>

ⁱⁱⁱ <https://treasury.gov.au/publication/p2025-709385-listo>

^{iv} <https://www.ato.gov.au/individuals-and-families/super-for-individuals-and-families/super/growing-and-keeping-track-of-your-super/caps-limits-and-tax-on-super-contributions/super-contributions-to-defined-benefit-and-constitutionally-protected-funds#ato-Definedbenefitfunds>



Investing in rare earths requires patience & perspective

Few investment sectors combine geopolitical intrigue, technological innovation and long-term growth potential quite like rare earth elements (REEs).

For Australians, the recent deal with the United States to supply rare earths to seed US\$8.5 billion worth of new projects, has thrust the sector into the spotlight.ⁱ

What are rare earths?

Rare earth elements are a group of 17 metallic elements that, despite the name, are not particularly rare but are difficult and costly to refine. Their unique properties are essential in the powerful magnets that drive electronic devices such as headphones, speakers and computers, wind turbine generators, electric vehicles and medical technology such as magnetic resonance imaging (MRI).ⁱⁱ

Almost half of the world's known reserves of rare earths are in China. It's estimated 44 million metric tonnes dwarf our 5.7 million and the 1.9 million in the United States. Brazil has about 21 million metric tonnes.ⁱⁱⁱ

Production and processing

Reserves are one thing but production and processing is what makes the difference for investors.

China is leading the field by a wide margin. It extracted and processed some 270,000 tonnes in 2024. The US was next with 45,000 tonnes, followed by Myanmar (31,000) and Australia, Nigeria and Thailand, each on 13,000 tonnes.^{iv}

Australia's strategic position

The deal recently signed in Washington – the US-Australia Framework for Securing Supply of Critical Minerals and Rare Earths – commits both countries to investing at least US\$1 billion each over

the next six months to accelerate mining, processing and supply chain development for critical minerals.

Two of the projects were announced by Prime Minister Albanese after his recent meeting with US President Trump.

One project, the Alcoa-Sojitz Gallium Recovery project in Western Australia, will provide up to 10 per cent of total global supply of gallium, essential for defence and semiconductor manufacturing.

The second, the Arafura Nolans project in the Northern Territory, aims to supply 5 per cent of global rare earth demand by 2029.^v

A recently announced third project, Astron Corporation's Donald Rare Earth and Mineral Sands project in western Victoria, is expected to become the fourth-largest rare earth mine in the world outside China.^{vi}

The landmark Australia-US deal is a response to China's dominance in the rare earths market and Beijing's recent export restrictions on rare earths, which have left many nervous about vulnerabilities in the supply chains for defence and high-tech industries.

Investment opportunities and risks

For some investors, rare earths may be seen as a long-term opportunity given a prediction by the International Energy Agency that demand could double by 2040.^{vii}

There are several ways to invest including:

- Directly in ASX-listed companies such as Lynas Rare Earths (LYC), Arafura Rare Earths (ARU) or Iluka Resources (ILO)

- Through exchange traded funds (ETFs) or managed funds that offer exposure to rare earths miners and processors
- In private equity and venture capital. For high-net-worth investors, early stage mining and processing ventures may offer high risk, high reward potential

Of course, there are risks worth considering including geopolitical volatility, growing environmental concerns over the high water and energy demands, and China's ability to flood the market or further restrict exports, which could cause price volatility.

In any case, patience will be required. Mines can take as long as seven years to become operational.^{viii}

The bottom line for investors is while rare earths are a sector still maturing, they are critical to a range of industries and expected to increase in value over the next decade. However, their share prices are sensitive to global headlines, politics and policy changes, so volatility is to be expected – particularly in the current environment.

As always, there is a lot to consider when weighing up investment opportunities and we are here to discuss any aspect of your investment strategy.

i, v <https://www.pm.gov.au/media/historic-critical-minerals-framework-signed-president-trump-and-prime-minister-albanese>

ii <https://iere.org/what-are-rare-earth-minerals-used-for/>

iii, iv <https://www.abc.net.au/news/2025-10-23/rare-earths-reserves-global-critical-minerals-australia-china-us/105913262>

vi <https://www.abc.net.au/news/2025-10-22/donald-mineral-sands-mine-given-major-project-status/105917530>

vii <https://www.iea.org/reports/global-critical-minerals-outlook-2024/outlook-for-key-minerals>

viii <https://www.crikey.com.au/2025/10/23/critical-minerals-rare-earths-deal-united-states-australia/>

YOUR RETIREMENT. YOUR ADVENTURE. YOUR WAY.



Retirement has often been seen as a time to slow down and enjoy the simple pleasures of daily life. And for many, that's the dream. But retirement is no longer defined by one image or one path. In fact, it can be something much more expansive. Today, retirement is increasingly viewed as a time of freedom, possibility, and reinvention.

Retirement isn't about stepping back. It's about stepping into a new chapter where you decide what comes next.

Even if you are not yet there, and retirement is still a way off, it's never too soon to think about who you want to be, what gives you joy, and start to gravitate towards living your dreams.

Let go of conformity, embrace freedom

Of course, you can live your dreams at any stage of your life but the exciting part about retirement is that you are no longer bound by the expectations that shaped your earlier years. You don't have to earn a living anymore, so what you do with your time can be driven purely by passion, curiosity, or purpose.

For much of our lives, we learn to conform. We wear the suits, follow the rules, meet the deadlines, and often suppress our wilder ideas or untapped creativity to fit the roles expected of us, whether as professionals, parents, providers, or partners.

But something shifts later in life. With age often comes clarity, and a new kind of confidence. Retirement can be the moment when we stop asking what others think we should do and instead, begin to ask what our hearts are calling us to do.

This is your opportunity to push boundaries, shed old labels, and express

your true self without apology. It is a time to honour your inner voice, whether that means embracing bold adventure, creating, starting over, or simply doing what feels meaningful to you.

Unconventional can be unforgettable

Retirement can be the perfect time to try something unexpected or bold. Consider these inspiring examples:

Isabella Rossellini

After being let go by Lancôme at age 45 for being "too old," Rossellini redefined what aging looks like. She went back to school in her 50s to study animal behaviour, wrote books, bought a working farm, and later, in a full-circle moment, was rehired by the same brand that once let her go. Now in her 70s, she continues to model, act, write, and farm, all on her own terms.

Diana Nyad

At 64, Nyad swam from Cuba to Florida, a journey of 110 miles through open ocean, after four earlier attempts. It was a dream she had carried her whole life, and she proved that persistence and passion don't expire with age.

Harriette Thompson

Harriette ran her first marathon in her 70s and, at 92, became the oldest woman ever to complete one. Her story is a celebration of physical endurance and mental strength at any age.

Anthony Hopkins

Well into his 80s, the Oscar-winning actor continues to create. He acts in major films, paints, composes music, and shares his work with younger generations online. He shows that creativity and passion do not have a use-by date.

Mother Teresa

Mother Teresa received the Nobel Peace Prize at age 69 for her work with "Missionaries of Charity," a world-wide organization that helped the sick, the poor, the dying and left an incredible legacy of benevolence that continues today.

Finding your joy

This chapter of life gives you the rare opportunity to redefine yourself, or finally be yourself, in ways that may not have been possible earlier in life.

Whether your dream is to travel the world, volunteer overseas, write a novel, take up painting, or pursue a long-held interest that never fit into your working life, now is your chance.

And it doesn't have to follow tradition. Retirement can be adventurous, creative, active, or entrepreneurial. It can be spent on a cruise ship, in a mountain village, running marathons, making movies. And you don't have to set the world on fire – if what makes you happy is watching your roses bloom then go for it! The point is, this part of your life, is yours to shape.

Retirement is a time to live fully and follow your own path to what brings you joy.

What will *your* next chapter be?