

# Now & Next

Winter  
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3

Share market winners and losers  
Time to bust out your side hustle  
How to manage stress in troubling times



# Welcome to the Winter 2020 edition of Now & Next

It's been an extraordinary year as the world continues to grapple with the fallout from the COVID-19 pandemic, which has caused both health and economic impacts previously unseen in our lifetime. In this edition, we examine the effect of the coronavirus in Australia and look at some opportunities that might arise as a result.



## Share market winners and losers

The last quarter has been a rocky ride for the global share market. As the COVID-19 crisis wiped out any recovery following the devastating bushfires, businesses around the country began to count the cost.

While no-one is exempt from the impacts of this extraordinary time, some sectors have fared better than others. In this article, we look at who's lost out over the past quarter, and who's riding out the crisis with confidence.

## Time to bust out your side hustle

If the initial novelty of binge-watching Netflix, baking up a storm, and doing jigsaws is wearing off, you may be itching to do something more productive. With more time on your hands, there's never been a better time to work on the side project you've always dreamed of. Whether it's study, growing a business, or developing new skills, we have some tips to get you off the couch – and into your new project.

## How to manage stress in troubled times

As the world reacts to the financial, social and health impacts of COVID-19, it can be tough to maintain a positive outlook. While it's normal to feel anxious, worried, or scared during a crisis, it's important to learn how to manage your stress early – so you can keep it under control.

The good news is that, even in social isolation, there's plenty you can do to help keep negative thoughts at bay.

# Share market winners and losers

The last quarter has been a rocky ride for the global share market. We look at some sectors and companies that have held their own in recent times, and those facing a tough road ahead.

It's an understatement to say that 2020 got off to a rocky start. As the COVID-19 crisis wiped out any recovery following the devastating bushfires, businesses around the country began to count the cost.

While no-one is exempt from the impacts of this extraordinary time, some sectors have fared better than others. We look at who's lost out over the past quarter, and who's riding out the crisis with confidence.

## First, what's the damage?

As social distancing measures and lockdowns affecting large sectors of the economy were applied in late March, there was an immediate negative impact on the share market. By the end of the first quarter, the benchmark ASX 200 had fallen 24% – around \$500 billion – its worst quarter in over a century.

## First, the losers

Some sectors were hit early – and hard. As gatherings of large groups of people were restricted, aviation, events and tourism businesses saw their business-models collapse overnight.

In an effort to stay afloat, Qantas slashed routes and staff as its share price fell from \$7.16 at the start of the year, to just \$2.14 on 19 March. Meanwhile, Virgin Australia failed to hang on to its tenuous hold on the market, entering bankruptcy proceedings in late April.

Events company Event Hospitality and Entertainment Ltd, which owns cinemas, hotels and Thredbo ski resort, lost over half its value – falling from \$14.28 on 14 January, to a low of \$6.00 on 23 March.

Even the banks were not immune. On 14 February, Commonwealth Bank's share price was \$90.00. By 23 March it was \$54.26.



## And the winners

The negative impacts have spared few on the ASX – and it's likely too early to call who the winners will be. However, two key sectors have shown resilience to the current crisis, while other companies have thrived in the lock-down environment.

### Healthcare

Healthcare has been one of the best-performing sectors on the share market over the past quarter, as COVID-19 focussed minds and dollars on medical equipment and care.

After starting the quarter at \$20.97 per share, Fisher and Paykel Healthcare Corp Ltd has defied the market direction to trade almost a third higher, at \$30.23 on 30 March.

### Consumer staples

As customers raced to fill their cupboards with essential items, the consumer staples sector, including companies like Coles and Woolworths, were spared. After crashing to a low of \$14.21 at the end of February, Coles Group rebounded quickly to \$17.22 by 17 March. This came as the sector saw sales growth of around 20-30%, based on strong demand for food, groceries and liquor.

### IT and telecommunications

As people were confined to home, the need for remote working options, video conferencing, data and reliable internet service increased.

In Australia, accounting technology company Xero fell from \$89.00 on 19 February to \$58.75 on 12 March, before clawing back much of its value to post \$79.88 on 27 April.

## Speak with us to find out more

Every Australian has been affected in some way by coronavirus – whether physically, mentally, financially – or all three. When it comes to the financial impact of COVID-19 you may benefit from our support. We can review your situation to see if you're eligible for stimulus package support and tailor a financial plan to help you and your loved ones through the crisis.

# Time to bust out your side hustle

With more time on your hands, there's never been a better time to work on the side project you've always dreamed of. Whether it's study, growing a business, or developing new skills, here are some tips to get you off the couch – and into your new project.



Like much of the world, you've probably spent most of the past couple of months confined at home. And if the initial novelty of binge-watching Netflix, baking up a storm, and doing jigsaws is wearing off, you may be itching to do something more productive.

For some, working from home and home-schooling may mean there aren't too many extra hours in the day. But if you're in a position to put your spare time to good use, here are some good tips to help get you started.

## Skill up

Have you been meaning to upgrade your current qualifications – or retrain into another area of work altogether?

If that's the case, now could be the perfect opportunity to hit the books. And, depending on the study you choose and your personal situation, you could be eligible for financial support from the government.

From May onwards, if you've lost your job due to the coronavirus pandemic you could have your fees partially subsidised through the Higher Education Relief Package. The package will cover 20,000 students who enrol in full time study, and complete and pass four units of study before December 1, 2020.

The package applies to studies in the areas of:

- health
- nursing
- science
- teaching, and
- IT.

You can find out more at [open.edu.au/coronavirus](https://open.edu.au/coronavirus)



## Indulge your interests

Maybe you're happy with your qualifications, but you've always had a hankering to study ancient history, learn more about the environment or better understand human behaviour. Why not study for fun and for free through the [Massive Open Online Course](#) (MOOC)?

MOOC courses, or MOOCs, are run by top universities around the world. They offer a huge range of subjects to choose from and are available online. Best of all, the only entry requirement you need to satisfy is a desire to learn.

Evening colleges may be closed for now, but that doesn't mean you can't attend them online. Some colleges are posting materials to students to do the course work from home or running practical courses, like art classes or dancing lessons, through Zoom.

There are also a range of cost-effective apps that you can download to help you master a new skill. Simply download an app to brush up on your high school French or Japanese, perfect your downward dog, cultivate inner calm, or play guitar like a pro.

Or step it up, with online [dance classes from Sydney Dance Company](#), [creative writing lessons with Margaret Attwood](#), or [restaurant cooking with Gordon Ramsay](#).



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## Start a new business

Do you have a great idea for a start-up business, or a hobby you'd like to monetise?

If it's something you can run online, now's a great time to get it going. But even if your idea requires offline contact to succeed, you can still use this downtime effectively. By investing your free time researching, planning and setting up your business now, you'll be ready to hit the ground running once the lockdown is over.

To get started, analyse your business idea to make sure it's viable – and that you have the skills and passion to help it succeed. Research your potential market and work out who your major competitors will be – and decide on what your unique point of difference will be.

You should write up this information in a business plan – a blueprint for setting up your business for success. Include your business and organisational structure, sales strategy, marketing plan, and financial information, and any data you have about your competition. You should also do a risk analysis – including how you plan to mitigate those risks.

The Australian Government's [Business](#) website is a good place to find resources and tools to help you get started. You should also check [ASIC's business name registration](#) to make sure the company and website name you want to use is available.

Be sure to read the [Starting your own business](#) section of the ATO website to find out any tax and super obligations you may have. And don't forget to investigate what kind of insurance you'll need to protect your business.

## Need some advice?

There's no doubt that the coronavirus has presented a range of serious challenges for us all. But at the same time, it's created opportunities to learn and grow.

We can help you make the most of those opportunities and meet any challenges successfully, by helping you manage your finances, so they support your goals and dreams.

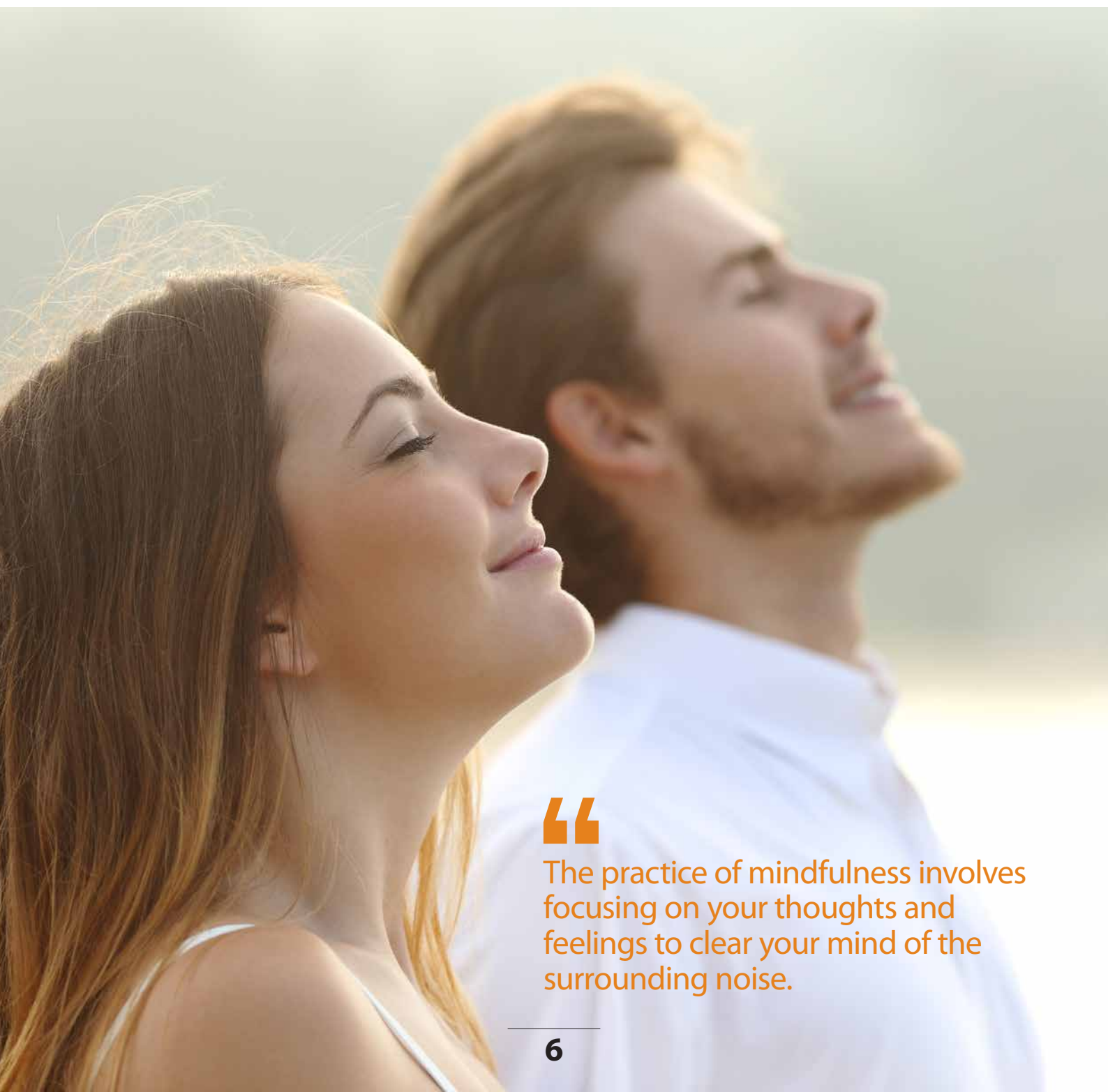


# How to manage stress in troubling times

During an unprecedented global crisis, it's natural to feel worried – whether it's about your personal situation or for those you love. Here are some simple ways to cope with stress and regain a sense of calm.

As the world reacts to the financial, social and health impacts of COVID-19, it can be tough to maintain a positive outlook. While it's normal to feel anxious, worried, or scared during a crisis, it's important to learn how to manage your stress early – so you can keep it under control.

The good news is that, even in social isolation, there's plenty you can do to help keep negative thoughts at bay. Here are some simple yet effective ways to enhance your physical, mental and emotional wellbeing.



The practice of mindfulness involves focusing on your thoughts and feelings to clear your mind of the surrounding noise.

## Clear your mind

In times like these, we want to keep up-to-date with how the national and global situation is progressing. But being exposed to coronavirus stories around the clock can quickly lead to feelings of alarm. That's why it's a good idea to switch off occasionally and free your mind from the constant news cycle.

Mindfulness is a meditation technique that has been around for thousands of years. It has proven benefits in reducing stress, anxiety and depression, as well as helping to boost memory, concentration and even your immune system<sup>1</sup>. That's because it releases hormones which increase activity in the areas of your brain associated with happiness and decrease activity in the areas linked to stress.

The practice of mindfulness involves focusing on your thoughts and feelings to clear your mind of the surrounding noise. As with other types of meditation, it can help you regain some inner peace when the world around you seems out of balance.

<sup>1</sup> Greater Good Science Center, UC Berkeley, *Five ways mindfulness meditation is good for your health*, October 2018.

## Move your body

When we're feeling stressed, it's common to reach for things that give us instant relief, such as comfort food, television, or alcohol. But while these might make you feel better for a short while, they're not great for a healthy immune system – which is vital for fighting coronavirus.

Research shows that stress has an impact on your entire body, not just on the brain.<sup>2</sup> In addition to the physical benefits, exercise can help reduce the effects of stress and improve your mood. That's because it increases oxygen to your brain and releases endorphins – the body's natural feel good chemicals.<sup>3</sup>

Try to get out at least once a day, even if it's just to take a walk around the block and breathe in some fresh air. You can also exercise in the garden or inside the house, even without any equipment. Just look up some YouTube workouts and get your body moving.

<sup>2</sup> EXCLI Journal, *The impact of stress on body function: A review*, July 2017.

<sup>3</sup> Harvard Health Publishing, *Exercising to relax*, July 2018.

## Stay connected

Because we can't be physically close to our loved ones during this period, it's more important than ever to stay socially connected. Without your usual contact with friends, family and colleagues, feelings of loneliness can quickly set in – especially if you live on your own.

Receiving support and care from others can make a powerful difference in your ability to cope with challenging situations. That's why you need to think creatively about how to stay in touch with the people you love – which may mean finding new ways of connecting.

Thanks to technology, it is possible to engage in social activities while maintaining physical distance. Videoconferencing enables you to call multiple people at once, which means you can continue regular activities such as your book club, group workout, or choir. There are even online platforms for board games that you can play as a group – so you might get the gang together for a games night.

## Try something new

If you're finding yourself with some extra time on your hands, it's easy to fall into a slump – and lack the motivation to use it productively. Instead of spending hours scrolling through the news or binging on Netflix, now's the perfect opportunity to take up a new hobby.

Whether it's learning a language, playing an instrument, or writing a novel, keeping your mind active and stimulated is a great way to stave off the effects of stress – and focus on something other than the current pandemic.

## Need some advice?

Every Australian has been affected in some way by coronavirus – whether physically, mentally, financially – or all three. While there are things you can do for your mental health, when it comes to the financial impact of COVID-19 you may benefit from expert support. We can review your situation to see if you're eligible for stimulus package support and tailor a financial plan to help you and your loved ones through the crisis.

# The numbers

More than

## 1.2 million

applied to withdraw nearly \$10 billion from their super accounts during the coronavirus pandemic, before the scheme was suspended due to fraudulent activity.<sup>4</sup>

Treasury figures forecast the jobless rate will double in the June quarter from

## 5.1% to 10%<sup>5</sup>

It's estimated that around

## 50 million

people died from the Spanish Flu pandemic in 1918.<sup>6</sup>

## \$44,146

the annual amount required for a comfortable retirement lifestyle.<sup>7</sup>

## \$513.7 billion

total Commonwealth revenue estimated for 2019-20.<sup>8</sup>

## 4,342,345

total COVID-19 cases as at 13 May 2020.<sup>9</sup>

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ABN 18 010 821 360

4 Nine news, 8 May 2020

5 ABC news, April 2020

6 Centers for Disease Control and Prevention, 1918 Pandemic (H1N1 virus)

7 <https://www.superannuation.asn.au/resources/retirement-standard>

8 [https://www.aph.gov.au/About\\_Parliament/Parliamentary\\_Departments/Parliamentary\\_Library/pubs/rp/BudgetReview201920/RevenueOverview](https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/rp/BudgetReview201920/RevenueOverview)

9 <https://www.worldometers.info/coronavirus/>

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