



## February 2026

As we say goodbye to the summer holiday period, 2026 kicked off with some encouraging signs but it comes with a sting in the tail as global uncertainty continues to shake things up.

There was a surprise drop in unemployment in December to 4.1%, the number of jobs available increased and household spending grew.

However, these elements have also contributed to persistently increasing inflation. In a higher-than-expected result, CPI rose 3.8% in the 12 months to December, up on the November figure and exceeding forecasts by economists and the RBA.

Many commentators are now predicting at least two, and perhaps-even three, interest rate rises this year.

The Aussie dollar remains strong, finishing the month at US\$0.70. It's up 11.4% since US President Trump's inauguration while the US dollar has suffered, falling 11.2% during the same period.

The S&P/ASX 200 climbed 1.8% in January, reaching 8,869 come month's end, but there's still ground to be made up to reach last October's peak.

The Westpac–Melbourne Institute Consumer Sentiment Index slipped 1.7% lower to 92.9 in January from 94.5 in December.

### **In Sync Financial Services**

Suite 203, Level 2, Easts Tower  
9 Bronte Road  
Bondi Junction  
NSW 2022

**P** 02 9387 8199

**E** [info@insyncfs.com.au](mailto:info@insyncfs.com.au)

**W** [www.insyncfs.com.au](http://www.insyncfs.com.au)



Forget expensive creams, doing push-ups, or pretending you like kale. The real anti-aging secret might be digging out your carry-on bag.

Travel, it turns out, is basically a spa treatment for your brain, your body, and your soul, except, instead of coconut water, you get the thrill of new adventures and stories you will retell forever. Here's why hopping on a plane, bus, train or cruise ship might be one of the most effective ways to feel younger.

### **New places flex your synapses**

When you travel, your brain has to wake up.

New streets, new languages, new customs, new ways to say "hello" without accidentally insulting someone. Your brain is suddenly doing gymnastics instead of scrolling on autopilot. Learning and adapting keeps your mind flexible, curious, and sharp, which is basically the opposite of aging.

Think of it this way: every time you figure out a subway map in a new city, your brain whispers, "Okay, fine, I still got it."

### **Moving without calling it exercise**

At home, exercise feels like a chore. On vacation, walking 15,000 steps feels like exploring.

You climb stairs to viewpoints or lookouts, wander through neighbourhoods and chase sunsets without realising you have been active all day. Movement keeps joints happy, muscles awake, and your body feeling more alive, all without the emotional damage of looking at a mirror in a gym.

Anti-aging win, zero burpees required.

### **Stress packs its bags**

The stress of our daily life has a way of settling into your shoulders like it pays rent. Travel shakes things loose.

When your biggest problem becomes "Which pastry should I try next?" your nervous system finally gets a break. Lower stress levels are linked to better sleep, better mood, and yes, slower aging.

Even when travel is chaotic it is a different kind of stress, one that often turns into laughter later. And laughter, as science and most of us will agree, is excellent medicine.

### **You remember who you are**

Somewhere between schedules and responsibilities, adulthood has a way of making people forget their playful side. Travel brings it back.

You become the person who tries unfamiliar food, talks to strangers, gets lost, and becomes more spontaneous, more often. That sense of wonder, of being present and curious, is deeply connected to feeling young.

Wrinkles happen. Wonder does not have to disappear.

### **Time slows down**

At home, weeks blur together. When you travel, a single day can feel enormous.

New experiences stretch time, making life feel fuller and richer. And feeling like life is full, not rushed, not repetitive, is one of the most underrated anti-aging benefits there is.

You are not adding years to your life.

You are adding life to your years. Yes, it is cheesy, but it is also true.

### **Collect stories, not just souvenirs**

Travel gives you stories that live longer than any face cream ever will.

Years later, you might forget emails and deadlines, but you will remember that tiny café, that wrong turn, the people you met by chance, and that moment you realised you were braver than you thought. Those memories keep you mentally young because they remind you that you are still growing, still learning, still becoming.

Aging is inevitable. Becoming boring is optional.

### **Final boarding call**

Travel will not stop time, but it can remind you how to use it well. It wakes you up, loosens you up, and nudges you back into the world when life starts feeling a little too small or predictable.

So, consider this your friendly push. Book the trip you keep postponing. Take the long weekend even if the timing is not perfect. Go somewhere you have never been or return to a place that once made you feel wide awake and alive. Walk unfamiliar streets. Eat the pastry. Miss the train and laugh about it later.

You do not need a grand adventure or a faraway destination. You just need movement, curiosity, and the willingness to step outside your routine. Because the more you go out into the world, the more alive you tend to feel. And feeling alive is one of the best anti-aging strategies there is.



*Position your portfolio*

*for what's next*

A volatile geopolitical landscape, rapid technological shifts and evolving energy systems are helping to reshape investment returns.

As we settle into 2026, the challenge for investors is in understanding and taking advantage of (or avoiding, if necessary) these global trends.

The artificial intelligence boom has taken much of the oxygen in the market. The tech giants have committed massive infrastructure spending with global data centre investments reaching a record \$61 billion in 2025, cementing the evolution from a speculative investment.<sup>i</sup>

These titanic financing needs are reshaping how capital is deployed, according to S&P Global 451 Research. More than \$900 billion is needed for data centre investment over the next four years.<sup>ii</sup>

Some analysts warn of an AI bubble, noting that several of the Magnificent Seven stocks – the most influential companies in the US market – underperformed the S&P 500 in 2025. Others argue the boom has longer to run, citing historical cycles since 1920.<sup>iii</sup>

Nonetheless, investment opportunities are beginning to broaden into software and services as the sector matures.

These investments have become a dominant contributor to growth in the United States, accounting for 80 per cent of private domestic demand growth in the first half of 2025. While the US and China are leading the data centre charge, commanding more than 60 per cent of global capacity, players across Europe, the Middle East and Asia-Pacific are racing to establish their own digital sovereignty.<sup>iv</sup>

Australia ranks at the lower end of advanced economies in rates of adoption and trust in AI, according to a Reserve Bank report.<sup>v</sup>

Yet, Australian research and development investment in AI is experiencing significant growth. AI-related patents, while still low by world standards, almost quadrupled in the last decade, according to a National Artificial Intelligence Centre report.<sup>vi</sup>

### The energy transition

The global energy mix is undergoing a significant shift with accelerating investment in electric transport, renewables and grids, driven by massive growth in demand and improved supply chains.

Capital flows to the energy sector rose to more than USD3 trillion last year and are forecast to hit USD3.3 trillion this year, partly fuelled by the dramatic cost reductions in solar power and battery storage.<sup>vii</sup>

This surge in spending creates investment opportunities directly in equities focused on the energy value chain. Infrastructure funds and private equity are also targeting renewable generation and storage assets for long-term, inflation-linked returns.

### Navigating wars and tariffs

The markets are digesting a fragmented global economy pushed and pulled by ongoing conflicts and the shifting US tariff policy that are affecting supply chains, inflation and risk.

The risks to financial stability are also caused by stretched asset valuations, sovereign bond market pressures and the rising influence of non-bank financial institutions, the International Monetary Fund warns.<sup>viii</sup>

As a result, 'safe havens' have become a feature of many portfolios. Investors looking for protection from currency instability have headed to gold, pushing its price ever higher. Meanwhile, institutional investors have made defence stocks a cornerstone of their portfolios as many nations increase defence spending.

### Beyond traditional assets

As traditional stock and bond correlations become less predictable, many individual investors are looking toward 'alternatives' in the hunt for stability. These alternatives include:

- **Infrastructure** – such as toll roads and utilities
- **Private equity** – offers a way to capture value in unlisted companies. New private equity funds are emerging to shake up the sector, allowing shorter term capital commitments.
- **Private credit (or private debt) market** – offers floating-rate exposure, which can be a valuable hedge if interest rates are high. In Australia, the \$224 billion private debt market accounts for some 14 per cent of all corporate lending.<sup>ix</sup>

### Next steps

Looking ahead, success may hinge on positioning portfolios to capture emerging opportunities across technology, energy, geopolitics and alternative assets while mitigating the risks.

Please get in touch to talk about how to navigate the new opportunities.

<sup>i</sup> <https://www.theguardian.com/technology/2025/dec/19/data-centers-ai-investment#:~:text=Investment%20in%20data%20centers%20worldwide,The%20Guardian>

<sup>ii</sup> <https://www.spglobal.com/ratings/en/regulatory/article/data-centers-are-the-winning-odds-less-certain-in-2026-s101659690>

<sup>iii</sup> <https://www.firstlinks.com.au/us-market-boom-bust-cycles---where-are-we-now>

<sup>iv</sup> <https://www.spglobal.com/en/research-insights/special-reports/look-forward/data-center-frontiers>

<sup>v</sup> <https://www.rba.gov.au/publications/bulletin/2025/nov/technology-investment-and-ai-what-are-firms-telling-us.html>

<sup>vi</sup> <https://www.industry.gov.au/publications/australias-artificial-intelligence-ecosystem-growth-and-opportunities>

<sup>vii</sup> <https://www.iea.org/reports/world-energy-investment-2025/executive-summary>

<sup>viii</sup> <https://www.imf.org/en/publications/gfsr/issues/2025/10/14/global-financial-stability-report-october-2025>

<sup>ix</sup> <https://www.alvarezandmarsal.com/sites/default/files/2025-11/A%26M%20Australian%20Private%20Debt%20Report%202025.pdf>

# Protect & grow wealth in uncertain times



Interest rate swings, market volatility and global tensions make one thing clear: wealth management needs both protection and growth strategies to thrive.

Finding the balance between driving growth and safeguarding capital takes a disciplined approach to portfolio construction but it could help your wealth to endure, despite the ups and downs of the market and the impact of inflation on your purchasing power.

Many investors equate balance with diversification alone. But balance means understanding how each investment or exposure contributes to the twin goals of growth and protection and whether the portfolio is robust enough to withstand challenging times.

There's no one-size-fits-all answer. Depending on age and stage in life, some investors are chasing aggressive growth while others want capital preservation.

A US study of almost a century of data confirmed that portfolios handle downturns better and recover faster if they combine growth assets with true diversifiers, including a mix of low-correlated investments and defensive assets.<sup>i</sup>

Low-correlated investments are assets that don't move in the same direction as equities, helping to reduce overall portfolio volatility. Their correlation to stocks is low or even negative. Examples include government bonds, gold, some hedge fund strategies and commodities.

Defensive assets are expected to hold their value or outperform during market downturns. They're chosen for stability and capital protection. Examples include cash, high-quality bonds, defensive equities (such as utilities, healthcare) and infrastructure.

## The 'cost' of growth

Growth typically comes from listed equities, private equity, venture capital, real assets and exposures to big, long-term trends that may cut across multiple sectors. For example, healthcare innovation, energy transition or AI.

The catch? Growth invariably means volatility. If the markets dive you could feel pressure to sell at the worst time.

Defensive equities may help provide some balance. They're shares in companies that tend to provide stable earnings and dividends regardless of whether the economy is booming or in a recession. They have strong cash flow because they sell needs rather than wants, such as power, food and medicine, and they have the ability to raise prices to cover rising costs without losing customers.

While portfolio protection starts with bonds and cash, some would say they're not enough today and a broader range of assets may be more beneficial.

## Other strategies

Other protective strategies may include buying bonds that mature at different intervals, such as every year for five years.

Physical investments, or real assets, such as real estate, infrastructure, commodities, natural resources and equipment can act as a hedge against inflation. When the cost-of-living increases, the value of physical assets tends to rise as well.

Alternatively, you could consider floating rate exposure or inflation-linked bonds

(known as Treasury Indexed Bonds or TIBs in Australia and Treasury Inflation-Protected Securities or TIPS in the US).

Floating-rate bonds adjust interest payments as rates change, while TIBs increase principal and interest when inflation rises, providing a hedge against rising prices.

TIBs offer further protection with a built-in deflation floor that protects your original investment if prices fall.

## Currency is the silent player

If you invest globally, currency matters. So, foreign exchange planning should be an intentional decision rather than a portfolio by-product.

The Australian dollar often falls when global markets panic so unhedged overseas assets can act as a shock absorber.<sup>ii</sup>

But full exposure can swing returns wildly. On the other hand, a partial hedging policy, for example, hedging some developed-market bond exposures, may balance volatility and opportunity.

Finally, protection is a liquidity plan. For families using trusts, SMSFs or investment companies, keep enough cash or short-term assets to cover 12–24 months of cash needs (tax, capital calls, distributions). That's real protection.

Please give us a call to check your portfolio meets your current needs for growth and protection.

i <https://www.aqr.com/Insights/Research/Alternative-Thinking/It-Was-the-Worst-of-Times-Diversification-During-a-Century-of-Drawdowns>

ii <https://www.rba.gov.au/education/resources/explainers/drivers-of-the-aud-exchange-rate.html>