

# Your Super Newsletter

August 2024

Welcome to the second edition of DairySuper news for 2024.

By now, you should have received your annual report and member statement for the year ended 31 March 2024. If you have not received these documents or you wish to update your contact information, we request that you log in to [www.dairysuper.co.nz](http://www.dairysuper.co.nz). By doing so, you will be able to review and access your documents, as well as make any necessary updates to your contact details.

This Money Month, we have included an article on tracking your retirement savings to help you achieve your retirement savings goals. We have shared some useful financial resources, such as a Retirement Planning Guide, the various tools and calculators available on the Sorted website, and a helpful checklist for when meeting with a financial adviser.

You can also read about Mark Heaslip, a long serving member of the Dairy Industry Superannuation Scheme ('the Scheme') and how he is enjoying its benefits. Lastly, you will find the latest market commentary and Scheme returns.

We are pleased to welcome Miraka Limited as our newest employer member of the Scheme. They joined earlier this month and we are delighted to have them on board.

As always, you can reach out to the Helpline on **0800 355 900** for any queries or assistance regarding the Scheme.

Best wishes,

**Tim McGuinness (Chair) and the Trustee Board.**

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## Money Month

Money Month is an annual campaign organised by Te Ara Ahunga Ora Retirement Commission. The goal of the campaign is to raise public awareness and engage people in discussions about money. This year, Money Month expands upon the foundation established by the previous year's theme: *Pause. Get sorted.* The primary objective is to emphasise actionable steps that individuals can take to enhance their financial wellbeing.



View more on  
Money Month



## Retirement Planning Guide

The Financial Services Council ('FSC') has created a guide for individuals who want to plan for retirement on their own. The guide aims to help people achieve a comfortable lifestyle in retirement without depleting their savings. The guide also explains things that you can control when planning for retirement, such as your savings and spending habits. It also mentions factors that are beyond your control, like investment returns, life expectancy and inflation.

Additionally, the guide includes:

- an overview of retirement planning;
- guidance on how to use the Sorted KiwiSaver and retirement tools and calculators, offered free by Te Ara Ahunga Ora Retirement Commission; and
- a summary of helpful guidelines developed by the New Zealand Society of Actuaries for managing savings during retirement.



FSC Retirement  
Planning Guide



## How to track retirement savings over time

Tracking your retirement savings is crucial for ensuring a secure financial future. By monitoring your progress over time, you can make informed decisions and take necessary steps to meet your retirement goals. You can take these practical steps to help you plan for your retirement:

- **Set clear retirement goals:** Before you start tracking your retirement savings, it's important to establish clear goals. Determine the age at which you plan to retire and the lifestyle you desire during retirement. Having specific goals will give you a target to work towards and help you track your progress more effectively.
- **Calculate your retirement needs:** To track your retirement savings, you need to know how much money you will need during retirement. Consider factors such as living expenses, healthcare costs, and any other financial obligations like mortgage(s), debts etc. Use the tools available on our website or consult a financial adviser to estimate your retirement needs. We have included a useful checklist in this newsletter that will help you gather the required information to ensure that you are prepared for your meeting with a financial adviser. You can also use the tools listed in the Sorted article below to track your progress against your goals.
- **Monitor your retirement accounts regularly:** Keep a close eye on your retirement accounts and review your statements regularly to track the growth of your investments. Take note of any changes in market performance and how it impacts your investments.
- **Reassess and adjust your strategy:** Regularly reassess your retirement savings strategy to ensure it aligns with your goals. If you find that you are not on track to meet your retirement needs, consider increasing your contributions or adjusting your investment allocations. Consult with a financial adviser to make informed decisions.



Financial  
tools

## Financial Adviser Checklist

To have a successful meeting with a financial adviser, it's important to have the right documents on hand. You can refer to this checklist to gather the required Scheme information. By having these documents readily available, you can provide your adviser with the essential information required to get customised advice and recommendations. Whether your meeting takes place face-to-face or virtually, use this checklist to guarantee your preparedness for the upcoming session.



Financial Adviser  
Checklist

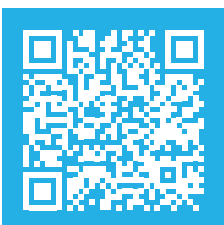
## Sorted tools

[Sorted.org.nz](https://sorted.org.nz) offers a range of useful tools to help you with retirement planning, track your savings progress, and take the necessary actions to achieve your financial goals.

These tools cover a range of areas, including budgeting, goal planning, and calculators to help you assess if you're on track for your desired retirement lifestyle.



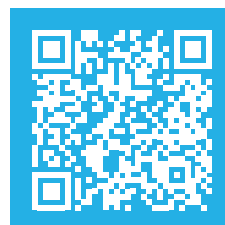
Budgeting tool



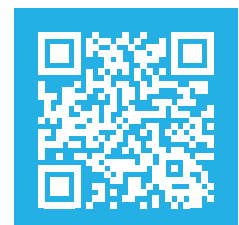
Retirement calculator



Savings calculator



Goal planner





## Member story

**Mark Heaslip works as a site delegate in Takanini. He has been a long-serving member of the Scheme and has had a positive experience with the Scheme over that time, as it has offered him great rewards and benefits.**

My average day usually looks the same. I have a wide range of tasks to handle, including resolving issues with incorrect payments, back payments, absenteeism and injuries, as well as welcoming new members. These responsibilities keep me busy and engaged.

I have been a member of the Scheme for over 20 years now. I took a brief break before rejoining just over a year ago. The Scheme has proven to be incredibly beneficial, as I can have various investment options while still working towards retirement.

Financial security after retirement is of utmost importance to me, considering the rising cost of living. Having my finances sorted allows me to feel safer mentally.

The increasing mortgage rates, rising cost of living and inflation have certainly impacted the way I save for retirement. Every penny is important, and if I manage money carefully, it gives me options for putting more money towards my superannuation. I don't normally keep track of my investments. I understand that inflation is a reality and I pay what I must. However, I do have various investment streams and am always on the lookout for opportunities that offer both security and growth.

After work, there are a few activities that keep me busy. I go to the gym to stay active, and I also enjoy working with wood and using my hands to create various items. In addition to these hobbies, I take care of general household chores and handle grocery shopping, although I must admit that general shopping is not something I particularly enjoy.

I also don't plan too far ahead into the future and prefer to take life day by day. Also, due to the rising cost of living, I may consider settling elsewhere after retirement. I believe that life is short, and I want to make the most of it while I can.

## Investment commentary

### Period ending 30 June 2024

March saw international equities extend their recent gains, with the MSCI World Index up 3.4% (in local currency) for the month, despite an increase in US inflation for the second month in a row. US equities were supported by the US Federal Reserve, which reaffirmed its projection of three rate cuts in 2024. The prospect of rate cuts from global central banks was also positive for international fixed interest markets, helping the Bloomberg Global Aggregate Index to return 0.9% for the month. New Zealand equities bounced back after a slow start to the year, with the S&P/NZX50 Index up 3.3% in March despite news of a technical recession. The New Zealand fixed interest market performed strongly over March, returning 1.1%, with bond yields easing after the Reserve Bank of New Zealand (RBNZ) kept the Official Cash Rate on hold at the end of February.



April brought an end to the rally in risk assets as persistent inflation and a sharp slowdown in US GDP growth weighed heavily on equities. Both headline and core US inflation came in above expectations for the third consecutive month. Consequently, markets lowered their expectations for rate cuts even further. Within equities, emerging markets outperformed both US and international developed markets as a result of encouraging economic data and investor interest in low valued Chinese equities. Fixed interest investments posted negative returns as yields increased across the curve.

Strong corporate earnings and a flurry of positive economic data helped propel equities and fixed interest investments higher in May. Inflation continued to ease in developed markets, reducing fears of a "higher for longer" scenario. Notably, inflation in the US declined in line with market expectations after it surprised on the upside for three consecutive readings during the first quarter. Forward looking purchasing manager indicators (PMIs) continue to be in expansionary territory in developed markets, with the US composite PMI climbing to its highest level since April 2022. Europe and Japan also saw PMIs increase, although to a lesser extent than in the US.

Global equities performed strongly again in June, with the MSCI World Index up 2.3% in local currency terms, albeit still carried by the information technology sector which was up almost 9% for the month. During the month, solid corporate earnings announcements and further improvements in US inflation contributed to optimism that the economy, while slowing, would avoid recession and supported the outlook for future interest rate cuts. The prospect of potential rate cuts from global central banks was also positive for global (0.9%) and local (1.0%) bond markets over the month. Trans-Tasman equities had a mixed month, with the S&P/NZX50 Index returning -1.2% while the S&P/ASX200 Index was up 1.0%, broadly reflecting the relative outlooks for the two Trans-Tasman economies.



[Read more investment news online here](#)

## Investment performance

The table below shows how the Scheme’s investment options have performed over the year to date (April to June) and since investment choice was made available to members in 2003. Returns are determined monthly and take into account the effect of compound interest.

	Cash	Cash/ Conservative	Conservative	Conservative/ Balanced	Balanced	Balanced/ Growth	Growth
Scheme year to 31 March 2024	3.67%	5.02%	6.35%	8.06%	9.77%	11.09%	12.43%
Scheme year to date provisional crediting rates* (3 months)	0.89%	0.57%	0.24%	0.08%	-0.08%	-0.09%	-0.11%
1 year	3.7%	4.4%	5.1%	6.0%	6.9%	7.6%	8.4%
5 years (average pa)	1.4%	1.7%	2.0%	2.7%	3.4%	3.9%	4.5%
10 years (average pa)	1.5%	2.3%	3.1%	4.0%	4.8%	5.4%	5.9%
Since 31 March 2003 (average pa)	2.5%	3.3%	4.0%	4.7%	5.3%	5.7%	6.1%

\*The Scheme year to date provisional crediting rates may be amended if and when the Trustee accepts the recommended final crediting rate for the year ended 31 March 2024.

The latest credited interest rates are also published on the website.



Retirement  
calculator



Financial  
advisers



Helpline  
0800 355 900

9am - 7pm  
Monday to Friday  
For any questions about your  
accounts, this newsletter,  
or the Scheme



Risk  
quiz



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