

# YOUR SUPER NEWSLETTER

## JULY 2020

**The past few months have been highly disruptive for not only financial markets, but also all kiwis both professionally and personally as the country went into national lockdown. Your Scheme is always here if you need it. During times like these, it is a good reminder to take a moment to log into your online account, use online planning tools, and ask questions to your financial adviser and Helpline team (0800 355 900) to ensure your retirement savings are working the way you want.**

### AT A GLANCE

- What does your future hold
- Nominated beneficiary changes
- Insurance rebate
- Estate planning
- Investment performance
- How much do you need saved for retirement?
- Behind the scenes chat with your Helpline team
- Have your say



### WHAT DOES YOUR FUTURE HOLD?

Ever wanted to take a look at what your future looks like? No one has a magic ball to gaze into the future, however we have the next best thing. Included within your personalised member statement this year is a section on projections, where (based on the assumptions published in the annual report) you can see what your future retirement savings may look like. This can help you gauge whether you're on track to the retirement savings lifestyle you want, or may wish to consider making changes to your savings strategy to help you get there.

To view your future\* go to [www.dairysuperfacts.co.nz](http://www.dairysuperfacts.co.nz) and click 'Planning Tools'

### CHANGES TO NOMINATED BENEFICIARY POLICY

From 31 July 2020, any new member who joins the Scheme will have their death benefit paid directly to their personal representatives. Existing members (who joined before 31 July 2020) will continue with current death benefit arrangements until the new policy comes into effect on 31 January 2021.

To read the full article go to [www.dairysuperfacts.co.nz](http://www.dairysuperfacts.co.nz) and click 'Article Library'

### ESTATE PLANNING - MORE THAN JUST A WILL

Protect what's important to you by planning ahead. Make sure your loved ones are taken care of and your assets are distributed how you want should something happen to you.

#### So, how prepared are you?

To read the full article go to [www.dairysuperfacts.co.nz](http://www.dairysuperfacts.co.nz) and click 'Article Library'

### INTRODUCTION OF INSURANCE REBATE

The Scheme offers members access to death and permanent incapacity insurance, and all new members are automatically accepted if they join the Scheme within six months of starting work with their employer, and are at work doing normal duties on the date they join the Scheme. However, eligibility requirements in the insurer's policy and the Scheme's Trust Deed mean some members are not eligible to receive this insurance cover. Insurance is currently priced as a collective flat rate, rather than applying premiums to specific members. From 1 July 2020, uninsured Scheme members will be allocated a regular rebate to their Scheme account balances. This rebate amount will be based on the insurance cost assumption for each relevant regular month. Members are not eligible to opt out of receiving insurance cover.

To read the full article go to [www.dairysuperfacts.co.nz](http://www.dairysuperfacts.co.nz) and click 'Article Library'



### HAVE YOUR SAY

We will soon be sending you a survey asking for your feedback on the Scheme, communications you receive, and services such as Helpline and the website. Your views and feedback on this will help us enhance the way we communicate with you, so we ask that you take a moment to complete this survey when you receive it next month.

\* Projected balances are based on a number of assumptions and are estimates only. They are intended to help you consider whether you are on track to meet your savings goals, and are not guaranteed. A list of assumptions is published within the annual report.

## INVESTMENT PERFORMANCE

The table below shows how the Scheme's investment options have performed over the past two months (April to May) and since investment choice was made available to members in 2003. Returns are determined monthly, and take into account the effect of compound interest.

Returns for each investment option after tax, fees and expenses							
	Cash	Cash/ Conservative	Conservative	Conservative/ Balanced	Balanced	Balanced/ Growth	Growth
Scheme year to 31 March 2020	0.92%	0.00%	-0.96%	-2.48%	-4.03%	-5.00%	-5.98%
<b>Periods to 31 May 2020</b>							
Scheme year to date (two months)	0.11%	1.88%	3.66%	5.26%	6.87%	7.72%	8.56%
1 year	0.8%	1.6%	2.2%	2.2%	2.1%	1.9%	1.7%
5 years (average p.a.)	1.3%	2.3%	3.2%	3.8%	4.4%	4.7%	5.0%
10 years (average p.a.)	1.8%	3.1%	4.3%	5.4%	6.3%	6.8%	7.3%
Since 31 March 2003 (average p.a.)	2.7%	3.6%	4.5%	5.1%	5.6%	5.9%	6.2%

## INVESTMENT NEWS

Global share markets extended their remarkable quarterly gains throughout June, as FAANG (Facebook, Amazon, Apple, Netflix, and Google) stocks continued their recent price surge. Oil also had a positive month, finishing up +16.5% for the period as economic activity started to pick up. Gold markets experienced continued inflows during June, reaching prices not seen since the February 2012. Central banks around the world maintained supportive monetary policies to soften the economic impacts inflicted by COVID-19.

Cases of COVID-19 topped 10 million around the world in June, with over 500,000 deaths at month-end. The rate of new cases continued to increase in many parts of the world, and although the number of new cases started to slow in the US in May, the trend sharply reversed in June across Southern and Western States, while Brazil, Russia, and India also saw cases rise rapidly.

Despite the ongoing effects of COVID-19 on economies around the globe, developed equity markets (that includes the US, UK, Canada, Australia and New Zealand) were up +2.4% in local currency terms. Economic data displayed gradual signs of improvement, as global governments and central banks continued to provide fiscal and monetary support that offset a lot of the real economic impact.

Trans-Tasman shares had another positive month, with New Zealand and Australian share markets up by +5.3% and +2.6% respectively. Locally, a successful transition to Alert Level 1, combined with continued low numbers of new virus cases has held up investor sentiment. A surge in new virus cases in Victoria has weighed on Australian markets.

## KIWIS SPEND MORE TIME PICKING MOVIES THAN CHECKING THEIR RETIREMENT SAVINGS

Many New Zealanders spend longer choosing a movie to watch than checking their retirement savings, reveals the Financial Markets Authority. A recent survey of 1,100 New Zealanders found that four out of five people took up to 10 minutes to choose a movie, but just over half of those surveyed spent the same time reading their annual statement.

To read the full article go to [www.dairysuperfacts.co.nz](http://www.dairysuperfacts.co.nz) and click 'Article Library'

### YOUR HELPLINE – BEHIND THE SCENES CHAT WITH LUKE

We speak with Luke, one of the Helpline team members who answers the phones, about what commonly asked questions members have, his role, and when someone should call the team.

To read the full article go to [www.dairysuperfacts.co.nz](http://www.dairysuperfacts.co.nz) and click 'Article Library'



Helpline can be reached on **0800 355 900** between 9am and 7pm Monday to Friday to answer any questions about your accounts, this newsletter, or the Scheme.