

# YOUR SUPER NEWSLETTER

## AUGUST 2021

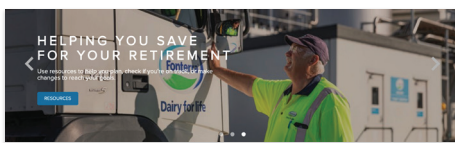
You should have by now received your member statement and annual report that were sent to you late-June. If you did not receive these documents, or would like to update your contact details, please log in to [www.dairysuper.co.nz](http://www.dairysuper.co.nz) website at any time to access your account and online documents.

Read your member statement and gauge if your future projected balance is on track to achieving the retirement lifestyle you want and if not, you may wish to consider making changes to your savings strategy to help you get there.

You can log into your online account at any time, or call Helpline on **0800 355 900** between 9am and 7pm Monday to Friday if you have any questions about your account or DISS.

### AT A GLANCE

- New website launched
- Got questions about money?
- Planning for a rainy day
- Investment news
- Latest returns
- Cash is often not king
- Death benefit change reminder
- Tax rules for ESCT from April 2021
- Updated Strategic Asset Allocation



### NEW DISS WEBSITE LAUNCHED!

We are delighted to announce the recent launch of our new DISS website!

The site is enhanced for mobile devices making it easier to view your account and information about the Scheme while on the go, and improved site functionality, navigation and security.

Once logged in, you will notice the new account dashboard that shows your account balance, account summary, option to download your member statements, and recent account activity all in one place. Each section of the dashboard allows you to click through to find more details about each of the elements.

Login at [dairysuper.co.nz](http://dairysuper.co.nz)



### GOT MONEY QUESTIONS?

We're all searching for answers – especially when it comes to money. Sorted's Money Week is back for 2021 and building on last year's successful campaign 'Just wondering', they are again encouraging Kiwis to keep asking questions, talk openly, and ask for financial advice. Over a thousand questions were submitted last year, and the top 10 most common money questions are published here.

To read the full article go to [dairysuper.co.nz/latest-news.html](http://dairysuper.co.nz/latest-news.html)



### PLANNING FOR A 'RAINY DAY'

Retirement savings are important for the future, though there are also so many benefits to building an emergency savings buffer. Some of these may surprise, though, since they are a lot more about mindset and habits than just having a few hundred dollars socked away for when it's time for the car to visit the mechanic.

To read the full article go to [dairysuper.co.nz/latest-news.html](http://dairysuper.co.nz/latest-news.html)



### INVESTMENT NEWS

Global share markets remained strong through March with the global vaccine rollout giving investors confidence in the year ahead. The MSCI World Index (a broad global equity index that represents performance across all 23 developed markets countries) returned 4.2% in local currency. A strong rebound in demand for commodities such as iron ore contributed to positive returns in Australia, while New Zealand markets were buoyed by the prospects of a "Trans-Tasman travel bubble" and its economic benefits.

Markets continued to perform strongly in April, with all major markets (with the exception of Japan) showing positive returns. Investors were feeling positive about the strength of the post-pandemic economic recovery. Once the highly anticipated

Trans-Tasman travel bubble opened, hundreds of travellers reunited with loved ones for the first time since the pandemic began.

Global shares continued their upward trajectory in May as many developed economies continued to reopen, leveraging off surprisingly efficient vaccine rollouts in some countries, and the positive market trajectory continued in June. While financial market performance has been positive in recent months, past performance does not guarantee or indicate future performance. The outlook continues to remain uncertain and much depends on the path of the pandemic.

To read the full article go to [dairysuper.co.nz/latest-news.html](http://dairysuper.co.nz/latest-news.html)

## INVESTMENT PERFORMANCE

The table below shows how the Scheme's investment options have performed over the past three months (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.

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 2021	0.05%	4.56%	9.24%	14.58%	20.14%	23.23%	26.38%
<b>Periods to 30 June 2021</b>							
Scheme year to date (three months)	-0.02%	0.79%	1.60%	2.50%	3.41%	3.92%	4.44%
1 year	0.0%	3.2%	6.5%	10.5%	14.8%	17.2%	19.7%
5 years (average p.a.)	0.9%	2.4%	3.9%	5.5%	7.0%	7.9%	8.7%
10 years (average p.a.)	1.5%	3.0%	4.5%	5.8%	7.1%	7.8%	8.5%
Since 31 March 2003 (average p.a.)	2.5%	3.6%	4.6%	5.4%	6.1%	6.6%	7.0%



### CASH IS OFTEN NOT KING

During share market falls in the early parts of 2020, some members considered, or did, move their super into a cash investment option. This has proved to be one of those times when they would have locked in their losses by missing out on some or all of the gains from the rebound in markets over the last year. If last year highlighted anything, it's the importance of patience, and understanding that saving for retirement is a long-term exercise, particularly if you have a medium to long term time frame and are prepared to see some ups and downs in your balance over time. While past performance is not a guarantee of future performance, you have control over the way your balance is invested.

To read the full article go to [dairysuper.co.nz/latest-news.html](http://dairysuper.co.nz/latest-news.html)

### DEATH BENEFIT CHANGE REMINDER

From 1 February 2021, death benefits are now automatically paid to your personal representatives. More information about the death benefit payment process, and the importance of having a Will, is available on the DISS website on the following links:

Death benefit policy change: [www.dairysuper.co.nz/latest-news/diss-news/death-benefit-payment-process-changes.html](http://www.dairysuper.co.nz/latest-news/diss-news/death-benefit-payment-process-changes.html)

Estate planning: [www.dairysuper.co.nz/latest-news/diss-news/estate-planning-more-than-just-a-Will.html](http://www.dairysuper.co.nz/latest-news/diss-news/estate-planning-more-than-just-a-Will.html)

### TAX RULES FOR ESCT FROM 1 APRIL 2021

#### New employer superannuation contribution tax (ESCT) rules from 1 April 2021

The Government introduced a new top personal income tax rate of 39% that applies to personal annual income that exceeds \$180,000 from 1 April 2021. This change also requires changes to other tax types to ensure that the new top personal tax rate applies consistently across the personal tax system.

To read the full article go to [dairysuper.co.nz/latest-news.html](http://dairysuper.co.nz/latest-news.html)

### UPDATED STRATEGIC ASSET ALLOCATION

As part of our ongoing monitoring of the Scheme's investments and objectives, the Trustee has assessed the outlook for financial market returns. As outlined in the new Statement of Investment Policy and Objectives (SIPO) dated 17 June 2021, the total allocation to growth assets will slightly increase. The new Growth/Income split from 1 July 2021 is 30%/70% (Conservative), 60%/40% (Balanced), and 80%/20% (Growth). More information is available in the SIPO (pages 11 to 13).