

INSIGHTS

MARCH 2021



NZAS
RETIREMENT FUND
Your Super. Your Future.

MESSAGE FROM THE TRUSTEE

Welcome to this March edition of Insights.

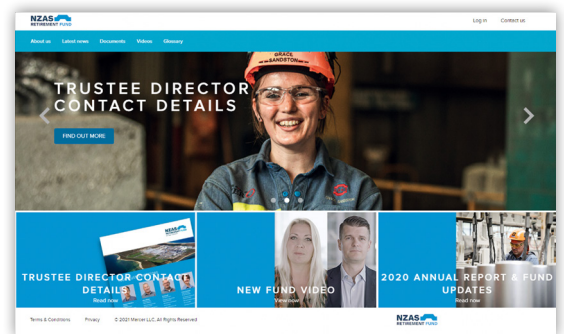
This edition of Insights includes a preview of the upcoming new Fund website, an update on the call for nominations to appoint a new member-elected Trustee Director, market commentary, Fund returns information, and articles on breaking through the financial advice barrier, changing your investment strategy, things to think about before you retire, and the 2021 outlook.

If you have any questions about the Fund or this newsletter please call Helpline on 0508 266 787

Regards,
NZAS Retirement Fund Trustee Board

NEW WEBSITE PREVIEW

Our administration manager, Mercer, is upgrading the Fund website to improve functionality, navigation, and security. The new website will be enhanced for mobile devices, making it even easier to get information on the Fund and your accounts while on the go. It is due to launch in a few months, but while it is still being developed, we have managed to capture this snippet of what the new website homepage will look like! We will keep you updated on progress.



HOW TO ACCESS THE CURRENT WEBSITE

Access your details (including the latest available information regarding your account balances) online at any time by logging in with your PIN. Create or reset your PIN online with your member number, a valid email address (that is registered in our system), and your date of birth. Visit the current website at www.realsuper.superfacts.co.nz.



VOTING NOW OPEN

A feature of the NZAS Retirement Fund is your ability to have a say in how it is managed. On Tuesday 9 February we called for nominations for a member-elected Trustee Director following Kim Hill's resignation from the Board. Thank you to everyone who participated in the process. Nominations closed on Tuesday 2 March and, as we received five nominations, an election is now underway. The successful candidate will hold office for the remaining balance of Kim Hill's term (to 31 October 2022).

[Vote Now >](#)



BREAKING THROUGH THE ADVICE BARRIER

Why we need advice more than ever before and why we're not getting it. New research has revealed that despite a booming property market forcing many of us to take on record levels of debt (making financial advice more important than ever before), most New Zealanders are missing out on the benefits of obtaining advice.

[More>](#)



SWITCHING INVESTMENT OPTIONS

The Fund offers four investment options (Cash, Conservative, Balanced and Growth) for you to choose from. While you can switch between investment options at any time, it is important to understand the implications the switch may have, and the process involved.

Investment option switch requests are effective from the 1st of the **following month**. For example, if you submitted a switch on 5 February, the switch will only be effective from 1 March. You can request a switch either online at www.realsuper.superfacts.co.nz (please allow two working days before the month-end) or by completing and returning form [NZAS14C](#) 5 working days before the month-end.

[More>](#)



CHANGING YOUR SAVINGS STRATEGY TO REFLECT YOUR RISK PROFILE

Are you a risk taker, or do you like to play it safe? With the Fund, you have access to a few tools to help you work out what investment option you should be in and understand the impact markets may have on your savings. [Sorted's investor kickstarter](#) is also a good way to find out your risk profile.

When markets are more volatile, it is important to [seek financial advice](#) before making any changes, and take a moment to remind yourself of your long-term savings goals.

You can read more about the risk associated with each investment option in the [Product Disclosure Statement](#) (pages 13 and 14).

THE MARKETS

Global share markets finished the last calendar month of 2020 on a positive note. Despite political tension in the US and a new, highly contagious variant of COVID-19 spreading throughout the UK and South Africa, investors gained comfort from the global vaccine rollout meaning global share markets had a positive December.

Also in December, the Brexit transition period officially ended and the United Kingdom and European Union announced their Trade and Cooperation Agreement (TCA), though even with this agreement in place, many uncertainties remained for the relationship going forward.

All things considered, the return on global shares for December was very pleasing, at +3.5% in local currency (+1.7% in NZD).

The New Zealand share market gained +2.6% over December, benefitting from a strengthening New Zealand economy due to higher than expected domestic production figures. This was despite the second largest company in the index, A2 Milk, experiencing a 17% loss over the month after cutting its 2021 earnings forecast. Australian shares also had a positive month, returning +1.2%, bringing the Australian share market's one year return into positive territory for the first time since February 2020.

Financial markets around the world were broadly positive at the start of 2021, although January closed slightly negative for the month. Despite civil turmoil at the US Capitol in January, markets were supported by the smooth inauguration of Joe Biden as the 46th President of the United States, and the quick unveiling of a USD1.9 trillion stimulus package aimed at combating the pandemic and the economic crisis it had triggered.

The New Zealand share market had a positive month in January, returning +0.3%, with investors reducing risk late in the month as fears of a community outbreak of COVID-19 rose. Australian shares also returned +0.3% (in local currency) despite the market encountering significant selling pressure at the month end as iron ore prices weakened notably.

In mid-February, the Government announced a community case in Auckland, placing the region into Alert Level 3 for three days to allow time for authorities to investigate. While the case was relatively contained and the region reached Alert Level 1 just days later, the move back into Alert Level 3 in Auckland on 28 February was yet another reminder that the 2021 outlook remains uncertain and depends to a material extent on the path of COVID-19.

It is important to remember that saving for retirement is a long-term task and that previous market downturns (such as the Global Financial Crisis in 2008) have generally been followed by sustained periods of positive returns.

INVESTMENT OPTION RETURNS

The following table shows returns (after tax and investment-related costs) for each of the Fund's four investment options for the stated periods, each ended 31 January 2021:

	Cash	Conservative	Balanced	Growth
Fund year-to-date (7 months)	0.12%	4.11%	7.77%	11.72%
1 year	0.4%	2.8%	4.1%	5.7%
3 years (p.a.)	1.0%	4.1%	5.7%	7.4%
5 years (p.a.)	1.3%	5.1%	7.7%	10.5%
10 years (p.a.)	1.8%	5.2%	7.3%	9.5%

REMINDER THAT THE DEATH BENEFIT PAYMENT PROCESS HAS NOW CHANGED

Following the death benefit payment process change effective 1 October 2020, all members' death benefits are now paid automatically to their estates. More information about the death benefit payment process, and the importance of having a Will, is available at www.realsuper.superfacts.co.nz under 'Article Library' and the 'Announcements' tab.

KEY 2021 DATES



Newsletters:

March; July;
November



Investment insights videos:

March; May; August;
November



Annual statement and annual report:

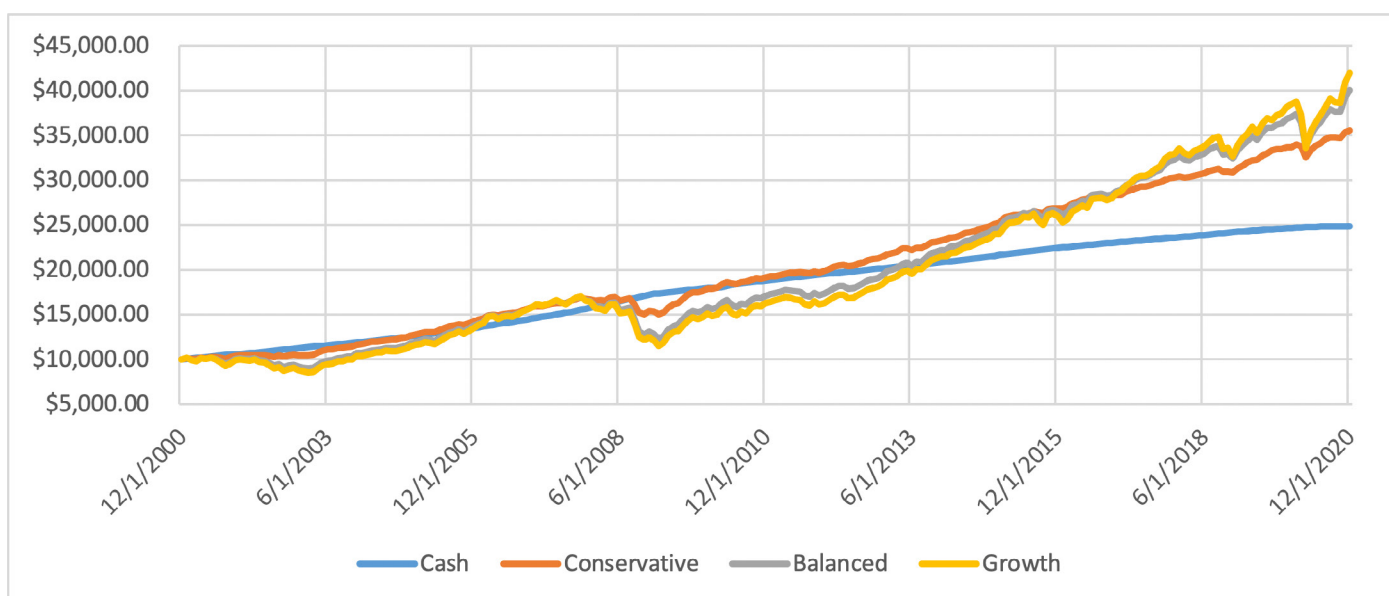
September



New website:

Q2 2021

HOW HAS THE FUND PERFORMED OVER 20 YEARS*?



*Earnings are shown after deducting tax and investment-related costs and are based on a starting balance of \$10,000. The results shown assume that the amount invested was held for the full period, with no contributions or withdrawals.

Past performance cannot be relied upon as a guide for future performance (which can be positive or negative and will vary over different time periods). No returns are either promised or guaranteed.

THINGS TO THINK ABOUT BEFORE YOU RETIRE

The concept of retirement means different things to different people. Whether it is the opportunity to travel and explore more of our own country, or to spend time with the grandchildren, start a new project, pick up a new hobby, or dabble in a mixture of all of the above, retirement is a time to enjoy. And retirement should be a time to be free of financial stress. It can be a major life transition and we need to be honest about what our goals are and what trade-offs we are willing to live with. Even if retirement seems a while away, it's good to have a plan. Here are some things to consider before you retire.

[More>](#)

RAYS OF HOPE FOR MARKETS

As we said goodbye to a difficult 2020, there were some positive signs for the global economy in 2021. News of an effective vaccine rollout and certainty around the US election result were having positive impacts on markets, for example.

What can we expect for markets this year?

[More>](#)

YOUR TRUSTEE DIRECTORS

You're welcome to contact any of your Trustee Directors if you have any questions about the Fund. Their details are [available on the Fund's website](#), or you can call them on their direct lines:

Site Based Trustee Directors

Stewart 03 218 5442

Paula 03 218 5571

Grant 03 218 5541

Allan 03 218 5811

Karen 03 218 5689

Offsite Trustee Directors

Tim 0274 535 565

Stephanie +61 7 3625 6022

Any questions about the Fund? You can contact the Helpline on **0508 266 787** (Australia 03 8687 1849, and international +61 3 8687 1849) between 9am and 7pm Monday to Friday, except for national public holidays.

General disclaimer: Information in this newsletter is not intended to be financial advice or to take the place of a financial adviser. The information in this newsletter is for general information only, and has been prepared on behalf of NZAS Retirement Fund Trustee Limited (the issuer of the Fund) without taking account of your personal objectives, circumstances or needs. More information about the Fund can be found in the Fund's most recent Product Disclosure Statement, a copy of which is available at www.realsuper.superfacts.co.nz.

NB: Past performance cannot be relied upon as a guide for future performance.