

The Latest News On Your Retirement Savings

April 2026

Welcome to the first edition for 2026.

What's covered:

- » Update on KiwiSaver changes
- » Information on market volatility
- » Market news
- » Overview of Scheme returns
- » Tips on navigating your Scheme website
- » Your financial planning checklist for 2026

If you have any questions or feedback, please contact our Helpline at **0508 4 TEACH (0508 4 83224)** or email us at nztrssep@mercerc.com.

Regards,

Mercer,
On behalf of Public Trust as Trustee

Update on KiwiSaver changes

KiwiSaver contribution rates are increasing

On **1 April 2026**, the Government increased the standard minimum rates of employee and employer contributions to KiwiSaver from 3% to 3.5% of gross salary (less contribution tax in the case of employer contributions). Each minimum rate will then rise again, to 4% of gross salary, on 1 April 2028.

Scheme contribution rates are not increasing

If you remain a **subsidised member** of the Scheme (i.e. you are still eligible for employer contributions) neither your contribution rate nor the maximum rate at which your employer contributes to the Scheme on your behalf increased on 1 April 2026, nor will they increase on 1 April 2028.

This means your Scheme contributions will continue being matched by your employer on a dollar-for-dollar basis up to 3% of your gross base salary as defined for Scheme purposes.

Importantly, unlike employer contributions to KiwiSaver, employer contributions to the Scheme do not have contribution tax deducted from them. Instead, a subsidised member's employer pays contribution tax to Inland Revenue **in addition** to its matching contributions of up to 3% of the member's gross base salary.

If you are an **unsubsidised member** of the Scheme (i.e. you are not eligible for ongoing employer contributions) then there is no change to your current rate of Scheme contributions.

Some member's Scheme contributions will be replaced with KiwiSaver contributions

Those in this category have been communicated to separately by their employer.

Review your Scheme contribution rate

Take a moment to review your Scheme contribution rate and consider whether it continues to fit your retirement goals. If you have questions or want to learn more, reach out to your employer or contact our Helpline on **0508 4 TEACH (0508 4 83224)** or email nztrssep@mercerc.com.





Understanding market volatility

Financial landscapes can sometimes seem unpredictable, with sudden shifts that can unsettle even the most experienced investors. Recent geopolitical events, such as **unrest in the Middle East**, have added to these ups and downs. This uncertain market movement is known as 'market volatility', where the value of your assets can rise or fall in response to how global events unfold.

Staying calm during these periods and avoiding rushed decisions is important. If you're feeling uncertain, it's a great time to chat with a financial adviser who can help align your investments with your personal situation.

Learn more about market volatility [here](#).

Market news (October - December 2025)

The investment environment in quarter ended 31 December 2025 was characterised by a mix of positive global equity performance and cautious bond markets. International equities (i.e. global share markets) rose by 3.4%, supported by strong U.S. earnings in Q3 and the Federal Reserve's rate cuts. Value stocks did well in December, as investors became cautious about the hype around artificial intelligence and reassessed risks. Strong, stable companies also performed well during this time. Emerging markets, particularly South Korea and Taiwan, saw gains of 5.6%, driven by strong local stock performances.



Closer to home, New Zealand shares increased by 2.0%, supported by better-than-expected economic growth data and the Reserve Bank of New Zealand's decision to cut interest rates twice by a total of 0.75%, bringing the official cash rate down to 2.25%. This rate reduction, along with positive economic signals, improved the outlook for the domestic economy. On the contrary, Australian equities declined slightly by 1.0%, as high inflation persisted, prompting the Reserve Bank of Australia to hold its cash rate steady at 3.6%. Despite the rate cuts, New Zealand government bonds fell marginally by 0.2%, with market expectations suggesting the current easing cycle may be nearing its end.

Global listed infrastructure assets experienced a modest increase of 0.5%, while global listed property declined by 0.5%. Precious metals, however, had a strong quarter, with gold rising 12.8% and silver was up at 51.4%, as investors sought safety amid ongoing geopolitical tensions and economic uncertainties. Geopolitical risks remained elevated, with the U.S. conducting military operations in Venezuela in the first week of January 2026 and tensions between Japan and China intensifying. China's introduction of an import quota on beef, though unlikely to impact New Zealand exports significantly, also added to the complex trade environment.

Overall, as at 31 December 2025 the investment outlook remained mixed, with ongoing geopolitical risks, the potential for further interest rate adjustments and artificial intelligence continuing to influence market sentiment in the months ahead.

Scheme returns at a glance

The table below shows the returns of each investment fund for the first six months of the Scheme year, along with the returns from the two years prior.

	Scheme year-to-date 6 months to 31 December 2025	12 months to 30 June 2025	12 months to 30 June 2024
Cash Fund	1.12%	3.4%	4.1%
Stable Fund	3.09%	5.2%	4.6%
Balanced Fund	6.93%	8.7%	7.4%
Growth Fund	8.87%	10.1%	9.2%

For the latest monthly returns, visit the [website](#).



Getting the most from your Scheme website

Navigating your superannuation online is easy with our step-by-step Scheme website guide. Whether you want to check your balance, update your details, or explore investment options, the guide walks you through it all. Access the guide through the link below.

[How to use the Scheme website](#)

Your financial planning checklist for 2026

The new year is a great time to take charge of your financial future. Here's a simple checklist to help you stay on track:

1. Build good financial habits

Start small with budgeting, tracking your spending, and saving regularly. These habits pay off over time.

2. Review your financial commitments

Check your insurance and other financial products to make sure they still fit your needs, and you're not paying for extras you don't use.

3. Check your retirement investment strategy

Make sure your superannuation investment choices still align with your risk appetite and retirement goals. Adjust if your circumstances or comfort with risk have changed.

4. Build or maintain an emergency fund

Aim to have at least three to six months' worth of living expenses set aside. This fund provides peace of mind and a safety net for unexpected events.

5. Seek financial advice if needed

If you're unsure about your plan or superannuation options, consider consulting a qualified financial adviser. Professional guidance can help tailor strategies to your unique situation.



Need help?

Check out the resources listed on the Scheme's website ['Financial Advice'](#) page for further guidance. [Sorted's goal planner tool](#) is also a great resource to explore.

More information



Retirement
calculator



Financial
advisers



Helpline
0508 4 TEACH (0508 4 83224)
nzttrs@merc.com



Scheme
website