

## Welcome

The national Alert Level 4 lockdown in August was challenging for many, and we want to especially acknowledge those members who are still stuck at home and potentially having to endure teaching online. We all hope for a sense of normality sometime soon, and a sunny summer ahead!

Despite the national lockdown announcement in August, share markets continued to perform well for the month. However, September proved to be a difficult month for share markets due to various factors that weighed on investor sentiment. More information on the financial markets and scheme returns is included in this newsletter.

If you have any questions about the Scheme, this newsletter, or your member statement, please contact Helpline on **0508 4 TEACH (0508 4 83224)** or email [teachersretire@mercero.com](mailto:teachersretire@mercero.com).

We wish you all a great summer season ahead!

## Year-end documents out now!

We are delighted to announce that the 2021 Annual Report, Annual Financial Statements, Annual Fund update and Benefit Statements are now available. You should have recently received your Annual Report and your Benefit Statement either by email or by post, depending on which method you told us works best for you. If you did not receive these documents, or would like to change the way you receive future communication, please login to the [www.teachersretire.org.nz](http://www.teachersretire.org.nz). This year's Annual Report features a member story on Steve Zonneville who has been a part of the Teachers' Retirement Savings Scheme since 2004. Steve is a Principal at Gleniti School in Timaru. Read the full story in the Annual Report available at [www.teachersretire.org.nz/documents](http://www.teachersretire.org.nz/documents)



## Changing your contribution rate

To change, suspend or restart your contributions you will need to complete Form 5 - Vary or suspend contributions form which is available on the TRSS website under the 'Documents' tab.

This form also allows you to make contribution changes to your KiwiSaver contributions if you have KiwiSaver. As of 01 October 2016, lump sum contributions to your account are not available for the TRSS.

To read the full article go to [www.teachersretire.org.nz/FAQs.html](http://www.teachersretire.org.nz/FAQs.html)

## Investment news

The global economic recovery remained steady in July as the Coronavirus vaccination roll-out continued. The vaccination roll-out was somewhat strengthened by the spread of the Delta variant of the virus, which has created a degree of uncertainty amongst the global population. Share markets pushed higher in July, supported by increased consumer spending and ongoing monetary and government support, with the MSCI World Index (a broad global equity index that represents performance across all 23 developed markets countries) returning 1.9%.

In August the global restoration continued and more countries eased lockdown restrictions. The MSCI World Index returned 2.6% (in local currency) for the month and 19.2% year-to-date. The NZX 50 returned 5.0% in August, a positive result in the face of the latest COVID-19 outbreak and subsequent level 4 restrictions.

September proved to be a difficult month for global share markets due to an array of factors that weighed on investor sentiment. The MSCI World Index returned -2.2% for the month. The index declined on evidence of a global economy suffering from on-going supply constraints, tightening monetary policy in Europe, multiple economic challenges in China such as the Evergrande credit crisis, and political uncertainty in Germany and Japan. Additionally, major central bank announced slowdowns in their asset purchases and, in some cases, rate increases.

On 6 October 2021, The Reserve Bank of New Zealand (RBNZ) agreed to increase the official cash rate (OCR by 0.25 making the current OCR 0.50, and Statistics New Zealand in October announced that inflation rose to almost 5%. This decision was made in efforts to combat growing inflation pressures resulting from increasing prices throughout the economy, the heated housing market and tight labour market.

## Scheme returns

The table below shows the returns of each investment fund for the first four months of the Scheme year, along with a comparison to the returns from the year prior.

### Returns after tax and expenses

	Scheme year-to-date (3 months to 30 September 2021)	12 months to 30 June 2021	12 months to 30 June 2020
Cash Fund	0.02%	0.1%	0.90%
Stable Fund	0.27%	4.5%	3.0%
Balanced Fund	0.32%	14.1%	1.90%
Growth Fund	0.33%	19.5%	1.40%

You can find the latest information on monthly returns at

[www.teachersretire.org.nz/latest-news/investments/monthly-returns.html](http://www.teachersretire.org.nz/latest-news/investments/monthly-returns.html).

## Online threats on the rise

New Zealanders are being impacted by cyber security threats more frequently at work and at home. The increasing number of incidents shows that it's vital to take steps to keep ourselves safe online. This year's Cyber Smart Week in October, run by CERT NZ, focused on empowering New Zealanders to step up their online security so they are less vulnerable to cyber-attacks.

### Cyber Up with these four simple steps:

- Upsize your passwords
- Upgrade to two-factor authentication
- Uphold your privacy
- Update your apps and devices.



To read the full article go to [www.cert.govt.nz/cybersmart](http://www.cert.govt.nz/cybersmart)

## Online investing platforms transform attitudes to investing

The Financial Markets Authority (FMA) great debate in early August 2021 focused on DIY investing. It is estimated that more than 250,000 New Zealanders are using online investing portals such as Sharesies, Hatch, and InvestNow, three-quarters of them aged 25-44. Eight out of 10 New Zealand investors have a more favourable view of investing and financial markets after using online investing platforms, according to research released by the FMA. The research shows that investing becomes "social", with new investors more likely to be influenced by online forums and an emotional connection with a company's brand than their financial reports and disclosures. The theme of the latest World Investor Week focused on 'Investing FOMO? Take a Mo' which encouraged DIY investors to carefully consider investing decisions by using the 'Five D's of DIY Investing' and not be primarily influenced by the fear of missing out.

To read the full article go to

[www.fma.govt.nz/investors/world-investor-week](http://www.fma.govt.nz/investors/world-investor-week)

## Take time to kōrero

With everything that's happening at the moment, how can we keep upbeat and feel good – including financially well? Sorted.org.nz recently published an article titled **"For wellbeing, a short chat can go a long way"** during the Mental Health Awareness Week. It's well worth a read especially during this disruptive time due to the impact of the global pandemic and local lockdowns.

To read the full article go to

<https://sorted.org.nz/must-reads/the-future-may-be-out-of-focus-your-wellbeing-isnt>

## Sorted turns 20!

Since its inception in 2001, Sorted.org.nz has helped millions of Kiwis make sense of their money. They provide information and tools for budgeting, saving, investing, and retirement. Sorted.org.nz is one form of free financial advice available to you.

To read the full article go to [www.sorted.org.nz](http://www.sorted.org.nz)



## Contact us

To find out more about anything mentioned in this newsletter please call us on 0508 4 TEACH (0508 4 83224), email [teachersretire@mercer.com](mailto:teachersretire@mercer.com) or visit [www.teachersretire.org.nz](http://www.teachersretire.org.nz).



Find the retirement planner at [sorted.org.nz/tools/retirement-planner](http://sorted.org.nz/tools/retirement-planner)



To speak to a financial adviser visit [fma.govt.nz/investors/getting-financial-advice/finding-an-adviser](http://fma.govt.nz/investors/getting-financial-advice/finding-an-adviser)