

# The Latest News On Your Retirement Savings

## Welcome to the November 2023 edition of the TRSS newsletter.

Featured in this final edition for 2023 are the details regarding our Helpline's working hours over the holiday period, an update on the performance of financial markets and Scheme returns. We have also included a Retirement Planning Guide which was recently launched by the Financial Services Council NZ ('FSC'). You should have also received a copy of the annual report and your personal benefit statement for the year ended 30 June 2023 by either post or email.

As always, please reach out to the Helpline on **0508 4 TEACH (0508 4 83224)** or email [teachersretire@mercer.com](mailto:teachersretire@mercer.com) should you have any questions about the Scheme, this newsletter, or your member documents.

Regards,

Mercer,  
On behalf of Public Trust as Trustee



## Year-end documents available now

The Scheme's financial statements, annual report, annual fund updates and benefit statements for the year ended 30 June 2023 are now available. You should have received your annual report and benefit statement either by post or email, depending on your preferred mode of communication. If you did not receive these documents, or would like to update your contact details, please log in to the Scheme's website [www.teachersretire.org.nz](http://www.teachersretire.org.nz) or call the Helpline for further assistance.

We look forward to receiving your valuable feedback on these documents, as it helps us improve our communication material.

## Market news

Despite a great start in July, both equities and bonds ended the September quarter (Q3) on a low note, supporting the latter month's reputation for delivering "seasonably weaker" returns.

US markets underperformed both developed and emerging markets, as value outperformed growth, with a retreat among the "Magnificent Seven" stocks (Apple, Microsoft, Alphabet (Google), Amazon, Nvidia, Tesla, Meta) that had provided most of the gains during the first half of the year. Negative market sentiment was driven by a "higher-for-longer" rates narrative in an environment of weak economic growth. This was more pronounced in interest rate sensitive sectors, driving negative returns for fixed income and gold.

Advanced economies kept progressively readjusting the balance between supply and demand, leading to a gradual reduction in inflationary pressures. Although growth is slowing, it's doing so at a more moderate pace compared to any declines in inflation. US headline inflation (raw measure) moved higher mostly due to base effects, while core inflation (which removes key volatile commodities) continued to trend lower. Both inflation measures in the UK and Eurozone decreased as their respective central banks maintained their hawkish stances. This resulted in the status quo being maintained or rates being increased further, which put upwards pressure on yields.

Energy prices surged during the September quarter on the back of extended supply cuts by OPEC+ and Russia, resulting in large gains in West Texas Intermediate ('WTI') crude oil. This resulted in the energy sector being the only one to deliver strong positive returns overall. The listed property sector underperformed equities by a large margin due to rate sensitivity and concerns surrounding the Chinese property debt crisis.

Closer to home, Australasian equities posted similarly weak returns with the NZX and ASX returns dominated by the negative impact of higher long-term government bond yields on equity valuations.



## De-jargonizing Money

De-jargonizing Money is a financial glossary from Te Ara Ahunga Ora Retirement Commission that uses plain language to make financial terms easier to understand for New Zealanders. The goal is to remove the overly complex language that is often used in the financial services industry and make it easier for people to grasp important money concepts. By doing so, the glossary aims to improve financial literacy and help people make more informed decisions about their money.

Access the glossary



Access a glossary on the Scheme's website



## Scheme returns

The table below shows the returns of each investment funds for the first 3 months of the Scheme year, along with the returns from the two years prior.

	Scheme year-to-date 3 months to 30 Sep 2023	12 months to 30 June 2023	12 months to 30 June 2022
Cash Fund	0.99%	2.9%	0.5%
Stable Fund	-1.14%	2.8%	-4.8%
Balanced Fund	-2.39%	6.0%	-7.4%
Growth Fund	-2.79%	8.0%	-8.5%

You can find the latest information on monthly returns here:



## FSC Retirement Planning Guide

FSC has recently created a guide for customers and those wanting to take a DIY approach to retirement planning. Successful retirement planning means being able to enjoy a reasonable lifestyle in retirement, without outliving your savings. This guide covers some key retirement planning considerations, including a few rules of thumb on how to manage your savings during retirement.



View the guide

## Holiday hours

Our Helpline will be available during the holiday period, apart from the national public holidays (25 & 26 December, 1 & 2 January). Their hours are 9am to 7pm NZ time, Monday to Friday and their contact details can be found here:



Contact Helpline

## More information



Retirement calculator



Financial advisers



Helpline

0508 4 TEACH (0508 4 83224)  
teachersretire@mercero.com



Scheme website

