

In-Tandem Insight

June 2018



Welcome to the second edition of the In-Tandem Insight for 2018.

We have included a Scheme snapshot, an update on the investment returns and performance, the result of the recent Trustee election and general news about the Scheme and your membership.

It is always great to get your feedback and suggestions on what topics you would like covered in future editions, please do not hesitate to email me a bruce_kerr@westpac.co.nz or contact any of the Trustee Directors directly.

Enjoy this edition. We look forward to another great year helping you save towards your future!

Bruce Kerr,
Chairman of the Trustee

Scheme snapshot

As at 31 March 2018:

- \$329.6 million in retirement savings accumulated
- 3,839 members and pensioners

A combined Annual Report and Benefit Statement for 2018 will include the annual update and it is due to be sent to you in September.

Trustee election

On behalf of all the Trustee Directors I would like to congratulate Jo McGregor for being re-elected as one of the two member-elected Trustee Directors for a second consecutive 3-year term.

Jo joined Westpac in 2005 and since then she held roles in Finance, Products and most recently in Distribution. Currently Jo is Head of Operational Excellence, Consumer Banking and Wealth.



Jo McGregor with her children, Fiji

[Read more about Jo and the election here](#)

What does a Trustee Director do?

It is important you understand what is involved in becoming a member-elected Trustee Director if you are going to nominate someone to stand for election or if you are thinking of standing as a candidate yourself.

[More about the role and duties of a Trustee Director here](#)

How has your fund performed?

Investment performance as at 31 May 2018 after fees and tax

| | Scheme year-to-date (11 months) | 3 years (pa) | 5 years (pa) |
|------------------------|------------------------------------|--------------|--------------|
| Cash Fund | 1.6% | 2.0% | 2.2% |
| Defensive Fund | 2.5% | 2.7% | 3.3% |
| Moderate Balanced Fund | 5.8% | 4.5% | 5.7% |
| Growth Fund | 7.8% | 5.7% | 7.3% |
| High Growth Fund | 10.9% | 7.4% | 9.6% |

Returns are based on unit prices (determined by Mercer) for the respective funds

Source: BT Funds Management

Quarterly asset commentary

The three months to March 2018 saw a big change in market dynamics relative to the prior year, and mixed returns across the major asset classes. Bonds and cash delivered positive performance while many equity markets fell following a period of strong returns.

Investment Mix Changes

From 1 May 2018, we have made small changes to the strategic asset allocation settings for the Moderate Balanced, Growth and High Growth Funds.

[Find out more here](#)

[Read on to find out more](#)

Source: *Willis Towers Watson*

Defensive properties of Alternative Assets

The Scheme's In-Tandem options have allocations to Alternative Assets, which encompass a wide range of different strategies, many of which are quite complicated.

[Find what the common features of Alternative Assets are here](#)

Scheme investment fees compared to KiwiSaver schemes

It all adds up, especially when it comes to long-term savings. The less you pay the more stays in your account and that's why Westpac pays for all direct administration fees and expenses associated with operating the Scheme.

[Find out what fees you pay compared to an average KiwiSaver scheme member here](#)

Useful links and contacts

- Westpac In-Tandem helpline: [0508 468 263](tel:0508468263)
- Westpac investment advisers: [0800 601 901](tel:0800601901)
- Scheme website: westpacintandem.co.nz
- Newsletter feedback: Email Bruce Kerr at bruce_kerr@westpac.co.nz