

In-Tandem Insight

November 2017

Welcome from the Chairman

Welcome to this edition of *In-Tandem Insight*.

In this final communication for 2017, from the Directors of Westpac New Zealand Staff Superannuation Scheme Trustee Limited, we have included information about the MySuper Planner, your annual statement and report, investment choice and performance, as well as a notice about the upcoming Trustee election.

With the festive season almost upon us, you are probably busy making preparations for the holidays and tidying up things at work.

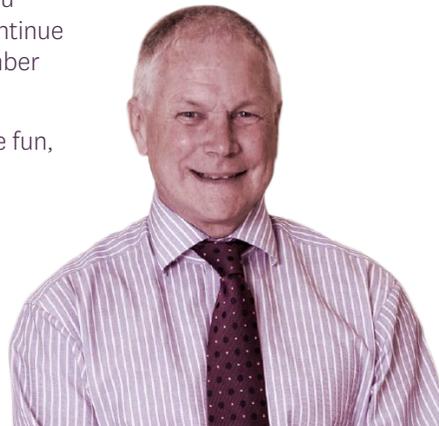
On behalf of the Trustee I would like to thank you for being part of the Scheme and I hope you continue to maximise all that's available to you as a member in 2018.

I wish for you and your family to be safe, to have fun, and all the best for the year ahead.

Bruce Kerr,



Chairman of the Trustee



PS: If you have topics you would like covered in future editions of this newsletter, please contact me at bruce_kerr@westpac.co.nz or contact any of the Trustee Directors directly.

Planning for your future together

New Zealanders are living longer, which is great as long as the money lasts. Unfortunately, there's a possibility it won't unless you plan ahead.

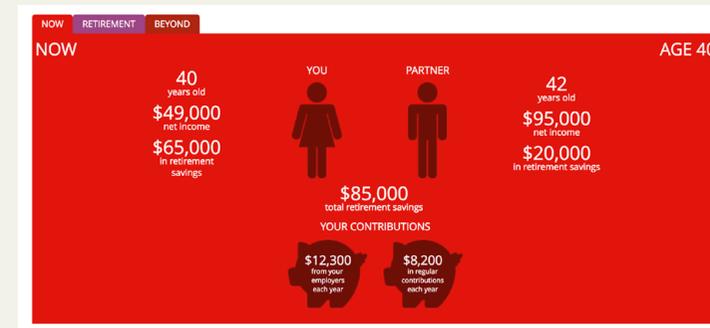
By now we hope you have checked out the MySuper Planner, a tool designed specifically for the Scheme and to help you plan for your future.

The MySuper Planner takes into account contributions, your investment choice, fees and more. Then helps you understand what savings you may have in the future and what income you may be able to have when you are able use this money.

The more information you put in, the more comprehensive the projection will be. But remember it is a projection only and there are no guarantees.

One of the many features of the tool is the ability to include your partner or spouse in your projection.

Planning together will help you both work out whether you have the same expectations and could help you have the right conversations to help ensure that your retirement savings goals are aligned.



If you are unsure where to begin, the MySuper Planner includes a tutorial which explains step by step how the tool works.

To access your personal MySuper Planner, please sign into your account at westpacintandem.co.nz and click on the banner called MySuper Planner.

Annual Report and Statement

This is the second year we have combined your annual benefit statement with the annual report, which included benefit projections. We have received positive feedback about the format and always welcome your comments and suggestions. Feel free to contact any of the Scheme's Directors or email Bruce Kerr at bruce_kerr@westpac.co.nz.

If you would like a further copy of the annual report you can download this from the Scheme's website westpacintandem.co.nz.

Vodafone email addresses need updating

Your investment is important to us and so is our ability to communicate with you.

From 30 November 2017, if your personal email address is managed by Vodafone it may no longer work and you may not be able to receive communications from us about your investment. The Trustee may communicate important messages about your Westpac In-Tandem account using your Westpac email address, however for us to contact you using your preferred method to receive communications such as annual statements, reports and other communications, we need your help.

Please sign into your account at westpacintandem.co.nz and update your email address. You can also call us on **0508 INTANDEM (0508 468 263)**. If you or your family have email addresses with the following endings you can be impacted:

vodafone.net.nz, vodafone.co.nz, ihug.co.nz, wave.co.nz, quik.co.nz, pcconnect.co.nz, paradise.net.nz, clear.net.nz and es.co.nz.

Read more about the changes on the Vodafone website.

Investing for you

The Westpac New Zealand Staff Superannuation Scheme has been designed to help you achieve financial freedom in retirement. One of the benefits of being a member of the Scheme is that it offers you a choice of five investment options from a very conservative Cash option to High Growth option which assumes an investment timeframe of 10 years or more. A choice of options is important because it allows you to choose an investment that's right for your personal circumstances today and that fits your risk profile.

No matter what age you are, choices you make today can have a big impact on your savings balance when you leave Westpac, when you retire or even if you want to use your money to buy your first home.

Over time your needs might change so it's a good idea to regularly check whether the investment option you have chosen is still right for you.

You can find out more about the five investment options in the product disclosure statement available under the 'Documents & Forms' section of the website.

Did you know that you can choose to invest all of your savings in one option, or split your savings between the different options. Simply nominate percentage you want invested in each option.

You can change your investment options at any time but a maximum of twice a year.

To change options you can sign in to your Westpac In-Tandem account online, or call the Helpline team on **0508 INTANDEM (0508 468 263)**.

Please note different investment management fees are charged for each investment option. It is important you seek appropriate advice from an authorised financial adviser. To find a Westpac adviser near you, please visit the westpac.co.nz website.

Trustee election 2018

A feature of the Scheme is your ability to 'have a say' in how it is governed.

Early in 2018 you will be asked for nominations for one member elected Trustee Director. This is because Jo McGregor's 3-year term is coming to an end.

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.

How has your fund performed?

Investment Performance as at 30 September 2017			
	3 Months	1 Year	3 Years pa
Cash Fund	0.4%	1.8%	2.2%
Defensive Fund	0.8%	2.8%	3.3%
Moderate Balanced Fund	2.1%	6.5%	5.3%
Growth Fund	2.8%	9.0%	6.5%
High Growth Fund	3.8%	12.9%	8.4%

Returns are based on unit prices for the respective funds

Quarterly Investments Commentary

The three months to 30 September 2017 saw the major asset classes deliver positive returns for investors. Share markets performed particularly strongly, while fixed interest markets and cash also delivered stable returns for the period. This means that investment options, such as growth and high growth, which have riskier assets performed better than options which have a lower exposure to growth assets and invest in more defensive assets such as cash and fixed interest.

Shares performed well for the period, with sentiment towards share markets supported by an improving global economic backdrop. In the US for example, manufacturing data showed activity to be at the highest level since 2011, while growth in Europe and Japan has also been positive. Reinforcing the strength in the business sector, the profitability of listed companies has also been solid, which has helped support sentiment towards shares. Regionally, European and emerging market listed companies were among the strongest performers. The domestic shares market performed largely in-line with many global markets for the quarter.

Returns from bond markets were also positive for the quarter, with long term interest rates in many developed countries little changed. Within fixed interest markets, high yield debt, corporate bonds, and emerging market debt generally outperformed government bonds. The US Federal Reserve kept the benchmark US short term interest rate at its range of 1% - 1.25% during the quarter, but indicated a hike is likely by year end.

The Reserve Bank of New Zealand (RBNZ) maintained its neutral monetary policy stance during the September quarter. In the Monetary Policy Statement released by the RBNZ in August, the projections indicated that the official cash rate is likely to remain at current low levels for a considerable period of time.

Markets remained broadly positive throughout October, with equities outperforming bonds on the back of improving investor sentiment, benign action and rhetoric from central banks, and economic data releases which positively surprised. Moving through November, the company reporting season has thus far proven positive for global share returns, while domestically New Zealand shares have fallen from recent highs. Fixed interest markets were little changed.

Source: BT Funds Management, returns are after fees and taxes.