

In-Tandem Insight

March 2021



Welcome from the Chairman.

I hope you had some time over the Christmas and New Years break to relax and unwind from what was a tumultuous 2020.

While the global pandemic significantly impacted financial markets last year, and lockdowns were highly disruptive for all kiwis both professionally and personally, it is pleasing to see that news of a COVID-19 vaccine, and the successful swearing-in of Joe Biden as the 46th President of the United States, positively impacted financial markets and the Scheme's investments to start 2021.

Included in this edition is an update on markets, Scheme returns, feature on the new Scheme website, and articles on things to think about before you retire and breaking through the financial advice barrier.

If you have any questions about the Scheme or this newsletter please call helpline on 0508 IN TANDEM (0508 468 263).

We wish you all a great 2021.

Bruce Kerr,
Chairman

Scheme snapshot

- > **\$390.0 million** in accumulated retirement savings as at 1 February 2021
- > **3,837** members and **133** pensioners as at 1 February 2021
- > **153** new members into the Scheme between 1 July 2020 and 1 February 2021

New website preview.

Our administration manager, Mercer, is upgrading the Scheme's website to improve functionality, navigation, and security. The site will be enhanced for mobile devices, making it even easier to get information on the Scheme and your account while on the go. It is due to launch in a few months, and while it is still being developed, we have managed to capture this snippet of what the new website homepage will look like! We will keep you updated on progress.



How to access the current website.

Access your account online at any time by logging in with your PIN. Create or reset your PIN online with your member number, a valid email address (that is registered in our system), and your date of birth. Visit the current website at westpacintandem.co.nz

[Visit the current website](#)

Investment market performance.

The December quarter was the third consecutive quarter where equity markets rallied from their March correction and significantly outperformed fixed income. Emerging markets¹ returned 19.7% while US equities² returned 12.1%. NZ small-cap companies³ delivered a stellar return of 21.7% and outperformed the broader NZ equity market⁴ which gained 11.4%. Despite an increase in wholesale interest rates, New Zealand listed property⁵ returned 8.5%, albeit under-performing the broad market. Global bonds⁶ eked out a positive return of 0.8% while NZ bonds⁷ returned -2.2%.

The US presidential election in November, which was a key market risk for the better part of 2020, showed a clear outcome with Democratic candidate Joe Biden winning the presidency. Expectations that a Biden presidency will smooth US relationships with traditional partners boosted markets. The post US election boost to risk assets was then accelerated by rapid progress from phase three vaccine trials by Pfizer/BioNTech and later by Moderna. Markets took the vaccine news as a game changer for the pandemic, representing a light at the end of the tunnel despite uncertainty around the complexities and challenges of an unprecedented global vaccination roll-out.

[Read the full article ›](#)

Source: BT Funds Management

Date: 11 February 2021

*Footnotes included within the full article available on the Scheme website.

How has your fund performed?

Investment performance as at **31 January 2021** after fees and tax.

	3 months	1 year	3 years (pa)	5 years (pa)
Cash Fund	0.1%	0.8%	1.4%	1.6%
Defensive Fund	1.4%	3.1%	2.9%	3.1%
Moderate Balanced Fund	4.0%	6.0%	5.0%	5.7%
Growth Fund	5.8%	7.6%	6.2%	7.3%
High Growth Fund	8.7%	9.9%	8.0%	9.7%

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

Source: BT Funds Management

Things to think about before you retire.

The concept of retirement means different things to different people. Whether it is the opportunity to travel and explore more of our own country, to spend time with grandchildren, to start a new project, to pick up a new hobby, or to dabble in a mixture of all of the above, retirement is a time to enjoy. Retirement should be a time to be free of financial stress. It can be a major life transition and we need to be honest about what our goals are and what trade-offs we are willing to live with. Even if retirement seems a while away, it's good to have a plan. Here are some things to consider before you retire.

[More >](#)

Prefer to receive updates by email?

New year, new communications preference? Now is the perfect time to check and review how you would like to receive important Scheme information and updates that are sent to you throughout the year. If you would like to change or update your preferences, log into your account.

[Login >](#)

Rays of hope for markets.

As we say goodbye to a difficult 2020, there are some positive signs for the global economy in 2021. News of an effective vaccine rollout and certainty around the US election result are having a positive impact on markets.

What can we expect for markets this year?

[More >](#)

Breaking through the advice barrier.

Why we need advice more than ever before and why we are not getting it. New research has revealed that despite a booming property market forcing many of us to take on record levels of debt (making financial advice more important than ever before), most New Zealanders are missing out on its benefits.

[More >](#)

Key dates for 2021.



March:
Newsletter



July:
Newsletter



September:
Annual statement
and annual report



November:
Newsletter

Saving for the long-term.

It's a fact that financial markets can be volatile. You may have noticed your account balance going up and down last year and when this happens it is natural to feel a little uncertain and think about changing your investment option(s). However, it is important to recognise that your savings won't always grow at a steady rate. Sometimes they'll surge ahead, sometimes they'll stay flat and sometimes they'll dip. The good news is that over the long term, markets typically recover.



You can work out your own risk profile at www.sorted.org.nz/tools/investor-kickstarter. This can help you identify what type of investor you are, your investment time horizon, retirement preparedness, risk appetite, and what investment mix may be most suitable for you.

The recommended minimum investment timeframe for the Defensive Fund is short term, while the High Growth Fund aims to maximise investment returns over the long term. Generally when referring to investment timeframes, short term means less than three years, and long term means three years or more.

We publish the latest unit prices to the website westpacintandem.co.nz, where you can view the performance of each unit price category over the longer term. You can see below that the Cash Fund has grown steadily since November 2012, while the High Growth Fund has experienced greater ups and downs though higher returns overall.



You can read more about each investment option, its target investment mix, and associated risk ratings in the **Product Disclosure Statement** on pages 11 to 13.

Useful links and contacts



In-Tandem helpline
0508 468 263



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0800 942 822



Scheme website
westpacintandem.co.nz



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We recommend that you read the product disclosure statement and take financial advice from an authorised financial adviser before making any investment decisions. In addition, past performance cannot be relied upon as a guide to future performance.

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