



FireSuper SuperNews

August 2024 | Edition 135

Welcome to the first edition of SuperNews for 2024.

Welcome to the latest edition of our FireSuper newsletter, SuperNews.

In this edition, we share a member story that showcases the power of long-term investing, provide you with a comprehensive market update and Scheme returns analysis, learn about Money Month in August, present an insightful article on retirement planning, and provide details on the ANZ investment transition.

Stay informed and inspired as we explore these important topics. Please feel free to contact us by writing on nzfire.super@mercero.com or by calling **0800 MY SUPER (0800 69 78737)** with any feedback you might have on any of the documents or FireSuper in general.

Regards,

FireSuper Trustee

At a glance

- » Member story
- » Money Month
- » FireSuper returns
- » Market update
- » Planning for retirement
- » ANZ investment transition

Member story

John Ellington, a Station Officer in Auckland, has dedicated over 30 years to his role. While he is primarily stationed at Devonport, he frequently works overtime at different stations throughout the Auckland region.

My day typically begins at 7am and involves conducting BA and appliance checks, participating in physical training and ongoing training sessions. During the day, I also conduct home fire safety visits, inspect hydrants, visit schools and respond to fire calls.

After work, I like to keep myself busy with various activities. One of my favourite ways to spend my spare time is bikepacking. Over the past couple of years, I have completed over 5000km of cycling tours across New Zealand, including the Tour of Aotearoa and Sounds to Sounds routes. I have also cycled back to Auckland from Wellington via Hawera and the Forgotten Highway. Additionally, I enjoy spending time with my two adult kids and my five grandpuppies.

I joined FireSuper when I joined the New Zealand Fire Service in 1992, and it has been important in helping me achieve my savings goals. The savings started accumulating quickly, and it was easy to contribute since the money never went into my bank account, ensuring it wasn't used for other purposes. One of the biggest advantages of FireSuper is the \$1.52 contribution from FENZ, which provides an impressive return on my investment. I access information about my FireSuper account, including my current balance, investments and fund updates, through the website.

Financial security after retirement is crucial to me. I want to enjoy my retirement without having to work. I have a couple of community organisations I volunteer for, and I would like to continue doing that after retirement. Additionally, I plan to do more touring, both in New Zealand and overseas. Having additional income in the form of FireSuper, in addition to the regular government pension, would mean not having to work and being able to fully enjoy my retirement.

While there has been a lot of buzz about increasing mortgage rates, rising cost of living and inflation, these factors haven't significantly affected my retirement savings. I obtained my first mortgage in 1994 at 8.65%, but now I have a small mortgage that will be paid off in a couple of years. This will give me about six more years of savings and holidays before I retire.

My future savings goals include being debt-free and having substantial savings at retirement. This will allow me to travel and do whatever I choose. While I don't own or want a holiday home, I do want to explore different parts of the world.

After retirement, my plans involve maintaining good health so that I can travel, spend quality time with my family, enjoy my local community and overseas holidays. I want to make the most of my retirement years and continue to explore new experiences and opportunities.





Money Month

Money Month is an annual campaign organised by Te Ara Ahunga Ora Retirement Commission. The goal of the campaign is to raise public awareness and engage people in discussions about money. This year, Money Month expands upon the foundation established by the previous year's theme: *Pause. Get sorted.* The primary objective is to emphasise actionable steps that individuals can take to enhance their financial wellbeing.

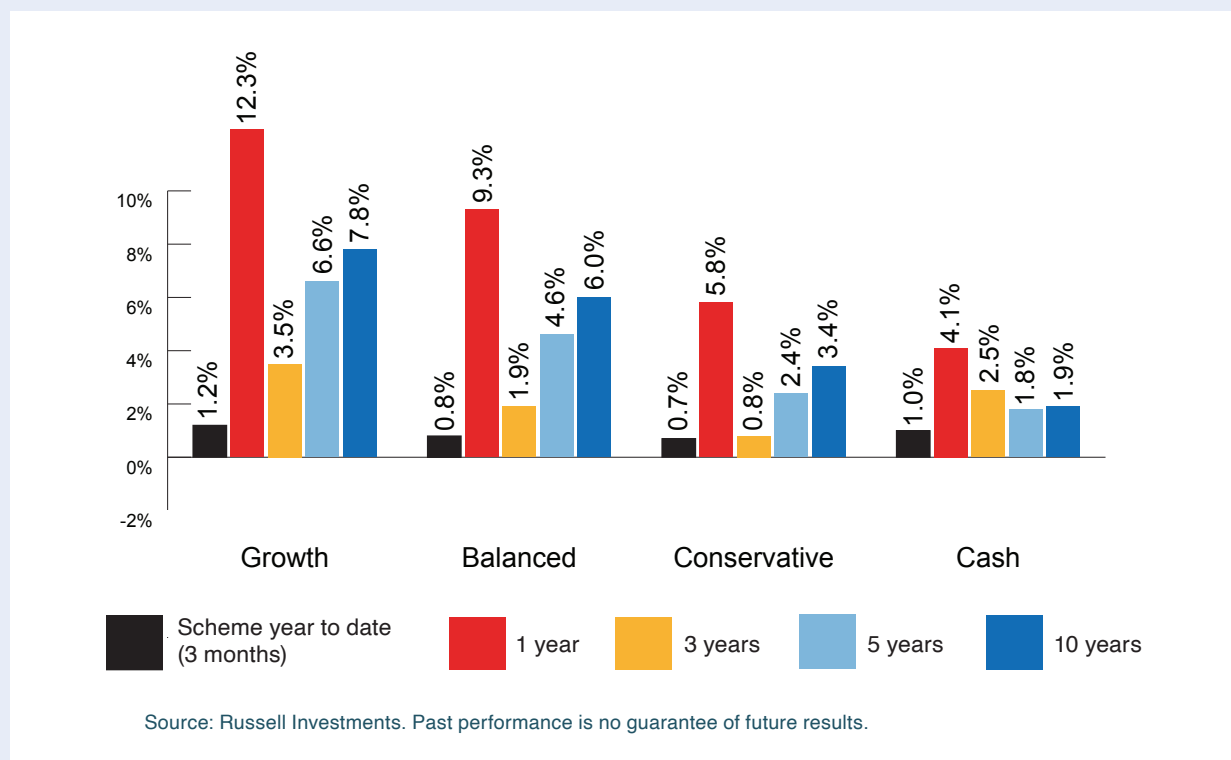


View more on
Money Month

FireSuper returns

(Cumulative year-to-date interim returns)

The chart below shows the earning rates for each investment option over the fiscal year-to-date period (**from 1 April 2024 through to 30 June 2024**), and returns over the long term; 1, 3, 5 and 10 years. The returns are net of fees and tax. The Life Cycle option uses the Growth, Balanced and Conservative options as building blocks and progressively reduces members' risk/return profile over time.



You can find the [latest earning rates](#) and general information about [how financial markets are performing](#) on the FireSuper website.



Latest earning rates



Latest market news



Market update

Global share markets made modest gains in the June quarter, with the MSCI ACWI Index - Net returning 1.0% in unhedged New Zealand dollar (NZD) terms. Much of the gains continued to be driven by central bank activity.

New Zealand shares underperformed their global counterparts in the second quarter, with the local market returning -3.1%. Much of the decline was driven by a combination of earnings downgrades and a series of softer-than-expected domestic economic data, though we did see signs that business confidence is beginning to rise.

The New Zealand bond market made modest gains over the period, returning 0.8%. Domestic long-term government bond yields rose in sympathy with their global counterparts. However, bonds continued to benefit from their traditionally defensive characteristics amid heightened geopolitical uncertainty.

Strong gains from global equity markets, combined with lower inflation numbers, delivered solid returns for all member options. Over the last year, the Conservative option has returned 5.8%, Balanced 9.3% and Growth 12.3% after the deduction of fees and tax. The Cash option delivered a 4.1% return over the same period.

The New Zealand economy has been under more pressure than Australia, in large part because the Reserve Bank of New Zealand (RBNZ) tightened monetary policy more aggressively. The positive signs are that business confidence has been rising and the RBNZ has signalled the hiking cycle is likely finished.



[Read more](#)

Source: Russell Investments | Date: 9 August 2024



Planning for retirement: Setting your goals

Retirement means different things to different people. It's a time to pursue your passions, spend quality time with loved ones, embark on new adventures, or simply relax and enjoy life. Whatever your vision of retirement may be, it's important to plan ahead and ensure financial security. Here are some tips to help you set and achieve your retirement goals:



[Planning for retirement](#)

Remember, it's never too early or too late to start planning for retirement. By setting clear goals, assessing your financial situation and creating a solid savings plan, you can take control of your future and enjoy a fulfilling retirement.

ANZ investment transition

On May 3, 2024, ANZ announced that it would exit its wholesale investment business. As a result, ANZ will no longer offer investment management services to wholesale investors, including FireSuper. To address this change, the Trustee has already initiated the process of selecting new investment managers for the New Zealand cash, New Zealand fixed interest, and global listed property sectors. Notably, significant progress has been made towards completing the transition away from ANZ Investments by the end of August 2024.



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**Retirement
planning**



**Financial advisers
at FMA**



**FireSuper
website**



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Product Disclosure Statement (PDS)