



## Firesuper Supernews

August 2020 No. 122

### Welcome to this edition of Supernews

The past few months have been highly disruptive for Kiwis, both professionally and personally, as the country went into national lockdown. However, while all that was going on, financial markets continued to recover as evidenced by strong returns for the diversified options over the June quarter. Your Scheme is always here if you need it.

Included in this newsletter is an update on investment market performance for the quarter ended 30 June 2020, the latest Scheme earning rates, videos on market volatility, and more.

As always, if you've got any questions about the Scheme or if there is anything you would like to see included in future newsletters, please call the Helpline on 0800 MY SUPER (0800 69 78737).

## Investment market performance

Quarter ended 30 June 2020

The COVID-19 pandemic that has swept across the globe has shocked the economy and will likely result in the deepest global recession in generations. Dealing with the health emergency has required draconian 'stay at home' orders in many countries effectively closing key sectors of the global economy. The resulting unemployment surge has been immense but it seems likely further pain is on the way as businesses around the world look to adjust their models in light of the new economic realities.

The sudden halt in economic activity contributed to spiraling declines in shares and corporate fixed interest securities during February and early March as investors dramatically retreated from markets. Perhaps taking lessons from the Global Financial Crisis of more than a decade ago, policy makers around the world have been quick to act with aggressive counter measures. Central banks, including New Zealand's Reserve Bank, have cut interest rates and implemented liquidity programmes, while governments have introduced massive stimulus measures in an effort to provide support during this unprecedented time.

Investment markets have recovered dramatically since the mid-March lows, with many key share market indices at or above beginning-of-year levels.

[Read more](#)

Source: Russell Investments.  
Date: 21 July 2020

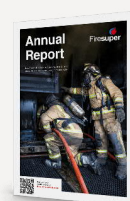
## Negative interest rates

The possibility that the Reserve Bank of New Zealand will introduce negative interest rates at some point has been raised by several economic commentators. It is unclear whether this would lead to savers paying to keep their money in the bank, however what is certain is that such a regime would further reduce the returns they could earn. While negative interest rates would also impact members in the Scheme's Cash option, it is important to remember that investing in the Cash option is not the same as cash in the bank. For example, the Cash option invests in term deposits as well as cash-like investments such as short-term bonds issued by the government, local authorities, companies and banks.

Source: Russell Investments.  
Date: 8 June 2020

## Your annual confirmation and annual report

Your annual confirmation is now available online at any time after you login at [www.firesuper.superfacts.co.nz](http://www.firesuper.superfacts.co.nz). You will also soon receive a copy of the Scheme's annual report by email or post depending on your communications preference. If you would like to change the way you receive communications about FireSuper, please login to the Scheme website and click 'Personal details' and then the 'Update your current details' tab

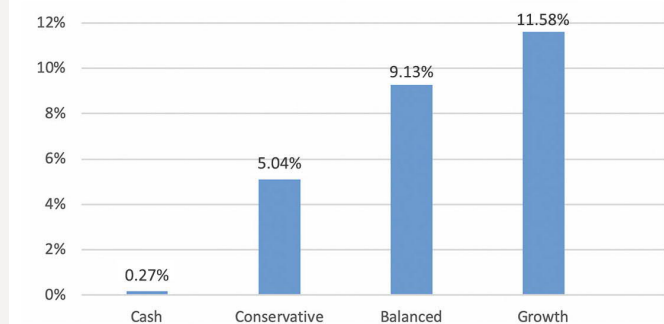


## Scheme earning rates

(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 2020 through to 30 June 2020). The returns are net of fees and tax.

Member Earnings Rates (1 April 2020 - 30 June 2020)



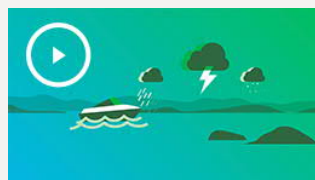
Source: Russell Investments. Past performance is no guarantee of future results.

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

## Market volatility videos

Have you seen the latest videos on market volatility?

These will give you a basic understanding of how share market cycles work, the types of asset classes there are and how they are affected by market fluctuations, as well as common strategies to help manage risk. They also look at some factors you should consider when choosing an investment strategy.



[Watch the videos here](#)

## COVID-19 and your money: 7 things to do right now

We're living in such a changed world that it can feel overwhelming. The coronavirus has upended our working lives, our kids' lives, and our money lives as well. That said, there's a lot we can do: from the Commission for Financial Capability here are 7 things to do straight away.

[See the 7 things to do](#)

## Have your say!

We will soon be sending you a survey asking for your feedback on the Scheme, communications you receive, and services such as Helpline and the website. Your views and feedback on this will help us enhance the way we communicate with you, so we ask that you take a moment to complete this survey when you receive it soon.



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**0800 69 78737**



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To find out more about anything mentioned in this newsletter please either call us on **0800 MY SUPER (0800 69 78737)**, email [nzfire.super@mercero.com](mailto:nzfire.super@mercero.com), or visit the Scheme website by [clicking here](#).