



Welcome to the first edition of Supernews for 2022! We hope you all had a relaxing holiday season!

With the global spread of Omicron it is a reminder that the COVID-19 pandemic is not over.

In this edition of Supernews, you will find:

- Market update;
- Scheme returns;
- Key dates for 2022;
- Life Cycle option update;
- What is financial capability?
- New Year, new financial goals.

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)**.

## Market update

### Quarter ended 31 December 2021

Global share markets were higher in the December quarter, driven largely by a series of encouraging US and European earnings updates. Stocks benefited from the prospect of additional US infrastructure spending and further corporate merger and acquisition activity. Sentiment was further buoyed by the People's Bank of China's decision to reduce the required reserve ratio, i.e. the amount of cash the country's banks must hold as reserves, and Beijing's vow to prioritise economic stability in 2022, sparking hopes of additional stimulus to help fuel growth.

The New Zealand economy contracted in the third quarter of 2021, but gross domestic product for the year had increased 4.9%, ahead of most countries. New Zealand's consumer price index also jumped 5.9% for the year to December 2021, a level not seen since 1990. Contributing to the decline were multiple domestic interest rate hikes, with the RBNZ raising the official cash rate twice during the quarter (to 0.75%). Stocks were also impacted by the discovery of Omicron, rising bond yields and a sharp drop in third-quarter retail sales data. Limiting the decline was a series of encouraging domestic earnings results, news the unemployment rate fell to an all-time low of 3.4% in the September quarter and further corporate activity. At the sector level, information technology was the worst performer, followed by consumer-related names and utilities. In contrast, energy, financials and real estate all posted good gains

[Read the full article](#)

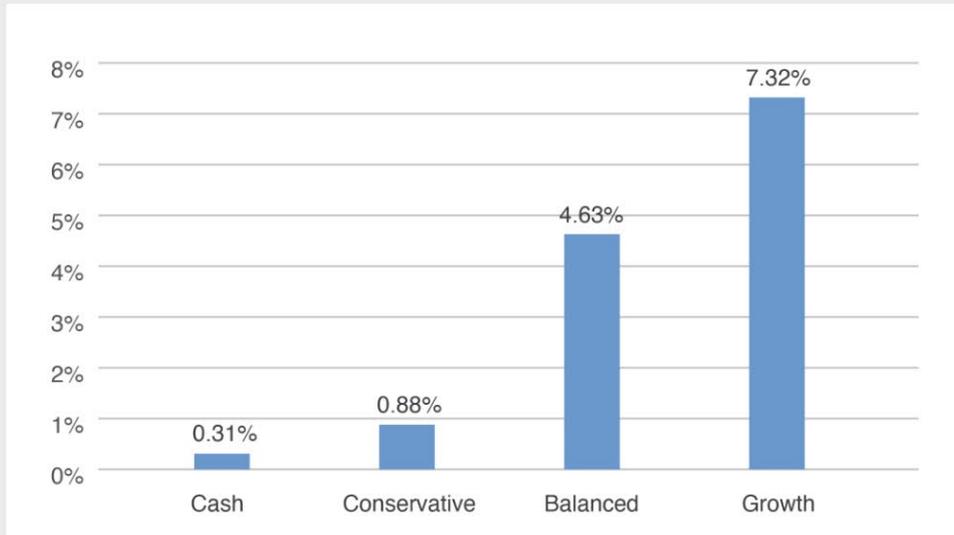
Source: Russell Investments Date: 9 February 2022

# Scheme 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 2021 through to 31 January 2022). The returns are net of fees and tax.

### Member earning rates (1 April 2021 – 31 January 2022)



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](#).

## Key dates 2022

  
**March**  
Newsletter

  
**June**  
Annual report and  
annual confirmation  
statement

  
**August**  
Newsletter

  
**November**  
Newsletter

## Life Cycle option update

On 29 September 2021, FireSuper launched its new investment option called Life Cycle. The Life Cycle will automatically adjust (downwards) the allocation to growth assets, as members get closer to retirement age. Since its launch, eight existing members switched into the Life Cycle option and nine new members joined the option. The total number of members in the Life Cycle option as at 31 January 2022 was 17.

To read more on The Life Cycle investment option:

[Click here](#)

If you would like advice on whether the Life Cycle option is right for you, please speak to a financial advice provider. To find out more, please visit the Financial Advice page on our Scheme website, [www.firesuper.org.nz/financial-advice](http://www.firesuper.org.nz/financial-advice).



### Growth assets

Growth assets generally include shares. These assets historically have tended to provide higher returns over the long term but experience more volatility (ups and downs or 'risk') in the short term.



# What is financial capability?

Financial capability deals with managing your finances to achieve your goals. Its feeling confident to make wise judgements about how we use and manage our money in ways that will enable us to reach our goals, benefit us now and in the future and ultimately enter retirement in a comfortable financial situation. The Retirement Commission (Te Ara Ahunga Ora) have published an article, which focuses on what influences our decisions and the importance of financial capability.

[Read more](#)



## New Year, new financial goals.

As we enter the New Year, setting financial goals can help us focus our lives and our money. Financial goals can be both short and long term the main aim is that your goals are achievable. Sorted.org.nz recently published an article titled "Setting financial goals – how to set money goals" which covers a few helpful points to assist with your financial goals.

[Visit Sorted.org.nz >](#)



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