

# Firesuper Supernews

March 2017 No. 113

Welcome to the latest edition of the Fire Service Superannuation Scheme's Supernews. Read on for the latest news and information about your Scheme and superannuation in general.



## INVESTMENT MARKET PERFORMANCE

**The December quarter made a slow start...** reflecting investors' concerns about the outcome of the US election and potential monetary policy changes.

**...before share markets bounced back** as investors were encouraged by some of Trump's campaign promises.

Elsewhere, the European Central Bank's decision to extend its quantitative easing policy until December 2017 (an extra nine months) put downward pressure on the euro and gave European share markets a boost. The US Federal Reserve increased interest rates by 0.25% in December and signaled the potential for at least two additional increases in 2017.

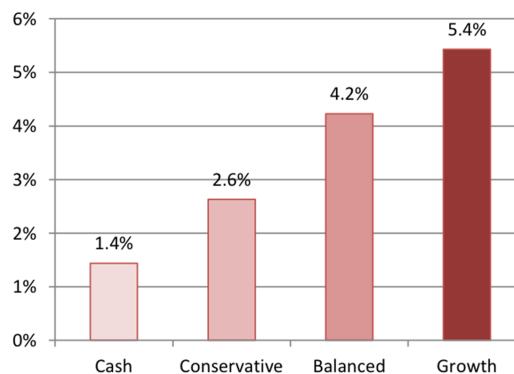
**The New Zealand share market bounced back in January...** bringing to a stop four consecutive months of negative returns. Globally, share and bond markets struggled to advance, with the US the only major share market to perform well.

**...and February brought relief to investors in global bonds,** which posted a positive return for the first time since the US presidential election. Trump-fuelled sentiment continued to support a booming US share market. On a less positive note, Eurozone political uncertainty has unnerved investors, with opinion polls' movements influencing markets up and down as elections loom across the region.

The earnings rate graph to the right shows how the Growth option, with approximately 85% of its assets in shares (including listed property and listed infrastructure), has benefited from improved returns from shares.

## SCHEME EARNING RATES

Earning rates for the 10 months to 31 January 2017 are shown in the chart below:



For the most up to date earning rates please visit the [scheme website](#).

\*Returns shown are after tax and all administration and investment expenses.



# THIS YEAR'S ANNUAL REPORT AND BENEFIT STATEMENT

As well as shortening the time frames for delivery of your annual report and benefit statement (now referred to as your annual confirmation), the FMC Act allows both documents to be delivered electronically including via a hyperlink.

Not only is electronic distribution more eco-friendly, it also offers significant savings in both print and postage costs. As a result, this year's annual report and annual confirmation will be uploaded to the scheme website and you will be notified by email when they are available.

If you haven't provided an email address or you have let Mercer, the scheme's administrator, know that you would prefer to receive printed documents, these will be posted to you as before.

The website's default option is electronic, so if you wish to receive your documents by post, please update the Personal details page of the website accordingly, as soon as possible.

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## HAVE YOU REVIEWED YOUR SUPER LATELY?

Saving for your retirement shouldn't be a set and forget exercise. Every year or so ask yourself the following questions:

1. Do the people I've nominated as potential recipients of any death benefit from the scheme (my nominated beneficiaries) reflect my current wishes? Check your current nomination(s) and update them if necessary on the Beneficiaries page of the [scheme website](#).
2. Is my current investment option (or combination of options) still appropriate for my circumstances, including the length of time I intend to remain a member of the scheme?
3. Will my current savings be sufficient to provide the standard of living I would like when I retire? For help working this out [click here](#) to go to the Retirement Planner on the Sorted website. If the answer from the calculator is that you need to save more, remember that you can supplement your savings by making salary based voluntary contributions of up to 10% of your superable salary.
4. Are my personal details (including my home address) up to date? You can update them by signing in to the [scheme website](#) and selecting the **Personal details tab**. Then scroll down to **Update your current details**. Also take a moment to update your communication preferences to indicate how you wish to receive scheme communications including your annual report and annual confirmation.



# FINANCIAL MARKETS CONDUCT ACT (FMC ACT) UPDATE

With the transition to the new regime successfully completed, our focus is now turning to managing the revised time table for the scheme's annual review and the additional information required in the annual report. The new legislation also requires an annual fund update to be issued for each of the scheme's four investment options. The fund updates need to be issued by 30 June 2017.

The purpose of the fund update is to show how the fund has performed and what fees were charged, in a standard format to allow comparison with other schemes.

The scheme's documents, including the fund update, are all available under Member Documents [here](#). They are also available on the Companies' Office [Disclose register](#), select Search schemes and enter New Zealand Fire Service Superannuation Scheme.

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## WHY IT'S IMPORTANT TO HAVE AN (UP-TO-DATE) WILL

If your Will is out-of-date when you die, it could mean that your assets are distributed in a way that no longer reflects your wishes.

Remember that events such as marriage, divorce or separation can mean that your Will is automatically revoked.

Dying without a valid Will can be messy, time consuming and expensive. Your property will be distributed in accordance with the legislation, which doesn't take into account your individual circumstances or the needs of your dependents.

You can make a Will at one of the trust companies such as Public Trust or Trustees' Executors or at a local lawyer's office.

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## NEED HELP BUDGETING?

It's happened to most of us, the car and the fridge have broken down at almost the same time and there is very little (or no) money in the kitty. Once over the immediate crisis, it's easy to slip back into old spending patterns but a more pro-active response would be to do a budget.

To contact the CAB, call 0800 367 222. Another option is the New Zealand Federation of Family Budgeting Services, which provides free, confidential and personalised budgeting advice from trained budget advisers. Call 0508 BUDGET or 0508 283 438 for further information or visit [www.familybudgeting.org.nz/](http://www.familybudgeting.org.nz/).

Did you know that your local Citizens Advice Bureau can help you find a budgeting service that suits your situation, and offers a free service in some areas?

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# TIPS TO PROTECT YOUR PRIVACY

Scammers know all kinds of tricks to get you to hand over your money but remember, if it looks too good to be true, it probably is. Here are some practical tips to stay one step ahead of the scammers.

## 1. Ask the right questions

- What is your name and what company do you represent?
- Who owns your company?
- What is your address?

If they avoid answering, the deal they are offering you is probably a scam. Hang up.

## 2. Protect your personal information

Do not give out any personal, banking or credit card information to anyone who makes contact with you. Check your bank and credit card statements each month. Use strong passwords and create a unique password for different purposes.

### *Hints for creating a strong password:*

- Use more than one word with no spaces.
- Choose words or a phrase that is unrelated to your personal information.

- Use numbers, symbols and a mix of upper and lower case letters. Select a random word or phrase and insert letters and numbers into the beginning, middle, and end to make it extra difficult to guess (such as "sPo0kyh@ll0w3En").

- Don't use simple words or phrases like "password" or "letmein," keyboard patterns such as "qwerty" or "qazwsx," or sequential patterns such as "abcd1234."

- Use phonetics in the words or avoid spelling words correctly, e.g.  
lthawtbetaofgointothebeech@Piha2day.

- Use first letters of a phrase. For example, "The first house I ever lived in was 613 Fake Street. Rent was \$400 per month" would become  
Tfhleliw613FS.Rw\$4pm.

## 3. Emails and security

Do not open unsolicited or suspicious emails and enable security settings on your computer or mobile device. Install current anti-virus programs.

## 4. Reduce telemarketing calls

Visit the Marketing Association website ([www.marketing.org.nz](http://www.marketing.org.nz)) and add yourself to the 'do not call' and 'do not mail' lists. This will not stop scammers from phoning you but they might be more easily identified.



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