



Firesuper Supernews

September 2017 No. 114

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

Investment markets started the new Scheme year on a subdued note, reflecting concerns about rising US interest rates and the results of an election called by UK Prime Minister, Theresa May, to strengthen leadership before the start of Brexit negotiations but which ended with a 'hung' parliament.

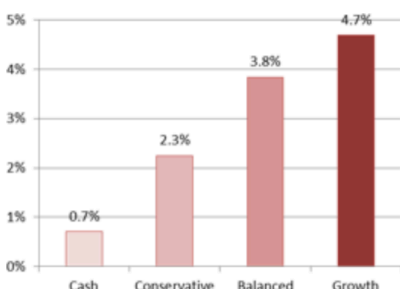
The news wasn't all bad for investment markets however, as the French Presidential elections held in May resulted in a victory for the pro-Europe candidate, Emanuel Macron over populist candidate, Marine Le Pen. The US share market's Dow Jones Index shrugged off concerns about President Trump's ability to implement his pro-growth campaign promises and ended July on a record high. Geopolitical uncertainty continues to be the major influence on investment markets, with Brexit negotiations, President Trump and, in particular, the North Korean situation still garnering most of the headlines.

After resuming their upward trend in July, global share markets largely marked time in August as geopolitical events, particularly the terrorist attack in Spain and escalating tensions between the US and North Korea, made headlines. However, the news did not prevent the Dow Jones Index reaching a record high for a second successive month. Despite stronger than expected economic growth in a number of regions, fixed interest investments benefited from a slight fall in global interest rates over the month as inflation expectations continued to soften.

As a result over the first five months of the Scheme year the Growth and Balanced options have posted the strongest returns as growth assets such as shares have continued to provide good positive returns supported by moderate returns from fixed interest.

SCHEME EARNING RATES

Earning rates for the five months to 31 August 2017 are shown in the chart below:



Please note that the returns shown are after tax and all administration and investment expenses.

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



FUND UPDATES

Fund updates for the Scheme's four investment options were published, as required, by 30 June.

You can view these documents under Member Documents [here](#). They are also available on the Companies' Office [Disclose register](#): select Search offers, enter New Zealand Fire Service Superannuation Scheme, then select Investment Options. Each investment option has its own separate fund update document.

Fund updates are required under the Financial Markets Conduct Act regulations. The Scheme/trustee must provide them within three months of the Scheme's anniversary date.

A separate fund update is required for each of the Scheme's four investment options and must contain information about each option's investment performance, level of risk and fees.

The fund updates can be read in conjunction with the annual report because they contain some of the information previously provided in the Scheme's annual report.

As the Scheme is designated a restricted scheme, it is only required to produce fund updates annually.

The term 'restricted scheme' relates to a workplace savings scheme that has restricted membership (like your Scheme) or is closed to new members.

Additionally, a restricted scheme does not need a licensed manager or a licensed supervisor, but must instead have a licensed independent trustee. The scheme's licensed independent trustee is Tim McGuinness.

RECEIVING YOUR SCHEME INFORMATION

Don't forget that the default option for providing your annual report and annual confirmation is electronic. Documents will be uploaded to the scheme website and you will be notified by email when they are

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

Life can be uncertain and anyone at any age can have an accident or suffer a serious illness that means they are unable to make decisions for themselves. Suddenly, someone needs to make sure your mortgage and other bills are paid, that your spouse and children are being looked after and that you are being properly cared for.

A power of attorney is a document appointing someone to make decisions on your behalf or to sign documents for you. The most common is the enduring power of attorney (EPA), which allows the person(s) you have named to continue acting on your behalf if you can no longer make decisions for yourself. While many people assume EPAs are only for older people, usually anyone over the age of 18 may sign an EPA.

There are two types of EPA. Those for property relate to everything that you own, including bank accounts and investments. Those for personal care and welfare are concerned with questions such as where you are to live and ensuring you and your dependants are being properly cared for.

The New Zealand Law Society has a useful plain language EPA guide, which explains the effects and implications of entering into an EPA: www.lawsociety.org.nz/news-and-communications/guides-to-the-law/powers-of-attorney.

LOOKING FOR A FINANCIAL ADVISER

Financial advisers can provide you with guidance and advice about superannuation and other related financial services and products. They include financial planners, mortgage and insurance brokers, as well as people working for insurance companies and banks.

Here is some very useful advice from the Financial Markets Authority (FMA) about choosing a financial adviser that meets your requirements. The first thing to remember is that it's your money, so the advice you receive must focus on your individual requirements. Speak with several financial advisers before making a decision about which one to use. Find out if they can only offer general financial guidance or are qualified (and experienced) to provide specific advice that matches your particular needs.

A recommendation from friends or family is one way to find an appropriate adviser. If you do choose one this way, make sure you interview them in the same way you would any other adviser.

Bear in mind that your friend or family member is likely to have different financial objectives to you, and if they've only recently taken advice, it's hard to tell whether an adviser has done a good job. This often isn't clear until years after the advice has been given. If this is the case, it's a good idea to ask your adviser for examples of how they've successfully helped people similar to you.

Another important factor to clarify with a potential adviser is that there may be a charge for receiving financial advice. Some advisers charge a fee for service, while others charge a commission or may receive sales related incentives.

You can obtain additional information about a financial adviser you are considering using on the public Financial Service Providers Register (FSPR) at www.fspr.govt.nz.

The FMA provides searchable lists of advisers on various professional adviser association websites. You can access this at: <https://fma.govt.nz/consumers/getting-financial-advice/how-to-find-an-adviser/>.



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