

The Latest News On Your Retirement Savings

Welcome to the November 2024 edition of the TRSS newsletter.

As we wrap up the year with our final issue for 2024, we want to ensure that you are well-informed for the upcoming period. We have included an update on the Helpline and our administration team's hours of operation during the holiday season, so that you have access to support whenever you may need it.

We have also included a reminder for you to read your annual report and benefit statement to help you stay updated on the overall performance of the Scheme, as well as the regular market commentary and Scheme returns.

Should you have any queries or wish to share your feedback regarding the Scheme or any of the documents, please reach out to the Helpline on **0508 4 TEACH (0508 4 83224)** or email teachersretire@mercero.com.

Regards,

Mercer,
On behalf of Public Trust as Trustee



Annual reporting documents published

You should have recently received your annual report and benefit statement. To access these documents, please [log in to our website](#). The annual report is also available under the *Documents* tab on www.teacherretire.org.nz. We encourage you to take the time to thoroughly read these documents, as they provide valuable insights into the performance of the Scheme over the past year. Additionally, these documents outline any significant changes or updates that you need to be aware of, ensuring that you are fully informed about your investments and the overall performance of the Scheme.

Your benefit statement provides an overview of your account, including your balance. Having these details on hand should help you to assess whether your current savings strategy is aligned with your idea of an ideal retirement lifestyle. If you find that adjustments to your strategy are necessary, we recommend exploring the various [financial tools](#) available on our website. These resources are designed to assist you in evaluating your options and optimising your savings plan. If you did not receive these documents, or would like to update your contact details, please log in to the Scheme's website www.teachersretire.org.nz or call the Helpline for further assistance.

[Log in to view these documents](#)



Market news

During the September quarter, interest rate cuts were a hot topic, as many global economies like the US, key countries in the Eurozone and New Zealand started to lower their rates.

July was dubbed “**the great rotation**” for stocks, starting a trend that continued throughout the quarter. Markets began to focus on **small-cap stocks** and **value sectors**, with money moving out of mega-caps and into assets that are more sensitive to interest rates. This change was driven by increasing optimism for a smooth economic transition and underwhelming quarterly earnings reports from the “**Magnificent 7**” tech giants in July.

Japanese stocks fell by 4.9% after the Bank of Japan raised rates in July and hinted at more increases. This coincided with a weak US job market report. As the interest rate gap between the US and Japan narrowed, the yen strengthened, prompting investors to quickly unwind trades that depended on low borrowing costs in Japan. Although a more positive tone from Bank of Japan officials helped reduce some losses, the market still finished the third quarter down.

In contrast, European **stocks** saw modest gains, with the MSCI UK and MSCI Europe indices gaining 3.4% and 2.1% respectively in local currency. Economic data reinforced the sluggish nature of the eurozone recovery so far this year. The S&P 500 continued its march higher, returning 5.9% over the quarter with US value stocks outperforming their growthier counterparts and a rally in **small-cap stocks**. This suggests the equity rally broadening away from **mega-caps** and beyond technology stocks.

In fixed income markets, expectations of lower interest rates led to strong performance, with the Bloomberg Global Aggregate Index (NZD Hedged) returning 7.0% in the third quarter. Both government bonds and credit instruments generated strong returns, and emerging market debt surged by 6.1% during the quarter, making it one of the top-performers in fixed income sectors this year.

Glossary of terms



The great rotation: This refers to a big change in how investors choose where to put their money. It usually involves moving money from one type of investment (like bonds) to another (like stocks), based on market conditions and the economy.



Magnificent 7: Seven major tech companies leading the market's recent growth (2023 and 2024) – Apple, Microsoft, Amazon, Alphabet (Google), Meta (formerly Facebook), NVIDIA, Tesla.



Small-cap stocks: This refers to shares of smaller companies with lower market value.



Stocks: These are also known as equities or shares and represent a way to own part of a company. If the company does well, you can earn profits from it, known as dividends.



Value sector: This refers to specific industries or companies whose stocks are considered undervalued compared to their earnings.



Bonds: Bonds are loans you give to a company or government. In return, they pay you a set amount of money over a certain period.



Mega-caps: These are very large companies with high market capitalisation and influence.

Scam basics

Scams are deceptive schemes that aim to make people lose money or personal information. They can take many forms, including phishing emails, fake investment offers and lottery scams. Scammers often use stolen identities and create fake websites to seem real, making it hard for victims to tell what's true.

To stay safe from scams, it's important to remain vigilant and sceptical of unsolicited offers, especially those that seem too good to be true. Researching investment offers thoroughly and seeking advice from trusted financial experts can help reduce risk.

Awareness and education are key in the fight against scams. By understanding the tactics used by scammers, individuals can better safeguard their finances and personal information, ensuring a more secure financial future.

The Financial Markets Authority ('FMA') recently published an article on scams which highlights common signs of scams and advises individuals to verify the legitimacy of any offers or communications. The article also encourages you to report suspected scams to help protect others.

[Read the article here](#)

You can also find more information on protecting personal information and using strong passwords to prevent identity theft and fraud in the article linked below.

[Protect Your Online Presence](#)



Scheme Returns

The table below shows the returns of each investment fund for the first three months of the Scheme year, along with the returns from the two years prior.

	Scheme year-to-date 3 months to 30 September 2024	12 months to 30 June 2024	12 months to 30 June 2023
Cash Fund	1.07%	4.1%	2.9%
Stable Fund	2.59%	4.6%	2.8%
Balanced Fund	3.29%	7.4%	6.0%
Growth Fund	3.52%	9.2%	8.0%

You can find the latest information on monthly returns [here](#).

Holiday hours

Our Helpline will remain available leading into the holiday season and will also operate on 27, 30 and 31 December, apart from the national public holidays (25 and 26 December, 1 and 2 January). Their hours are 9am to 7pm, Monday to Friday and you can contact them on **0508 4 TEACH (0508 4 83224)**, or **+61 3 8306 0965** if calling from overseas. Helpline is your first contact for any questions about the Scheme, covering a range of different topics, including:

- Website account access and password reset
- Withdrawal requests
- Investment option change
- Questions about fees
- Updating contact details and communications preferences
- Questions on key documents such as annual reports and benefit statements



During the holiday period, Mercer (the Scheme's administration manager) will close on the evening of Friday 20 December 2024 and reopen on Monday 6 January 2025. This closure will have an impact on various processes including withdrawal payments, regular member contributions updates and other forms processing. These services will be affected not only during the closure period but also leading up to it. If you have any withdrawal requests that require action during the Christmas period, please ensure that they are sent to Mercer (nztrsserp@mercero.com) no later than Friday 13 December 2024.

More information



Retirement
calculator



Financial
advisers



Helpline



Scheme
website



0508 4 TEACH (0508 4 83224)
teachersretire@mercero.com

