

DAIRY INDUSTRY SUPERANNUATION SCHEME NEWSLETTER OCTOBER 2019

WELCOME TO THE OCTOBER 2019 EDITION.

It is worthwhile to take a moment every year to check that you are in the best investment option(s) that fits with your personal goals and situation. When was the last time you logged into the Scheme website to check your accounts, spoke with a financial adviser, or called the Helpline? Receiving your member statement and annual report is a good reminder to check you are on track to achieve your financial goals, or take any necessary steps to help you get there. Helpline can be reached on **0800 355 900** between 9am and 7pm Monday to Friday to answer any questions about your accounts, this newsletter, or the Scheme.

ANNUAL REPORT & MEMBER STATEMENT OUT NOW

You should have received your personalised member statement and annual report in July either by post or email, depending on which method you have told us best works for you. If you did not receive these documents, or would like to change the way you receive future communication, please login to the Scheme website www.dairysuper.superfacts.co.nz at any time.



INVESTMENT PERFORMANCE

The table below shows how the Scheme's investment options have performed over the past five months (April to August) and since investment choice was made available to members in 2003. Returns are determined monthly, and take into account the effect of compound interest.

Returns for each investment option after tax, fees and expenses							
	Cash	Cash/ Conservative	Conservative	Conservative/ Balanced	Balanced	Balanced/ Growth	Growth
Scheme year to 31 March 2019	1.4%	2.5%	3.5%	4.3%	5.0%	5.3%	5.7%
Periods to 31 August 2019							
Scheme year to date (five months)	0.5%	1.5%	2.5%	3.2%	3.8%	4.0%	4.3%
1 year	1.3%	2.4%	3.6%	3.9%	4.1%	4.0%	3.9%
5 years (average pa)	1.6%	2.9%	4.1%	5.1%	6.1%	6.7%	7.2%
10 years (average pa)	1.8%	3.2%	4.7%	5.8%	6.9%	7.5%	8.1%
Since 31 March 2003 (average pa)	2.8%	3.8%	4.7%	5.3%	6.0%	6.3%	6.7%

MEDICAL ADVICE FROM BEST DOCTORS

Best Doctors is an exclusive service that DISS can offer you and your immediate family as part of your membership. Should you or an immediate family member (cover extends to your partner, children, parents and parents-in-law) suffer a medical condition, Best Doctors can give you and your treating doctor access to the expertise and insights from a leading international expert in your condition. They can help if you are unsure about your diagnosis, confused about your medical treatment, having trouble accessing a second opinion due to location, or looking for more information about your condition. Please refer to the September 2018 newsletter for more information, visit www.askbestdoctors.com/nz or call **0800 425 005**.



INVESTMENT NEWS

Share markets around the world have continued to perform well even as investors show concerns about the slowing global economy and the ongoing trade war between the US and China.

Key central banks, such as the US Federal Reserve, have responded to slowing growth by reducing interest rates in the hope that these actions will help kick-start the economy. In New Zealand, the Reserve Bank surprised the market by reducing the Official Cash Rate (OCR) to 1% as it attempts to meet its employment and inflation objectives. Lower interest rates generally encourage companies and individuals to borrow more money, and if this leads to increased consumption or investment it can lead to higher company earnings, increases in wages and employment and stronger growth.

As central banks in major economies tried to combat this market uncertainty, investors sought the relative security of government bonds. Fixed interest assets have performed well in recent months as the interest rates have declined.

The worldwide political landscape has been increasingly tumultuous. Share markets around the globe struggled in recent months as investors' risk appetite reduced amid concerns of a global recession. With US President Donald Trump back on the offensive and China unwilling to bend to those demands, international trade negotiations did little to calm investors' worries.

Developed share markets (including the US, UK, Canada, Australia and New Zealand) experienced negative returns in August, while more defensive asset classes, including global listed property and infrastructure, contrasting performance by bucking the negative trend.

The current economic growth in the US is the longest on record and with share markets at record levels, slowing global growth and ongoing geopolitical concerns, investors should be prepared for share market volatility. While caution is warranted, the potential for growth remains as economic fundamentals in much of the world are solid. Monetary policy is generally accommodative and near-term resolution in the trade negotiations between the US and China remains a possibility.

NOW WE'RE TALKING - MONEY WEEK 2019

Conversations about money can be difficult, yet these discussions can be some of the most important ones to have. Not talking about money with those around us can cause stress, anxiety, and unnecessary problems for many families, so Money Week 2019 shared positive ways to start those conversations. Read more at www.moneyweek.org.nz



FIRST HOME BUYERS STILL REELING AS DREAM COMES TRUE

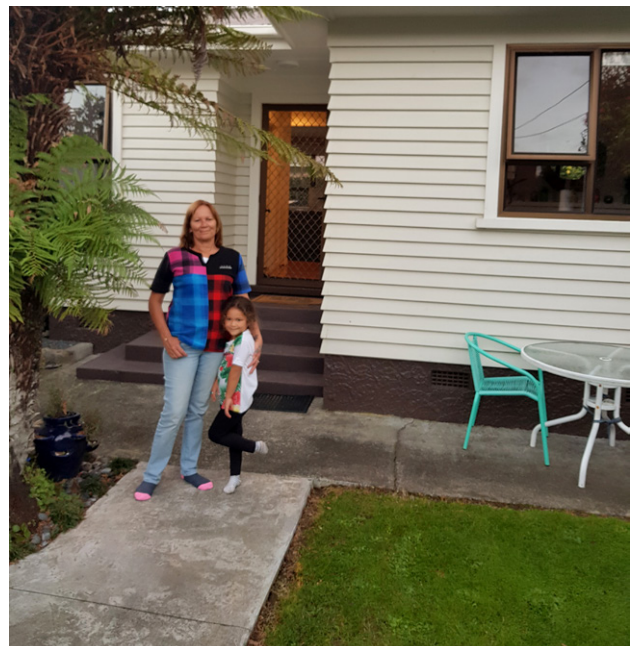
Dairy Industry Superannuation Scheme (DISS) members, Iona Ngapera and her daughter, who are both dairy workers at Fonterra Takanini, secured their first home after looking for six months.

Having been renting for a number of years, Iona and her daughter dreamed about being home owners for a long time. Early last year, Iona considered the possibility of buying a home and after approaching DISS and speaking with her daughter, Iona realised that if they both combined their DISS savings they would have enough for a deposit. "It didn't take long for DISS to come back with a response and for us to gain our finance pre-approval" explained Iona. After months of searching they found a house they loved, began negotiations, and settled in September 2018.

"We're in awe of living in our own home. For a few months after moving in we still asked ourselves if this was really our own home. It took a while for the reality to sink in that it is ours. We can do what we like to it, unlike renting. It's nice knowing we can put a nail in the wall and hang a picture because it's our own place. It feels like home, and being able to do what we want is wonderful" says Iona.

"While we had considered houses that needed some renovation work, this house we have now is fully renovated, so we don't need to do anything to it. It's great. The electrical work has been done, it's fully fenced, and we managed to get a good price for it."

"The Scheme helped so much. If it wasn't for DISS we wouldn't have been able to buy our home. We're not members of KiwiSaver, so we could get into our home solely from the help and support from DISS. We're so grateful to DISS for their support, and to have had the opportunity to withdraw our funds to get us into our own place."



Iona Ngapera and her granddaughter proudly standing in front of the new home.

Iona and her daughter have been members of the Scheme for over 19 and 4 years respectively. They're both contributing the maximum 6%, and have chosen investment options that reflect their objectives of growing their savings.