



TOBACCO INVESTMENTS UP IN SMOKE

Member funds will no longer be invested in companies with links to the production of tobacco, following a decision by Mercer's New Zealand investment arm to exclude these investments from its portfolios. This affects investments through Mercer Investment Trusts New Zealand, which manages PSS funds. PSS Chair Malcolm Johnson says Mercer already excludes investments related to cluster bombs and other illegal munitions, but excluding investments in various consumer products is much more complex. "Arguments can be made against a range of products and commodities – alcohol is another example. However, it's a matter of where you draw the line. Mercer has developed a detailed and thorough process for considering exclusions. Unsurprisingly, it has formed the view that the arguments against tobacco are conclusive. The move to exclude this product is in line with decisions made by many other New Zealand superannuation funds." The new policy will be implemented over the coming months.

[Read more](#)

2017 INVESTMENT STORY A POSITIVE ONE

Returns for the year to 30 June 2017 have bounced back strongly after fairly flat and modest returns in 2016. The Growth and Balanced options particularly benefited from the continued bull run in international shares. We are, however, starting to see some volatility return to investment markets after a period of relative calm.

NET RETURN %	Growth	Balanced	Stable	Cash Plus
Periods to 30 June				
2017	10.33	7.10	3.85	1.66
2016	2.09	3.52	4.22	2.03

These returns are after tax and fees.

Read a detailed review of the 2017 investment year [here](#).

EXPECT YOUR ANNUAL ACCOUNT STATEMENT A LITTLE EARLIER THIS YEAR

Your 2017 account statement will be sent to you in late September – a month earlier than usual. The move to daily unit pricing means we can complete year-end tasks and finalise the scheme's financial statements more quickly. Also, at the end of September, we will publish on the website an annual report and updates for each fund in the new format required under the Financial Markets Conduct Act. You will also be able to view these reports at companiesoffice.govt.nz/disclose.

WHAT DOES DEBT DO FOR YOU?

That's the question the Commission for Financial Capability is asking during this year's Sorted Money Week (14–20 August). Debt, the Commission says, is a powerful tool; the key lies in how we use it. Sometimes we may be better off in the long run by borrowing, but it can also be a financial drag on us. Sorted provides practical and impartial resources for anyone considering taking on debt. It also helps those looking to shed their debt faster, so they can get ahead financially and improve their wellbeing.

Find out more at moneyweek.org.nz

STATS SHOW MEMBERS TAKE AN ACTIVE INTEREST IN THEIR SAVINGS

It's great to see members actively engaged with the scheme. You might be interested to know that 4,750 members read the last issue of this newsletter. Each month, an average of 3,000 members log in to their member account at least once with a total of around 18,500 visits. Around 750 check the latest returns on the website. About 460 members call the helpline each month and around 200 fit in a little retirement planning using our Retirement Income Calculator.

BENEFIT PAYMENTS OVER THE HOLIDAYS

Summer and the holiday season might seem many light years away, but it will roll around soon enough. So, a heads up if you're planning to withdraw money towards the end of the year. The last payment date for benefits for 2017 will be Thursday 21 December. This applies to all benefits including partial withdrawals, leaving service payments, significant financial hardship payments and withdrawals from deferred member accounts. For a pre-Christmas payment, Mercer needs to receive the completed form from you (or Payroll in the case of leaving service payments) by Thursday 21 December. Payments in the New Year will be processed from Wednesday 3 January. If you want to change your investment choice over this period, please make your change by Friday 29 December. Changes in the New Year will be processed from Wednesday 3 January.



Got a question?

pss.superfacts.co.nz

You'll find plenty of information about the PSS and your membership online. Our website is optimised for mobile phones and tablets and has lots of features to help you manage your super.

0800 PSSSCHEME (0800 777 243)

The helpline hours are 9.00am to 7.00pm, Monday to Friday (except public holidays).