

## Message from the Chairman

9 April 2020

These are troublesome times for financial markets as world economies are seriously disrupted by the Covid 19 pandemic. The Trustees acknowledge and share the distress of members as we watch investments drop in value. It is little comfort that the Fund has enjoyed a decade of good returns. Your retirement savings are precious and any losses are distressing. The Trustees acknowledge your concerns.

### Estimated Returns

The ***estimated*** returns (after tax at a PIR of 28%) for the month of March were -7.36% for the Balanced Portfolio and -2.63% for the Conservative Portfolio giving ***estimated*** returns for the Balanced and Conservative Portfolios for the year of -2.11% and 1.45% respectively.

### Trustees' Response to Current Market Uncertainties

In the continued market uncertainty, the response of Trustees is to retain the current asset allocations of the Balanced and Conservative Portfolios to shares and bonds. As noted in our communication to members last month, this is in accordance with the Trustees investment beliefs set out in our Statement of Investment Policies and Objectives, the advice of our Investment Consultant and general investment practice.

### Advice to Members

The Trustees are precluded from offering members individual financial advice. Whether you respond to the current market uncertainties by changing portfolios, or suspending or reducing contributions, is for you to decide. If you are in doubt you should obtain individual financial advice.

The Trustees would caution members against switching portfolios unless their individual financial circumstances have changed. Members should generally not change their choice of portfolio in response to financial market fluctuations.

The advice of our Investment Consultant is that our Balanced Portfolio is still expected to provide significantly better (although more volatile) returns than the Conservative Portfolio in the medium to long term. Switching funds from the Balanced to the Conservative Portfolio in response to the recent drop in the value of investment means converting a paper loss into a real loss.

If you are a deferred member you are reminded that if you chose to withdraw the full balance in your account, your account will be closed. Further, if deferred members make partial withdrawals the Fund is only able to accept contributions through payroll and cannot later accept lump sum deposits from members.

### Benefit Statements to 31 March 2020

The Fund's Administration Manager (MJW) is on track to complete processing of the March returns by 20 April 2020 when members can expect to see their updated benefit statements to 31 March 2020 on the Fund's website. As usual, members are welcome to call or email MJW for a more up to date estimate of their balance.

### Further Questions?

If you have more questions you are welcome to contact your Chairman to discuss. My numbers are 04 4712227 or 021 0748524.

**David Young**  
Chairman