



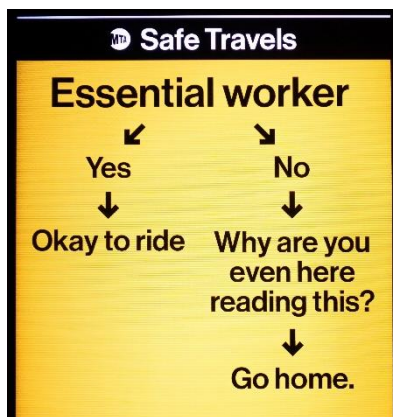
Presbyterian Beneficiary Fund

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Members' Newsletter – June 2020

A message from the Chairperson

I write as the country has just moved to Level 1. Back in mid-February, at the time of our first newsletter for 2020, our day-to-day lexicon did not include Levels, or clusters, bubbles, contact tracing, Covid-19, herd immunity, flattening the curve, PPE (personal protective equipment), or social distancing. How quickly things change.



The good news is that the country has come through the pandemic remarkably well, although we cannot forget those who died from the virus, the anguish of families disrupted by the lockdown, or those who have lost their jobs. And there is little doubt there will be more hurdles to overcome.

I am pleased to report that the Beneficiary Fund's investments have also come through the pandemic remarkably well – so far. In fact, for the 11 months from 1 July 2019 to 30 May 2020 the Fund's investment returns (before administration costs) were as follows: Cash Fund 1.2%; Conservative Fund 3.6%; Balanced Fund 3.2%; and Growth Fund 3.0%.

So, despite a lot of market turbulence and uncertainty, the Fund's returns for the financial year to date remain positive. They are not as strong as they were at the start of the year, but we know that markets go through ups and downs. The directors were delighted to hear that we did not see any members making hurried investment decisions during the turbulence. We know of other schemes where members made decisions to switch their investment selection, which they might now regret, missing out on the bounce-back and effectively locking in losses.

Just as the pandemic introduced us to the world of epidemiology, the Beneficiary Fund may be the first introduction for some members to the world of investments. Our investment manager, Mercer, has a wealth of resources available to help you get up to speed. Check out the links to online information on useful terms, and understanding market cycles and volatility. I found the videos on volatility particularly helpful – and I note that we continue to expect more volatility from markets and in your investment returns as the global economy navigates a path to recovery.

I'm also delighted to announce that the Church Property Trustees have appointed the **Rev Rose Luxford as a director** of the Beneficiary Fund Trustee company. Rose will bring an invaluable members' perspective to our governance. We look forward to her contribution.

Finally, as always, I'd like to take this opportunity to thank you for your support of the Fund and wish you all the best as we re-engage in life as normal.

Best wishes

Margaret Galt



In this newsletter:

- New Trustee director
- Learn more about investments
- How to contact us

Learn more about investments



Here's a link to a useful glossary of investment terms. Find out what an *active manager* is, what makes up *growth investments* and *real assets*, and what is meant by *liquidity*:

<https://www.mercerfinancialservices.co.nz/useful-terms.html>

Understanding market cycles and volatility

These two short videos will give you a basic understanding of how share market cycles work, the types of asset classes there are and how they are affected by market fluctuations, as well as common strategies to help manage risk. They also look at some factors you should consider when choosing an investment strategy. Click on the link below:

Video 1



<https://www.mercerfinancialservices.co.nz/mercemagazine/investments/understand-market-cycles.html>

How you can find out more or get help

If at any time you need to make a withdrawal, change your investment option(s), find out information about your account balance or update your personal details, please contact the Fund's Administrator (Melville Jessup Weaver) at:

Phone: 0800 266 787
Email: presbyterian@mjw.co.nz

Melville Jessup Weaver
PO Box 11330
Wellington 6142

For all other enquiries please contact the Trustee at:

Phone: (04) 381 8296
Email: trustees@presbyterian.org.nz

Attention: Russell Garrett
PO Box 9049
Wellington 6141



You can also get additional information about the Fund at companiesoffice.govt.nz/disclose or on our website at presbyterian.org.nz/for-parishes/church-property-trustees/beneficiary-fund.

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