



The \$30,000 takeaway

Perhaps one positive to come out of the miserable experience of COVID-19 is an object lesson in what constitutes essential spending. Apparently, many of us are saving money this year because we haven't been able to spend it. What if we made some of those changes in spending habits permanent? For example, one less takeaway per week. Two curries, rice, naan and accompaniments will set you back about \$60. If you put that 'one less takeaway per week' worth of savings into UniSaver for the next 10 years, you might expect to boost your savings balance by around \$30,000.¹ It does make you think. You generally can't deposit lump sums into UniSaver due to its exemption from some provisions of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009, but you can increase your contributions via payroll at any time.

¹ \$60 per week saved over 10 years at 4% p.a. = \$31,328.

Do it now – fill in a [Change contributions form](#)

The psychology of spending

This leads neatly into the subject of the final instalment of excerpts from Mary Holm's book *Rich Enough? A Laid-back Guide for Every Kiwi*. In this chapter, Mary looks at what motivates us to pull out the credit card and provides some useful tips on avoiding the Christmas spending trap. Mary is the author of six books on personal finance and, earlier this year, was appointed an Officer of the New Zealand Order of Merit for services to financial literacy education.

Read the [psychology of spending](#)

Read more excerpts from [Rich Enough?](#)

Free seminars with Mary Holm

We've had an overwhelming response from members wanting to attend retirement savings seminars hosted by Massey University in Wellington, Palmerston North and Auckland. Check out our website. University of Canterbury will host seminars in Christchurch in November. Keep an eye on our website for session times and booking details. We hope to present seminars in other centres next year and plan to trial a webinar for those who can't make it to see Mary in person.

[More information and bookings](#)

Incorporating New Zealand fixed interest into our portfolio

Late last year, we began a scheduled review of our strategic asset allocation, which determines the mix of assets in each of our investment options. Strategic asset allocation is the single most important factor when seeking to achieve the desired risk/return outcome for any long-term investment portfolio. Based on advice from our investment adviser Russell Investments, we elected to introduce New Zealand fixed interest into our portfolio in addition to existing holding in global fixed interest. Russell Investments' forward-looking modelling shows that the inclusion of New Zealand fixed interest can be expected to enhance returns marginally with no increase in volatility. We have revised our disclosure documents to reflect the change and a number of other minor updates.

[Statement of Investment Policy and Objectives](#)

[Product disclosure statement](#)

Peer performance

As noted above, asset allocation is the single biggest contributor to fund performance. One way you can monitor performance is against the objectives we set for each investment option. Another is to compare UniSaver's performance against KiwiSaver funds with a similar mix of assets. We publish a comparison on our website each quarter. At the moment, that graph shows UniSaver lagging behind its KiwiSaver peers. Largely this is because, as part of our diversification strategy, we have less exposure to New Zealand shares than most KiwiSaver schemes. Although the New Zealand share market has outperformed its global counterparts in recent years, we hold to our strategy and view that diversification will serve investors well in the long run.

[Read more about peer performance](#)

[Compare performance vs objectives](#)

Review your investment choice

Share markets around the world recently set new highs just months after share prices plummeted as the severity of the coronavirus pandemic became clear. It's been a roller coaster ride, and no one knows what twists and turns lie ahead. It's a good idea to review your investment choice from time to time. Our Risk Profiler is a good place to start if you want to check which option is right for you. Just answer five simple questions, and we'll show you the investment options that best match your answers. Another idea is to choose our UniSteps investment option in which your investment asset mix changes automatically as you get older. Then you can set it and forget it.

[Check out our Risk Profiler](#)

[Read about UniSteps](#)

We may be able to help if things are tight financially

We're aware the economic impact of the coronavirus pandemic is just starting to bite for many families. Talk to us if you're under financial pressure (possibly as a direct result of COVID-19 – for example, if you're having difficulty meeting basic living expenses as a result of your partner losing their job). Earlier this year, we introduced a withdrawal facility for members facing significant financial hardship. The new benefit is designed as an avenue of last resort, but we will help if we can.

Read about [significant financial hardship withdrawals](#)

Benefit payments over the holidays

Summer might seem a world away, but it will roll around soon enough. The last payment date for benefits for 2020 will be Friday 18 December. You need to factor this in if you are planning to withdraw money over the holidays. This applies to all benefits including first-home withdrawals, leaving service payments, significant financial hardship payments and withdrawals from retained member accounts. If you've set up a regular payment from your retained account, this will be processed as usual. For a pre-Christmas payment, Mercer needs to receive the completed form from you (or Payroll in the case of leaving service payments) by Friday 11 December.

Got a
question?

Visit our website unisaver.co.nz
or call our helpline team on 0800 864 724.

The helpline will operate as usual over the holiday period.
The helpline hours are 9am to 7pm, Monday to Friday
(except public holidays).

