



Lewis Workplace Pension Trust Newsletter

Welcome to our most recent newsletter that provides a brief stock market overview and performance update in relation to our **Auto Enrolment pension funds** for the quarter ending 30th September 2017. This relates to your workplace pension

Market Overview

The Default funds and Model portfolios posted mixed performance during September and through Q3 2017. This was mainly down to two factors; firstly, suggestions from the Bank of England Governor Mark Carney that some upward adjustment to UK interest rates could happen before the end of 2017. The knock on effect was an increase in the value of Sterling which meant that UK equities, especially the FTSE100, lost some value. Secondly, a strengthening US Dollar also damaged Emerging Market performance and global equity markets in general. Also, the underlying geo political uncertainty led to some risk being taken off of the table in credit and equity markets.

Moving forward, it is expected that Sterling strength is likely to be short lived as Brexit negotiations increasingly grab the headlines and it is difficult to see how these can be perceived as positive for the British currency. It is also anticipated that President Trump's much awaited tax plan will start to take shape and this could bring further strength to the US Dollar.

Looking back over 2017, it has been a year fraught with tension and risk yet as we enter Q4 2017, equity markets remain calm and well placed for a year-end rally.

The performance figures to 30th September 2017 for the Default and Model portfolios are:

Portfolio	1m	3m	6m	1y	3y	5y
Lewis Default Portfolio 1	-0.76	1.13	2.86	13.35	36.39	75.82
DP 1 Benchmark	2.17	3.64	5.76	16.44	25.96	78.50
Lewis Default Portfolio 2	-0.53	0.80	2.03	9.40	25.65	53.36
DP 2 Benchmark	1.52	2.56	4.06	11.57	18.50	54.95
Lewis Default Portfolio 3	-0.30	0.47	1.19	5.45	14.92	30.91
DP 3 Benchmark	0.87	1.48	2.36	6.70	11.03	31.40
Lewis Default Portfolio 4	-0.01	0.09	0.22	0.77	1.80	3.56
DP 4 Benchmark	-0.03	0.13	0.23	0.76	2.28	2.74
Lewis Cautious Portfolio	-2.56	-0.28	-0.92	2.44	27.79	49.97
Cautious Benchmark	0.65	1.12	1.79	5.08	8.55	23.55
Lewis Moderate Portfolio	-2.33	1.15	1.96	10.01	34.32	63.33
Moderate Benchmark	1.08	1.84	2.93	8.33	13.52	39.25
Lewis Speculative Portfolio	-1.97	1.79	3.37	13.56	41.20	79.29
Speculative Benchmark	1.52	2.56	4.06	11.57	18.50	54.95

Past performance is no guarantee of future performance and the value of your investment may be less than originally invested.

Whilst writing, I thought I should make a general reminder that the minimum pension contributions are scheduled to increase from 6th April 2018 to 2% from the employer and 3% from the employee, with a further increase in April 2019. Currently the minimum requirement is 1% from the employer and 1% from the employee.

Warning - Protect your pension

With the increase in flexibility on how you can use your pensions, scammers could be after yours and they know you can now access your pensions in new ways and will try to lure you with promises of upfront cash and one-off 'deals' with guaranteed high returns. The Pensions Regulator has a section on their website specifically designed to help you protect your pension and you can access it here: <http://www.thepensionsregulator.gov.uk/pension-scams.aspx>

Please feel free to share this information with your members. If you have any questions concerning this, please do not hesitate to contact your usual Lewis adviser or the Workplace Pension Team. Regards

Lee van Hoyland, APFS, Director