



# Lewis Workplace Pension Trust Newsletter

Welcome to our quarterly newsletter that provides a brief stock market overview and performance update in relation to our **Auto Enrolment pension funds** for the quarter ending 30<sup>th</sup> June 2019.

## Market Overview

Unsurprisingly, politics dominated the headlines again during the past 3 months to 30<sup>th</sup> June 2019.

In the UK, Brexit uncertainty continued and had the added news of Theresa May's resignation, followed by the commencement of the Tory party leadership contest to decide their new leader and next prime minister. In May we had the European Parliament elections, which showed the UK population remaining just as divided on Brexit as it was during the referendum in 2016.

Between the reporting period, the performance of the UK's FTSE100 Index was positive, finishing the quarter to 30<sup>th</sup> June 2019 up 4%, although in-between volatility was evident because of the political uncertainty. UK economic growth continued to expand albeit at a more subdued rate with Sterling retreating over increased fears of a disorderly exit from the EU. On the domestic front, the UK actually remains fairly optimistic, with low unemployment, a record number of people in employment and a record number of jobs being advertised, all of which provide greater tax receipts for the Government.

In mainland Europe, the elections had modest impact with some central parties losing ground. Germany avoided recession although some forward looking data remained lacklustre and their "Ifo Business Climate Index" falling, indicating a worsening mood among businesses. Some mainland European countries could be vulnerable to a continuing trade war between US and China, as exports to China could fall. The EU charges a higher tariff on cars entering from the US, than EU cars entering the US, so potentially the EU could be next on Trump's trade negotiations list.

The US stock market remains strong, albeit with calls for the Federal Reserve to cut interest rates to keep the US economy moving forward. This is a massive turnaround from just a few months ago, when rate increases were expected to cool the economy! If you hadn't had enough on the political front in the UK, the US election campaigns have just started, with the presidential election scheduled for November 2020! Trade negotiations between the US and China stalled, with the US increasing tariffs on Chinese goods in May and China retaliating shortly after. Rising import tariffs could affect the US economy as well as China and Trump will be aware not to let this impede his presidential campaign.

It is pleasing to report positive performance numbers across all of our portfolios, although the main detractor in some portfolios was our exposure to Japan, which disappointed in the 1 year figures.

The performance figures to 30<sup>th</sup> March 2019 for the Default and Model portfolios are:

<b>Portfolio</b>	<b>1m</b>	<b>3m</b>	<b>6m</b>	<b>1y</b>	<b>3y</b>	<b>5y</b>
Lewis Default Portfolio 1 (for ages up to 59)	2.71%	5.65%	13.95%	4.79%	43.15%	60.85%
<b>DP 1 Benchmark</b>	5.43%	5.81%	15.71%	8.16%	38.39%	67.89%
Lewis Default Portfolio 2 (for ages 59 to 60)	1.78%	3.63%	9.58%	2.64%	28.96%	37.54%
<b>DP 2 Benchmark</b>	3.82%	4.12%	11.11%	5.91%	27.26%	48.17%
Lewis Default Portfolio 3 (for ages 61 to 62)	1.10%	2.24%	5.72%	2.00%	17.54%	22.78%
<b>DP 3 Benchmark</b>	2.21%	2.43%	6.50%	3.67%	16.12%	28.45%
Lewis Default Portfolio 4 (for ages 63 and over)	0.21%	0.39%	0.96%	0.67%	2.99%	3.20%
<b>DP 4 Benchmark</b>	0.33%	0.46%	1.13%	1.04%	3.14%	5.45%
Lewis Cautious Portfolio (available for any age)	1.25%	3.29%	8.47%	6.05%	22.30%	47.76%
<b>Cautious Benchmark</b>	2.75%	3.00%	8.04%	4.42%	19.84%	35.03%
Lewis Moderate Portfolio (available for any age)	3.24%	5.13%	13.50%	5.38%	41.43%	63.45%
<b>Moderate Benchmark</b>	4.36%	4.68%	12.64%	6.66%	30.97%	54.74%
Lewis Speculative Portfolio (available for any age)	3.77%	5.43%	13.55%	3.90%	44.14%	67.03%
<b>Speculative Benchmark</b>	4.89%	5.25%	14.18%	7.41%	34.68%	61.32%

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

The Lewis Workplace Pension Trust has a dedicated website. You can access it via the following link: <https://lewismastertrust.co.uk/>

### **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>

In addition, The Pension Regulator launched a new ScamSmart campaign on 1st July 2019, which will be broadcast on television, radio and other social media. Their promotional material can be accessed here:

<https://www.thepensionsregulator.gov.uk/en/pension-scams#8adc81d51da744b7a44ff9bbc50cc851>

### **Expression of Wish**

We would encourage all members to complete an Expression of Wish form. This indicates to the trustees whom you wish to benefit from your pension on your demise. This form can be completed either on the Carey/CTC portal (where you view valuations/annual statements etc) or please contact the Lewis Workplace Pension team or Carey Pensions direct for the form. Please note, even if you have made a will, because pensions are void of any Inheritance Tax liability, your pension will not be included. Therefore, to have your wishes fulfilled, you should complete an Expression of Wish form.

### **Re-enrolment**

If a staff member previously opted out of joining the workplace pension, then under pension guidelines they will automatically be re-enrolled after 3 years. It is up to the member of staff if they then decide to opt out again and if they do, they should contact Carey Pensions direct for the necessary form.

## Carey Portal

The annual pension statements will shortly be made available to view on the Carey portal. If any member wishes to, or has lost or forgotten their login details, then they should contact Carey direct on 01908 340077.

You should ensure your personal details and email addresses are kept up to date and if you make changes, these should be notified to Carey as above. The portal shows a history of your contributions and how they are invested, including any important correspondence issued to you.

**Because of GDPR, we are unable to email these quarterly updates directly to the members, although we do upload a copy to their portal and it is available on the website. Could we, therefore, ask you to forward this email to all staff as we want all members to engage and benefit in their retirement savings.**

If you have any questions concerning this, or any other matter, or have any suggestions, please do not hesitate to contact either your usual Lewis adviser or the Workplace Pension Team.

Regards

**Trustees of The Lewis Workplace Pension Trust**