



31st December 2021

Welcome to our quarterly newsletter

Inside you'll find a brief stock market overview and performance update in relation to our Auto Enrolment pension funds for the quarter ending 31st December 2021.

Ready, Steady, Check!

We recommend our members carry out the following four quick checks to protect their benefits at least annually, and whenever their circumstances change.

Check Your Portal Access

Login to the Member Portal and check you can access your transaction history and documents. You can find the login page via the Scheme website which also contains information on how to reset your password.

Update Your Details

Many communications about your account are provided via the Portal so, to ensure you don't miss any important messages you need to check your personal details are correct; your home address, telephone number and email are essential. Log in to the Portal and go to the 'My Details' page. From here you can edit your email and phone number but, should you need to update your address you will need to advise your employer so they can update the Company Pension Schedule or complete and return the change of details form on the Members FAQ of the Scheme Website.

Stay Secure Online

Keep your account secure by using a strong password that you don't use with any other online accounts. Never share your password with anyone and if you think it has been compromised change it via the portal immediately. If you want to change your password you can do this on 'Preferences' page of the portal. We recommend using a mix of letters, numbers and symbols. Please note we will never ask you for your password either on the phone or by email.

Passing on your Pension

Should the worst happen, it's good to know your savings pot will pass to your loved ones. You can tell us what you would like to happen to your pension if you were to die by logging into the Member Portal and completing a nomination form via the 'Nominations' page. This means we can pay a lump sum according to your wishes, subject to the usual checks.



Performance Figures

The performance figures to 31st December 2021 for the Default and Model portfolios are:

Portfolio	1m	3m	6m	1y	3y	5y
Lewis Default Portfolio 1 (for ages up to 59)	2.81%	5.22%	8.76%	20.18%	43.62%	51.59%
DP 1 Benchmark	2.63%	6.27%	8.05%	19.37%	36.82%	37.68%
Lewis Default Portfolio 2 (for ages 59 to 60)	2.03%	4.32%	6.79%	15.59%	25.52%	30.23%
DP 2 Benchmark	1.96%	4.30%	5.47%	13.31%	21.46%	21.11%
Lewis Default Portfolio 3 (for ages 61 to 62)	1.19%	2.33%	3.65%	8.47%	14.93%	17.92%
DP 3 Benchmark	1.14%	2.44%	3.10%	7.56%	14.26%	14.77%
Lewis Default Portfolio 4 (for ages 63 and over)	0.23%	0.20%	0.32%	0.77%	1.84%	2.67%
DP 4 Benchmark	0.23%	0.23%	0.26%	0.76%	1.32%	1.68%
Lewis Cautious Portfolio (for any age)	-0.80%	3.10%	4.80%	6.09%	26.52%	30.11%
Cautious Benchmark	1.14%	1.76%	2.16%	5.55%	9.44%	9.44%
Lewis Moderate Portfolio (for any age)	1.88%	4.83%	5.97%	14.67%	47.01%	56.91%
Moderate Benchmark	2.08%	5.04%	6.48%	15.56%	36.73%	39.36%
Lewis Speculative Portfolio (for any age)	2.72%	4.21%	5.58%	16.80%	50.71%	62.21%
Speculative Benchmark	2.26%	5.91%	7.63%	18.17%	44.51%	48.03%
Lewis Responsible Investing Portfolio	1.60%	11.00%	15.90%	26.70%	50.30%	48.70%
Lewis Sharia Portfolio	1.20%	11.50%	14.40%	26.60%	98.50%	127.50%

Past performance is no guarantee of future performance and the value of your investment may be less than originally invested. Source: FE Trustnet
Please note, we have altered the benchmarks to be more reflective of where the underlying capital is invested.

World Market Overview



BY KRISTAN WARD

Despite the onset of winter in the northern hemisphere and the outbreak of the Omicron variant of Covid-19, the majority of equity markets had a positive Q4, finishing the year to 31st December 2021 well above the figures at the beginning of January, with the “Santa Rally” providing an additional late boost. When Omicron was first announced in November, as expected it sent jitters across global equity markets but these have since subsided somewhat, although fears will deepen if new lockdowns are introduced.

At the time of writing, it is estimated that 8.82 billion vaccine doses have been administered (it was 6.25 billion in the Q3 newsletter) and 34 million are given each day, which means 57.5% of the world population has received at least one dose of a COVID-19 vaccine.

In the UK, the FTSE100 Index was positive for the quarter to 31st December, although the outbreak of the Omicron variant and fears of new restrictions and lockdowns impacted returns. The composition of the UK market meant equity returns lagged behind some of the other main markets in the 2021 global rally, such as our relatively low technology sector which benefitted the US so well. Recent GDP data released for Q3 suggested the recovery was faltering even before the outbreak of the Omicron variant.

The UK’s latest CPI inflation rate for November (published 15th December) increased again to 5.1%. The next day saw the Bank of England announcing the first interest rate rise by any of the major central banks, by 15bps to 0.25% in a measure designed to start combatting rising inflation. The BoE anticipate CPI to reach 6% by Spring, the highest level for 30 years, when interest rates were over 10%! It is worth noting that the almost forgotten RPI, rose to 7.1% in November.



Brexit placed constraints on labour supply, which in turn put upward pressure on wage growth and inflation. Generally, expectations are for inflation to peak in the first half of 2022.

In the Eurozone, as the Omicron variant levels started to increase, lockdowns and cross border restrictions were implemented by Christmas, although GDP has been broadly strong, with the ECB remaining dovish in its policy outlook. Much like the UK, Europe has suffered from rising energy costs, such as gas, with prices soaring during the past 12 months. With low stocks and Russia seeming to hold all the cards, even a slightly colder winter than normal, could cut supplies to industry, creating further issues to the recovery bid.

In the US, markets had a fantastic 12 months, being the standout performer again, with our investment returning 29.10% for the year, despite some late volatility with the new Omicron variant. Equity markets were boosted again in mid December when The Fed signalled an acceleration of its bond tapering in 2022 and support for three interest rate rises, in moves which are designed to dampen the economy from becoming too hot and to curb the 40 year high inflation level.

Overall in Asia, markets have been fairly flat for the 3 months, with the impact of the emergence of the new Omicron variant impacting stocks and countries more sensitive to international

World Market Overview continued

travel and the service sector, whilst the information technology sector held up reasonably well. Several ASEAN markets, such as Singapore and Thailand, have a relatively high weighting to financial and property firms, which underperformed, whilst countries like Taiwan, with its heavy information technology exposure, continued to outperform. In China, markets have remained weak, with the well publicised problems over the property sector, adding to concerns about an economy which had already been slowing.

The Japanese Nikkei index rallied late on in the quarter, along with an optimistic outlook for the economy, with new fiscal stimulus to support businesses and households expected to further near-term boost the economy. Inflation has remained very subdued in Japan, due to softer demand and fewer challengers with supply chains, so we expect modest pick-up in inflation, with the Bank of Japan likely to lag others in raising interest rates.

The outlook for 2022 will be dependent on the impact Omicron has, especially as it is more transmissible than earlier variants of Covid. Then of course, further variants will no doubt emerge and cause more uncertainty.

There are a number of other finely balanced situations which will impact markets; there is the ongoing problems in the wholesale natural gas market, with prices spiking as constrained

supply meets excess demand. There are geopolitical tensions simmering between Russia and Ukraine and China's continuing threats towards Taiwan.

Invariably there will be sectors of industry which will suffer as a result of any further lockdown measures, but the world is now better prepared to cope. In that regard, we believe the investment outlook for 2022 will be positive for global equities, although with lower growth expectations than 2021, which benefitted so well from the rebound and recovery. We prefer to be underweight to fixed interest and cash investments.

The immediate concern will be the continuing rise in global inflation, but many economists believe that will slow/normalise in the second half of 2022, with interest rate rises expected to commence in Q1. This will be a huge dilemma for central banks; how to rein in inflation without killing off the recovery.

Overall, there will likely be further setbacks and bouts of increased volatility, but the long-term nature for pensions remain positive. And whilst the success of vaccines and approval of pills to treat infections have made investors more relaxed, the Omicron variant demonstrates that these risks can quickly return.

Environmental, Social & Governance (ESG)

ESG refers to the three main factors or standards when measuring the sustainability and ethical impact of an investment in a company. The Environmental criteria consider how a company performs as a steward of nature; Social criteria examine how it manages relationships with employees, suppliers, customers and the communities where it operates.

The Governance criteria deal with a company's leadership, executive pay, audits, internal controls and shareholder rights. An ESG investment fund will seek to influence companies that do not meet the ethical standards or that harm society or the environment.

For information about how TLWPT Trustees incorporate these concerns and issues in the running of the Scheme visit the website to view the [Statement of Investment Principles](#). (SIP)

How can I increase my pension fund?

As you know, both employers and employees contribute minimum requirements into the member's workplace pension.

If a member wishes to increase their regular contribution, this can easily be actioned by contacting TLWPT. Remember, the more you can contribute into your pension, the bigger the pension pot will be, providing you income in retirement.

The majority of our schemes have been established under a salary exchange basis. This basically means that you exchange part of your salary for a pension contribution which results in you paying less Income Tax and National Insurance. Just with the Basic Rate Income tax saving alone, personal contributions are boosted by 20%, with Higher Rate taxpayers benefiting further.

As an example of making additional contributions, if the increase is an extra £50 per month, over a 30 year term and assuming annualised investment returns of 5%, the investor would have over £40,000 extra in their pension fund, which under current legislation, will mean over £10,000 can be withdrawn tax free (assumed as gross personal contributions only).

If a member wishes to increase their contributions, please contact us on **01202 738650** or by email at mypension@TLWPT.co.uk



e-Member Portal

Where you can find details of **your funds, transactions** and **other useful information**.

Members should have received an email advising their new registration details. This will allow you to register for the new e-Member Portal.

If you have not received this communication contact employer support

+44 (0) 330 124 9130 or

via email

EmployerSupport@optionspensions.co.uk

You should ensure personal details and your home email address are kept up to date; you can change your email online via the portal but will need to advise any change of your postal address in writing. The portal shows a history of contributions and how they are invested, including any important correspondence issued.

Expression of wish

We encourage all members to complete a Nomination of Beneficiaries form, sometimes referred to as an Expression of Wish. This is an instruction from you to the Trustees advising them of who you would like your pension benefits to be paid to should you die before you retire. As your pension funds do not form part of your estate, the pension trustees will not be bound by any instructions left in your will. So, by completing an instruction you help the trustees ensure your wishes are taken into consideration keeping the monies outside your estate.

The form can be completed either on the e-Member Portal (where you view valuations/annual statements, etc), downloaded [here](#) or contact the Lewis Workplace Pension team on 01202 738650 for a hard copy of the form.

Once completed all you need to do is make sure it is updated should your circumstances change; you can change it as many times as you like.

“Remember you can nominate anyone, this could be your spouse, civil partner, children, other relatives, a charity or any person that you would like the Trustee to consider. Any monies left to charities whether before age 75 or after age 75 are tax-free but charity payments can only be made if you have no dependents.”

MATTHEW PIKE
FINANCIAL ADVISER
LEWIS INVESTMENT



Pension Scammers wreck lives

That's why we're pledging to **raise awareness of the risks, educate ourselves and protect members.**

The Trustees of TLWPT would like to remind everyone that The Pensions Regulator is concerned about the rising number of fraud cases in relation to pension scamming. We would therefore ask you to **forward this email to all**

members of staff, not only as we want them to engage in their retirement savings but the newsletter also provides a link to The Pensions Regulator website which offers advice on preventing scamming and fraud. **For more information visit:**

[The Pension Regulator website](#)



Our pledge to
combat pension scams

Explore the [Scheme website](#) to find more information about the Scheme Structure, the Trustees or visit the [Members Section](#) to find the answers to many [frequently asked questions](#).

We also encourage our members to give us [feedback](#) or make suggestions about how we can improve our services.

Private medical insurance

- did you know ..

“ Some providers offer an option to reduce the cost of your private medical insurance policy by adding a 6-week option? This means that whilst you are still able to go privately for any out-patient appointments i.e. specialist consultations and/or diagnostic tests etc; any in-patient or day-patient treatment will only be covered by your policy if the wait for that treatment is longer, via the NHS, than 6 weeks. There are many options you can choose to apply to your cover at renewal to reduce your premium.

If you want to know more or if we can be of any assistance please contact me. ”

CINDY SLADE
EMPLOYEE BENEFITS CO-ORDINATOR AT
LEWIS INVESTMENT

01202 718400



For more news, tips and wellbeing pointers sign up to
the Lewis Investment Employee Benefits Mailing List

JOIN THE LIST [CLICK HERE](#)

Useful Links

State Pension Forecast

Your State Pension is a regular payment you can claim from the government once you reach State Pension age. You can get a State Pension [online](#) forecast to tell you how much you might receive, when you can claim it, along with details of any shortfalls in previous NI contributions.

<https://www.gov.uk/check-state-pension>

The Pension Tracing Service

The Department of Work and Pension's [online](#) Pension Tracing Service helps reunite people with their lost pensions, giving details of providers to help people track them down.

<https://www.gov.uk/find-pension-contact-details>

Retirement Budgeting

A [budget](#) shows you how much money you have coming in and what you spend it on. It makes it easier to create your own spending plan which will put you in control of your money in retirement.

<https://www.moneyhelper.org.uk/en/everyday-money/budgeting/budget-planner?source=mas#>

Let us know

If you have any questions concerning this newsletter, or any other matter, or have any suggestions, please do not hesitate to contact the [Workplace Pension Team](#).

Regards

Trustees of The Lewis Workplace Pension Trust