

# TLWPT Newsletter

QUARTER ENDING 31ST DECEMBER 2022



*“Today not someday”*

## WORLD MARKET OVERVIEW

A brief overview of world markets and current world events.

[Read more](#)

## DEFAULT FUND PERFORMANCE

The default portfolio fund performance to 31st December 2022.

[Read more](#)



## WHERE DOES YOUR MONEY GO?

Some advice on checking how you spend your money and where it goes from our Scheme Sponsor, Lewis Investment.

[Find out more](#)

# Performance Figures

The performance figures to 31st December 2022 for the Default and Model portfolios are:

Portfolio	1m	3m	6m	1y	3y	5y
<b>Lewis Default Portfolio 1 (for ages up to 60)</b>	<b>-1.59%</b>	<b>3.72%</b>	<b>5.58%</b>	<b>-5.20%</b>	<b>19.55%</b>	<b>30.52%</b>
DP 1 Benchmark	-4.16%	3.46%	3.29%	-5.62%	11.58%	19.77%
<b>Lewis Default Portfolio 2 (for ages 60 +)</b>	<b>-1.25%</b>	<b>2.26%</b>	<b>3.86%</b>	<b>-3.13%</b>	<b>15.24%</b>	<b>18.64%</b>
DP 2 Benchmark	-2.69%	2.85%	2.57%	-3.13%	6.63%	10.96%
<b>Lewis Default Portfolio 3 (for ages 62 +)</b>	<b>-0.54%</b>	<b>1.42%</b>	<b>2.73%</b>	<b>-1.06%</b>	<b>8.75%</b>	<b>11.77%</b>
DP 3 Benchmark	-1.41%	1.91%	1.85%	-1.25%	5.00%	8.61%
<b>Lewis Default Portfolio 4 (for ages 64 +)</b>	<b>0.23%</b>	<b>1.19%</b>	<b>1.33%</b>	<b>1.45%</b>	<b>1.74%</b>	<b>3.35%</b>
DP 4 Benchmark	0.14%	0.92%	1.00%	1.15%	1.26%	2.28%
<b>Lewis Cautious Portfolio (for any age)</b>	<b>-2.57%</b>	<b>0.55%</b>	<b>-3.24%</b>	<b>-13.91%</b>	<b>-3.30%</b>	<b>7.25%</b>
Cautious Benchmark	-0.78%	2.15%	1.67%	0.20%	3.39%	5.68%
<b>Lewis Moderate Portfolio (for any age)</b>	<b>-2.02%</b>	<b>4.50%</b>	<b>2.81%</b>	<b>-6.81%</b>	<b>14.94%</b>	<b>28.62%</b>
Moderate Benchmark	-3.32%	2.82%	2.80%	-4.41%	12.41%	21.93%
<b>Lewis Speculative Portfolio (for any age)</b>	<b>-1.47%</b>	<b>6.16%</b>	<b>5.89%</b>	<b>-3.54%</b>	<b>21.04%</b>	<b>33.75%</b>
Speculative Benchmark	-4.02%	2.87%	3.08%	-5.78%	15.05%	26.75%
<b>Lewis Responsible Investing Portfolio</b>	<b>-2.40%</b>	<b>-0.50%</b>	<b>3.60%</b>	<b>-13.00%</b>	<b>0.40%</b>	<b>15.60%</b>
<b>Lewis Sharia Portfolio</b>	<b>-6.60%</b>	<b>-2.40%</b>	<b>-1.40%</b>	<b>-16.30%</b>	<b>29.70%</b>	<b>67.50%</b>

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

# World Market Overview

By Kristan Ward



As we end 2022, it has been a grim year on a number of fronts. The war in Ukraine, global sky-high inflation, the energy crisis, a cost of living crisis, stock market corrections, bond market woes and increasing likelihood of recessions.

There have always been periods of time when it seems right not to invest, such as 2022, however the best investments can sometimes be made when we feel the worst about investing! The vast majority of our members, and there are now over 14,000 in TLWPT, are saving in their pensions for the future and it is with that belief, our investment committee are happy to continue with the investment strategy within the various portfolios.

Apart from the natural resources sector, the UK equity market has been one of the best performing during 2022 despite trading through 3 different Prime Ministers and 4 Chancellors. Including dividends, the benchmark FTSE100 finished the year up by 4.4%.

The dominant factor for all major economies is the sky-high inflation rate and 2023 will be defined by what extent the rate reduces. We, and most economists, expect inflation to fall in the UK during 2023 but much will depend on the rate of reduction. If inflation remains stubbornly high, then economic growth will be further muted and wage pressures/demands will extend the slow recovery.

The UK's latest CPI inflation rate for November (published 14th December) fell to 10.7%.

Like all major markets, the UK stock market has struggled over recent months, but was further spooked by the surprise announcements in the September mini-budget statement, which created panic in the bond market. The so called safe haven of Government gilts, have fallen further recently than any asset classes and coupled with the weakness of Sterling (GBP), hampered performance of our Cautious portfolio. The Prime

Minister (Sunak) and Chancellor (Hunt) had eventful starts to their new jobs, backtracking on the additional tax rate cut, which saw further swings in GBP. With the latest interest rate rise of 0.5% being 25bps less than the preceding month, the general consensus is for rates to peek between 4%-4.5% during 2023.

In the Eurozone, recessionary fears persist but like other regions, we expect a steady decline in inflation during 2023 and if they have a mild winter without any energy rationing, then manufacturing output throughout the region should improve.

One of the key questions for the US (and to other economies) is whether the inflation overheating can be reversed without a recession. Expectation is mixed and assuming they do enter recession, then we expect this to be mild, as general balance sheets are healthy and early signs are now that inflation has peaked. The midterm elections in November seemed to go well for Biden's Democrats, with the "Red Wave" of Republican wins failing to materialise. Midterm elections tend to be drubbings for the President's party as any political honeymoon fades and voters voice their dissatisfaction.

Asian markets had strong performance in Q4, buoyed by the increasing confidence that the Chinese government is starting to move on from its "Zero Covid" strategy and to prepare the population for "living with Covid", as most of the region, and the world, has already done. However, recent press releases indicate a sharp rise in infections and hospitalisations, similar to those in the Western world early on in the pandemic and it will be interesting to see what impact that has on exports. As expected, President Xi secured a third term victory and held a short face to face meeting with President Biden at the G20 summit, giving some welcome optimism of a resumption of direct dialogue between the two countries.

# World Market Overview continued

The world's 3rd largest economy is Japan and as reported in previous newsletters, the weakness of the yen should boost their manufacturing industry and be a beneficiary of a more prosperous Asian economy.

Our outlook for 2023 is that we will witness an improvement in equity market returns but they are likely to be on the low side as we've still some way to go before the economic picture improves, although markets tend to forward price before the true economic data is known. We are accustomed to interest rate hikes being used to curb strong

growth, whereas current rate rises are on the backdrop of weak and getting weaker growth. We've still to see what impact lots of monetary policy tightening on economies and companies will have and one of the key questions is to what extent has this already been priced in to markets.

Global growth is set to expand, albeit at sluggish pace and I believe that where in recent years returns have been dominated by capital gains, income style investing will be more of a significant contributor to total returns.

## 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.



# WHERE DOES YOUR MONEY GO?

A MESSAGE FROM OUR  
SCHEME SPONSOR

If you need help with any aspect of financial planning or have discovered an old pension or investment amongst your papers and don't know what to do with it, give us a call we will be happy to help – it's what we do.

Call us on 01202  
718400



The internet is full of money making ideas but the majority of us earn our cash through good old fashioned PAYE. In the current climate it's essential we ensure our **money pot hasn't sprung a leak**. We recommend conducting a financial audit following the steps and checks below can help us hold onto our hard earned cash or at least ensure it's working for us.

It seems daunting but it's better to know the position and ensure those direct debits or annual renewals haven't crept up unnoticed. To make a start find below suggested steps to help you on your way.

**Step 1** - This is personal - be truthful about your aims and what's important to you; this will help you **honestly examine** and evaluate your current position.

**Step 2** - Allow enough time to complete the process. If you prefer to split the tasks into separate time chunks make a date with yourself and set aside the time to complete them – **put it in your diary!** This is about you so use which ever method suits you best.

**Step 3** - Collect all statements, bills, loan or mortgage documents, anything financially related. **Leave nothing out** – scary but necessary.



**Step 4** - Look at your spending habits; do you make many cash withdraws which are hard to account for or do you have a spending splurge on a particular day or time each month? **Acknowledge where your money goes** and even if you can afford it ask yourself if you could use the money more wisely elsewhere, like saving towards future income and spending.

Look at your direct debits and standing orders, consider if they are still necessary and whether you are getting value for your money. Use comparison websites to ensure utility bills or mobile phone contacts are still competitive and if not, **make a change**, switch. Include your insurance contracts too, always best to check providers treat existing and new customers the same.

The Money Helper has a useful budget planner tool where you can save and get a breakdown of where your money goes, [visit their website](#).

**Check you've cancelled any services you no longer use or need**

**Step 5** - Once completed you'll have a greater understanding of your personal situation enabling you to make informed choices and decisions about your future finances. If you do manage to save a few pounds you could use this to reduce any debts, add to or even start saving.

Agree a budget with yourself and try to stick to it, build a cash reserve for emergencies and consider your future - we never know what's around the corner but you can be prepared!



We understand that times are difficult, for both employer and employees, with rising costs but employers have a legal obligation to pay their pension contributions in a timely manner. The Pensions Regulator (TPR) is clear that pension schedules along with the matching funds must be received on time and no later than the 22<sup>nd</sup> of the following month. TPR have made it clear to us that they are expecting us to advise them of any employers which are not meeting these requirements. If you are struggling, please get in touch and make us aware as we will do our best to help if we can.

TPR can and have, imposed fines on companies not adhering to these rules, so it is vitally important that you follow your duty.

On TPR website, please follow the link below from a recent article they produced on common errors that employers make:

[Common errors prompt TPR to warn employers they must comply with pension duties | The Pensions Regulator](#)

## A REMINDER FOR EMPLOYERS



We encourage members to 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](#).

### e-Member Portal

Provides details of your funds, transactions and other useful information including your annual benefit statement.

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

If you need any help contact employee support on

+44 (0) 0330 912 8571 or

via email [lewis@optionspensions.co.uk](mailto:lewis@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.

Also remember we welcome your feedback if you have difficulty finding any information, please let us know at

[mypension@TLWPT.co.uk](mailto:mypension@TLWPT.co.uk)

or 01202 738650

## 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.

## Juggling finances?

During the current financial uncertainty many members may be looking to cut costs and may be considering stopping their pension contributions.

You are able to opt-out of auto enrolment and stop your contributions but would this be a good idea?

The simple answer is no – if you can avoid it.

While you continue to make contributions your employer must also contribute at least 3% of your salary; when you opt-out this employer contribution also stops and there is no requirement for it to be paid directly to you, so this free money is lost.

It may seem like a good idea but we would suggest you look at all other options first. Members can opt back in at any time should they wish.

To help you review your spending you may find budgeting useful. A budget shows you how much money you have coming in and what you spend it on. It allows you to see a realistic picture of what you can afford and makes it easier to create your own spending plan. The Money Helper website has a budget planner tool to help and provides personalised tips when you're finished.

<https://www.moneyhelper.org.uk/en/everyday-money/budgeting/budget-planner/>

Alternatively if you would like to speak to an adviser please contact us on 01202 738650 or by email at [mypension@TLWPT.co.uk](mailto:mypension@TLWPT.co.uk).

## The retirement journey is changing?

We are now required to offer to book a Pension Wise appointment for any member wishing to access their pension benefits; if the member chooses not to take up this appointment we will need to obtain an “opt-out” confirmation.

We are no longer allowed to proceed without this .

This change is intended to ensure pension savers know enough to make informed decisions about their pension pot.

TLWPT Trustees believe that regulated investment advice is at the heart of good pension planning. We encourage you to make use of the Scheme Review Visits at your workplace, the Scheme advisers are available to answer any questions you may have.

## 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

## 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