

# TLWPT Newsletter

QUARTER ENDING 31ST MARCH 2023



SPRING  
INTO  
ACTION

## 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 March 2023.

[Read more](#)



## WHAT IS LIFESTYLING?

A brief explanation of the steps taken to protect your funds as you approach your retirement date.

# Performance Figures

The performance figures to 31st March 2023 for the Default and Model portfolios are:

Portfolio	1m	3m	6m	1y	3y	5y
Lewis Default Portfolio 1 (for ages up to 60)	-0.37%	3.86%	7.78%	-0.05%	51.62%	43.60%
DP 1 Benchmark	-0.52%	3.65%	6.32%	-1.38%	43.89%	32.46%
Lewis Default Portfolio 2 (for ages 60 +)	-0.34%	2.82%	5.17%	0.09%	38.41%	27.77%
DP 2 Benchmark	-0.44%	2.72%	5.04%	-0.23%	29.98%	19.82%
Lewis Default Portfolio 3 (for ages 62 +)	-0.08%	1.53%	3.94%	1.17%	22.55%	17.37%
DP 3 Benchmark	-0.15%	1.90%	3.51%	0.70%	18.46%	14.09%
Lewis Default Portfolio 4 (for ages 64 +)	0.16%	1.02%	2.22%	2.33%	4.53%	4.80%
DP 4 Benchmark	0.11%	0.90%	1.81%	1.86%	3.68%	3.57%
Lewis Cautious Portfolio (for any age)	1.44%	2.49%	3.02%	-9.72%	6.92%	12.94%
Cautious Benchmark	-0.39%	1.50%	3.49%	1.28%	14.53%	10.10%
Lewis Moderate Portfolio (for any age)	0.17%	3.20%	7.83%	-4.04%	44.19%	38.61%
Moderate Benchmark	-0.31%	3.11%	5.28%	-0.77%	37.60%	32.64%
Lewis Speculative Portfolio (for any age)	-0.15%	3.53%	9.94%	0.32%	55.20%	45.26%
Speculative Benchmark	-0.23%	3.56%	5.64%	-1.35%	43.65%	39.08%
Lewis Responsible Investing Portfolio	1.00%	6.10%	5.60%	-3.70%	51.20%	30.30%
Lewis Sharia Portfolio	4.20%	7.90%	5.40%	-5.10%	53.40%	90.20%

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



The early signs of optimism for 2023 quickly dissipated, to finish Q1 still in positive territory but highlighted the fragile state of many economies. Equity markets had been looking forward to potential rate cuts and so were disappointed with resilient inflation figures and the prospect of interest rates edging higher and staying higher for longer.

The unusually warm winter in Europe helped boost economic data early in the quarter, with gas storage supplies remaining above average and with an increase in consumer confidence, gave a timely uplift to markets.

The US Federal Reserve continues with its aggressively monetary tightening and yet economic data remains robust. This in turn probably means there are still challenges to come, which will filter into overseas markets.

The collapse of Silicon Valley Bank in March highlighted the dangers of aggressive monetary intervention. Although the collapse of SVB bears little resemblance to the bank failures in the financial crash of 2008 when sub-prime lenders failed, it does show the fragility of many economies.

The UK's latest CPI inflation rate for February (published 22nd March) unexpectedly rose to 10.4% following a slight easing in previous months, impart caused by rising food costs such as sugar.

The UK economy is performing better than expected, with the Bank of England recently announcing that they anticipate the UK will avoid a recession with slight growth anticipated in Q2 (a technical recession is two consecutive quarters of decline).

The unexpected rise in inflation forced the Bank of England to raise interest rates to 4.25%, with expectation of further rate rises to 4.5-4.75%. In his

Spring Budget speech, Chancellor Jeremy Hunt announced that inflation expectations are to fall to 2.9% by the end of the year. He also made announcements to a number of pension changes, and we are generally supportive of those measures being introduced.

In the Eurozone, economies have remained resilient and have so far avoided recession, aided by the mild winter that reduced energy demand. The ECB increased deposit interest rates to 3%, although headline inflation continued to rise to 8.5%. With the Chinese export market increasing again, this will be a timely boost to the region, particularly for Germany and Spain. Although gas reserves are currently above average, another test will happen next winter to see how far Europe has transitioned away from Russian energy dependence.

In the US, the Fed increased interest rates again to combat inflation, with the rates set at 4.75%-5%. The sharp increase in interest rates from zero a year ago, has led to strains in the banking system (SVB and Signature Bank collapsed in March in part was due to the problems caused by higher interest rates). Banks tend to hold large portfolios of bonds, whose values fall with rising interest rates. Those banks now have potentially significant losses on their balance sheets if forced to sell.

In Asia, geopolitical tensions remain elevated, with China/US ongoing disagreements on the Russian-Ukraine conflict. Elsewhere, general equity markets had little to cheer amid the US Fed's interest rate rises.

That said, in China, the economy is beginning to reopen after its Covid lockdown policy, although a recovery will take time and goods start to flow on expectant demand. This should have positive implications for both the domestic economy and its Asian and European trade partners.

# World Market Overview continued

Japan is on track for modest growth and has low inflation in comparison to most other major economies. It too will benefit from the gradual reopening of Chinese exports.

Overall, inflation remains too high and the central banks' job is not yet done. Until we witness a sustained downtrend in inflation (Core inflation is the main concern) and the potential for interest rate cuts, then equity markets will remain fragile. Although the Bank of England expects the UK to avoid recession, other economies may not, so we expect markets to be subdued until such time as

economic data and news improve, hopefully towards the later stages of 2023. In the meantime, we are happy to maintain and build a preference to equities/stock markets, in the expectation that markets will slowly improve.



## Frequently Asked Questions

Many of our members ask the same questions about the scheme and so we have compiled the answers to many of the most commonly raised questions on a dedicated page of our website.

We hope this will help you find answers to your questions quickly and easily, without needing to contact us.

Our team are of course still here to help and assist you with your queries, however, our office is only manned Monday to Friday from 9am to 5pm. We appreciate that from time to time you may have a query outside these hours and while you are welcome to drop us an email with any questions you may have, we would encourage you to browse the FAQ's page as you may get an answer straight away.

You can scan the QR code to visit our website for both the Members and Employers FAQ Pages.

Other ways to contact us:

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

Or call on: 01202 738650



<https://lewismastertrust.co.uk>



# WHAT IS LIFESTYLING?

Some members may already be familiar with lifestyling and will have received communications from us relating to their retirement path. However, if you are under 55 it is unlikely that you will be aware of what happens to your benefits as you approach retirement. Lifestyling isn't, as you may think, about how you live your life but rather what we, as Trustees, do to try to protect the value of your pension pot as you get nearer to retirement.

Your individual Lifestyling period will depend on your state pension age, this is due to the fact that the Government has changed the dates you can claim the State Pension based on your date of birth. Don't worry we will contact you once your TLWPT savings have entered the 'Lifestyling' period, as required by The Pension Regulator.

**What does this mean?** Lifestyling means, that if your savings are invested in the Default fund, as you get closer to retirement your pension savings will be gradually moved automatically into funds that are deemed less volatile. The idea of this is to protect you from unexpected falls in the stock market that could reduce the pension you receive.

**What if I'm not in the Default fund?** If you are invested in one of the model portfolios this process will not automatically happen. You should continue to actively review your selected model portfolio with your financial adviser to ensure it remains appropriate for you. You should also discuss the best way to manage your savings as you approach retirement.

Remember, you always have the option to switch back to the Default fund should you wish.

If you are approaching retirement and need help considering your options, whether just your TLWPT Scheme alone or other pensions, call Lewis Investment, the scheme advisers who will be happy to help.

01202 718400



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