

# TLWPT Newsletter

QUARTER ENDING 30TH JUNE 2023



## WORLD MARKET

A brief overview of world markets and current world events.

[Read more](#)

## DEFAULT FUND

The default portfolio fund performance to 30th June 2023.

[Read more](#)



## WELCOME TO OUR NEW TRUSTEE

An introduction to our new member nominated trustee, Micah Faure.

[Read more](#)

# Performance Figures

The performance figures to 30th June 2023 for the Default and Model portfolios are:

Portfolio	1m	3m	6m	1y	3y	5y
Lewis Default Portfolio 1 (for ages up to 60)	0.57%	1.81%	4.72%	13.13%	34.56%	35.37%
DP 1 Benchmark	2.10%	1.38%	5.11%	6.97%	28.12%	31.86%
Lewis Default Portfolio 2 (for ages 60 +)	0.65%	1.98%	4.23%	9.68%	26.83%	21.65%
DP 2 Benchmark	1.47%	1.07%	3.83%	5.38%	20.19%	21.60%
Lewis Default Portfolio 3 (for ages 62 +)	0.46%	1.56%	3.42%	6.74%	16.29%	14.26%
DP 3 Benchmark	0.97%	1.02%	2.95%	4.21%	12.76%	13.85%
Lewis Default Portfolio 4 (for ages 64 +)	0.33%	0.91%	1.89%	3.29%	4.69%	5.07%
DP 4 Benchmark	0.35%	0.88%	1.79%	2.71%	3.92%	3.97%
Lewis Cautious Portfolio (for any age)	0.88%	-3.25%	-0.59%	-3.63%	-4.29%	5.53%
Cautious Benchmark	0.64%	0.60%	2.11%	3.26%	10.02%	7.93%
Lewis Moderate Portfolio (for any age)	0.97%	-0.87%	2.26%	5.26%	22.42%	28.85%
Moderate Benchmark	1.78%	1.37%	4.54%	6.22%	23.19%	26.86%
Lewis Speculative Portfolio (for any age)	0.78%	0.24%	3.74%	9.94%	32.11%	36.33%
Speculative Benchmark	2.11%	1.65%	5.29%	7.10%	26.66%	32.48%
Lewis Responsible Investing Portfolio	2.30%	6.30%	12.50%	16.60%	39.40%	27.90%
Lewis Sharia Portfolio	1.60%	8.60%	17.30%	15.60%	37.30%	86.60%

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



Despite a quarter of general negative sentiment, most markets finished Q2 in positive territory.

Stubbornly high Inflation in the UK and the rise in interest rates to combat that, has been and will continue to be the battle for the foreseeable future.

The US Federal Reserve appears to have finished with further rate hikes, as their inflation figures moderate.

A number of economies still face the risk of recession, but those, like the US, could be pushed back to 2024 when the full impact of this cycle of high inflation/high interest rates works through the system.

The UK's latest CPI inflation rate for May (published 21st June) remained stubbornly high at 8.7%, the same as the previous month, despite a string of forecasts earlier this year predicting a sharp fall in response to tumbling energy prices. It is the crucial core inflation figure that markets look to, and that worryingly rose again to 7.1%. This lends itself to "sticky inflation", in which we expect it to remain higher for longer, aided by wage growth as employees expect higher pay rises to combat increased household costs.

Disposable income in the UK will continue to be squeezed especially with rising costs/interest rates and for mortgages, where fixed rate deals expire. The country's national debt to GDP ratio topped 100% for the first time since 1961, signalling further uncertainty.

The UK's Base Rate has risen to 5%, with further expectation for rises up to 6%-6.5% over the next 6 to 12 months. The general market sentiment for the UK is not hugely favourable, but with that comes opportunities for the long-term investing horizon for our pension investors.

Optimism in the Eurozone for the year ahead has

fallen with companies becoming increasingly concerned over a fall in demand, on the back of weaker than expected manufacturing figures. The EU gas storage tanks are now at a healthy 70% capacity and with cheaper gas prices, looking ahead to next winter suggests a much more secure basis. This will mean less likelihood of surging energy prices for us all.

In the US, market expectations are that they will enter a recession, although now more likely in 2024. The delay in the arrival of recession has been partly helped by the population still using up some of their cash stockpile, built up during the pandemic. The US are impacted less by interest rate hikes, as approximately 90% of US mortgages are on fixed rate deals for either 15 or 30 years, whereas in the UK, we traditionally fix for 2 to 5 years.

In Asia, the easing of China's lockdown policy boosted their markets early in 2023 but have since faded somewhat on lacklustre growth, although it will be interesting to see what support packages the Government introduce to increase productivity.

The Japanese markets have enjoyed a strong run relative to other regions this year, benefitting from much lower inflation and interest rates.

Overall, not much has really changed. Until global inflation is under control, followed by a reduction in interest rates, economies will continue to struggle. Apart from economic woes, there is still geopolitical risk and the investment committee and trustees continue to monitor the situation and impact to our portfolios.

Although there is much negativity, there are some parts of the economy doing well. In the immediate future, we expect volatility to remain and there is likelihood that markets will be impacted during the remainder of 2023 and into 2024, but interspersed will be periods of strong market performance.

# Welcome to Micah



Some time ago the Trustees advertised for a Member Nominated Trustee to provide a member's perspective and to add to the skills and knowledge of the governing body. Sadly, the pandemic interrupted this process.

However, we are now pleased to announce that Micah Faure was nominated by his employer and has agreed to serve as a Trustee on TLWPT Trustee Board.

Micah is the Legal Director and Diversity and Inclusion Lead at Hadland Care Group Ltd, which includes the subsidiaries Tops Day Nurseries Ltd and Aspire Training Team Ltd. He started his career at Price Waterhouse Coopers in 2011 after graduating with a law degree from the University of Cape Town, South Africa.

He moved to the UK in 2012 and had a short spell with Coles Miller Solicitors before taking up a position at Hadland Care Group in 2013 as the group legal advisor. He was offered a directorship in 2017. He has also volunteered with the Free Rep Unit doing Social Security and Employment Law Cases.

We have notified The Pension Regulator of his appointment and very much look forward to working with Micah in the future.

*"Micah will not only bring a member's point of view to our governance but also strengthens the Board's legal and business knowledge to help us protect and serve the interests of our members"*

*– Lee van Hoyland, fellow trustee.*

# Good to Know

In our last newsletter we explained what the term lifestyling means for you and your pension benefits, how we try to defend the risks as you approach retirement and what we do to reduce the risk.

Preserving your capital in a world of ever changing challenges we chose to use cash funds even though interest rates were low at the time. Our approach has proved effective and has delivered the results for our members that we had wished for, as independently verified by Corporate Adviser in their recent analysis, we refer to their published results which can be viewed [here](#).

Our performance on the Default Portfolio continues to show improvement across the various pension savings phases, the growth phase (30 years to State Pension Age “SPA”), pre-retirement phase (5 years to retirement) and at-retirement (one day to SPA).

We will continue to work hard on your behalf and would like to thank the members of our Investment Committee who guide us on your behalf in making decisions about your future income.



# YOUR DEFAULT PORTFOLIO

In our September 2022 newsletter we set out the scheme's view on ESG (Environment, Social and Governance) and the role we must play in the global effort to create a sustainable inclusive future. We also advised that we had committed to supporting the Taskforce on Climate-Related Financial Disclosures ("TCFD") and that our inaugural TCFD Report had been published on our website.

It was with this in mind that the Trustees took the decision to, wherever possible, steer investment into ESG responsible channels.

We are happy to confirm that our Default Portfolio's funds are now fully invested in ESG funds which incorporate environmental, social, and governance issues into their investment process. **Both existing investment and future contributions will be invested in these funds.**



For those members not invested in the default portfolio but in one of the model portfolios your fund composition remains unchanged. However, should you wish to review your fund selection and are considering moving to more sustainable investments please contact us and we will arrange for one of the scheme advisers to get in touch.

You can find details of the funds you are invested in and their value on the e-member portal. If you need help with accessing the portal you can find details of how to do so on below.

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



# 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.



## 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

## Frequently Asked Questions

Why not visit our dedicated webpage with the most commonly raised questions about the scheme.

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**



 Scan me

<https://lewismastertrust.co.uk>

## 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#>

### Pension Wise

Before pension benefits can be accessed members will be offered an appointment with **Pension Wise**, if this is not taken up we will need to obtain an "opt-out" confirmation; without this we will be unable to proceed. This change was introduced to ensure pension savers know enough to make informed decisions about their pension pot.

<https://www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise>

## Stay alert to pension scams!

The Financial Conduct Authority (FCA) has raised concerns that the cost of living crisis could make you more vulnerable to scams.



Beware of:

- Pressure when making a decision, particularly a time limit on a 'great' deal
- Unexpected contact, calls or emails offering a 'free pension review'
- Unsolicited calls from IFAs who try to start a discussion about a transfer
- Promises of 'investment deals' and 'early access' to your pension before age 55



Our pledge to  
combat pension scams

Pensions Regulator website which offers advice on preventing scamming, **for more information visit:**

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](#)

## Let us know

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

Regards

**Trustees of The Lewis Workplace Pension Trust**