



Investor Number: XXXXXXXXXXXX

Mr John Smith  
Flat 1, 64 Smith Avenue  
Smithsville  
Auckland 1010  
New Zealand

### Welcome.

It was a mixed result this quarter. International funds saw returns that continued to increase despite the concerns of slowing global growth. However, local bond investors felt the impact of the Reserve Bank of New Zealand's decision to not change interest rates.



## How has each SIL fund performed?

PERFORMANCE AS AT 31 DECEMBER 2019

	3 months (%)	1 year (%)	3 years (% p.a.)	5 years (% p.a.)	10 years (% p.a.)
SIL Balanced Plus Fund	2.45	19.87	10.04	8.39	9.18
SIL New Zealand Fixed Interest Fund	-2.91	4.56	4.50	4.21	4.94
SIL International Share Fund	1.54	29.59	15.54	12.76	11.02
SIL New Zealand Share Fund	5.78	29.86	17.57	14.10	13.61
SIL Cash Plus Fund	0.25	1.84	2.07	2.20	2.37

Performance is after fees and before tax.

International equity markets continued their stellar run, ending the final quarter of 2019 higher, with major indices in the US again reaching new all-time highs. The continued rise in equity markets came as the fears of slowing global growth failed to eventuate. Against this backdrop, the SIL International Share Fund gained 1.54% over the quarter and for the year, the fund had an impressive 29.59% return.

New Zealand equity markets finished the quarter higher as well. The NZX 50 gained 5.2% over the period, helping the SIL New Zealand Fund end the quarter up 5.78%.

It wasn't such a good quarter for local bond investors after the Reserve Bank of New Zealand, somewhat surprisingly, left interest rates unchanged at its December meeting. Despite no change, RBNZ Governor Adrian Orr said the central bank will maintain its accommodative stance for a "prolonged period of time." The bond market sell-off saw the New Zealand 10-year government bond yield rise 56 basis points over the quarter and up more than 60 basis points from its quarterly low near 1%.

On the back of a weak quarter for bond markets, the SIL New Zealand Fixed Interest Fund fell 2.91%. However, the fund still gained 4.56% in 2019.



## What happened in Q4?

Here are some key themes that highlighted the final quarter of 2019.

**More record highs:** After receding early in the quarter, US benchmark indices recovered and marched on to make fresh all-time highs. The S&P 500 rose above 3,200 and the Dow Jones Industrial Average surpassed 28,000. Meanwhile, tech shares continued to outperform, with the NASDAQ gaining 12.7% over the quarter.

**Bond yields rebound:** After falling to historic lows during most of 2019, bond yields across the globe bounced as the broader economic outlook improved, with growth data in major economies topping expectations. Additionally, central banks, while remaining accommodative, hinted that further cuts were, at this stage, unlikely.



## New Year's resolutions to ramp up your investments

The start of a new year is the perfect time to review your financial goals – like planning for the lifestyle you want in retirement. Here are some simple New Year's resolutions that could help you get the best from your investments in 2020.

### 1. Track your progress

Whatever your financial goals are for retirement, the key is to regularly check your progress – and take action if you're not on track.

The first step is to see where you are now - remember you can monitor your fund anytime via ANZ Internet Banking or goMoney. If you think you're not where you want to be, it may be worth reviewing your budget. You may be able to cut your spending on things that aren't really important, so you can increase the amount you have to invest.

### 2. Make sure you're in the right fund

We recommend you review your choice of fund (or funds) annually and make sure it's still the most appropriate option for you. You can find out more and compare our funds on our website. We can also connect you to a financial adviser who can provide you with advice tailored to your personal situation – find out more by visiting [silfunds.co.nz](http://silfunds.co.nz)

### 3. Build your investment knowledge

When it comes to investing, knowledge is power. It's worth taking the time to find out about investment markets and how they work. A good place to start is the SIL website which has useful information on how your money is invested and how it has performed.

Your superannuation scheme is a convenient way to help you build your retirement savings and achieve the retirement you want. These simple resolutions will help you get the very best from your investment.



## We've reduced your fees

We are pleased to announce that from 1 January 2020 we reduced the Management Fee we charge on the SIL funds by the following amounts:

	(%)
SIL Balanced Plus Fund	-0.03%
SIL New Zealand Fixed Interest Fund	-0.03%
SIL New Zealand Share Fund	-0.04%
SIL International Share Fund	-0.04%
SIL Cash Plus Fund	-0.015%

The Management Fee is the fee charged for administering and managing the investments of the SIL funds.

## Here to help

For financial advice, speak to your financial adviser. ANZ Investments can put you in touch with an adviser in your area if you need one. You can also contact ANZ Investments on:



**0800 736 034**



**[service@anzinvestments.co.nz](mailto:service@anzinvestments.co.nz)**



**[silfunds.co.nz](http://silfunds.co.nz)**

Past performance does not indicate future performance, and performance is not guaranteed and can be negative as well as positive. Investments in any of the funds referred to in this document are subject to investment risk, including possible delays in repayment and loss of income invested. This material is for information purposes only. Its content is intended to be of a general nature, does not take into account your financial situation or goals, and is not a personalised financial adviser service under the Financial Advisers Act 2008. It is recommended you seek advice from a financial adviser, which takes into account your individual circumstances before you acquire or dispose of a financial product.

Investment and administration manager: ANZ New Zealand Investments Limited 02/2020