



## The Law Retirement KiwiSaver Scheme Monthly Factsheet

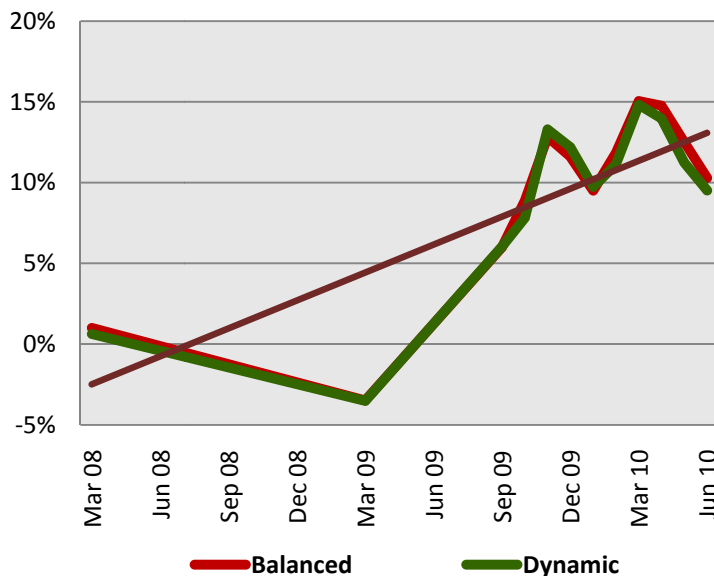
July as at 30 June 2010

The last quarter has proved to be difficult with nervousness in the markets causing continued volatility. **The Law Retirement KiwiSaver Scheme** Funds continue to weather financial storms well by minimising this loss. Our belief is contrary to the doomsayers in that we do not believe there will be a double dip recession. Global economic indicators are showing growth, albeit moderated. Performance is as follows:

	Unit Price	1 mth	3 mths	6 mths	Cumulative
Balanced	1.04097	-2.22	-4.77	-2.22	10.29%
Dynamic	1.03191	-1.73	-5.30	-1.73	9.51%

### Law Retirement KiwiSaver Scheme

Performance: Inception to 30 June 2010



### Overview and Update

- The financial market retreat which began in April intensified during May and continued into June.
- Volatility is an inherent part of investing, and not completely unavoidable, when the majority of Asset Classes retreat in unison, the Unit Price will dip.
- *Diversified's* macro-economic research - based on a one-year to 18 month outlook – continues to find robust global growth is the greater probability. Expansion underpins markets.
- The strategies remain substantially fully invested in growth assets. We anticipate returns to recover in the medium term. The “Balanced and “Dynamic” Strategies remain diversified in accordance with Modern Portfolio Theory.
- Over our one-year to 18 months tactical horizon, positive returns of average to above-average magnitude are probable.

### Manager Profile

The Trustee of the Law Retirement Plans and Law Retirement KiwiSaver Scheme have appointed *Diversified Wealth Management Limited (DWML)* to manage the investments. The manager is associated with *Diversified Investment Strategies Limited (Diversified)*, an experienced group offering investment advice to individuals, trustees and charities for over 16 years. *Diversified* is well-known for leading and proprietary investment strategies, capably managing market volatility.

### Important Notes

This information is intended to provide a general profile only and is believed to be accurate as at the date of issue unless otherwise stated. *Legal & Professional Services Ltd* does not accept liability for any loss, damage, cost or expense that may arise from any reliance on this information. In addition to reading the Investment statement, we recommend that you obtain professional advice on your individual requirements before making any investment decision. Past performance is not necessarily indicative of future performance.

## KiwiSaver – A Brief Overview

Information obtained from <http://www.kiwisaver.govt.nz/new/about/summary/>

KiwiSaver is a voluntary, work-based savings initiative to help you with your long-term saving for retirement. It's designed to be hassle-free so it's easy to maintain a regular savings pattern. There are a range of membership benefits to encourage you to get saving. They include a \$1,000 kick-start, regular contributions from your employer and an annual member tax credit paid by the Government. Some people may also be eligible for help with the deposit on their first home.

### How you make contributions

For many people, KiwiSaver will be work-based. This means you'll receive information about KiwiSaver from your employer, and your KiwiSaver contributions will come straight out of your pay. If you choose to join, contributions are deducted from your pay at the rate of either 2%, 4% or 8% (you choose the rate) and invested for you in a KiwiSaver scheme.

If you're self-employed or not working, you agree with your KiwiSaver provider how much you want to contribute, and make payments directly to them. The annual member tax credit applies.

### When you can get your money

Your KiwiSaver savings will generally be locked in until:

- you're eligible for NZ Super (currently 65), or
- you've been a member for at least 5 years (if you joined over the age of 60).

### What you will get when you retire

NZ Super provides for a basic standard of living in retirement, but it may not be enough for the kind of retirement you want. Having a KiwiSaver account doesn't affect your eligibility for NZ Super or reduce the amount of NZ Super you would be eligible for. KiwiSaver savings will complement NZ Super to provide you with a better standard of living for your retirement.

#### KiwiSaver - An Example

\$60,000 Salary

		Year 1	Year 2
Bal Carried Forward			\$4,576.15
Your Contribution	2%	\$1,200.00	\$1,200.00
Employer Contribution	2%	\$1,200.00	\$1,200.00
Tax Credit		\$1,042.86	\$1,042.86
\$1,000 Kick Start		\$1,000.00	0
		<hr/>	<hr/>
		\$4,442.86	\$8,019.01
Say 6% Return		<hr/>	<hr/>
		\$4,576.15	\$8,396.86

**Your contribution \$2,400 to accumulate \$8,396.86**

#### Highlights

- Minimum contribution 2% gross salary
- Employer contributions 2%
- Tax credit each year up to \$1,042.86
- \$1,000 Kickstart
- First home buyers housing subsidy
- Self employed persons are eligible

### Applications

The Investment Statement and Application Forms may be downloaded from the Law Retirement website: [www.lawretirement.co.nz](http://www.lawretirement.co.nz) or Phone: 0800 44 55 86 email [admin@lawretirement.co.nz](mailto:admin@lawretirement.co.nz)

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