SUPERLIFE
a Member of the NZX Group

Level 7, Zurich House, 21 Queen Street, Auckland Central 1010
PO Box 105262, Auckland City 1143
info@superlife.co.nz 0800 27 8737

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SuperLife Update – Fully Operational During Level 4 Lockdown

Dear Investor,

Share markets globally have undergone a sharp correction and shown increasing volatility as result of rising concern and signs of material effects on businesses and wider economic impacts of coronavirus disease (COVID-19).

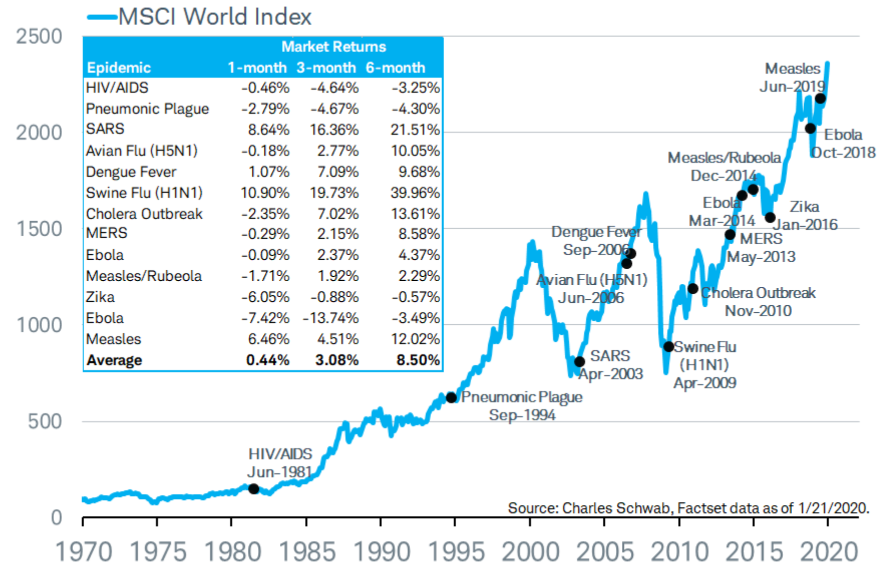
It's difficult to assess exactly how events will play out, and the timeframes. However we are encouraged by the strong measures being taken here and around the world to stop the spread of the virus, which is essential in order for the recovery to begin.

Central banks such as the Reserve Bank of New Zealand, US Federal Reserve and Reserve Bank of Australia have cut interest rates to provide support to their economies during this volatile period, and also announced substantial stimulus and recovery packages which will help businesses and employees to get through this difficult lockdown period.

As we have already seen over recent weeks, this market volatility presents both opportunities and risks for investors. The recently announced stimulus packages appear to have stopped equity markets falling further for the time being, and we have seen some very strong market rallies this week. In fact, as at today the US share market is already up 20% from its low point.

What can we learn from the past?
There have been a number of health scares and disease outbreaks over the past 50 years, and none have had a really sustained impact on global markets. While past performance is not the predictor of future returns, it is quite possible the outlook for global economic growth could recover quite quickly, and with that stock markets will bounce back.

Immune: world epidemics and global stock market performance



Epidemic	Market Returns 1-month	3-month	6-month
HIV/AIDS	-0.46%	-4.64%	-3.25%
Pneumonic Plague	-2.79%	-4.67%	-4.30%
SARS	8.64%	16.36%	21.51%
Avian Flu (H5N1)	-0.18%	2.77%	10.05%
Dengue Fever	1.07%	7.09%	9.68%
Swine Flu (H1N1)	10.90%	19.73%	39.96%
Cholera Outbreak	-2.35%	7.02%	13.61%
MERS	-0.29%	2.15%	8.58%
Ebola	-0.09%	2.37%	4.37%
Measles/Rubeola	-1.71%	1.92%	2.29%
Zika	-6.05%	-0.88%	-0.57%
Ebola	-7.42%	-13.74%	-3.49%
Measles	6.46%	4.51%	12.02%
Average	**0.44%**	**3.08%**	**8.50%**

The MSCI World Index captures large and mid cap representation across 23 Developed Markets countries. With 1,646 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. **Past performance is no guarantee of future results.**

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What do I need to think about?

Important points to remember during periods like this:

1. We are classified as an essential business, so we remain open while most of the team works at home. Our fund management, customer service and operations teams are functioning as normal. We are here for you.

2. Our diversified funds (SuperLife Income, SuperLife Conservative, SuperLife Balanced and SuperLife Growth) are designed with exactly this type of market volatility in mind. They contain a mix of income and growth assets to ensure some protection against large downward moves in share markets.

3. Market volatility is normal, particularly where the situation is evolving and there is a high degree of uncertainty. In the fourth quarter of 2018 the US share market fell 20%, but recovered very quickly in 2019.

4. Investing in shares is a long term commitment. It's natural to feel like you should take action during periods like this, but investors who stay the course tend to be rewarded in the long term.

5. It's very hard to time the markets. Even professional investors don't have a good track record in doing this. History has consistently shown that staying in the market is the best long term strategy.

6. Index tracking funds (such as those offered by SuperLife and Smartshares) are a great long term option, and have proven to outperform the majority of actively managed funds in both falling and rising markets.

7. If you really do feel like you need to reduce your short-term risk and have a more conservative portfolio, you can consider increasing your exposure to cash and fixed interest funds such as the SuperLife NZ Cash, SuperLife NZ Bond and SuperLife Overseas Bond funds, which are a great place to park your funds while deciding your next move.

Yours sincerely,

Stuart Millar
Chief Investment Officer