



pension perspectives

Spring 2018

PEPP smooths the dips

Between January 29 and February 8, 2018 there was a dip in equity markets that attracted some media attention. The Standard & Poor's 500 Index (S&P 500) fell 10.1% in US dollars and the Dow Jones fell over 2750 points (10.3%). The S&P 500 is one of 12 equity benchmark indices PEPP uses to measure its performance against.

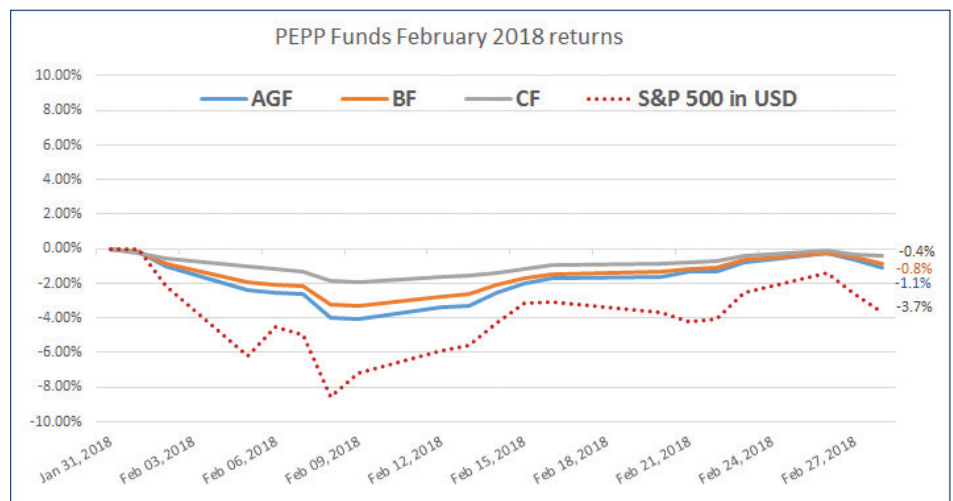
PEPP has six well diversified investment options (Accelerated Growth, Growth, Balanced, Moderate, Conservative and PEPP Steps) that hold equities (Canadian and foreign) with a mix of fixed income, money market, real estate and other alternatives. The benefit of being in a diversified fund is if equities dip like we saw early this year, the other asset classes in the fund may not drop which may offset some of the loss.

Pension plans are meant for long-term investing and generally holding to your path is good advice. Jumping ship, or being reactive to market swings could put you at risk of not being in a position to benefit from the recovery of the market. Volatility, or ups and downs, in a financial market is normal. We have seen an unprecedented two years of steady inclines – that is not normal. That can lull members into a false sense of security which may cause an overreaction when the market does take a dip.

Member accounts have had pretty close to a full recovery already from this most recent fluctuation. No one can predict the future, but highs and lows in the investment world can be expected and six of PEPP's eight investment funds are well diversified to help smooth the dips.

Moral of the story: The S&P 500 is in the news every night, but it is not a full representation of what is happening with your pension. PEPP members saw a different and less extreme return during this recent dip in the equity markets. For example, if you left the Accelerated Growth fund at its recent low point, you would've locked in a calendar year-to-date loss of -2.3%, however, if you held it you would've realized a return of 0.7% by February 28th. The Accelerated Growth fund dip was very short in duration and was followed by a nice rally and the high to low during this period was half that of the S&P 500.

If you find you are getting nervous during a dip in the markets, focus on the long term, evaluate where you are in relation to retirement, complete the PEPP Investor Profile to understand your risk tolerance and investment style and have a conversation with one of our Retirement Information Consultants.



AGF - PEPP's Accelerated Growth fund
BF - PEPP's Balanced fund
CF - PEPP's Conservative fund
S&P 500 is an often quoted indicator of the US equity market similar to the Dow Jones Industrial Average and Toronto Composite Index.



Saving Costs

PEPP will stop mailing change confirmation letters to members, as of April 1, 2018. Previously, if you notified PEPP of a change (i.e. address, name, beneficiary) the change would be processed and a letter produced and mailed to you to confirm the change. You will now have three options to confirm your change:

- sign in to PEPPAccess and view your information
- review your information on your semi-annual member statement, or
- phone and ask for a letter to be mailed.

This simple change will save roughly \$25,000 in postage, printing and materials on an annual basis. Less paper for members, less costs for the Plan. PEPPAccess lets you make personal data changes, so you can verify the change as you do it!

Retirement planning can be fun!

Retirement. For some, it's fast approaching, for others, it's a long way off. All of us want to properly plan for our future and enjoy the retirement lifestyle we seek. Try Retire@Ease and get a glimpse into your future.

Retire@Ease is an interactive online tool available exclusively to PEPP members. The tool uses your PEPP account information to help you develop a retirement plan. It doesn't just help you understand how much money you need to save before you retire, but also projects how long your money will last so you can prepare now.

The March member statement includes a Retire@Ease section for active contributing members. This section provides projected account balances and monthly retirement income and expenses to illustrate how the tool can work for you. Have a look at your statement, then go on Retire@Ease and have some fun customizing your retirement plan! Change your retirement age, your investment choices, add in your RRSPs, have fun and create a complete picture. Retire@Ease is found inside your secure PEPPAccess account.



PEPPAccess is a members only online tool that allows you to check your account balance, update your personal information, transfer among investment funds and do some retirement planning in Retire@Ease. Here are some tips:

If you are logging into your account and having trouble:

- use the PEPP member number on your statement;
- sometimes clearing your browser history may help.

If you forget your password:

- click the Forgot Password button, enter your member number, enter your first and last name in capital letters, use the little calendar to choose your birth year then month and day;
- answers to security questions are case sensitive and have no spaces;
- you'll be sent an email link to change your password. Occasionally you may get an error message after changing your password, but rest assured the password has been accepted and changed;
- close your Internet and login to PEPPAccess on a new page.

If you aren't yet taking advantage of PEPPAccess go to our website with your member number and register today.

RetireWithEase Workshops	
Weyburn	May 2
LaRonge	May 9
Prince Albert	May 10
Regina	May 16
Saskatoon	June 6
Regina	June 21
Register today! Visit PEPP's home page and click on the PEBA Hosted Workshop image!	
*Workshop dates are subject to change, please check the PEPP website for updates.	



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