

Understanding
the effect of

market changes on your pension

When markets experience volatility, you may see fluctuations in the value of your pension. These are a normal part of long-term investing, as the value of investments can go down as well as up, so you may not get back the amount you originally invest. This can be daunting, but there are ways you can ease your mind during times of uncertainty.

Pension guidance during uncertain times



Understand uncertainty

If you've seen the value of your pension fluctuate, it's natural to feel nervous. But although past performance is not a guide to future performance, markets can and do recover. While it can be unnerving, it's important to remember pensions are a long-term investment and volatility is a normal part of long-term investing.

Most workplace pensions are invested in a default fund, which could mean your pension savings may not have been fully exposed to the volatility of the stock market. So while it's never nice to see your pension fall in value, the most important point to remember is that this could well be a temporary setback.



Take your time

During uncertain times, feeling fearful could lead some people to make rushed decisions about their pension, based on short-term circumstances. Some may think about selling or moving investments in the hope of minimising any loss, but this could have significant long-term consequences for your financial wellbeing and retirement, as you may miss out on any market bounce-backs.

So think carefully and consider talking to a financial adviser before making any decisions; remember that, withdrawals from a pension product aren't normally possible until you reach age 55. This may change to 57 in 2028.



Watch out for pension scams

Uncertainty can mean people are more vulnerable to pension scams. Especially as some scammers can seem articulate and convincing, so stay vigilant! You should take extra care when checking any emails, letters or calls you receive, especially as, if it seems too good to be true, it probably is. Visit [fca.org.uk/scamsmart](https://www.fca.org.uk/scamsmart) for helpful guidance on the steps you can take to protect your pension.

Scammers may:

- Contact you out of the blue
- Promise high returns
- Offer a free pension overview
- Claim you can access your pension before age 55
- Pressure you to act fast



Four simple steps to protect yourself from pension scams

- 1. Reject unexpected offers** – If you're contacted out of the blue about your pension, chances are it's a scam or high risk. You should also be wary of free pension review offers.
- 2. Check who you're dealing with** – Check the Financial Services Register (register.fca.org.uk) to make sure that anyone offering you advice or other financial services is authorised by the Financial Conduct Authority (FCA). If you don't use an FCA-authorised firm and something goes wrong, you won't have access to the Financial Ombudsman Service or the Financial Services Compensation Scheme.
- 3. Don't be rushed or pressured** – Be wary of promised returns that sound too good to be true, and don't be rushed into making a decision.
- 4. Get impartial information and advice** – MoneyHelper provides free, independent and impartial information and guidance. You can find out more by going to moneyhelper.org.uk or by calling **0800 011 3797**.

It's important you make the best decision for your personal circumstances, so you should seriously consider using the services of an FCA-authorised financial adviser.

If you suspect a scam, report it to the FCA by calling the Consumer Helpline on **0800 111 6768** or using the reporting form at [fca.org.uk](https://www.fca.org.uk)

Nearing retirement?

If you're retiring soon, it's worth reviewing your retirement plans. You can check where you're investing, and any impact on your income, by using the tools and calculators available on our website [fidelitypensions.co.uk](https://www.fidelitypensions.co.uk)

Stay informed

We're here to help during times of change and uncertainty. For the latest updates and guidance, visit our website, or log in to PlanViewer online or via the PlanViewer app.



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