



INVESTMENT UPDATE

JUNE 2013 QUARTER

Dear Member,

Welcome to the latest *Investment Update* for the Nissan Superannuation Plan, keeping you up to date with what's been happening in the financial markets and how the Plan's investments and your super have performed during the June quarter.

If you have any questions about your super, please contact a member of the Policy Committee

From the Directors, Towers Watson Superannuation Pty Ltd

Quarter results

The Plan's **June 2013 quarter investment returns** (net of investment fees and tax) for the:

- Growth option was 1.2%
- Balanced 50/50 option was 0.8%
- Cash option was 0.6%

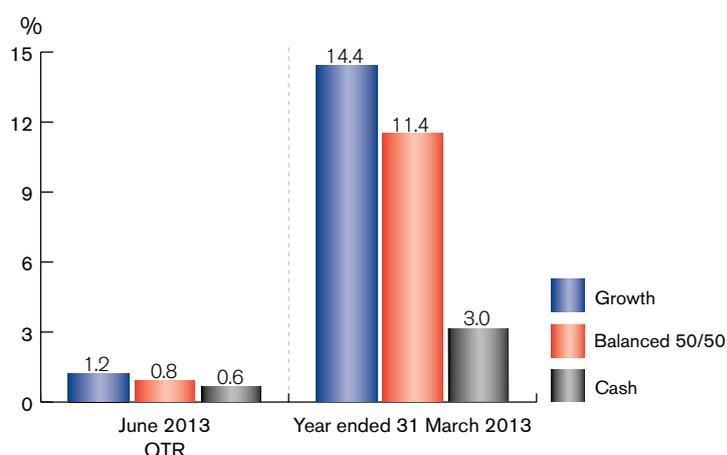
Investment returns for the key asset classes for the quarter for:

- Australian shares was -2.9%
- International shares (hedged) was 2.5%
- International shares (unhedged) was 15.4%
- Global property (hedged) was -2.8%
- Australian fixed interest was 0.4%
- Australian cash was 0.7%

The news from the US Federal Reserve also affected global shares, which started the quarter strongly, but weakened considerably in May and June. Australian shares followed a similar trend, falling sharply in May (-5%) and again in June (-2%). Lower commodity prices and a slowing economy also contributed to the falls. The Reserve Bank of Australia decreased the official interest rate to 2.75% in May. The move was reflective of its inflation forecast and the continued weakness in the non-mining sector. The investment markets reacted poorly to this announcement.

Other aspects of the Australian market provided more positive results, such as the Australian listed property market which closed the quarter outperforming the broader market by around 6%. Global bond yields rose throughout the quarter and Australian 10-year government bonds followed the trend. As we have noted in previous Investment Updates, rising bond yields have a negative effect on bond prices and, in the short term, can result in investment losses.

The graph below shows the Plan's investment returns (net of investment fees and tax) for the three investment options for the quarter ended 30 June 2013 and for the year ended 31 March 2013.



Please note that past investment performance is not necessarily an indication of future performance.

Plan investment performance

Global investment news was varied during the June quarter – Europe remained sluggish, Japan continued to gain strength and the US and China produced mixed results. The European Central Bank left the official interest rate unchanged at 0.50% at the end of June, noting that the overall economic outlook still warranted an accommodative stance.

The end of May and beginning of June was volatile, with the Australian dollar falling sharply against major currencies on the back of comments by the US Federal Reserve that it may wind back its stimulus policies. The Australian dollar also depreciated against the currencies of Australia's major trading partners. The Australian dollar ended the quarter at 92.75 US cents, slightly higher than its lowest point of 92.02 US cents in mid-June. The Plan applies currency hedging on overseas investments, in property, global fixed interest and approximately 50% of its investments in international shares, and so does not receive the benefit to investment returns from a depreciating Australian dollar on those hedged investments.

Change of Trustee

In June 2013, it was announced that Towers Watson Superannuation Pty Ltd has been appointed as Trustee of the Nissan Superannuation Plan. The appointment took effect on 1 July 2013.

The new Trustee brings to the Plan over 125 years of combined superannuation industry experience, which will greatly assist in this current season of complex legislative changes. As a member of the Plan, you will not see any changes in the way your benefits are calculated, the fees charged, how your investments are managed or to the features and benefits offered by the Plan.

Remember, you can still have input into the Plan's operations through the Policy Committee. The names of the Policy Committee members are listed below. Feel free to contact them at any time with your queries or suggestions.

Your Policy Committee members

Company-appointed	Member-elected
Marcus Wappet	Bob Hanley
Steve Hogan	David Lloyd

Do you know where your super is going if the unexpected happens?

In June, you were sent your *Benefit Statement*, which includes important information about your super, such as your benefits in the Plan and investment choice. Another important piece of information is who you have nominated to receive your super in the event of your death.

It is important that you keep your nominated beneficiaries up to date. If you have recently experienced a life event, such as marriage or the birth of a child, you should consider updating your beneficiaries to ensure your super goes to the most important people in your life.

You can make a binding or a non-binding nomination. If you make a binding nomination, the Trustee is legally bound to pay your benefit according to your stated wishes provided it is valid at the date of your death.

Did you know?

A binding nomination must be witnessed by two people who are not beneficiaries and is only valid for three years. If you do not update your nomination within this time or it is otherwise invalid, your nomination will lapse and the Trustee will decide who to distribute your death benefit to.

To update your beneficiaries or to make a nomination, you can contact the Plan Administrator on **1800 127 953** to request a *Nomination of Beneficiaries form* or you can download a copy of the form from the Plan's new website at **www.nsp.nissan.com.au**.

The information in this publication is general information only and does not take into account your particular objectives, financial circumstances or needs. It is not personal or tax advice. Any examples included are for illustration only and are not intended to be recommendations or preferred courses of action. You should consider obtaining professional advice about your personal circumstances before making any financial or investment decision based on the information contained in this document.

Issued in August 2013 by Towers Watson Superannuation Pty Ltd (ABN 56 098 527 256, AFSL 236049) as Trustee for the Nissan Superannuation Plan (ABN 24 774 305 410).