



INVESTMENT UPDATE

JUNE 2014 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.

Towers Watson Superannuation Pty Ltd

Quarter results

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

- Growth option was 2.3%
- Balanced 50/50 option was 2.2%
- Cash option was 0.5%

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

- Australian shares was 0.9%
- International shares (hedged) was 5.1%
- International shares (unhedged) was 3.0%
- Global property (hedged) was 8.0%
- Australian fixed interest was 3.1%
- Australian cash was 0.7%

The global property sector generated a return of 8.0% for the June quarter which was an excellent result.

The Australian dollar sustained its rebound from the March quarter and continued to appreciate relative to the US dollar. The Australian dollar closed the June quarter at 94.20 US cents, up by 2.2% or 1.99 US cents from the end of March. This meant returns on the unhedged international share portfolio underperformed the hedged international share portfolio.

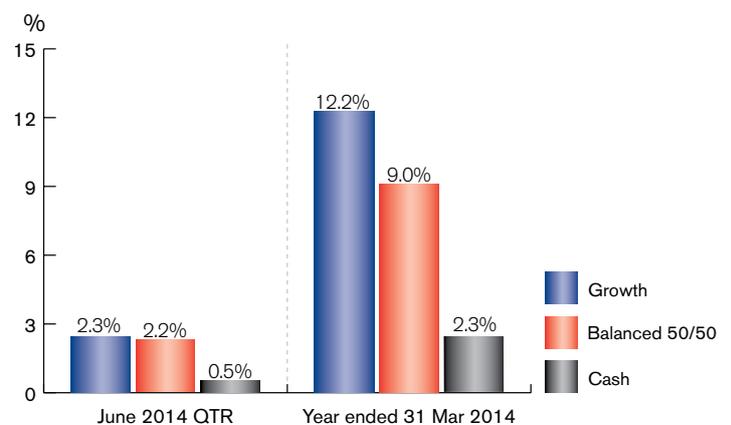
The Reserve Bank of Australia (RBA) has kept the official cash rate level unchanged at 2.5%. The RBA expects growth to be below trend over the short term. Given this outlook and the degree of monetary stimulus still in place, the RBA adopted a position that the current cash rate is likely to be appropriate for some time. As a result, bond yields fell and fixed interest holdings returned 3.1% for the quarter.

Plan investment performance

In Australia, economic conditions softened during the June quarter with a relatively flat labour market and waning consumer and business sentiment. Australian shares underperformed global markets during the June quarter, with the S&P/ASX 300 Accumulation Index returning 0.9% over three months.

Economic and business conditions continued to be positive in Europe, despite dipping slightly during the quarter. International share markets posted gains during the quarter, led by Japan (4.7%), Emerging Markets (4.7%) and the UK (4.1%). In the US, economic data during the June quarter improved and unemployment dropped from 6.7% to 6.1%. The US Federal Reserve commenced tapering of its quantitative easing program in recognition of growth in the underlying strength of the overall economy and improving labour market conditions.

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 2014 and for the year ended 31 March 2014.



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

Is your nomination of beneficiaries up to date?

If your nomination is kept up to date, should the unexpected happen, the Trustee has a guide as to how you would like your super benefit paid. If you have made a binding nomination, check it hasn't expired as they are only valid for three years.

If you would like to make a nomination or change your current nomination, you will need to complete the form *Who will get your super if you die?* which is available from the Plan administrator on **1800 127 953**.

Remember that the Plan's rules generally allow your death benefit to be paid to:

- your spouse (including your de facto or same sex partner),
- your children (including children of your spouse),
- your legal personal representative (your estate), or
- any person who is dependent on you or in an interdependency relationship with you.

Help is available if you need it

Before making changes to your super, you may benefit from discussing your situation with a licensed financial adviser. They can help you get on track to meet your personal goals and individual circumstances.

You can find tips on locating a financial adviser in your area by downloading the Government's guide, *Financial advice and you*, from **www.moneysmart.gov.au**; click on the "Tools and resources" tab and then scroll down to the "Investing" category. You can also contact the Financial Planning Association of Australia at www.fpa.asn.au or by phoning **1300 626 393**.

Your new Policy Committee members

Following a call for nominations to the Policy Committee in June, two nominations were received for the two available positions. David Lloyd was re-nominated for another term. Andrew Dimsey was also nominated and joins the Policy Committee for the first time.

Congratulations to David on his re-nomination and welcome to Andrew.

Your 2014 Annual Report

Your 2014 *Annual Report* is now available to download at **nsp.nissan.com.au**. If you are a Nissan employee, a copy of the Report has been emailed to you. You can, however, request a hard copy free of charge by contacting the Plan administrator on **1800 127 953**.

If you are Retained Benefits Division member, you will be receiving a copy in the mail, along with your annual *Benefit Statement*.

This year's Report includes information on how the Plan has performed, as well as a feature article on some of the changes to super over the past year.

We encourage you to read your Report carefully and contact the Plan administrator if you have any questions.



Fee increase deferred

Some of the Plan's fees are indexed each year to keep pace with inflation. This year's *Annual Report* noted that the Plan's exit fee would increase to \$148.90 from 1 September 2014 (currently it is \$144.70). This increase has been deferred until 1 October 2014.

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 2014 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).