



INVESTMENT UPDATE

DECEMBER 2021 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 December 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 **December quarter investment returns*** for the:

- Growth option was 2.94%
- Balanced 50/50 option was 1.60%
- Cash option was 0.02%

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

- Australian shares was 2.2%
- International shares (hedged) was 7.9%
- International shares (unhedged) was 7.2%
- Global listed property (hedged) was 10.2%
- Australian fixed interest was -1.5%
- Cash was 0.0%

and Telecommunication Services being the highest performing sectors. Manufacturing and services indicators also showed upward trends. The unemployment rate started and ended the quarter at 4.6%. Following this stabilisation, the Reserve Bank of Australia (RBA) expects employment levels to rebound in the periods ahead.

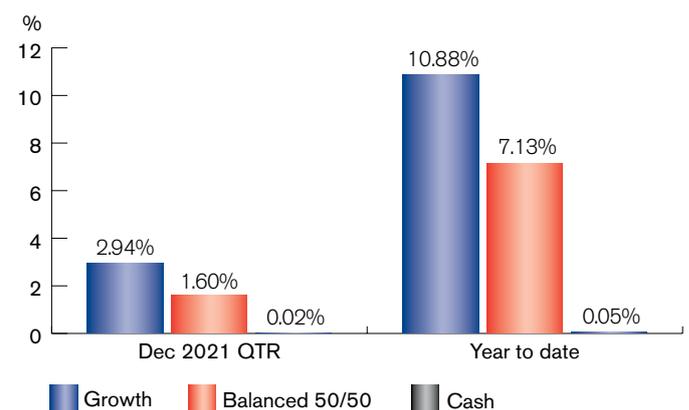
At both its December and February meetings, the RBA decided to hold interest rates at 0.1%. Due to better-than-expected economic data, it will now end its bond-buying scheme which was done to help stimulate the economy. However, the RBA has noted that this does not mean an interest rate rise is imminent. It will continue to adjust its policies with the aim being to achieve a return to full employment and inflation rates within its target range.

Global listed property generated strong returns over the quarter but returns from Australian fixed interest investments were negative as bond yields rose.

The Omicron outbreak continues to create uncertainty about the near-term economic outlook.

* Returns from international shares are expressed in local currency terms (i.e., hedged to Australian dollars).

The graph below shows the Plan's net investment returns* for the three investment options for the quarter ended 31 December 2021 and the nine months to 31 December 2021.



* Net of investment fees and taxes.

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

Should you have any questions about the Plan or your benefits, please contact the Plan administrator on **1800 127 953**. Members of the Policy Committee can also assist with general queries relating to the Plan. See nsp.nissan.com.au for more details.

Plan investment performance

Most economies around the world continued to recover over the December 2021 quarter, due to various government support measures and rising vaccination coverage. However, rising COVID-19 case numbers and the new Omicron variant increased uncertainty towards the end of the quarter. Pressure continues to be placed on supply chains, with capacity constraints more persistent than expected. This has seen inflation increase at its fastest pace in recent years.

Despite the supply issues, international shares made strong gains over the quarter, delivering a 7.9%* return (MSCI World ex Australia Index). US shares performed strongly returning 11.0%* (S&P 500 Composite Index) over the quarter. European shares rose 6.4%* over the same period (Euro Stoxx 50 Index), while Japanese shares fell by 4.6%* (MSCI Japan Index). Both the US Federal Reserve and the European Central Bank have announced their decision to slow the pace of support measures in light of climbing inflation and have indicated that interest rate hikes are likely.

The Chinese economy saw the fastest quarterly growth in a year, supported by a rebound in activity ahead of the Winter Olympic Games as well as the Lunar New Year.

In Australia, recent data showed the economy shrank in the September 2021 quarter, with prolonged lockdowns in some States reducing household spending on services, though the gradual easing of restrictions helped the economy rebound in the December quarter. Australian shares returned 2.2% (S&P/ASX 300 Accumulation Index) over the quarter, with Materials, Utilities

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