



INVESTMENT UPDATE

MARCH 2015 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 March 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 **March quarter net investment returns*** for the:

- Growth option was 7.3%
- Balanced 50/50 option was 5.5%
- Cash option was 0.6%

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

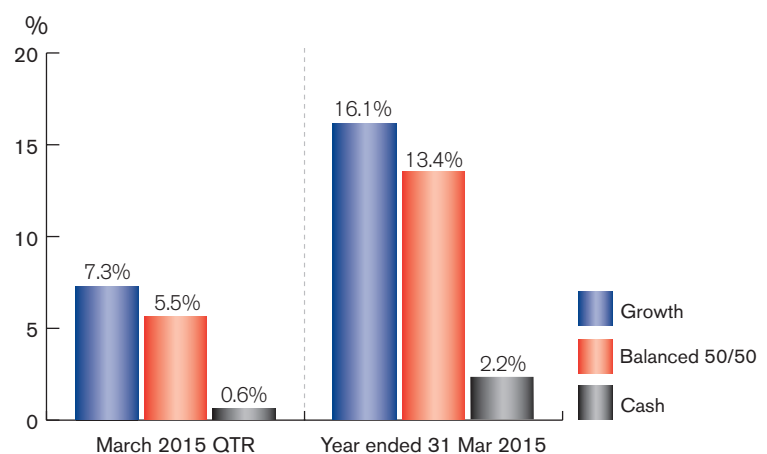
- Australian shares was 10.2%
- International shares (hedged) was 5.2%
- International shares (unhedged) was 9.6%
- Global property (hedged) was 6.9%
- Australian fixed interest was 2.6%
- Australian cash was 0.6%

Australian shares performed well during the quarter with the S&P/ASX 300 Accumulation Index returning 3.2% in January, rising to 6.9% in February and flattening in March. The return for the quarter was an impressive 10.2%. This benefited the Growth option and, to a lesser extent, the Balanced 50/50 option.

After keeping the official cash rate on hold at 2.5% for the whole of 2014, the Reserve Bank of Australia (RBA) Board decided at its February meeting to lower the cash rate to 2.25%. The Board considered the move to be appropriate in light of the target growth and inflation outcomes set by the RBA. The rate was unchanged at its March meeting.

Yields on bonds, both domestically and internationally, continued to ease over the quarter. The yield on Australian 10-year government bonds is now 2.32%. Reducing yields assist the returns on the Plan's fixed interest holdings, which produced a return of 2.6% for the March 2015 quarter.

The graph below shows the Plan's net investment returns* for the three investment options for the quarter ended 31 March 2015 and for the year ended 31 March 2015.



* Net of investment fees, tax and an allowance for the build up of the Operational Risk Financial Requirement reserve.

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

The results detailed in the graph above are the final crediting rates for the year. They will appear on your annual *Benefit Statements* which are expected to be issued to you in late June 2015.

Plan investment performance

Overall the Plan's investment returns for the year to 31 March 2015 were strong, despite mixed global economic trends and a slowing Australian economy.

The US economy showed signs of recovery throughout the March quarter, with the US unemployment rate for February and March holding at 5.5%. In Europe, the European Central Bank's efforts to stimulate the economy started, and economic data continues to exceed expectations. The seasonally-adjusted unemployment rate fell from 11.4% in January to 11.3% in February, continuing its downward trend to the lowest level since May 2012. In China, economic data disappointed, with a fall in the manufacturing sector and a slumping property market.

The Australian dollar fell against the US dollar during the quarter, beginning January at 82.02 US cents and settling at 76.34 US cents by the end of March. The Australian dollar also weakened against the currencies of Australia's major trading partners, as measured by the Trade Weighted Index, closing the quarter at 63.3 (down from 66.5 at the end of 2014).

International shares have been the Plan's best performing asset class over the 12 months to 31 March 2015. Assisted by the weakening Australian dollar, the return for the year was an impressive 25.4%. Hedged to Australian dollars, the return from international shares for the year was still around 11%.

Resources to help you on your journey to retirement...

How much money will you need in retirement? How much more could you save? Are you better off paying down your mortgage or putting the money into super? What should you look for when seeking financial advice? The following resources at www.moneysmart.gov.au can help you find the answers.



Superannuation calculators. Find out how much super you're likely to have when you retire, see how you can boost your super by making extra contributions, or compare the effect of paying your mortgage or making super contributions. Click on "Calculators & apps" and choose from the range available.



The **Budget planner** can help you think about what you currently spend your money on and what you might have left over to save. Go to the "Tools & resources" tab and click on "Calculators & apps". Scroll down to "Budgeting & savings calculators".



Financial advice and you is a booklet that provides some helpful tips on what to look for when seeking advice from a licensed financial adviser. Go to the "Investing" tab, click on "Financial advice" and scroll down.



Towers Watson Australia Pty Ltd has arrangements in place to offer Plan members financial planning services. You can take advantage of these arrangements at any time, including when you leave the Plan. To speak with a licensed adviser from Towers Watson, call (03) 9655 5222. You can also contact the Financial Planning Association of Australia on 1300 626 393 or visit their website at www.fpa.com.au for assistance in finding a financial planner near you.

Have your circumstances changed?

Life is full of unexpected twists and turns. Whatever happens – be it a birth, death, marriage or divorce – be sure to keep the Trustee updated as to how you would like your super benefit paid in the event of your death.

If you make a **non-binding nomination**, the Trustee will use it as a guide when deciding who to pay your benefit to.

For greater security, you can make a **binding nomination** which legally binds the Trustee to pay your benefit according to your wishes, as long as the nomination is valid at the time of your death. Remember that a binding nomination expires after three years, so be sure to check that yours is still valid and reflects your current personal circumstances.

Later this year you will receive your *Benefit Statement* which will show your nomination. However, you can make or change your nomination at any time by completing the *Nomination of Beneficiaries* form. For a copy of the form, visit the Plan's website at nsp.nissan.com.au or contact the Plan administrator on **1800 127 953**.



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 decisions based on the information contained in this document. Investment returns can be positive or negative and are not guaranteed by the Trustee.

Issued in May 2015 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).