



# INVESTMENT UPDATE

## MARCH 2019 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 investment returns\*** for the:

- Growth option was 8.30%
- Balanced 50/50 option was 6.26%
- Cash option was 0.44%

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

- Australian shares was 10.9%
- International shares (hedged) was 12.6%
- International shares (unhedged) was 11.5%
- Global property (hedged) was 14.2%
- Australian fixed interest was 3.4%
- International fixed interest was 2.8%

### Plan investment performance

Stronger returns from shares and other assets combined to produce some good returns for the Plan for the quarter ended 31 March 2019.

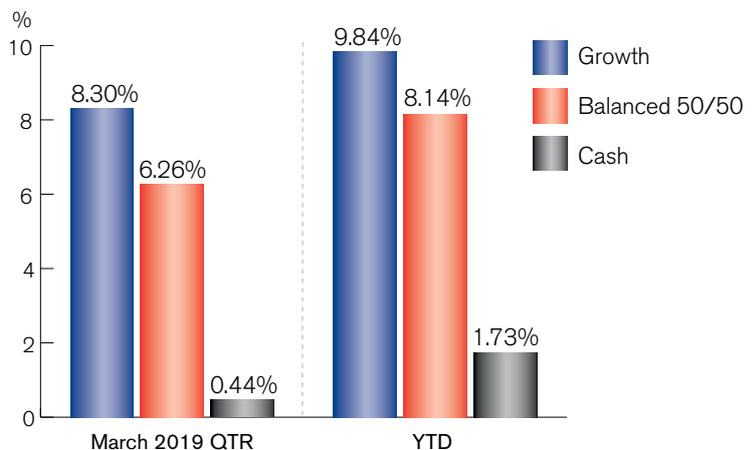
The US-China trade war, slowing global economic growth and Brexit uncertainty were the key themes of the March quarter. Despite this, international share markets rebounded strongly from the December quarter's correction – although uncertainty remains around global economic outcomes. In unhedged Australian dollar (AUD) terms, the MSCI North American index (US shares) rose 13.0%, Japanese shares 5.9%, Eurozone shares 9.6% and UK shares, despite uncertainty around Brexit, were up 11.0% over the March quarter.

Australian economic concerns continue, with the economy coming under pressure from low wages growth and a falling housing market. Economists have inferred that consumers are likely to spend less and as a result, the RBA is indicating a potential interest rate cut in the second half of 2019. Even with a weakening economy, resources stocks helped the Australian share market rebound strongly from the sharp falls at the end of 2018, with the S&P/ASX300 Accumulation Index up 10.9% over the March 2019 quarter.

The AUD appreciated marginally against the US dollar over the March quarter, beginning the quarter at 70.58 US cents, reaching as high as 72.68 US cents at the end of January, before falling to 70.87 US cents as at the end of March. Australia's Trade Weighted Index changed little over the quarter.

Returns from fixed interest for the quarter were much stronger, reflecting the general slowing down of central banks' programs of increasing interest rates.

The graph below shows the Plan's net investment returns\* for the three investment options for the quarter ended 31 March 2019 and for the year ended 31 March 2019.



\* Net of investment fees and taxes.

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

The results detailed in the graph above are the interim crediting rates for the year. The final crediting rates will be determined by the Trustee and will appear on your annual *Benefit Statement*. These are expected to be issued to members by the end of June 2019. The final crediting rates may differ from the interim rates outlined above.

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](http://nsp.nissan.com.au) for more details.

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. Investment returns can be positive or negative and are not guaranteed by the Trustee.

Issued in May 2019 by Towers Watson Superannuation Pty Ltd (ABN 56 098 527 256, AFSL 236049) as Trustee of the Nissan Superannuation Plan (ABN 24 774 305 410).