



INVESTMENT UPDATE

SEPTEMBER 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 September 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 **September quarter investment returns**[#] for the:

- Growth option was 1.49%
- Balanced 50/50 option was 1.04%
- Cash option was 0.01%

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

- Australian shares was 1.8%
- International shares (hedged) was 0.6%
- International shares (unhedged) was 4.0%
- Global listed property (hedged) was -0.2%
- Australian fixed interest was 0.3%
- International fixed interest was 0.1%
- Cash was 0.0%

Plan investment performance

More than 18 months since COVID-19 hit the global economy, most advanced economies are at or near peak recovery. The pace of growth is likely to slow down, with some countries starting to pull back on policies which were put in place to boost economies, as well as supply constraints and the ongoing presence of the delta variant.

The rally in international shares came to a halt over the September 2021 quarter, with a 0.6%* return (MSCI World ex Australia Index), including falls in the month of September.

US shares returned 0.5%* over the September 2021 quarter (S&P 500 Composite Index). At its September meeting, the US Federal Reserve left interest rates unchanged, but cut growth projections given the prominence of the delta variant, a shortage of workers, supply logistics and a cooling housing market.

European shares delivered a negative return of -0.2%* over the same period (Euro Stoxx 50 Index), with weak performance in consumer discretionary goods. The European Central Bank left interest rates unchanged and considered reducing its support under the Pandemic Emergency Purchase Programme.

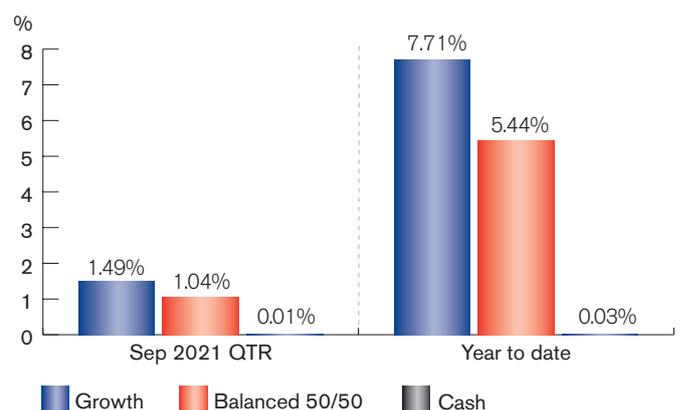
The MSCI China A Onshore Net Index (unhedged to AUD) returned -0.4% over the September 2021 quarter. In contrast, Japanese shares rallied, returning 8.7%* over the same period (MSCI Japan Index). Whilst COVID-related restrictions have impeded economic activity and consumer sentiment, business confidence improved, as businesses continued to forecast a rise in output over the near term.

In Australia, the delta variant has severely interrupted the pace of economic recovery. Australian shares were subdued compared to recent quarters but still returned 1.8% over the September quarter. Manufacturing indicators reflected the slowest growth in factory activity since September 2020. An outright fall in output is expected for the September 2021 quarter, reflecting the persistent lockdowns and restrictions that were reinstated over the June to September period. However, this setback should be temporary. As vaccinations increase and the easing of restrictions follows, economic recovery is expected in the December quarter.

The Reserve Bank of Australia (RBA) maintained the cash rate target at 0.1% at its October meeting. The Government securities purchasing scheme was maintained, although at a reduced weekly amount. The RBA expects the first cash rate hike will not eventuate until 2024. Australian and global bonds increased modestly over the quarter, leading to small gains to Australian and international fixed interest investments.

* 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 30 September 2021 and the six months to 30 September 2021.



[#] Net of investment fees and taxes.

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

Join our first Annual Members' Meeting

We recently sent you a notice inviting you to join our first Annual Members' Meeting on Tuesday 23 November 2021. At this online meeting, we will provide an overview of the Plan and the Plan's investment performance. You will also have an opportunity to ask questions about the Plan.

An email invitation will be sent to you in mid-November. If you have not received an email invitation by Wednesday 17 November 2021 and would like to attend, please contact the Plan administrator at nissansuperadmin@linksuper.com or call **1800 127 953**.

Investment fee changes

The investment fees for the Plan's three investment options changed from 1 July 2021. The table below shows the old and new fees, which include the transaction costs associated with each option.

Investment option	Investment fee before 1 July 2021	Investment fee from 1 July 2021	How and when paid
Growth	0.639% p.a. (\$6.39 per \$1,000)	0.522% p.a. (\$5.22 per \$1,000)	Investment fees are deducted from investment returns on a monthly basis before they are applied to your accounts.
Balanced 50/50	0.458% p.a. (\$4.58 per \$1,000)	0.392% p.a. (\$3.92 per \$1,000)	
Cash	Nil	0.005% p.a. (\$0.05 per \$1,000)	These fees only apply to benefits that are linked to investment returns. They do not apply to benefits that are linked to salary.

Beware of superannuation scams

There has been a significant increase in superannuation scams over the past six months. The scams take different forms but all result in trying to obtain your personal information, such as a cold caller pretending to be a financial adviser or from an organisation such as the ATO, or the use of fake emails or fake text messages.

A commonly reported scam is where a cold caller offers to help release superannuation early or to move your super to a self-managed super fund (SMSF). The process leads a member to search the internet for super comparison websites and land on a fake website. The member is asked to enter their contact information and receives a call back, in some cases being offered potential earnings of up to 40%. Using personal information obtained, the fraudsters then set up an SMSF legitimately with the ATO and open a bank account in the member's name. Once the member's money hits the bank account, it is quickly moved elsewhere. This scam has been known to succeed even with the smallest amount of personal information, for instance a member providing their fund name and ID.

Get in touch if you have any doubts

The Plan takes your security seriously. Remember that the Plan administrator will never ask for your personal information through an unsolicited call, email or text. If in doubt, you can call the Plan administrator on **1800 127 953** or email nissansuperadmin@linksuper.com.

It's also important to keep your contact details up to date so that we can contact you quickly if there's ever any suspicious activity on your account. To update your details, contact the Plan administrator.

More information

The Government's MoneySmart website has some useful tips on how to keep yourself safe from super scams, including:

- understanding the rules about when you can legally access your super;
- everyday steps on preventing identity theft; and
- how to check whether a financial adviser is licensed and not disqualified.

To learn more, head to:

<https://moneysmart.gov.au/how-super-works/superannuation-scams>.

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.

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 November 2021 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).