



INVESTMENT UPDATE

SEPTEMBER 2017 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 1.36%
- Balanced 50/50 option was 0.98%
- Cash option was 0.37%

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

- Australian shares was 0.8%
- International shares (hedged) was 4.3%
- International shares (unhedged) was 2.5%
- Global property (hedged) was 0.7%
- Australian fixed interest was -0.1%
- International fixed interest was 0.9%
- Australian cash was 0.4%

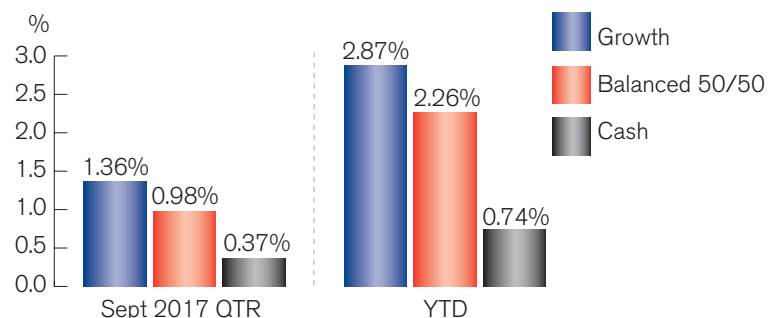
The Australian share market, as measured by the S&P/ASX 300 Accumulation Index, returned 0.8% over the September quarter. The positive return was primarily a result of the slight recovery of financials following poor performance in the previous quarter, as well as the positive contribution of energy stocks due to firmer oil prices.

The Reserve Bank of Australia Board maintained the official cash rate at 1.5% in its September meeting noting that global economic conditions have strengthened since 2016, although wage growth, headline inflation and core inflation remain low.

The Australian dollar appreciated against the US dollar over the quarter, from 76.89 US cents at June end to 78.34 US cents at the end of September. The Australian dollar depreciated against most of its other major trading partners over the quarter. The Trade Weighted Index closed the September quarter slightly up from the June quarter.

The Plan's Growth and Balanced 50/50 options have made a solid start to the Plan year, with both options achieving positive results in the September quarter.

The graph below shows the Plan's net investment returns* for the three investment options for the quarter ended 30 September 2017 and for the six months to 30 September 2017.



* Net of investment fees and taxes.

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

Plan investment performance

The September quarter presented continued positive market sentiment with signs of global growth, amid low inflation, which was reflected in solid global share returns. The MSCI World ex-Australia Accumulation Index (hedged to AUD) returned 4.3%. Due to the Australian dollar appreciating, relative to the currencies in the global share index, the return from global shares in unhedged terms was 2.5%.

Data regarding the Australian economy's strength continues to be mixed. While business confidence was down for the quarter, consumer sentiment rose even though views of family finance pressures, interest rate concerns and rising energy prices have weighed down confidence in 2017.

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Issued in November 2017 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).