



# INVESTMENT UPDATE

## JUNE 2018 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 June 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 **June quarter investment returns\*** for the:

- Growth option was 4.67%
- Balanced 50/50 option was 3.24%
- Cash option was 0.43%

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

- Australian shares was 8.4%
- International shares (hedged) was 3.6%
- International shares (unhedged) was 5.5%
- Global property (hedged) was 7.9%
- Australian fixed interest was 0.8%
- International fixed interest was 0.1%
- Australian cash was 0.5%

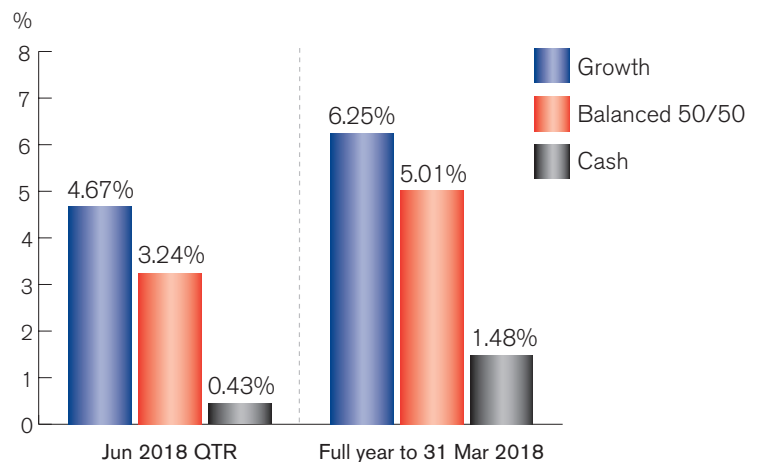
The Reserve Bank of Australia Board maintained a similar outlook to previous quarters, keeping the official cash rate at 1.5%. The minutes of the Board's June meeting noted the global economy had strengthened over the prior year and there was an increased demand for Australia's resource exports and commodity prices. Overall, business conditions were perceived to be positive with growth supported by public spending and increased non-mining business investment.

Australian GDP growth for the year to 31 March 2018 was 3.1%, exceeding consensus estimates.

The Australian dollar dropped against the US dollar, from 76.65 US cents at the end of March to 73.91 US cents at June end. The Australian dollar, however, appreciated against the Chinese Yuan, the Japanese Yen, the Euro and the British Pound.

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

The graph below shows the Plan's net investment returns\* for the three investment options for the quarter ended 30 June 2018 and for the year ended 31 March 2018.



\* Net of investment fees and taxes.

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

### Plan investment performance

Most share markets rebounded in the June quarter, a result welcomed by investors following the poor performance in the March quarter. When factoring in the Australian dollar's movement against other currencies, international share markets recorded an overall gain of 5.5% for the quarter, with the US and UK shares being the top performers.

The Australian share market performed well, gaining 8.4% for the three months to June 2018 (as measured by the S&P/ASX 300 Accumulation Index). The Energy sector achieved a 19.8% return, fuelled by rising commodity prices and a weaker Australian dollar. Unsurprisingly, the impact of the royal commission has been far reaching for the Financials sector, with AMP's share price falling by over 25% in April alone. Other notable events for the quarter included the delivery of the Federal Budget, which is expected to result in an increase in infrastructure spending.

## Your 2018 Annual Report is available

You will have recently received your Annual Review pack, which includes the Plan's 2018 Annual Report, together with your annual Benefit Statement for the year ended 31 March 2018.

Inside the 2018 Annual Report, you will find:

- A review of the Plan's investment performance over the past 12 months, including how the Plan performed against other peer superannuation funds that have similar asset allocations.
- A super update, including:
  - A summary of the superannuation-related changes proposed in the 2018 Federal Budget;
  - The latest tax thresholds.
- An overview of how the Plan is managed.

For an online copy of the 2018 Annual Report and other important information about the Plan, visit [nsp.nissan.com.au](http://nsp.nissan.com.au).

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.



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Issued in August 2018 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).