

Super Update

setting up for your future

Welcome to *Super Update*, the newsletter for the Heidelberg Australia Superannuation Fund that keeps you up to date with what's happening with your super. If you have any suggestions for articles in future issues of *Super Update*, please pass them on to one of the Fund's Policy Committee members.

How your super is performing

Market sentiment was positive over the four months to 31 October 2017, with signs of global growth amid low inflation, as well as strong international share returns. US data appeared strong, with leading indicators rebounding in October after a weaker performance over the September quarter which was partly due to the US hurricanes. Manufacturing data in the US, Europe and China reflected growth over the four-month period.

International shares returned 7.05% from 1 July 2017 to 31 October 2017 (MSCI World ex-Australia hedged index). When taking into account the movement of the Australian dollar against foreign currencies, international shares returned 6.92% (MSCI World ex-Australia unhedged index). Australian shares also performed well over the same period, returning 4.0% (S&P/ASX 300 Accumulation Index) over the month of October alone. This had a positive effect on the Fund's investment options which were more heavily invested in shares, such as the Diversified Shares and Growth options.

The Reserve Bank of Australia Board maintained the official cash rate at 1.5% at its November meeting. The Board is not expected to raise rates until late in 2018, to allow time for a gradual pick-up in economic growth to flow through to wage growth and higher underlying inflation. The Australian dollar has depreciated against the US dollar, from 76.89 US cents at June end to 75.66 US cents at the end of November.

Returns for the four months to 31 October 2017 for all options are shown in the table below. Please remember that past performance is not necessarily a reliable indicator of future performance.

Investment option	Year to date 1 July 2017 to 31 October 2017
Diversified Shares	5.42%
Growth	4.04%
Balanced	3.02%
Capital Stable	2.01%
Cash	0.52%

Note: Returns shown in the above table are net of tax and investment fees.

Have you read your 2017 Annual Review pack?

You should have now received your 2017 personal *Benefit Statement* and the Fund's 2017 *Annual Report*.

The Statement outlines your super account transactions during the year to 30 June 2017, as well as details of your insurance cover and investment choice (if you have made one).

This year's *Annual Report* contains tips on "Building a secure future" and the simple steps you could be taking to set yourself up for greater financial security in retirement. The Report also updates you on recent developments in superannuation and some proposed changes to super from the 2017 Federal Budget.

If you have not received your Annual Review pack, please contact the Fund Administrator. The 2017 *Annual Report* is also available at <http://heidaustsf.com>.



Who will your super benefit go to if you die?

Having an up-to-date nomination of beneficiaries tells the Trustee how you would like your super benefits paid should the unexpected happen. This way, you can rest assured that those who may rely on you for financial support are protected.

The Fund allows you to choose whether you like your death benefits made to:

Your estate, and distributed according to your Will

AND/OR

Your “dependants” (see to the right)

You can make this choice by completing a *Nomination of Preferred Dependants form*. Copies are available at <http://heidaustsf.com/super> or via the Fund Administrator on **1800 127 953**. The Trustee will use this form as a guide when deciding who should receive your benefit. However, the Trustee is also required to investigate your personal circumstances at the time of your death and must act in the best interests of your dependants.



Who qualifies as your “dependant”?

- ✓ Your spouse (including de facto partner and same-sex partner);
- ✓ Your children (including your spouse’s children);
- ✓ Any person who is financially dependent on you (whether wholly or partially);
- ✓ Any person with whom you have an “interdependency” relationship.

Interdependency is defined as where:

- › Two people have a close personal relationship; and
- › They live together; and
- › One or each of them provides the other with financial support; and
- › One or each of them provides the other with domestic support and personal care.

Two people can still have an interdependent relationship if they satisfy the first condition but don’t satisfy the other conditions because one or both of them suffer from a disability.

- ✗ Your siblings do **not** generally qualify as dependants under the law, unless they are financially dependent on you or you have an interdependency relationship with them.
- ✗ Your parents
- ✗ Your grandparents

Contact information

If you have a query about any of the information provided in this newsletter or about your super, please contact Con Xanthos on **(03) 9263 3360** or GK Ng on **(03) 9263 3371**. You can also speak with Con and GK on general information about the Fund’s management, features and benefits.

Alternatively, you can contact the Fund Administrator on **1800 127 953** or seek guidance from a licensed financial adviser.

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

Issued by Towers Watson Superannuation Pty Ltd (ABN 56 098 527 256, AFSL 236049), as Trustee of the Heidelberg Australia Superannuation Fund (ABN 75 071 229 817).
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