



a super start
setting up for your future

Super Update

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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 the Fund's Policy Committee.

Contact information



If you have a query about any of the information provided in this newsletter or about your super, please contact Julie Sarro on (03) 9548 6216 or GK Ng on (03) 9548 6218. You can also speak with Julie 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.

How your super is performing

Global investment markets struggled through the June 2022 quarter. Overall, global share markets fell significantly over the quarter, with the MSCI World ex Australia Index (hedged to AUD) returning -15.1%.

Supply chain disruptions caused by the Russia/Ukraine crisis and China's COVID-19 restrictions, together with the rebound in global activity and higher food and energy prices, led to increasingly high inflation. Most central banks tightened their policies in an effort to combat this as investors feared an increased risk of recession and expectations rose for inflation to remain high at least until 2024.

The Australian share market took a major hit in the month of June, reflecting the broader sell-off in markets around the world. Australian shares fell 9.0% in the month of June and 12.2% over the quarter (S&P/ASX 300 Accumulation Index). In May, the Reserve Bank of Australia (RBA) raised interest rates for the first time since 2010, a decision fueled by the strong performance of the Australian economy, higher than expected inflation and a tighter labour market. The RBA raised interest rates again at its June, July and August meetings with the official cash rate now at 1.85%. This has been the most aggressive monetary policy tightening seen in Australia for several decades.

Global developed markets and Australian bond yields rose significantly over the quarter as inflationary concerns continued to grow. This had the effect of driving the returns from fixed income investments into negative territory.

The Australian dollar depreciated against the US dollar, falling from 74.77 US cents at the start of April 2022 to 68.89 US cents at the end of June 2022.

Returns for the 12 months to 30 June 2022 are shown in the table below. These represent the interim crediting rates for the year. The final 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 September 2022. The final crediting rates may differ from the interim rates below.

Please remember that past performance is not necessarily a reliable indicator of future performance.

Investment option	Returns for the year to 30 June 2022
Diversified Shares	-2.34%
Growth	-4.42%
Balanced	-5.13%
Capital Stable	-4.03%
Cash	0.16%

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



The Fund's new Retirement Income Strategy

The Trustee has established a new retirement income strategy for the Fund. The strategy, formally adopted from 1 July 2022, documents how the Trustee plans to assist members to achieve and balance various objectives in retirement.

With the aim of supporting members to maximise their expected retirement income over the period of retirement, the strategy also looks at assisting members to develop the skills to manage risks that affect the sustainability and stability of retirement income. It will also help all members to understand how to have flexible access to various retirement income sources during retirement.

A key part of the Trustee's strategy is to increase member education to prepare members for retirement. Ongoing communication is planned to provide you with more information around retirement and managing risks. The Fund's regular newsletters will include information to help you understand your retirement options and these will be posted to the Fund's website.

A range of information about the Fund can be accessed from heidaustsf.com. Bookmark the site and check back regularly.

More information

To read the summary of the Trustee's retirement income strategy, go to heidaustsf.com and look under 'More', then 'Trustee & Miscellaneous'.

Policy Committee update

After 40 years with the Company and over 20 years involved as either a trustee or a member of the Policy Committee, Con Xanthos retired in July 2022. Con has contributed enormously to the operation of the Fund and for many Fund members has been the key contact in a constantly evolving environment. We sincerely thank Con for his dedicated work over many years.

We are pleased to announce that Julie Sarro replaces Con on the Policy Committee as the Company-appointed representative.