

SuperUpdate | SPRING18

 **NESS Super**, the industry fund to power your financial future

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Reviewing your Annual Statement

Our top tips to help you take control of your super.

MySuper
Annual return:
8.65%



Need Help?

The **NESS Super** team is available
8am – 8pm, Monday to Friday.
Call **1800 022 067**.

1. Review your Balance

If you received more than one super statement this year and are finding it hard to manage your accounts, you’re not alone. You might have lost track of some of your super over the years. If this is you, consider consolidating your accounts to NESS Super and save on fees.

2. Check your Investment Option

With super, it’s easy to set and forget, however choosing a suitable investment option will have a significant impact on how your super performs. All our fund returns for the 2017/18 financial year are on page 2 of this newsletter and historical returns are available through the website.

3. Check your Insurance and Beneficiaries

When reviewing your life insurance, check the type and amount of insurance cover you have, is it enough? Have you nominated your beneficiaries?

Our Digital Renovation!

We’re refreshing our website

You may notice some changes to the NESS website the next time you visit. We’re redesigning the site to make it easier for you to navigate and view content through your mobile device.

You’ll also find loads of relevant information to help you understand and manage your super, including forms and links to the secure member site. Here you can check your balance and your investment options 24/7 to ensure your money is working hard for you.

And we’re only just getting started – stay tuned for more exciting news throughout 2018/19!



Investment Commentary

Financial Year End: June 30 2018

Overview

Markets ended the year positively thanks to yet another round of encouraging US earnings results, improving US jobs data and stronger commodity prices. Sentiment was further buoyed by news the European Central Bank expects to leave interest rates on hold until at least midway through next year, and some encouraging Chinese economic growth; the world's second-biggest economy expanding 6.8% in the March quarter. Limiting the late gains were further geopolitical risks, including an escalation in US-China trade tensions, Donald Trump's decision to quit an international deal with Iran aimed at preventing the country from acquiring nuclear weapons, and a disappointing end to the G7 Summit in Canada. Stocks were further impacted by the Fed's decision in June to accelerate its rate hike agenda and some softer-than-expected Japanese growth data.

Overall, we expect global growth to remain modestly positive through 2018, with downside risks of further market selloffs as markets continue to adjust to potentially higher levels of interest rates and changes to monetary and fiscal policy, especially in the US.

Australian real estate investment trusts performed well over the past 12 months, closing the period up 13.2% (S&P/ASX 300 Property Accumulation Index). Contributing to the gains were relatively flat bond yields, several high profile corporate deals.

Global shares

Global share markets made strong gains over the past 12 months, returning 10.8% (MSCI World ex Australia) in local currency terms. In unhedged Australian dollar (AUD) terms, stocks returned 15.4%. Much of the gains were driven by a combination of still-low global interest rates, improving economic activity globally and general optimism surrounding the global growth outlook.

Australian shares

The Australian share market also made strong gains over the year, with the S&P/ASX 300 Accumulation Index closing the period 13.2% higher. The local market benefited from a series of positive domestic earnings results, some encouraging local economic data and stronger commodity prices; the latter helping to propel major miners like BHP Billiton and Rio Tinto sharply higher. Stocks also benefited from further Chinese growth and an uptick in domestic corporate activity.

Investment commentary provided by Russell Investments

Property

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Bonds and cash

International bonds made only modest gains for the year, returning 1.9% (Barclays Global Aggregate Bond Index). Major long-term global bond yields were mixed over the period; rising in the US on a combination of improving economic growth and further Fed rate hikes, while mostly falling in Europe and Japan. Yields in the UK were relatively flat. Australian bonds outperformed their global counterparts over the year, rising 3.1% (Bloomberg AusBond Composite Index).

The official Australian cash rate has remained at 1.5%, a historical low point consistent with low rates around the world.

NESS Super Investment Options

The 2018 financial year was another successful one with all our funds recording solid returns. The tables below show the returns (net of fees and taxes) achieved across the range of NESS products and investment options over the 12 months to June 30.

NESS Super Members and NESS Transition to Retirement (TTR) Members

Investment Option	Return for 2017/18
Cash	1.80%
Stable	5.50%
MySuper^	8.65%
Property	10.90%
High Growth	11.20%
Australian Shares	13.10%
Overseas Shares	10.80%

^Formerly known as the Balanced option.

NESS Account Based Pension (ABP) Members

Investment Option	Return for 2017/18
Cash	2.0%
Conservative	3.85%
Cautious	5.80%
Moderate	7.60%
Assertive	8.80%
Aggressive	10.20%

Our current investment strategy focuses on investing members money over the long term and diversification over a broad range of asset classes. We believe diversification is essential in the current market as a risk minimisation tool. With this in mind our investment managers have spread our exposure to higher risk assets such as property, infrastructure and credit securities whilst continuing a healthy level of cash to maintain the liquidity of the fund. Over the long term we believe this strategy will continue to provide members with consistently solid returns.

Past performance is not a reliable indicator of future performance.

FIND YOUR LOST SUPER



Let us track down your lost super

According to the ATO, there's almost \$18 billion in lost super*. Could some of it be yours?

If you've had more than one job, it's likely you have multiple super accounts. Having multiple super accounts can make it hard to stay on top of your super, it also means you're paying multiple sets of fees!

Finding and consolidating your super into one place is easy with NESS. Simply give us consent and we will locate and combine your super for you.

Call us on **1800 022 067** or visit nesssuper.com.au

*ATO super statistics 2017

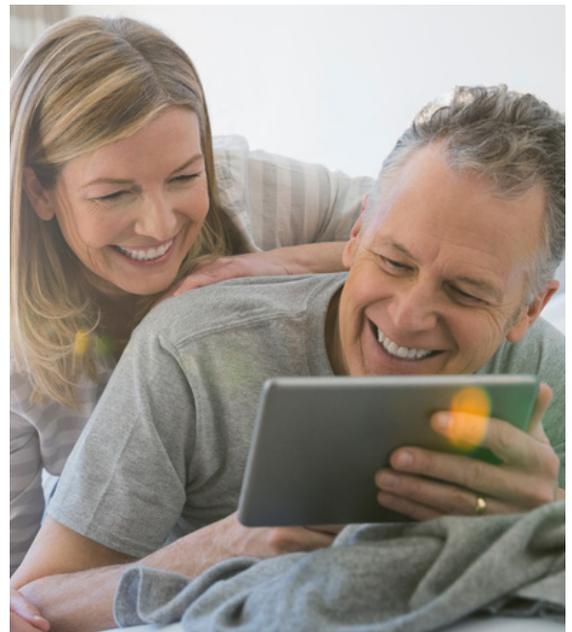
What is a Transition to Retirement Strategy?

Preparing for retirement is an exciting time – it's also an opportunity to consider how you can boost your super savings without compromising your quality of life now.

Did you know you may be able to access your super before you retire from the workforce completely using a transition to retirement (T2R) strategy? If you've reached preservation age and meet certain criteria you may be able to access your super whilst you're still in the workforce. There are also a number of strategies that can help you maximise your savings as you transition towards retirement and potentially save on tax!

One such strategy involves making additional super contributions via salary sacrifice and drawing down on your TTR pension to supplement your take home income. As with all things, good advice is essential, we recommend talking to a qualified financial adviser about a transition to retirement strategy.

Did you know as a NESS member you get access to FREE independent financial advice? Though our financial planning partner, Link Advice[^], you can access general and simple advice over the phone about a NESS Pension and your retirement planning options. There is no additional cost for our phone based advice, this service is included in your NESS membership.



LINKAdvice

Call Link Advice on **1300 734 007**

[^] Advice is provided by Link Advice Pty Limited, ABN 36 105 811 836, ASFL No. 258 145.

NESS Super. Large enough to matter, small enough to care.



We're 100 % committed to you, our members. For over 30 years we have been helping members get the most from their superannuation.

As an industry fund NESS Super returns all profits to members. This can make a huge difference to your super investment and your savings when you retire. NESS Super was established to cater for the specific needs of the Electrocommunications sector – meaning we understand your business and offer investment and insurance solutions designed for your industry. We're also committed to keeping you up-to-date, providing you with support and answering any of your questions.

At NESS Super, we're here to help you. Contact a member of the NESS Service Team today.



Simon Horrod
NESS Super Member Representative
e: simonh@neca.asn.au
m: 0414 946 933



Mynas Leontios
NESS Super Employer Representative
e: mynasl@neca.asn.au
m: 0448 432 443

-  Freecall 1800 022 067
-  Post Locked Bag 20
Parramatta NSW 2124
-  Web www.nesssuper.com.au
-  Email nessadmin@aas.com.au

Contact us for more information about any of the topics in this newsletter.

Disclaimer: The information contained in this newsletter is up-to-date at the time of its publication. However, some information can change over time. The contents are for general information only and do not constitute personal advice. We recommend that you consult with a suitable qualified person before making any financial decisions.