

MEDIA RELEASE

21 December 2009

MERRY CHRISTMAS AS SUPER FUNDS POST DOUBLE DIGIT PLUS RECOVERY



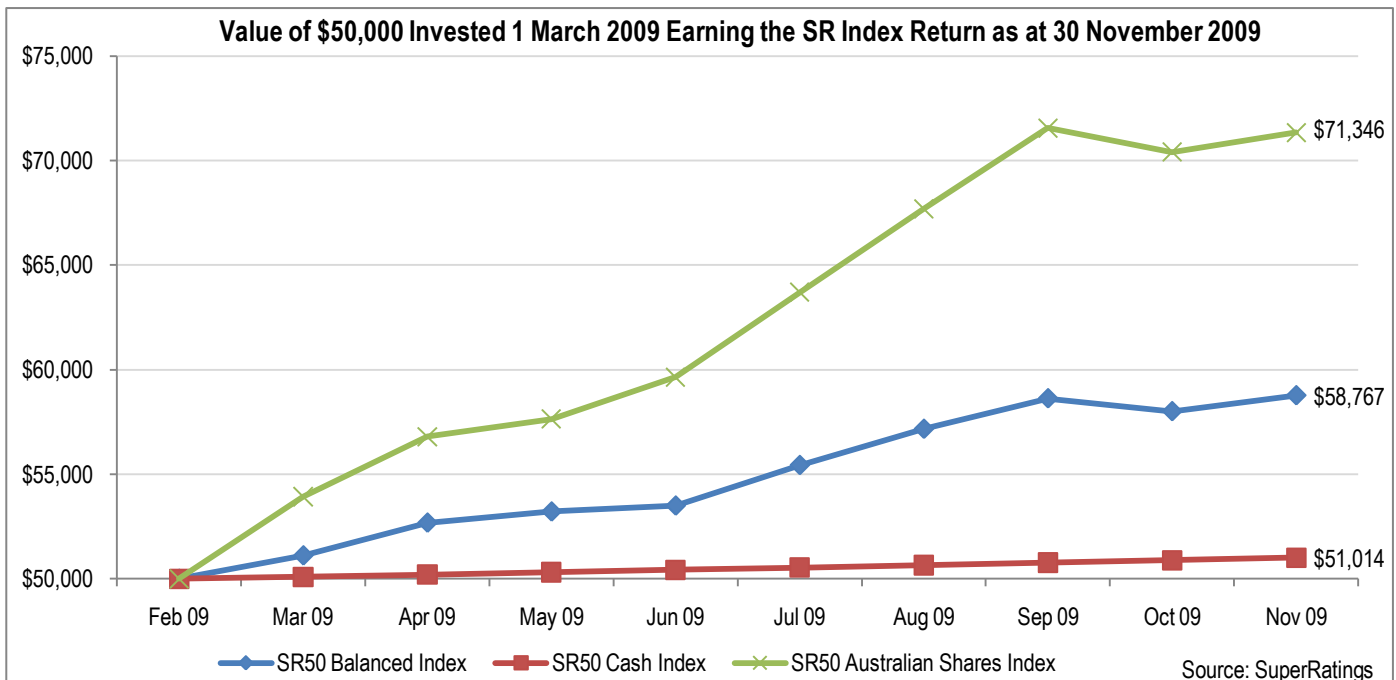
Highlights (Median Balanced Option)*

The month of November 2009	▲ 1.31%
3 Months ending 30 November 2009	▲ 2.76%
Financial year to 30 November 2009	▲ 9.55%
12 months ended 30 November 2009	▲ 10.07%
Rolling 3 year return to 30 November 2009	▼ 1.08% pa
Rolling 5 year return to 30 November 2009	▲ 4.86% pa
Rolling 7 year return to 30 November 2009	▲ 6.46% pa
Rolling 10 year return to 30 November 2009	▲ 5.54% pa

*Median Option refers to “balanced” option with exposure to growth style assets of between 60% and 76%. Approximately 80% of Australians in our major super funds are invested in their fund’s default investment option which in most cases is the balanced investment option. Returns are net of fees and tax.

Super is unlikely to rank highly at Christmas time dinners now that returns for November show yet another gain, taking the past twelve months returns to over 10%. The median balanced super fund option posted its 8th gain in the last 9 months with a further 1.31% added to most Australians’ super accounts in the month of November. It is expected that the 2009 calendar year return will also post a similar result of between 10 and 12 percent, making it one of the best calendar year results this decade.

Critically however, as the graph over the page shows, Australians who fled to cash at the bottom of the Global Financial Crisis in early March 2009, are now some 15% behind their counterparts who retained a “Balanced” investment option or a whopping 40% behind those who moved to, or retained, their investments in an “Australian Share” investment option. In simple terms, since 1 March 2009 a \$50,000 investment in the Cash option has grown to \$51,014 whilst Balanced and Australian Share options have grown to \$58,767 and \$71,346 respectively.



Finally International shares have yielded some solid results for super funds with the median option providing a 2.35% result for November, thanks to a steadier Australian dollar and continued market growth. However, Australian shares continue to be the standout in terms of returns with a 12 month result of 30.86% against international share returns of just 2.27% over the same period. With our median balanced option's exposure to Australian and international share markets of 29.6% and 22.3% respectively, these two asset classes will continue to dominate Australian super fund returns going forward.

What these continued gains have done however, is to bring many funds closer to their 5 year objective which for balanced options is traditionally somewhere between CPI + 3% or 3.5% per annum. The current 5 year rolling return is now CPI +2.2% or 4.9% per annum whilst the 7 year median result of 6.5% per annum remains well above most funds' long term targets. The table below shows the highest and lowest results for the 12 months ended 30 November 2009 (taken from the respective SR Index for each option):

Option Type	Highest	Top Quartile	Median	Bottom Quartile	Lowest
Balanced (60%-76% Growth)	17.2%	13.5%	10.1%	7.9%	- 12.1%
Growth (77%-90% Growth)	20.2%	15.6%	12.8%	10.7%	5.2%
Australian Shares	42.8%	33.7%	30.9%	27.5%	15.9%
International Shares	20.6%	11.8%	2.3%	- 4.0%	- 9.1%
Capital Stable	14.5%	9.5%	7.9%	6.6%	- 9.8%
Property	14.3%	- 0.1%	- 4.7%	- 10.4%	- 17.3%
Cash	5.5%	3.1%	3.0%	2.6%	1.1%



Overall, many Australian super funds continue to do an excellent job. The top performing balanced investment options over the past five years have been:

TOP 10 BALANCED INVESTMENT OPTIONS* OVER LAST 5 YEARS

Fund and Option Description	5 years to 30 November 2009 per annum compound returns
1 OSF Super – Mix 70	+ 6.9 %
2 Buss(Q) - Balanced Growth	+ 6.6 %
3 Catholic Super – Balanced	+ 6.4 %
4 Club Plus Super - Balanced Option	+ 6.3 %
5 NGS Super – Diversified	+ 6.2 %
6 Local Super – Growth Option	+ 6.1 %
7 Cbus - Core Strategy	+ 6.0 %
8 Telstra Super Corp Plus - Balanced	+ 6.0 %
9 CareSuper – Balanced [^]	+ 6.0 %
10 UniSuper Accum (1) - Balanced	+ 5.8 %
Top Quartile	+ 5.6%
SuperRatings' Median Index	+ 4.9%
Bottom Quartile	+ 3.7%

*Balanced Fund Options with between 60% and 76% of assets in growth style investments.
All results are net of fees and tax. [^]Interim Rate Returns.

ADDITIONAL RETURN AND DATABASE INFORMATION

We believe our database to be the largest in Australia dealing with multi-employer superannuation funds, where the great majority of Australians have their retirement benefits invested. We now update our website monthly to show the top 5 performing funds together with the medians over all time periods for the following investment options:

Balanced	Conservative Balanced
Growth	High Growth
Australian Shares	Secure
International Shares	Diversified Fixed Interest
Capital Stable	Cash
Property	

RELEASE ENDS

SUPERRATINGS

To encourage and where necessary create disclosure within the Superannuation industry.



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More Info?? Simply go to our website
www.superratings.com.au

Click on "Latest Investment Returns" to view the various tables. The "SuperRatings' Index" as shown in the tables is the median result of the largest funds. We welcome any Media enquiries regarding any of the information held on our database and where possible we will provide customised tables/graphs for your use.

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