

Markets and the Fund

The global financial crisis continued to have a negative influence on the world's investment markets throughout the year to 30 June 2009. Most members of accumulation super funds, as investors in global markets, saw the ongoing crisis play out as negative returns and diminished account balances.

Despite the challenging market conditions, however, most of UniSuper's investment options fared better than their respective benchmarks over the year. UniSuper also performed well relative to its peers.

How the Fund performed

The following information is for the reporting period 1 July 2008 to 30 June 2009.

Negative results on global sharemarkets (and for growth assets more broadly), contributed to negative returns for many of UniSuper's investment options. The Cash and Australian Fixed Interest options, which are not invested in growth assets, posted the only positive returns for the year.

Despite the challenging market conditions, most of UniSuper's investment options fared better than their respective benchmarks. This outperformance was aided by strong relative results in UniSuper's Australian shares, alternative investments and property portfolios.

UniSuper also performed well relative to its peers over the year. According to SuperRatings – one of Australia's largest ratings and research companies – UniSuper's High Growth, Growth, Balanced, Conservative Balanced and Capital Stable investment options all achieved top quartile performance for 2008/09. In addition, UniSuper's flagship investment option – the Balanced option – was ranked 13th out of 113 comparable super funds in Australia for the year.

Over the longer term, the Balanced option has posted positive results. Returning 5.3% p.a. over the 5-year period to 30 June 2009, the option outperformed its benchmark and delivered first quartile performance in comparison to its peers, according to SuperRatings.

Indeed, UniSuper's investment options have provided positive long-term returns, with most returning an average of around 5% p.a. for the last five-year period, and most outperforming both their benchmark and their peers.