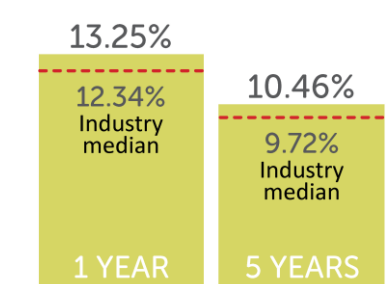


The way your super is invested can make a big difference to your future. Here you can see how your super is performing, find out about the different investment options available and how we manage your super investment, as well as get the latest market updates.

Super account performance for period ended 31 October 2017



Annualised returns to 31 October 2017 MySuper Balanced option performance against the industry median¹.

Investment option	Financial Year to Date	Three months	1 year (p.a.)	3 years (p.a.)	5 years (p.a.)	7 years (p.a.)	10 years (p.a.)
Growth	4.26%	4.60%	n.a.	n.a.	n.a.	n.a.	n.a.
MySuper Balanced	3.83%	3.98%	13.25%	8.74%	10.46%	8.86%	5.01%
Conservative	2.57%	2.61%	9.02%	6.99%	8.12%	7.37%	5.07%
Stable	1.55%	1.45%	5.55%	4.83%	5.49%	n.a.	n.a.
Socially Responsible	4.10%	3.98%	10.97%	6.07%	9.50%	7.71%	n.a.
Australian Shares	5.83%	5.53%	16.35%	7.65%	10.76%	n.a.	n.a.
International Shares	5.10%	5.11%	20.23%	12.98%	15.58%	n.a.	n.a.
Cash	0.45%	0.34%	1.38%	1.67%	1.93%	2.54%	3.17%

More details including the latest performance for Income account options [can be found here](#).

Your investment options

We recognise that our members have different needs and goals when it comes to investing. That's why we offer a choice of investment options, each designed with a different risk and return objective.

Mercy Super's investment options are summarised below, including their strategic allocation to Growth and Defensive assets and risk rating. Read our [investment guide](#) to find out more about these options – including the assets they are invested in and target return objectives.

Investment option	Growth assets ²	Defensive assets ²	Super / Income account	Estimated number of negative annual returns over any 20 year period	
Growth	82.5%	17.5%	Super & Income	3.67	Medium to High
MySuper Balanced (default option)	71%	29%	Super only	2.90	Medium
Balanced	66.5%	33.5%	Income only	2.31	Medium
Conservative	48%	52%	Super & Income	1.20	Low to Medium
Stable	23%	77%	Super & Income	0.20	Very Low
Socially Responsible	70%	30%	Super only	Less than 5	High
Australian Shares	100%		Super only	6.10	Very High
International Shares	100%		Super only	5.90	High
Cash		100%	Super & Income	Negligible	Very Low

The way your super is invested can make a big difference to your future. Taking the time to understand how **your** super is invested and whether the strategy is right for you could have some big pay-offs down the track.

If you're ready to look at your investment strategy then we're here to help. We can guide you through the range of investment options and our in-house financial advisers can help you identify your own personal investment strategy matched to your circumstances and long-term goals. [Find out more about reviewing your investment options](#).

Risk and Return

When discussing investments, you'll hear a lot about "Risk and Return" – but what does this actually mean?

- **Risk** essentially means volatility – how frequently and by how much investment returns can move up and down.
- **Return** refers to the change in value of your super investment – which can be positive (an increase in value) or negative (a decrease in value) over a given period of time.

Risk and Return are related – generally investment options aiming for higher returns carry more risk (volatility).

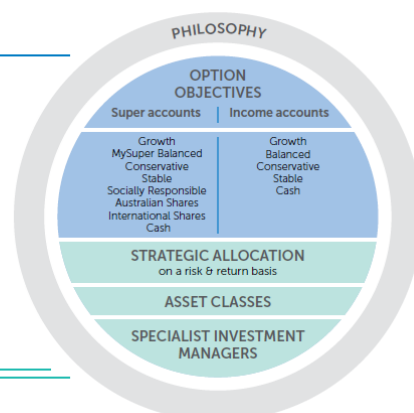
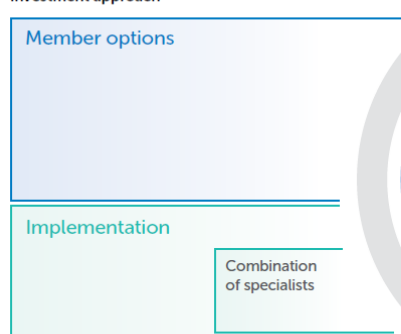
How we manage your investments

Managing your super investment portfolio is a serious business. There's a lot that goes on behind the scenes to deliver on the investment objectives set for each of the investment options.

The process starts with our [investment beliefs and philosophy](#). These articulate the unique framework established to guide the approach, responsibility and considerations when making investment decisions.

Investment objectives for each of the investment options are derived from the investment philosophy which in turn drives the allocation within asset classes. These asset class investments are supported by carefully chosen specialist investment managers.

Investment approach



Get under the bonnet – find out more about:

How our investment philosophy adds value – gain an understanding of the investment philosophy established for your investments and how that drives the important investment decisions we make

Sophistication 'built-in' to our pre-mixed investment options – the diversified investment options such as MySuper Balanced are built on a foundation of sophisticated and carefully integrated investment strategy

How and where we manage specific investments, including:

- [How we manage Australian Equities](#)
- [International Equities and the role they play in your portfolio](#)
- [Property assets – why quality is a key factor](#)
- [Major infrastructure projects around the globe](#)

Market insights

Our investment adviser, [Frontier Advisors](#), provides valuable expertise and advice to help us achieve the investment objectives for our members. View the following commentary and insights on the global economy and financial markets.



Market insights video (4:21 mins)

Our investment experts give you an exclusive insight into the key investment topics and issues each month



Monthly markets Snapshot (PDF 381KB)

Short on time? Read our brief snapshot of market performance for the past month



Monthly markets Outlook (PDF 538KB)

Want to know what's happening in the markets? Read our summary of the latest market developments and long term trends



Notes:

1. Industry median according to SuperRatings at [superratings.com.au](#). Past performance is not indicative of future performance.
2. "Growth" and "Defensive" asset exposure is based on the option's allocation to asset classes. We classify Growth exposure as the total of any Australian Equities, International Equities and Alternative Growth allocation plus 50% of any Property, Infrastructure and Alternative Defensive allocation for an option.

The remainder is the option's Defensive exposure, including the total of any Australian Fixed Interest, International and Cash allocation. The Mercy Super (ABN 11 789 425 178) October 2017. The Trustee of the Fund is Mercy Super Pty Ltd, (ABN 98 056 047 324, AFSL 418976). The information provided is of a general nature only and does not take into account your individual financial situation, objectives or needs. Accordingly, before acting on the information, the appropriateness of advice should be considered in the context of your individual objectives, financial situation and needs. Please refer to the Fund's Product Disclosure Statements, which are available at [mercysuper.com.au](#).