



# AUTUMN 2018 Member newsletter

*Smartsave*

## WELCOME TO OUR AUTUMN NEWSLETTER

We are a connected society and in the digital age we expect to be able to get information when and where we want it. We're pleased to let you know that we're increasing our digital communications and you'll be able to read this newsletter and other communications from Smartsave Super, whenever it suits you. Read our story on what you need to do to ensure you keep receiving communications.

In this newsletter we also touch on the new Superannuation Voluntary Code of Practice, the fund performance over the last quarter, as well as an update on the investment markets.

### We're increasing our digital communications

Managing money, finances and superannuation in our fast paced world needs dedicated time, and often does not happen during work hours. We expect access to information on our own terms and in our own time whether it's on a computer or using our mobile device.

To help you access your superannuation information when and how you want it, we're increasing the digital communications.

### What does this mean for you?



Communications will come to you faster by email or SMS

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You'll receive newsletters and timely updates on investment performance, investment commentaries, and industry specific news such as Federal budget updates

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Updates will be available via the online portal in Research, however significant event notices will continue to be emailed and mailed as appropriate

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If we have your mobile number, we'll send you notifications of important events, such as when your annual Member Statement is available to view online.

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### Stay informed

Educational factsheets, other news and updates can be found on [smartsavesuper.com.au](http://smartsavesuper.com.au), and available via the online portal in Research. Make sure you have your login details handy so you can access the information when you need it.

Where your email address or mobile phone number is not available, or you wish to receive a paper copy, communications will continue to be mailed to you.



## Keeping your details up to date

It's important to update your details if you have recently moved or changed your contact details. Simply complete and send in the change of details form available in the forms and publications section of [smartsavesuper.com.au](https://smartsavesuper.com.au) and we'll take care of the rest.

However, if you have recently changed your name, you will need to complete and send in a change of member details form and provide us with a certified copy of an acceptable change of name document.



## Need more information?

Contact Member Services on 1800 654 720 or email [smartsave@diversa.com.au](mailto:smartsave@diversa.com.au)

## Superannuation Voluntary Code of Practice

We're pleased to announce Diversa Trustees, trustee for Smartsave Super, intends to adopt the new Insurance in Superannuation Voluntary Code of Practice.

While we already comply with some aspects of the new code, we are excited to see industry focus in this area. The Code's objective is to improve insurance products and processes in superannuation, by helping members better understand their insurance, alter insurance arrangements, receive affordable cover, and make timely claims, amongst other measures.



## Investment performance update

In the recent Member Survey, you told us you wanted more information on investment performance returns for Smartsave Super, and more information on the investment markets.



Go to [smartsavesuper.com.au](https://smartsavesuper.com.au) for the latest fund updates as at 31 March 2018.



## 1. RISK OFF

February 2018 saw a shift to risk off conditions in February, as many major equity markets saw sell offs early in the month, particularly in the United States (US).



## 2. INFLATION SPARKS FEARS

Speculation places the cause of the sell-off on multiple flashpoints. US inflation and labour costs returned higher rates than expected, which supported the notion for multiple rate hikes in the US. Preparation for this end to the low interest rate environment and the ensuing rise in bond yields, coupled with lower than expected earnings reports released in early February, appear to have ignited the sell-off.



## 3. VOLATILITY RETURNED

The Volatility index (VIX) shot up 116% over a day and the S&P 500 decreased 10.2% over nine days, retracing to November 2017 levels. Over the month of February, the S&P 500 decreased 3.7%, the Dow Jones Industrial Average decreased 4.0% and the NASDAQ decreased 1.9%.



## 4. EMERGING MARKETS FOLLOW SUIT

Emerging markets also contracted over February, with the MSCI Emerging Markets Index falling 0.9% over the month, following seven months of consecutive positive rises. Performance was influenced by the global trend following the US sell-off, as well as a strengthening US dollar (USD) and lower commodity prices.



## 5. AUSTRALIAN MARKET OUTPERFORMS

Despite shaky conditions globally, Australian equities managed to outperform their hedged international counterparts, with the S&P/ASX 300 index returning 0.3% over February. A relatively successful reporting season over February was a contributor to this.



Go to [smartsavesuper.com.au](https://smartsavesuper.com.au) for the full quarterly commentary.

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