

AQ

Chant West Super Fund of Year Finalist 2016

Investment performance

Your investment update and Acumen performance results

Acumen
REST SUPER SOLUTIONS

Acumen Member Magazine

Spring 2016



Empowering women in retirement

+

Starting the conversation



Dear Members

Welcome to your annual **AQ** magazine.

With a bumpy ride for investment markets, and a Federal election thrown into the mix, the past financial year has certainly been an interesting one for superannuation.

Despite an unsettled year in investment markets, I'm pleased to report that REST, of which Acumen is a part, has continued to deliver competitive performance over the long term. Our investment update on pages 4 and 5 looks at your fund's performance over the past year, and explains how volatility is a normal part of the investment cycle.

Mental health is an important issue for all of us, but increasingly for young people. On page 6, **headspace** looks at the vital role parents can play in identifying mental health issues, as well as providing some great information on where you can find valuable tools and resources to help a young person going through a tough time.

So settle back for a few minutes and enjoy this edition of **AQ**. As always, if you have any questions about your Acumen account, please call our customer service team on **1300 305 779** or contact us online at **acumensuper.com.au**

Damian Hill
Chief Executive Officer
REST Industry Super



Awards and ratings are only some of the factors you should consider when deciding how to invest your super. Further information regarding these awards can be found at rest.com.au

SuperRatings Pty Limited does not issue, sell, guarantee or underwrite REST products. Go to superratings.com.au for details of its ratings criteria.

For further information about the methodology used by Chant West, see chantwest.com.au

This magazine contains general advice about superannuation products and has been prepared without taking into account your objectives, financial situation or needs. Before making any decision about our product based on this advice, consider whether it is appropriate for your own objectives, financial situation and needs, and consider the Acumen Product Disclosure Statement (PDS) at acumensuper.com.au or call 1300 305 779. When you become a member of Acumen, you join the Retail Employees Superannuation Trust, ABN 62 653 671 394. Issued by the Trustee, Retail Employees Superannuation Pty Limited ABN 39 001 987 739, AFSL 240003. Postal address: Locked Bag 5037, Parramatta NSW 2124. The Trustee has no relationship or association with any other product issuer that might reasonably be expected to influence us in providing this advice. Any advice is provided by REST's employees, who are paid a salary and may receive a performance-related bonus. No commissions or fees are paid either to representatives or to third parties for financial advice given.

In this issue



It's all about you



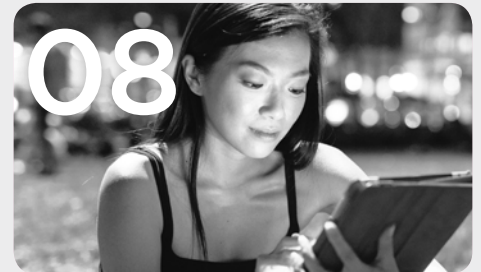
Your investment update



Starting the conversation



Empowering women in retirement



Latest news

Contact Acumen

- 📞 1300 305 779
- 🕒 8am to 6pm Monday to Friday
- ✉ Locked Bag 5037, Parramatta NSW 2124
- 👉 rest.com.au



It's all about you

With nearly 2 million members throughout Australia, REST is working hard to connect with its members in ways that will add value and help their retirement savings thrive.

“For many of our members, retirement is a distant event in the future,” says Beth Parkin, REST’s General Manager, Customer Service. “But in an environment where superannuation reform took centre stage in the recent Federal election, empowering and motivating members to understand their super has never been more important,” she said.

“Our goal is for our members to feel connected with REST so that we can help them get the most out of their super.”

“We want to be easy to deal with, and support our members to make the right decisions about their future in our often complex and highly regulated industry that is superannuation,” Beth said.

Over the past two years, REST has been gathering insights from its members about their interactions with REST.

“We’ve been able to use this direct feedback to make real improvements to the way we do things for our members,” Beth said.

“It can be things like the way we make benefit payments to members, or reducing the number of forms a member needs to complete to change certain personal details. Individually these actions may seem small and not terribly exciting, but together they add up to an overall easier experience for members.

“Our member service is constantly evolving and there are areas where we could be doing better. To support our continual improvement we’ll be expanding our feedback program even further over the coming year to capture more insights to enhance our overall service experience,” Beth said.

As well as these important behind the scenes improvements, REST is also working to make it easier for members to interact with REST to help them make better, more informed decisions about their super.

“It’s a digital world now, and we’re expanding our online channels so that members can talk to us when and how they like. This integration of digital tools and options will make it easier for members to do the more transactional aspects of managing their super account when it’s convenient for them. We’re really excited about these new digital service tools,” Beth said.

“One of the great things about being a super fund is that we are different to many financial institutions in that we actually want our members to talk to us more and engage with us directly, whether it be via our call centre or online tools.”

“Education and knowledge are the keys for members to get the most out of their super. We encourage our members to get to know their super, ask us questions, attend our seminars, use our online tools to play out different retirement saving scenarios.

“Our online [knowledge hub](#) is a great example of delivering complex information in a creative way. Members can personalise their super journey, and get tips and insights into how to make their super work harder at different stages of their life,” Beth said.

“Your super is your money. Whether you’re in your first job, or are getting closer to retirement, REST is here to help you get to know your super and make it work for you.”

We’re here to help

If you’d like further information on any aspect of your Acumen account, please call our customer service team on **1300 305 779** or contact us online at rest.com.au. You can also follow us on Twitter @RESTSuper or like us on Facebook (REST Industry Super).

Investment update

We take a look at how your investment with Acumen performed over the past year, and how REST's long-term performance continues to be ahead of the pack.

Your investment performance

The Core Strategy returned +1.82% for the financial year ending 30 June 2016, a moderation in returns following a long stretch of strong performance since the end of the global financial crisis.

Financial markets saw significant volatility over the past financial year, most notably at the beginning of 2016 and again in June. These key periods of market volatility explain much of the moderation in investment returns during the year.

The Core Strategy continues to meet its long-term investment return objective of delivering performance of 3% per annum over the Consumer Price Index (CPI) over a rolling 10 year period.

The property asset class was the largest contributor to returns for Core Strategy followed by infrastructure, with both asset classes underpinning Core Strategy performance over the twelve month period.

Australian shares and bonds contributed modest returns, but overseas shares - the largest asset class exposure for Core Strategy - was the main detractor to performance.

Market review

Monetary policy eased further as economic conditions remain weak

Weak economic conditions have prompted central banks around the world, including the Reserve Bank of Australia (RBA), to lower interest rates in an attempt to boost economic activity and growth.

The RBA lowered the Australian cash rate from 2.00% to 1.75% in May following weak inflation data from the first quarter of 2016 and has stated that it is ready to reduce rates further if domestic conditions continue to wane. Other major central banks including the European Central Bank, Bank of Japan and the Reserve Bank of New Zealand have also made similar moves to ease monetary policy by lowering official interest rates over the last twelve months.

The closely-watched US Federal Reserve, after having raised US interest rates for the first time in almost a decade in December 2015 to 0.50%, has now indicated that they will pause on further interest rate rises in light of global economic concerns and the bouts of significant financial market volatility over recent months.

Share markets run out of puff

Global share markets were tested in the early months of the calendar year by oil prices¹ that fell to as low as \$US26 a barrel in February 2016 and concerns of a slowdown in global economic growth. Equities were rattled again at the end of the financial year in June 2016 following the vote for 'Brexit' - the UK's decision to leave the European Union.

International share markets, as measured by the MSCI World ex Australia Index², closed the quarter ending 30 June 2016 up +4.4% and finished the financial period with a return of +0.4%. Australian equity markets fared marginally better compared to overseas markets, with the S&P/ASX 300 Accumulation Index³ returning +4.0% for the final quarter of the fiscal period and rounding out the financial year higher by +0.9%.

Global bond yields fall to record lows as investors shift to defensive assets

Bond yields around the world hit record lows following a string of interest rate cuts from major central banks and as investors shifted towards defensive assets.

Over the last twelve months 10-year US government bond yields hit as low as 1.43%, Australian 10-year government bonds troughed at 1.95% and German 10-year bunds (government bonds) slid into negative yields plummeting to as low as -0.13%.

Global bond markets have benefited from falling yields given that bond prices move inversely to expected changes in interest rates, making respectable gains for the financial year. Australian bond markets, as measured by the Bloomberg Ausbond Composite Index, added +2.9% for the fourth quarter of the fiscal period and closed the financial year with a +7.0% return.

Business as usual for REST

Uncertainties surrounding a range of economic and political conditions are expected to continue to drive financial markets in the short term.

Despite these challenges, it's business as usual for REST. That is, we continue to actively manage our portfolios by regularly reviewing and adjusting our positions in view of current and expected market conditions.

At REST we believe that investing is inherently about managing uncertainty and risk. The market is never constant and fluctuations in the value of underlying assets are a normal part of investing.

REST has demonstrated its ability to manage our members' investments through difficult periods such as the global financial crisis and we remain committed to growing members' superannuation savings over the long term.

¹ Bloomberg West Texas Intermediate (WTI) Cushing Crude Oil Spot Price

² MSCI World ex Australia Index (unhedged in AUD) covers 22 of 23 developed markets excluding Australia

³ S&P/ASX 300 Accumulation Index includes up to 300 of Australia's largest shares by float-adjusted market capitalisation

No. 1 in the long run

When it comes to long-term performance, REST's Core Strategy has been ranked No. 1 more times than all other super funds put together (when compared to similar options of other funds surveyed monthly over rolling 10 year periods).*



REST Industry Super's Core Strategy investment option was recently named as part of an elite group of Australian super funds delivering an accumulated return of more than 100% since the global financial crisis.

According to leading independent agency SuperRatings, REST's Core Strategy is one of just eight funds with a Balanced option^ that have delivered returns greater than 100% since the depths of the GFC in 2009.

For members, this means their super has more than doubled during that period, even without them making a contribution.

Underpinning this investment success is a commitment to an investment philosophy that provides a framework for a disciplined and focused strategy which guides our investment decisions through the ups and downs of investment markets.

Visit rest.com.au/investmentbeliefs for more information about how REST manages your retirement savings.

View the latest updates on your Superannuation Investments

[Watch video](#)



Acumen performance results to 30 June 2016

Investment Option	1 Year (%)	3 Year (%pa)	5 Year (%pa)	7 Year (%pa)	10 Year (%pa)
Core Strategy	1.82	8.09	8.56	9.11	6.54
Structured					
Cash Plus	1.78	2.48	3.03	3.49	3.63
Capital Stable	1.81	5.49	6.22	6.79	5.45
Balanced	1.87	6.90	7.44	7.93	5.82
Diversified	2.01	8.67	8.97	9.26	6.31
High Growth	1.81	9.77	9.86	10.03	6.52
Tailored					
Basic Cash	1.81	2.03	2.51	N/A	N/A
Cash	2.04	2.34	2.81	3.32	3.60
Bond	1.62	4.09	5.73	6.76	6.02
Shares	-0.57	11.02	10.95	10.70	6.04
Property	12.99	8.87	7.73	6.48	6.42
Australian Shares	3.32	9.55	8.93	10.29	6.92
Overseas Shares	-3.69	11.54	11.99	10.27	4.42

Returns are net of investment management fees and tax. Investment returns are at the investment option level and are reflected in the unit prices for those options. Returns for the three, five, seven and ten year periods are annualised. N/A applies to options running less than the indicated time periods. Past performance is not an indication of future performance. For more investment information including the latest investment returns visit rest.com.au/investments

* Returns for peer comparison funds over 10 year period sourced from SuperRatings Fund Crediting Rate Survey - SR 50 Balanced (60-76) Index, April 2016. Returns are net of investment fees, tax and implicit asset-based administration fees. Explicit fees such as fixed dollar administration fees, exit fees, contribution fees and switching fees are excluded. Ratings or investment returns are only one factor to consider when deciding how to invest your super. SuperRatings Pty Limited does not issue, sell, guarantee or underwrite this product. Go to superatings.com.au for details of its ratings criteria.

^ Balanced option refers to "Balanced" options with exposure to growth style assets of between 60% to 76%. Approximately 70% of Australians in our major funds are invested in their fund's default investment option, which in most cases is the balanced investment option. Returns are based on net returns from 1 March 2009 to 31 May 2016. Returns are net of investment fees, tax and implicit asset-based administration fees.

Starting the conversation

A lot of things go unsaid between young men and their dads, especially when it comes to mental health issues. **headspace**, the National Youth Mental Health Foundation provides some great information on how to start a conversation with a young person about their mental health. REST is proud to sponsor **headspace**.

How can dads help?

Fathers can play a vital role in identifying the early signs of mental illness and helping their sons get the support they need, but many men are unsure how to start the conversation or what services are available.

A large part of supporting young people through any of their mental health issues is to simply understand what they are going through and open the lines of communication.

What can trigger mental health difficulties for young people?

Like physical health, a person's mental health can be exposed to challenges. There is no single explanation for why some young people experience difficulties with their mental health. Instead, it seems that a number of overlapping personal and environmental circumstances may increase the likelihood of a young person experiencing mental health difficulties, including:

- relationship break up
- school or exam related pressures
- drug and alcohol use and experimentation
- pressure and influences from social media (affecting personal image).

Warning signs

As a parent, it can often be hard to know the difference between normal behaviour, such as occasional moodiness and irritability, and an emerging mental health problem. Keep an eye out for changes that are distinct and enduring (at least a few weeks), such as:

- resisting involvement in activities they would normally enjoy
- experiencing changes in appetite or sleeping patterns
- being easily irritated or angry for no reason
- having difficulties with concentration or motivation.

Tips for talking to your son

It's important that young people feel comfortable and supported to talk about their mental health. Here are some things you can do to encourage this:

- keep communication open, show empathy, and listen
- spend time with the young person - you might be surprised what doing one activity together each week can do
- take the young person's feelings seriously
- let them know you love them.

headspace has a national network of more than 95 centres across metropolitan, regional and rural areas of Australia with a range of workers available including GPs and mental health workers. To find your nearest **headspace** centre, visit headspace.org.au

eheadspace is a national online and telephone support service for those who can't access a **headspace** centre or would prefer to get help via online chat, email or phone. To access **eheadspace**, visit eheadspace.org.au



[Watch the headspace Fathers campaign](#)



For more tips on how to start a conversation, go to headspace.org.au/dads

Empowering mums to a financially secure retirement

It's no secret that women in Australia are likely to have significantly less in super than men. In fact the average Australian woman retires with only half the balance of the average man.*

And according to recent research conducted by REST, this means that women will more likely be supported by their children in retirement, with retired mothers nearly twice as likely as retired fathers to need help with medical expenses, and nearly three times as likely to need assistance with making rent payments.

REST surveyed more than 1,000 Australians over the age of 18 who were providing financial support to their retired parents. More than one in three respondents supporting their mothers in retirement believe this is because their mum put the family's financial needs ahead of her own.

It also appears that this intergenerational dependency is a self-perpetuating trend, with the majority (63.2%) of Australians surveyed who support their own parents in retirement believing they'll need to rely on financial support from their own children in retirement.

According to REST General Manager Brand, Marketing and Communications Mary Atley, a few small changes now may help Aussie mothers enjoy a financially secure retirement.

"As a fund we're focused on empowering mums to take small actions today, such as consolidating their superannuation accounts, or boosting your super balance with partner or spouse contributions in order to create a more financially secure future and help end the cycle of dependency," Mary said.

"Our **knowledge hub** is an excellent resource for finding information and tips for a financially secure retirement and is a great place to plan your super journey," Mary added.

Top five super tips for women

1. Don't double up

Surprisingly, many Australians have more than one super fund, meaning they're paying a few sets of fees. If there is no need to have more than one fund, you can avoid this extra cost (and confusion) by combining all your super funds together#.

2. Have the conversation

Work super into your chats with family and friends. It may not seem like the hottest topic to bring to the dinner table, but the earlier you and your loved ones start thinking about your financial situations later in life, the more time you'll have to prepare.

3. Take care with career breaks

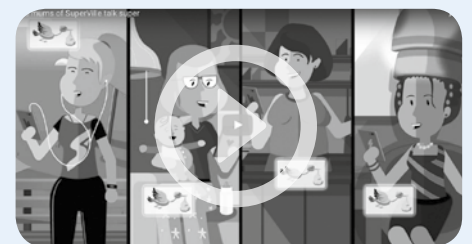
With women typically taking time off work to start a family, making personal contributions to your super before, during or after a career break can help balance out your time away from employment.

4. Maximise a pay rise

What better time to top up your super than when your salary is set to increase? This way, you'll be less likely to miss it, and will have it available to you when you need it at retirement. And don't forget you may be able to take your super with you if you're switching employers.

5. Defer to an expert

This is where the 'fake it till you make it' rule doesn't apply. Rather than gamble with your retirement savings, you might want to have a chat with a financial adviser to make sure your investment option is right for your age and situation. REST will pay for your first super-related question over the phone with a Link Advice^ Money Coach.



For more tips about how women can get super-ready, [watch the mums of SuperVille talk super.](#)

*The Association of Super Funds of Australia (ASFA) 'Developments in the level and distribution of retirement savings' (2011)

#Before combining your super you should check how it might affect your insurance in your other funds and if they have any exit fees. If you have any questions we recommend you have a chat with a financial adviser.

^Link Advice Pty Limited ABN 36 105 811 836, AFSL No. 258145. Link Advice personnel are not representatives of the Trustee. Any financial product advice given by Link Advice is provided under the Link Advice AFSL. The Trustee does not accept liability for any loss or damage incurred by any person as a result of using products or services provided by Link Advice.



A super busy year ahead

Superannuation reform took centre stage in the recent Federal election, with both major parties proposing key changes to the super system. However, the makeup of the new Senate may prove difficult to get legislation passed. So, 2016-17 promises to be a 'super' busy year as these proposals face further debate.

REST will be keeping a close eye on when these changes are introduced and how they will affect our members. Keep a lookout on our website, newsletters and social media for the latest news on how the super debate unfolds.

It's time to go digital

We're making things easier for our members by cutting down on the amount of paper we send to you. From now on, we'll make important information - like links to your annual statement, disclosure of material changes and significant events - available to you digitally as well as through social media, our website, mobile app or text message.

So to help us keep you up to date, just register or log in to MemberAccess at rest.com.au and check that we have all the right contact details. If you don't want to receive disclosures and notifications digitally in the future, you can opt out in MemberAccess or by calling us on 1300 305 779, and we'll reinstate paper copies from the date you contact us.

Have you visited the hub?

REST's knowledge hub is packed with information to help you get your super working for you. You can find the latest super and investment news, special member offers and lifestyle tips. So visit the hub today at hub.rest.com.au

Like us on Facebook

Keep up to date with REST on social media by liking us on Facebook (REST Industry Super) or following us @RESTSuper on Twitter. It's a great way to keep in touch with REST and join the conversation.



rest.com.au 📞 1300 305 779

Please call between 8am-6pm, Monday to Friday

Acumen
REST SUPER SOLUTIONS