

Message from the CEO

The 2015/16 financial year had its ups and downs that culminated in Brexit, Britain's exit from the European Union. Despite some alarming headlines predicting an economic fallout, the UK share market actually finished the month of June 4% higher than it started. It's also worth noting that LUCRF Super's exposure to the UK markets is only about 2.2%.

We're doing everything we can to smooth out the bumps. While we can't predict what the markets will do, we can adjust our investment approach to help protect against any market volatility. This includes increasing investments in areas such as unlisted property and infrastructure which are less exposed to the short-term volatility of the markets.

Always remember too that if you'd like help finding the investment option that best suits your needs, our fully qualified financial advisers are here to assist.

Your new-look annual statement

You may have noticed something different about your 2015/16 annual statement. Not only is it easier to read, but we've personalised your statement with tips and information to help you. It's just another way we're continually working towards delivering value for our members.



Mr Charlie Donnelly
Chief Executive Officer,
LUCRF Super

Low and slow growth sets in

After a roller-coaster year, we're heading towards steady, but small, growth.

This time last year, we wrote that expectations for super returns should be set to 'realistic'. A year later, we find that the 2015/16 financial year has fit that mould, with a return of 2.40% for our Balanced default option.

In many ways, this return is no surprise. Despite central banks around the world reducing interest rates to record low levels to help stimulate share markets, the global economy hasn't responded as hoped. The world is getting increasingly used to 'low and slow' economic growth.

The ups and downs of 2015/16

In August–September 2015, the Chinese share market crashed from abnormally high levels. Global share markets fell as well, although not to the same extent. Markets subsequently rebounded, however, and by Christmas, share markets had recovered most of their 2015 losses. The beginning of 2016 then saw another sell-off in share markets, but, once again, markets picked up strongly from March to mid-June 2016.

An unstable financial year ended with Brexit, the British referendum on June 24 which resulted in a majority decision to leave the European Union. This resulted in political upheaval (which saw the resignation of British Prime Minister David Cameron) and some short-term volatility in the share markets. Yet again the markets rebounded – quickly in this case.

Our long-term returns*			
Option name	1 year	3 year	5 year
Balanced	2.40%	8.69%	8.66%
Conservative	3.79%	6.05%	6.56%
Moderate	3.94%	7.48%	7.73%
Targeted Return [#]	5.94%	7.38%	N/A
High Growth	2.52%	10.14%	9.91%
Cash	2.28%	2.64%	3.33%
Property	23.70%	18.01%	17.22%
Indexed Shares	1.89%	11.84%	11.78%
Australian Shares	2.80%	9.17%	8.47%
International Shares	-6.85%	10.92%	12.09%

*As at 30 June 2016. Returns are net of fees and taxes.

Past performance is not a reliable indicator of future investment returns.

[#]Targeted Return was introduced on 1 November 2012.

What does this mean for you?

All this short-term volatility may be unnerving. So, we're here to help. If you'd like some guidance in finding the investment option that best suits your own personal circumstances, call us on **1300 130 780** and ask to speak to one of our fully qualified financial advisers.

Still the name behind every jockey

We're thrilled to announce that our partnership with the Australian Jockeys' Association (AJA) has been renewed for another three years.

Funds from our partnership go directly to the National Jockeys Trust (NJT), ensuring strong, ongoing financial support for injured and ill jockeys and their families. Through our sponsorship (which sees our name displayed on every jockey's breeches), we're committed to providing financial aid to those who need it.

The news about LUCRF Super's continued support was warmly received by AJA members, like Melbourne Cup-winning jockey Michelle Payne.

"I'm absolutely thrilled that LUCRF Super has renewed their partnership with the Australian Jockeys' Association," Michelle said. "The financial support the partnership provides to the National Jockeys Trust changes lives."



I've been a jockey for over 15 years, so I'm well aware of the support the NJT has given to jockeys less fortunate than myself – jockeys who have suffered life-changing, career-ending injuries. I'm confident that I speak for every jockey in Australia when I say that I'm extremely proud to wear the LUCRF Super name."

LUCRF Super is proud to be the name behind every jockey.

Stretch your savings

Need help making your retirement income go further? Here are some ideas.

Get advice

We have a team of fully qualified financial advisers who don't receive bonuses or commissions. They can offer general advice on things like Centrelink entitlements, minimising tax, estate planning and achieving short-term savings goals, in addition to advice on your pension.

Manage your spending

One of the easiest ways to stretch your retirement savings is to manage your spending. By using a budget planner, like the one at moneysmart.gov.au, you can track where your money goes and keep your expenses in check.

Review your investment mix

Our financial advisers can help you work out the best investment mix to suit your current circumstances, your retirement goals and the investment risk you're willing to take. We offer 10 different investment options – you can choose one option or combine as many as you like.

Call us on 1300 130 780 to speak to one of our financial advisers. They can assist you over the phone or you can arrange a face-to-face consultation.

Contact us
1300 130 780
lucrf.com.au



This document is issued August 2016 by L.U.C.R.F Pty Ltd ABN 18 005 502 090 AFSL 258481 as Trustee for Labour Union Co-Operative Retirement Fund (LUCRF Super) ABN 26 382 680 883. This is general information only and has been prepared without taking into account your personal financial situation, objectives or needs. General information is not advice. You should assess your personal financial situation before making a decision about LUCRF Super. To help you decide we recommend you read our current Product Disclosure Statement (PDS), available from the website or by calling us.

If you no longer wish to receive our direct marketing and educational material, please contact us by phone, email or post.