



Vision Super investments “No.1” in tough times

Super funds look after your money for life, building your super from the time you start working then managing your pension while you are retired.

It has been a difficult year for super fund investors, with investment returns from Australian and international share markets the lowest for over 20 years. We understand that markets go up over the long-term, so we don't change our strategy during shorter periods of negative returns. We set a long-term investment strategy and stick to it.

Taking Australian shares as an example, the following chart shows why we do this. Over the long-term shares generally grow in value, but along the way the market goes up and down. The highlighted area shows that we are currently going through one of these down times.



Short-term concerns are understandable...

We do understand that when markets go down, members worry about shorter-term performance. For this reason we trust you will be relieved that, over the last year, Vision Super's investments have done well.

Our Balanced Growth option, in which the majority of our members invest, was ranked No.1 by SuperRatings, an Australian independent ratings agency that compares the value and performance of super funds. Three of our other investment options were also ranked No 1 for the year. Our investment options not only ranked well, they outperformed the median manager across the board as shown in the table on the following page.

This information was current at the time of publishing. Vision Super believes the statements are correct and not misleading but we give no warranty in relation to them. Save for any statutory liability, we disclaim all liability for any loss or damage that may arise from anyone acting on these statements. All services and products detailed herein are subject to Australian laws that may change from time to time.

This information is not intended to act as financial advice. Remember, your circumstances and financial needs are unique. Before acting on the basis of anything contained in this document, you should consider whether it is appropriate to your needs and circumstances. You should obtain and read the relevant product disclosure statement before acquiring any financial product. We suggest you seek professional advice to make the best choice for your circumstances.



Vision Super Superannuation Plans			
Net* investment returns 12 months to 30 June 2008			
	Vision Super 1 year (% p.a.)	SuperRatings Median Return	SuperRatings Ranking
Vision Premixed Options			
Fixed Interest Plus	3.47	-0.29	1st
Balanced Conservative	0.84	-3.9	1st
Balanced Growth	-1.70	-6.39	1st
Shares Plus	-5.47	-8.8	4th
Just Shares	-12.66	-12.66	12th
Vision Single Sector Options			
Cash	6.31	5.11	6th
Alternative Assets	5.91	**	**
Fixed Interest	8.33	3.77	1st
Property	14.47	-17.98	2nd
Australian Equities	-12.6	-12.77	19th
International Equities	-13.8	-17.27	5th

Source: SuperRatings Fund Crediting Rate Survey June 2008

Investors should be aware that returns may go up and down, so past returns are no guarantee of future performance.

*After allowing for a deduction of investment fees and tax

** SuperRatings does not survey alternative asset portfolios.

The median is the middle number in any set of numbers e.g. there are 43 investment options ranked in the Balanced Growth survey, the median option is number 22. At 30 June 2008, the 22nd best performing fund returned -6.39%, Vision Super returned -1.7%. Vision beat the median manager by 4.69%.

Every Vision Super investment option surveyed beat the SuperRatings median return (except Just Shares which was equal), which means our performance was above average (and in most cases in the top 5 performing) against our competitors.

Why we did well

1. Vision Super “rebalances” its Premixed investment options every month. When we say we will invest 19% of your money in Australian shares, we reset back to 19% once a month, whether the share market has gone up or down over the period. Other super funds that don’t “rebalance” may be overweight shares after a period of strong share market growth. These funds may suffer greater losses when markets fall. We are not saying that we are better than other super funds, just that our process tends to protect member’s money when markets are down.

2. We had positive returns from our property, fixed interest, cash and alternative investment portfolios.

This information was current at the time of publishing. Vision Super believes the statements are correct and not misleading but we give no warranty in relation to them. Save for any statutory liability, we disclaim all liability for any loss or damage that may arise from anyone acting on these statements. All services and products detailed herein are subject to Australian laws that may change from time to time.

This information is not intended to act as financial advice. Remember, your circumstances and financial needs are unique. Before acting on the basis of anything contained in this document, you should consider whether it is appropriate to your needs and circumstances. You should obtain and read the relevant product disclosure statement before acquiring any financial product. We suggest you seek professional advice to make the best choice for your circumstances.



.....but focus on the long-term

A short-term period of negative returns doesn't mean that a long-term strategy will be unsuccessful.

If you still need to be convinced about this look at the longer-term returns for Balanced Growth. The average annual return net of fees and tax has been:

- 10.08% p.a. over 5 years,
- 7.07% p.a. over 10 years,
- 8.28% p.a. over the last 15 years; and
- 8.79% p.a. over the last 20 years

These are strong and consistent returns.

We can help!

If you have any questions about market volatility, your super or want to make an appointment to see a financial planner phone our Member Services team on 9911 3222 (regional callers 1300 300 820).

This information was current at the time of publishing. Vision Super believes the statements are correct and not misleading but we give no warranty in relation to them. Save for any statutory liability, we disclaim all liability for any loss or damage that may arise from anyone acting on these statements. All services and products detailed herein are subject to Australian laws that may change from time to time.

This information is not intended to act as financial advice. Remember, your circumstances and financial needs are unique. Before acting on the basis of anything contained in this document, you should consider whether it is appropriate to your needs and circumstances. You should obtain and read the relevant product disclosure statement before acquiring any financial product. We suggest you seek professional advice to make the best choice for your circumstances.

Vision Super Pty Ltd ABN 50 082 924 561 Australian Financial Services Licence 225054, is the Trustee of the Local Authorities Superannuation Fund ABN 24 496 637 884 and the Vision Superannuation Fund ABN 79 329 289 195.