

Investment report

Market Overview

May 2010

May was a tumultuous month for global financial markets, with negative events weighing on investor sentiment and risk appetite. Attention focused on the Euro zone, as concerns about the region's debt levels intensified. In response to fears of Greece's inability to meet its debt obligations and contagion from its potential default, the European Union (EU) and International Monetary Fund announced a €750 billion emergency package available for EU members. The European Central Bank also began a 'credit-easing' program aimed at addressing investor concerns. However, market confidence remained weak, with many major share markets finishing the month significantly lower. Elsewhere, economic indicators suggest the Chinese economy is starting to slow down following recent tightening measures by its government. The US economy continued on the path of mild recovery, although weaker payroll numbers and poor consumer sentiment surveys in May suggested the recovery may be constrained for some time.

In Australia, the Reserve Bank of Australia (RBA) raised the official cash rate for the sixth time in seven meetings, taking the rate from 4.25% to 4.5%. The RBA meeting minutes in May indicated that the latest rate increase will leave monetary policy well placed for the medium term. Indeed, the official cash rate was kept on hold at the RBA's June meeting. Domestic investors were caught by surprise following the introduction of a proposed Resource Super Profit Tax (RSPT) as part of the Henry Tax Review released early in the month. The release of this proposal caused some upheaval among investors of mining projects, and many market commentators pointed to the RSPT as a sign of increased sovereign risk in Australia. General economic data released during the month was, however, generally supportive of an improving economy. Australia's job market showed no signs of slowing, with 33,700 new roles created in April, while building approvals and retail sales data was on average positive.

Monthly Performance

SUPER OPTION RETURNS to 31 May 2010					
	High Growth (%)	Growth (%)	Balanced (%)	Stable (%)	Cash (%)
Month	-3.71	-2.71	-2.03	-0.51	0.32
3 months	-0.72	-0.15	0.19	0.95	0.90
Financial Year	11.21	9.73	9.13	8.10	2.76
1 Year	14.98	11.91	10.77	9.44	2.99
3 Years (p.a.)	-5.64	-4.12	-3.05	2.06	4.12
5 Years (p.a.)	4.53	4.47	4.28	5.04	4.44
7 Years (p.a.)	7.92	7.07	6.53	5.89	4.65
10 Years (p.a.)	n.a.	4.80	4.82	5.36	n.a.
Since inception (p.a.)	4.29	5.73	8.37	5.59	4.60
	Australian Shares (%)	Overseas Shares (%)	Property (%)	Fixed Interest (%)	Sustainable Future Shares (%)
Month	-6.63	-1.83	-0.93	0.88	-4.80
3 Months	-3.58	1.67	2.38	1.67	-2.13
Financial Year	12.98	9.62	4.29	8.48	11.75
1 Year	19.64	9.89	2.09	8.82	16.82
3 Years (p.a.)	-5.40	-5.98	-1.74	5.18	-6.07
5 Years (p.a.)	5.92	2.19	6.13	n.a.	n.a.
Since inception (p.a.)	6.14	2.46	6.44	4.34	3.96

All returns are net of fees and taxes. The investment returns and capital invested in this Fund are not guaranteed by the Trustee nor any service provider to the Trustee. Past performance is not an indication of future performance. Investment performance data prior to July 1 2008 relates to Print Super's past investment performance. Media Super was formed by the merger of Print Super and JUST SUPER on 1 July 2008.

Monthly Performance

PENSION OPTION RETURNS to 31 May 2010

	High Growth (%)	Growth (%)	Balanced (%)	Stable (%)	Cash (%)
Month	-4.19	-3.09	-2.32	-0.58	0.37
3 months	-0.93	-0.26	0.16	1.08	1.06
Financial Year	12.21	10.75	10.24	9.34	3.25
1 Year	14.35	11.50	10.73	10.19	3.53
3 Years (p.a.)	-6.90	-5.09	-3.82	2.22	5.08
5 Years (p.a.)	4.00	4.17	4.15	5.30	5.08
7 Years (p.a.)	7.73	7.09	6.65	6.34	5.38
Since inception (p.a.)	3.95	4.33	4.51	5.46	5.28

	Australian Shares (%)	Overseas Shares (%)	Property (%)	Fixed Interest (%)	Sustainable Future Shares (%)
Month	-7.18	-2.13	-1.12	1.00	-5.26
3 Months	-3.95	1.89	2.64	1.94	-2.42
Financial Year	13.85	11.08	4.81	10.02	12.48
1 Year	18.28	10.68	1.34	10.42	15.20
3 Years (p.a.)	-6.66	-6.80	-2.24	5.98	-7.16
5 Years (p.a.)	5.29	2.21	6.62	n.a.	n.a.
Since inception (p.a.)	5.59	2.66	6.94	5.40	3.15

INCEPTION DATES

The following are the dates each investment option became available to members and relate to the “Since inception” figures in the tables above.

Option	Super Options	Pension Options
High Growth	01/07/2000	01/07/2001
Growth	01/07/1998	01/07/2001
Balanced	01/01/1987	01/07/2001
Stable	01/07/1998	01/07/2001
Cash	01/01/2003	01/01/2003
Australian Shares	01/04/2005	01/04/2005
Overseas Shares	01/04/2005	01/04/2005
Property	01/04/2005	01/04/2005
Fixed Interest	01/08/2005	01/08/2005
Sustainable Future Shares	01/08/2005	01/08/2005

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