Investment report

Market overview

As at 30 June 2026

The 2025-26 financial year saw a continuation of several major themes from the previous year, most notably resilient economic growth and share markets despite further geopolitical instability.

Shocks fade, shares surge

Share markets largely managed to shrug off a global energy price shock triggered by the conflict in Iran to post another year of strong returns in 2025-26. The US S&P 500 index advanced around 20% over the financial year, with the index rebounding in the June 2026 quarter with a 14.9% gain, following a 4.9% decline in the March quarter amidst the early stages of the Iran conflict.

The rally goes global

Strong share market returns were not limited to the US. Europe's EURO STOXX 50 index and the UK's FTSE 100 both advanced by almost 20% in 2025-26, while Japan's TOPIX index rose an impressive 40%. Emerging market shares had a particularly strong 12 months, driven by Taiwan and South Korea where returns were propelled by gains in chipmakers.

Inflation refuses to exit quietly

AI was undoubtedly the dominant investment theme over 2025-26, though share markets were also supported more broadly by solid growth across most of the global economy. Global growth has again proved to be more resilient to shocks than expected, and the US continues to be a key source of momentum, supported by AI-related investment and household tax relief.

However, resilient growth and the recent rise in oil prices have come while core inflation rates remain modestly above central bank targets in many advanced economies. This has raised concerns that inflation may not be returned sustainably to target in the near term and has effectively ended the monetary easing cycles in many economies. Indeed, over the last 6 months, market pricing for central bank policy rates have swung from expectations of further easing in many economies to expectations of monetary tightening, and the European Central Bank and Reserve Bank of New Zealand have followed the Reserve Bank of Australia (RBA) by raising rates.

Data centres buck the slowdown

With the RBA having pivoted to rate hikes earlier than most, Australia's economy has experienced a slowing in momentum so far in 2026. This has likely contributed to a softer performance from Australia's share market, though Australia's lower weighting to the technology sector has also been a major factor.

On the other hand, one area of positive news in Australia's economy has been the growing rate of investment in datacentre construction. Data suggests further growth in this sector is likely in the near term, despite the recent rate hikes from the RBA.

This potentially foreshadows a risk to the interest rate outlook across other major advanced economies. With AI spurring an ever-growing pipeline of investment from semiconductors to data centres to energy infrastructure in many economies, there is a risk that more central banks, including the US Federal Reserve, may find themselves needing raise rates to keep underlying inflation contained.

While positive momentum in global investment and economic growth would be supportive of corporate earnings and share markets, the possibility of higher interest rates remains a risk to valuations of shares and other assets. With geopolitical uncertainty also a persistent source of risk, it is likely that market volatility will be a theme that continues into the 2026-27 financial year.

Investment performance

Accumulation investment options as at 30 June 2026

	High Growth	Growth Plus	Growth (MySuper) - Default	Conservative Growth	Conservative	Cash	Australian Shares	Diversified Fixed Interest	Overseas Shares	Indexed Diversified	Property
1 month	1.60	1.57	1.50	1.13	0.83	0.37	0.84	0.44	2.77	0.96	2.38
FYTD	10.06	9.75	9.25	7.12	5.03	3.67	5.59	3.56	10.87	9.21	11.55
1 year	10.06	9.75	9.25	7.12	5.03	3.67	5.59	3.56	10.87	9.21	11.55
3 years p.a.	10.99	10.10	9.29	7.49	5.74	3.99	9.39	4.72	14.77	10.77	5.35
5 years p.a.	7.65	-	6.48	4.88	3.44	2.98	-	-	-	-	-
7 years p.a.	9.03	-	7.38	5.51	3.78	2.24	-	-	-	-	-
10 years p.a.	9.85	-	8.13	-	4.39	2.04	-	-	-	-	-

The crediting rate is based on investment returns minus investment fees and costs, transaction costs and investment-related taxes. Excludes fees and costs that are deducted directly from members' accounts. Past performance is not a reliable indicator of future performance. Media Super merged with CBUS on 9 April 2022 and as a result, pre-existing Media Super investment options were closed and Media Super members were transferred to equivalent Media Super branded investment options under United Super Pty Ltd. The historical performance displayed prior to this date relates to CBUS investment options and does not incorporate the performance of Media Super. Media Super members received a Successor Fund Transfer Exit Statement prior to merging with CBUS, detailing the performance of their Media Super investment options.