Investment report

Market overview

As at 30 September 2026

September was an eventful month for the global economy and financial markets, with most major central banks raising interest rates against a backdrop of persistent inflationary pressure and resilient economic growth.

Central banks turn up the heat

The most pivotal move came from the US Federal Reserve ("Fed"), who decided to raise interest rates by 0.25 percentage points to 3.75%-4.00%. This was the first rate hike by the Fed in three years, with the most recent easing cycle having only ended in December last year.

The Fed's policy tightening had been widely expected following a hawkish speech from Fed Chair Kevin Warsh the previous month, where he expressed concern over persistently high inflation and noted the underlying strength in the US economy and labour market. The Fed's voting members were unanimous in deciding to raise the fed funds rate, concluding that underlying inflation was not "moving to our objective, clearly and at sufficient speed", with core inflation having been above the Fed's target for more than five years.

In a break from some previous Fed Chairs, Warsh has refrained from giving guidance on his views of the likely path for Fed policy going forward. However, other Fed Board members continued to submit their economic projections, which revealed a hawkish outlook with expectations of strong growth and above-target inflation for the next year alongside modestly higher interest rates. And while Chair Warsh opted not to disclose projections, he commented in the accompanying press conference that the US economy has been resilient to geopolitical shocks and "appears to be strengthening".

A global wave of rate hikes

The Fed's decision added to a blockbuster month of central bank rate hikes, with the European Central Bank (ECB), Bank of Japan (BoJ), Reserve Bank of Australia (RBA) and Reserve Bank of New Zealand (RBNZ) all raising policy rates in September. These other central banks had already begun their policy tightening journeys before September, and there are likely to be more rate hikes from some central banks in the coming months.

One notable exception to the hiking trend in September was the Bank of England (BoE), deciding instead to leave Bank Rate unchanged at 3.75%. However, the BoE has clearly turned more hawkish with a rate hike looking increasingly likely at their next meeting in November, particularly if oil and gas prices stay high.

Given the widespread moves of central banks towards high rates, it is no surprise that government bond prices declined in the month as bond yields rose markedly (bond prices move inversely to bond yields). While oil prices and inflation have remained high, most of the rise in bond yields was driven by higher real yields, reflecting the resilient growth outlook and potential for further increases in central bank policy rates to keep inflation contained.

Shares buckle under competing pressures

The robust economy continues to support strong corporate earnings growth, however this wasn't enough to support shares in September, with most major share markets declining. Although the economic outlook remains positive, a combination of surging bond yields, high energy prices and inflation, and ongoing geopolitical uncertainty weighed on share values in the month. This is likely to be a persistent feature of the investment landscape going forward, as sentiment around growth assets continues to balance optimism over earnings growth against myriad economic and geopolitical risks and headwinds.

Investment performance

Accumulation investment options as at 30 September 2026

	High Growth	Growth Plus	Growth (MySuper) - Default	Conservative Growth	Conservative	Cash	Australian Shares	Diversified Fixed Interest	Overseas Shares	Indexed Diversified	Property
1 month	-0.33	-0.31	-0.20	-0.21	-0.21	0.33	-2.28	-0.67	1.30	-0.57	-2.10
FYTD	1.38	1.28	1.27	0.92	0.55	1.03	1.69	-0.47	1.71	0.68	-2.30
1 year	7.16	7.21	7.17	5.45	3.95	3.82	3.02	1.75	7.84	5.59	6.97
3 years p.a.	11.73	10.82	9.94	7.92	5.83	3.99	10.32	4.53	15.72	11.34	5.52
5 years p.a.	7.62	-	6.46	4.87	3.41	3.18	-	-	-	-	-
7 years p.a.	8.87	-	7.25	5.37	3.61	2.36	-	-	-	-	-
10 years p.a.	9.51	-	7.89	-	4.27	2.11	-	-	-	-	-

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.