

Australian Shares Option fact sheet

31 March 2018

Investment objective

To closely track the S&P/ASX 200 Accumulation Index with the aim of generating returns (before tax and fees and assuming income is reinvested) comparable to the Australian sharemarket as measured by that benchmark over rolling one-year periods.

Investment strategy

The option invests in shares of Australian companies. All shares in this option are maintained within a very close margin to their weight in the S&P/ASX 200 Accumulation Index.

Minimum suggested timeframe

At least 7 years

Investment ranges

Cash	0-5%
Australian shares	95-100%

Risk rating

Band 6 - High. For more information about risk, refer to the Reference guide.

Performance

	3 month (%)	6 month (%)	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since inception	Inception date	Fund size
Net return	-3.38%	3.80%	2.58%	3.86%	-	-	7.61%	31/05/2013	\$50.84m
Benchmark [^]	-3.86%	3.48%	2.54%	3.76%	-	-	7.97%		

[^]S&P / ASX 200 Accumulation Index

All returns are calculated on an annualised basis using exit price to exit price, net of administration and investment fees, costs and net of tax payable by the trustee. All return calculations exclude contribution surcharge, contribution tax or individual taxes payable by the investor and all other fees and rebates disclosed in the relevant product disclosure statements available on our website or by calling us. Please refer to the Product Disclosure Statement (PDS) for full details of the applicable fees and costs.

Past performance is not an indicator of future performance for this option or any other option available from Essential Super.

The investment information in this option profile is historical, produced as at the date specified above. We may change asset allocation and securities within the option at any time.

Australian Shares – Market review

Australian shares had a weak start to the year with the S&P/ASX 200 Accumulation Index down 3.9% in the March 2018 quarter.

The Australian dollar was marginally lower over the quarter (from US\$0.78 to US\$0.77) and marginally up over the year (from US\$0.76 to US\$0.77). The RBA maintained the official cash rate at 1.5% in the March 2018 quarter.

Gains in Healthcare was offset by weak performance in Telecommunications and Utilities. Commodity markets were mixed, with iron ore and oil prices continuing to rise over the quarter offset by falling prices across most base metals and coking coal.

The portfolio is passively managed and holdings closely replicate those of the benchmark. Returns of the portfolio are, therefore, expected to closely resemble those of the benchmark index before fees and taxes.