



Build your super together

Boost your super before 30 June

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super news



APRIL 2010

LGsuper seminars

Each year we travel all over Queensland to present seminars and conduct personal interviews with members at workplaces and other venues.

Here's where we'll be visiting from April through to June this year.

Retirement preparation seminars

<u>Location</u>	<u>Date</u>
Brisbane (north)—Kallangur	29 April
Mackay	30 April
Ipswich	5 May
Gold Coast—Southport	7 May
Hervey Bay	10 May
Sunshine Coast—Maroochydore	11 May
Logan	12 May
Toowoomba	13 May
Brisbane (south)—Carina	14 May
Cairns	17 May
Townsville	18 May
Rockhampton	19 May

Build a super financial future

<u>Location</u>	<u>Date</u>
Bundaberg	12 April
Bundaberg—Burnett	13 April
Bundaberg—Childers	14 April
Bundaberg—Gin Gin	15 April
Central Highland—Duarina	19 April
Central Highland—Emerald	20 April
Central Highland—Capella	21 April
Central Highland—Springsure	22 April
Maranoa—Balonne	24 May
Maranoa—Surat	24 May
Maranoa—Bungil	25 May
Maranoa—Roma	25 May
Maranoa—Bendemere	26 May
Maranoa—Booringa	27 May
Mt Isa	31 May
Cloncurry	1 June
McKinlay	1 June
Richmond	2 June
Flinders	3 June
Cook	7 June
Cairns—Douglas	8 June
Cairns	9 June
Cassowary Coast—Johnston	10 June
Cassowary Coast—Cardwell	11 June
Somerset—Esk	16 June
Somerset—Kilcoy	16 June
North Burnett—Mt Perry	21 June
North Burnett—Monto	22 June
North Burnett—Eidsvold	23 June
North Burnett—Gayndah	24 June
North Burnett—Mundubbera	24 June
North Burnett—Biggenden	25 June



Book a seat today!

To secure your seat(s) for a *Retirement preparation seminar*, simply register online at www.lgsuper.org (click on Services, then Seminars). To attend a *Build a super financial future seminar*, be sure to contact your HR area for details of the next seminar near you.



Build your super together

If you have a partner, they too can reap the benefits of LGsuper membership. Here are some of the reasons you should open an LGsuper Spouse account for them today!

For some of us, starting a family or changing occupations over time can make it hard for one partner to save enough super for retirement. But, having an LGsuper Spouse account can mean an extra boost come retirement time.

No worries

Opening an account for your spouse with as little as \$100, will mean they can stay with LGsuper in the event of your death. Although your death benefit would be paid to your dependant/s anyway, this would enable your partner to pay it into their own LGsuper account. Without an account of their own, your partner would be unable to stay with LGsuper. Please note that special conditions apply to Pension accounts.

Save on tax

If your partner earns less than \$13,800 p.a., by simply making a spouse contribution on their behalf, you may be eligible to receive a tax offset of up to \$540 p.a. for the first \$3000 you contribute to their account. This strategy also provides your spouse with a means to build their super balance so you both can retire with more. Conditions apply, so download a copy of our *Spouse contributions info sheet* or phone us for more information.

Your spouse's employer can now pay in

That's right, from 1 January 2010 any employer can contribute to your partner's LGsuper account, while they are under age 70. So there's no need for your partner to have super all over the place. They can transfer all their super into one account at LGsuper. Phone us on 1800 444 396 to find out how.

Other benefits

Having both of your super accounts with LGsuper means you'll never need to look for another super fund! LGsuper is a not-for-profit fund so we can keep our fees low. And as an LGsuper member, your partner can apply for death and disability insurance cover through LGsuper, as long as they are under age 60 and not retired.

Our staff know super—so you can both get the tailored advice you need, when you need it. You can also attend one of the free seminars we hold at various venues across Queensland, to find out information on investments, preparing for retirement and how to build a super financial future. What's more, you can both view your account details and balance 24 hours a day via our secure website LGsuper Online.

Set up an account today!

Want to know more about Spouse accounts? Contact LGsuper on 1800 444 396 for a copy of our *Spouse account guide* (PDS) or download it at www.lgsuper.org.

Changes to how your super is invested

The lifestyle you lead in retirement depends not just on how much you contribute to your super, but also on how your super is invested.

Asset allocations for the High Growth option

Each of LGsuper's investment options is made up of a proportion of funds invested in each of the asset classes such as Australian shares, International shares, Property, Alternatives, Fixed interest and Cash. These proportions are called Strategic asset allocations.

The LGsuper Board of Directors continually monitors and reviews the Strategic asset allocations for each of LGsuper's investment options. The Board of Directors also uses a process called Dynamic strategic asset allocation to exploit or protect against market extremes. This process is intended to adjust the Strategic asset allocations by up to +/- 5% to reduce risk or enhance return.

Recently, the Board of Directors decided to make changes to the Strategic asset allocation (SAA) for the High Growth option from 1 March 2010. The Board made this decision in order to increase the differentiation between the High Growth and Growth investment options.

The following table shows the current SAA for the High Growth option and the SAA from 1 March 2010:

	SAA (%) to 28/02/10	SAA (%) from 01/03/10
Return-seeking assets	100	100
Australian shares	26.7	35
International shares	26.7	35
Property	20	15
Alternatives	26.6	15
Risk-controlling assets	0	0
Fixed interest	0	0
Cash	0	0

New investment objectives

The LGsuper Board of Directors sets investment objectives for each of LGsuper's investment options. These are the returns that each option is expected to achieve over rolling 5-year periods. Of course, investment markets are uncertain and while the Board of Directors expects its investment objectives to be met most of the time, it is reasonable to expect that they will not be met all of the time.

Recently, the Board of Directors reviewed the investment objectives for all of LGsuper's investment options and decided to amend the objectives for the High Growth, Growth, Growth Smoothed, Balanced and Conservative investment options. There have been no changes to the investment objectives for the Socially Responsible, Defensive and Cash options.

The current and revised investment objectives for all of LGsuper's investment options are outlined in the following table. The Board anticipates that these return objectives will be achieved about two thirds of the time.

Investment objective to 28/02/10	Investment objective from 01/03/10
High Growth 5.5% p.a. above inflation over rolling 5-year periods	4.5% p.a. above inflation over rolling 5-year periods
Growth 5% p.a. above inflation over rolling 5-year periods	4% p.a. above inflation over rolling 5-year periods
Growth Smoothed 5% p.a. above inflation over rolling 5-year periods	4% p.a. above inflation over rolling 5-year periods
Socially Responsible 4% p.a. above inflation over rolling 5-year periods	No change
Balanced 4% p.a. above inflation over rolling 5-year periods	3.5% p.a. above inflation over rolling 5-year periods
Conservative 3% p.a. above inflation over rolling 5-year periods	2.5% p.a. above inflation over rolling 5-year periods
Defensive 2% p.a. above inflation over rolling 5-year periods	No change
Cash Protection of capital	No change

LGsuper recognises that everyone's situation is different, so remember, we offer you investment choice. And, to give you even greater flexibility you can select up to three (3) investment options at any one time, so you can tailor your investment to suit your situation.

If you wish to change your current investment option, simply complete an *Investment switch form* and return it to LGsuper. You can switch investment options up to four times each financial year, at no extra cost. If you would like to discuss your investment strategy, including how your super is invested, please contact our Member Advice team on 1800 444 396.

Investment returns

Interim earning rates

Investment option

Accumulation accounts	8 months to 28/02/10 (%)	5-yr average to 30/06/09 (%p.a.)
High Growth	9.89	n/a
Growth Smoothed	6.67	5.31
Growth	10.20	4.52
Socially Responsible	10.65	n/a
Balanced	9.35	4.62
Conservative	7.21	4.70
Defensive	6.71	n/a
Cash	1.72	4.75
Pension accounts	8 months to 28/02/10 (%)	5-yr average to 30/06/09 (%p.a.)
High Growth	11.15	n/a
Growth Smoothed	7.43	5.24
Growth	11.48	4.42
Socially Responsible	12.05	n/a
Balanced	10.56	4.88
Conservative	8.21	5.20
Defensive	7.62	n/a
Cash	2.08	5.55
Defined Benefit Fund	8 months to 28/02/10 (%)	5-yr average to 30/06/09 (%p.a.)
Accumulation Comparison Rate	6.17	3.26

The High Growth, Socially Responsible and Defensive Options were introduced from 1/1/06. The Conservative option became available from 1/4/03.

Market update

At 28 February 2010

International shares

Global sharemarkets recovered some of their January losses over the course of the month. The MSCI World Index (ex Australia) gained 1.64% in local currency terms in February.

Despite continuing sovereign debt concerns in Europe and a tightening of liquidity conditions in China and the US, sharemarkets held up in February. However, European developed markets were again subject to a sharp sell-off. The US and UK markets gained 3% and 3.7% respectively, while emerging market countries were generally down over the month.

Australian shares

The ASX200 reclaimed part of the losses from January, with a 2.16% rise in February. Banks gained 3.5% following positive earnings news while the resources index, up 2.1%, made back some ground after its weak start to the year.

The RBA surprised the market by leaving rates unchanged at its February meeting. Volatility in financial markets may have influenced the RBA not to act and adopt a wait and see approach.

Cash and fixed interest

After a weak start to the year, February was a better month for most asset classes. With shares and commodities posting gains this month after January's losses, sovereign bond markets were mixed. US 10-year bond yields moved from 3.58% to 3.61%, while Australia rose 0.06% to 5.44%.

The Euro has now fallen by almost 8% against the USD in the last three months. The GBP fell by a sharp 5% against the USD due to a combination of weak economic data and poor public finance figures. The AUD gained 1.2% in February, ending the month just below US\$0.90.

Source: QIC Limited.



LGsuper awarded platinum rating for 2010

LGsuper is proud to have been awarded a Platinum rating for 2010, for both our superannuation and pension products, by independent ratings agency SuperRatings.

This award is only given to the top 15% of products that represent the best value for money. It recognises excellence across a range of criteria, including investment returns, fees, insurance, administration and services.



Boost your super before 30 June

Add to your super before 30 June from your after-tax money and you could be eligible to receive a \$1000 co-contribution from the government.

That's right, the government will put in \$1 for each \$1 you contribute (up to a maximum of \$1,000 per year), if you are employed and your total income is less than \$31,920. The super co-contribution gradually lessens for incomes above \$31,920 p.a. before cutting out completely at \$61,920 p.a.

The easiest way to add to your super is by BPAY. Visit the BPAY calculator at www.lgsuper.org to obtain the Biller code and Reference number. Alternatively, you can complete a *Voluntary contribution deposit form* and send it to us with a cheque.

For more information about the government co-contribution, get a copy of our *Co-contribution info sheet* from our website or phone us on 1800 444 396.

Are you a temporary resident?

Did you know that if you have been a temporary resident and have permanently left Australia, you may be able to access your superannuation money?

If you left Australia more than 6 months ago and you have not claimed your super, your benefit will be treated as unclaimed money and will be transferred to the Australian Taxation Office. LGsuper is not obliged to notify you of this transfer.

For more information on how to claim your superannuation money, visit our website or call us for a copy of our *Temporary residents leaving Australia info sheet*.



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