

Learn more about market trends and how our investment plans for your GESB Super, West State Super or Retirement Income account performed over the quarter ending 31 March 2021.

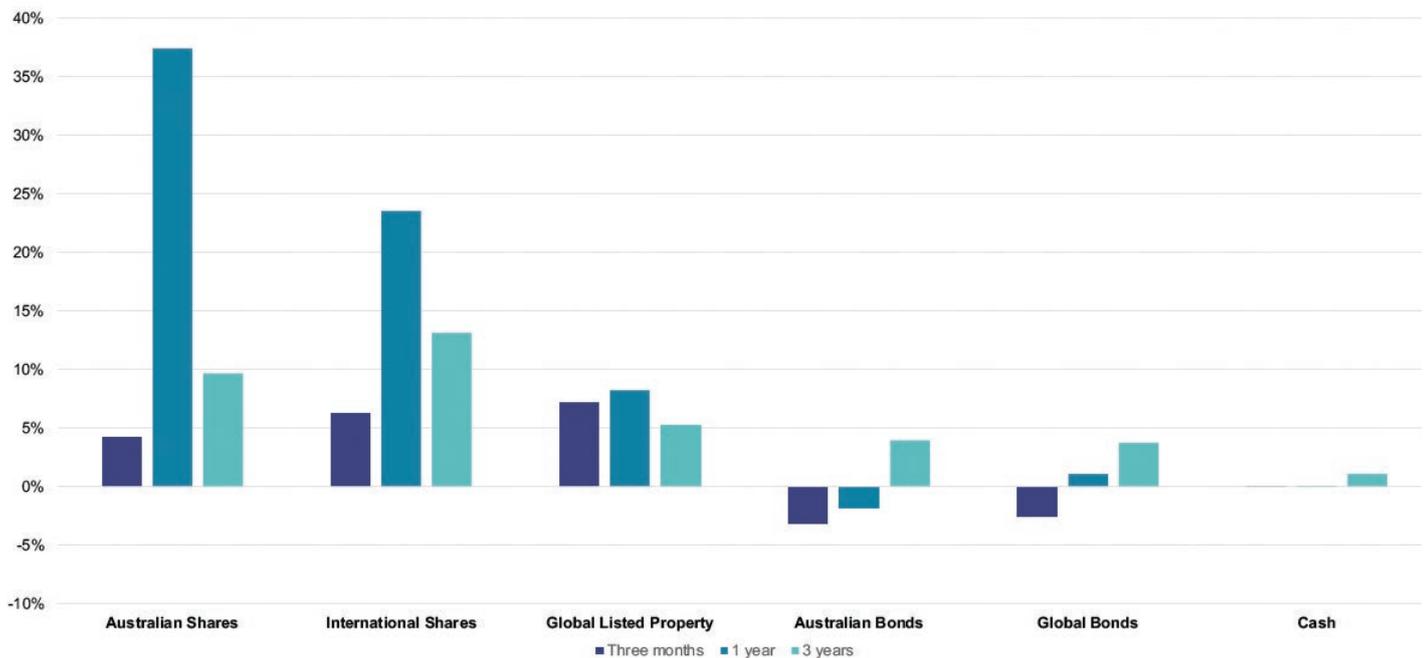
Key highlights:

- Global equities continued to recover from their steep losses in March 2020, supported by the rollout of COVID-19 vaccines and news of further US stimulus packages
- Bond yields rose on higher economic growth and inflation expectations
- International Shares added 6.1% (excluding the impact of currency movements), while Australian Shares gained 4.3%
- My GESB Super returned 3.38% for the quarter
- My West State Super returned 3.01% for the quarter
- RI Allocated Pension Conservative plan returned 0.81% for the quarter

Investment market returns: short and medium term

Growth asset classes, which include Australian and International Shares as well as Global Listed Property, delivered strong returns over the quarter and year. Over the past three years, shares and bonds have delivered returns in the range of 4% to 13% per annum.

Asset class index returns



Source: Australian Shares - S&P/ASX Total Return 200 Index; International Shares - MSCI World ex-Australia Net Total Return AUD Index; Global Listed Property - FTSE Custom EPRA/NAREIT Developed Index Net TRI AUD; Australian Bonds - Bloomberg AusBond Composite 0+ Yr Index; Global Bonds - Bloomberg Barclays Global-Aggregate Total Return Index Value Hedged AUD; Cash - Bloomberg AusBond Bank Bill Index

What were the main reasons for recent investment market returns?

- **COVID-19 vaccine rollout**

The substantial progress on vaccination distribution, particularly in the US, has improved consumer and investor sentiment, which in turn helped drive US stocks to record highs.

- **Massive fiscal stimulus**

US stimulus packages, amounting to almost US\$4 trillion, have been well-received by investors who are optimistic that economic and employment growth will continue to improve.

- **Rising bond yields**

An improving growth outlook, along with increasing inflation expectations, led to sharp increases in bond yields (meaning bond prices fell). Moderate levels of inflation are consistent with an improving economy but higher than expected levels of inflation may result in interest rates rising sooner than expected.

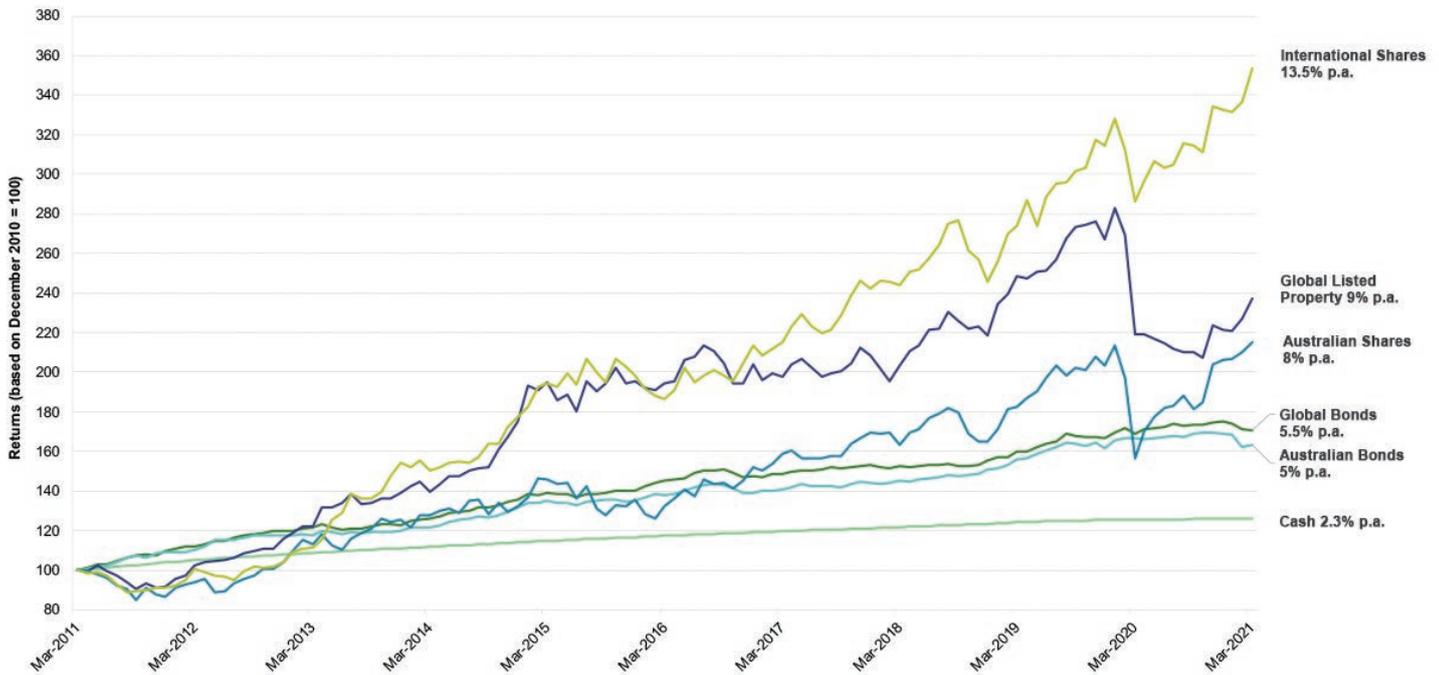
- **Improving Australian economy**

Australia's economy has continued to recover, with GDP rising 3.1% over the December quarter. Results were driven by a rebound in household consumption, led by a sharp 10% rise in Victoria as the lockdown in Melbourne ended.

Investment market returns: long term

Over the longer term (10 years), investments such as Shares and Property have produced the highest returns (but with greater variability), while Cash has delivered the lowest (but most stable) returns. This is illustrated in the chart below.

Cumulative asset class index returns



Source: Cash - Bloomberg AusBond Bank Bill Index; Global Bonds - Bloomberg Barclays Global-Aggregate Total Return Index Value Hedged AUD; Australian Bonds - Bloomberg AusBond Composite 0+ Yr Index; Global Listed Property - FTSE Custom EPRA/NAREIT Developed Index Net TRI AUD; Australian Shares - S&P/ASX Total Return 300 Index; International Shares - MSCI World ex-Australia Net Total Return AUD Index

What does this mean for your investment?

Investment returns over both the short and long term for some of our diversified plans are illustrated in the table below. You can also see the investment return history at gesb.wa.gov.au/investment_returns for all of our available plans.

Performance of investment options

INVESTMENT PLAN RETURNS	March 2021 quarter	1 year	3 year (p.a.)	5 year (p.a.)	10 year (p.a.)
RI Allocated Pension Conservative plan ¹	0.81%	10.12%	4.65%	4.84%	5.54%
Transition to Retirement Balanced plan ²	2.75%	17.99%	6.39%	-	-
My West State Super ³	2.90%	20.91%	7.16%	7.60%	7.81%
My GESB Super ¹	2.90%	20.94%	7.18%	7.64%	7.67%
RI Allocated Pension Balanced plan ¹	3.01%	20.30%	7.17%	7.61%	7.87%
RI Term Allocated Pension Balanced plan ¹	3.38%	20.28%	6.84%	7.23%	7.39%
West State Super Growth plan ³	4.10%	24.41%	7.87%	8.41%	8.43%
Other investment plans	See the investment returns for all of our available plans at gesb.wa.gov.au/investment_returns				

Returns greater than one year are annualised.

1 Returns are reported net of fees and taxes.

2 Transition to Retirement Pension was inception on 15 June 2017, so longer term returns are not available. Returns are reported net of fees and taxes.

3 Returns are reported net of fees.

What does this mean for your investment?

Performance of investment options (cont.)

Performance over the quarter has been helped by the positive performance from Australian Shares, International Shares and Global Listed Property. Our diversified plans have performed strongly over the past 12 months and, more importantly, over the past five and 10 years. The investment returns of our diversified plans are ahead of primary investment objectives.

While long-term performance has been strong, we continue to review our portfolio. We are focused on delivering long-term returns that meet or exceed objectives, while remaining flexible to manage evolving investment market conditions.

More information

- Read our investing in Cash article at gesb.wa.gov.au/cashrisk
- Find out more about investing with us at gesb.wa.gov.au/investingwithus
- See our super investment options at gesb.wa.gov.au/superinvest or retirement investment options at gesb.wa.gov.au/retireinvest
- Access previous investment updates at gesb.wa.gov.au/investmentupdate

Need help?

- Read our investment FAQs at gesb.wa.gov.au/investmentFAQs
- Get help with finding a personal financial adviser at gesb.wa.gov.au/advice
- Call us on **13 43 72**

Performance information should be used as a guide only, is of a general nature, and does not constitute legal, taxation, or personal financial advice. The performance of your investment plan is not guaranteed, and returns may move up or down depending on market conditions. Past performance should not be relied on as an indication of future performance. In providing this information, we have not considered your personal circumstances including your objectives, financial situation or needs. We are not licensed to provide financial product advice. Before acting or relying on any of the information in this website, you should review your personal circumstances and assess whether the information is appropriate for you. You should read this information in conjunction with other relevant disclosure documents we have prepared at gesb.wa.gov.au/brochures and where necessary seek advice specific to your personal circumstances from a qualified financial adviser.

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