



STATISTICS

Quarterly superannuation performance statistics highlights

December 2021 (released 1 March 2022)

Disclaimer and Copyright

While APRA endeavours to ensure the quality of this publication, it does not accept any responsibility for the accuracy, completeness or currency of the material included in this publication and will not be liable for any loss or damage arising out of any use of, or reliance on, this publication.

© Australian Prudential Regulation Authority (APRA)

This work is licensed under the Creative Commons Attribution 3.0 Australia Licence (CCBY 3.0). This licence allows you to copy, distribute and adapt this work, provided you attribute the work and do not suggest that APRA endorses you or your work. To view a full copy of the terms of this licence, visit <https://creativecommons.org/licenses/by/3.0/au/>

Highlights

Industry overview

Superannuation assets increased 2.0 per cent during the December 2021 quarter to \$3.5 trillion. For the year ending December 2021, there was a 14.0 per cent increase in the value of total superannuation assets (Chart 1). Total assets in MySuper products were \$950.1 billion at the end of the December 2021 quarter, a quarterly increase of 2.9 per cent and an annual increase of 18.2 per cent respectively (Chart 2).

Chart 1: Assets of superannuation entities

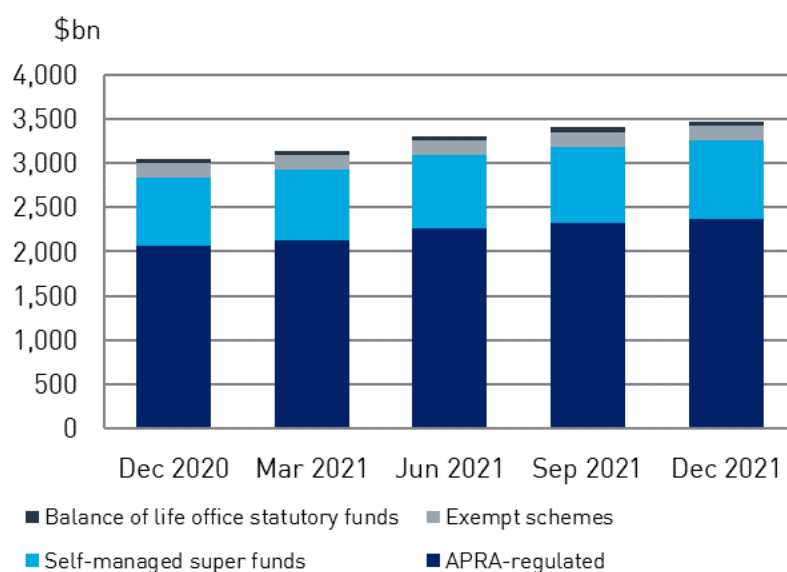
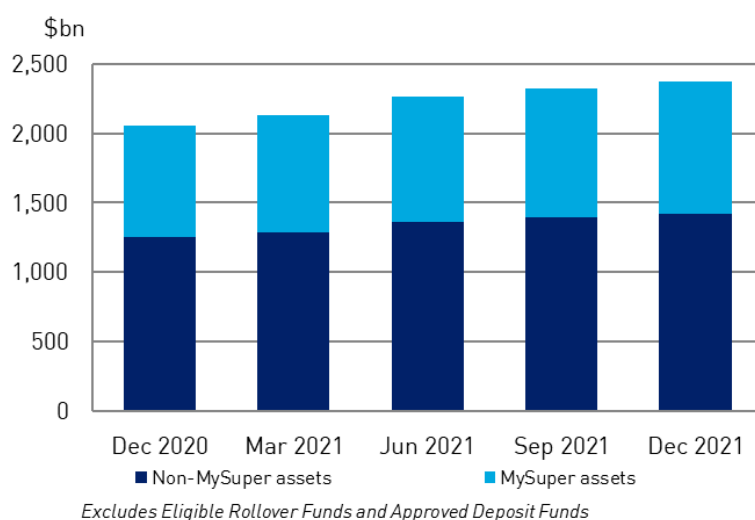


Chart 2: MySuper products

APRA-regulated entities with more than four members



Entities with more than four members

The comments below are based on superannuation entities with more than four members.

Contributions, benefit transfers and benefit payments

Contributions totalled \$34.3 billion for quarter and \$139.1 billion for the year ending December 2021. On a quarterly basis, this was a decrease of 1.0 per cent over the previous quarter. Over the year, total contribution levels have increased by 15.5 per cent, and are above long term trends. This follows strong growth in both employer and personal member contributions.

Employer contributions increased by 6.6 per cent over the quarter to \$26.4 billion. This was an increase of 8.7 per cent over the same period last year. Super Guarantee (SG) contributions account for nearly three quarters of employer contributions (\$20.0 billion). This was 9.8 per cent higher than the same period last year, and follows the SG increase from 1 July 2021 to 10.0 per cent.

Member contributions declined by 20.0 per cent over the quarter to \$7.9 billion, but remains at a significant increase of 58.9 per cent over the year ending December 2021 (\$36.4 billion). The main driver of this has been a strong increase in personal contributions (60.5 per cent over the year). This is likely due to a range of member reactions following COVID-19 and its related initiatives, such as increases in lockdown savings and stronger engagement with financial advice. This can be observed in quarterly inflows over the year for personal contributions which have been at elevated levels compared to previous years.

Benefit payments increased 2.8 per cent over the quarter (\$21.5 billion) and declined 27.2 per cent over the year ending December 2021 (\$82.3 billion). The decline over the year reflects the end of the Early Release Scheme (ERS) withdrawals, with lump sum payments declining 41.5 per cent over the year to \$42.7 billion and a reversion to long-term trend levels. Pension payments decreased 3.8 per cent over the quarter (\$10.2 billion) and remained relatively unchanged over the year ending December 2021 (Chart 3).

Quarterly net contribution flows (contributions plus net benefit transfers, less benefit payments) to the industry totalled \$12.7 billion over the December 2021 quarter, a 7.7 per cent decrease from the September 2021 quarter (Chart 4). Net contribution flows for year ending December 2021 were \$58.5 billion, a large increase from \$7.5 billion, reflecting the end of ERS withdrawals and the growth in overall contributions.

Chart 3: Benefit payment

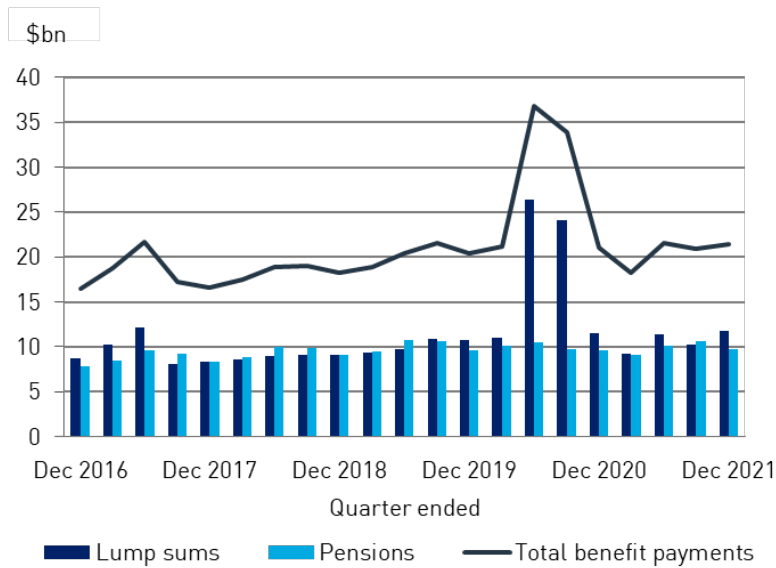
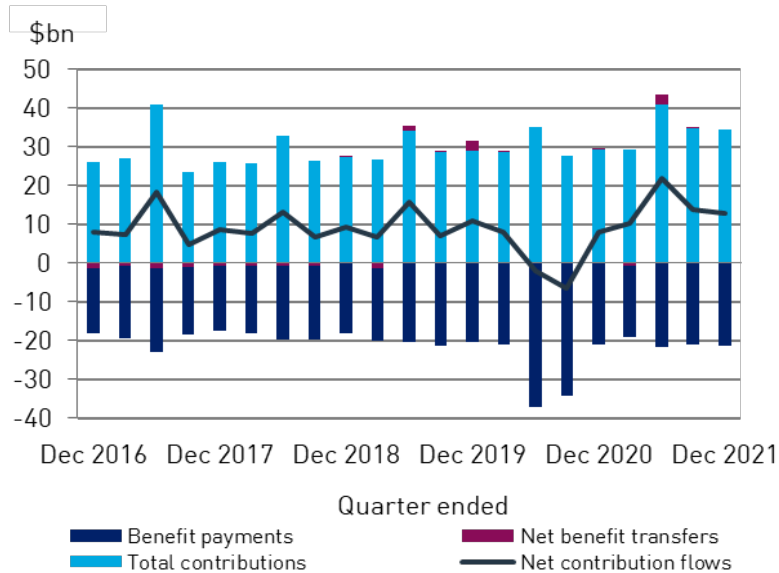


Chart 4: Net contribution flows



Financial performance, financial position and asset allocation

The rate of return (ROR) was 2.6 per cent over the quarter to December 2021. This is higher than returns achieved over the September 2021 quarter (1.7 per cent). Overall investment performance over the past 12 months has been strong, at an annual ROR of 12.8 per cent compared to the

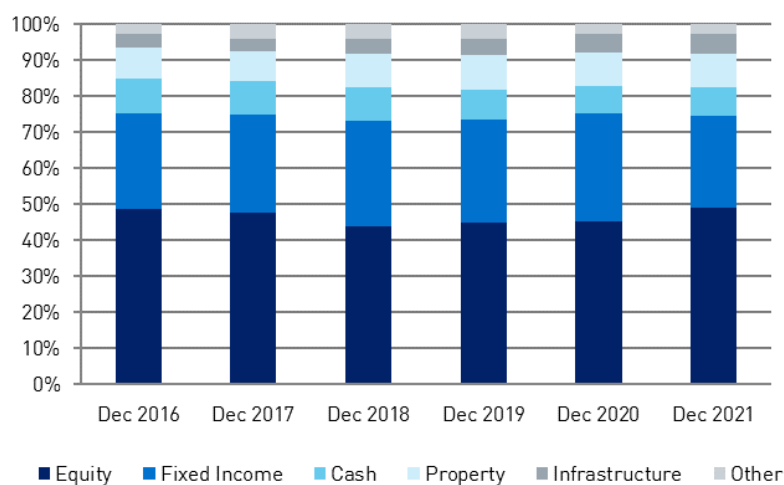
annual ROR for December 2020 (3.10 per cent). The five year average annualised ROR was 7.9 per cent (Chart 5).

Over the December 2021 quarter, total assets increased by 2.1 per cent (or \$53.4 billion), surpassing \$2.5 trillion. With over \$2.3 trillion in investments, 56.3 per cent were investment in equities (22.9 per cent in Australian listed equities; 28.8 per cent in international listed equities; and 4.7 per cent in unlisted equities). Fixed income and cash investments accounted for 26.6 per cent of investments (17.6 per cent in fixed income and 9.0 per cent in cash). Property and infrastructure accounted for 14.6 per cent of investments whilst other assets, including hedge funds and commodities, accounted for 2.5 per cent (Chart 6).

Chart 5: Five year average annualised rate of return



Chart 6: Asset allocation – December 2021





APRA