



STATISTICS

Quarterly superannuation performance statistics highlights

June 2022 (released 23 August 2022)

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Highlights

Industry overview

Superannuation assets decreased 4.4 per cent during the June 2022 quarter to \$3.3 trillion. For the year ending June 2022, there was a 0.5 per cent decrease in the value of total superannuation assets (Chart 1).

Total assets in MySuper products were \$884.5 billion at the end of the June 2022 quarter, a quarterly decrease of 4.7 per cent and an annual decrease of 1.9 per cent respectively (Chart 2).

Chart 1: Assets of superannuation entities

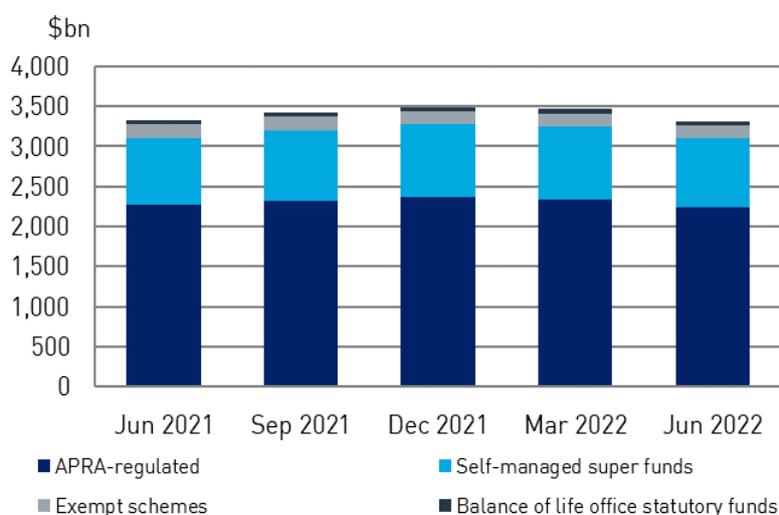
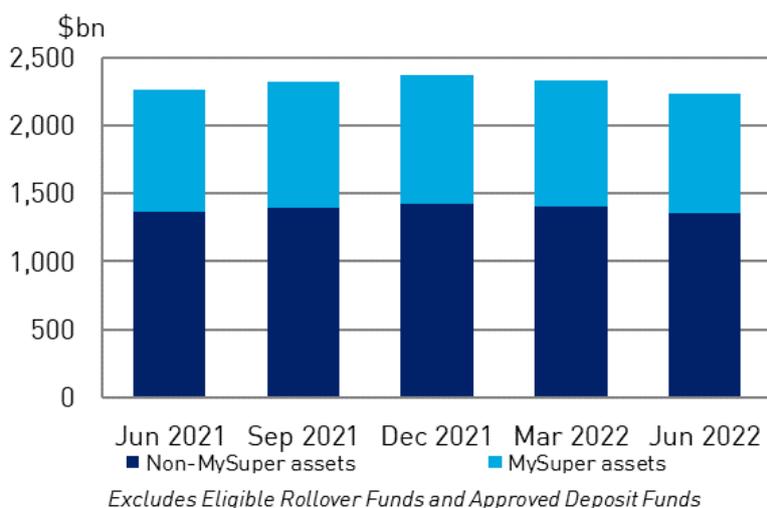


Chart 2: MySuper products

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 \$44.5 billion for quarter and \$146.5 billion for the year ending June 2022, a 15.2 per cent increase compared to June 2021. This follows strong growth in both employer and personal member contributions.

Employer contributions totalled \$30.9 billion for the quarter and \$108.6 billion for the year ending June 2022. This is a 10.2 per cent increase over the year compared to June 2021. Over the year, Superannuation Guarantee (SG) contributions (\$82.2 billion) accounted for around three quarters of employer contributions. This reflects the increase in the SG contribution rate and a stronger labour force, with unemployment rates having dropped to record lows in recent months to June 2022.

Member contributions totalled \$13.6 billion for the quarter, more than double the amount of contributions made in the previous quarter. In line with past years, this is likely due to members taking advantage of financial year end tax initiatives, e.g. fully utilising concessional and non-concessional contribution caps. Regardless, member contributions over the year have been strong, totalling \$37.9 billion for the year ending June 2022 (a 32.3 per cent increase over the year compared to June 2021). The main driver of this has been a strong increase in personal contributions on the back of increased household savings during the onset of COVID-19.

Benefit payments totalled \$23.2 billion for the quarter and \$85.8 billion for the year ending June 2022. This is a decline of 9.5 per cent over the year compared to June 2021 as payments return to normal levels following the end of the Early Release Scheme (ERS) withdrawals. Lump sum payments totalled \$12.1 billion over the quarter and pension payments totalled \$11.1 billion, which are in line with long term trend levels (Chart 3).

Quarterly net contribution flows (contributions plus net benefit transfers, less benefit payments) totalled \$23.4 billion over the June 2022 quarter (Chart 4). Net contribution flows for year ending June 2022 were \$63.6 billion compared with \$33.8 billion for the year ending June 2021, similarly reflecting the strong growth in overall contributions and the waning impact of the ERS withdrawals.

Chart 3: Benefit payment

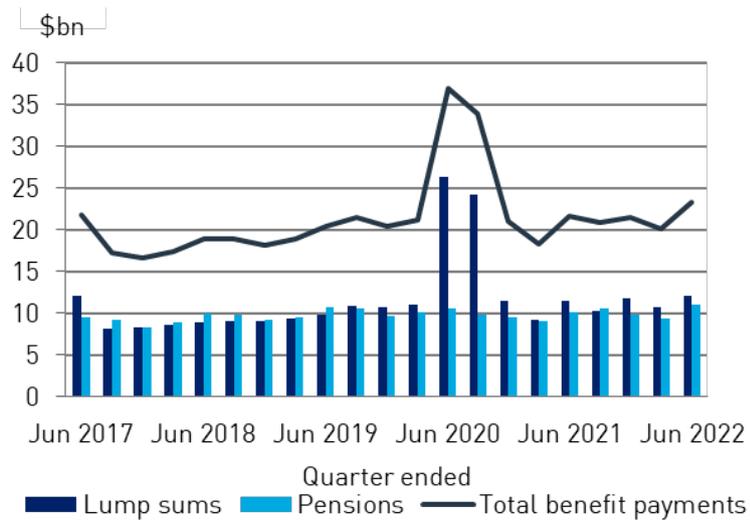
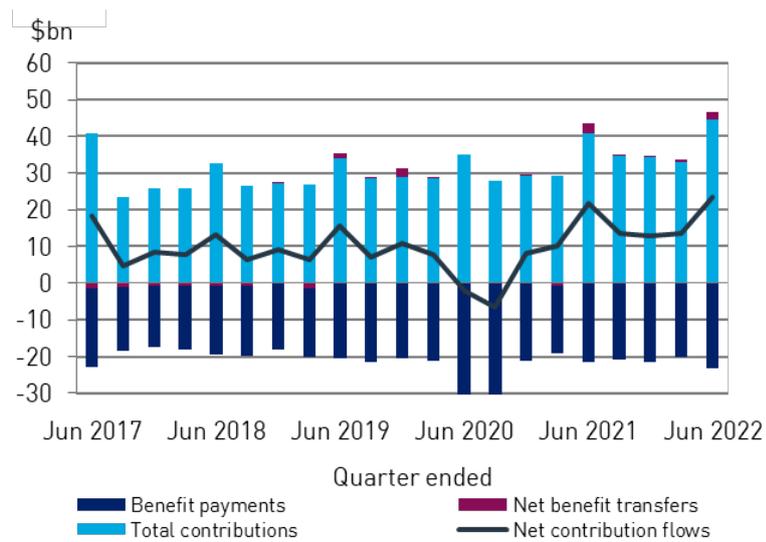


Chart 4: Net contribution flows



Financial performance, financial position and asset allocation

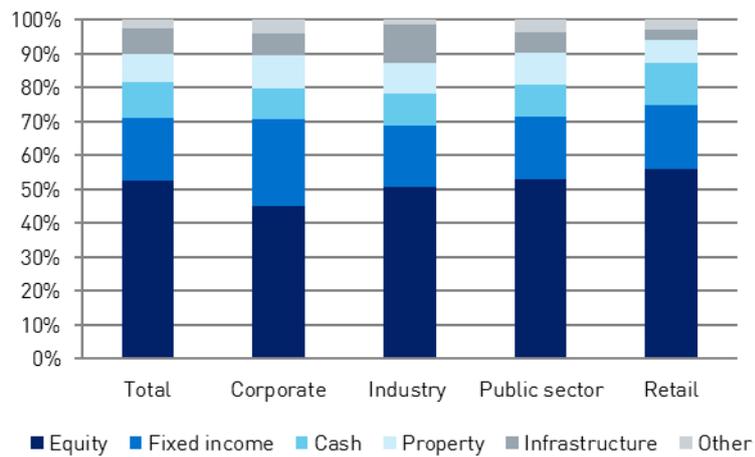
The rate of return (ROR) for entities with more than four members for the June 2022 quarter was -6.0 per cent and for the year was -4.2 per cent, a significant decrease compared with the annual ROR for June 2021 (17.0 per cent). The June 2022 quarter was turbulent for global financial markets as asset prices continue to adjust in a rising interest rate environment. Many central banks globally continue to increase interest rates in response to high levels of inflation, driven by constrained supply chains and the continuing geopolitical uncertainty predominantly relating to the conflict in Ukraine. The five year average annualised ROR was 5.2 per cent, down from 8.0 per cent in June 2021 (Chart 5).

Over the June 2022 quarter, total assets decreased by 4.2 per cent (or \$104.3 billion) to \$2.4 trillion. With over \$2.1 trillion in investments, 52.5 per cent were investments in equities (21.6 per cent in Australian listed equities; 25.7 per cent in international listed equities; and 5.2 per cent in unlisted equities). Fixed income and cash investments accounted for 28.9 per cent of total investments (18.6 per cent in fixed income and 10.3 per cent in cash). Property and infrastructure accounted for 16.1 per cent of total investments whilst other assets, including hedge funds and commodities, accounted for 2.4 per cent (Chart 6).

Chart 5: Five year average annualised rate of return



Chart 6: Asset allocation – June 2022





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