



STATISTICS

Quarterly superannuation performance statistics highlights

June 2023 (released 31 August 2023)

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Highlights

Industry overview

Total superannuation assets grew to over \$3.5 trillion by the end of June 2023 (Chart 1), of which \$2.5 trillion are in APRA-regulated funds. Over the quarter, total superannuation assets increased by 2.1 per cent, driven by a high-level of contributions and a positive quarterly rate of return. Total MySuper assets increased by 3.3 per cent over the June 2023 quarter to \$996.0 billion (Chart 2)

Chart 1: Assets of superannuation entities

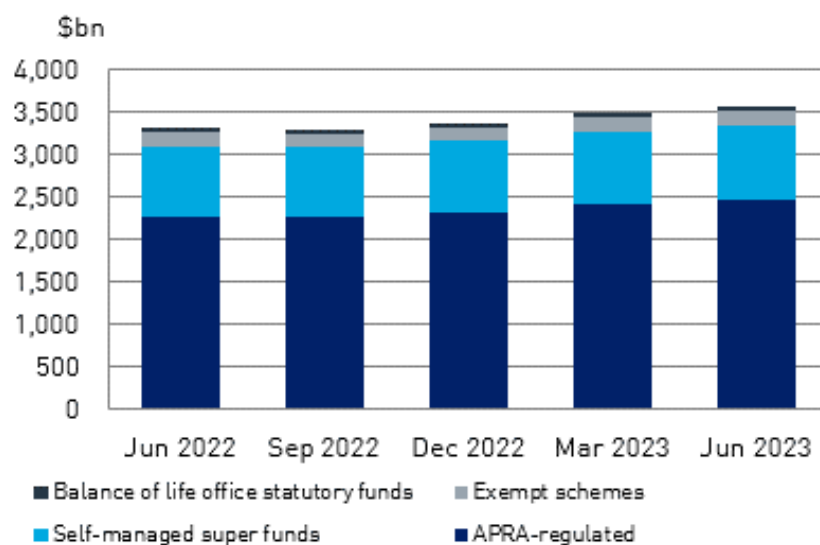
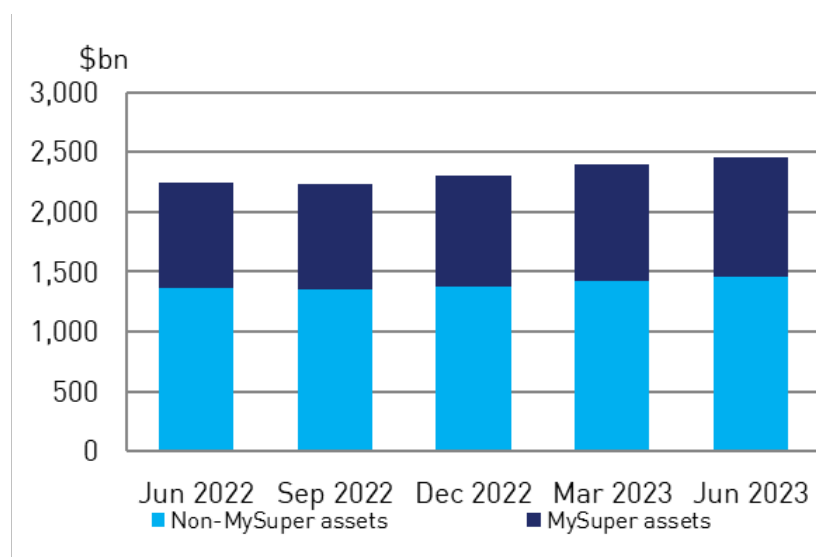


Chart 2: Assets of APRA-regulated entities with more than six members



Entities with more than six members

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

Contributions, benefit transfers and benefit payments

Contributions totalled \$50.4 billion for the June quarter and increased by 12.9 per cent over the year to \$165.2 billion.

Employer contributions totalled \$34.7 billion for the quarter and \$122.5 billion for the year ending in June 2023, which represented a 12.9 per cent increase compared to the year ending in June 2022. This is in part due to the Superannuation Guarantee (SG) rate increase to 10.5 per cent from 1 July 2022, high employment growth over the year and higher wage inflation.

Member contributions totalled \$15.7 billion for the quarter and \$42.7 billion for the year ending in June 2023, which was 13.1 per cent higher compared to the year ending in June 2022. A significant uptick in quarterly member contributions is similar to the experience in previous June quarters, likely because June is the final quarter for personal contributions in the financial year and individuals utilise the 15 per cent tax rate on superannuation contributions up to the concessional contributions cap.

Benefit payments totalled \$29.1 billion for the quarter and \$102.1 billion for the year ending in June 2023. Benefit payments have grown 19.6 per cent in the four quarters to June 2023, driven by a 31.9 per cent increase in lump sum payments. Total benefit payments for the quarter comprised of lump sum benefit payments of \$17.1 billion and pension payments of \$12.0 billion (Chart 3).

Net contribution flows (contributions plus net benefit transfers, less benefit payments) totalled \$22.1 billion for the quarter (Chart 4). Net contribution flows for the 2022/23 financial year fell to \$60.8 billion from \$63.7 billion in 2021/22. Growth in benefit payments continued to outpace growth in contributions.

Chart 3: Benefit payments

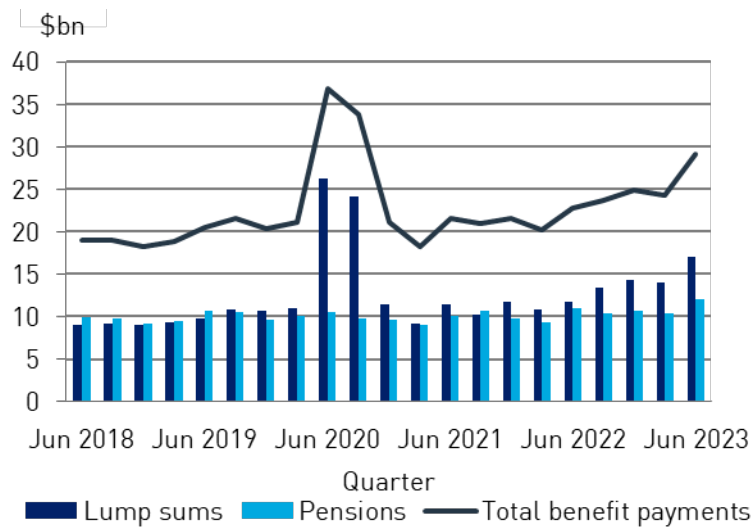
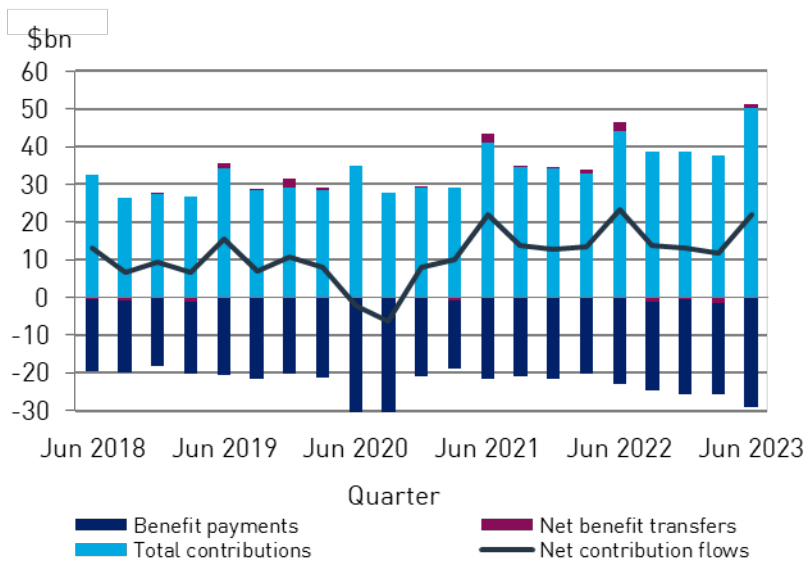


Chart 4: Net contribution flows



Financial performance, financial position and asset allocation

The rate of return (ROR) for entities with more than six members for the June 2023 quarter was 1.9 per cent (Chart 5). The ROR for the year ending in June 2023 was 8.6 per cent, a strong result in an environment with heightened uncertainty for the economic outlook of global growth, inflation and interest rates. The five year average annualised ROR was 5.3 per cent.

Over the June 2023 quarter, total assets for entities with more than six members increased by 2.4 per cent (or \$62.1 billion) to \$2.6 trillion. Of the \$2.3 trillion in investments, 53.8 per cent were invested in equities (21.9 per cent in Australian listed equities; 27.0 per cent in international listed equities; and 4.9 per cent in unlisted equities). Fixed income and cash investments accounted for 19.5 per cent and 8.9 per cent of total investments. Property and infrastructure accounted for 15.6 per cent of total investments while other assets, including hedge funds and commodities, accounted for 2.2 per cent (Chart 6).

Chart 5: Quarterly rate of return

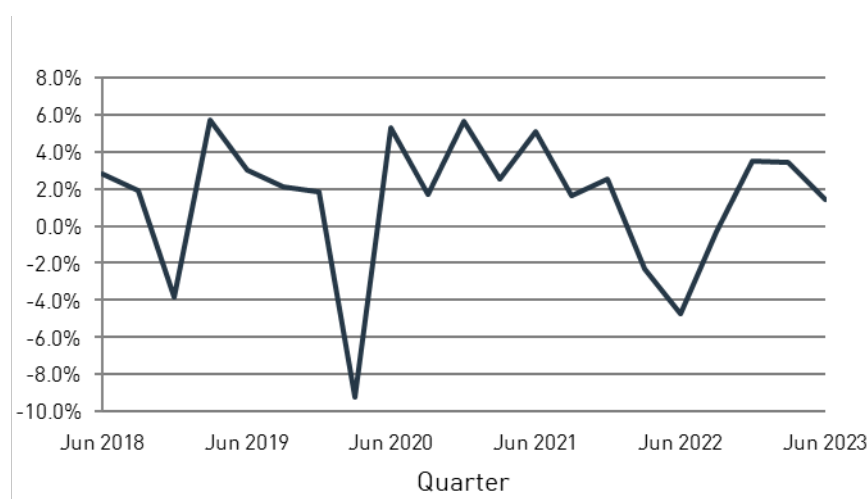
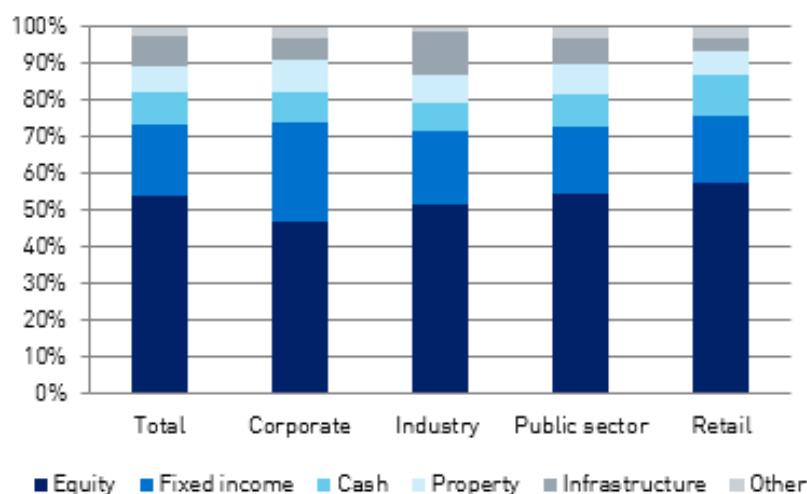


Chart 6: Asset allocation – 30 June 2023





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