

Unusually robust September bolsters super returns

Financial Newswire (financialnewswire.com.au)

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For the first time in five years most Australian superannuation funds generated a positive return for members in September, breaking a pattern of subdued outcomes for the month, according to the latest analysis from SuperRatings.

The outcome is that median balanced option is estimated to return 1.1% for September, translating to 3.4% for the first quarter of the financial year. The specialist ratings house said that, historically, September had been a more subdued month for superannuation returns but that this had changed in in 2024.

“September saw markets continue their onward march, with greater expectation of rate cuts supporting returns” SuperRatings executive director, Kirby Rappell said.

“However, the path for rates in Australia remains less clear. With the escalation of conflicts in the Middle East and a close race in the US presidential election, the path for super fund returns remains uncertain,” he said.

The median growth option grew by an estimated 1.3% in September, while the median capital stable option grew by a more modest 0.8%, with some volatility likely.

SuperRatings said pension returns also rose over the month, with the median balanced pension option increasing by an estimated 1.2%. The median capital stable pension option is estimated to rise 0.9% over the month while the median growth pension option is estimated to rise 1.4% for the same period.

Rappell said super funds had built up a solid start to the current financial year but noted that global tensions are rising.

9 October 2024