

MaritimeFocus

THE QUARTERLY NEWSLETTER FOR MARITIME SUPER MEMBERS

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Maritime Super sets sail

Maritime Super was launched on 1 March 2009, and is the largest super fund of its kind for maritime workers.

Continuing the tradition of providing comprehensive superannuation and retirement solutions, Maritime Super is committed to helping members and their families achieve financial security in retirement.

Maritime Super would like to thank all our members for their support and patience during this transition time.

As part of our new identity, we are excited to offer members:

- **two fully serviced offices** located in Melbourne and Sydney:

Level 4	Level 16
6 Riverside Quay	31 Market Street
Southbank VIC 3006	Sydney NSW 2000
- **our Member Services team**, who are on hand to assist you (**toll free on 1800 757 607**) between 8.30am and 5.30pm Monday to Friday; and
- **our new website, www.maritimesuper.com.au**, provides all the latest information and publications, online services and member education. Member Online, your exclusive online service, is now up and running - read below to learn more.

If you have any feedback we'd love to hear from you – just visit our website and click on 'Contact Us' or contact Member Services.

Introducing MemberOnline

Member Online is a premium online service for members. It has been developed to help simplify your super investments - giving you greater control over your superannuation.

Getting started

You will have received a letter outlining your secure password recently. If you haven't received your password, contact Member Services and we can provide one for you over the phone.

Simply go to the website and click on 'Login' and enter your user name (which is your Member Number) and password.

Features at a glance

- ✓ **check** your account balance
- ✓ **view** your accumulation contributions
- ✓ **arrange to update** your personal details
- ✓ **request to switch** between Maritime Super's five investment options
- ✓ **access** a wealth of information, including our newsletters, information sheets, annual reports and member guides
- ✓ **learn** all about superannuation and investments

Member Phot Gallery



As the saying goes, a picture tells a thousand words - and we know that our members have many pictorial 'stories' that illustrate their relationship with the maritime industry!

Shortly, Maritime Super will launch the member photo gallery - but we need your photos to do this. Additionally, we will select the top 12 images each year to be featured in our annual Maritime Super calendar.

Our Seafarer members will no doubt be familiar with the photo gallery - for the past nine years, they have been sending in their maritime-related photos.

What are we looking for?

We invite all our members to email their maritime-related snapshots - it may be a photo of a sunset at sea, a wave striking the hull of your ship or even just capturing a day's work on the docks - we are looking for photographs that capture the maritime spirit and that of its workers.

Where to send your photos

Submit your photos for the chance to have them featured on our website or in our annual Maritime Super calendar.

Email your photos to info@maritimesuper.com.au, along with your name and a brief description of the photo (optional).

MarketUpdate...

- The global economic picture appeared gloomy in the first quarter of 2009, but some positive signs have begun to emerge
- Signs of improving economic conditions will bode well for financial markets over the medium to long term

Rough seas continue in global financial markets

The global economic picture appeared gloomy in the first quarter of 2009, investment markets remained extremely volatile and the global financial crisis continued to take its toll.

However, some positive signs are emerging. In the US, housing stats improved, consumer spending showed resilience and manufacturing rebounded. Further US policy initiatives aimed at restoring financial system stability boosted investor sentiment. In China, the economy continued to grow (although more slowly) at 6.1% for the first quarter.

Led by the US equity market, global equities fell sharply in January and February before rallying in March on the back of the policy initiatives.

Despite the late gains, global equities closed down over the quarter. During February, the US equity market index, the S&P500, fell to its lowest level since 1996. The Asian and European sharemarkets were also predominantly lower with some of the less developed economies suffering large losses. The hedged global share index (MSCI World – Ex Aust) fell by 10.4% during the quarter.

Listed global property securities experienced sharp falls due to concerns about their gearing levels and capital raisings. Unlisted property returns are expected to also suffer downward revaluations in 2009 due to pressure from the increased number of property offerings.

Central banks have continued to cut cash rates in an effort to support economic activity and government bond yields remain at close to historical low levels despite increases over the quarter as further monetary policy easing became less likely.

How has this impacted us in Australia?

The Australian economy succumbed to the downturn impacting the rest of the world, contracting 0.5% in the December 2008 quarter. To bolster the economy, the Federal Government announced a second stimulus package and the Reserve Bank of Australia (RBA) cut the official cash rate by 1.0% in February and a further 0.25% in April, to 3.0% - its lowest level since February 1960.

The Australian sharemarket suffered falls during January and February, before rallying during March. The Fund's sector benchmark, the ASX300 index, still fell 1.9% during the quarter. Australian bond yields rose over the quarter as the RBA slowed the pace of its monetary policy easing.

What is the outlook?

Uncertainty surrounding the depth and duration of the global downturn may lead to continued turmoil in financial markets over the short term. However, signs of improving economic conditions bode well for financial markets over the medium to long term. While most of the major global economies remain in recession, it is important to note that financial markets typically recover before economic activity picks up. This means that equity and debt markets are likely to recover more quickly than the economies in which they operate.

Many economists believe that there are a growing number of indicators that suggest the worst of the recession may now be behind us. There is a belief that, even if activity continues to fall in the next couple of quarters, it should do so at a slower pace than we've seen in the last six months.

Another factor to remember is that while the economic downturn means expectations are for continued weakness in share prices, the prices of many assets have now discounted much of this weakness. This often means stronger buying opportunities for investors.

There are likely to be opportunities to invest over the next 12 months and Maritime Super is well placed to take advantage of these

What does this mean for your super?

The global crisis has seen most investment sectors suffer significant downturns, which is reflected in the returns generated in the Fund's unit prices. Although the short-term outlook for these markets is still uncertain, Maritime Super's Trustees and their advisers are certainly remaining focussed on our long-term goals while ensuring we take advantage of short-term opportunities. With good cashflow available as a result of the merger, Maritime Super is well placed to take advantage of these opportunities.

Maritime Super will continue to actively manage a diversified strategy and invest sensibly for the long term to ensure that returns can be maximised and risk managed wherever possible. Our goal remains to enhance the retirement savings of all our members.

How the various asset classes have performed

As we have mentioned, Australia has not been immune to the effects of the global financial crisis.

As you can see in the table below, this ultimately had a direct impact on the returns provided for the March quarter.

Quarter ending 31 March 2009

Asset Class	Index	March Quarter	FYTD
Australian Equities	S&P/ASX300 Accumulation Index	-1.9%	-28.6%
International Equities	MSCI World (ex Aust) Hedged	-10.4%	-38.6%
	MSCI World (ex Aust) Unhedged	-11.9%	-19.1%
Australian Listed Property	S&P/ASX200 Listed Property Trust	-24.4%	-48.9%
Direct Property	Mercer Unlisted Property Index	-2.4%	-6.5%
Fixed Interest	UBS Australia Composite Bond Index	0.3%	12.3%
Cash and Cash Enhanced	UBS Australia Bank Bill Index	1.0%	4.7%

Investment switching

Maritime Super offers weekly investment switching to members, with up to 12 switches per year free of charge. You can change your investment option(s) for all or part of your existing account balance, or even nominate a different investment option for future contributions.

If you'd like to switch your investment options, visit our website to learn more about switching and to download the *Investment Switching form*.

Investment switch forms received by 5.00pm on Sunday will take effect the following Wednesday. Any changes (including cancellation of a switch request) after 5.00pm Sunday will not take effect until the following week.

Performance

The global financial crisis has seen most investment sectors suffer significant downturns. This is reflected in the returns in the Fund's unit prices, however, it's important to put short-term negative returns into perspective with the longer term results. Members can be assured that Maritime Super is working closely with our external investment advisers to monitor the Fund's strategy and performance, and are doing everything possible to mitigate the current negative impact on our member's benefits.

PERFORMANCE - to 31 March 2009

Investment Option	FYTD	FY07/08	FY06/07	FY05/06	FY04/05	FY03/04
Growth	-21.88%	-9.95%	19.15%	18.32%	14.50%	18.00%
Balanced	-18.65%	-5.31%	15.59%	12.71%	11.45%	11.16%
Conservative	-8.43%	-0.04%	8.98%	8.49%	9.50%	5.97%
Cash Enhanced	1.06%	5.60%	5.82%	5.21%	4.69%	4.22%
Cash	0.69% ¹	N/A	N/A	N/A	N/A	N/A

The historic returns for the following investment options are based on the returns of the most closely corresponding SERF or SRF investment option for the period:

- Growth – SERF Growth
- Balanced – SRF Balanced
- Conservative – SERF Capital Stable
- Cash Enhanced – SERF Capital Protected
- Cash – not previously offered

Each Maritime Super option has the same overall split between growth and defensive assets as its corresponding SERF or SRF option, and its asset mix is also closely aligned with the asset mix of the corresponding option.

¹ Cash Option offered from 1 January 2009

Important update - changes to legislation which will impact salary sacrifice and income testing from 1 July 2009

Salary sacrificing is an arrangement with your employer to make pre-tax contributions to the Fund instead of receiving the amount as salary or wages.

Under legislation set to take effect from 1 July 2009, salary sacrifice contributions to super will be assessed as 'income' for a range of government-assisted programs delivered through the tax system. This means that any salary sacrificing will be taken into account for government programs such as spouse rebate, income support payment, family assistance, and the Medicare levy surcharge (to name a few).

It's important to know that the legislation does not affect your ability to continue your salary sacrifice arrangements. However, you should be aware that your gross salary will be taken into account by the ATO when assessing your eligibility for benefits such as the Government super co-contribution or (where your spouse is salary sacrificing to reduce taxable income) a spouse rebate.

Now is the time to take advantage of current Government initiatives.

Co-contributions

Currently if you are under age 71 and your net taxable income is less than \$30,342 (lower limit) and you make an after-tax personal contribution to super, the Government will match your contribution of \$1.00 with a co-contribution of \$1.50, to a maximum payment of \$1,500. This payment reduces by 5 cents for every dollar you earn above the lower limit and phases out completely at the upper income limit of \$60,342.

Spouse rebates

Additionally, a contribution to your spouse's account could also entitle you to a tax offset of up to \$540.

The tax offset amount is calculated as 18% of the spouse contributions made, up to a maximum of \$3,000. The \$3,000 threshold is reduced by \$1.00 for each dollar that the total of the spouse's assessable income and reportable fringe benefits in the year exceeds \$10,800. The offset is phased out when the spouse's income reaches \$13,800.

This tax offset applies to contributions made on behalf of non-working or low income-earning spouses, whether married or de facto.

Contribution limits

Remember that contribution limits apply to superannuation, so you need to ensure that your employer contributions (which include any salary sacrifice contributions) do not exceed the 'concessional' contribution limits and that your after-tax personal contribution do not exceed the 'non concessional' contribution rules.

It's always important to obtain professional advice regarding your superannuation - Maritime Super can arrange for a qualified financial planner to assist you.

To learn more about salary sacrificing and co-contributions, visit our website to read *'The Government's super co-contribution' information sheet* (in the Publications section) or view the co-contribution tables.

Top tips for riding out the storm

These days, everyone seems to have an opinion regarding when the market is going to recover.

Here are some important things to remember when it seems like the market reversal is taking too long to occur:

Remember that super is a long-term investment

Investing for the long-term means that you have the time to ride out the ups and downs of market cycles, so try to keep short-term fluctuations in perspective.

Resist the urge to switch investment options too often

While the ability to switch means you are not locked into one investment strategy for a period of time, it's generally not a good idea to switch investment options too frequently or try to pick best-performing options on a short-term basis. Frequent switching may result in lower returns over the long term.

Continue with your salary sacrifice plan

Super remains a very tax-effective investment. Before you change your savings strategy, we recommend seeking advice from a licensed financial planner.

Consolidate all of your super accounts

It's worth considering consolidating your super accounts if you have super with more than one fund. You may be able to save on fees and paperwork, and you will be in a better position to keep track of your superannuation investments.

Like to learn more?
Contact Member Services
on 1800 757 607.

NoticeBoard

Redundancy support

Maritime Super is aware that some of our members are facing possible redundancy, and that for some this has already happened. We recognise that redundancy is a very stressful situation and we are committed to providing as much support and guidance as we can to help our members make informed decisions.

We have organised financial planners to be available at worksites in Sydney, Brisbane, Melbourne and Fremantle, conducting redundancy workshops that will cover relevant issues such as tax-free limits and centrelink options. The financial planners will also be available to provide one-on-one advice. Check the website for further details or contact Member Services.

Effective savings and retirement strategies seminar - coming in June

As part of our commitment to helping our members achieve their superannuation and retirement goals, Maritime Super (in conjunction with financial planners Matthew Geraghty and Chris Kotsiouis) will be presenting a series of seminars targeting savings and retirement strategies in the following locations:

Townsville	Early June (date to be confirmed)	
Gladstone	Early June (date to be confirmed)	
Mackay	Early June (date to be confirmed)	
Adelaide	Tuesday 2 June	10.00am - 12.00pm
Fremantle	Wednesday 3 June	10.00am - 12.00pm
Sydney	Tuesday 9 June	10.00am - 12.00pm
Melbourne	Wednesday 10 June	10.00am - 12.00pm
Brisbane	Wednesday 10 June	10.00am - 12.00pm
Devonport	Thursday 11 June	10.30am - 12.00pm

Please look out for your personal invitation in the mail or check the website for details of the seminar locations and dates.

If you would like to make an appointment to meet with Matthew or Chris, contact Member Services.

This newsletter has been issued by Maritime Financial Services Pty Limited (MFS). Refer to your Financial Services Guide for more information on MFS. While every effort has been made to ensure the accuracy of this newsletter, MFS gives no warranty as to the reliability of this information.

This newsletter contains general information only and does not take into account your individual objectives or financial situation or needs. Consequently, you should consider the appropriateness of any general information in relation to your situation before making an investment decision.

MFS recommend you seek individual advice before making any decisions concerning your superannuation.

The Fund's Member Guides and MFS' Financial Services Guide are available by calling Member Services on 1800 757 607. You should consider the Member Guide in deciding whether to acquire or to continue to hold a product.

Past performance is not necessarily an indication of future performance.

Toll Free

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