Investment report.

Catholic Super

30 June 2025

Catholic Super continues to provide strong returns for members. While the June quarter was marked by a strong increase in volatility, share markets closed the quarter on a high note.

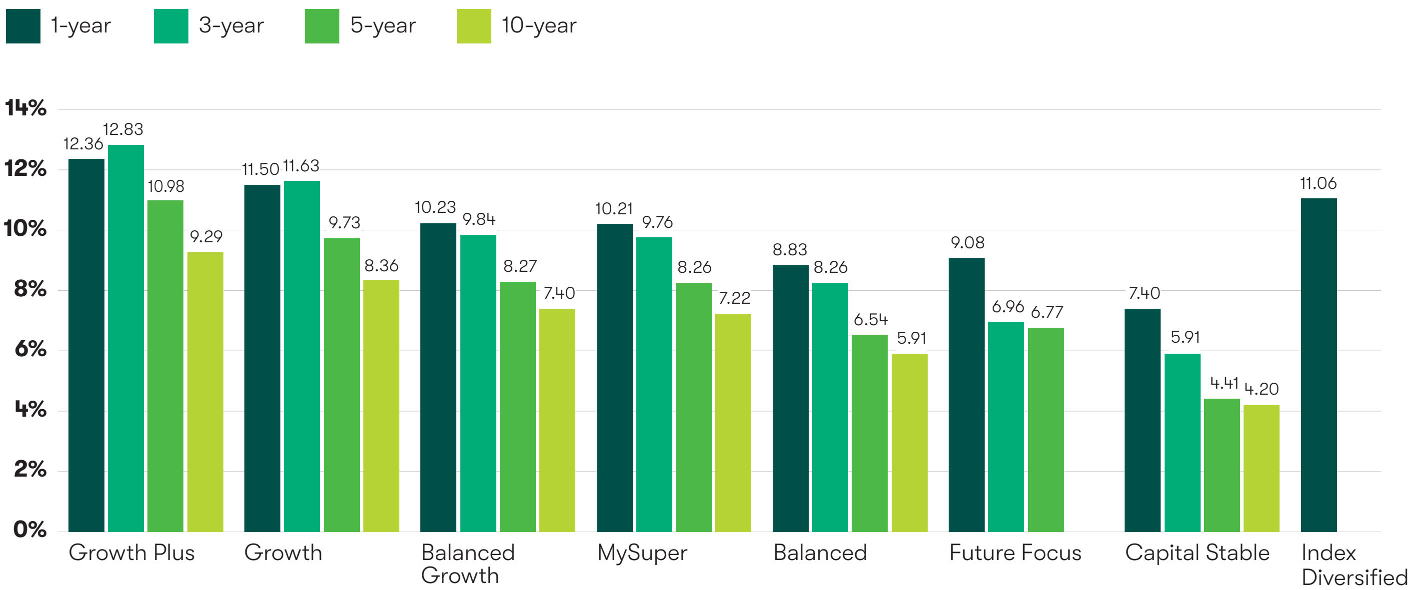
Fund performance

Accumulation and Transition to Retirement Income

The Fund has delivered another year of strong returns for members, headlined by our MySuper default option which returned 10.21% for the year to 30 June 2025. Meanwhile our Growth Plus (accumulation) investment option, with its higher exposure to equities, returned 12.36% for the year.

For our members with accumulation accounts, these 1-year returns build on the solid, long-term performance we're providing for our members. Over the 10 years to 30 June 2025, the MySuper investment option has delivered 7.22% p.a., Catholic Super Balanced Growth (accumulation) has delivered 7.40% p.a., and Catholic Super Growth Plus (accumulation) has delivered 9.29% p.a.

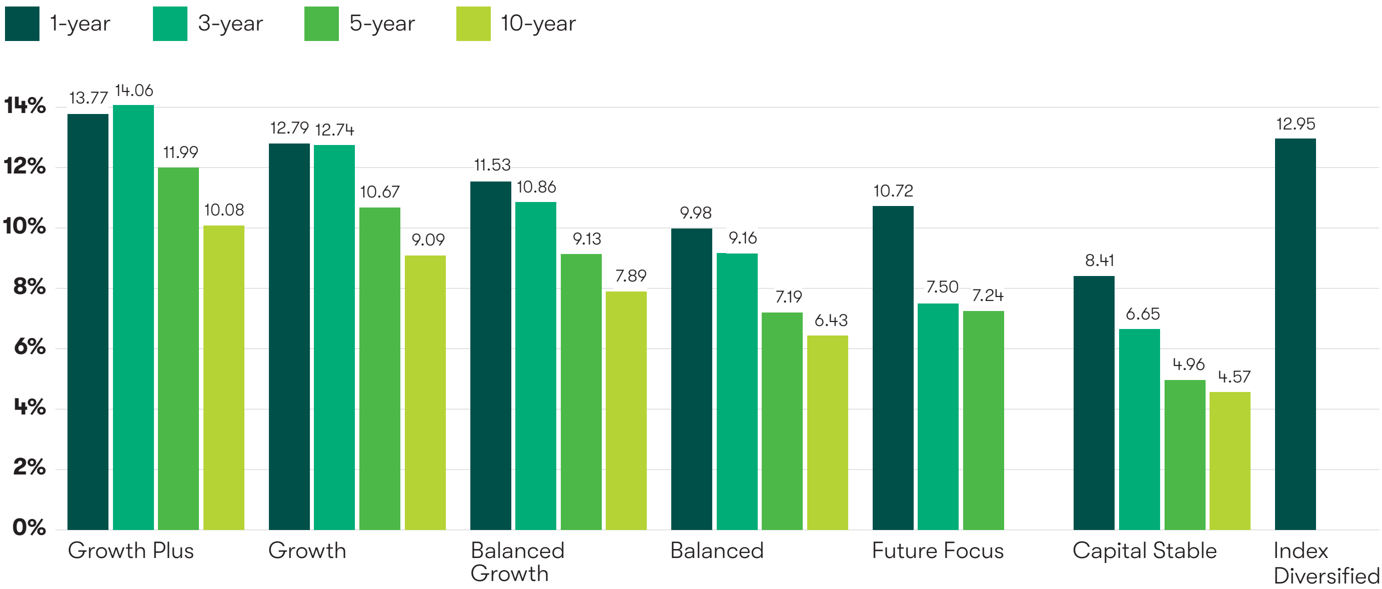
Diversified options 1,3,5 and 10-year returns (% p.a.) as at 30 June 2025



Retirement Income

Results are equally strong for those with Retirement Income accounts. For the year to 30 June 2025 the Catholic Super Balanced Growth (Retirement Income) option returned 11.53%, and an average of 7.89% p.a. for the past 10 years.

Diversified retirement income options 1,3,5 and 10-year returns (% p.a.) as at 30 June 2025



Market review

The June quarter was marked by a sharp increase in share market volatility. Trade tensions escalated after the Trump administration announced new ‘reciprocal’ tariffs on a range of trading partners. This provoked retaliatory threats between countries, most notably between the US and China.

Sentiment improved after the announcement of a 90-day pause on US tariffs, and trade tensions gradually cooled. By June, concerns around rising tensions in the Middle East briefly caused some minor market volatility, although the risk of a broader regional conflict was largely shrugged off following a ceasefire between Israel and Iran. The MSCI World Index (hedged into AUD) returned 9.6% for the quarter.

In the US the S&P 500 returned 10.6% for the quarter as solid corporate earnings growth buoyed sentiment. The US Federal Reserve kept interest rates on hold throughout the quarter, despite pressure from President Trump. Concerns from the Federal Reserve regarding the uncertain impact of tariffs on inflation were the primary motivation for keeping interest rates on hold.

Australian equities performed broadly in line with developed markets, with the ASX 200 Accumulation Index returning 9.5% for the quarter. The information technology sector outperformed materially, returning 26.9%. The materials sector was the weakest, returning -0.4%. The Reserve Bank of Australia cut the cash rate at its May meeting to 3.85%.

In currency markets, the US dollar was weighed down by concerns over fiscal sustainability and the impact of the Trump administration’s trade policy. The Australian dollar gained over the quarter (+5.2%), supported by improving risk sentiment, weaker sentiment for the US dollar, and comparatively steady domestic conditions.

Looking ahead

Despite all the attention-grabbing news of Trump's 'Liberation Day' tariff announcements, and their various changes and subsequent delays, the June quarter ended as a surprisingly good one for share market investors. A new low in the geopolitical environment and even the prospect of war between Iran and Israel/US only temporarily slowed market optimism. It seems investors are willing to discount any short-term uncertainty in the expectation of a return to a normal operating environment soon enough.

However, we believe that risks to the economy remain and could take time to become evident. Tariff rates in the US, while still under negotiation, will rise to around 15-20% - the highest level since the 1940s. Trade rules that have guided the global economy for decades have been thrown away and supply chains have barely any time to adjust. It will take time to see how individuals and business respond. Notwithstanding the uncertainty, a degree of resilience is evident in recent economic data. Corporate earnings are also holding up well.

The passing of Trump's fiscal 'One Big Beautiful Bill' is supportive for growth in the near term but it's reignited concerns over long-term budget sustainability. There are also concerns that these recent events may herald the demise of 'US exceptionalism' which could result in an exodus of global investors from US-based assets. Whether or not these concerns persist remains to be seen, but we'll be watching for any sustained rise in longer-term bond yields and the impacts this could have on the broader economy and markets in general.

For now, the US and global economy has remained surprisingly resilient in the face of the ongoing uncertainty around the tariff and trade headwinds. In the US, unemployment remains low and inflation has trended down – all of which is supportive for risk assets such as equities. But we believe that the majority of good news is already priced into markets, so we expect to see episodes of volatility in markets for the foreseeable future.

Accordingly, we want to ensure we maintain a well-diversified portfolio focused on delivering a consistent pattern of returns in all market environments while also maintaining robust levels of liquidity. It's also vital to ensure that we're disciplined in not reacting to short-term noise and maintain an investment strategy that's focused on delivering strong long-term returns for our members.

Investment report.
30 June 2025

Investment performance as at 30 June 2025

Accumulation and transition to retirement pension returns (%)*^

Diversified options	QTR	FYTD	1 yr	3 yrs p.a.	5 yrs p.a.	10 yrs p.a.
Growth Plus	6.73	12.36	12.36	12.83	10.98	9.29
Growth	6.18	11.50	11.50	11.63	9.73	8.36
Balanced Growth	5.20	10.23	10.23	9.84	8.27	7.40
MySuper	5.21	10.21	10.21	9.76	8.26	7.22
Balanced	4.37	8.83	8.83	8.26	6.54	5.91
Future Focus	5.22	9.08	9.08	6.96	6.77	–
Capital Stable	3.29	7.40	7.40	5.91	4.41	4.20
Index Diversified#	5.47	11.06	11.06	–	–	–
Sector-specific options						
Australian Shares	6.53	11.67	11.67	12.17	11.12	8.59
Overseas Shares	8.09	15.03	15.03	16.80	12.21	10.51
Diversified Fixed Interest	1.95	5.49	5.49	2.66	0.99	2.10
Cash	0.95	4.02	4.02	3.54	2.15	1.86

Pension returns (%)*^

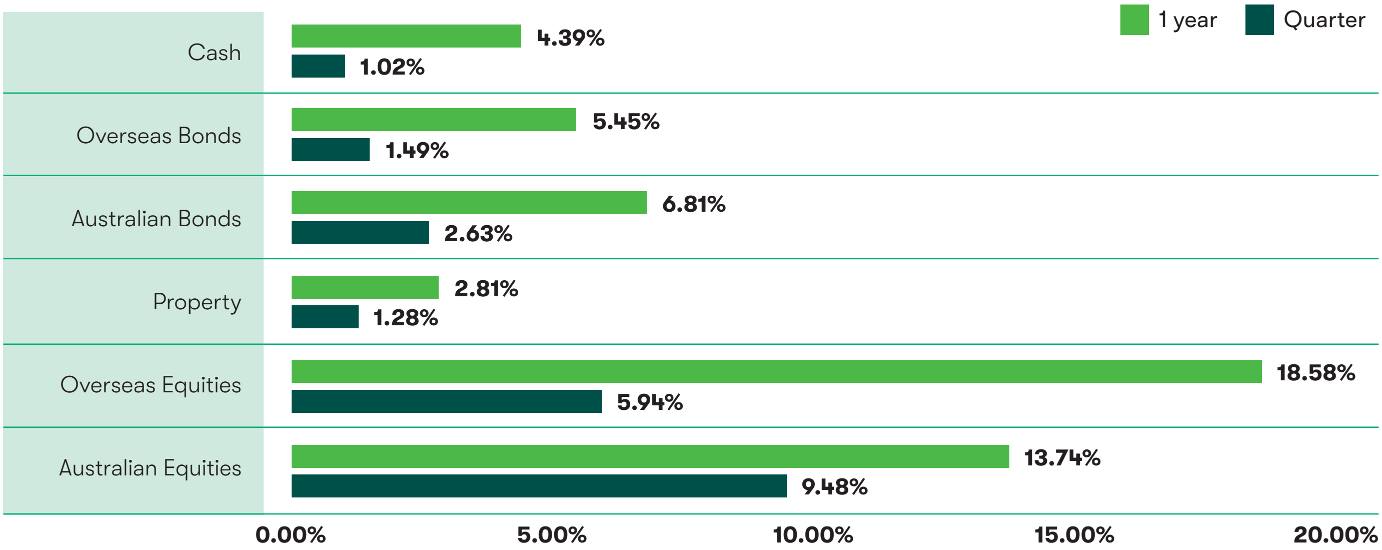
Diversified options	QTR	FYTD	1 yr	3 yrs p.a.	5 yrs p.a.	10 yrs p.a.
Growth Plus	7.56	13.77	13.77	14.06	11.99	10.08
Growth	6.91	12.79	12.79	12.74	10.67	9.09
Balanced Growth	5.90	11.53	11.53	10.86	9.13	7.89
Balanced	4.91	9.98	9.98	9.16	7.19	6.43
Future Focus	6.38	10.72	10.72	7.50	7.24	–
Capital Stable	3.73	8.41	8.41	6.65	4.96	4.57
Index Diversified#	6.56	12.95	12.95	–	–	–
Sector-specific options						
Australian Shares	7.22	12.66	12.66	13.36	12.39	9.31
Overseas Shares	9.00	16.57	16.57	18.14	13.18	11.50
Diversified Fixed Interest	2.20	6.32	6.32	3.20	1.21	2.28
Cash	1.10	4.68	4.68	4.13	2.52	2.17

Pension returns are generally higher than those for superannuation, as no tax is paid on earnings. For more information on the investment objectives and strategies for our investment options, please refer to the Catholic Super website or a Catholic Super PDS.

*For periods greater than 1 year, returns are compound annualised returns. Returns are net of tax and investment fees.
^Past performance is not a reliable indicator of future performance.
#Index Diversified commenced on 1 July 2023.

Index returns at 30 June 2025

The numbers shown below are the index returns of some of the major asset classes we invest in. These are not the returns we provide to our members with our investment options; rather, an index is a measure of the value of a section of a market and can be used to benchmark the performance of investors.



The asset class returns are represented by the following benchmarks: Australian equities: S&P ASX 300; Overseas equities: MSCI World ex-Australia Index (net divs), unhedged; Property: 90% Mercer Australian Unlisted Property Index and 10% FTSE EPRA/NAREIT Global Listed Index, hedged into AUD; Australian bonds: Bloomberg AusBond Composite Bond 0+ Yr Index; Overseas bonds: Barclays Capital Global Aggregate (hedged, in AUD); Cash: Bloomberg AusBond Bank Bill Index.

Top 10 holdings at 30 June 2025

Australian Shares	Overseas Shares
Commonwealth Bank of Australia	NVIDIA Corporation
BHP Group Limited	Microsoft Corporation
CSL Limited	Apple Inc.
National Australia Bank Limited	Amazon.com, Inc.
Macquarie Group Limited	Taiwan Semiconductor Manufacturing Company Limited
ANZ Group Holdings Limited	Alphabet Inc.
Goodman Group	Meta Platforms, Inc.
Wesfarmers Limited	Broadcom Inc.
Woodside Energy Group Ltd	Netflix, Inc.
Telstra Group Limited	QXO, Inc.

We're here to help

If you'd like further information about how your investments have performed, or if you've got any queries about your Catholic Super account, you can **contact us online at any time**, or give our team a call on **1300 655 002**, Monday to Friday 8:30am to 6:00pm AET.

If you need any assistance, please contact our Service Centre

1300 655 002
8:30am to 6:00pm EST/EDT
(Monday to Friday)

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