

In this March 2016 issue:

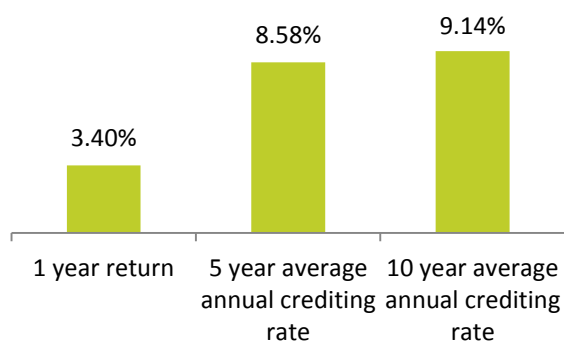
- Investment performance
- Investment update
- New trustee directors
- Level of risk – managed option
- Asset allocation correction

INVESTMENT PERFORMANCE

In December we advised members of the 31 October unit price and return. Whilst the unit prices were correct, the percentage returns shown were incorrect. The correct figures are in the table below:

Option	Unit price	Return
Managed	1.3237003566	3.40%
Pension Managed	1.0996463121	2.43%
Pension Cash	1.0301447956	1.95%

PERFORMANCE TO 31 OCTOBER 2015



INVESTMENT UPDATE

The beginning of 2016 has started where 2015 finished with increased volatility and large falls in major share markets around the world. The Australian share market (ASX 200 Index) declined by 5.5% in January 2016 and wiped out December 2015's modest gains. The strongest sector during the month was Telecommunications and Utilities which rose by 0.7%, while the weakest was Materials which declined by 9.1% as commodity prices continued to fall. The price of oil continued its slide to a low of around US\$27 a barrel compared to US\$50 a barrel just twelve months earlier. The fall in commodity prices flowed through to company earnings. Despite a late recovery during the month, international share markets (MSCI All Countries World Ex-Australia (\$A)) finished down 3.3% with falls in the US, Europe and China. Australian bonds returned 1.2% for the month and global bonds 2.2% (hedged) as investors shifted to what they perceived as less risky assets. Many market participants are expecting 2016 to remain volatile throughout the year which could result in potentially lower returns for investors.



Brendon Shepherd, CIO

In May 2015, Brendon Shepherd was appointed as Chief Investment Officer (CIO) to the Fund. Brendon's experience and knowledge has seen the Fund moving to a more defensive portfolio position by reducing the weighting to Australian shares, increasing the level of diversification in the portfolio through increasing the weighting to overseas shares and by restructuring the fixed interest (bond) portfolio to remain positive during market fluctuations.

These changes have been implemented over several months and have been positive for member returns.

The portfolio return (before tax and fees) from 30 June 2015 to 30 January 2016 has been a small positive of 0.13% compared to -1.95% had the changes not been made. This translates to the Fund being better off by approximately \$4.8m.

NEW TRUSTEE DIRECTORS

ED KALAJZIC



Mr Ed Kalajzic has been appointed to the CBH Super Board effective 1 March 2016. Mr Kalajzic replaces Allyn Wasley as an Employer-appointed Director following Allyn's departure

from the CBH Group.

Mr Kalajzic is CBH Group's Chief Financial Officer and has extensive experience in financial management, investment monitoring and corporate strategy. We look forward to utilising the value and experience he will bring to the CBH Super Board.

CHRIS CLAUSEN

Mr Chris Clausen has been appointed by the CBH Super Board as an Independent Trustee Director commencing on 1 March 2016. Mr Clausen's appointment will bring the number of Directors to seven.

Mr Clausen has significant experience in the superannuation industry including as CEO of Health Super and Deputy CEO of First State Super. Mr Clausen is currently a Director at the Department of Treasury and Finance in Victoria. As an Independent Director, Mr Clausen's superannuation experience and independence will provide the Board with a fresh and objective look at business challenges and opportunities as well as strengthening the governance of the Fund.

LEVEL OF RISK – MANAGED OPTION

Subsequent to the Strategic Asset Allocation changes in November 2015, the level of risk for the Managed Option was reevaluated taking into account future expected market volatility.

The level of risk has been adjusted from:

- Medium - with expected negative returns over a 20 year period of 2 to less than 3 times
- to:
- Medium to High – with expected negative returns over a 20 year period of 3 to less than 4 times.

This is consistent with an investment option with 70% Growth Assets and 30% Defensive Assets.

STRATEGIC ASSET ALLOCATION (SAA) - CHANGE

Following the notification to members in the December 2015 newsletter, it was noted that the Cash and Liquid Assets SAA range was identified at 2-20% it should have read 2-15%.

FURTHER INFORMATION

If you have any superannuation questions you can go to www.cbhsuper.com.au or contact Donna Adam on 9237 9707 or at donna.adam@cbh.com.au or Danielle Purdye on 9416 6235 or danielle.purdye@cbh.com.au.



T W Cunningham
Trustee Chairman

Issued by CBH Superannuation Holdings Pty Ltd ABN: 99 008
684 268 RSE Licence: L0001625
as Trustee of CBH Superannuation Fund ABN: 84 433 159
328 RSE Registration No: R1005165