

APRA Quarterly Performance

December 2024

March 2025



SUPER
MEMBERS
COUNCIL



Summary

The latest statistics show total superannuation assets grew by 2.1 per cent in the December 2024 quarter to \$4.2 trillion and were 11.5 per cent higher than a year ago.

Among the sectors, industry funds recorded the strongest growth in the December quarter with funds under management (FUM) up \$62.3 billion (4.4 per cent) to \$1.49 trillion. Other sectors also grew in this quarter, with the retail sector up \$17.2 billion (2.2 per cent) to \$806.5 billion and the public sector was up \$12 billion (1.6 per cent) to \$749 billion. In contrast, the corporate sector was down by \$1.1 billion (-2.3 per cent) to \$46.5 billion and SMSFs declined by \$4.1 billion (-0.4 per cent) to \$1.02 trillion.

Overall net returns for entities with more than six members increased 2.2 per cent in the quarter and have increased by 11.1 per cent on an annual basis. Market volatility persisted in the context of ongoing macroeconomic and geopolitical uncertainty. However, the continued abatement of inflation risks without a corresponding decline in macroeconomic conditions in major developed economies provided justification for central banks to cut policy interest rates, driving solid performance for funds.

The industry sector recorded 2.3 per cent net return for the December quarter. In other sectors, public sector funds (2.4 per cent), retail funds (1.9 per cent) and corporate funds (1.8 per cent) all achieved positive net returns for the quarter. For the year to December 2024, net return for retail funds was 11.6 per cent, followed by public sector funds (11.2 per cent), industry funds (10.9 per cent) and corporate funds (9.7 per cent).

The most recent quarter has seen higher returns for industry and public sector funds as the previously-observed short-term outperformance of retail funds appears to be transitory. Furthermore, longer-term returns for industry funds remain superior to their retail counterparts.

For APRA regulated funds, net contribution flows (contributions plus net benefit transfers less benefit payments) for the year to December 2024 was \$68.2 billion, compared to \$58 billion for the year to December 2023.

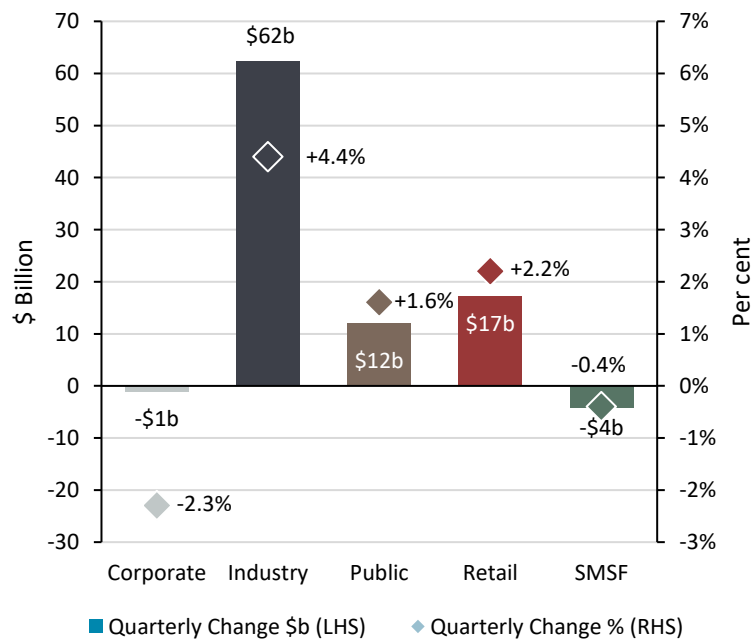
The industry sector continues to gain market share due to higher contributions from members and their employers. The total year to December 2024 quarter annual contribution was \$105.3 billion, up from \$89.4 billion recorded for the year to December 2023.

Quarter by quarter analysis of sector financial flows shows industry funds continued to record a stronger net flow position (more contribution inflows than benefit payments) compared to other sectors (see slides 7-10).

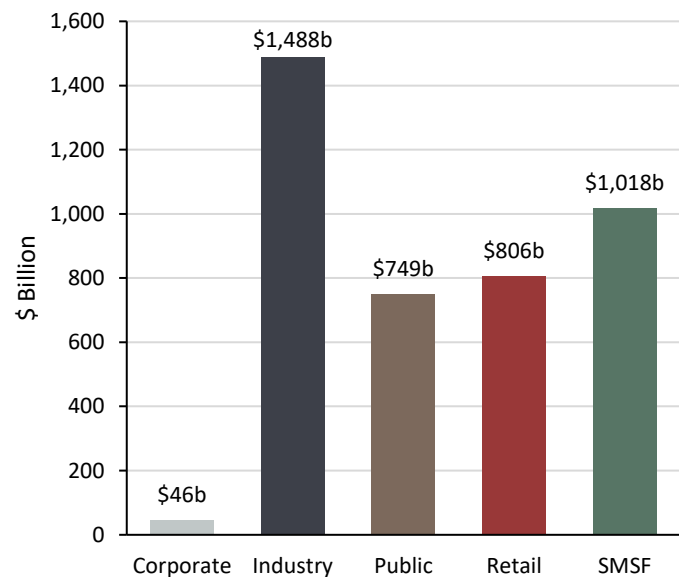
In the latest quarter, net benefit transfers returned to positive territories for industry funds, however transfers away from corporate and public funds persisted. This comes following recent quarters where the overall pattern of members switching from retail funds to industry funds that had occurred since the establishment of the Banking Royal Commission in December 2017 appeared to have paused, at least temporarily. Net benefit transfers to industry funds and retail funds (after adjusting for cross-sector mergers) were both positive (\$0.9 billion and \$1.8 billion respectively) for this quarter. From the December quarter 2017 to the March quarter 2024, around \$70 billion (in net terms) was transferred from other sectors into industry funds, mostly from retail funds.

Profit-to-member sectors' FUM rises to \$2.28 trillion

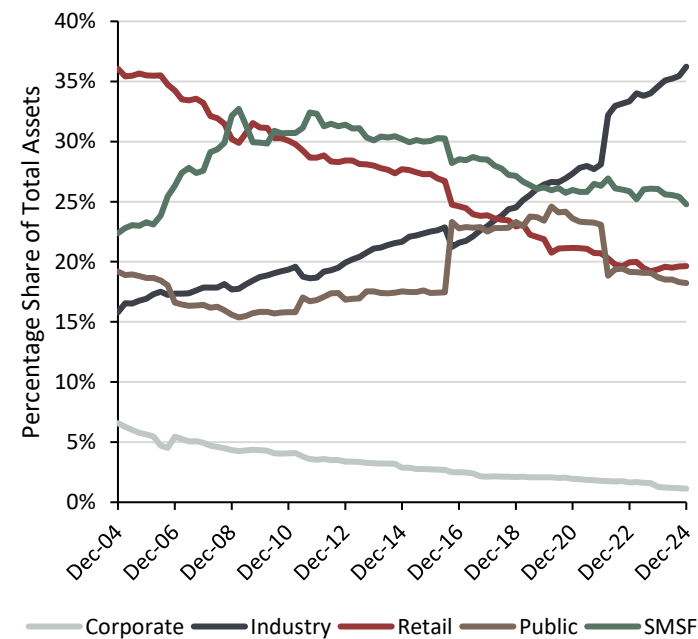
Quarterly Change in Total Assets by Sector
September 2024 - December 2024



Total Assets by Sector
December 2024



Market Share
December 2004 - December 2024

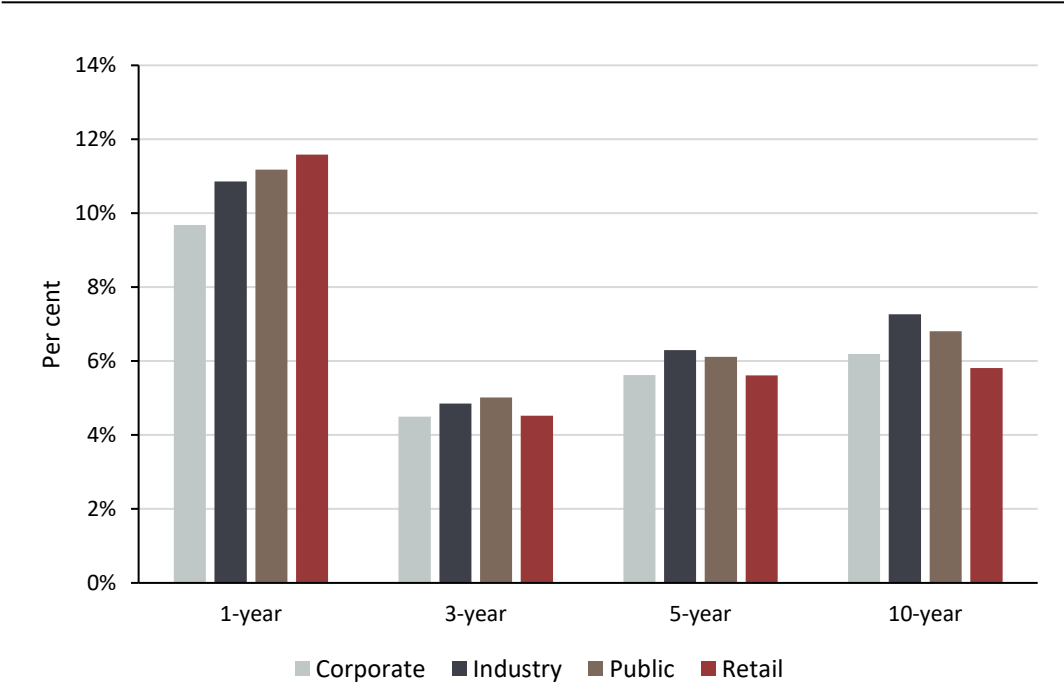


Note: Public sector shown here represents both APRA-regulated and APRA-exempt public sectors. Total asset values for (i) APRA-regulated public sector and (ii) Exempt public sector superannuation schemes are \$573.7b and \$175.2b respectively as of December quarter 2024. Market share percentages excludes Single-member ADFs, Small APRA funds and Balance of life office statutory funds. SMSF timeseries between Dec 2004 and Sep 2014 contains interpolated values based on annual figures provided by the annual bulletin. The jump in industry sector market share and the corresponding fall in the public sector market share in March quarter 2022 is due to the merger of QSuper (public) and Sunsuper (industry) to become Australian Retirement Trust (ART) (industry). Approximately \$138b of assets have been reclassified into the industry sector.

Source: SMC Analysis, APRA Statistics - Quarterly Superannuation Performance, December 2024 (and legacy publications), APRA Statistics - Annual Superannuation Bulletin June 2004 to June 2019.

Profit-to-member funds continue to maintain strong performances across long term horizons

Average Annual Net Return by Sector - December 2024



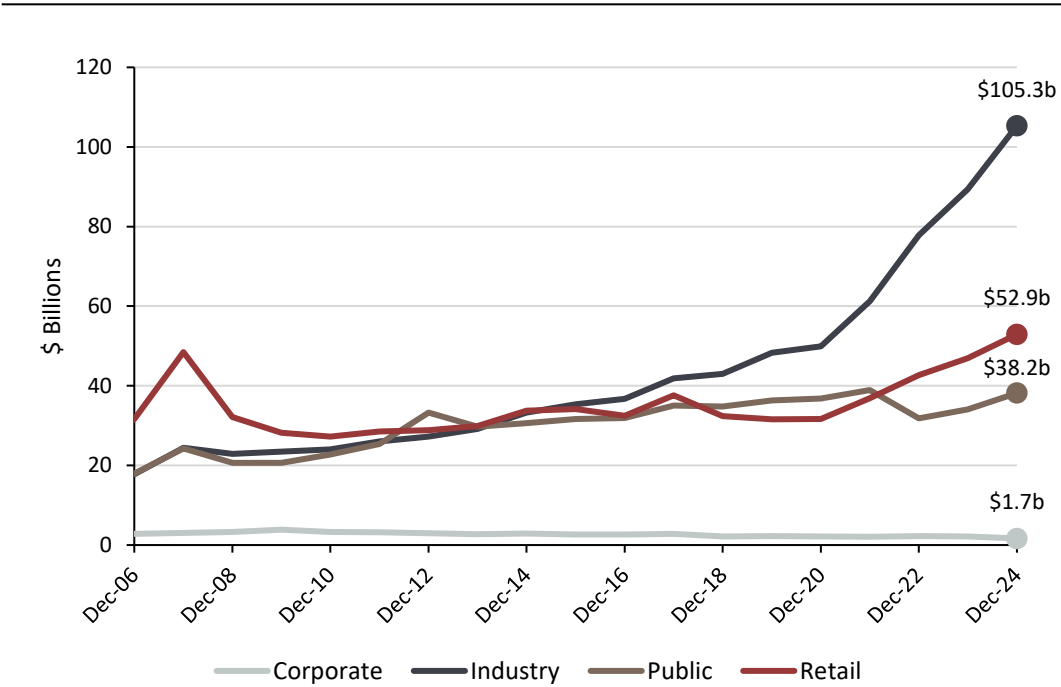
Comparison of Net Returns - December 2024

	Quarter	1yr	3yr	5yr	7yr	10yr	20.25yr
All	2.2%	11.1%	4.8%	6.0%	6.3%	6.5%	6.4%
Industry	2.3%	10.9%	4.9%	6.3%	6.7%	7.3%	7.1%
Retail	1.9%	11.6%	4.5%	5.6%	5.8%	5.8%	5.5%
Public	2.4%	11.2%	5.0%	6.1%	6.4%	6.8%	6.9%
Corporate	1.8%	9.7%	4.5%	5.6%	5.9%	6.2%	6.6%
Outperformance (Profit-to-member vs Retail)	0.4%	-0.6%	0.4%	0.6%	0.8%	1.2%	1.5%
Outperformance (Industry vs Retail)	0.4%	-0.7%	0.3%	0.7%	0.9%	1.4%	1.6%

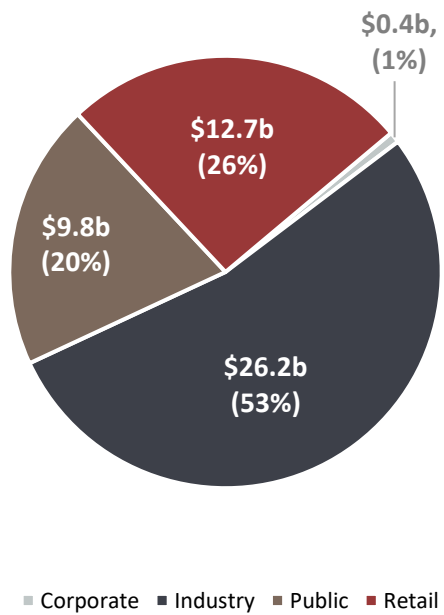
Note: Returns are annualised for periods greater than 1-year.
Source: SMC Analysis, APRA Statistics - Quarterly Superannuation Performance, December 2024

Profit-to-member sectors account for majority share of super contributions

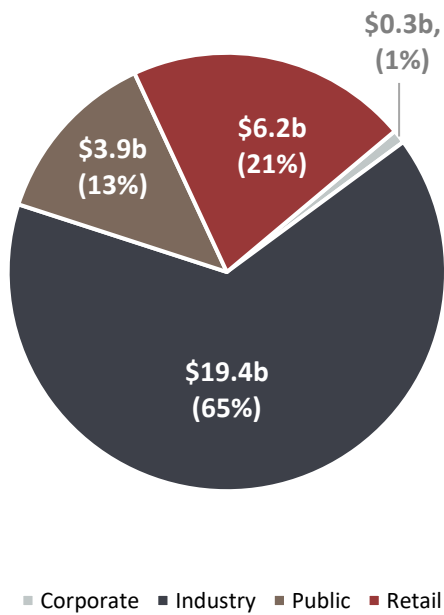
Growing Total Annual Contributions



Sector Share of Total Contributions
(December Quarter 2024)

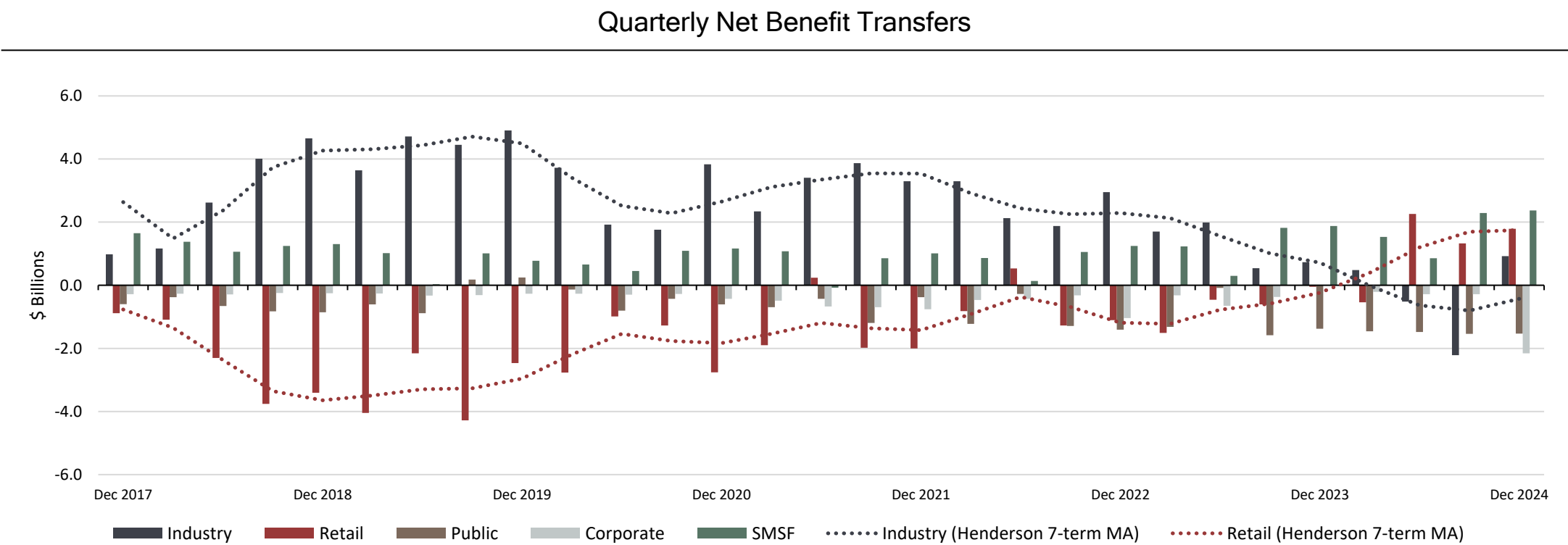


Sector Share of SG Contributions
(December Quarter 2024)



Note: APRA regulated sectors only, excludes SMSFs.
Source: SMC Analysis, APRA Statistics - Quarterly Superannuation Performance, December 2024

Net benefit transfers returned to a positive position for industry funds, however transfers away from corporate and public funds persisted.

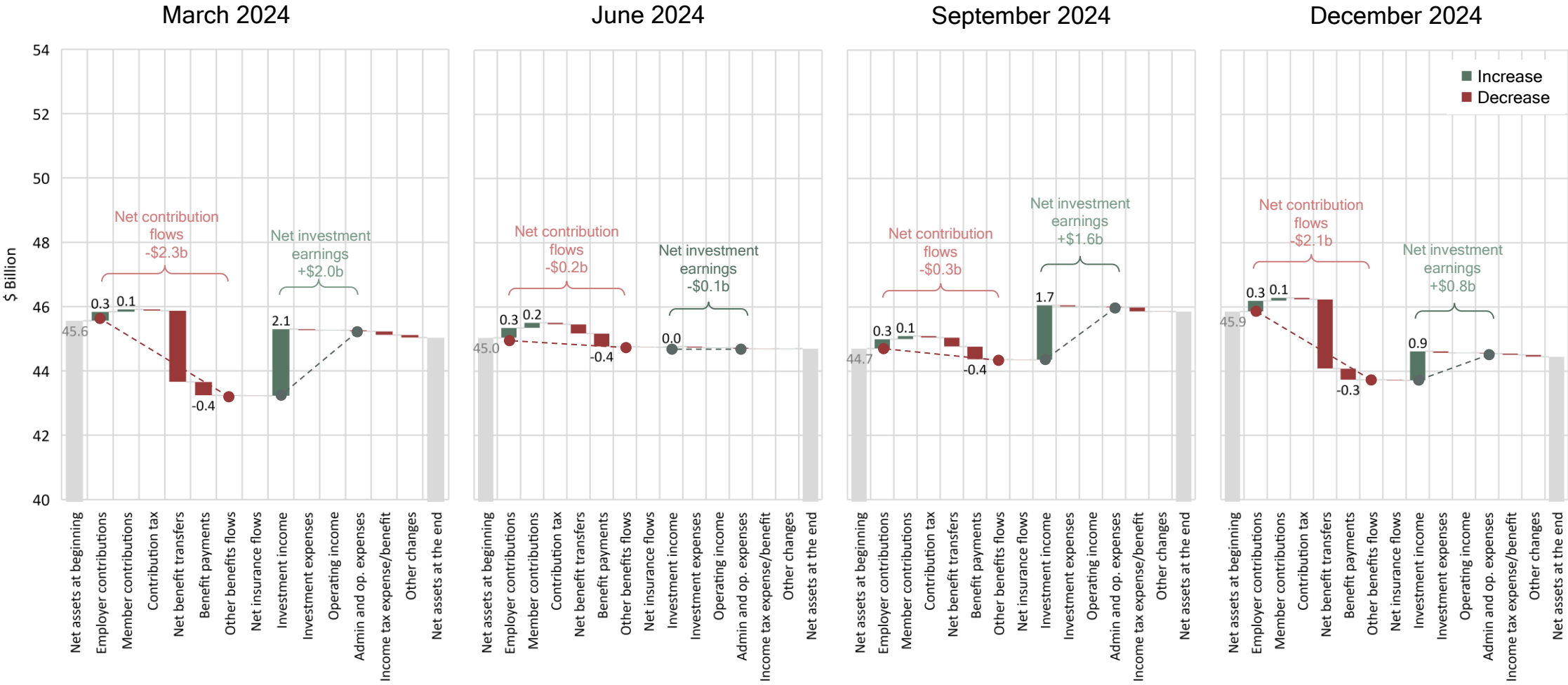


Notes: The APRA Net Benefit Transfer series is adjusted to remove the estimated effect of cross-sector merger activity. Adjustments have been made in the following quarters: Mar 2018 (IRIS/HESTA), Dec 2018 (DuluxGroup/Sunsuper, Nationwide/Russell Investments), Jun 2019 (CBH/Sunsuper, State Plus/First State), Dec 2019 (Dow/EquipSuper), June 2020 (United Technologies/Sunsuper), Dec 2020 (IAG&NRMA/Sunsuper), Jun 2021 (Toyota/EquipSuper), Sep 2021 (Energy/LGIA), Dec 2021 (BOC/EquipSuper), Jun 2022 (APSS/ART), Dec 2022 (Mercy/HESTA, Christian/Aus Ethical), Jun 2023 (SPSL/Brighter), Sep 2023 (ART/Woolworth & Endeavour), Dec 2023 & Mar 2024 (ART/Commonwealth Bank Group Super), Jun 2024 (ART/AvSuper). Only significant cross-sector mergers have been included in this analysis.

Source: SMC Analysis, APRA Statistics - Quarterly Superannuation Performance, December 2024. Net benefit transfer is the difference between inward rollovers and outward rollovers.

Corporate sector contribution flows and investment performance

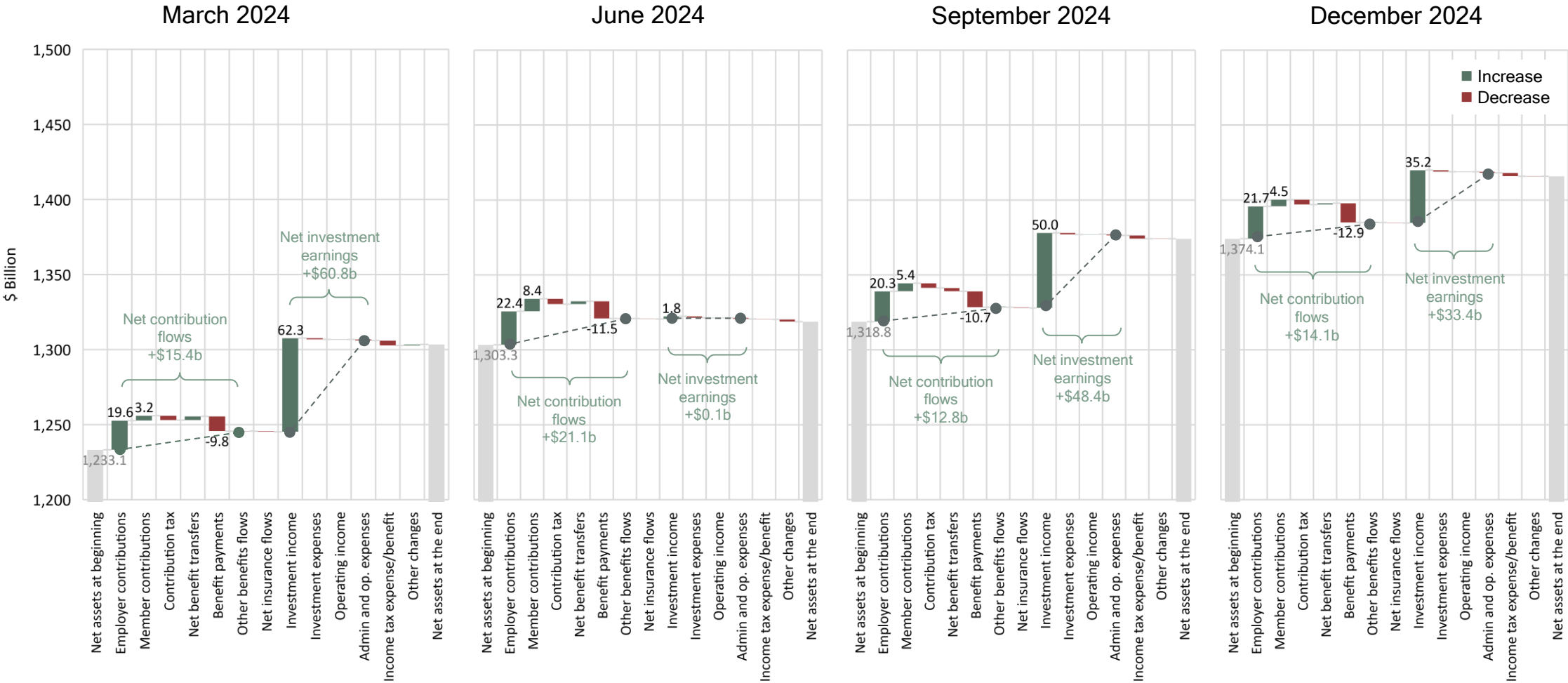
Corporate Sector Quarterly Financial Performance



Note: Net contribution flows excludes contribution tax and surcharges. Net investment earnings excludes income tax expense/benefit.
Source: SMC Analysis, APRA Statistics - Quarterly Superannuation Performance, December 2024.

Industry sector contribution flows and investment performance

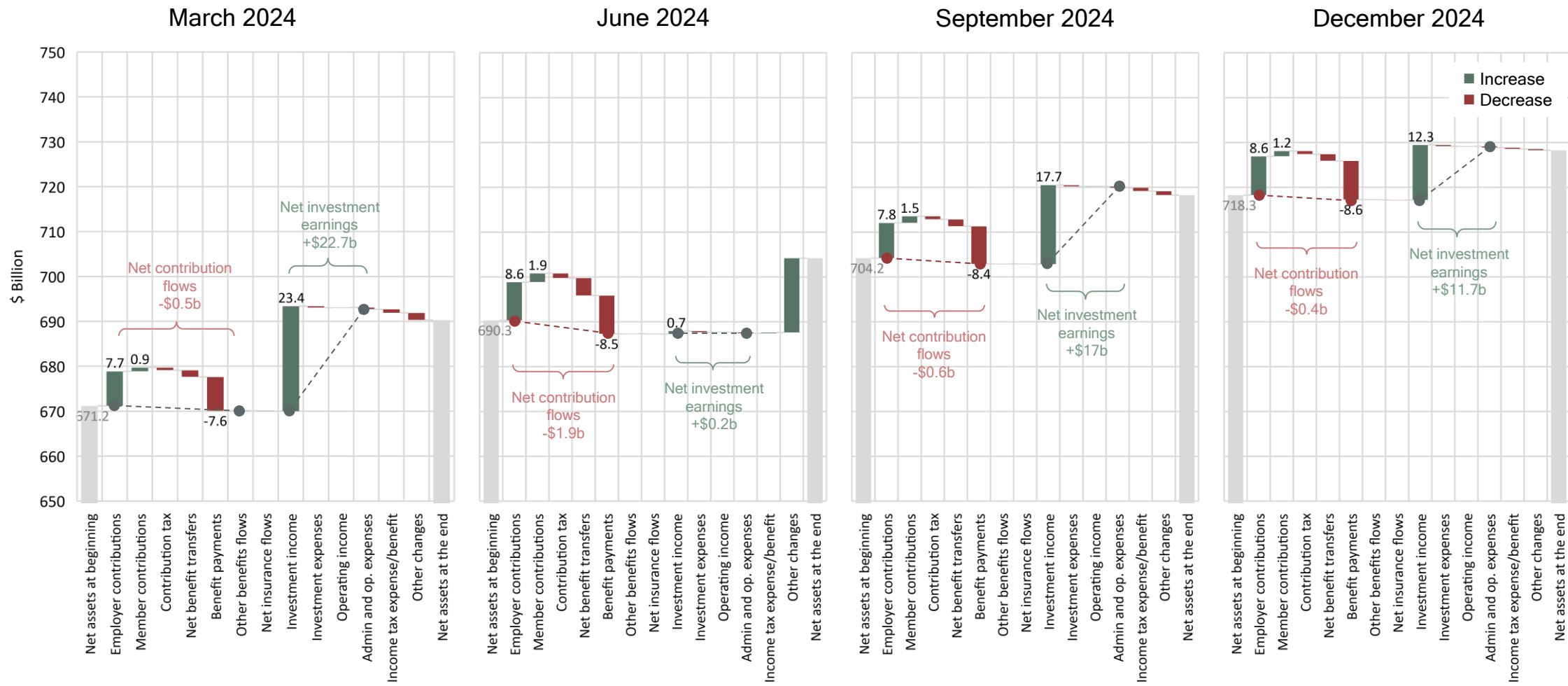
Industry Sector Quarterly Financial Performance



Note: Net contribution flows excludes contribution tax and surcharges. Net investment earnings excludes income tax expense/benefit.
Source: SMC Analysis, APRA Statistics - Quarterly Superannuation Performance, December 2024.

Public sector contribution flows and investment performance

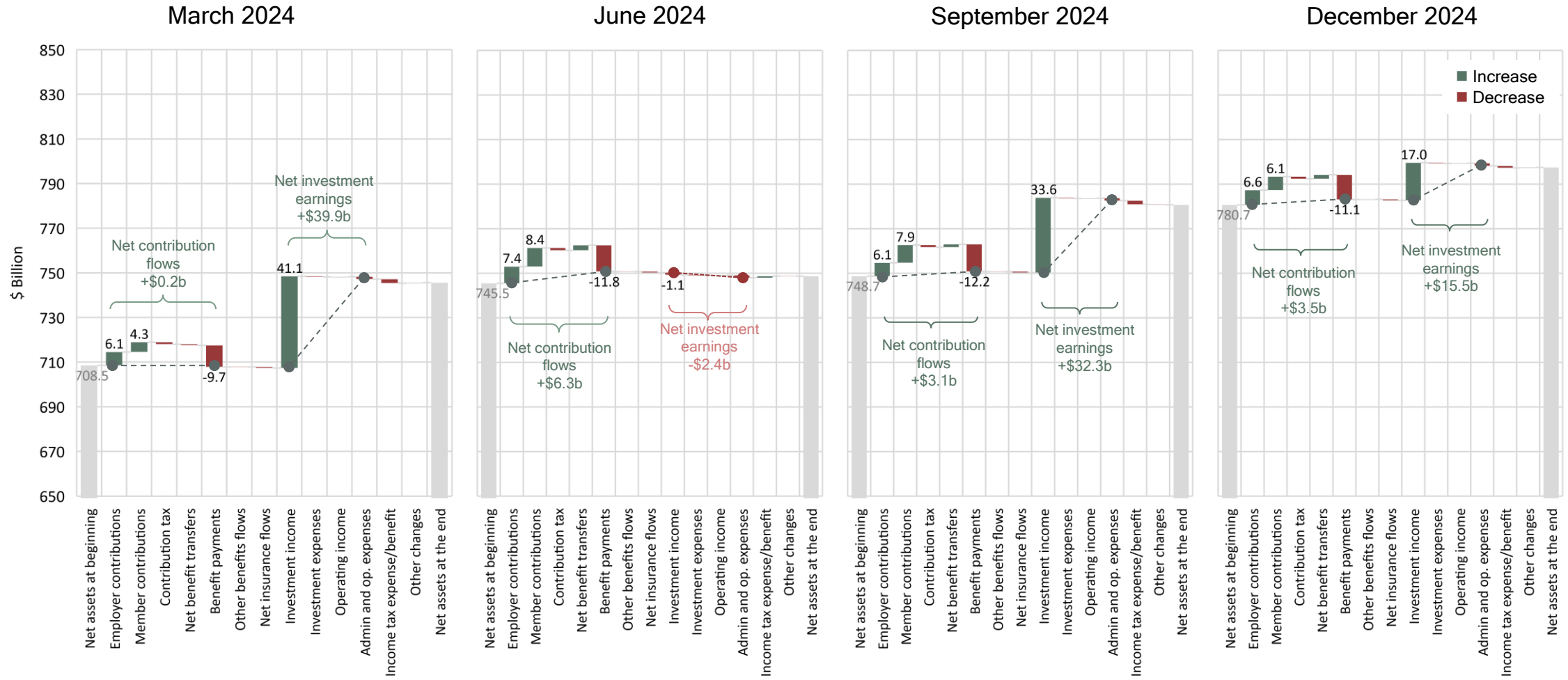
Public Sector Quarterly Financial Performance



Note: Net contribution flows excludes contribution tax and surcharges. Net investment earnings excludes income tax expense/benefit.
Source: SMC Analysis, APRA Statistics - Quarterly Superannuation Performance, December 2024.

Retail sector contribution flows and investment performance

Retail Sector Quarterly Financial Performance



Note: Net contribution flows excludes contribution tax and surcharges. Net investment earnings excludes income tax expense/benefit.
Source: SMC Analysis, APRA Statistics - Quarterly Superannuation Performance, December 2024.

Thank you!



SUPER
MEMBERS
COUNCIL

