Media Release

19 August 2026

Super funds off to a steady start in FY27 despite July volatility

After delivering an impressive 9.5% for the 2025/26 financial year, super funds were initially off to a modest start in FY27 with the median growth fund (61–80% growth assets) up 0.3% in July. However, with share markets posting solid returns in August so far, Chant West estimates the median growth fund is up 1.3% over the first seven weeks of the new financial year.

Chant West Head of Superannuation Investment Research, Mano Mohankumar, says that share markets were mixed during July with significant variation in returns across regions. “Over the month, developed market international shares returned 0.2% in hedged terms, largely due to a flat month from US shares, as the technology sector came under pressure amid concerns about the scale of AI investment and uncertainty surrounding future revenue growth. Due to the appreciation of the Australian dollar over the month, the return in unhedged terms was in the red at -0.9%. On average, super funds have about 70% of international shares unhedged. Emerging markets declined 4.4% where the previously strong performance from the tech sector in South Korea and Taiwan reversed sharply.

“Australian shares, on the other hand, were up a healthy 2.1% over the month supported by the financials and resources sectors, as well as the markets’ relatively low tech and AI-related exposure. Bonds weakened with Australian and international bonds falling 0.4% and 0.9%, respectively, as bond yields rose on renewed inflation concerns.”

The table below compares the median performance to the end of July 2026 for each of the traditional diversified risk categories in Chant West’s Super Fund Performance Survey, ranging from All Growth to Conservative. All risk categories have generally met their typical long-term return objectives, which generally range from CPI + 1.5% for Conservative funds to CPI + 4.25% for All Growth.

Traditional Diversified Fund Performance (Results to 31 July 2026)

Risk Category	Growth Assets (%)	1 Mth (%)	3 Mths (%)	FYTD (%)	1 Yr (%)	3 Yrs (% pa)	5 Yrs (% pa)	7 Yrs (% pa)	10 Yrs (% pa)	15 Yrs (% pa)
All Growth	96 – 100	0.5	5.1	0.5	10.1	12.6	8.3	8.9	9.3	9.7
High Growth	81 – 95	0.4	4.3	0.4	9.3	10.5	7.7	8.6	9.1	9.4
Growth	61 – 80	0.3	3.7	0.3	8.1	9.2	6.6	7.1	7.6	8.1
Balanced	41 – 60	0.2	3.0	0.2	6.8	7.7	5.4	5.6	6.1	6.7
Conservative	21 – 40	0.0	2.1	0.0	5.2	6.0	4.0	4.2	4.5	5.1

Note: Performance is shown net of investment fees and tax. It is before administration fees.

Source: Chant West

Media Release

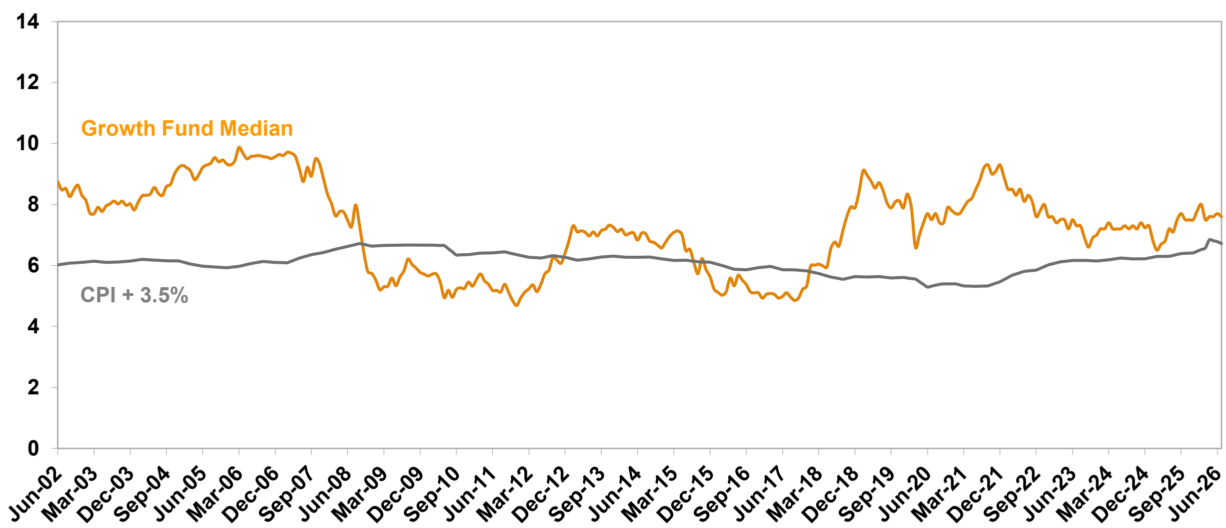
Long-term performance remains above target

MySuper products have been operating for over 12 years, so when considering performance, Mohankumar says it's important to remember that super is a much longer-term proposition.

"Since the introduction of compulsory super in July 1992, the median growth fund has returned 8% p.a. The annual CPI increase over the same period is 2.7%, giving a real return of 5.3% p.a. – well above the typical 3.5% target. Even looking at the past 20 years, which includes three major share market downturns – the GFC in 2007-2009, COVID-19 in 2020, and the high inflation and rising interest rates in 2022 – super funds have returned 6.9% p.a., which is still ahead of the typical objective."

The chart below shows that for most of the time, the median growth fund has exceeded its return objective over rolling 10-year periods, which is a commonly used timeframe consistent with the long-term focus of super. The exceptions are two periods between mid-2008 and late-2017, when it fell behind. This is because of the devastating impact of the 16-month GFC period (end-October 2007 to end-February 2009) during which growth funds lost about 26% on average.

Growth Funds – Rolling 10 Year Performance (Returns – % pa)



Source: Chant West

Note: The CPI figure for July 2026 is an estimate.

Source: Chant West

Chant West philosophy: to ensure we capture an accurate picture of the market in any given month, we publish our monthly performance data once we've received responses from at least 80% of our growth fund universe.

Media Release

About Chant West

Head of Superannuation Investment Research Mano Mohankumar and General Manager Ian Fryer are available to discuss this release. Please call Darlene White on 0438 041 032 to arrange a time.

Mano Mohankumar

Mano has about 25 years of experience in the finance industry and regularly provides media comment on superannuation and investment matters.

Ian Fryer

Ian has worked in the superannuation industry for about 25 years in a range of research, consulting, actuarial and administration roles.

International share market returns in this media release are sourced from MSCI. This data is the property of MSCI. No use or distribution without written consent. Data provided "as is" without any warranties. MSCI assumes no liability for or in connection with the data. Product is not sponsored, endorsed, sold or promoted by MSCI. Please see complete MSCI disclaimer.