The pick of The Pitch

Ray Beatty's Marketeer returns **ON MARKET** Page 46

Waves

Revisiting the small players making big

CLAIRE HEANEY Page 44-45













BIG LOSER

\$1.105 FORGE GROUP -20.5c -15.64%

EVEN OUT

TIPPED TO

NEST

EGGS

JANE HARPER
SUPERANNUATION

THE retirement horizon is looking brighter as super

Superannuation assets grew by 15.7 per cent in the year to June, with the total pool of funds topping \$1.6 trillion, Australian Prudential Regulation Authority data reveals.

The average major super fund enjoyed its best year since 2007, with an increase of 13.7 per cent, APRA said.

Over the decade to 2013, the average return for large funds was 6 per cent, dragged down by poor performances between 2007 and 2009.

Industry funds were the hest performing last year, up

best performing last year, up by 21.5 per cent.
Small funds, which include self-managed super funds, grew 15.5 per cent, while public sector funds were a tick behind at 15.4 per cent. Retail funds. Inds were a 15.4 per cent. ew by 13.9 per ef funds trailed ent increase.

s contributing on and members ing \$36.5 billion,"

contributing
APRA said.
Retail Employees
rannuation Trust and
rening

But SuperRatings chairman Jeff Bresnahan warned people against counting their chickens too early. He said the returns in 2014 were unlikely to be as robust, with the long-term average return coming in at 7 per cent.

shift as rates woo owners Momentum

HOMEWARD BOUND
The foundation's solid ...

JOHN DAGGE CONSTRUCTION

50.8_{PTS}

THE Reserve Bank's efforts to encourage new home building appear to be gaining traction with the lure of low interest rates spurring the second fastest pace of residential construction growth in more than eight years.

and home builders keep hammering away

construction sector — a measure which takes in commercial buildings, apartments and engineering work — to its third straight month of expansion in December after three years of decline.

The figures were released yesterday in an index compiled by the Australian Industry Group and the Housing Industry. Strong growth in new home builds helped drive the broader

→1.5

50.8 56.0 50.7

() 2.1

() 1.9 **3.9**

Engineering Commercial **Apartments** Activity

46.1

6.4

try Association.

AiG public policy director Peter Burn said three consecutive months of growth in construction work was an important tick in the box for Australia's economic prospects. "Low interest rates are clearly having their long-awaited impact," Mr Burn said. "The continued growth of new orders means that builders — and the manufacturing and service industries that are linked to the commercial and residential construction sectors — can look forward to 2014 with a greater degree of confidence than prevailed only a few months ago."

The RBA has cut the official cash rate to a historical low of 2.5 per cent in a bid to spark

construction activity as it aims to cover the easing of the in-vestment phase of the mining indicates that the sector is ex-

panding.
House building rose 1.5
points to 63.5 points, the second highest rate of expansion since the index began in September 2005.
Commercial construction and apartments also grew in December while the engineer-

boom.

Overall, the construction index lost 4.4 points to fall to 50.8 in December — indicating growth, albeit at a slower pace than November.

An index figure above 50

ing sub-sector, which is closely linked to the mining sector, contracted as work from resource projects dried up.

NAB chief economist Alan Oster said while residential construction was positive, it would not fill the hole the downturn in mining-related construction would leave.

Mr Oster is tipping the central bank will cut the cash rate further by the middle of the year as unemployment rises.

"The RBA is looking to see something emerge that will replace investment in mining and I don't think it is coming," he said.

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