

# Fact sheet

## Investment basics

What is an asset class?

What is growth and risk?

### Which of AustralianSuper's Member Investment Choice options will suit you best?

What is an asset?

An asset is something invested in for future financial gain. Assets are divided into classes according to what kind of asset they are and the amount of growth potential and risk associated with each.

The main asset classes are:

- **shares** - if you purchase shares you become a part owner in the company and its profits. Shares can produce benefits for shareholders through dividends which are paid when the company makes a profit and also from movements in the share price.
- **property** - property is real estate, including land and buildings that can be bought, sold or leased. A property can earn money for its owners through rental income and increases in the value and potential sale price.
- **fixed interest** - fixed interest, also called bonds and debt securities, is usually loans to government organisations or major companies which are 'fixed' to be repaid at an agreed time. Fixed interest produces returns for investors through interest and changes in the value of bonds.
- **cash** - cash is money invested in term deposits and bank bills for short periods of time. The interest plus the initial invested amount provides the return on the investment. Cash produces returns for investors through interest payments

What is growth and risk?

Growth potential is the amount an asset is likely to increase in value. Risk potential is the likelihood of volatility or change in the value of an asset, including the possibility of it falling in value. Generally speaking, the level of growth potential an asset has directly relates to the level of risk associated:

- Higher growth potential = higher risk potential
- Lower growth potential = lower risk potential.

Shares and property are usually considered higher growth/higher risk assets and fixed interest and cash are considered lower growth/lower risk assets.

### Investing with AustralianSuper

Because no single investment option will suit all members, AustralianSuper offers members a choice of 16 different investment options. The actual mix of high growth and low growth assets in some of these options may change from time to time, but they will generally remain close to the percentages shown below.

Investment options	% of higher growth assets	% of defensive growth assets
High Growth	90%	10%
Balanced	75%	25%
Sustainable Balanced	75%	25%
Conservative Balanced	60%	40%
Stable	30%	70%
Capital Guaranteed	0%	100%
Australian Shares	100%	0%
International Shares	100%	0%
Sustainable Australian Shares	100%	0%
Sustainable International Shares	100%	0%
Property	100%	0%
Australian Fixed Interest	0%	100%
Diversified Fixed Interest	0%	100%
International Fixed Interest	0%	100%
Cash	0%	100%
ASX 200 Shares	100%	0%

Please note that these asset allocations are indicative only pending approval by the Investment Committee and the Trustee Board.

You can select one or a combination of options to suit your individual needs (note that investments in the ASX 200 Shares Investment Option must be combined with investments in one or more of AustralianSuper's other investment options).

To be eligible for the ASX 200 Shares Investment Option:

- you must have a minimum account balance of \$10,000
- you can only invest 50% of your account balance, subject to no single stock representing more than 20% of the total account balance
- future contributions cannot be invested in this option
- a minimum trade value of \$1,500 applies.

Please note that the ASX 200 option is not available to Corporate and Pension Members.

To find out more about investing and AustralianSuper's investment options visit our website at **[www.australiansuper.com](http://www.australiansuper.com)** or call AustralianSuper on **1300 300 273** and ask for a Member Investment Choice Guide.

Some staff at AustralianSuper are bi-lingual and/or can help you with access to interpreters.