

How crediting rates and investment returns work

AustralianSuper calculates the investment performance of your investment options every business day. We do this through crediting rates, which are published on our website.

When are returns credited to my account?

Crediting rates are applied to your account:

- › at 30 June
- › when you complete a partial or full withdrawal or transfer out of AustralianSuper
- › when you switch between investment options or invest in the Member Direct Investment Option

Crediting rates change every business day and can increase your account balance if positive, or reduce it if negative. Crediting rates are compounded daily.

Your account balance is likely to change every day due to investment market movements and will also reflect transactions on your account.

When are crediting rates published?

Crediting rates are published on the website every day:

1. Daily rate

The daily rate is the investment return that will be allocated to a member's account for that day. Rates are published as soon as they are available. Published rates may be up to two business days old.

2. Monthly rate

The monthly rate is the investment return for the month, calculated from the daily rates on a compounding basis.

This calculation is $(1 + \text{day 1}) \times (1 + \text{day 2}) \times \dots (1 + \text{day n}) - 1$ where "day n" is the daily percentage divided by 100 for the nth day of the month.

3. Financial year-to-date rate

Financial year-to-date rates are calculated from 1 July each year through to the most recently available daily rates. This rate is calculated by compounding the daily rates up to the latest available rates. The financial year to date rates will change every day depending on market fluctuations.

How are crediting rates determined?

- › Portfolios are valued each business day for each investment option.
- › Confirmed trades and prices for securities held in global markets (eg. Europe and the USA) are received overnight as those markets close.
- › Following the receipt of all prices the portfolios are valued and checked for accuracy.
- › The custodian (JP Morgan) then calculates the crediting rates for all the investment options (except Member Direct) at the previous days close.
- › AustralianSuper receives the rates from JP Morgan and further checks and balances are performed.
- › The rates are then distributed by close of business that afternoon. For example the crediting rate for a Monday – based on closing prices and confirmed trades in all markets for that Monday – is published on the website on the Tuesday.

Daily rates for Saturday, Sunday and National public holidays are set at zero.

Half-yearly, annual and since inception rates are generally available as follows:

Performance figure	Updated as at	Published
Since inception	30 June	July
	31 December	January
Half-yearly	31 December	January
Annual	30 June	July

Learn more

You can find out more about your investment options and how we invest at australiasuper.com/investments



Does AustralianSuper have a reserving policy?

A reserve is the part of the Fund's assets that is not allocated to members' accounts when returns are credited. AustralianSuper maintains reserves which may be funded partly by retaining a small part of investment earnings that would otherwise be allocated to members' accounts via crediting rates.

How are franking credits applied to investment returns?

For PreMixed and DIY Mixed options which include Australian shares, the daily crediting rate takes into account franking credits on dividend payments. In Australia, companies that pay dividends from after-tax profits can pass on a credit for that tax to the investors receiving the dividend. We set a rate each 12 months to account for any franking credits. This rate is based on the experience in the prior period and is reviewed on a quarterly basis to ensure it is still appropriate based on market conditions.

What happens to my investment returns if I switch investment options?

When you change investment options, the daily crediting rate will be applied to your account for your previous investment choice up to the date of the switch. This can be positive or negative.

Daily crediting rates are based on actual daily investment returns. These rates are calculated on a daily compounding basis to determine the exact return that is applied to your account.

Following the switch, investment returns will be applied to your account using the daily crediting rates for your new investment selection.

What about if I make a withdrawal or transfer my super to another fund?

If you make a full withdrawal or rollout from your account, the last available crediting rates are used together with zero rates for the day of calculation and the preceding business day to establish your final account balance. (Please note: daily rates for Saturday, Sunday and national public holidays are set at zero).

If you make a partial withdrawal from your account, your account balance will be estimated at the date the withdrawal is paid using the most recent daily crediting rates.

At the end of the financial year account balances for active accounts that had a partial withdrawal during the year will be recalculated. Actual daily crediting rates will be applied.

How are returns calculated on my contributions or transfers from another fund?

If contributions and transfers from other funds (roll-ins) are credited to your account, you will receive investment earnings (positive or negative) using the daily crediting rates from the date of receipt.

We're here to help

Call **1300 300 273**
(8am to 8pm AEST/AEDT weekdays)

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