

How crediting rates and investment returns work

When it comes to your investment returns, it pays to understand crediting rates.

AustralianSuper calculates the performance of your investments using crediting rates which are the investment returns less investment fees and costs, transaction costs and taxes. We calculate crediting rates for each investment option, except Member Direct¹. They may be zero, positive or negative, depending on the performance of investment markets.

How often are crediting rates determined and published?

Crediting rates are calculated every business day and show the change in the value of assets held in each option between each business day.

Crediting rates are based on the fair value of assets held in the portfolio. AustralianSuper has a valuation framework that includes both a valuation policy and a valuation standard to ensure there is an appropriate process to value investment assets.

Crediting rates are published on our website each business day.

The crediting rates timeline shows the steps taken to produce and publish the crediting rates each business day.

It also shows the process we apply to ensure crediting rates accurately reflect market movements.

When are investment returns calculated from?

Investment returns accrue on and from the day of receipt of contributions and transfers into your account.

Transfers in include rollovers from other funds into AustralianSuper and transfers between AustralianSuper super, TTR Income and Choice Income accounts.

Rollovers from more than one super fund to TTR Income and Choice Income accounts will not receive investment returns until we receive all of your super rollovers.

Crediting rates timeline

Day 1

4pm (AEST/AEDT)

Australian markets close. These closing prices are used in the valuation of Australian securities.

Day 2

6am–8am (AEST/AEDT)

International markets close with share trades and prices confirmed. The '4pm London Close' exchange rates for currency are used for valuation of offshore securities when calculating the Day 1 crediting rate.

Morning

The most recently received valuation for an investment asset is adopted including Australian and offshore securities, and valuations for unlisted assets.

Afternoon

Crediting rates provided to AustralianSuper from our custodian.

AustralianSuper's Fund Services team validates and approves the rates.

Evening

Once approved, crediting rates are:

- released to the Administrator to apply them to members' accounts.
- uploaded to the AustralianSuper website.

Day 1 = the business day that we're determining the crediting rate for. There may be occasions when the crediting rates timeframe is delayed or suspended.

¹ For information about investment returns under the Member Direct investment option, please read the *Member Direct investment option guide* available at australiansuper.com/MemberDirect

When are crediting rates applied to my account?

Investment returns are calculated using daily compounding of crediting rates. The returns you get in your account will depend on the investment options you choose, the period of time you're invested, and the timing of any transactions into and out of your account, like contributions, withdrawals and fee and cost deductions.

An estimate of your returns is included in your estimated balance when you log into your account. Your actual returns will be applied (credited or debited) to your account:

- at the end of the financial year
- when you make withdrawals (excluding income payments) and transfers out of AustralianSuper
- when you make transfers between AustralianSuper accounts
- when you change investment options (including into Member Direct).

End of financial year

Returns are applied to your account on 30 June every year. This is shown as 'investment returns' in your transaction history.

Withdrawals and transfers out

When a full withdrawal or transfer out of AustralianSuper occurs, your account receives investment returns up to the latest applied crediting rates based on the Administrator's records at the time the transaction is processed. An interim crediting rate of zero (0%) is applied for the days since the last applied crediting rate to the date of the withdrawal or transfer, which is typically two business days. If you make a partial withdrawal (excluding income payments) or transfer out from your account, the amount of returns for that transaction is calculated using the same process as a full withdrawal or full transfer, for the amount that's withdrawn or transferred. The returns on the remainder of your account will be applied to your account at 30 June (or when you make a full withdrawal or change your investment option).

Transfers between AustralianSuper accounts

Transfers involve two transactions; a withdrawal from the source account and a transfer into the destination account. When you make a full transfer between AustralianSuper super, TTR Income and Choice Income accounts, the source account receives investment returns up to the latest applied crediting rates based on the Administrator's records at the time the transaction is processed.

An interim crediting rate of zero (0%) is applied to the source account for the days since the last applied crediting rate to the date of the transfer, which is typically two business days. The destination account receives returns from and for the date of the transfer. Transfers between AustralianSuper super divisions do not use interim crediting rates. Super divisions include: AustralianSuper Plan, Personal Plan, AustralianSuper Select, Super Options and GHD. Transfers between Choice Income accounts for the rearrangement of a pension are also performed without the use of interim crediting rates.

Changing investment options

When you change (switch) investment options within your account, the daily crediting rate will be applied to your account for your previous investment choice up to the date of the switch. Your new investment choice will be effective at the start of the next business day after you make your switch (if received before 4pm AEST/AEDT [Melbourne time] on a business day). The crediting rates are applied to your account once they are updated in the Administrator's records. It usually takes two to three full business days for investment switches to show in your online account and in the mobile app.

Learn more

Crediting rates are available at australiansuper.com/performance



Contact us

Call **1300 300 273**
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