

# Cash investment returns

An unusual combination of economic developments has increased the likelihood that some members invested in the Cash option may earn negative returns after fees and tax (where applicable). We explain why.

## How is the Cash option being impacted?

The Plan's Cash option is a low-risk option suitable for investments over a shorter time frame, particularly for members concerned about preserving the value of their investment in volatile market conditions. It invests in cash and short-dated instruments such as term deposits.

Cash option returns are primarily driven by market interest rates, which are based on the official cash rate set by the Reserve Bank of Australia (RBA). In Australia the official cash rate is now at a historic low of 0.1%.

While the Cash option is generally considered a low-risk investment option, it is not capital guaranteed. The current level of interest rates means that once investment fees and any other costs are deducted, you may see some slightly negative returns from this option when you check your account.

While the Cash option provides capital stability over the longer term, the expected return in the current environment is unlikely to keep up with inflation. This means if your retirement is some way off, your money won't buy as much by the time you retire as it does today.

## Why are interest rates so low?

Central Banks around the world have reduced interest rates to stimulate economic activity. In Australia, this action was taken by the RBA in response to weak economic conditions and rising unemployment following the declaration of the pandemic.

## What if I wish to change my investment?

The Plan offers members a range of investment options. Each option has a different risk profile and a different mix of investment assets.

If you require further information about investments, including the available options and investment risks, you should refer to the Product Disclosure Statement available on the website. You can also learn about the fees and costs, including any that may apply for switching, in the Product Disclosure Statement.

If you have any questions about the suitability of your investment choice, you should seek advice from a licensed financial adviser.

## What if I have questions?

If you have a question about your super, you should contact:

### Oracle Superannuation Plan

**Helpline:** 1800 127 953 (or 02 8571 6288)

**Email:** [oraclesuperadmin@linksuper.com](mailto:oraclesuperadmin@linksuper.com)

**Website:**

<https://super.towerswatson.com/super/oracle>

This information is general information only and does not take account of your personal financial situation or needs. It is not personal advice. You should obtain financial advice tailored to your personal circumstances.