



# 3 THINGS TO CONSIDER WITH MONEY ON DEPOSIT

**1.**  
**INTEREST RATES**  
- ALL TIME LOW

**2.**  
**INFLATION**  
- EATING INTO SAVINGS

**3.**  
**EXPLORE YOUR  
OTHER OPTIONS**



Having money on deposit is a good route to achieving a short-term financial goal, such as having enough money for a holiday, a new car or for a rainy day. It's always sensible to have some money on deposit for an emergency. However, if you are saving for the long-term there are a few things you should consider if you're looking for a better potential return.

# 1. INTEREST RATES ARE AT AN ALL-TIME LOW

It's a tough time for Irish savers as deposit rates are so low. It's hard to see how they can fall further without giving negative rates.

Many adults over-estimate what they're actually getting - thinking they are getting greater than 2% returns. **In fact the best annual return for one year is less than 0.5% before tax.** (Source: [www.bonkers.ie](http://www.bonkers.ie) 23rd April 2018)

So, if you had €10,000 on deposit and earned a rate of 0.5%, the level of interest after a year would be €50 before tax.



\*Excludes any charges or taxes.

Irish Life does not provide deposit accounts.



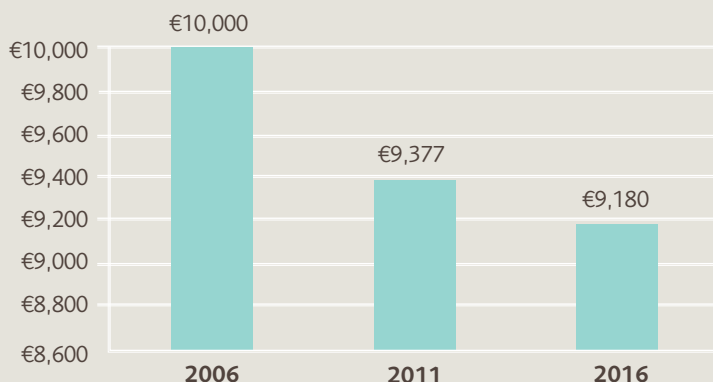
**2 IN EVERY 3** adults with money on deposit are unhappy with these low returns and will need to look at other options to get a better potential return.

## 2. INFLATION CAN EAT INTO YOUR SAVINGS

Inflation is often called the "silent thief" because it reduces the power of your money, without you realising. With interest rates at historic lows, returns on deposit accounts have struggled to keep pace with inflation.



### EFFECT OF INFLATION ON €10,000 BETWEEN 2006-2016



Source – Consumer Price Index 2017

With inflation rates having a negative impact on your money and deposit rates lower than 0.5% before tax, the value of your money in real terms is probably falling.



# 3. EXPLORE YOUR OTHER OPTIONS

One of the most popular alternatives to having money on deposit is investing.



**1 IN 2** adults with  
money on deposit say  
they have invested



with **2 IN 3**  
suggesting their investment  
**ROSE IN VALUE**

Source : Irish Life 2016

## SO WHY CONSIDER INVESTING?

While saving your money in a regular savings or deposit account might seem like a sensible decision, if interest rates don't keep pace with inflation your money is in fact losing value.

Investing, on the other hand, aims to build wealth and gives you the opportunity to achieve growth and a potential higher return over time than you might get from a deposit account.

There are differences of course, with investing, your money is used to invest in funds that can buy assets such as shares, properties, bonds or commodities. However there are risks with investing, your return could be higher or lower than your initial investment and you could lose some or all of your money. Also the tax treatment and charges are different than putting your money in a deposit account. Just like saving in a deposit account, you can start small and you can invest a lump sum or regular amounts. But above all, by investing your money, you are making it work harder for you.

**Warning: The value of your investment may go down as well as up.**

**Warning: If you invest in these funds you may lose some or all of the money you invest.**

**Warning: These funds may be affected by changes in currency exchange rates.**

*Start your journey today*

at [irishlife.ie/investments](http://irishlife.ie/investments) or speak to your Financial  
Broker or Adviser.

# WHY INVEST WITH IRISH LIFE?

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Irish Life's investment manager takes care of over **€68 BILLION**, the most money for people in Ireland.



Irish Life is the **Number 1 FOR INVESTMENTS**. We have the leading market share for unit linked investment sales. (July 2017)



Irish Life's investment manager has won the **INVESTMENT MANAGER OF THE YEAR AWARD** - at the Irish Pension Awards 2017 - 4th time in last 5 years.



Irish Life is **RATED AA** by Fitch for financial strength - March 2018. This rating shows a secure company with very strong capital reserves.



Helping people to plan their finances for **OVER 75 YEARS** and now taking care of over 1 million customers in Ireland.



Irish Life is part of the Great-West Lifeco group of companies, one of the world's leading life assurance organisations.

Source: Irish Life and Irish Life Investment Managers.

PENSIONS  
**INVESTMENTS**  
LIFE INSURANCE



# Irish Life

*Start your investment journey today*  
by visiting [www.irishlife.ie](http://www.irishlife.ie)  
or talk to your Financial Broker or Adviser.



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Information is correct as of April 2018.

Irish Life Assurance plc is regulated by the Central Bank of Ireland.

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