

# ipac Income Generator Update





March Quarter 2025

ARSN 140 154 981, APIR code IPA0174AU

## Investment objective

The ipac Income Generator (the Fund) aims to provide investors with a reliable and stable monthly income that rises over time to keep pace with inflation. It does this by investing through specialist investment managers across a diversified mix of assets including shares, bonds, property trusts and infrastructure. While the Fund's focus is on income generation, it also aims to achieve some capital growth over the medium to longer term to help meet the rising cost of living.

## Key features

-  Tax effective
-  Reliable regular income
-  Help meet living expenses
-  Replace a salary in retirement

## Portfolio Managers



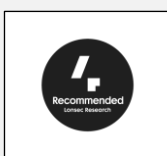
**Stuart Eliot**  
Head of Portfolio Design and Management



**Jeronimo Harrison**  
Senior Portfolio Manager

## Rating

Lonsec Rating  
March 2022



## Highlights

- The ipac Income Generator (the Fund) delivered a positive return in the March quarter despite broader market turmoil.
- During the period several fund enhancements were approved by the AMP Investments Investment Committee. These will be progressively implemented over the course of Q2 2025 and are further detailed on the next page.

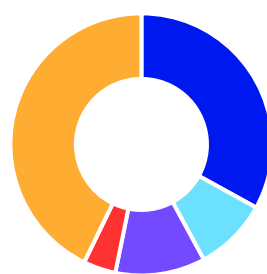
## Fund performance

	1m %	3m%	1 y%	3 y%	5y%
<b>Return (gross)</b>	-0.35	1.34	5.27	5.72	8.14
<b>Return (net class H)</b>	-0.41	1.18	4.55	4.94	7.35
<b>Return (net class K)</b>	-0.41	1.15	4.49	4.92	7.34
<b>Benchmark return</b>	-1.37	-0.20	5.21	5.23	7.72
<b>Excess return (gross)</b>	1.03	1.54	0.06	0.48	0.43
<b>Excess return (net class H)</b>	0.96	1.39	-0.65	-0.29	-0.37
<b>Excess return (net class K)</b>	0.97	1.36	-0.72	-0.31	-0.37

**\* Past performance is not a reliable indicator of future performance.** Performance is annualised for periods greater than one year. Total returns are calculated using the unit price which uses the net asset values for the relevant month end. This price may differ from the actual unit price for an investor applying for or redeeming an investment. Actual unit prices will be confirmed following any transaction by an investor. Net returns quoted are before tax, after fees and costs, and assume all distributions are reinvested.

## Manager allocations

### By asset class



- Australian Equities
- International Equities
- Infrastructure
- Alternatives
- Fixed Income & Cash

### By manager

Asset Class	Manager	Exposure*
Australian Equities	Plato	18.7
	Martin Currie	14.1
	Tyndall	0.2
International Equities	Epoch	0.0
	GQG	9.1
Infrastructure	IPAC (Dimensional)	2.2
	Dexus	8.9
Alternatives	SouthPeak	4.0
Fixed Income & Cash	Pendal	22.4
	Macquarie	19.3
	Cash	1.1

\*As at 31 March 2025. Note: Allocations and underlying investment managers may change without prior notice.

## Fund update

### Performance

The ipac Income Generator (the Fund) produced a positive return in the March quarter which is a pleasing result considering sharp falls in equity markets.

Australian equity managers Plato and Martin Currie both notably outperformed the ASX 300 Accumulation Index which fell by over 3.0% in March. Martin Currie delivered a positive return of more than +1.0% against a benchmark that was down close to -3.0%.

The real star, however, was international equities manager GQG which delivered a return close to +2.5% while the unhedged international equity benchmark plunged more than -4.5%.

Fixed income strategies contributed around 0.6% to the portfolio's total return over the quarter.

### Positioning

The Fund remains defensively positioned as at the end of March and is well set up to take advantage of lower prices in equity markets when we believe the time is right.

The Fund has been underweight equities and listed infrastructure since early February and holds additional hedging through a short Australian dollar versus long Japanese yen foreign exchange position.

We have plans to make several enhancements to the Fund over the course of Q2 2025 which we will elaborate on in future updates. These changes are designed to:

- Align the manager line-up with AMP's contemporary preferences for retirement-focused products.
- Generate higher income at all times and better preserve the inflation-adjusted value over your investment over the medium to long term.

### Outlook

These are inherently unpredictable times, and we fear that the Trump administration is willing to risk a recession to achieve their policy objectives of lower interest rates which would cushion the economic impact of a reduction in the US budget deficit. It may be that the chaos surrounding the tariff announcements is a deliberate ploy designed to force the US Federal Reserve to cut interest rates to help stave off a recession.

Recognising this possibility, the Fund remains defensively positioned but is also ready to act. It is our view that corporate and household balance sheets are in good shape. Importantly, the usual excesses in corporate leverage are absent at this time. Therefore, should a recession occur we believe it would be both shallow and short and followed by a strong recovery. As such it follows that any recession-driven market declines (or market declines due to the fear of a recession) will likely provide an excellent opportunity to tilt the portfolio back towards equities at discounted prices.

### Manager insights

In future updates we will aim to include an insight from one of the managers in the portfolio to help bring the portfolio management activities to life.



## We're here to support you

If you are a direct investor and would like to speak to someone in regard to your investment, please contact AMP Investments Client Services on 133 267 or email [ampinvestments@amp.com.au](mailto:ampinvestments@amp.com.au).

If you are an adviser, you can contact Client Services as above or your State Account Manager.

## What you need to know:

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