

Specialist Australian Share

Quarterly Investment Option Update

31 March 2025

Aim and Strategy

The strategy aims to provide total returns (income and capital growth) after investment fees and before tax, above the S&P/ASX 300 Total Return Index on a rolling 3-year basis by using a multi-manager approach. The portfolio primarily invests in shares listed on the Australian Securities Exchange (ASX). The portfolio may also hold up to 5% in international shares, where those securities are also listed on the ASX. Any currency exposure will be hedged back to Australian dollar using derivatives, and they may also be used to gain equity market exposure. The portfolio may also short sell securities.

Investment Option Performance

To view the latest investment performances for this product, please visit www.amp.com.au/performance

Investment Option Overview

Investment category	Australian Shares
Suggested minimum investment timeframe	7 years
Standard Risk Measure	7/Very High
Investment style	Active
Manager style	Multi-manager

Asset Allocation	Benchmark (%)
Australian shares	100
Cash	0

Actual Allocation	%
Global Shares	11.40
Australian Shares	80.01
Property	5.48
Cash	3.11

Sector Allocation	%
Financials	25.70
Materials	20.75
Health Care	12.54
Consumer Discretionary	8.93
Industrials	6.70
Information Technology	5.82
Real Estate	4.91
Communication Services	4.90
Energy	4.31
Consumer Staples	3.89
Cash	3.11
Utilities	0.19
Futures	-1.75

Top Holdings	%
Commonwealth Bank of Australia	5.36
BHP Group Ltd	4.61
CSL Ltd	3.71
Australia & New Zealand Banking Group Ltd	3.09
Woodside Energy Group Ltd	2.99
Westpac Banking Corp	2.48
TELSTRA GROUP LTD	2.16
National Australia Bank Ltd	2.12
Macquarie Group Ltd	2.10
QBE Insurance Group Ltd	1.97

Fund Performance

The Investment Option produced a negative return for the quarter and underperformed its benchmark. Longer-term performance remains solid.

Underlying manager performance was mixed over the quarter, with Allan Gray outperforming, while ECP and Regal both underperformed. Stock selection contributed negatively, particularly within the consumer discretionary sector. Asset allocation also detracted from performance, with an overweight to information technology impacting the Investment Option's return as the sector fell, driven by global falls after the release of DeepSeek, an apparent cost-effective Chinese artificial intelligence model.

An overweight holding in gold miner Newmont Corporation, was the largest individual stock contributor to the relative return. The company's shares rose strongly over the quarter (+30%) amid a surging gold price. Small overweight positions in other gold companies, such as Pantoro (+89%) and Vault Minerals (+35%) were also among the top contributors.

An overweight holding in technology & software company Nuix was the largest individual detractor from the relative return. The company's shares fell (-52%) amid the global technology sector sell-down, with a disappointing earnings-update also adding to pessimism. Other significant detractions to the relative return for the quarter came from overweight positions in technology company Block (-39%) and aluminium producer Alcoa (-19%).

Market Review

Australian shares, similar to their international counterparts, steadily rose in the first half of the March quarter before pulling back later in the period, closing the quarter down by 2.8% as measured by the ASX200 total return index. Earlier in the quarter, traders took comfort from small signs of improvement in the still-struggling domestic economy, including small increases in retail and business sentiment, as well as building permits, plus the RBA's long-awaited though largely expected rate cut in February. Towards the end of February, some concern kicked in from global markets around the Trump administration's tariffs, which despite being well-telegraphed in the election campaign, turned out to be levied at higher rates than many anticipated (as revealed in early April.) Compared to other countries such as China, Australia exports a relatively low amount of goods to the US, thus any impact to domestic GDP appears likely to be small. IT was the weakest sector for the quarter, driven by falls in the US, while healthcare was also weak amid fears of potential US tariffs. Defensive sectors outside of healthcare, such as utilities and communications, produced the strongest returns for the period.

Outlook

Corporate earnings in Australia, while still struggling in some areas, have generally shown resilience, though earnings growth expectations in the short to medium-term are mild. Generally, containing costs remains a priority over more aggressive targeting of top-line growth. While the low-growth economic environment remains difficult, the stability of Australian earnings and dividends over the long-term, and the ability to generate a growing, tax-effective income stream should be kept in mind. Over the long-term, we believe Australian shares will continue to rise, with volatility being a necessary premium to pay in exchange for higher potential returns.

Availability

Product Name	APIR
Flexible Lifetime - Investments (Series 1)	AMP0854AU**
Flexible Lifetime - Investments (Series 2)	AMP1410AU**
SignatureSuper	AMP0797AU
SignatureSuper - Allocated Pension	AMP1150AU
SignatureSuper - Term Pension	AMP1150AU*

*Closed to new investors

**Closed to new and existing investors

Contact Details

Web: www.amp.com.au

Email: askamp@amp.com.au

Phone: 131 267



What you need to know

This publication has been prepared by AWM Services Pty Limited ABN 15 139 353 496, AFSL No. 366121 (AWM Services). The information contained in this publication has been derived from sources believed to be accurate and reliable as at the date of this document. Information provided in this investment option update are views of the underlying investment manager only and not necessarily the views of AMP Limited ABN 49 079 354 519 (AMP Group). No representation is given in relation to the accuracy or completeness of any statement contained in it. Whilst care has been taken in the preparation of this publication, to the extent permitted by law, no liability is accepted for any loss or damage as a result of reliance on this information.

The investment option referred to in this publication is available through products issued by N.M. Superannuation Proprietary Ltd ABN 31 008 428 322, AFSL 234654 (NM Super) or ipac asset management limited ABN 22 003 257 225, AFSL 234655 (ipac). Before deciding to invest or make a decision about the investment options, you should read the current Product Disclosure Statement (PDS) for the relevant product, available from the issuer or your financial planner.

Any advice in this document is of a general nature only and does not take into account your financial situation, objectives and needs. Before you make any investment decision based on the information contained in this document you should consider how it applies to your personal objectives, financial situation and needs, or speak to a financial planner. In providing any general advice, AMP Group receives fees and charges and their employees and directors receive salaries, bonuses and other benefits.

Any references to the "Fund", strategies, asset allocations or exposures are references to the underlying managed fund that the investment option either directly or indirectly invests in. The investment option's aim and strategy mirrors the objective and investment approach of the underlying fund. An investment in the investment option is not a direct investment in the underlying fund.

Neither NM Super, ipac, AWM Services, any other company in the AMP Group nor the underlying fund manager guarantees the repayment of capital or the performance of any product or particular rate of return referred to in this document, unless expressly stated in the PDS. Past performance is not a reliable indicator of future performance. Any slight asset allocation deviations from 100% may be caused by rounding, asset categorisation and/or hedging.