

ipac INCOME GENERATOR

Monthly communication — mFund (ASX Code: ACC01)

May 2025

The ipac Income Generator 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.

Tax effective



Reliable regular income



Help meet living expenses



Replace a salary in retirement



This month in brief

Portfolio performance & activity

The Fund produced another positive return in May, as markets, both abroad and domestic, continued to rise amid positive global trade developments. Australian shares were indeed the prime driver of the Fund’s total return for the month, despite some underperformance from our income-focused strategies in both Australian and International shares, which is not unexpected during periods of market bounce-backs; our overall returns however tend to be smoother than the market by design. Our Australian fixed interest managers meanwhile outperformed their benchmarks meaningfully. Dynamic Asset Allocation also delivered a positive return for the month, while our defensive long Japanese yen position detracted.

Positioning

During the month we reduced the Fund’s allocation to Australian Fixed Income (managed by Macquarie) and began to allocate to Coolabah’s Global Credit strategy in several tranches, with volatility in the fixed income market allowing us to implement this at favourable prices. The Fund remains slightly defensively positioned, holding a short Australian dollar versus long Japanese yen exchange position, as we anticipate ongoing interest rate increases from the bank of Japan over the course of the year will help the yen appreciate. Our Dynamic Asset Allocation process resulted in increased exposure to equities through May, as well as a moderately trimmed global fixed income allocation.

Outlook

In these continued unpredictable times, we’re cognisant the current cessation of trade hostilities may prove temporary, with the distribution of potential outcomes wide. Thus, the Fund remains moderately defensively positioned, while being ready to respond to opportunities as they present. Corporate and household balance sheets appear to be in good shape, with usual excesses in corporate leverage largely absent. Therefore, should a recession occur, we believe it would be both shallow and short; and followed by a strong recovery. Any recession fear-driven market decline would likely provide an excellent opportunity to tilt the portfolio back towards equities at discounted prices.

Plan your income

A forecast distribution amount is regularly provided, and is currently estimated to be 0.369 cents per unit per month until June 2025. For illustrative purposes, the chart below represents income based on \$100K investment.

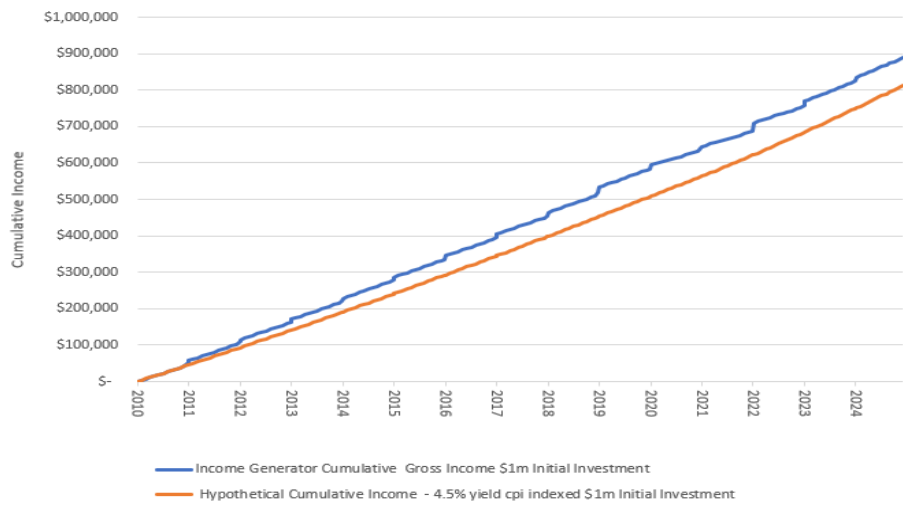


Total yield estimated to be 5.0% pa*

Any additional income is paid out in the 13th distribution in June and reinvested to grow capital.

*Effective yield is based on the unit price at the start of the period. It is important to note that the final annualised distribution yield will not be known until the end of the financial year, that the distribution yield estimate isn't guaranteed, and that it may change over the period due to market movements in the Fund unit prices. We base our estimate on assumptions set out at the end of this document, and you should be aware that if facts differ from our assumptions, the final distribution yield may differ from the estimate.

DESIGNED TO PROVIDE GROWING INCOME OVER TIME



Note: The cumulative distribution shown above is for investments in Platforms class (Class R), net of fees. The 13th distribution is automatically reinvested providing investors with an increased number of units
Source: AMP

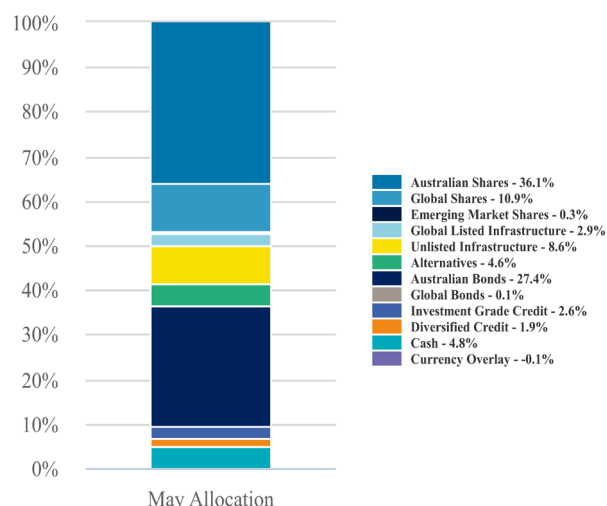
Here’s how the fund performed

	1mth %	3mth %	1yr %	3yr %	5yr %	Since Inception %*
Distribution	0.35	1.07	10.00	9.79	7.30	5.90
Growth	1.19	1.47	-1.54	-3.52	-0.44	0.63
Total Return	1.55	2.54	8.47	6.27	6.86	6.53

* 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. Returns quoted are before tax, after fees and costs and assume all distributions are reinvested. As the inception date for Class R is 5 December 2014, past performance is reported using Class K fees up to 5 December 2014, and the Class R fees thereafter. The fees for Class K and Class R are the same. The inception date for Class K units was 31 May 2010.

TOP HOLDINGS	WEIGHT %
BHP Group Ltd	2.17
Commonwealth Bank of Australia	2.03
Australia & New Zealand Banking Group Ltd	1.63
National Australia Bank Ltd	1.55
Telstra Group Ltd	1.35
Westpac Banking Corp	1.15
Medibank Pvt Ltd	0.98
Rio Tinto Ltd	0.98
QBE Insurance Group Ltd	0.94
Wesfarmers Ltd	0.88

COMBINING ASSETS TO DELIVER SUSTAINABLE INCOME



FUND DETAILS	
Inception date	31 May 2010
Strategy size	\$592.49 million
Distribution frequency	Monthly
APIR code	IPA0174AU
Buy/Sell spread	0.10/-0.12%
Suggested minimum investment timeframe	5 years
Investment objective	The Fund seeks to: - Deliver a return in excess of CPI +4.0% (before tax, after investment fees) over 10 years. - Perform in line with the internal performance benchmark (before tax and fees), i.e. the returns of the given market indices weighted by the SAA.

Portfolio manager



Stuart Eliot

Head of Portfolio Design & Management

Stuart brings more than 30 years of diverse financial markets experience to the stewardship of our client's funds. Before joining AMP in April 2022 he spent 12 years with Pandal Group where he was Senior Portfolio Manager, Multi-Asset Investments since 2016, and previously Portfolio Manager, Diversified Funds since 2009. Prior to joining Pandal, he held senior investment banking, trading and quantitative research roles, encompassing multiple asset classes, at several leading investment banks. Stuart holds a BCom (Actuarial Studies) from Macquarie University.



Jeronimo Harrison

Senior Portfolio Manager

Jeronimo joined AMP in 2016. His responsibilities include research, risk management, portfolio construction and generating trade recommendations. Prior to joining AMP, Jeronimo was an Investment Analyst within the AMP Group corporate venture capital fund. Jeronimo holds a double degree in Commerce (Finance) and Mechanical Engineering (Hons. Class 1) from the University of Sydney and is a CFA Charterholder.

CONTACT DETAILS

For more information on the Fund including fees, product features, benefits and risks talk to your adviser or call us on 133 267 or visit www.amp.com.au/investments

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