

# ipac INCOME GENERATOR

Monthly communication — mFund (ASX Code: ACC01)

March 2024

# 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 

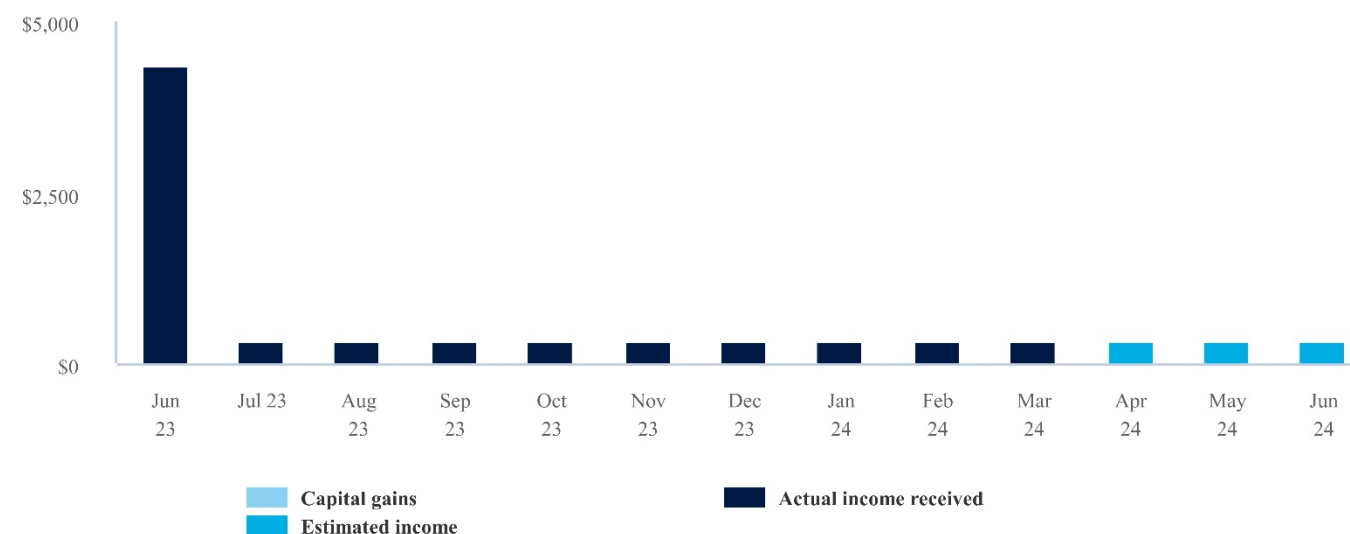
Reliable regular income 

Help meet living expenses 

Replace a salary in retirement 

## Plan your income

A forecast distribution amount is regularly provided, and is currently estimated to be 0.307 cents per unit per month until June 2024. For illustrative purposes, the chart below represents income based on \$100K investment.

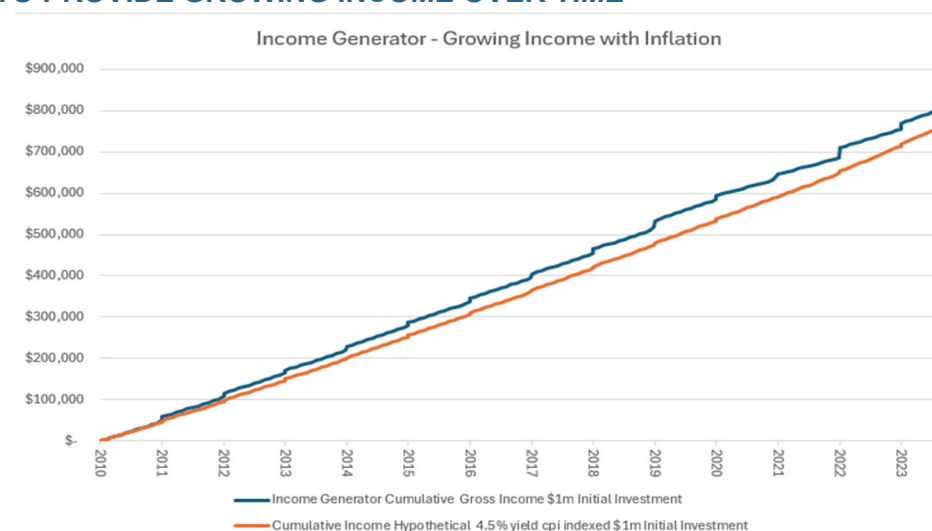


**Total yield estimated to be 4.90% pa\***

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

## This month in brief

### Performance

The Fund produced a solid positive return over the March quarter. Global shares continued to rise strongly, fuelled by improving US growth and a dovish US central bank. Europe, US, and Japanese share markets were notably strong. Australian shares were also strong, however lagged global markets, held back in part by a struggling materials sector and a poorer earnings outlook. Resilient US growth and somewhat sticky inflation pushed back US rate-cut expectations, which weighed on bonds and other rate-sensitive sectors.

### Portfolio activity

The portfolio has been tilted marginally toward corporate bonds and away from cash and, to a small extent, Australian equities. This is to take advantage of the significant yield available on Australia corporate bonds. Global equities remained overweight, which aided performance. In Infrastructure, the fund has favoured direct exposure via Dexus community infrastructure, however listed infrastructure also looks attractive and we expect to add to this sector as interest rates peak.

### Positioning and outlook

A surprisingly resilient US economy remains, with low unemployment and reasonable GDP growth. Signs of weakness however exist, including softening wage growth, falling liquidity, tight policy settings, negative leading indicators and some recessionary indicators. Perhaps the largest immediate threat is the bounce in inflation that has forced back expected rate cuts and forced bond yields higher. This is likely to create some turbulence, but is not likely to derail markets unless inflation forces a pivot to more rate hikes rather than delayed cuts, or growth starts to disappoint.

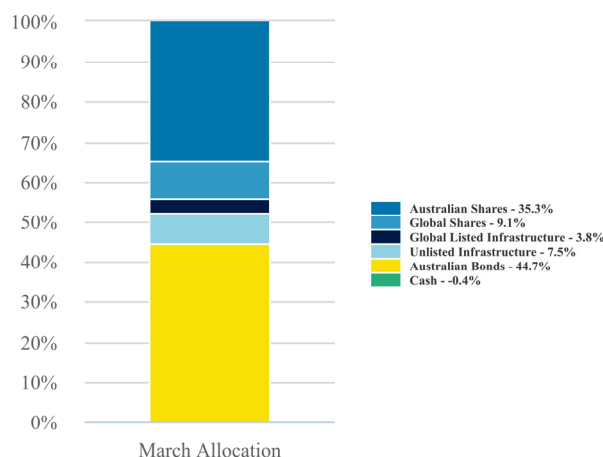
## Here's how the fund performed

	1mth %	3mth %	1yr %	3yr %	5yr %	Since Inception %*
Distribution	0.33	1.04	8.87	7.52	6.26	5.63
Growth	1.56	2.86	0.38	-2.06	-1.03	0.91
<b>Total Return</b>	<b>1.89</b>	<b>3.89</b>	<b>9.25</b>	<b>5.46</b>	<b>5.24</b>	<b>6.54</b>

\* 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 IN AUSTRALIAN SHARES	WEIGHT %
BHP Group Ltd	2.82
National Australia Bank Ltd	1.84
Australia & New Zealand Banking Group Ltd	1.34
Commonwealth Bank of Australia	1.28
Telstra Group Ltd	1.18
QBE Insurance Group Ltd	1.15
Westpac Banking Corp	1.11
Woodside Energy Group Ltd	1.10
Suncorp Group Ltd	1.08
Medibank Pvt Ltd	0.99

## COMBINING ASSETS TO DELIVER SUSTAINABLE INCOME



FUND DETAILS	
Inception date	31 May 2010
Strategy size	\$712.32 million
Distribution frequency	Monthly
APIR code	IPA0174AU
Buy/Sell spread	0.08/-0.10%
Suggested minimum investment timeframe	5 years

**Investment objective** The portfolio aims to provide regular income with some capital growth over the medium to long term. The Fund's internal performance benchmark is the average weighted return of the relevant market indices used to measure the performance of the underlying asset classes in which the Fund invests.

## Portfolio manager



### MATTHEW HOPKINS

#### Portfolio Manager

Matthew is lead Portfolio Manager for the Multi-Asset Fund, Income Generator and Core Retirement Fund. Matthew chairs the working group for the Multi-Asset Fund and is responsible for portfolio construction, risk management, research, and hedging. In his role within the portfolio management team, Matthew also participates in a wider variety of client-related investment solutions for AMP Investments and has extensive experience in portfolio construction, managing alternative assets, and investment risk analysis. Matthew joined AMP Ltd in 1989. Subsequently, he has held various positions including as a portfolio manager in global hedge funds, divisional director of investment risk (research and strategy, Henderson Global Investors, London) and head of portfolio analytics (UK equities, AMP Asset Management, London).



### BRAD CREIGHTON

#### Portfolio Manager

Brad is the co-Portfolio Manager for the Multi-Asset Fund, Income Generator and Core Retirement Fund. As a Portfolio Manager for AMP Investments since 2018, Brad brings 15 years of financial markets and portfolio management experience. Prior to joining AMP, Brad spent 4 years as a portfolio manager at Millennium Capital Partners, one of the world's leading hedge funds, where he successfully managed a discretionary global macro portfolio. Brad has also enjoyed experience as a Senior Macroeconomic Strategist at Optiver, Market Risk Manager for Aviva and Credit Suisse, and a Trader for the Commonwealth Bank's proprietary trading division. In addition to his portfolio management responsibilities at AMP, Brad is a member of the Dynamic Asset Allocation working group where he contributes quantitative research and analysis for the purpose of enhancing the investment outcomes of AMP's diversified portfolios with \$A80 billion funds under management. Brad holds a Master of Commerce (Banking and Finance) from Griffith University.

## 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](http://www.amp.com.au/investments)

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