

# Specialist Geared Australian Share Fund

## On-platform Class A

### Investment objective

The Fund aims to provide high returns over the long term through geared exposure to securities listed on the ASX. The objective of the Fund's portfolio before gearing is applied, is to provide a total return (income and capital growth), after costs and before tax, above the S&P/ASX 200 Accumulation Index on a rolling 3 year basis. The Fund may be suitable for investors seeking to invest in a diversified portfolio of Australian shares. The Fund allows the ability to borrow in order to increase the amount that can be invested. The aim of gearing is to contribute more capital and provide greater exposure to the Australian share market. The Fund aims to pay distributions yearly. You should be aware that although the Fund aims to pay distributions, the amount of each distribution may vary, or no distribution may be payable in a distribution period.

### How we manage your money

The Fund normally invests in shares listed or about to be listed on the Australian Securities Exchange.

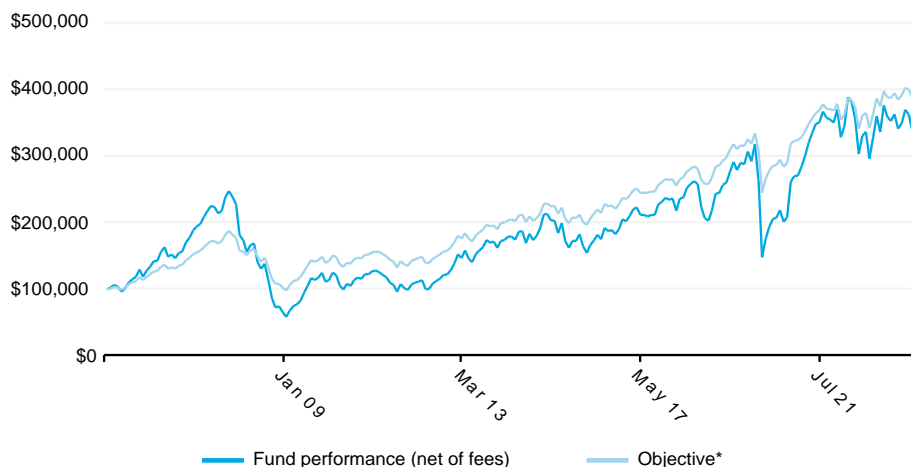
### Performance as at 31 March 2024

%	1 MTH	3 MTH	1 YR	3 YRS	5YRS	7YRS	SINCE INCEPT
Total Return - Net of Fees	4.85	7.72	18.22	11.57	11.24	9.54	7.68
Objective*	3.27	5.33	14.45	9.62	9.15	8.59	8.03
Excess return	1.58	2.40	3.77	1.95	2.09	0.95	-0.35

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 net asset value per unit for the relevant month end. This price may differ from the actual unit price for an investor buying or selling 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.

\* The benchmark for this Fund changed from the S&P/ASX 300 Accumulation Index to the S&P/ASX 200 Accumulation Index on 26 May 2011. Past performance of this Fund is reported using the S&P/ASX 300 Accumulation Index up to 25 May 2011. Performance reported after 26 May 2011 uses the current benchmark, the S&P/ASX 200 Accumulation Index.

### \$100,000 invested since inception



### FUND FACTS

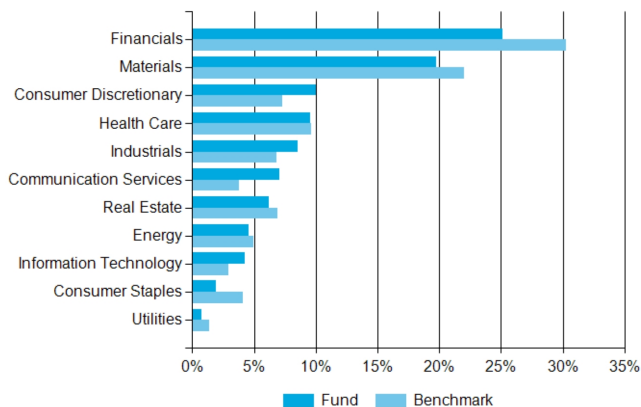
APIR	AMP0969AU
Inception date	30 December 2004
Fund Size	\$370,328,103
Total ongoing annual fees and cost*	3.21% p.a.
Buy/Sell spread*	+0.30%/-0.30%
Distribution frequency	Yearly
Minimum investment	\$10,000,000
Minimum suggested time frame	7 years

\*Fee information is correct as of 30 June 2023 and is updated biannually. Total ongoing annual fees and costs are made up of management fees and costs, performance fees (if applicable) and transaction costs. You should refer to the current PDS or other offer document for the relevant Fund available at [www.amp.com.au/investments](http://www.amp.com.au/investments) for the latest ongoing annual fees and costs as well as member activity-related fees and costs (if applicable).

### What happened last period

- Australian shares rose to new highs in the March quarter amid a generally positive corporate reporting season and positive sentiment in global markets.
- The Fund posted a strong positive return and continued to outperform its benchmark, driven by gearing.
- The Fund's three underlying managers gained ground, with Vinva and Macquarie outperforming the benchmark.
- Sector allocation contributed, whereas stock selection detracted from relative returns.

## Sector allocation (%)



Asset allocation	(%)
Australian Shares	87.8
Property	5.0
Global Shares	4.9
Cash	2.3

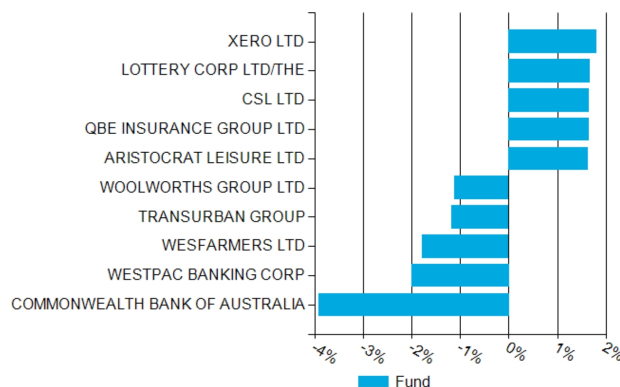
## Fund Performance

The Fund posted a strong positive return and continued to outperform its benchmark in the March quarter, mainly due to the impact of gearing. All of the Fund's three underlying managers gained ground, with Vinva and Macquarie also outperforming the benchmark, whereas DNR Capital lagged somewhat. The Fund continues to deliver robust returns over the medium to long-term, and has outperformed its benchmark over 1 year, 3 years and 5 years.

Sector allocation added to relative returns, however this was outweighed by stock selection which detracted overall. Regarding sector allocation, the Fund's underweight in materials as well as overweight positions in IT and consumer discretionary contributed most. On the flipside, an underweight exposure to financials was the main detractor. Stock selection was strongest in materials, however consumer discretionary positions were a significant drag on returns.

The largest individual contributor to relative returns was an overweight position in insurer QBE Insurance Group (+26%), which performed strongly following the release of robust results showing improved portfolio resilience as well as benefiting from rising bond yields during the period. Other major contributors included the overweight holding in cloud-based accounting software company Xero (+19%), which was buoyed after the company presented to investors and reiterated management's focus on growth initiatives, highlighting the strength of the technical capabilities following recent management team changes and underweight exposure to grocery retailer

## Top/Bottom Excess Weights



Woolworths (-10%) after the company forecast a more challenging second half to their fiscal year.

The largest individual detractor was an overweight in multi-national pizza chain operator Domino's Pizza Enterprises (-25%), which suffered following the company's negative profit warning as its French and Japanese businesses continue to lag on the back of poor strategy execution. Other major detractors included the underweight exposures to retail conglomerate Wesfarmers (+22%), which rose after its half year result was buoyed by better-than-expected retail earnings growth, particularly in Kmart stores, and Commonwealth Bank of Australia (10%), which benefited early in the quarter as recession risks subsided.

## Market Review

Australian shares reached new highs in the March quarter, closing the period up by 5.3% as measured by the ASX200 total return index. Optimism from international markets drove positive sentiment, particularly the US, where economic growth remained positive and inflation fell further. The February Australian corporate reporting season meanwhile was generally somewhat favourable relative to expectations, with more upside earnings surprises than downside. Key themes included resilient earnings, a continued focus on cost management and cautiously positive outlook statements based on improving economic outlooks. The Australian economy meanwhile continued to show modest GDP growth, albeit falling on a per capita basis due to high levels of immigration. Consumer sentiment remained weak, though employment figures showed signs of improvement.

## Outlook

Corporate earnings in Australia, while still struggling in some areas, have generally shown resilience. Businesses remain focussed on cost pressures, though there are signs the cost-cutting cycle may have peaked. While the low-growth economic environment remains difficult, the stability of Australian earnings and dividends over the long-term, and their 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 necessary to provide opportunities for higher returns.

## Portfolio Manager



### Duy To

Duy is the Head of the Public Markets and portfolio manager for the Australian Shares and Emerging Markets sector portfolios. In this role he is responsible for leading investment strategy, portfolio construction and manager selection across the Public Markets team. Duy has over 14 years' experience in investment management specifically focused on managing multi-manager portfolios. He joined AMP Capital in October 2007

## Further information

For information about the Fund including fees, features, benefits and risks talk to your financial advisor today or read the product disclosure statement (PDS) which can be found on:

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

You can also call us on **133 267**

---

This document has been prepared by National Mutual Funds Management Ltd (ABN 32 006 787 720, AFSL 234652) (NMFМ). While every care has been taken in the preparation of this document, NMFМ makes no representation or warranty as to the accuracy or completeness of any statement in it including without limitation, any forecasts. This document has been prepared for the purpose of providing general information, without taking account of any particular investor's objectives, financial situation or needs. Investors should, before making any investment decisions, consider the appropriateness of the information in this document, and seek professional advice, having regard to their objectives, financial situation and needs.

ipac Asset Management Limited ABN 22 003 257 225, AFSL 234655) (IAML) is the responsible entity of the Specialist Geared Australian Share Fund - On-platform Class A (Fund) and the issuer of the units in the Fund and the Product Disclosure Statement (PDS). To invest in the Fund, investors will need to obtain and consider the current PDS or other offer document for the relevant Fund available at [amp.com.au/investments-pds](http://amp.com.au/investments-pds). The PDS or offer document contains important information about investing in the Fund and it is important that investors read the PDS or offer document before making a decision about whether to acquire or continue to hold or dispose of units in the Fund. A target market determination has been made in respect of the Fund and is available at [www.amp.com.au/investments-tmd](http://www.amp.com.au/investments-tmd). Neither IAML, NMFМ nor any other company in the AMP Group guarantees the repayment of capital or the performance of any product or any particular rate of return referred to in this document. Past performance is not a reliable indicator of future performance.