

# Property Index

Quarterly Investment Option Update

30 June 2020

## Aim and Strategy

The strategy aims to provide returns that track the S&P/ASX 200 A-REIT Index with net dividends reinvested. Exposure to the Property asset class will be attained through the use of low cost index-focused investment managers.

## Investment Option Performance

To view the latest investment performances for each product, please visit [www.amp.com.au](http://www.amp.com.au)

## Investment Option Overview

<b>Investment category</b>	Property and infrastructure
<b>Suggested minimum investment timeframe</b>	7 years
<b>Relative risk rating</b>	Very High
<b>Investment style</b>	Index
<b>Manager style</b>	Single

<b>Asset Allocation</b>	<b>Benchmark (%)</b>
Listed Property and Infrastructure	100
Cash	0

<b>Actual Allocation</b>	<b>%</b>
International Shares	1.04
Listed Property and Infrastructure	96.90
Cash	2.07

<b>Sector Allocation</b>	<b>%</b>
Diversified REITs	32.66
Retail REITs	25.44
Industrial REITs	25.07
Office REITs	11.69
Cash	2.07
Specialised REITs	1.81
Residential REITs	1.27

<b>Top Holdings</b>	<b>%</b>
Goodman Group	24.03
Scentre Group	11.22
Dexus	10.00
Mirvac Group	8.50
GPT Group/The	8.09
Stockland	7.86
Vicinity Centres	5.55
Charter Hall Group	4.50
Shopping Centres Australasia P	2.31
BWP Trust	1.90

<b>Region Allocation</b>	<b>%</b>
Australasia	97.93
Cash	2.07

## Market Review

The Australian listed real estate market rallied for most of the June quarter and outperformed the broader Australian share market, which also rose strongly. The market finished the quarter up by 19.9%, as measured by the S&P/ASX 200 A-REIT index on a total return basis. Markets were supported by significant economic stimulus, with sentiment also buoyed by the relative success of COVID-19 containment measures in Australia which saw state governments start lifting mandatory lockdowns. In this highly uncertain environment, Australian listed real estate companies continued to withdraw their earnings and dividend guidance for financial year 2019-20. Many companies also opportunistically raised capital or renewed and extended debt facilities to maintain liquidity, fund acquisitions and improve their balance sheets. The already struggling retail segment was hit particularly hard over the quarter, as consumer confidence fell sharply to the lowest level since the survey began, with retail foot traffic weakening dramatically to see April retail sales experience a record fall amid announcements of store closures. There were however some positive signs later in the period, with data for May showing some slowing in the rate of deterioration in the labour market and improving consumer confidence.

## Outlook

Australian listed real estate will likely continue to be subject to near-term volatility, which is affecting all markets, due to the impact of extensive COVID-19 containment measures on economic activity in Australia and globally. Social distancing will continue to impact the retail segment although foot traffic and consumer confidence are starting to improve as containment measures are lifted. The residential segment is likely to come under pressure over the near term as employment becomes increasingly uncertain, however the federal government's HomeBuilder scheme will likely limit the falls and potentially truncate the duration of the downturn in the residential cycle. The office segment should be more resilient as office leases are generally long term, however this could be disrupted as businesses choose to embrace technology for their requirements going forward, allowing staff to work from home more. The industrial segment should remain robust, especially properties exposed to the expected increases in online shopping and data usage.

## Availability

Product Name	APIR
CustomSuper	AMP1524AU
Flexible Lifetime - Allocated Pension	AMP1536AU
Flexible Lifetime - Super	AMP1524AU
SignatureSuper	AMP1548AU
SignatureSuper - Allocated Pension	AMP1560AU

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