

# AMP Active Balanced (Series 2)

Quarterly Investment Option Update

30 June 2021

## Aim and Strategy

To provide primarily capital growth with some income after costs and before tax, above the strategy's performance benchmark on a rolling 3 year basis, by investing across a range of asset types, with high exposure to growth assets. The strategy aims to provide investors with exposure to a diversified range of Australian and international growth sources across asset classes including shares, Australian listed property trusts, and global listed property securities.

Actual Allocation	%
International Shares	33.43
Australian Shares	27.57
Listed Property and Infrastructure	12.21
International Fixed Interest	7.43
Australian Fixed Interest	14.00
Cash	5.37

## Investment Option Performance

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

## Investment Option Overview

Investment category	Multi-Sector
Suggested minimum investment timeframe	5 years
Relative risk rating	High
Investment style	Active
Manager style	Multi-manager

Asset Allocation	Benchmark (%)
International shares	32
Australian Shares	27
Australian Fixed Interest	15
Listed Property and Infrastructure	11
International Fixed Interest	10
Cash	5
Defensive Alternatives	0
Growth Alternatives	0

## Fund Performance

The Option delivered a positive gain over the June quarter, rounding off an exceptionally strong performance for the 2020-21 financial year. Most asset classes posted positive returns over the quarter, with domestic and international share markets delivering the strongest returns. The Option outperformed relative to its benchmark (before fees), and also performed well compared to its peers over the period.

Share markets moved higher due to supportive monetary and fiscal policy, combined with continued economic recovery, which was enabled by the accelerating inoculation effort across developed countries. Manufacturing and service sector activity rose strongly, and against this backdrop most share market sectors rallied. The S&P/ASX 200 index ended the quarter up 8.3% while the MSCI World ex Australia index closed 7.6% higher (in local currency terms). Listed property and infrastructure sectors made meaningful gains following assurances from the US Federal Reserve that any tightening in the near term is unlikely. Within the Option, broad Australian and international share exposures performed largely in line with markets. However, exposures to more value-driven, yield-sensitive sectors such as listed property and infrastructure outperformed, boosting overall performance.

Fixed income markets, government bonds and investment grade credit moved sideways as yields remained largely range bound. The Option's underlying fixed income managers outperformed the market. Unlisted assets, particularly private equity, as well as alternatives such as 'style premia' strategies, also generated positive returns as revaluations rose alongside listed markets.

Looking ahead, we remain cautiously optimistic about the outlook for markets. As the COVID-19 vaccine rollout continues to gain pace and economic growth follows on the back of the gradual rollback in lockdown measures, we believe the recovery theme remains intact. Against this backdrop, we look favourably upon shares relative to bonds. However, new COVID-19 variants and inflationary concerns has left markets somewhat susceptible to a correction. The Option maintains an active, well-diversified asset exposure which should continue to support return resilience in this environment.

## Availability

Product Name	APIR
Flexible Lifetime - Allocated Pension	AMP2055AU
Flexible Lifetime - Super	AMP2053AU

## Contact Details

**Web:** [www.amp.com.au](http://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), AMP Capital Funds Management Limited ABN 15 159 557 721, AFSL 426455 (AMPCFM) and/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, AMPCFM, 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.