



AMP Capital Multi Asset

Quarterly Investment Option Update

31 December 2021

Aim and Strategy

To provide a total return (income and capital growth) before costs and tax of 4.5% pa above the trimmed mean Consumer Price Index (CPI) on a rolling five- year basis by investing in a diversified portfolio with broad asset allocation ranges. The portfolio invests across a range of traditional asset classes such as shares, credit, cash, fixed income and property, and is further diversified by investment in alternative assets, such as infrastructure and absolute return strategies, which are generally more illiquid. Exposure to a broad

range of asset classes is achieved either through investment in underlying investments or direct investment into an asset. Set within a dynamic asset allocation framework, the portfolio's asset classes and asset allocation ranges are determined with reference to the portfolio's risk and liquidity guidelines. Asset class allocation and ranges may vary at any stage of

the investment cycle. There is no guarantee that the asset allocation strategy will provide positive returns at all stages of the investment cycle. Throughout the investment cycle, when necessary, the portfolio will be rebalanced with the aim of ensuring that exposure to illiquid assets is no greater than 20% of the portfolio. The portfolio may also have exposure to currencies through both actively-managed investment strategies and risk management processes. International investments may be partially or fully hedged back to Australian dollars. The portfolio and its underlying managers or direct investments may use derivatives such as options, futures, forwards and swaps. The investment manager imposes restrictions on the use of derivatives within the portfolio and monitors the

implementation of these restrictions in accordance with their risk management processes on the use of derivatives. Underlying managers or strategies in which the portfolio invests may use short selling.

Investment Option Performance

To view the latest investment performances for each product, please visit 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 (%)
Australian shares	N/A
Cash	N/A
Defensive alternatives	N/A
Global fixed interest	N/A
Global shares	N/A
Growth alternatives	N/A
Listed property and infrastructure	N/A
Unlisted property and infrastructure	N/A

Actual Allocation	%
Fixed Income and Credit	25.59
International Equities	23.26
Australian Equities	10.28
Defensive Alternatives	10.21
High Yield Credit	8.49
Listed Real Assets	8.46
Growth Alternatives	6.58
Direct Assets	6.18
Cash	0.95

Fund Performance

The Fund produced a positive return in the December quarter and is above targets over one and three years. Performance was driven primarily by equities and real assets. Alternatives also contributed, while defensive assets, notably bonds and hedges, detracted. Contributions from active management in equities have also been very strong. We have increased protection within the Fund to soften the impact of any larger than expected drawdowns through holding options in US high yield debt and Australian equities.

Market Review

The December quarter saw investor sentiment remain generally buoyant, reflected in global equity markets climbing to new highs towards year-end, as markets began to accept high inflation as a prevailing condition, rather than a transient concern, while the world continued its long-winded road towards exiting the COVID-19 pandemic. US inflation was shown to be at 6.8% over the year to November, the highest seen in 39 years, with many other countries also reaching multi-year peaks. Indeed, the rhetoric of the US Federal Reserve (Fed) took a notable, slightly hawkish turn in this regard, with Chair Jerome Powell, indicating a clear preference to speed up the withdrawal of bond purchases given current inflationary pressures that Powell believes will remain "well into next year."

Outside of finance, the broader media focus was on the latest COVID-19 variant, Omicron. While raw case numbers rapidly rose to new peaks towards the end of the quarter, numerous studies have now shown Omicron symptoms to be generally relatively mild in nature (despite being considerably more infectious), with fatality and hospitalisation percentage rates far below that of previous variants. As has been the case for some time however, global governments reacted vastly differently across the globe, heavily impacting confidence, trade, travel and adding to civil discontent.

Outlook

In our view, 2022 offers a host of risks and opportunities. For example, we believe commodities markets present opportunities, given the current themes of underinvestment, decarbonization and COVID-related disruptions. Regarding risks, we feel these are focused around tightening monetary policy, geopolitics, climate and China. Perhaps the greatest positive theme, however, is the potential for COVID-19 to finally be forced into relative submission through the combined forces of medical progress, immunity and milder mutations.

Availability

Product Name	APIR
SignatureSuper	AMP1734AU*
SignatureSuper - Allocated Pension	AMP1743AU*

*Closed to new investors

Contact Details

Web: 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.