

Arrowstreet Global Equity

Quarterly Investment Option Update

30-June-2016

Availability

Product name	APIR
AMP Flexible Super – Choice (Retirement)	AMP1590AU
AMP Flexible Super – Choice (Super)	AMP1578AU
CustomSuper	AMP1530AU
Flexible Lifetime – Allocated Pension	AMP1542AU
Flexible Lifetime – Super	AMP1530AU
SignatureSuper	AMP1554AU
SignatureSuper – Allocated Pension	AMP1566AU

Investment Option Performance

Investment performances are subject to product fees and where relevant tax as outlined in the product PDS. Therefore investment performance may differ between products. In addition, activity on your account such as contributions and deductions will also impact the investment performance specific to you. To view the latest investment performances for each product, please visit www.amp.com.au. You can also view the last investment performance specific to you by visiting your My Portfolio account.

Contact Us

Web: www.amp.com.au

Email: askamp@amp.com.au

Phone: 131 267 (Mon. to Fri 8:30am to 6:00pm AEST)

Overview

Aim & Strategy: To seek to achieve a long term (at least 7 years) total return before fees and expenses that exceeds the MSCI All Country World Index ex-Australia, in Australian dollars unhedged with net dividends reinvested. The portfolio invests primarily in shares of companies listed on stock exchanges around the world, but will also have some exposure to cash and derivatives. The portfolio will use derivatives such as foreign exchange contracts to facilitate settlement of stock purchases and to take active currency positions. Derivatives will not be used for leverage or gearing purposes. Exposure to

international assets is not hedged back to Australian dollars. This means that investors will also be exposed to currency risk because of movements in exchange rates. Note: The investment option's exposure to derivatives is not reflected in these ranges.

Investment category: Global shares

Suggested Investment Timeframe: 7+ years

Standard Risk Measure: 6/ High

Investment style: Core

Asset Allocation	Benchmark (%)	Range (%)
Global Equities	100%	98.10%
Cash	0%	1.90%

Holdings

Industry Exposure	%
Consumer Discretionary	3.41%
Consumer Staples	22.92%
Energy	5.93%
Financials	8.62%
Health Care	7.78%
Industrials	6.42%
Information Technology	19.30%
Materials	10.05%
Telecommunication Services	4.03%
Utilities	9.62%
Cash	1.90%

Regional Exposure	%
Asia Ex Japan	0.19%
Europe Ex Uk	15.21%
Japan	4.25%
North America	55.95%

United Kingdom	10.29%
Emerging Markets	12.21%
Cash	1.90%

Top Ten Securities	%
Facebook Inc	3.12%
Philip Morris International	2.41%
Nestle Sa	2.27%
Altria Group Inc	1.59%
Cisco Systems Inc	1.55%
Bp	1.46%
Public Storage	1.36%
Intel Corp	1.30%
Unilever Nv	1.29%
Pepsico Inc	1.26%

Market Commentary

The Arrowstreet Global Equity Fund gained 5.58% after fees for the June quarter, outperforming the MSCI All Countries ex Australia Index by 1.23%.

The U.K. decision to exit the European Union (Brexit) on June 23 shocked markets. Prior to the Brexit vote, markets had risen across both emerging and developed markets in the second quarter. In the aftermath of the Brexit vote all MSCI regional returns were briefly negative, however markets rebounded quickly and the MSCI All Country World Index finished the second quarter up 1.0% in USD. Europe was the worst performing region for the quarter, down 2.7%. While the U.K. posted incrementally negative returns in the second quarter, other European countries saw more dramatic drops over the period. Other regions saw modestly positive returns in the quarter, with North America up 2.5%, the Pacific region up 0.9% and emerging markets up 0.7% in USD.

Stock prices fell after the Brexit vote in response to uncertainties which included the U.K. path forward in the absence of political leadership after U.K. Prime Minister Cameron's resignation and central bank reactions to the incremental challenge in an environment of slow global growth. The British pound weakened to multi-year lows and the Euro depreciated significantly, raising concerns about the possibility of competitive currency devaluations. Brexit also renewed fears of a broader eurozone crisis, which was reflected in soaring bond yields in the European periphery. Outside of Europe, it reduced expectations for a 2016 U.S. rate hike and raised questions about the impact on Japan as the yen strengthened. Prior to the Brexit vote, the market environment had reflected a continuation of themes seen late in first quarter including improved sentiment toward China and the fading of global recession fears, which in turn fuelled a continued recovery in commodity prices.

Investment Option Commentary

Apple Inc. (United States Information Technology)

Apple, the world's largest technology company by assets, designs and sells consumer electronics, software and online services. The firm's share price fell following the company's

announcement of its first quarterly revenue drop since 2003 and disappointing forward guidance. Management also raised concerns over Chinese weak demand and currency headwinds in a majority of its international markets. Arrowstreet's underweight position was motivated by stock level price momentum and indirect momentum signals.

Barrick Gold Corporation (Canada Materials)

Barrick Gold is the world's largest gold producer with primary operations in North and South America. Shares appreciated significantly in April and June as gold prices reached \$ 1320 USD at the end of the second quarter. Spot gold prices have risen nearly 25% thus far in 2016. Gold mining stocks gained significant momentum on safe-haven demand resulting from the current global economic and political climate. Arrowstreet's overweight position was motivated by basket level price momentum and catalysts signals.

Public Storage (United States Financials)

Public Storage is a U.S. real estate investment trust focused on self-storage facilities. The high dividend yield profile of the industry makes it sensitive to interest rate expectations. During the second quarter stocks in the industry were depressed in anticipation of a U.S. interest rate increase. Sentiment changed after the Brexit decision and the stock began to rebound as expectations for interest increases diminished. Arrowstreet's overweight position was motivated by stock level price momentum and extreme sentiment signals.

What you need to know

This publication has been prepared by AMP Life Limited ABN 84 079 300 379, AFSL No. 233671 (AMP Life). The information contained in this publication has been derived from sources believe to 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 the 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. AMP Life is part of the AMP Group. In providing the general advice, AMP Life and AMP Group receives fees and charges and their employees and directors receive salaries, bonuses and other benefits.

The information 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.

The investment option referred to in this publication is available through products issued by AMP Superannuation Limited ABN 31 008 414 104, AFSL No. 233060 (ASL) and/or AMP Life. Before deciding to invest or make a decision about the investment options, you should read the current Product Disclosure Statement for the relevant product, available from ASL, AMP Life or your financial planner.

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 (underlying fund). 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 AMP Life, ASL, any other company in the AMP Group nor underlying fund manager guarantees the repayment of capital or the performance of any product or particular rate of return referred to in this document. Past performance is not a reliable indicator of future performance.