

# AMP Capital Equity

Quarterly Investment Option Update

30 June 2018

## Aim and Strategy

To provide high returns over the long term while accepting high levels of volatility in returns, by investing in a portfolio of shares listed on the Australian Securities Exchange.

The portfolio aims to provide returns, after costs and before tax, above the S&P/ASX 200 Accumulation Index.

## Investment Option Performance

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

### Availability

Product name	APIR
<a href="#">AMP Flexible Lifetime Super</a>	AMP0468AU
<a href="#">AMP Flexible Super - Retirement account</a>	AMP1324AU
<a href="#">AMP Flexible Super - Super account</a>	AMP1454AU
<a href="#">CUSTOM SUPER</a>	AMP0468AU
<a href="#">Flexible Lifetime - Allocated Pension</a>	AMP0598AU
<a href="#">Flexible Lifetime - Term Pension</a>	AMP0898AU
<a href="#">Flexible Lifetime Investment</a>	AMP0018AU
<a href="#">Flexible Lifetime Investment (Series 2)</a>	AMP1394AU
<a href="#">METCASH SUPERANNUATION PLAN</a>	AMP0468AU
<a href="#">Signature Super</a>	AMP2047AU
<a href="#">Signature Super Allocated Pension</a>	AMP2048AU

### Investment Option Overview

<b>Investment category</b>	Australian Equities
<b>Suggested investment timeframe</b>	5 - 7 years
<b>Relative risk rating</b>	High
<b>Investment style</b>	Growth

Asset Allocation	Benchmark	Range (%)
Australian Shares	100	80-100
Cash	0	0-20

Top Ten Australian Shares	%
COMMONWEALTH BANK AUST	7.61
BHP Billiton Ltd	6.54
Westpac Banking Corp	5.99
CSL Ltd	5.26
Australia & New Zealand Banking Group Ltd	4.80
National Australia Bank Ltd	4.41
WESFARMERS LTD	3.34
Macquarie Group Ltd	2.40
WOOLWORTHS GROUP LTD	2.37
Rio Tinto Ltd	2.09

Industry Exposure	%
Financials	32.48
Materials	18.34
Health Care	8.41
Consumer Staples	8.04
Real Estate	7.33
Industrials	7.11
Energy	5.71
Consumer Discretionary	4.45
Information Technology	2.45
Telecommunication Services	2.08
Utilities	1.83
Cash	1.77

## Portfolio Summary

- > The Australian share market made a strongly positive return during the period
- > The Portfolio's outperformance during the period was driven by positive asset allocation positioning
- > Australian companies remain sensitive to banking capitalisation requirements, economic growth and commodity prices

## Investment Option Commentary

The AMP Capital Equity Fund marginally outperformed the S&P/ASX 200 Index over the June quarter, primarily due to the underweight allocations to the telecommunication services and financials sectors. At the sector level, the strongest stock selection came from the consumer discretionary and utilities sectors. Within the consumer discretionary sector, the Fund's overweight position in Aristocrat Leisure, the market's standout performer during the June quarter, added to relative performance.

During the quarter, the top contributor to performance was the underweight position in Telstra Corp, which fell more than 16% over the quarter. The next largest contributor to relative performance was the Fund's overweight allocation to Reliance Worldwide Corporation. The company undertook a discounted rights issue in May after announcing the earnings-accretive acquisition of UK-based John Guest Holdings and the share price rallied strongly.

Conversely, the main detractors for the quarter were underweight holdings in Xero and Woodside Petroleum, and an overweight holding in Bellamy's Australia.

The Fund is characterised as being a highly diversified portfolio with a wide breadth of stock holdings. Across the sectors, the Fund's largest overweight positions are industrials and materials, while underweight positions include consumer discretionary and telecommunication services.

## Contact Us

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