

AMP Lifecycle Active 1970s

Quarterly Investment Option Update

30 September 2018

Aim and Strategy

Aims to achieve a rate of return of 4.0% above the Consumer Price Index, after fees and superannuation tax, over the suggested investment timeframe.

This investment option gives you an investment solution that takes you all the way through your superannuation savings journey. This approach, known as lifecycle investing, delivers an investment strategy that continuously evolves to align with the changing stages of an investor's life. It takes the hard work out of deciding how to invest your savings by providing the simplicity of a single investment choice.

This investment option is an age-based investment, meaning that the strategy of this investment option will change progressively over an investor's lifetime to meet the objective of the average investor born during the 1970s.

This means that younger investors will have higher-growth investment strategies because they have a long period to retirement and can afford to take more risk. However, for investors approaching retirement, investments will focus more on preserving the capital built up and reducing risk.

International investments may be partially or fully hedged back to Australian dollars. Subject to certain conditions, the underlying investments may use derivatives (such as options, futures, forwards and swaps) and engage in short selling.

Asset Allocation	Benchmark (%)
Global shares	35
Australian shares	27
Listed property & infrastructure	4
Unlisted property & infrastructure	9
Growth alternatives	13
Global fixed interest	1
Australian fixed interest	7
Defensive alternatives	1
Cash	3

Actual Allocation	(%)
Global shares	28.42
Australian shares	24.53
Listed property & infrastructure	2.19
Unlisted property & infrastructure	3.57
Global fixed interest	1.34
Australian fixed interest	10.16
Cash	13.83
Others	15.96

Investment Option Performance

To view the latest investment performances please visit www.amp.com.au

Investment Option Overview

Investment category	Multi-sector
Suggested investment timeframe	10 Years
Relative risk rating	High
Investment style	Active

Fund Performance

The AMP Lifecycle Active 1970s Fund delivered a strong positive return in the September quarter, building on the positive return of the previous quarter, as global equity markets continued to rise.

International equities provided the largest contribution to total return over the quarter. Positive economic indicators in the US helped drive US equities 7.7% higher over the period and most developed markets followed US equities into positive territory, demonstrating resilience to continuing concerns over global trade and below consensus economic data releases in Europe and China. On the whole, developed market equities ended the quarter up 5.4% in local currency terms, however emerging market equities proved less resilient and were flat over the quarter.

Australian equities ended the quarter up 1.8%. Strong performances in the telecommunications and IT sectors pushed the market higher as concerns surrounding the fallout from Royal Commission into Banking and Superannuation, and a residential property slowdown constrained returns from financials.

The allocation to Australian fixed interest contributed marginally to total return. The portfolio's smaller allocation to international bonds was flat, as the rise in global bond yields was kept in check by bursts of market volatility. The Fund's other investments in property, infrastructure and alternatives (private equity and hedge funds) experienced generally positive results over the quarter.

Looking ahead, we continue to see an uptrend in equities as global growth remains solid and monetary policy remains accommodative. However, we do expect an increase in market volatility in the future given geopolitical and trade concerns and the late cycle environment. We aim to utilise this volatility to help identify investment opportunities to enhance returns. We remain comfortable in maintaining a bias towards international equities at the expense of Australian equities, given current valuation levels. Our overall bond position remains underweight in favour of cash as we expect bonds to remain vulnerable to any evidence of inflationary pressure or monetary tightening.

Availability

Product name	APIR
AMP Flexible Super - Super account	AMP2061AU

Contact Details

Web: www.amp.com.au

Email: askamp@amp.com.au

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



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 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 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), AMP Capital Funds Management Limited ABN 15 159 557 724, AFSL 426455 (AMPCFM), ipac asset management limited ABN 22 003 257 225, AFSL 234655 (ipac) 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 the issuer 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.

No 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.