

# AMP MySuper Balanced

## Quarterly Investment Option Update

30 September 2018

### Aim and Strategy

This investment option aims to achieve a rate of return above the Consumer Price Index of 3%, after fees and superannuation tax, over a 10 year period. AMP's MySuper investment option called AMP MySuper Balanced, gives you an investment solution that is well diversified across a broad range of investment markets and focuses on delivering sound long-term returns.

The exposure to the different sources of risk and return will typically be through index exposure to a range of traditional listed markets. This investment option's asset allocation is actively managed to take advantage of long-term under and over-valuations between asset classes. 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.

### Investment Option Performance

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

### Investment Option Overview

<b>Investment category</b>	Multi-Sector
<b>Suggested investment timeframe</b>	10 years
<b>Relative risk rating</b>	High
<b>Investment style</b>	Active

<b>Actual Allocation</b>	<b>Benchmark (%)</b>
Global shares	40.57
Australian shares	26.93
Listed property & infrastructure	4.86
Global fixed interest	9.4
Australian fixed interest	10.5
Cash	7.72

## Fund Performance

The AMP MySuper Balanced Fund delivered a strong 2.3% return in the September quarter, building on the positive return of the previous quarter, as global equity markets continued to rise. The Fund has now delivered a solid 5.2% return for investors in 2018.

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.

Across other asset classes, listed property and listed infrastructure investments provided positive returns, while bond returns were mixed. The allocation to Australian fixed income contributed marginally to total return, while International fixed income was flat, as the rise in global bond yields was kept in check by bursts of market volatility.

Looking ahead, we continue to see an uptrend in equities as global growth remains solid and monetary policy remains accommodative. However, we do expect market volatility to increase in the future given geopolitical and trade concerns and the late cycle environment. We aim to utilise this volatility to help identify investment opportunities. We remain comfortable maintaining a bias towards international equities and away from 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	AMP1904AU

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