

# Super Easy Australian Share

Quarterly Investment Option Update

31 March 2019

## Aim and Strategy

The strategy aims to provide returns that track the S&P/ASX 300 Accumulation Index with net dividends reinvested.

Investments into the Australian shares asset class will be attained through the use of low cost index-focused investment managers.

Actual Allocation	(%)
International shares	1.67
Australian shares	88.93
Listed property & infrastructure	7.61
Cash	1.80

## Investment Option Performance

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

## Investment Option Overview

Investment category	Australian Shares
Suggested investment timeframe	7 years
Relative risk rating	High
Investment style	Index

Asset Allocation	Benchmark (%)
Australian shares	100
Cash	0

Sector Allocation	%
Financials	30.38
Materials	18.56
Industrials	8.06
Consumer discretionary	6.29
Real estate	7.74
Consumer staples	5.40
Utilities	1.97
Energy	5.53
Health care	8.28
Telecommunication services	3.61
Cash	1.79
Information technology	2.39

## Market Review

In line with broader global equities, Australian shares posted very strong gains in the March quarter, after significant falls in late 2018. The S&P/ASX200 total return index finished up by 10.89% for the period. The bulk of the quarter's gains came in January and February, as both the banking Royal Commission and domestic reporting season proved to be largely free of any negative surprises, allowing global bullish sentiment to remain the prime driver of the domestic market. Despite the strong performance, uncertainty remains around the upcoming Federal Election and the Labor opposition's proposed tax changes, which include the removal of franking credits for individuals who do not pay tax or receive a tax refund, mainly impacting self-funded retirees who largely own shares for income purposes. Speculation of an interest rate cut from the Reserve Bank (RBA) has also increased, which is also positive for Australian equities, though balancing this, fears of a pull-back in global growth remain, particularly in the US and parts of Europe.

## Outlook

Australian shares remain exposed to a global slowdown, particularly in the resources segment. Banking profitability is also likely to be constrained by increased macro-prudential regulation, capital-holding requirements and a shifting banking structural landscape. Credit will likely continue to be subdued as banks tighten lending standards and business confidence pulls back. Economic uncertainty could also amplify market volatility as we approach the general election in 2019 and the parties stake-out their economic plans for the future. In the current environment, investors should benefit by being highly selective and focussing on companies with strong business fundamentals.

## Availability

Product name	APIR
AMP Flexible Super - Retirement account	AMP1618AU
AMP Flexible Super - Super account	AMP1609AU

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