

# Professional Moderately Conservative

Quarterly Investment Option Update

30 June 2019

## Aim and Strategy

To provide moderate long term investment returns, with limited likelihood of fluctuations in the value of the investment from year to year. The portfolio will primarily invest in a diversified mix of defensive and growth assets managed by professional asset managers identified and selected by ipac within each asset class.

## Investment Option Performance

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

## Investment Option Overview

<b>Investment category</b>	Multi-Sector
<b>Suggested minimum investment timeframe</b>	4 years
<b>Relative risk rating</b>	Medium to High
<b>Investment style</b>	Active
<b>Manager style</b>	Multi-manager

<b>Asset Allocation</b>	<b>Benchmark (%)</b>
Australian and International Fixed Interest	32
International shares	21
Australian Shares	20
Cash	15
Listed and Unlisted Property and Infrastructure	7
Defensive Alternatives	3
Growth Alternatives	2

<b>Actual Allocation</b>	<b>%</b>
International Shares	22.26
Australian Shares	19.49
Listed Property and Infrastructure	7.10
Growth Alternatives	1.96
International Fixed Interest	27.06
Defensive Alternatives	4.07
Cash	18.06

## Market Review

Global equities remained resilient during the quarter, despite the International Monetary Fund downgrading global growth forecasts. However, the risks around growth and the strong gains in shares this year have increased the probability of a correction. Central banks are retaining their bias towards accommodative measures as visibility on growth fades.

Despite the rise in equity values, there has been some flight-to-safety as trade war and geo-political risks increase, and this has seen bond yields fall, resulting in a positive correlation between bond and equity prices.

Despite the ongoing global trade tensions, hopes remain that a practical and sustainable resolution to the US-China dispute will be reached. However, market optimism is fragile and there remain significant risks. The US's approach appears to be widening in scope if anything, with its removal of India's preferential trade status and associated implementation of tariffs. In addition, the potential for armed conflict between the US and Iran has heightened the geo-political risk environment. There were thus great expectations for positive communications and outcomes for world trade at the G20 meeting in Japan at the tail-end of the quarter, particularly from sideline talks between country heads.

## Availability

Product Name	APIR
AMP Flexible Lifetime Super	AMP1958AU
AMP Flexible Super - Retirement account	AMP1965AU
AMP Flexible Super - Super account	AMP1972AU
Flexible Lifetime - Allocated Pension	AMP1951AU
Flexible Lifetime - Investments (Series 2)	AMP1983AU
Flexible Lifetime - Term Pension	AMP1951AU
SignatureSuper	AMP1984AU

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