



# AMP Equity Fund

## Quarterly Investment Option Update

30 June 2024

### 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 or about to be 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 on a rolling 3-year basis. Investment is diversified across a range of industries and sectors, with a focus on the largest 200 companies. In constructing the portfolio, the investment manager employs a systematic rules-based approach where no individual stock fundamental analysis is conducted and the investment team use large sets of data to analyse stocks through intelligent screening methods. Passive, enhanced index and smart beta are examples of systematic approaches.

### Investment Option Performance

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

### Investment Option Overview

<b>Investment category</b>	Australian Shares
<b>Suggested minimum investment timeframe</b>	7 years
<b>Standard Risk Measure</b>	7/Very High
<b>Investment style</b>	Active
<b>Manager style</b>	Single

<b>Asset Allocation</b>	<b>Benchmark (%)</b>
Australian shares	100
Cash	0

<b>Actual Allocation</b>	<b>%</b>
Australian Shares	87.65
Property	7.74
Global Shares	4.18
Cash	0.44

<b>Sector Allocation</b>	<b>%</b>
Financials	31.80
Materials	20.90
Health Care	9.65
Consumer Discretionary	7.78
Industrials	6.99
Real Estate	6.18
Energy	4.57
Consumer Staples	4.00
Communication Services	3.20
Information Technology	3.11
Utilities	1.39
Cash	0.44

<b>Top Holdings</b>	<b>%</b>
BHP Group Ltd	9.23
Commonwealth Bank of Australia	9.03
CSL Ltd	5.98
National Australia Bank Ltd	4.73
Westpac Banking Corp	3.96
Australia & New Zealand Banking Group Ltd	3.78
Wesfarmers Ltd	3.27
Macquarie Group Ltd	3.03
Goodman Group	2.49
Woodside Energy Group Ltd	2.17

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## Fund Performance

The Fund was negative for the quarter and underperformed the benchmark. For the full financial year however, performance was very strong.

Key contributors to performance for the quarter included overweight positions in Pro Medicus, South32 and Silver Lake Resources. Pro Medicus outperformed as its shares were positively impacted by sentiment regarding its Visage 7 platform, its exposure to AI and its potential US market share.

The main detractors from relative performance included an overweight position in Bapcor and underweight positions in Red 5 and Alumina. Bapcor underperformed after reporting it expected second half FY24 pro-forma profit results would be below that of the first half.

## Market Review

Australian shares pulled back by around 1.1% in the June quarter as measured by the ASX200 total return index, underperforming their international counterparts, which generally rose strongly. A rising degree of pessimistic sentiment around the domestic economy impacted the market, as did the materials sector, which pulled back on lower, though stabilising iron ore prices. Higher than expected monthly inflation data also weighed, particularly given Australian households' greater sensitivity to interest rate changes. Amid ongoing speculation on whether a further rate rise will be required from the RBA, utilities were the top performing sector for the period. Financials also produced a solid return, though most other sectors were negative.

## Outlook

Corporate earnings in Australia, while still struggling in some areas, have generally shown resilience. Businesses meanwhile remain focussed on containing costs. While the low-growth economic environment remains difficult, the stability of Australian earnings and dividends over the long-term, and their ability to generate a growing, tax-effective income stream should be kept in mind. Over the long-term, we believe Australian shares will continue to rise, with volatility being necessary to provide opportunities for higher returns.

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## Availability

Product Name	APIR
Flexible Lifetime - Investments (Series 1)	AMP0018AU**
Flexible Lifetime - Investments (Series 2)	AMP1394AU**

\*\*Closed to new and existing investors

## Contact Details

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