



# Specialist International Share

## Quarterly Investment Option Update

30 June 2024

### Aim and Strategy

The strategy aims to provide total returns (income and capital growth) after investment fees and before tax, above the MSCI World (ex-Australia, ex-Tobacco) Accumulation Index with net dividends reinvested on a rolling 3-year basis. It uses a multi-manager approach that offers investors with exposure to different underlying investment strategies focused on international shares (excluding Australia). In certain market conditions, the portfolio may hold a higher level of cash than the 10% limit. Note: An unhedged strategy results in net performance being impacted (positively or negatively) by movements in the Australian dollar, relative to other currencies where the portfolio holds exposure.

### 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>	Global 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>	Multi-manager

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

<b>Actual Allocation</b>	<b>%</b>
Global Shares	99.96
Cash	0.04

<b>Sector Allocation</b>	<b>%</b>
Information Technology	22.87
Financials	20.21
Health Care	10.92
Industrials	9.58
Consumer Discretionary	9.06
Communication Services	8.86
Energy	6.63
Consumer Staples	4.22
Utilities	3.27
Materials	2.13
Cash	1.28
Real Estate	0.72
Futures	0.24
Others	0.00

<b>Top Holdings</b>	<b>%</b>
NVIDIA Corp	4.81
Microsoft Corp	4.62
APPLE INC	3.35
Meta Platforms Inc	3.29
Alphabet Inc	2.51
Amazon.com Inc	2.19
Novo Nordisk A/S	2.10
Eli Lilly & Co	1.99
UnitedHealth Group Inc	1.30
Visa Inc	1.09

Region Allocation	%
North America	66.23
Europe ex UK	13.32
Emerging Markets	7.72
Japan	5.64
UK	5.08
Cash	1.28
Pacific ex Japan	0.73

## Fund Performance

The Investment Option marginally lost ground and underperformed its benchmark (which had a modestly positive return) during the June quarter. Three of the five underlying managers gained ground and outperformed their benchmarks, with GQG the standout. Vinva and Arrowstreet also performed well on a relative basis. Notably healthy returns were delivered over the year to 30 June 2024 and the benchmark was comfortably exceeded. Furthermore, over the medium to long-term performance remains positive overall for 3 years, 5 years, and since inception.

At a country level, active allocation added some value overall, with the main contributions from Taiwanese and South Korean holdings and an overweight exposure to Denmark more than offset the detractor from holdings in Brazil and an overweight position in Ireland, which detracted the most. Sector allocation was the main detractor from returns, primarily due to the underweight position in IT whereas underweight exposures to real estate and materials contributed the most. Stock selection however enhanced returns, with holdings in health care, energy and financials adding most value to more than offset stock positioning in consumer discretionary, IT and consumer staples which were the main detractors at a sector level.

From an individual stock perspective, significant contributors during the period included overweight positions in Novo Nordisk, AppLovin Corp and Eli Lilly & Co. Shares in Danish-based global pharmaceutical company Novo Nordisk (+11%) rose strongly after its latest trading update saw net profit soar on the back of sales growth in its Wegovy obesity drug had more than doubled compared to the same period last year. Online marketing software provider AppLovin Corp (+17%) rose after it released results showing continued growth in its AI-powered AXON advertising software. Shares in US-based pharmaceutical company Eli Lilly & Co. (+14%) also found support after the company announced its latest results that saw a significant increase in its diabetes and weight loss drugs' sales that exceeded the market's expectations.

Significant detractors during the period at a stock level included underweight holdings in Apple and Alphabet and an overweight exposure to Global Payments. Shares in US-based technology company Apple (+20%) were buoyed by its reporting of a revenue record in its Services division (which includes Apple Music and Apple Pay). Google parent Alphabet (+18%) saw its shares soar after the company announced its inaugural dividend, a significant stock buyback programme and robust quarterly earnings. Shares in US-based payment technology provider Global Payments (-29%) fell despite strong quarterly results after the company confirmed a more cautious outlook which reflects the potential for slower economic growth.

## Market Review

The June quarter was yet another solid period for global shares, with major developed markets rising by over 3% in local currency terms. (The return however was more modest in Australian dollar terms, as the Australian dollar strengthened). US shares were again strong, helped again by mega-cap IT companies, returning around 4.3% as markets focussed on potential upcoming rate-cuts. UK shares were also solid, returning around 3.7% amid improving economic sentiment and the Bank of England indicating a rate cut will be possible in months ahead. Developed Asian markets also did well, aided by gushing sentiment towards artificial intelligence-related companies, including chip manufacturers. Finally, emerging market shares were very strong, returning around 6.2%, aided by strong Asian markets and improving sentiment in China off the back of further regulatory support towards its real estate sector. (All returns quoted in local currency terms and on a total-return basis, unless otherwise stated.)

## Outlook

Interest rates have begun falling in a number of regions on the back of significantly decreased levels of inflation and low economic growth. The corporate environment remains tough, though strong businesses, as always, will likely move forward with increased market dominance. We believe a diverse basket of businesses bought at reasonable prices, particularly those with strong competitive advantage that generate high amounts of cash from their shareholders' capital, will serve investors well over the long-term.

---

## Availability

Product Name	APIR
Flexible Lifetime - Investments (Series 1)	AMP0855AU**
Flexible Lifetime - Investments (Series 2)	AMP1421AU**
SignatureSuper	AMP0803AU
SignatureSuper - Allocated Pension	AMP1159AU
SignatureSuper - Term Pension	AMP1159AU*

\*Closed to new investors

\*\*Closed to new and existing investors

## Contact Details

**Web:** [www.amp.com.au](http://www.amp.com.au)

**Email:** [askamp@amp.com.au](mailto:askamp@amp.com.au)

**Phone:** 131 267



### What you need to know

This publication has been prepared by AWM Services Pty Limited ABN 15 139 353 496, AFSL No. 366121 (AWM Services). 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 AMP Limited ABN 49 079 354 519 (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.

The investment option referred to in this publication is available through products issued by N.M. Superannuation Proprietary Ltd ABN 31 008 428 322, AFSL 234654 (NM Super) or ipac asset management limited ABN 22 003 257 225, AFSL 234655 (ipac). Before deciding to invest or make a decision about the investment options, you should read the current Product Disclosure Statement (PDS) for the relevant product, available from the issuer or your financial planner.

Any advice 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. In providing any general advice, AMP Group receives fees and charges and their employees and directors receive salaries, bonuses and other benefits.

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. 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.

Neither NM Super, ipac, AWM Services, any other company in the AMP Group nor the underlying fund manager guarantees the repayment of capital or the performance of any product or particular rate of return referred to in this document, unless expressly stated in the PDS. Past performance is not a reliable indicator of future performance. Any slight asset allocation deviations from 100% may be caused by rounding, asset categorisation and/or hedging.

For notices and disclaimers related to the MSCI Benchmarks within this document, please refer to [www.msci.com/notice-and-disclaimer](http://www.msci.com/notice-and-disclaimer)