



AMP International Share Enhanced Index

Quarterly Investment Option Update

31 March 2024

Aim and Strategy

To provide a total return (income and capital growth) after costs and before tax, higher than the return from the benchmark on a rolling 12-month basis. The portfolio invests in international shares and partially replicates the MSCI World (ex-Australia) (ex Tobacco) Index. Some of the portfolio's underlying managers may use short selling with the aim of implementing the investment objectives. The investment option may be geared, but in normal circumstances, the investment option will be no more than 100% exposed to international share market movements, after taking into account derivative positions. In normal circumstances, the investment option is unhedged to Australian dollars.

Investment Option Performance

To view the latest investment performances for this product, please visit www.amp.com.au/performance

Investment Option Overview

Investment category	Global Shares
Suggested minimum investment timeframe	7 years
Standard Risk Measure	7/Very High
Investment style	Enhanced Index
Manager style	Multi-manager

Asset Allocation	Benchmark (%)
Global shares	100
Cash	0

Actual Allocation	%
Global Shares	97.18
Australian Shares	-0.32
Property	1.96
Cash	1.19

Sector Allocation	%
Information Technology	22.17
Financials	16.51
Industrials	11.62
Consumer Discretionary	11.29
Health Care	10.78
Communication Services	7.32
Consumer Staples	5.64
Energy	4.22
Materials	3.27
Utilities	2.25
Real Estate	1.95
Futures	1.80
Cash	1.19

Top Holdings	%
Microsoft Corp	4.23
NVIDIA Corp	3.61
APPLE INC	2.95
Alphabet Inc	2.60
Amazon.com Inc	2.58
Henderson Global Investors Ltd	1.86
Meta Platforms Inc	1.81
Eli Lilly & Co	1.07
Broadcom Inc	0.87
Tesla Inc	0.87

Region Allocation	%
North America	74.85
Europe ex UK	12.85
Japan	6.49
United Kingdom	4.08
Cash	1.19
Asia ex Japan	0.90
Australasia	-0.35

Fund Performance

This Fund is invested via three portfolios, managed by AQR Capital Management (AQR), Intech and Janus Henderson. Each is a low-tracking risk portfolio relative to the benchmark index, constructed using different approaches. These approaches are typically focused on identifying opportunities to add value relative to the benchmark, through risk-controlled, systematic processes. The three approaches employed are: factor signals, volatility capture and multi-strategy.

The Fund posted a strong absolute return and outperformed its benchmark. All three underlying managers were strong in absolute terms, while being mixed relative to benchmark.

Intech's relative volatility capture portfolio produced a very strong return and outperformed its benchmark. The portfolio tends to overweight to small cap stocks, as due to their volatility they tend to provide more value capture opportunities; This had a positive effect on relative performance over the period. An underweight to the real estate sector also aided.

AQR's factor signals portfolio produced a similarly strong absolute return and outperformed its benchmark. Global stock selection helped performance, particularly through US holdings. Global asset allocation also aided the portfolio, due to country selection.

Finally, the allocation to Janus Henderson slightly underperformed the benchmark, though still produced a strong, double-digit absolute return for the period. Amongst the manager's strategies, Risk Transfer was the largest detractor, driven by higher financing costs in short-dated futures in response to strong demand for synthetic long exposure.

Market Review

The March quarter was another outstanding period for global shares, with many indices seeing new highs as major developed markets rose by over 10% in local currency terms. (Over 14% in Australian dollar terms, as the Australian dollar weakened). 'Goldilocks' like market conditions prevailed, particularly in the US, as traders bet on inflation continuing to fall and any near-term recessionary conditions to be mild. Oscillating sentiment around the path of US interest rates appeared to have little to no impact on global share markets, which rose steadily and despite significantly less rate cuts being priced in at quarter-end relative to the end of 2023. Interestingly, stock gains on a sector basis were more broadly based than recent prior quarters, where IT stocks have dominated. Emerging market shares also rose strongly, returning around 4.5% for the period, though significantly underperformed developed markets on the back of continued Chinese economic growth concerns. (All returns quoted in local currency terms and on a total-return basis, unless otherwise stated.)

Outlook

Interest rates have begun falling in some countries on the back of significantly decreased levels of inflation and low economic growth, particularly outside of the US. 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)	AMP0994AU**
Flexible Lifetime - Investments (Series 2)	AMP1396AU**

**Closed to new and existing investors

Contact Details

Web: www.amp.com.au

Email: 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 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 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