



AMP Balanced Growth

Quarterly Investment Option Update

30 June 2024

Aim and Strategy

To provide primarily capital growth with some income after costs and before tax, above the strategy's performance benchmark on a rolling 3 year basis, by investing across a range of asset types, with high exposure to growth assets. The strategy aims to provide investors with exposure to a diversified range of Australian and international growth sources across asset classes including shares, Australian listed property trusts, and global listed property securities.

Investment Option Performance

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

Investment Option Overview

| | |
|---|---------------|
| Investment category | Multi-Sector |
| Suggested minimum investment timeframe | 5 years |
| Standard Risk Measure | 6/High |
| Investment style | Active |
| Manager style | Multi-manager |

| Asset Allocation | Benchmark (%) |
|-------------------------|----------------------|
| Australian shares | 29 |
| Global Shares | 33 |
| Property | 5 |
| Infrastructure | 5 |
| Alternatives | 0 |
| Fixed Income | 20 |
| Cash | 8 |

| Actual Allocation | % |
|--------------------------|----------|
| Global Shares | 33.68 |
| Fixed Income | 20.27 |
| Australian Shares | 28.08 |
| Infrastructure | 5.15 |
| Property | 4.96 |
| Cash | 7.86 |

Fund Performance

Spurred on by market momentum that commenced in Q1 2024, June quarter markets' performance ended only slightly ahead, after a volatile start. These more subdued market gains impacted Fund performance, which ended the period broadly flat and below benchmark. The Fund however produced a strong FY24, outperforming the benchmark, while medium to longer-term performance remains positive and ahead of benchmark.

After a choppy start to the quarter, initial concerns of the global economy experiencing a 'hard landing' subsided towards June, as inflationary indicators cooled, as did the risk of further rate hikes. In fact, by the end of the quarter some developed markets entered a period of policy easing, delivering the first cuts to cash rates since the outbreak of COVID-19. This was well received by both developed and emerging markets. Australian shares meanwhile lagged global counterparts, as domestically, inflation is proving more difficult to bring under control, creating a bias towards further tightening, or at least a 'higher for longer' rate environment, which surprised markets. Global bond markets were also constrained by the volatile economic outlook, however higher yielding credit sectors generated a positive return, thanks to a strong end of quarter.

Over the quarter, the Fund underperformed the benchmark (before fees), though remains broadly in line with the benchmark over longer periods. Active stock selection from our underlying managers in Australian shares constrained relative performance.

Looking ahead, we anticipate the second half of 2024 to be a reasonable year for investment returns, bolstered by easing inflationary pressures, central banks moving to cut rates and prospects for stronger economic growth in 2025-2026. There however remains a risk of recession, geopolitical disruption and possible delays to expected rate cuts. In this environment, we remain highly diversified across asset classes and strategies and hold a broadly favourable position to global shares given positive momentum, whilst remaining broadly neutral across other asset classes.

Availability

| Product Name | APIR |
|--|-------------|
| Flexible Lifetime - Investments (Series 1) | AMP0013AU** |
| Flexible Lifetime - Investments (Series 2) | AMP1391AU** |

**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.