



AMP CONSTRUCTOR SERIES

SouthPeak Alternative Alpha Fund

Portfolio Manager Update
June 2025 Quarter

The SouthPeak Alternative Alpha Fund aims to offer investors stable and consistent returns across various market conditions. The Fund's strategies include defensive volatility income strategies and cost-effective protection strategies.

Investment objective

Provide a total return, after costs and before tax, above the Fund's performance benchmark, Reserve Bank of Australia (RBA) daily cash rate target as at the first day of the month as published by Bloomberg (RBACTRD) Index, on a rolling 5-year basis.

Investment approach

The Fund uses both 'alpha' strategies and 'protection' strategies to generate returns:

Alpha strategies: SouthPeak harvests returns by selling equity options; this is akin to selling insurance. Alpha strategies tend to offer a stable income during times of 'normal' market volatility, though tend to lose money during periods of greater market turbulence. Alpha strategies are risk-managed with the aim to minimise losses at such times.

Protection strategies: SouthPeak's protection strategies aim to deliver gains during periods of market turbulence. This is typically implemented by buying equity options, therefore allowing the Fund to profit from large market falls. Conversely to alpha strategies, protection strategies generally lose money during calmer market periods, though SouthPeak's dynamic investment approach aims to limit these losses.

For further information about SouthPeak Investment Management, who is the investment manager of the underlying fund (SouthPeak real diversification fund (8-16%)), please visit SouthPeak at www.southpeakim.com

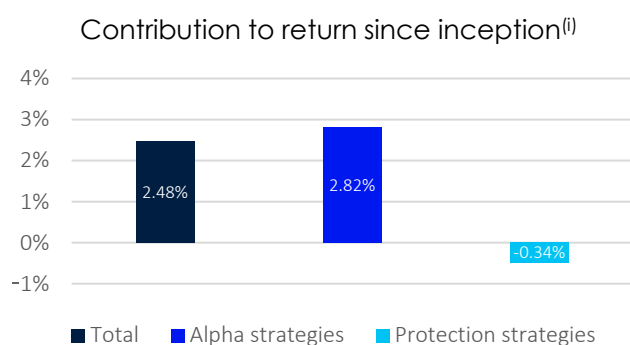
Performance

	3 months (%)	1 year (%)	3 years (% pa)	5 years (% pa)	10 years (% pa)	Since inception (%)
Net return ⁽ⁱ⁾	N/A	N/A	N/A	N/A	N/A	2.48%
Benchmark ⁽ⁱⁱ⁾	N/A	N/A	N/A	N/A	N/A	0.51%

(i) Performance is shown for A Class units (APIR IPA6729AU, inception date 13 May 2025) and is before tax and after management fees and costs and assumes all distributions are reinvested. Past performance is not a reliable indicator of future performance.

(ii) Benchmark is the Reserve Bank of Australia (RBA) daily cash rate target as at the first day of the month as published by Bloomberg (RBACTRD) Index). **Source:** Bloomberg, AMP Investments.

Performance contribution



(i) Fund returns are net of expenses and management and performance fees. The performance information is estimated, unaudited and subject to adjustment. Past performance is not an indicator of future performance. **Source:** SouthPeak.

Asset allocation

Asset class	Strategic asset allocation (ranges) (%)	Actual asset allocation (%)
Growth assets		
Alternatives ⁽ⁱ⁾	100 (98-100)	98.4%
Defensive assets		
Cash	0 (0-2)	1.6%

(i) Alternatives exposure achieved by holding derivatives and cash collateral. **Source:** AMP Investments.

Fund commentary (since inception)

In what some saw as an act of economic self-sabotage, President Trump's 'reciprocal' tariff announcements initially caused significant market turbulence around early April, before some backtracking subsequently contributed to markets bouncing and US equities reaching new all-time highs. SouthPeak however believe the damage may have already been done, specifically when it comes to the perception of the US as a reliable destination for long-term investment. In addition, any erosion of the Fed's independence (real or perceived) may equally be harmful over time. Notwithstanding elements of a market-friendly agenda, SouthPeak believe President Trump's policies around trade and immigration, and the erratic way they are delivered, will lead to lower economic growth (in the US and globally), higher inflation and ultimately lower asset prices. This would be accelerated if US treasuries start to lose their global safe-haven status, which is possible given the country's rapidly deteriorating fiscal health. SouthPeak believe well-designed long volatility strategies (i.e., strategies that profit from market volatility) will be key in protecting portfolios going forward.

Towards the end of the quarter, the Fund's alpha strategies contributed solid gains to the Fund's absolute return, reflecting a healthy risk premium after the significant (albeit short-lived) turbulence in April. Because of this, the Fund was able to harvest an attractive implied-realised volatility gap (i.e., there was subsequently less volatility than markets expected, which aided the alpha strategies). Meanwhile, protection strategies marginally detracted from the Fund's absolute performance, due to the equity market rally since the Fund was launched.

We're here to support you

If you are a direct investor and would like to speak to someone in regard to your investment, please contact AMP Investments Client Services on **133 267** or email **ampinvestments@amp.com.au**

If you are an adviser, you can contact Client Services as above or your State Account Manager.

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