

# Professional Balanced

## Quarterly Investment Option Update

30 June 2021

### Aim and Strategy

To provide moderate investment returns over the long term, with the likelihood of fluctuations in the value of the investment from year to year. The portfolio will primarily invest in a diversified mix of defensive and growth assets managed by professional asset managers identified and selected by ipac within each asset class.

### Investment Option Performance

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

### Investment Option Overview

<b>Investment category</b>	Multi-Sector
<b>Suggested minimum investment timeframe</b>	5 years
<b>Relative risk rating</b>	Medium to High
<b>Investment style</b>	Active
<b>Manager style</b>	Multi-manager

<b>Asset Allocation</b>	<b>Benchmark (%)</b>
International shares	30
Australian Shares	29
Australian and International Fixed Interest	20
Cash	7
Listed and Unlisted Property and Infrastructure	7
Growth Alternatives	4
Defensive Alternatives	3

<b>Actual Allocation</b>	<b>%</b>
International Shares	30.11
Australian Shares	29.27
Listed Property and Infrastructure	7.59
Growth Alternatives	5.30
International Fixed Interest	17.54
Defensive Alternatives	3.27
Cash	6.91

## Market Review

The economic backdrop became more complicated as the quarter progressed. Uncertainty over the persistency of inflationary pressures, ongoing stimulus packages, more hawkish than expected US Federal Reserve communications, and stretched valuations in many areas, all resulted in a more heterogeneous market interpretation of future economic direction and an increasingly fluid risk on/ risk off bias. In addition, there remain some unresolved global supply-demand mismatches. The G7 meeting in Cornwall concluded with communications regarding the equalisation of global taxes but there is long way to go before anything concrete can be agreed on an international basis. The meeting also laid bare the West's increasingly fractious relationship with China. However, this year's summit was generally considered to be more positive than recent ones under the Trump administration, which should augur well for increased global cohesion, especially amongst developed democracies. Strong US demand is coming up against some supply-demand mismatches and bottlenecks which are also boosting market fears of inflation. However, the US Federal Reserve is playing down inflationary risks, citing they are transitory, which is currently assuaging markets. Despite this, investors will be watching how the combined effect of ongoing stimulus programmes, married to disrupted and possible structural changes to some supply chains, may ultimately impact the longer-term inflationary environment.

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## Availability

Product Name	APIR
AMP Flexible Super - Retirement	AMP1962AU
AMP Flexible Super - Super	AMP1969AU
Flexible Lifetime - Allocated Pension	AMP1948AU
Flexible Lifetime - Investments (Series 2)	AMP1980AU**
Flexible Lifetime - Super	AMP1955AU
Flexible Lifetime - Term Pension	AMP1948AU

\*\*Closed to new and existing investors

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