

# Professional Moderately Conservative

Quarterly Investment Option Update

30 June 2021

## Aim and Strategy

To provide moderate long term investment returns, with limited 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>	4 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>
Australian and International Fixed Interest	32
International shares	21
Australian Shares	20
Cash	15
Listed and Unlisted Property and Infrastructure	7
Defensive Alternatives	3
Growth Alternatives	2

<b>Actual Allocation</b>	<b>%</b>
International Shares	21.30
Australian Shares	20.26
Listed Property and Infrastructure	7.73
Growth Alternatives	3.50
International Fixed Interest	31.71
Defensive Alternatives	3.33
Cash	12.17

## 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	AMP1965AU
AMP Flexible Super - Super	AMP1972AU
Flexible Lifetime - Allocated Pension	AMP1951AU
Flexible Lifetime - Investments (Series 2)	AMP1983AU**
Flexible Lifetime - Super	AMP1958AU
Flexible Lifetime - Term Pension	AMP1951AU

\*\*Closed to new and existing investors

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