



AMP International Share Enhanced Index

Quarterly Investment Option Update

30 September 2021

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 each product, please visit www.amp.com.au/performance

Investment Option Overview

Investment category	Global Shares
Suggested minimum investment timeframe	7 years
Relative risk rating	High
Investment style	Enhanced Index
Manager style	Multi-manager

Asset Allocation	Benchmark (%)
International shares	100
Cash	0

Actual Allocation	%
International Shares	94.41
Australian Shares	0.30
Listed Property and Infrastructure	2.33
International Fixed Interest	0.00
Cash	2.95

Sector Allocation	%
Information Technology	21.13
Financials	13.41
Consumer Discretionary	12.10
Health Care	11.73
Industrials	10.40
Communication Services	8.50
Consumer Staples	6.06
Materials	3.89
Energy	2.84
Utilities	2.82
Real Estate	2.56
Futures	1.69
Unit Trust	1.67
Cash	1.19
Others	0.00

Top Holdings	%
Microsoft Corp	3.60
APPLE INC	2.83
Amazon.com Inc	2.63
Alphabet Inc	2.40
HENDERSON GLOBAL EQUITY MULTI STRATEGY FUND	1.67
Meta Platforms Inc	1.45
Tesla Inc	0.96
NVIDIA Corp	0.82
JPMORGAN CHASE & CO	0.79
Procter & Gamble Co/The	0.67
Region Allocation	%
North America	69.65
Europe ex UK	14.79
Japan	6.85
United Kingdom	4.35
Cash	2.95
Asia ex Japan	1.36
Australasia	0.05

Market Review

International shares posted another quarter of gains, rising by 0.58% as measured by the MSCI World ex Australia index during the September quarter. Through July and August, markets remained buoyant driven by global reopening and the ongoing recovery. Economic and corporate fundamentals continued remained solid, particularly in the US, where earnings generally surprised on the upside through the 6-monthly reporting season and strong US employment data was released. As the quarter drew on into September however, a marked turn in sentiment was evident, emanating from a combination of factors including inflation concerns, volatile commodity prices reflecting slowing Chinese demand for steel, and global supply issues creating turbulence for energy resource prices. Adding further to the bearish turn in sentiment were solvency concerns with a major Chinese property developer, China Evergrande Group, and the perceived threat of an international spill-over. Emerging markets meanwhile fell by 6.69%, as measured by the MSCI Emerging Markets index, underperforming developed markets amid concerns around Chinese economic growth and regulatory risks, volatile commodity prices, vaccination challenges and further inflation concerns. (All indices quoted in local currency terms and on a total-return basis, unless otherwise stated.)

Outlook

The economic backdrop remains complicated. Uncertainty over the persistency of inflationary pressures, ongoing stimulus packages, the US Federal Reserve's timeline for tapering and stretched valuations in some areas, continue to muddy the market's interpretation of future events, with a fluid risk on/risk off bias. Thus, the medium-term outlook for international equities remains difficult to predict. The environment is further complicated by some supply-demand mismatches, where it is difficult to ascertain with any degree of certainty what will be shorter-term and what will prove to be more secular in nature. Likely tax hikes from the Biden administration will also impact US earnings.

With changing consumer dynamics, many companies will likely face challenging conditions for some time yet, while stronger businesses are likely to emerge post the COVID-19 vaccine implementation with gained market share. Despite some inflationary concerns, governments generally continue to implement supportive monetary and fiscal programmes to ease shorter-term economic stress. The hope is that post the vaccine rollout, economies will be resilient enough to return to sustainable growth relatively quickly. Although the shorter-term environment remains uncertain, we believe the longer-term trend will remain to the upside. Investors with a diversified portfolio of quality businesses, bought at a reasonable price, are likely to do well over the longer-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 N.M. Superannuation Proprietary Ltd ABN 31 008 428 322, AFSL 234654 (NM Super), AMP Capital Funds Management Limited ABN 15 159 557 721, AFSL 426455 (AMPCFM) and/or 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 NM Super, AMPCFM, 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.