

Plato Australian Shares Income



Quarterly Investment Option Update

31 March 2022

Aim and Strategy

To provide an annual gross yield (including franking) that exceeds the gross yield of the S&P/ASX 200 Franking Credit Adjusted Daily Total Return Index (Tax-Exempt) ('Benchmark'). The portfolio also aims to outperform the Benchmark before fees.

The Plato Australian Shares Income Fund ('Fund') is a long-only equity income fund managed specifically for pension and superannuation investors. The Fund takes advantage of income opportunities available in the Australian tax system that can specifically benefit low tax investors such as franking credits, special dividends and off market buy-backs.

The portfolio will invest in ASX listed entities and listed SPI futures and will typically hold between 50 and 120 stocks, with +/- 5% of the weight in the S&P/ASX 200 weighting

Investment Option Performance

To view the latest investment performance for each product please visit amp.com.au/performance

Investment Option Overview

Investment category	Australian Shares
	3 to 5 years
Relative risk rating	7 / Very high
Investment style	Active / Quantitative

Asset Allocation	Benchmark (%)	Actual (%)
Australian Shares	100	99.5
Cash	0	0.5

Sector Allocation	%
Communication Services	3.89
Consumer Discretionary	6.94
Consumer Staples	4.75
Energy	3.81
Financials	29.02
Health Care	9.11
Industrials	5.44
Information Technology	3.67
Materials	25.33
Real Estate	6.74
Utilities	1.30

Top Holdings	%
BHP Group	12.9
NAB	7.9
ANZ	6.6
Macquarie Group	6.4
CSL	4.9
Commonwealth Bank	4.8
Telstra Corporation	2.8
South32	2.6
Aristocrat Leisure	2.1
Goodman Group	2.0

Portfolio Summary

- Plato's proprietary long-term factors were positive in Q1 as value performed strongly and catalyst and momentum factors logged small gains in contrast to quality which underperformed. Plato's run-up model was also positive during the quarter.
- The Australian market was up 2.8% (including franking credits) in the March quarter which was a strong result given war broke out in the Ukraine and the Australian 10yr bond yield rose 1.15% as the RBA and US Fed turned more hawkish given inflation continues to increase, particularly in the U.S.
- The Fund remains actively positioned to deliver superior income / franking whilst also being able to allocate to companies who are providing solid capital returns.

Investment Option Commentary

Plato's proprietary long-term factors were positive in Q1 as value performed strongly and catalyst and momentum factors logged small gains in contrast to quality which underperformed. Plato's run-up model was also positive during the quarter and the Fund added value by participating in the Westpac off market buyback. In total, Plato's Income Strategy outperformed the benchmark by 1.1% after tax during the quarter and distributed 2.5% more gross income.

The largest contributors to active performance during the quarter were overweights in Westpac, South32 and Santos as well as underweight positions in Xero and Afterpay Touch. The largest detractors to active performance were overweights in James Hardie, Charter Hall, Ansell and Reliance as well as an underweight position in Rio Tinto. The Fund outperformed in the Information Technology, Energy and Financials sectors but underperformed in the Materials and Utilities sectors.

The Fund has added 2.04% more franking credits than the S&P/ASX 200 Index over the last 12mths (distributing 6.07% more gross income) and 1.28% p.a. more franking credits since inception (3.99% p.a. additional gross income).

Market Commentary

The Australian market was up 2.8% (including franking credits) in the March quarter which was a strong result given war broke out in the Ukraine and the Australian 10yr bond yield rose 1.15% as the RBA and US Fed turned more hawkish given inflation continues to increase, particularly in the U.S. The best performing sectors during the quarter were Energy, Materials and Utilities in contrast to IT, Healthcare and Consumer Discretionary. These sector moves reflected the move in bond yields and inflation, as commodity prices rose (particularly strongly after the Russian invasion and subsequent sanctions) and growth sectors fell, given they have a greater exposure to rises in bond yields.

Outlook

The Fund remains actively positioned to deliver superior income / franking whilst also being able to allocate to companies who are providing solid capital returns.

Availability

Product name	APIR
Signature Super*	AMP1860AU
Signature Super – Allocated Pension Pension*	AMP1864AU

*Closed to new investors

Contact Details

Web: www.amp.com.au

Email: askamp@amp.com.au

Phone: 131 267 (Mon. to Fri. 8:30am to 7:00pm AEST)



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.