



# International Share Index (Hedged)

Quarterly Investment Option Update

30 September 2023

## Aim and Strategy

The strategy aims to provide returns that closely match the MSCI World (ex-Australia, ex-Tobacco) Accumulation Index with net dividends re-invested (100% hedged to Australian dollars) before fees and taxes. Exposure to the international shares asset class will be attained through the use of low cost index-focused investment managers. Note: A currency hedged strategy attempts to reduce the impact of movements in the Australian dollar, relative to other currencies where the portfolio holds exposure, to smooth net performance.

## Investment Option Performance

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

## Investment Option Overview

<b>Investment category</b>	International Shares
<b>Suggested minimum investment timeframe</b>	7 years
<b>Standard Risk Measure</b>	7/Very High
<b>Investment style</b>	Index
<b>Manager style</b>	Single

<b>Asset Allocation</b>	<b>Benchmark (%)</b>
Global shares	100
Cash	0

<b>Actual Allocation</b>	<b>%</b>
International Shares	97.85
Australian Shares	0.21
Listed Property and Infrastructure	1.95
Cash	0.00

<b>Sector Allocation</b>	<b>%</b>
Information Technology	22.25
Financials	14.69
Health Care	12.93
Consumer Discretionary	10.99
Industrials	10.61
Communication Services	7.44
Consumer Staples	6.64
Energy	5.18
Materials	3.67
Utilities	2.63
Real Estate	2.26
Futures	0.71
Cash	0.00

<b>Top Holdings</b>	<b>%</b>
APPLE INC	5.07
Microsoft Corp	4.20
Alphabet Inc	2.78
Amazon.com Inc	2.20
NVIDIA Corp	2.02
Tesla Inc	1.34
Meta Platforms Inc	1.25
Exxon Mobil Corp	0.89
UnitedHealth Group Inc	0.88
Berkshire Hathaway Inc	0.85

<b>Region Allocation</b>	<b>%</b>
North America	74.46
Europe ex UK	14.06
Japan	6.31
United Kingdom	4.08
Asia ex Japan	1.02
Australasia	0.06
Cash	0.00

---

## Fund Performance

The Fund produced a negative return for the September quarter as markets pulled back.

## Market Review

Equity markets over the September quarter saw markets initially climb higher, on the back of gathering confidence of an economic soft landing playing out, i.e., a 'goldilocks' type situation with falling inflation, growth remaining positive and interest rate-rises no longer being required. As the quarter drew on however, these optimistic hopes were somewhat blunted, or at least pushed back timewise. Inflation, while still falling on a medium-term basis, remained sticky, labour markets remained tight, while consumption was quite resilient; therefore, central bank rhetoric and speculation seemed to sway back towards the 'higher for longer' narrative. An autoworkers' strike in the US plus yet another potential government shutdown also didn't help equity markets' sentiment. Thus, despite rising earlier in the period, global shares finished the quarter down by around 2.7% in local currency terms (though the performance was a little better in Australian dollar terms, given currency movements). Growth-focussed US technology stocks yet again stood out as major market movers.

Driven by similar themes, emerging market equities also fell over the quarter, finishing down by -1.4% for the period, though outperforming developed markets. Improving, though still-volatile sentiment around the Chinese economy was a major driver of market movements, particularly in countries focussed on commodity exports, as further monetary and fiscal stimulus was announced by the Chinese government.

## Outlook

Interest rates around the world are largely accepted as being close to, or already at their cyclical peak, on the back of significantly decreased (though still elevated) levels of inflation. Economic growth has also slowed, but not yet to deep recessionary levels. For long-term investors, a mild recession shouldn't be a concern, as this is part of the normal economic cycle. While the corporate environment may toughen further, stronger businesses will likely emerge with increased market dominance. Furthermore, share prices tend to lead the economic cycle, rather than be synchronised to it. We believe a diverse basket of businesses bought at reasonable prices, particularly those with strong competitive advantage that generate high amounts of cash from their shareholders' capital, will serve investors well over the long-term.

---

## Availability

Product Name	APIR
SignatureSuper	AMP5967AU
SignatureSuper - Allocated Pension	AMP6864AU
SignatureSuper Term Pension	AMP6864AU*

\*Closed to new investors

## Contact Details

**Web:** [www.amp.com.au](http://www.amp.com.au)

**Email:** [askamp@amp.com.au](mailto: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). 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, 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.

For notices and disclaimers related to the MSCI Benchmarks within this document, please refer to [www.msci.com/notice-and-disclaimer](http://www.msci.com/notice-and-disclaimer)