March 2021

Specialist Geared Australian Share Fund - On-platform Class A

Investment objective

To provide high returns over the long term through geared exposure to securities listed on the Australian Securities Exchange. The objective of the Fund's portfolio before gearing is applied is to provide total returns (income and capital growth) after costs and before tax, above the S&P/ASX 200 Accumulation Index on a rolling 3 year basis.

How we manage your money

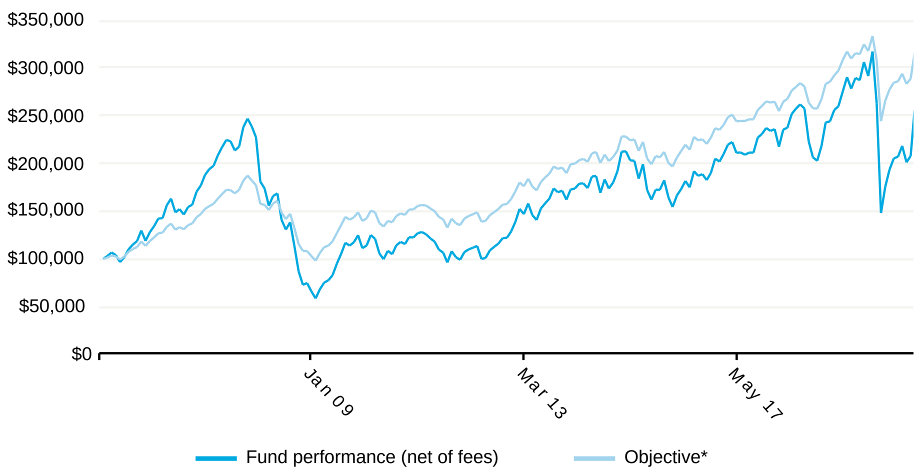
The Fund normally invests in shares listed or about to be listed on the Australian Securities Exchange.

Performance as at 31 March 2021

%	1 MTH	3 MTH	1 YR	3 YRS	5YRS	7YRS	SINCE INCEPT
Total Return - Net of Fees	5.61	11.26	102.24	11.24	12.46	8.09	6.98
Objective*	2.44	4.26	37.47	9.65	10.25	7.70	7.74
Excess return	3.17	7.00	64.77	1.59	2.21	0.39	-0.76

Past performance is not a reliable indicator of future performance. Performance is annualised for periods greater than one year. Total returns are calculated using the net asset value per unit for the relevant month end. This price may differ from the actual unit price for an investor buying or selling an investment. Actual unit prices will be confirmed following any transaction by an investor. Returns quoted are before tax, after fees and costs and assume all distributions are reinvested.
* The benchmark for this Fund changed from the S&P/ASX 200 Accumulation Index to the S&P/ASX 300 Accumulation Index on 23 March 2007 and from the S&P/ASX 300 Accumulation Index to the S&P/ASX 200 Accumulation Index on 24 May 2011. Past performance of this Fund is reported using the S&P/ASX 200 Accumulation Index up to 22 March 2007 and the S&P/ASX 300 Accumulation Index between 23 March 2007 and 23 May 2011. Performance reported after 24 May 2011 uses the current benchmark, the S&P/ASX 200 Accumulation Index.

$100,000 invested since inception



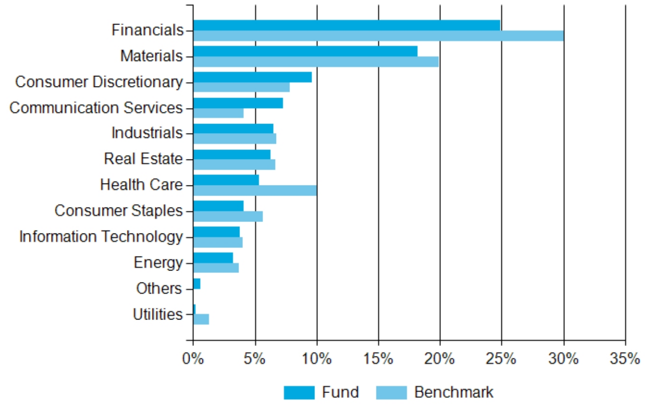
FUND FACTS	
APIR	AMP0969AU
Inception date	30 December 2004
Fund Size	$338,983,279
Management costs*	2.31% p.a.
Buy/Sell spread*	+0.35%/-0.35%
Distribution frequency	Yearly
Minimum investment	$500,000
Minimum suggested time frame	7 years

*Fee information is accurate as at 30 June 2020, figures are updated bi-annually. The Fund PDS outlines the latest management costs and other relevant components, as well as other fees and costs that may apply to your investment. You can review the PDS at **www.ampcapital.com**

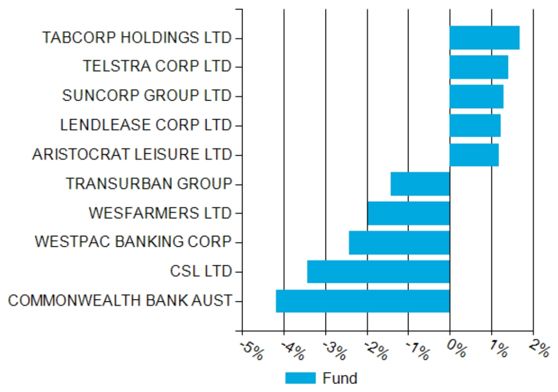
What happened last period

- Australian shares climbed higher over the March quarter, as global economies continued to recover from the COVID-19 pandemic.
- The Fund posted a strong positive return and outperformed its benchmark over the period (before fees).
- All of the Fund's three underlying managers posted strong positive absolute returns, and all outperformed the benchmark.
- Stock selection was the key driver of the Fund's outperformance and sector allocation also contributed positively.
- The largest positive contributors to relative returns were an underweight position in CSL, and overweight positions in Tabcorp Holdings and Virgin Money UK.

Sector allocation (%)



Top/Bottom Excess Weights



Fund Performance

The Fund posted a strong positive return and outperformed its benchmark over the March quarter (before fees). The Fund's gearing increased the magnitude of the outperformance. All of the Fund's three underlying managers posted strong positive absolute returns and outperformed the benchmark. The Fund continues to outperform over the long term including over 1, 2, 3, 5 years and since inception.

Stock selection was the key driver of the Fund's outperformance and sector allocation also contributed positively. Regarding sector allocation, the main contributors to relative returns were an underweight exposure to health care, and overweight exposure to communication services and consumer discretionary. Meanwhile, the main detractors from relative returns were an underweight exposure to financials and a cash holding as the share market rallied.

Regarding stock selection, the main contributors to relative returns were positions in materials, consumer discretionary, financials, information technology and industrials, while the main detractors were positions in communication services.

The largest positive contributors to relative returns were an underweight position in CSL, and overweight positions in Tabcorp Holdings and Virgin Money UK. Global biotechnology company CSL waned (-6.1%), despite reporting strong 1H 2021 results, due to concerns about increasing costs associated with its plasma collections due to the pandemic. Meanwhile, gambling company Tabcorp Holdings rallied (+22.0%) on reports it received a proposal to break up and sell its wagering division and financial services provider Virgin Money UK rallied strongly (+44.7%) mainly due to optimism around the availability and rollout of COVID-19 vaccines.

The largest individual detractors from relative returns were an underweight position in Westpac, and overweight positions in Coles Group and IRESS. The 'big-four bank' Westpac Banking Corp climbed (+26.0%) on expectations of higher dividends after its Q1 2021 results were much stronger than expected. Retail chain operator Coles Group sank (-9.8%), despite reporting strong 1H 2021 results, due to concerns about its loss of market share and near-term outlook, and financial software company IRESS tumbled (-10.7%), despite reporting better than expected full-year 2020 results, due to concerns about the sustainability of its dividends.

Market review

Australian shares climbed higher in the March quarter, rising by 4.26% as measured by the S&P/ASX 200 index on a total return basis, as global economies continued to recover from the COVID-19 pandemic. Similar to the tone in international markets, sentiment in the Australian market was generally optimistic, despite some underlying pockets of concern. This was aided by a strong half-yearly company reporting season, which produced mostly good results relative to the prior period. Many companies' earnings bounced back significantly towards (and in some cases beyond) their pre-COVID levels, leading some businesses to increase dividends and reintroduce forward guidance. The retail and mining sectors were standout sectors for strong results. Banks were also able to reduce some of their bad debt provisions. The global theme of rotation from growth and technology-orientated stocks towards value and cyclical stocks also prevailed in the domestic market. While Australia still appears well placed in a global sense to emerge strongly from the COVID-19 crisis, concerns around wages growth and inflation levels remain, which was reflected in comments from the RBA who reiterated they would continue their stimulatory policy strategy for as long as necessary, which helped support the market. Concerns around Australia's debt levels also remain a talking point.

Outlook

Australian shares will likely continue to be strongly influenced by global markets and events. The hope is that, now the COVID-19 vaccination programme has started to roll out, the economy will be able to return to more normalised growth in a reasonable timeframe, boosting business and consumer confidence. Australia's greater degree of government stimulus (relative to other countries) and low COVID-19 cases from an international perspective should aid the recovery process. However, soured trade relations with China and a continued lack of medium-term earnings visibility for many companies remain a spectre. In addition, the upcoming wind-down in government support programmes will add to uncertainty. Given the large equity price rises post the large pandemic-induced correction early in 2020, there is an increased risk of a correction, though we believe the longer-term trend is likely to remain positive. We continue to believe investors should be selective and, as always, maintain a longer-term perspective.

Portfolio Manager

Duy To

Duy joined AMP Capital in October 2007 as the portfolio manager of domestic and international equity funds. He is a member of global emerging market equities workgroup, where he contributes to manager research, manager selection and portfolio construction. Prior to joining AMP Capital, Duy worked for AMP Financial Services as an Actuarial Analyst for the Wealth Management business.

Further information

For information about the Fund including fees, features, benefits and risks talk to your financial advisor today or read the product disclosure statement (PDS) which can be found on:
www.ampcapital.com/specialist-geared-australian-share-fund
You can also call us on **1800 658 404**

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