

# 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.

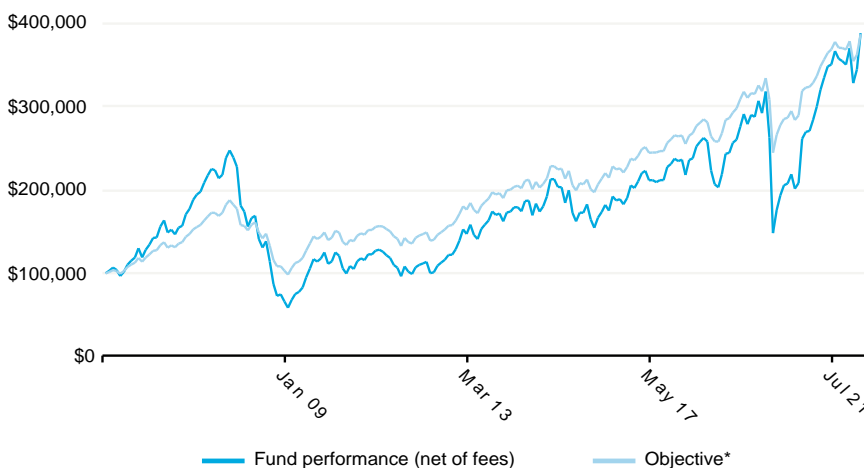
## Performance as at 31 March 2022

%	1 MTH	3 MTH	1 YR	3 YRS	5YRS	7YRS	SINCE INCEPT
Total Return - Net of Fees	12.66	4.91	29.39	16.65	12.01	8.94	8.16
Objective*	6.89	2.24	14.97	10.59	9.22	7.81	8.14
Excess return	5.77	2.67	14.42	6.06	2.79	1.13	0.02

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	\$381,454,919
Total ongoing annual fees and cost*	3.35% p.a.
Buy/Sell spread*	+0.35%/-0.35%
Distribution frequency	Yearly
Minimum investment	\$500,000
Minimum suggested time frame	7 years

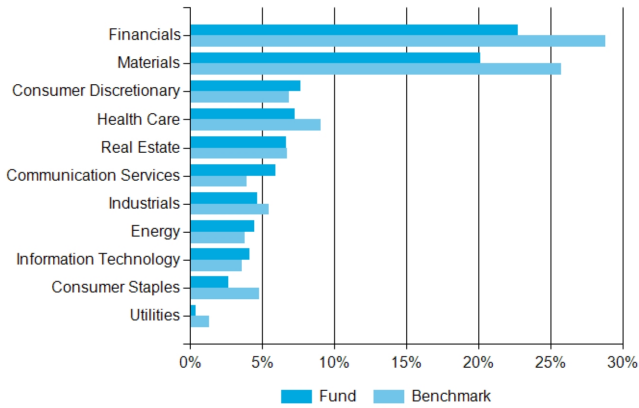
\*Fee information is accurate as at 30 June 2021, and is updated bi-annually. The Fund PDS outlines the latest ongoing annual fees and cost as well as any member activity-related fees and costs (if applicable) that may apply to your investment. You can review the PDS at [www.ampcapital.com](http://www.ampcapital.com)

The new regulations effective from 30 September 2020 will change the way fees and costs are required to be disclosed to Investors. It is important to note these fees and costs have always existed and are factored into your net-of-fee returns. We are simply changing the way they are displayed. You are not being charged additional fees and costs.

## What happened last period

- Australian shares bucked global falls to post a gain in the March quarter.
- The Fund posted a positive return and outperformed its benchmark (before fees), with gearing a contributor.
- All of the Fund's three underlying managers gained ground, with DNR Capital and Vinva outperforming the benchmark.
- Stock selection drove relative returns, whereas sector allocation detracted somewhat.

## Sector allocation (%)



## Fund Performance

The Fund posted a positive return and significantly outperformed its benchmark over the March quarter. The Fund's gearing contributed to the outperformance. All of the Fund's three underlying managers gained ground, with DNR Capital the standout performer, whilst Vinva also outperformed the benchmark during the period. The Fund continues to significantly outperform over the long term, including over 1, 2, 3, 5 years and since inception (all returns before fees).

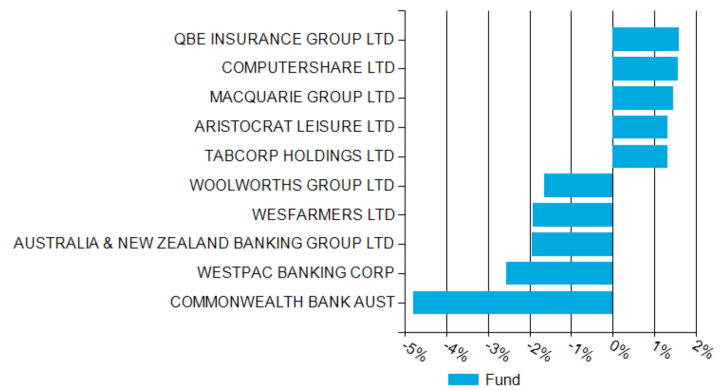
Stock selection drove relative returns, whereas sector allocation detracted somewhat. Regarding sector allocation, the main detractors were an underweight exposure to materials and an overweight position in communication services. The main contributors were an underweight exposure to health care and an overweight exposure to energy.

Regarding stock selection, the standout positive contributors were positions in information technology and materials stocks, while there were no material detractors by sector.

The largest individual contributors to relative returns were overweight positions in South32, Woodside and Computershare. Diversified miner South32 (+28%) rallied as commodity spot prices rose strongly, as geopolitical uncertainty and flow-on to the supply outlook provided further support to already strong alumina pricing. Shares in petroleum and gas company Woodside surged (+54%), buoyed by a solid quarterly update and steepening oil and gas prices which have been exacerbated by Russia's invasion of Ukraine, as sanctions on Russia have impacted supply. Share registry operator Computershare (+25%) rose strongly after the company reported strong results for the December half, with management increasing its guidance for earnings expected for the full financial year.

The largest individual detractors from relative returns were an overweight position in Aristocrat

## Top/Bottom Excess Weights



Leisure and underweight positions in Westpac Banking Corp and Commonwealth Bank of Australia. Gaming company Aristocrat Leisure (-16%) suffered with a slowdown in digital games revenues being a possible outcome from some of its developers based in the Ukraine being unable to support the games. Shares in Westpac (+14%) rallied after the company reported its latest quarterly update which noted progress on cost-out initiatives that led to a better-than-expected result. Commonwealth Bank (+7%) rose on expectations that higher rates will benefit earnings, with the stock also being buoyed by global investors allocating more funds to Australian shares.

## Market review

Australian shares bucked global falls to post a gain of 2.24% in the March quarter, as measured by the S&P/ASX 200 index on a total return basis. The relative optimism in Australia reflects several factors at play. Inflation, whilst a real and growing issue in Australia, remains somewhat lower relative to global levels, with the RBA accordingly not as hawkish as many global central banks. Geographic isolation and lack of any significant economic ties to Russia was also a prime differentiator to global markets, with Australia benefitting from continued strong commodity prices by way of a strengthening terms of trade. The quarter also saw Australia begin to catch up to many global peers on further easing of COVID restrictions, though we remain behind most of Europe and the US in this regard. Domestic corporate earnings reports were also generally strong, as reflected in the February reporting season, with dividends remaining strong and outlook statements becoming clearer. At a sector level, energy was by far the standout performer, returning a remarkable 28.55% for the period as commodity prices surged. Defensive sectors, as well as those businesses seen as more sensitive to interest rates, were generally the weaker performers.

## Outlook

Corporate earnings growth in Australia remains quite solid, with earnings and dividends still growing, though at a slightly reduced rate relative to the bounce-back in 2021. The broader economy also remains generally solid, with strong employment levels and terms of trade. The COVID pandemic meanwhile appears to be finally moving into a phase of being treated as an endemic issue, rather than a continued emergency requiring ongoing restrictions. Similar to other countries, domestic inflation remains a prime concern, with the RBA likely to cautiously raise rates over the medium-term, as it keeps a close eye on wages growth and the jobs market. Longer-term, we believe the market will ultimately continue to rise, with corrections and volatility on the way likely to provide opportunities.

## 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](http://www.ampcapital.com/specialist-geared-australian-share-fund)

You can also call us on **1800 658 404**

INSIGHTS  
IDEAS  
RESULTS

AMP Capital Funds Management Limited (ABN 15 159 557 721, AFSL 426455) is the responsible entity (Responsible Entity) of the Specialist Geared Australian Share Fund - On-platform Class A (Fund) and the issuer of the units in the Fund. To invest in the Fund, investors will need to obtain the current Product Disclosure Statement (PDS) from AMP Capital Investors Limited (ABN 59 001 777 591, AFSL 232 497) (AMP Capital). The PDS contains important information about investing in the Fund and it is important that investors read the PDS before making an investment decision about the Fund. A target market determination has been made in respect of the Fund and is available at [www.ampcapital.com/TMD](http://www.ampcapital.com/TMD). Neither AMP Capital, the Responsible Entity, nor any other company in the AMP Group guarantees the repayment of capital or the performance of any product or any particular rate of return referred to in this document. While every care has been taken in the preparation of this document, AMP Capital makes no representation or warranty as to the accuracy or completeness of any statement in it including without limitation, any forecasts. This document has been prepared for the purpose of providing general information, without taking account of any particular investor's objectives, financial situation or needs. Investors should consider the appropriateness of the information in this document, and seek professional advice, having regard to their objectives, financial situation and needs. This document should not be reproduced in whole or in part without the express written consent of AMP Capital.