

# AMP CAPITAL INCOME GENERATOR

Monthly communication — Platform

July 2022



 INSIGHTS  
IDEAS  
RESULTS

# The AMP Capital Income Generator aims to provide investors with a reliable and stable monthly income that rises over time to keep pace with inflation.

It does this by investing through specialist investment managers across a diversified mix of assets including shares, bonds, property trusts and infrastructure. While the Fund's focus is on income generation, it also aims to achieve some capital growth over the medium to longer term to help meet the rising cost of living.

Tax effective 

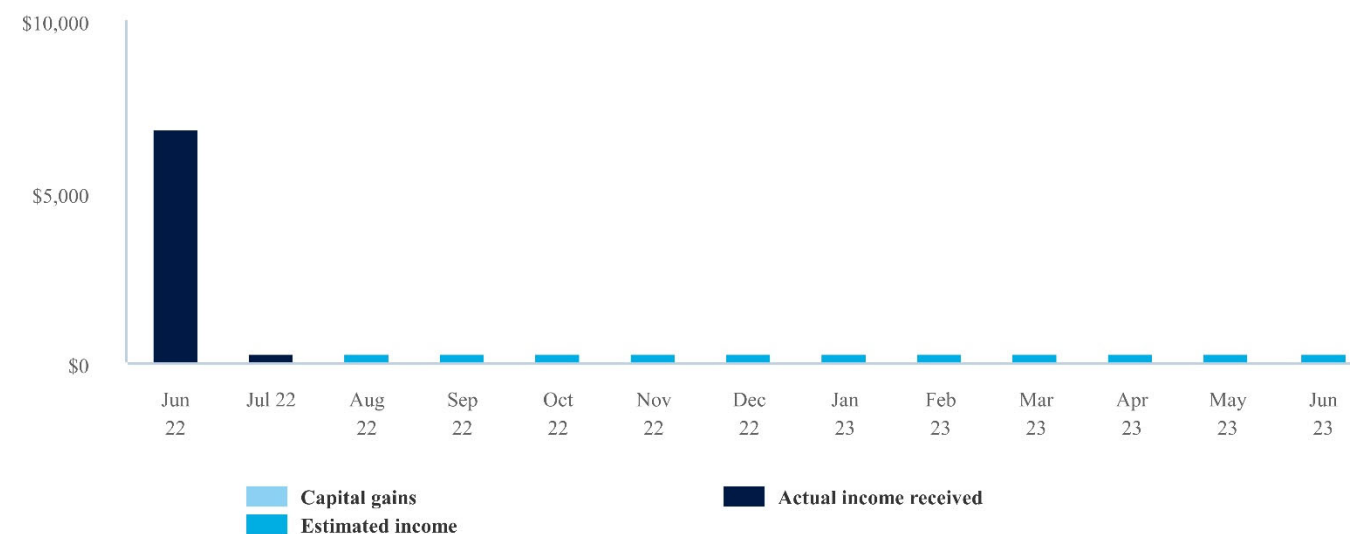
Reliable regular income 

Help meet living expenses 

Replace a salary in retirement 

## Plan your income

A forecast distribution amount is regularly provided, and is currently estimated to be 0.306 cents per unit per month until June 2023. For illustrative purposes, the chart below represents income based on \$100K investment.



**Total yield estimated to be 4.25% pa\***

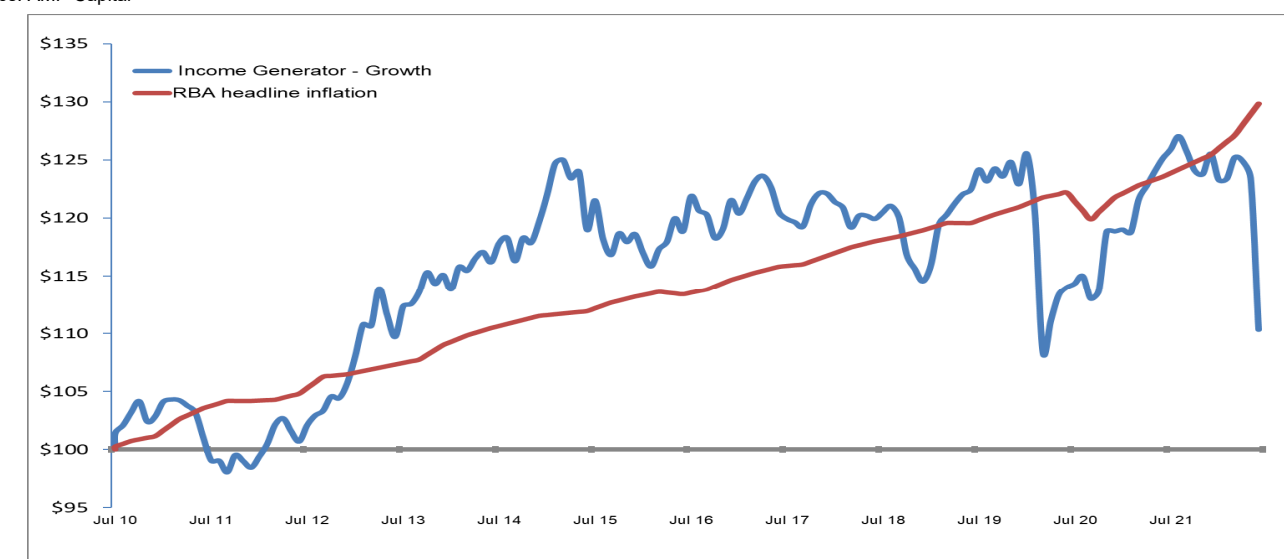
Any additional income is paid out in the 13th distribution in June and reinvested to grow capital.

\*Effective yield is based on the unit price at the start of the period. It is important to note that the final annualised distribution yield will not be known until the end of the financial year, that the distribution yield estimate isn't guaranteed, and that it may change over the period due to market movements in the Fund unit prices. We base our estimate on assumptions set out at the end of this document, and you should be aware that if facts differ from our assumptions, the final distribution yield may differ from the estimate.

### DESIGNED TO PROVIDE GROWING INCOME OVER TIME

Note: The cumulative distribution shown above is for investments in Platforms class (Class K), net of fees. The 13th distribution is automatically reinvested providing investors with an increased number of units

Source: AMP Capital



## This month in brief

### Performance

The Fund was positive in July, as markets experienced a very strong start to the new financial year despite the ongoing angst around higher costs of living and interest rates. An easing in the pace of inflation, where US CPI fell from 9% to 8.5%, along with softer energy and rental prices, saw a relief rally across bonds, credit and equities. The Fund continues to focus on regular and reliable income that grows in line with or above inflation through time. Since inception over a decade ago, the Fund has successfully delivered to investors a high-income stream, a capital base growing above inflation. The distribution yield is presently set at 4.25% after fees and inclusive of franking. This is an increase from last financial year's target of 3.9% and reflects higher interest rates.

### Portfolio activity

There were no major changes to the portfolio over the month.

### Positioning and outlook

We continue to believe the Fund's investment approach is very well suited to periods of high inflation and interest rates. Central bank rate hikes have arguably already started to show signs of slowing many areas of the global economy, although data is mixed and clear areas of strength remain in many parts of the economy. Inflation also remains high, and we can expect central banks to continue to talk tough. Domestically, we think the Reserve Bank of Australia will struggle to lift rates as much as some are forecasting before being forced to pause. Meanwhile an area of concern is that while the US Federal Reserve describes their approach as data driven, some of that data comes in with a lag, which implies a risk of over tightening while waiting for evidence that their actions have taken affect. This scenario is not ideal for the economy but is one in which quality income, credit and infrastructure strategies are well suited for.

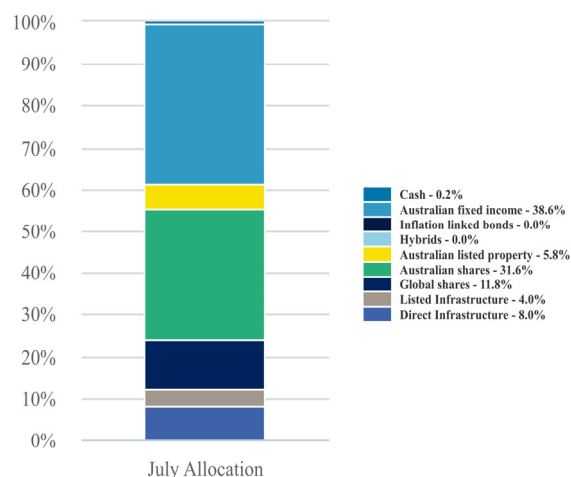
## Here's how the fund performed

	1mth %	3mth %	1yr %	3yr %	5yr %	Since Inception %*
Distribution	0.29	7.68	9.86	5.85	5.67	5.52
Growth	2.22	-9.71	-10.45	-3.17	-1.22	0.89
<b>Total Return</b>	<b>2.51</b>	<b>-2.03</b>	<b>-0.58</b>	<b>2.68</b>	<b>4.44</b>	<b>6.41</b>

\* Past performance is not a reliable indicator of future performance. The inception date for unit Class K is 31 May 2010. Performance is annualised for periods greater than one year. Total returns are calculated using the unit price which uses the net asset values for the relevant month end. This price may differ from the actual unit price for an investor applying for or redeeming an investment. Actual unit prices will be confirmed following any transaction by an investor. Returns quoted are before tax, after Class K fees and costs, and assume all distributions are reinvested.

TOP HOLDINGS IN AUSTRALIAN SHARES	WEIGHT %
BHP Group Ltd	2.44
Commonwealth Bank Aust	2.40
National Australia Bank Ltd	2.02
Woodside Energy Group Ltd	1.54
Telstra Corp Ltd	1.50
Australia & New Zealand Banking Group Ltd	1.09
Medibank Pvt Ltd	0.98
CSL Ltd	0.89
Macquarie Group Ltd	0.89
Rio Tinto Ltd	0.83

## COMBINING ASSETS TO DELIVER SUSTAINABLE INCOME



FUND DETAILS	
Inception date	1 June 2010
Strategy size	\$1,137.939 million
Distribution frequency	Monthly
APIR code	IPA0076AU
Buy/Sell spread	0.08/-0.11%
Suggested minimum investment timeframe	5 years
Investment objective	The portfolio aims to provide regular income with some capital growth over the medium to long term. The Fund's internal performance benchmark is the average weighted return of the relevant market indices used to measure the performance of the underlying asset classes in which the Fund invests.

## Portfolio manager



**Matthew Hopkins**  
Senior Portfolio Manager

Matthew Hopkins is the Senior Portfolio Manager for the AMP Capital Multi-Asset Fund. Mr Hopkins chairs the working group for the Multi-Asset Fund and is responsible for portfolio construction, risk management, research and hedging. In his role within the portfolio management team, Mr Hopkins also participates in a wider variety of client-related investment solutions for the Multi-Asset Group and has extensive experience in portfolio construction and investment risk analysis. Mr Hopkins began with AMP Capital in 1989. Subsequently, he has held various positions including as a Portfolio Manager in global hedge funds, Divisional Director of Investment Risk (Research and Strategy, Henderson Global Investors, London) and Head of Portfolio Analytics (UK Equities, AMP Asset Management, London).

## CONTACT DETAILS

For more information on the Fund including fees, product features, benefits and risks talk to your adviser or call us on 1800 658 404 or visit [ampcapital.com.au](http://ampcapital.com.au)



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