June 2021

Specialist International Share (Hedged) Fund - On-platform Class A

Investment objective

To provide total returns (income and capital growth) after costs and before tax, above the Fund's performance benchmark on a rolling 3 year basis.The benchmark for the Fund is the MSCI World ex Australia ex Tobacco Index (net dividend reinvested), hedged to Australian dollars.

How we manage your money

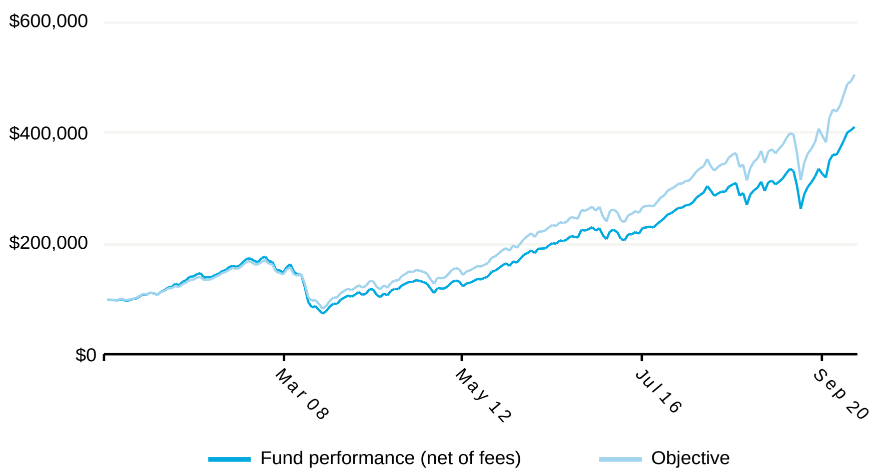
The Fund normally invests in international shares.

Performance as at 30 June 2021

%	1 MTH	3 MTH	1 YR	3 YRS	5YRS	7YRS	SINCE INCEPT
Total Return - Net of Fees	1.48	6.34	31.96	11.79	13.41	10.69	8.49
Objective	2.41	7.58	35.86	13.58	14.51	11.58	9.78
Excess return	-0.93	-1.24	-3.90	-1.79	-1.10	-0.89	-1.29

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.

$100,000 invested since inception



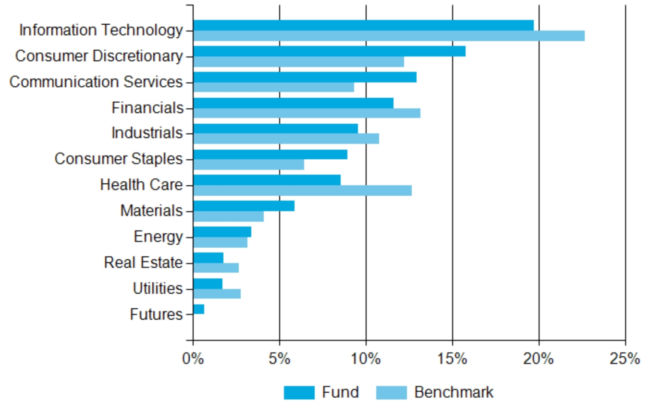
FUND FACTS	
APIR	AMP0825AU
Inception date	18 February 2004
Fund Size	$359,029,808
Management costs*	1.40% p.a.
Buy/Sell spread*	+0.20%/-0.15%
Distribution frequency	Half-yearly
Minimum investment	$500,000
Minimum suggested time frame	5 years

*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**

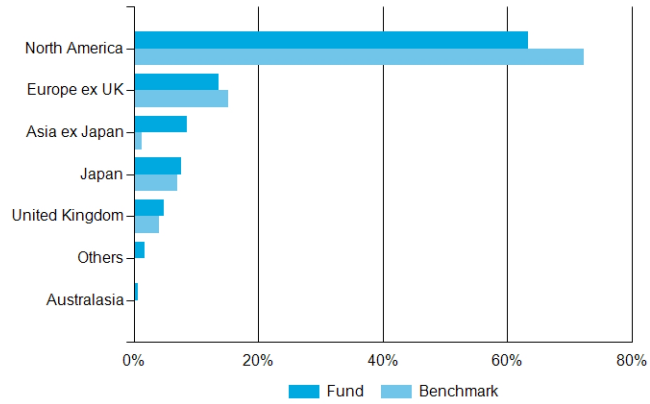
What happened last period

- Global shares continued to rise strongly in the June quarter, as markets were buoyed by the ongoing global economic recovery, vaccine rollouts and significant fiscal stimulus.
- The Fund posted a positive return, however underperformed its benchmark (before fees) over the period.
- All of the Fund's five underlying managers gained ground, with American Century comfortably above the benchmark.
- Country allocation was the main detractor from relative returns, with the underweight position in the US and the Fund's emerging markets exposure, particularly in South Africa and China, hampering performance.

Sector allocation (%)



Regional allocation (%)



Fund Performance

The Fund posted a positive return, however underperformed its benchmark (before fees) in the June quarter. All of the Fund's five underlying managers gained ground, with American Century outperforming the benchmark. The Fund continues to outperform its benchmark over the long term, including over 5 years and since inception (annualised). (All returns are before fees.)

Country allocation was the main detractor from relative performance during the period. Within developed markets, the underweight exposure to the US and overweight position in Japan detracted, while positions in emerging markets, in particular South Africa and China, hampered the return. The Fund's cash position (primarily in US dollars held by Magellan) also detracted, as share markets rose strongly.

From a sector perspective, allocation detracted from the Fund's relative return, primarily due to the underweight exposure to information technology.

Stock selection also detracted overall, with positions in information technology and consumer discretionary a considerable drag on performance, outweighing the positive contribution from stock selection within industrials.

The largest individual detractors were having overweight positions in Naspers as well as an underweight position in NVIDIA Corporation and Apple.

South African-based global internet investor group Naspers (-11%) shares fell after it reduced its profitable stake in Chinese internet behemoth Tencent Holdings, which faces ongoing regulatory threats in both China and the US.

US-based specialist technology company NVIDIA Corporation (+52%) soared when the company released better-than-expected results for the March quarter, including record revenue, with investors also welcoming news that the company will partner with Google Cloud to bring together both companies' artificial intelligence capabilities.

US-based technology company Apple (+14%) rose along with other US mega-cap technology companies which continue to benefit from positive earnings trends. The company announced results for March quarter which saw strong revenue from its services and wearables businesses, while later in the period there was speculation that the company may make a self-driving electric car.

The largest individual contributors were overweight positions in Arconic Corp and XPO Logistics and having an underweight exposure to Intel Corporation.

US-based aluminium and architectural product maker Arconic Corp (+42%) rallied after the company announced robust March quarter results, with company management also increasing its full year 2021 revenue and earnings forecasts.

Shares in US transport and contract logistics company XPO Logistics (+15%) rose after the release of its March quarter results which included better than expected earnings and revenue fromm its trucking and logistics business.

US-based semiconductor chip manufacturer Intel Corporation (-11%) fell after the company released its results for the March quarter, which included disappointing revenue and operating income from its data centre division, with the company signalling lower revenue for the remainder of the year.

The hedged exposure to the Australian dollar had a negative impact on returns, primarily due to the currency's depreciation compared to many major currencies over the period.

Market review

International shares continued to rise significantly in the June quarter, with the MSCI World ex Australia index finishing up by 7.56%, as markets were buoyed by the ongoing global economic recovery, vaccine rollouts and massive fiscal stimulus programmes in place. A further US$1.2 trillion of stimulus was announced later in the quarter, through yet another infrastructure spending deal. For most of the quarter the US Federal Reserve (Fed) remained dovish, though towards the end of the period the central bank's tone began to turn regarding future rate-hikes. COVID-19 case numbers were again widely discussed, though with an increasingly significant amount of people immunised, particularly those in higher-risk categories, daily fatality rates are now well below previous highs in many countries and have continued to fall. Rising inflation and continuing supply constraints in many industries also remained a concern. The dominant influence on markets however continued to be ongoing global recovery and reopening, with many countries now removing the bulk of their COVID-related restrictions, borders being reopened and flight and road traffic now approaching pre-COVID levels in some regions. Emerging markets also rose, though to a lesser degree than developed markets, with the MSCI Emerging Markets index finishing up by 3.83%. (All indices quoted in local currency terms and on a total-return basis, unless otherwise stated.)

Outlook

The economic backdrop has recently become more complicated. Uncertainty over the persistency of inflationary pressures, ongoing stimulus packages, more hawkish than expected US Federal Reserve communications, and stretched valuations in many areas, have all resulted in a more heterogeneous market interpretation of future events and an increasingly fluid risk on/ risk off bias. Thus, the medium-term outlook for international equities remains difficult to predict. The environment is further complicated by some supply-demand mismatches where it is difficult to ascertain with any degree of certainty what will be shorter-term and what will prove to be more secular in nature.

With changing consumer dynamics, many companies will likely face challenging conditions for some time yet, while stronger businesses are likely to emerge post the COVID-19 vaccine implementation with gained market share. Despite some inflationary concerns, governments generally continue to implement supportive monetary and fiscal programmes to ease shorter-term economic stress. The hope is that post vaccine rollout, economies will be resilient enough to return to sustainable growth relatively quickly. Although the shorter-term environment remains uncertain, we believe the longer-term trend will remain to the upside. Investors with a diversified portfolio of quality businesses, bought at a reasonable price, are likely to do well over the longer-term.

Portfolio Manager

Trent Loi

Trent Loi joined AMP Capital in May 2012 as the portfolio manager for the international share and Australian small companies' portfolios within the Specialist, AMP Capital Ethical Leaders, Experts' Choice and ipac ranges of funds. Prior to joining AMP Capital, he was an Associate Consultant at Mercer Investment Consulting. Prior to that, he was an Investment Analyst at Aon Investment Consulting.

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-international-share-hedged-fund
You can also call us on **1800 658 404**