

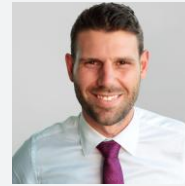
North Professional Growth Fund

Portfolio Manager Update
March 2025 Quarter

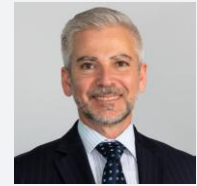
The North Professional Growth Fund offers investors an actively-managed and diversified exposure to a variety of asset classes including shares, property, fixed interest, cash and alternatives – both in Australia and overseas.

Investments are made in managed investment schemes whose assets are managed by specialist managers selected for their expertise in that asset class.

Portfolio Managers



Stephen Flegg
Senior Portfolio Manager



Stuart Eliot
Head of Portfolio Management

FUND AT A GLANCE

Investment objective

The Fund aims to provide investors with moderate long-term investment returns which outperform its own composite index benchmark and aims to outperform the Morningstar OE Multisector Aggressive Survey.

The Fund may be suitable for investors seeking to invest in a mix of growth and defensive assets. Growth assets will have an average allocation of 85% with the balance in defensive assets.

Designed for

This product is intended for a consumer who is seeking capital growth and potentially some income distributions. It has a high risk/return profile and is intended for use for up to a standalone of an investment portfolio. It is likely to be consistent with the financial situation and needs of a consumer with a minimum investment timeframe of 7 years and who is unlikely to need to withdraw their money on less than one week's notice.

Asset allocation range



Fund details

APIR code	IPA0078AU
Minimum investment timeframe	7 years
Total fund size (millions)	\$770.8
Product inception date	31 March 2011
Risk level (1-7)	6 – High
Product status	Open

Key features



Long-term track record of performance.



Active stock selection, active asset allocation and efficient portfolio construction.



Access to some of the best managers and assets from around the globe.



Diversification across asset classes, geographies and sectors of the economy.

PERFORMANCE

Returns

	3 months (%)	1 year (%)	3 years (% pa)	5 years (% pa)	7 years (% pa)	10 years (% pa)
Professional Growth – Gross	-1.34	6.92	7.41	12.02	8.68	7.76
Professional Growth – Net	-1.55	5.96	6.49	11.04	7.68	6.74
Peer survey ⁽ⁱ⁾	-1.84	5.70	7.12	11.55	7.84	7.05

(i) Morningstar OE Multisector Aggressive Survey – Peer Group Average. Peer survey data is published as at 10 April 2025 sourced from Morningstar Direct and may differ to what is currently published on www.morningstar.com.au

Past performance is not a reliable indicator of future performance.

Source: AMP Investments as at 31 March 2025. Performance is shown before tax and management fees and costs and assumes all distributions are reinvested.

QUARTERLY COMMENTARY

Performance

Investment markets remained relatively stable in the early part of the March quarter. Volatility however increased towards the end of the period amid various geopolitical developments, particularly speculation and comments around US tariff rates. This led to falls in share markets, with the volatility intensifying in early April.

Global shares ended the quarter modestly lower. The release of DeepSeek, an apparent cost-effective Chinese artificial intelligence model, added to headwinds, especially given the high valuations of many US technology stocks.

Bond investors meanwhile saw positive returns for the March quarter, as safety was sought in higher quality fixed income assets, including government bonds, as yields fell in the US.

Against this backdrop, the Fund produced a small negative return over the quarter and was marginally behind the strategic benchmark, though it performed well ahead of its peer universe average.

The largest driver of the underperformance (relative to the strategic benchmark) was an underweight allocation to cash.

Longer-term returns remain robust and in line with returns historically expected from this strategy.

Outlook

As highlighted in our previous quarterly report, investors should not generally expect gains in 2025 to be match the robust performance of 2024. Economic impacts from US tariffs and other geopolitical risks persist, although there is always the possibility of surprises on the upside, particularly as more negativity is factored into market expectations. In this environment, we continue to maintain a highly diversified approach across asset classes and strategies and remain cognisant that further falls may present additional opportunities.

Manager in focus

Lazard Asset Management

Australian Equities manager, Lazard, adopts a fundamental, high conviction approach to investing, targeting absolute returns over the long-term. Stock selection is founded on deep fundamental research. Risks, including from a benchmark-perspective, also form a significant consideration in building their portfolio. Lazard also believe ESG considerations can affect a security's valuation and financial performance, thus have integrated ESG into their research approach and investment decision process.

Portfolio management

At quarter end, the Fund's asset allocation can be summarised as:

Australian shares – We expect Australian equities to generate a solid return premium versus risk-free assets over the medium to long-term, bolstered by franking credits and a healthy earnings yield. The sector makeup, which is dominated by banks and mining, is not as attractive to us as some offshore markets. China-related uncertainty also continues to weigh on the market. The current positioning in this asset class is neutral versus the benchmark.

International shares – We believe global share markets are well positioned for growth over the medium to long-term. We are expecting higher volatility moving forward, and thus we anticipate our active managers will have considerable opportunity to add value. We are overweight this asset class versus the benchmark.

Real assets – The different return drivers for real assets versus listed equities provide useful diversification and improved consistency of returns. Our current positioning in this asset class is neutral versus the benchmark.

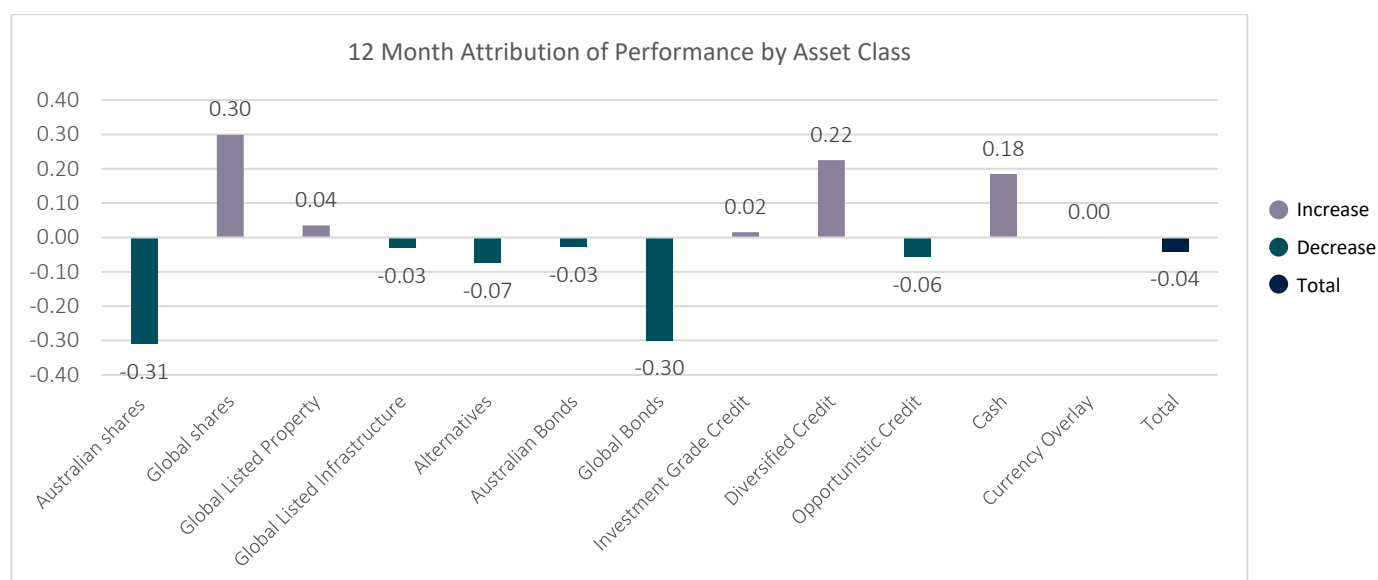
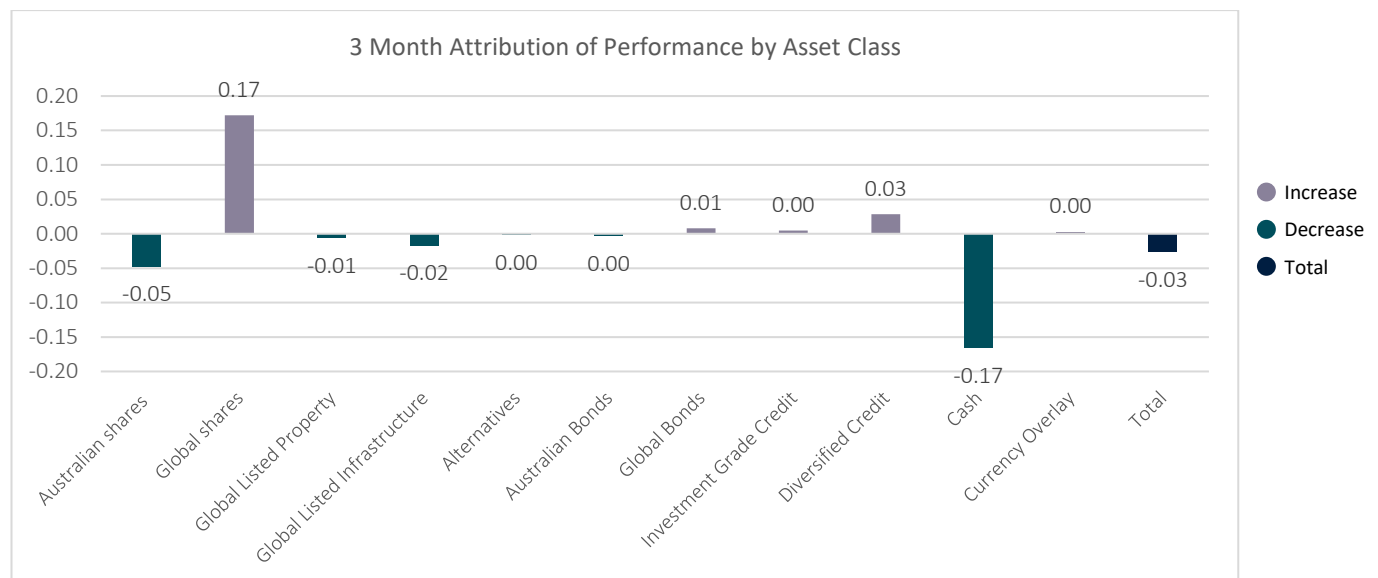
Defensive assets – With increased yields on offer, we have continued to target more of these returns by buying bonds and increasing the duration. Selected areas in credit also potentially offer good risk-adjusted returns, which we are excited about allocating capital to through our line-up of quality active managers. Our credit exposure has been increasing, and we expect this trend to continue in the near-term. We are overweight credit, neutrally positioned in bonds and underweight cash.

Stock story

Monadelphous

Monadelphous is an Australian listed company, held by Lazard, which provides construction, maintenance and industrial services to the resources, energy and infrastructure sectors. The stock outperformed during the March quarter on the back of a stronger than expected 1H25 result, along with an optimistic outlook being provided by the company regarding profit management and activity levels. Lazard have recently taken some profits off the table by trimming their position as the share price rose, however still maintain a holding as their investment thesis continues to play out.

PERFORMANCE ATTRIBUTION



Underlying managers

Manager	Strategy	End of month weight (%)
Australian shares		
Lazard Asset Management	Fundamental - Relative value	9.1
Vinva Investment Management	Quantitative - Multi-factor	10.5
ECP Asset Management	Fundamental - Quality growth	8.4
UBS Asset Management	Passive - Index	5.0
Futures	Futures	1.1
Global shares		
Dimensional Fund Advisors	Quantitative - Quality with large cap biased	2.5
Intech Investment Management	Mathematical - Core	9.6
Janus Henderson Investors	Multi-strategy	12.0
AQR Capital Management, LLC	Quantitative	12.7
Ninety One	Fundamental - Core	0.9
Lazard Asset Management	Quantitative - Core	1.6
J O Hambro Capital Management	Fundamental, Top down, GARP	1.3
UBS Asset Management	Passive - Index	0.2
Futures	Futures	3.3
Global listed property		
Macquarie Investment Management Global Limited	Fundamental - Core	3.8
Global listed infrastructure		
Dimensional Fund Advisors	Quantitative - Core	4.0
Alternatives		
South Peak Investment Management	Specialist risk premia (Volatility)	0.2
Australian bonds		
Macquarie Investment Management Global Limited	Top down, Macro-thematic	0.4
Pendal Institutional Limited	Relative value, Bottom Up	0.6
Global bonds		
UBS Asset Management	Passive - Index	1.0
Futures	Futures	-0.1
Investment grade credit		
Coolabah Capital Investments	Systematic, Active Trading	1.5
Morgan Stanley	Fundamental, Bottom up global credit	2.3
Diversified credit		
Roc Partners	Private Debt	0.3
Revolution Asset Management	Private Debt	0.4
Brigade Capital Management	Opportunistic Credit (Cross-Sector)	1.0
TCW Asset Management	Opportunistic Credit (Sector-Specialist)	0.7
Bentham Asset Management	Core Multi-Asset Credit, Fundamental	1.3
Ninety One	Emerging Markets Debt	0.3
Blackstone Inc	<i>*in wind-down</i>	0.2
Cash	Cash	0.1
Ares Asset Management	Infrastructure Debt	1.3
Cash		
Macquarie Investment Management Global Limited (Enhanced Cash)	Actively managed cash	2.6

Note: (i) Manager and sector allocation may not add to 100% due to rounding.
(ii) Allocations and underlying investment managers may change without prior notice.
Source: AMP Investments as at 31 March 2025.

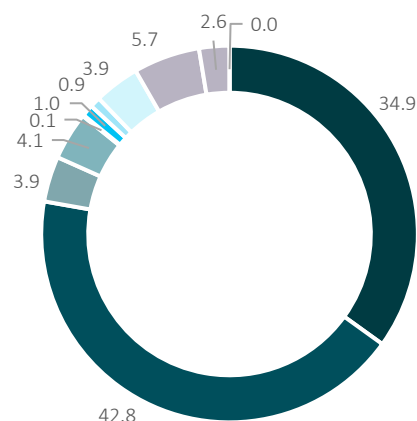
ASSET ALLOCATION

Asset allocation by sector

Asset class	Target	Current	Tilt
Growth assets	%	%	%
● Australian shares	35	34.9	-0.1
● Global shares	42	42.8	0.8
● Global listed property	4	3.9	-0.1
● Global listed infrastructure	4	4.1	0.1
● Alternatives ⁽ⁱ⁾	0	0.1	0.1
Defensive assets	%	%	%
● Australian bonds	1	1.0	0.0
● Global bonds	1	0.9	-0.1
● Investment grade credit	4	3.9	-0.1
● Diversified credit	3	5.7	2.7
● Cash	6	2.6	-3.4
● Currency Overlay	0	0.0	0.0

(i) Alternatives has a 50% allocation to growth and 50% allocation to defensive.

(ii) Current sector allocation may not add to 100% due to rounding.



WE'RE HERE TO SUPPORT YOU

If you are a direct investor and would like to speak to someone in regards to your investment, please contact AMP Investments Client Services on **133 267** or email **ampinvestments@amp.com.au**

If you are an adviser, you can contact Client Services as above or your State Account Manager:

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