

# Infinity Global Equity Portfolio

October 2024

## Market Commentary

October proved to be challenging month for financial markets and as we sit here in early November, with the US Presidential election done and dusted with Donald Trump winning and becoming only the second person in 139 years (since Grover Cleveland) to become President in non-consecutive terms it seems that market volatility may be on the rise. The enormity of Trump's win has been underscored by the fact that the Republicans have scored a 'clean sweep' of all houses of US government (the White House, Senate and Congress). In addition, Trump won all of the seven key swing States that determined the outcome of the election. And when you put that into context of the Republicans winning all three houses, it just shows what a landslide victory it has been. For the Democrats, the outcome of the election could not have been any worse. Whether Joe Biden would have fared better than Kamala Harris we will never know, but equally, Biden did not help Harris' campaign given she had only a few months to 'present' herself to the US voting public, while Trump has effectively been campaigning since his time in government. In any event, the scale of the Republican win points to a clear mandate of change, and one that we expect will begin even before Trump takes office in January (20<sup>th</sup>) 2025. While markets have been pricing in a Republican win for several months, October proved to be something of an aberration to the 3q24. That said, the policy framework articulated by the incoming administration is fiscally expansionary in our view and will contribute to the US maintaining a solid growth outlook near term. But equally, it is also potentially inflationary through the proposed tax cuts, tariff regime and immigration laws, all of which have the potential to see a more benign outlook for further interest rate cuts by the Fed and other central banks. While markets are anticipating that the Fed looks to cut cash rates further at its December FOMC meeting (it did cut by 0.25% to 4.75% in early Nov) we believe the Fed can pause and wait until there is a clearer picture on both the policy as well as inflationary front through the 1q25. Overall, October (into early November) has been an incredible period for financial markets. With so many moving parts as we head into the back end of the year, we continue to take a cautious approach to repositioning our asset allocation, although in the near term we take the view that markets can continue to edge higher, but post January 2025, it may indeed be a more challenging period. Therefore a flexible investment and asset allocation framework remains an important construct to managing our asset allocation.

## Portfolio Commentary

The Portfolio appreciated 1.98% in October, broadly matching the blended index.

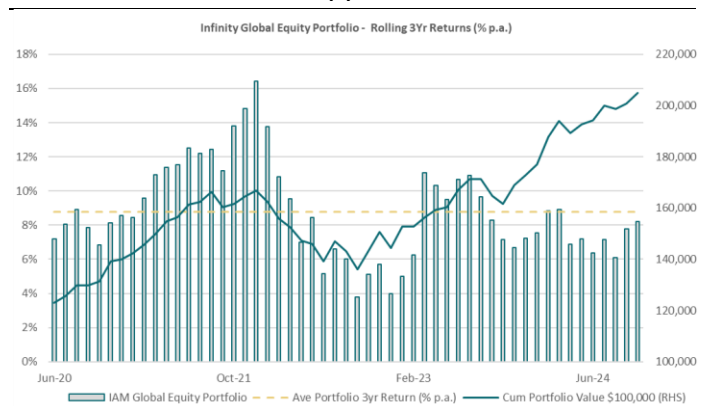
The Large-Cap Unhedged strategies were the best performers and were assisted by the strength of the USD. Pan-Tribal Global Equity (+4.59%) was the top performing strategy in the month, which followed a very strong September return. T. Rowe Price Global Equity (+4.03%) and Ironbark Brown Advisory Global Share (+3.60%) were also up over the course of October. Ashmore Emerging Markets Equity (+2.00%) delivered a solid return for the month and handily outperformed the broader Emerging Market index. Bell Global Emerging Companies (+0.60%) finished higher in October but unfortunately didn't stay ahead of the rallying Small- and Mid-Cap market. The weakest performing strategy was JPMorgan Global Research Enhanced Index Equity (-1.05%) as the hedged positioning was a detractor given the aforementioned strength of the US currency.

## Performance

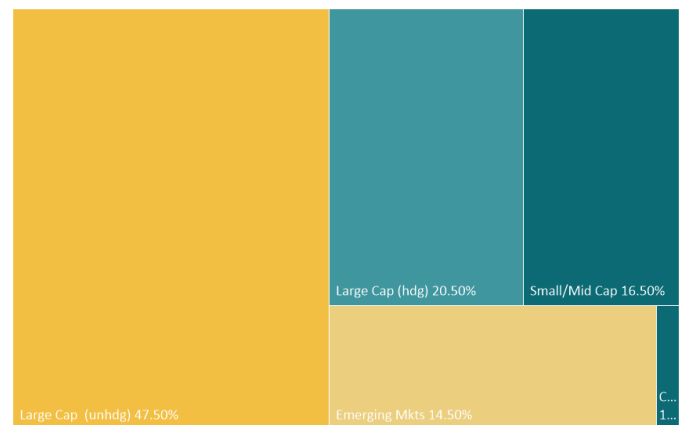
Period	Portfolio (%)	Growth (%)	Income (%)
1mth	1.98%	1.98%	0.00%
3mths	2.43%	2.43%	0.00%
6mths	8.27%	3.38%	4.89%
1yr (p.a.)	26.72%	21.00%	5.72%
3yrs (p.a.)	8.20%	5.97%	2.23%
5yrs (p.a.)	10.71%	7.74%	2.98%

Source: FE Analytics. Since inception July 2017. Past performance is not indicative of future performance. Performance is net of fees.

## Cumulative Portfolio Value (\$)



## Asset Allocation



## Portfolio Characteristics

Characteristic	Portfolio
3yr Risk (std dev %)	11.3%
Sharpe Ratio	0.3
Risk/Return Ratio	0.7
Mthly OPR ratio (%)	67%
Tracking Error (%)	2.7%
Information Ratio	0.2

Source: Financial Express Analytics, Infinity Asset Mgt.

### Portfolio Changes:

There were no changes made to the portfolio in October. The portfolio continues to have an overweight position in Developed Market Large-Caps and broadly neutral to Developed Market Small Caps and Emerging Markets. The portfolio continues to have no explicit exposure to Asian or Long Short strategies. The portfolio hedge ratio is a 22.50%.

The table below provides a snapshot of the major positions at the end of October.

Manager	Sector	Asset Class	%
Ironbark Brown Advisory Global Share Fund	Concentrated	Gbl Equity	24.00%
JP Morgan Global Research Enhanced Equity Fund (hdg)	Global Large Cap (hdg)	Gbl Equity	21.50%
Bell Global Emerging Companies Fund	Gbl Small Cap	Gbl Equity	16.50%
Ashmore Emerging Markets Equity Fund	Emerging Markets	Gbl Equity	14.50%
T. Rowe Price Global Equity Fund	Growth	Gbl Equity	12.50%
Pan Tribal Global Equity Fund	Relative Value	Gbl Equity	10.00%
MP Cash Inv	Cash	Cash	1.00%

### Portfolio Overview:

<b>Platform Availability:</b>	Panorama, Hub24, NWL, CFS Edge Refer PDS for details
<b>Asset Class:</b>	Global Equities
<b>Style:</b>	Active
<b>B'chmk Index:</b>	Composite of underlying indices. Refer PDS for details
<b>Min. Inv Horizon:</b>	5 to 7 years
<b>Min Inv Amt:</b>	A\$25,000
<b>Inv Mgt Fee:</b>	Refer PDS for details

### Investment Objective:

To deliver outperformance of the benchmark over a rolling three year period.

### Designed for Investors who:

Seek exposure to a diversified mix of global equity investments with a focus on capital appreciation over the longer term and who can tolerate a high level of investment risk that includes the potential for negative returns in any single year.