

Asset Class	Asset Class	1 Week (%)	1 Mth (%)	3 Mths (%)	6 Mths (%)	1 Yr (% p.a.)
Aust Eq (lge)	S&P/ASX 200 (Accum)	1.0%	3.5%	0.7%	3.1%	4.0%
Aust Eq (sml)	S&P/ASX Sml Ords (Accum)	0.2%	3.8%	0.5%	0.6%	-0.4%
Aust Industrials	S&P/ASX 200 Industrials (Accum)	1.2%	3.4%	0.4%	3.7%	4.5%
Aust Resources	S&P/ASX 200 Resources (Accum)	0.5%	3.7%	1.5%	1.6%	2.7%
Global Eq (unh)	MSCI AC World (unh) Accum	1.0%	1.0%	0.0%	7.2%	16.3%
Global Eq (hdg)	MSCI AC World (hdg) Accum	0.6%	3.9%	1.9%	5.1%	13.4%
Global Eq (sml unh)	MSCI World SMID Cap Index	0.2%	7.8%	1.6%	2.1%	5.4%
Global Eq (EM unh)	MSCI Emerging Markets (unh) Accum	-0.1%	-0.8%	-2.2%	1.1%	5.5%
AREITs	S&P/ASX 200 AREIT (Accum)	1.9%	6.8%	1.7%	7.0%	7.9%
GREITs	EPRA NAREIT (ex-Aust) hdg (Accum)	-0.3%	7.9%	1.7%	1.1%	-0.5%
Global Infra (A\$ hdg)	S&P Gbl Infrastructure A\$ (Hdg) TR	0.5%	5.4%	2.0%	-0.9%	-0.6%
Global Infra (A\$ unhdg)	S&P Gbl Infrastructure A\$ TR	0.7%	2.9%	0.4%	1.7%	3.7%
Aust Fixed Income	BBerg AusBond Composite Index (0+yrs)	0.8%	2.1%	0.7%	1.3%	-0.2%
Global Fixed Income	Bar Cap Global Agg Index (AUD hdg)	0.3%	2.6%	2.1%	1.1%	1.1%
Aust Cash	BBerg Aust Bond Bank Bill Index	0.0%	0.3%	1.0%	2.1%	3.8%

Bond Mkts	2yr Ylds (%)	Wkly Change	3yr Ylds (%)	Wkly Change	5yr Ylds (%)	Wkly Change	10yr Ylds (%)	Wkly Change	Commodities	1 Week (%)	1 Mth (%)	3 Mths (%)
Aust	4.05	-6 bps	3.96	-7 bps	4.01	-9 bps	4.34	-11 bps	Barclays Cmtdy Index (TR US\$)	-2.1%	-3.3%	-7.1%
US	4.72	9 bps	4.46	6 bps	4.24	3 bps	4.23	-3 bps	Gold US\$/oz	-1.2%	3.3%	4.3%
UK	4.59	-3 bps	4.27	-4 bps	4.11	-8 bps	4.04	-15 bps	Crude Oil (Brent) US\$/bbl	-2.8%	-6.5%	-14.4%
Japan	0.09	5 bps	0.11	6 bps	0.36	10 bps	0.77	7 bps	Copper	0.0%	5.2%	-0.1%
Europe	2.69	0 bps	2.43	-2 bps	2.23	-4 bps	2.28	-8 bps	Iron Ore (Qingdao 62% fines)	4.2%	--	13.7%

S&P/ASX Sectors	1 Week (%)	1 Mth (%)	3 Mths (%)	6 Mths (%)	1 Yr (%)	Currencies	FX Rate (%)	1 Week (%)	1 Mth (%)	3 Mths (%)
Energy	0.0%	-3.5%	-14.5%	-6.5%	-5.7%	AUD/USD	65.70	-0.8%	3.3%	2.2%
Materials	0.6%	5.3%	5.2%	1.4%	-0.8%	AUD/GBP	52.42	0.0%	0.8%	2.0%
Industrials	0.7%	2.7%	-1.7%	-1.7%	2.5%	AUD/EUR	61.07	0.0%	2.6%	2.1%
Consumer Disc	0.4%	0.7%	-1.6%	6.5%	6.7%	AUD/JPY	95.2480	-2.3%	-1.2%	1.0%
Consumer Staples	1.7%	1.0%	-4.2%	-7.0%	-6.9%	GBP/USD	1.2530	-0.8%	2.5%	0.2%
Healthcare	1.8%	5.5%	1.0%	-9.9%	-7.4%	EUR/USD	107.60	-0.7%	0.7%	0.1%
Financials	1.1%	2.7%	0.6%	7.5%	0.3%	USD/JPY	144.9500	-1.5%	-4.3%	-1.1%
AREITs	1.9%	6.8%	1.5%	4.5%	3.0%	Aust TWI	61.3000	-0.6%	2.0%	1.5%
IT	0.2%	5.4%	-5.1%	-1.2%	20.4%	Source: Bloomberg, Infinity Asset Management				
Comm Services	1.4%	0.0%	-1.0%	-1.1%	4.5%					
Utilities	1.8%	-4.2%	-6.0%	-8.5%	-4.9%					
Banks	1.5%	2.8%	1.6%	10.8%	-1.0%					

## Commentary

Financial markets enjoyed another solid week with equity and bond markets higher. Domestically, the weaker than *f* cst GDP numbers (act +0.2% *v*'s +0.5% *f* cst; +2.1% *y*/y) resulted in bond yields continuing to push lower with a view that the RBA is now finished with its tightening rates. While the 'hold' was expected at its Dec meeting, we still see the February RBA Board meeting as a 'live' meeting with the 4q23 CPI data (due in January) needing to show further moderation in inflationary pressures (for no change in policy), which we do expect given the decline in oil prices over the last 3 months, combined with a slowing global growth outlook. In the US, the weaker than *f* cst job openings numbers (JOLTs) was offset by the strong non-farm payroll numbers (act 199k *v*'s 185k *f* cst) and a further reduction in the Un rate (act 3.7% *v*'s 3.9% *f* cst) which continues to reflect the underlying strength of the US economy. In our view this will continue to see the US Fed sit on its hands and we expect no change in the Fed policy through the 1h24. This week the Fed meets for the last time in 2023. While we expect no change in the current policy, the focus will be on commentary emanating from the meeting as it relates to the Fed's view on the future direction of both inflation as well as the economy, which will dictate the direction of cash rates through the 1q24. The release of PPI data for Nov this week (*f* cst 0.0% *m*/m, 1.1% *y*/y) will continue to show a softening of price pressures. In addition to the Fed, bit the ECB (4.50%) and BoE (5.25%) are set to meet with both central *f* cst to make no changes to the current policy framework, while in China, industrial production figures (*y*/y) for Nov (*f* cst 5.7%) along with retail sales (*y*/y) (*f* cst 12.5%) will continue to reflect the near term growth outlook. As we head into 2024, China's Politburo has indicated that the government will release a range of fiscal measures to promote a target growth of 5.0%. This is above current market estimates of 4.50% (CY25). However, with inflation in negative territory (-0.5% *y*/y), the growth outlook is not assured, particularly given the challenges in the property sector, requiring the government to use all options available to achieve its targeted goals.

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