

Asset Class	Asset Class	1 Week (%)	1 Mth (%)	3 Mths (%)	6 Mths (%)	1 Yr (% p.a.)
Aust Eq (lge)	S&P/ASX 200 (Accum)	0.6%	3.2%	8.9%	9.0%	8.6%
Aust Eq (sml)	S&P/ASX Sml Ords (Accum)	-0.4%	3.1%	9.3%	6.7%	4.9%
Aust Industrials	S&P/ASX 200 Industrials (Accum)	0.9%	4.3%	12.1%	11.3%	11.7%
Aust Resources	S&P/ASX 200 Resources (Accum)	-0.2%	0.1%	0.2%	2.8%	0.4%
Global Eq (unh)	MSCI AC World (unh) Accum	0.4%	4.5%	9.0%	10.5%	22.1%
Global Eq (hdg)	MSCI AC World (hdg) Accum	0.4%	3.9%	9.4%	12.9%	17.6%
Global Eq (sml unh)	MSCI World SMID Cap Index	0.2%	3.0%	9.7%	8.8%	4.7%
Global Eq (EM unh)	MSCI Emerging Markets (unh) Accum	2.1%	5.6%	4.1%	4.3%	9.6%
AREITs	S&P/ASX 200 AREIT (Accum)	3.1%	11.3%	18.0%	17.2%	15.4%
GREITs	EPRA NAREIT (ex-Aust) hdg (Accum)	0.2%	-0.9%	6.1%	5.7%	-2.5%
Global Infra (A\$ hdg)	S&P Gbl Infrastructure A\$ (Hdg) TR	0.2%	-0.3%	1.0%	0.7%	-3.3%
Global Infra (A\$ unhdg)	S&P Gbl Infrastructure A\$ TR	0.3%	0.2%	1.1%	-0.5%	2.3%
Aust Fixed Income	BBerg AusBond Composite Index (0+yrs)	-0.1%	0.8%	2.6%	2.8%	2.9%
Global Fixed Income	Bar Cap Global Agg Index (AUD hdg)	-0.3%	-0.2%	2.3%	3.0%	2.9%
Aust Cash	BBerg Aust Bond Bank Bill Index	0.0%	0.3%	1.1%	2.1%	4.0%

Bond Mkts	2yr Ylds	Wkly	3yr Ylds	Wkly	5yr Ylds	Wkly	10yr Ylds	Wkly	Commodities	1 Week	1 Mth	3 Mths
	(%)	Change	(%)	Change	(%)	Change	(%)	Change		(%)	(%)	(%)
Aust	3.89	3 bps	3.80	4 bps	3.85	5 bps	4.21	5 bps	Barclays Cmnty Index (TR US\$)	-0.4%	-0.2%	-4.3%
US	4.64	17 bps	4.42	15 bps	4.27	14 bps	4.28	10 bps	Gold US\$/oz	-0.3%	-0.8%	1.7%
UK	4.62	7 bps	4.28	9 bps	4.14	8 bps	4.11	5 bps	Crude Oil (Brent) US\$/bbl	1.8%	6.9%	4.1%
Japan	0.15	3 bps	0.14	2 bps	0.35	2 bps	0.74	1 bps	Copper	3.5%	1.7%	2.9%
Europe	2.82	12 bps	2.54	11 bps	2.39	8 bps	2.40	4 bps	Iron Ore (Qingdao 62% fines)	1.1%	-2.8%	--

S&P/ASX Sectors	1 Week	1 Mth	3 Mths	6 Mths	1 Yr	Currencies	FX Rate	1 Week	1 Mth	3 Mths
	(%)	(%)	(%)	(%)	(%)		(%)	(%)	(%)	(%)
Energy	-1.1%	-0.9%	2.9%	-10.3%	-1.1%	AUD/USD	65.31	0.0%	-1.0%	0.2%
Materials	-0.1%	0.5%	0.4%	3.9%	-3.7%	AUD/GBP	51.82	0.2%	-0.2%	-0.9%
Industrials	1.5%	3.7%	7.0%	4.1%	5.7%	AUD/EUR	60.60	0.0%	0.1%	1.5%
Consumer Disc	3.9%	5.6%	13.1%	14.1%	13.9%	AUD/JPY	98.1030	0.6%	0.4%	0.6%
Consumer Staples	0.6%	2.6%	4.4%	-3.6%	-7.8%	GBP/USD	1.2605	-0.2%	-0.8%	1.1%
Healthcare	-1.7%	0.3%	11.4%	6.3%	-1.6%	EUR/USD	107.76	0.0%	-1.1%	-1.3%
Financials	0.7%	4.8%	14.6%	14.5%	10.3%	USD/JPY	150.2000	0.6%	1.4%	0.4%
AREITs	2.8%	11.0%	16.1%	15.0%	10.6%	Aust TWI	61.1000	0.2%	-0.7%	0.8%
IT	5.1%	10.1%	19.0%	9.5%	37.3%	Source: Bloomberg, Infinity Asset Management				
Comm Services	-2.2%	0.4%	6.5%	3.2%	4.3%					
Utilities	1.0%	3.1%	-3.9%	-8.5%	1.9%					
Banks	0.8%	4.9%	15.8%	16.8%	12.2%					

Commentary

Financial markets were again a little choppy over the week. While equity (domestic & global) markets were able to grind higher on the back of a reasonable company reporting season results in Aust and the US, bond markets were slightly lower as yields pushed higher on the back of a higher than forecast inflation print out of the US. The inflation number all but confirms that the Fed will now wait until the 2h24 before looking to reduce cash rates. We view this as sound policy from the Fed and other global central banks. Equity markets have enjoyed a very solid rally over the last 3-4 months with valuations at the upper end of our fair value range. Accordingly, we would view a period of market consolidation as appropriate, allowing financial markets to digest both new economic as well as company specific data. It would also mitigate against a momentum style rally that could cause a wider correction on any disappointing data. In parallel with equity markets, while treasury bond yields have pushed above 4.0% (10yr) across several major markets, we believe valuations are also around fair value at present with expectations that bond markets will look to range trade around current levels in the near term. On the domestic front the weaker employment numbers reiterates the softening in the labour market, which we expect will continue through the 1h24. However, we do not see any change to RBA policy with the release of RBAs (Feb meeting) minutes to reiterate the RBA's view on the outlook for the economy. In the US, the release of PMI data (manufacturing & services) this week will continue to highlight ongoing expansion (> 50pts) in the economy, while the weekly jobless claims (f'cst 218k) are also likely to show a minor change. In Europe, the release of CPI data is f'cst to show no change (@ 2.8% y/y), although the release of (Feb) Eurozone PMI data is expected to reflect ongoing contraction in both the service and manufacturing sectors, alongside weaker UK PMI manufacturing data, offset by expansion in the service (f'cst 54.2 pts) side of the economy. The release of weaker than f'cst GDP numbers for both the UK (-0.2% y/y) and Japan (-0.4% q/q) over the week continue to highlight that despite global equity markets pushing new highs, the outlook for global growth will remain volatile in the near term.

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