

Asset Class	Asset Class	1 Week (%)	1 Mth (%)	3 Mths (%)	6 Mths (%)	1 Yr (% p.a.)
Aust Eq (lge)	S&P/ASX 200 (Accum)	-1.6%	-0.8%	5.6%	13.9%	12.0%
Aust Eq (sml)	S&P/ASX Sml Ords (Accum)	-1.7%	0.2%	9.4%	17.9%	11.0%
Aust Industrials	S&P/ASX 200 Industrials (Accum)	-2.2%	-1.7%	8.5%	17.1%	15.5%
Aust Resources	S&P/ASX 200 Resources (Accum)	0.5%	1.9%	-2.1%	5.5%	2.9%
Global Eq (unh)	MSCI AC World (unh) Accum	-1.7%	1.7%	9.9%	14.7%	21.9%
Global Eq (hdg)	MSCI AC World (hdg) Accum	-0.6%	1.5%	8.9%	18.2%	22.3%
Global Eq (sml unh)	MSCI World SMID Cap Index	-0.9%	0.1%	5.0%	18.1%	14.9%
Global Eq (EM unh)	MSCI Emerging Markets (unh) Accum	-0.8%	2.2%	7.7%	8.7%	10.3%
AREITs	S&P/ASX 200 AREIT (Accum)	-4.0%	1.8%	16.4%	31.3%	30.1%
GREITs	EPRA NAREIT (ex-Aust) hdg (Accum)	-1.4%	-1.6%	-2.8%	11.0%	4.7%
Global Infra (A\$ hdg)	S&P Gbl Infrastructure A\$ (Hdg) TR	-0.4%	2.5%	1.1%	14.3%	0.3%
Global Infra (A\$ unhdg)	S&P Gbl Infrastructure A\$ TR	-1.3%	2.9%	2.4%	12.2%	2.1%
Aust Fixed Income	BBerg AusBond Composite Index (0+yrs)	-0.5%	-0.1%	1.5%	4.5%	0.2%
Global Fixed Income	Bar Cap Global Agg Index (AUD hdg)	-0.3%	-0.8%	-0.3%	5.2%	1.4%
Aust Cash	BBerg Aust Bond Bank Bill Index	0.1%	0.3%	1.0%	2.1%	4.2%

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	3.81	5 bps	3.75	13 bps	3.82	20 bps	4.18	22 bps	Barclays Cmnty Index (TR US\$)	3.1%	5.4%	7.0%
US	4.75	5 bps	4.56	5 bps	4.39	7 bps	4.40	9 bps	Gold US\$/oz	2.5%	5.9%	13.8%
UK	4.22	5 bps	4.01	9 bps	3.92	10 bps	4.07	14 bps	Crude Oil (Brent) US\$/bbl	3.3%	10.8%	19.5%
Japan	0.21	1 bps	0.21	2 bps	0.38	2 bps	0.79	5 bps	Copper	5.0%	8.5%	10.4%
Europe	2.88	3 bps	2.55	5 bps	2.39	7 bps	2.40	10 bps	Iron Ore (Qingdao 62% fines)	-4.5%	-15.0%	-27.3%

S&P/ASX Sectors	1 Week (%)	1 Mth (%)	3 Mths (%)	6 Mths (%)	1 Yr (%)	Currencies	FX Rate (%)	1 Week (%)	1 Mth (%)	3 Mths (%)
Energy	1.3%	4.5%	1.6%	-0.1%	2.1%	AUD/USD	65.70	1.2%	-0.8%	-2.2%
Materials	-0.3%	0.5%	-4.6%	5.4%	-0.6%	AUD/GBP	52.05	0.7%	1.0%	-1.3%
Industrials	-1.4%	-0.7%	4.1%	10.5%	5.5%	AUD/EUR	60.68	0.4%	0.2%	-1.1%
Consumer Disc	-3.0%	-2.5%	10.7%	16.9%	15.3%	AUD/JPY	99.6730	1.3%	2.3%	2.8%
Consumer Staples	-1.9%	-0.5%	-0.3%	-1.2%	-10.5%	GBP/USD	1.2622	0.6%	-1.8%	-1.0%
Healthcare	-2.9%	-1.7%	0.7%	13.3%	-4.7%	EUR/USD	108.29	0.8%	-1.0%	-1.1%
Financials	-1.4%	-2.3%	9.9%	17.2%	18.7%	USD/JPY	151.7100	0.0%	3.2%	5.2%
AREITs	-4.0%	1.7%	15.7%	28.9%	24.7%	Aust TWI	62.0000	0.8%	0.5%	0.0%
IT	-4.8%	-5.3%	25.6%	27.9%	41.1%	Source: Bloomberg, Infinity Asset Management				
Comm Services	-2.2%	-3.1%	-0.2%	4.8%	0.1%					
Utilities	1.3%	3.3%	2.7%	1.3%	-1.4%					
Banks	-1.2%	-3.1%	10.0%	18.2%	21.2%					

## Commentary

Financial markets had a little bit of reality over the week with all major markets lower as both the US payroll numbers surprised on the upside (330k v's 203k f'cst), while the US Fed continued to reiterate that potential rate cuts were not a forgone conclusion should inflation remain sticky while the economy continues to maintain a solid growth outlook. The net result was a sell-off in both equity and bond markets. Overall, the messaging from the US Fed continues to be consistent in our view. While we discount the likelihood of no rate cuts through 2024, we are now revising our assessment of (at least) three cuts to two, with the first in the 3q24. With the US economy continuing to remain sound there is little incentive for the US Fed to be aggressively looking to add further stimulus. Accordingly, the focus of markets this week will be on the release of both the CPI (f'cst 0.3% m/m (+0.1% pcp) & 3.4% y/y (+0.2% pcp)) and PPI data (f'cst +0.3% m/m -0.3% pcp) & 2.2% y/y (+0.6% pcp)), all of which point to an economy which is continuing to expand. In addition to the CPI/PPI data, jobless claims (f'cst 215k, flat), retail sales and the University of Michigan sentiment conditions survey will also provide further data on both consumer behaviour as well as confidence levels across the economy. However, while the data does point to the fact that the Fed will be more cautious on any rates cuts, it does reflect that the strength of the US economy, which we fundamentally view as a positive for growth assets over the medium term as we head into the US reporting season, which kicks off at the end of this week. With the likelihood of 'higher for longer rates' out of the US we continue to expect that the US\$ will remain strong. While markets will be closely watching the Fed, the ECB also meets this week (f'cst 4.50%, no change) while the release of Chinese CPI (f'cst +0.4% y/y) and PPI data (f'cst -2.8%) is likely to show that deflationary still remain despite some improvement in recent economic data. Outside the Locally, the release of the (Mar) NAB Business Conditions survey along with the WBC Consumer Conf data (Apr) and CBA H'hld Spending data (Mar) will provide additional insights into consumer and business trends. With the ongoing closures of retail stores/restaurants/building companies it seems clear that consumers are continuing to tighten their belts as the likelihood of any domestic rates cuts continues to be pushed out.

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