

Asset Class	Asset Class	1 Week (%)	1 Mth (%)	3 Mths (%)	6 Mths (%)	1 Yr (% p.a.)
Aust Eq (lge)	S&P/ASX 200 (Accum)	1.1%	-0.3%	3.4%	13.7%	11.1%
Aust Eq (sml)	S&P/ASX Sml Ords (Accum)	1.2%	-1.1%	3.7%	16.2%	7.4%
Aust Industrials	S&P/ASX 200 Industrials (Accum)	1.0%	0.3%	3.9%	16.8%	13.5%
Aust Resources	S&P/ASX 200 Resources (Accum)	1.3%	-2.1%	2.1%	5.6%	4.5%
Global Eq (unh)	MSCI AC World (unh) Accum	1.2%	0.1%	3.5%	13.2%	21.4%
Global Eq (hdg)	MSCI AC World (hdg) Accum	1.0%	2.2%	6.6%	17.5%	22.7%
Global Eq (sml unh)	MSCI World SMID Cap Index	0.6%	2.2%	5.9%	18.4%	14.6%
Global Eq (EM unh)	MSCI Emerging Markets (unh) Accum	0.8%	1.0%	5.9%	9.8%	13.9%
AREITs	S&P/ASX 200 AREIT (Accum)	0.6%	1.2%	7.4%	28.4%	21.8%
GREITs	EPRA NAREIT (ex-Aust) hdg (Accum)	1.1%	1.9%	2.9%	11.9%	4.8%
Global Infra (A\$ hdg)	S&P Gbl Infrastructure A\$ (Hdg) TR	2.7%	7.1%	12.7%	15.9%	5.3%
Global Infra (A\$ unhdg)	S&P Gbl Infrastructure A\$ TR	3.0%	5.6%	10.5%	13.3%	6.5%
Aust Fixed Income	BBerg AusBond Composite Index (0+yrs)	0.4%	-0.2%	0.0%	3.8%	-0.3%
Global Fixed Income	Bar Cap Global Agg Index (AUD hdg)	0.0%	0.1%	0.5%	3.6%	1.2%
Aust Cash	BBerg Aust Bond Bank Bill Index	0.1%	0.3%	1.0%	2.2%	4.3%

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	-4 bps	3.99	-4 bps	4.04	-4 bps	4.36		-2 bps	Barclays Cmnty Index (TR US\$)	0.3%
US	4.87	4 bps	4.67	2 bps	4.51	3 bps	4.50	1 bps	Gold US\$/oz	1.6%	0.7%	18.5%
UK	4.32	-4 bps	4.13	-6 bps	4.04	-6 bps	4.17	-6 bps	Crude Oil (Brent) US\$/bbl	-0.9%	-7.8%	2.0%
Japan	0.32	3 bps	0.34	3 bps	0.52	3 bps	0.91	1 bps	Copper	1.1%	6.0%	21.4%
Europe	2.97	6 bps	2.74	5 bps	2.55	6 bps	2.52	5 bps	Iron Ore (Qingdao 62% fines)	-3.3%	4.8%	-6.9%

S&P/ASX Sectors	1 Week (%)	1 Mth (%)	3 Mths (%)	6 Mths (%)	1 Yr (%)	Currencies	FX Rate (%)	1 Week (%)	1 Mth (%)	3 Mths (%)
Energy	4.1%	-2.7%	-2.3%	0.8%	-1.0%	AUD/USD	66.04	-0.3%	2.1%	2.3%
Materials	0.8%	-1.5%	0.9%	4.9%	1.6%	AUD/GBP	52.73	0.0%	1.6%	2.9%
Industrials	1.5%	-2.9%	1.9%	8.6%	1.0%	AUD/EUR	61.30	-0.4%	0.9%	1.7%
Consumer Disc	-0.9%	-2.0%	2.5%	12.5%	10.7%	AUD/JPY	102.8820	0.9%	3.9%	5.7%
Consumer Staples	1.0%	-2.2%	-4.4%	-0.8%	-13.1%	GBP/USD	1.2525	-0.3%	0.6%	-0.5%
Healthcare	0.9%	0.6%	-0.2%	13.5%	-5.2%	EUR/USD	107.73	0.0%	1.2%	0.6%
Financials	0.5%	0.5%	3.2%	17.9%	18.7%	USD/JPY	155.7700	1.2%	1.7%	3.3%
AREITs	0.6%	1.2%	6.8%	26.0%	16.8%	Aust TWI	62.7000	0.2%	1.5%	2.8%
IT	1.4%	3.9%	18.3%	38.2%	39.9%	Source: Bloomberg, Infinity Asset Management				
Comm Services	1.5%	-1.4%	-5.9%	0.4%	-3.2%					
Utilities	3.5%	4.7%	13.2%	8.1%	5.6%					
Banks	-0.2%	0.9%	3.5%	18.8%	22.1%					

## Commentary

Financial markets enjoyed a solid week, with positive market moves across all major asset classes. With little economic data over the week, financial markets were able to move higher after a slow start through the early part of May. Notably, the dovish comments from BoE post its recent meeting reflect that across UK and Europe the next move in the rate cycle will be lower. However, this week will be a different story with plenty of economic data out of the US led by both CPI (f'cst 0.4% m/m, +3.4% y/y) and PPI data (f'cst 0.3% m/m, +2.2% y/y). Should the CPI/PPI numbers come in lower than market f'csts this could see a further downward move in the US\$ in the near term and will add to the case for the US Fed to begin to reducing cash rates through 2h24. However, if the data disappoints this may see market volatility in the short term increase, with expectations that any rate cuts will be pushed further out in 2024. In addition to the CPI data, US retail sales data, housing starts (f'cst +1420) and jobless claims (+220k, -11k m/m, Continuing claims +1783k, flat pcp) will also be closely watched by the market. Any weakness in the jobless rate combined with a more benign inflationary outlook will likely see the ongoing rally in equity markets continue and with the US reporting season due to kick-off in the next few weeks, this will provide a strong gauge as to the direction of equity markets in the near term. In Australia, the focus this week will be on the Federal Budget. While the Government has indicated that it sees domestic inflation moving back within the RBA's 2-3% target band (CY24), we remain more circumspect of this view given that we expect the Budget will be more likely expansionary (rather than deflationary) and potentially add to existing inflationary pressures, putting pressure on the RBA's ability to cut rates. In addition to the Budget, domestic wages (f'cst 0.9% q/q, +4.2% y/y) and unemployment (f'cst 3.9% y/y, +0.1% pcp) data is also set for release. In Europe, CPI data (f'cst 0.6% m/m, 2.4% y/y) along with industrial production (Mar) figures (f'cst 0.5% m/m, -1.3% y/y) and 1q24 GDP data (f'cst +0.4% y/y) will further reinforce the likelihood that the ECB is on track to cut cash rates through the 3q24, while in the UK employment change (f'cst -220k, -156k pcp) will continue to put pressure on the jobless rate.

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