

Asset Class	Asset Class	1 Week (%)	1 Mth (%)	3 Mths (%)	6 Mths (%)	1 Yr (% p.a.)
Aust Eq (lge)	S&P/ASX 200 (Accum)	0.4%	0.9%	5.2%	11.5%	24.6%
Aust Eq (sml)	S&P/ASX Sml Ords (Accum)	0.6%	4.6%	6.2%	8.9%	24.6%
Aust Industrials	S&P/ASX 200 Industrials (Accum)	1.1%	-0.3%	6.3%	16.9%	34.4%
Aust Resources	S&P/ASX 200 Resources (Accum)	-2.2%	5.7%	1.6%	-4.4%	-0.8%
Global Eq (unh)	MSCI AC World (unh) Accum	0.2%	3.6%	5.5%	10.4%	25.7%
Global Eq (hdg)	MSCI AC World (hdg) Accum	0.0%	3.1%	5.4%	15.2%	33.5%
Global Eq (sml unh)	MSCI World SMID Cap Index	0.5%	1.5%	5.8%	12.8%	30.7%
Global Eq (EM unh)	MSCI Emerging Markets (unh) Accum	-0.1%	5.8%	6.4%	12.0%	20.6%
AREITs	S&P/ASX 200 AREIT (Accum)	0.4%	-1.0%	6.7%	18.9%	49.0%
GREITs	EPRA NAREIT (ex-Aust) hdg (Accum)	1.8%	0.3%	8.0%	19.2%	30.4%
Global Infra (A\$ hdg)	S&P Gbl Infrastructure A\$ (Hdg) TR	1.3%	3.5%	10.8%	19.2%	33.9%
Global Infra (A\$ unhdg)	S&P Gbl Infrastructure A\$ TR	1.4%	3.9%	10.9%	15.6%	28.9%
Aust Fixed Income	BBerg AusBond Composite Index (0+yrs)	-0.1%	-1.4%	1.3%	2.1%	6.8%
Global Fixed Income	Bar Cap Global Agg Index (AUD hdg)	0.3%	-0.7%	2.4%	4.7%	9.7%
Aust Cash	BBerg Aust Bond Bank Bill Index	0.1%	0.3%	1.1%	2.2%	4.4%

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 (%)
US	3.95	-1 bps	3.86	-2 bps	3.88	-2 bps	4.08	-2 bps	Gold US\$/oz	2.8%	3.8%	13.4%
UK	4.00	-18 bps	3.77	-19 bps	3.91	-17 bps	4.06	-18 bps	Crude Oil (Brent) US\$/bbl	-5.7%	-0.9%	-8.8%
Japan	0.44	3 bps	0.45	2 bps	0.59	1 bps	0.98	3 bps	Copper	-0.2%	1.7%	3.5%
Europe	2.11	-15 bps	1.94	-14 bps	2.02	-12 bps	2.18	-9 bps	Iron Ore (Qingdao 62% fines)	-5.9%	10.3%	-2.4%

S&P/ASX Sectors	1 Week (%)	1 Mth (%)	3 Mths (%)	6 Mths (%)	1 Yr (%)	Currencies	FX Rate (%)	1 Week (%)	1 Mth (%)	3 Mths (%)
Materials	-1.9%	5.7%	2.7%	-3.4%	1.6%	AUD/GBP	51.36	-0.3%	0.5%	-0.8%
Industrials	0.5%	0.5%	7.2%	7.4%	19.1%	AUD/EUR	61.65	0.0%	1.1%	0.4%
Consumer Disc	-0.9%	-2.6%	1.6%	11.0%	27.5%	AUD/JPY	100.2230	-0.5%	2.3%	-4.8%
Consumer Staples	-1.7%	-4.3%	-4.0%	3.9%	1.4%	GBP/USD	1.3046	-0.1%	-2.1%	1.0%
Healthcare	0.1%	2.7%	0.0%	12.7%	30.4%	EUR/USD	108.67	-0.4%	-2.6%	-0.1%
Financials	3.3%	-0.1%	8.5%	21.1%	38.2%	USD/JPY	149.5600	-0.1%	4.0%	-5.0%
AREITs	0.4%	-1.1%	6.1%	16.7%	43.5%	Aust TWI	62.4000	0.0%	0.3%	-2.0%
IT	-3.0%	-0.9%	14.2%	25.1%	58.7%	Source: Bloomberg, Infinity Asset Management				
Comm Services	0.8%	0.4%	4.4%	9.0%	9.4%					
Utilities	-4.1%	-3.4%	-4.9%	-0.2%	1.4%					
Banks	4.1%	-1.4%	8.6%	22.7%	41.3%					

## Commentary

Financial markets were again little changed over the week as investors digested both local and global economic data. Over the week US data continued to reinforce the underlying strength of the US economy. While debate continues around the need for further short term rate cuts by the Fed, we continue to forecast one further rate cut (0.25%) in 2024, most likely at the Dec FOMC meeting. This will see the US Fed Funds rate at 4.75% by EOFCY and in our view provide the Fed with sufficient capacity to take a more cautious approach to reducing rates further through the 1q25 and beyond. While we continue to forecast a 3.0% terminal US cash rate, we believe the timing of this could extend into 2026 should the US economy remain resilient. It will also afford increased flexibility as the new (Harris/Trump) White House administration takes control. Additionally, the road to the White House is starting to hot up. While polls continue to point to a tight race, highlighted by the strong early voter turnout across all the 26 (of 50) States, markets are now leaning towards a Trump victory. Whether this plays out remains to be seen, but the continued market strength is favouring Trump. However, equally important is the Congressional elections that will also frame the Presidency over the next 4 years. In our view the likelihood of a clean sweep (for either Democrats or Republicans) remains unlikely, but with slim majorities across both Houses, it would certainly change the US political landscape if it did occur. Domestically, the solid labour force figures over the week (Un fell -0.1% to 4.1%) saw domestic bond yields rise and pushed back the likelihood of pre Xmas rate cut by the RBA. However, we still believe a Dec cut remains a possibility as inflationary expectations continue to move lower while the domestic economic outlook softens. In Europe, the ECB cut cash rates by 0.25% (to 3.25%) as expected. The economic outlook for Europe points to the downside as the region's major economy in Germany continues to stagnate. While markets have been focused on the weak outlook for China, Germany's declining growth rates and ongoing economic challenges will continue to define the outlook for Europe. In our view, more will need to be done within Europe to bolster growth in order to support wider global economic activity in 2025.

**Piers Bolger**  
**Chief Investment Officer**  
**Infinity Asset Management**