

Monthly market snapshot

The monthly market snapshot provides commentary on financial markets' performance and the global economy



Monthly market snapshot

June 2024 market commentary

Steady performance amid global challenges

June 2024 saw a series of significant events shaping the global financial markets. The US Federal Reserve decided to maintain its current interest rates, signalling a cautious approach amidst ongoing inflation concerns. This decision was influenced by mixed macroeconomic data, including a modest rise in US GDP and persistent inflationary pressures. Meanwhile, China's economic indicators continued to disappoint, with lower-than-expected Purchasing Managers' Index figures reflecting ongoing struggles in the manufacturing sector. Additionally, unexpected election results in major economies, such as France, India, and Mexico, added political risks to market performance.

Global financial markets performance

In the equity markets, the S&P 500 posted a solid gain of 3.6% for the month, bringing its Financial Year To Date (FYTD) return to an impressive 24.6%. The MSCI World Index also saw positive movement, increasing by 2.0% for the month and 20.2% FYTD, highlighting the robust performance of developed markets. Conversely, the Chinese market, represented by the CSI 300 Index, experienced a decline of 2.5% for the month, continuing its negative trend with a FYTD return of -7.7%. European equities, as indicated by the Euro Stoxx Index, fell by 1.7% for the month but managed a FYTD return of 14.0%. The Australian market, represented by the ASX 300, recorded a modest monthly gain of 0.9%, with a strong FYTD performance of 11.9%.

Other global markets

In the fixed income space, the Bloomberg Ausbond Composite Index rose by 0.8% in June, contributing to a FYTD gain of 3.7%. The Bloomberg Barclays Global Aggregate Index had a marginal monthly increase of 0.1%, reflecting a FYTD return of 0.9%. Currency markets saw the Australian dollar appreciating against the US dollar (AUD/USD up 0.3%), the euro (AUD/EUR up 1.5%), and the yen (AUD/JPY up 2.5%) in June. Property and infrastructure markets had mixed results; the ASX 300 Listed Property Index rose by 0.2% for the month, with a strong FYTD performance of 23.8%. However, the FTSE Global Core Infrastructure Index declined by 2.6% in June, although it maintained a FYTD gain of 5.3%. Commodities saw a mixed month with gold prices remaining flat and the Bloomberg Commodity Index dropping by 1.5%, leading to an FYTD gain of 5.0%.

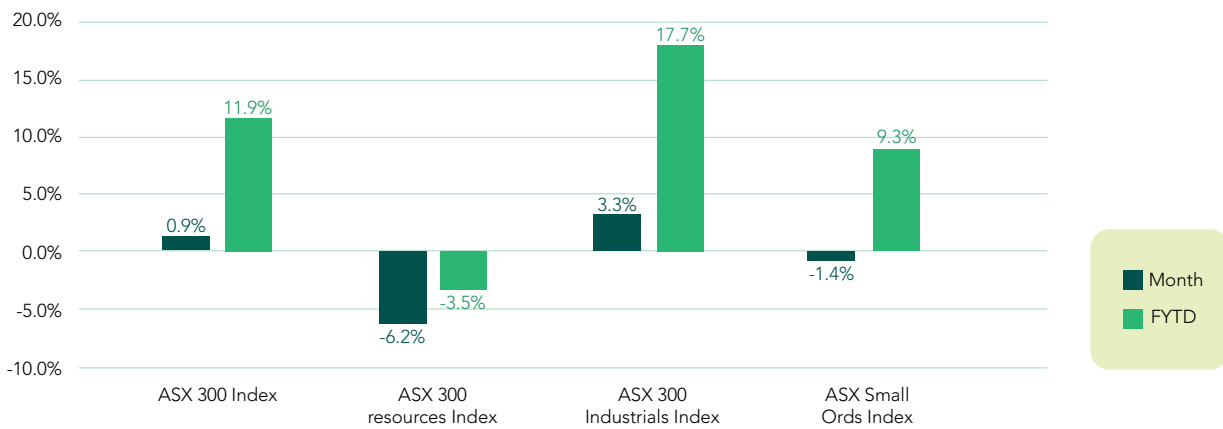
Australian economy

Domestically, Australia's economic landscape showed resilience. The Australian housing market continued its upward trend, with the CoreLogic Home Value Index for the five capital cities rising by 0.7% month-on-month in June. The Reserve Bank of Australia (RBA) held its cash rate steady, citing the need to monitor economic data closely amidst ongoing inflationary concerns. Major banks also kept mortgage rates stable, providing some relief to homeowners.

In summary, June 2024 was marked by steady performance in key global markets despite various economic challenges. The US and developed markets continued their upward trajectory, while China and Europe faced headwinds. Fixed income and property markets showed mixed results, with the Australian economy maintaining stability amidst global uncertainties. Investors remain cautiously optimistic as they navigate the evolving economic landscape.

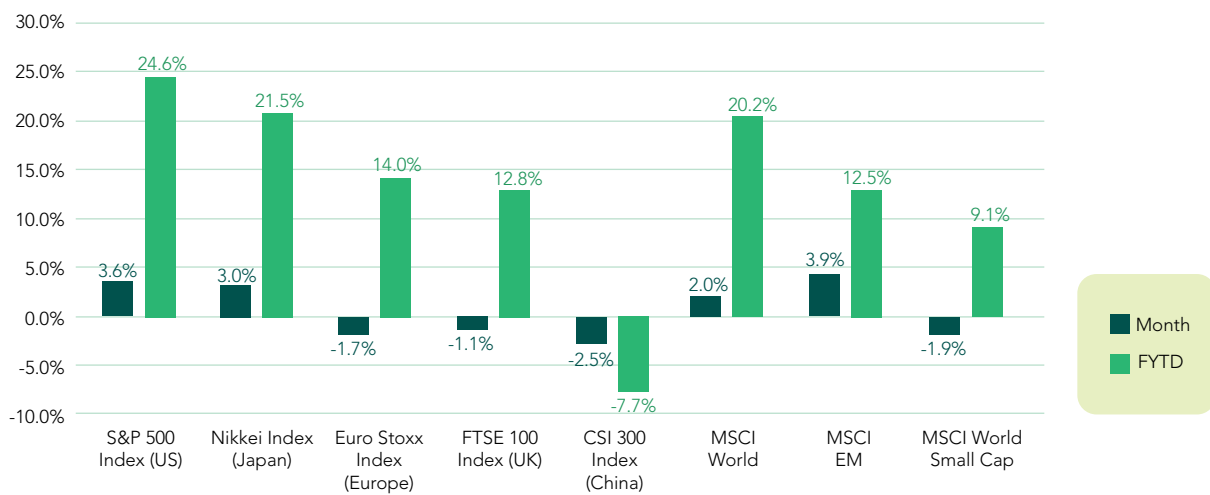
June 2024

Australian equities



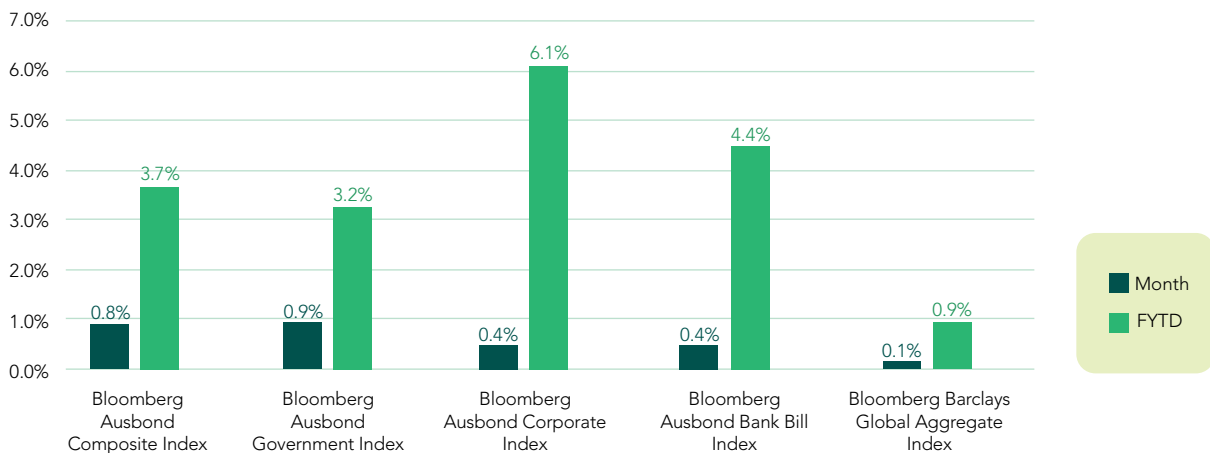
Source: Bloomberg

International equities (local currencies)



Source: Bloomberg

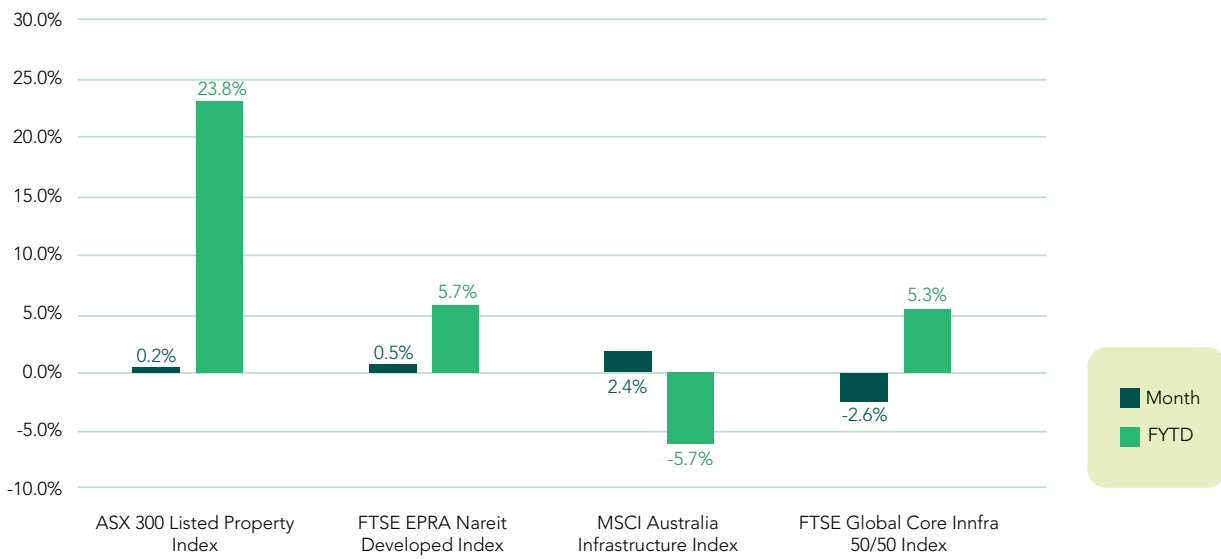
Fixed income



Source: Bloomberg

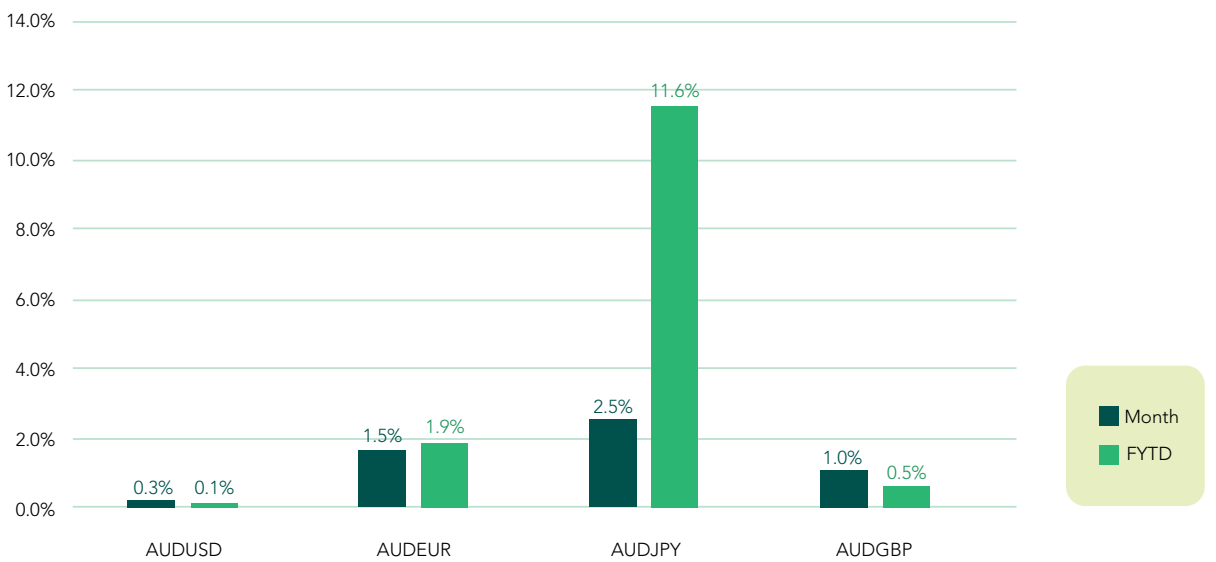
June 2024

Property and infrastructure



Source: Bloomberg

Australian dollar against major local currencies



Source: Bloomberg

NGS Super Investment Performance Summary

To 30 June 2024

Superannuation

NGS Accumulation account returns

| | NGS Super investment option | 10 years % p.a. | 5 years % p.a. | 3 years % p.a. | 1 year % | Financial year to date % | Month % | Since commencement % p.a. return | Commencement date | Funds under management (FUM) \$M |
|-----------------|-----------------------------|--------------------|-------------------|-------------------|----------|--------------------------------|---------|--|----------------------|--|
| PRE-MIXED | Diversified (MySuper) | 6.91 | 5.66 | 4.13 | 7.86 | 7.86 | 0.46 | 6.77 | Oct 1999 | 9680.40 |
| | High Growth | 7.67 | 6.30 | 4.34 | 9.10 | 9.10 | 0.60 | 6.33 | Jul 2007 | 687.20 |
| | Balanced | 5.65 | 4.47 | 3.34 | 6.26 | 6.26 | 0.35 | 5.28 | Jul 2007 | 469.70 |
| | Defensive | 4.73 | 3.43 | 2.64 | 5.19 | 5.19 | 0.37 | 5.52 | Feb 2003 | 296.60 |
| | Indexed Growth | 7.17 | 6.00 | 4.91 | 11.42 | 11.42 | 0.76 | 8.23 | Oct 2011 | 154.80 |
| SECTOR-SPECIFIC | Australian Shares | 7.75 | 7.18 | 6.37 | 11.47 | 11.47 | 0.91 | 9.22 | Feb 2003 | 450.70 |
| | International Shares | 9.94 | 8.19 | 3.45 | 14.57 | 14.57 | 1.25 | 8.10 | Mar 2003 | 319.70 |
| | Infrastructure | n/a | 3.03 | 1.45 | 1.33 | 1.33 | -2.18 | 3.29 | May 2019 | 7.80 |
| | Property | 6.37 | 4.03 | 5.10 | 7.85 | 7.85 | 0.62 | 7.52 | Sep 2002 | 78.70 |
| | Diversified Bonds | 1.51 | 0.05 | -1.58 | 2.25 | 2.25 | 0.67 | 3.86 | Oct 1999 | 35.00 |
| | Cash and Term Deposits | 1.92 | 1.74 | 2.33 | 4.14 | 4.14 | 0.35 | 3.43 | Oct 1999 | 277.10 |

The above table shows the net return after investment fees, tax and the asset-based fee.

We recommend that you seek financial advice before making any changes to your investment strategy. In particular we recommend that you seek financial advice before making any short-term changes to your long-term investment strategy. Investment returns are not guaranteed as all investments carry some risk. Past performance is not necessarily a guide to future performance.

¹ If you are in a *Transition to retirement account*, your returns prior to 1 July 2017 were tax free and were reflected in the Income account returns.

This information is provided by NGS Super Pty Limited ABN 46 003 491 487, AFSL No 233 154, the trustee of NGS Super ABN 73 549 180 515

NGS Super Investment Performance Summary

To 30 June 2024

Transition to Retirement

NGS Transition to Retirement account returns

| | NGS Super investment option | 10 years % p.a. | 5 years % p.a. | 3 years % p.a. | 1 year % | Financial year to date % | Month % | Since commencement % p.a. return | Commencement date | Funds under management (FUM) \$M |
|-----------------|-----------------------------|--------------------|-------------------|-------------------|----------|--------------------------------|---------|--|----------------------|--|
| PRE-MIXED | Diversified | 7.15 | 5.66 | 4.13 | 7.86 | 7.86 | 0.46 | 7.11 | Jul 2005 | 9680.40 |
| | High Growth | 7.95 | 6.30 | 4.34 | 9.10 | 9.10 | 0.60 | 6.56 | Jul 2007 | 687.20 |
| | Balanced | 5.86 | 4.47 | 3.34 | 6.26 | 6.26 | 0.35 | 5.61 | Jul 2007 | 469.70 |
| | Defensive | 4.93 | 3.43 | 2.64 | 5.19 | 5.19 | 0.37 | 5.73 | Jul 2005 | 296.60 |
| | Indexed Growth | 7.38 | 6.00 | 4.91 | 11.42 | 11.42 | 0.76 | 8.70 | Oct 2011 | 154.80 |
| SECTOR-SPECIFIC | Australian Shares | 7.94 | 7.18 | 6.37 | 11.47 | 11.47 | 0.91 | 8.01 | Jul 2005 | 450.70 |
| | International Shares | 10.22 | 8.19 | 3.45 | 14.57 | 14.57 | 1.25 | 8.07 | Jul 2005 | 319.70 |
| | Infrastructure | n/a | 3.03 | 1.45 | 1.33 | 1.33 | -2.18 | 3.29 | May 2019 | 7.80 |
| | Property | 6.59 | 4.03 | 5.10 | 7.85 | 7.85 | 0.62 | 6.84 | Jul 2005 | 78.70 |
| | Diversified Bonds | 1.63 | 0.05 | -1.58 | 2.25 | 2.25 | 0.67 | 3.45 | Jul 2005 | 35.00 |
| | Cash and Term Deposits | 2.04 | 1.74 | 2.33 | 4.14 | 4.14 | 0.35 | 3.52 | Jul 2005 | 277.10 |

The above table shows the net return after investment fees, tax and the asset-based fee.

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NGS Super Investment Performance Summary

To 30 June 2024

Income account

Returns on income account (pension) investments are tax free. Income account investment returns will exceed equivalent (taxed) super investment returns in periods when investment earnings are positive. In periods when investment earnings are negative, super returns will exceed equivalent income account returns. A negative return (loss) means that less tax is payable on taxed super investments than has already been accrued, so there is a tax adjustment that can be credited back to accumulation members. There is no equivalent adjustment for income account members because income account returns are tax free.

NGS Income account returns

| | NGS Super investment option | 10 years % p.a. | 5 years % p.a. | 3 years % p.a. | 1 year % | Financial year to date % | Month % | Since commencement % p.a. return | Commencement date | Funds under management (FUM) \$M |
|-----------------|-----------------------------|--------------------|-------------------|-------------------|----------|--------------------------------|---------|--|----------------------|--|
| PRE-MIXED | Diversified | 7.49 | 6.07 | 4.70 | 8.86 | 8.86 | 0.51 | 7.05 | Nov 2001 | 1164.80 |
| | High Growth | 8.21 | 6.61 | 4.93 | 10.07 | 10.07 | 0.67 | 6.72 | Aug 2007 | 100.60 |
| | Balanced | 6.15 | 4.78 | 3.78 | 6.98 | 6.98 | 0.39 | 5.77 | Aug 2007 | 402.60 |
| | Defensive | 5.22 | 3.71 | 2.97 | 5.82 | 0.42 | 0.42 | 5.72 | Nov 2001 | 389.40 |
| | Indexed Growth | 7.75 | 6.42 | 5.50 | 12.69 | 12.69 | 0.81 | 8.99 | Sept 2011 | 104.20 |
| | Retire Plus | n/a | 5.85 | 5.29 | 6.01 | 6.01 | 0.01 | 7.10 | Aug 2017 | 218.80 |
| SECTOR-SPECIFIC | Australian Shares | 7.75 | 6.64 | 7.03 | 12.92 | 12.92 | 0.99 | 8.49 | Sept 2004 | 83.80 |
| | International Shares | 10.48 | 8.32 | 3.47 | 16.32 | 16.32 | 1.37 | 8.25 | Sept 2004 | 55.70 |
| | Infrastructure | n/a | 3.72 | 2.23 | 2.74 | 2.74 | -2.48 | 4.02 | May 2019 | 2.50 |
| | Property | 7.09 | 4.48 | 5.36 | 9.27 | 9.27 | 0.75 | 8.25 | Dec 2002 | 19.50 |
| | Diversified Bonds | 1.86 | 0.28 | -1.81 | 2.91 | 2.91 | 0.80 | 3.97 | May 2004 | 20.30 |
| | Cash and Term Deposits | 2.26 | 2.04 | 2.73 | 4.84 | 4.84 | 0.40 | 3.74 | Jul 2004 | 149.40 |

The above table shows the net return after investment fees and the asset-based fee (no tax applies).

We recommend that you seek financial advice before making any changes to your investment strategy. In particular we recommend that you seek financial advice before making any short-term changes to your long-term investment strategy. Investment returns are not guaranteed as all investments carry some risk. Past performance is not necessarily a guide to future performance.

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Further information

If you are thinking about making changes to your investments in NGS Super, consider obtaining professional advice to understand which investment option might be right for you.

We offer single-issue advice limited to your NGS Super account at no cost:

- over the phone through our Financial Advice Helpline
- through our **Super Specialists** who you can talk to over the phone or meet either virtually or face-to-face.

We also offer low-cost tailored advice through NGS Financial Planning.

To make an appointment phone us on **1300 133 177** or complete the **Financial planning enquiry form** at ngssuper.com.au/advice

NGS financial planning service

NGS Super members are also entitled to a free initial consultation for general advice relating to your personal circumstances through our financial planning service.

Important information

This document has been issued by NGS Super Pty Limited ABN 46 003 491 487 RSE Licence L0000567 AFSL 233 154 as trustee of NGS Super ABN 73 549 180 515.

Any information contained in this document is of a general nature only and does not take into account your personal objectives, financial situations or needs. Please read the **Product Disclosure Statement** and consider the **Target Market Determination** before making a decision about NGS Super. The information in this document is current as at June 2024. Past performance is not a guarantee of future results. The forward-looking statements in this document are not guarantees or predictions of future performance and subject to change. Care should be taken before relying on these statements.

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The Monthly market snapshot contains general information only and should not be regarded as financial, legal or other advice. If you require further information on any of the content please contact NGS Super or seek professional advice.



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