

# Monthly market snapshot

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



# Monthly market summary

July 2024

## Mixed global market performance amid uncertainty

In July 2024, global financial markets experienced mixed performance, driven largely by ongoing economic uncertainties and central bank policy. The U.S. Federal Reserve remained in the spotlight, signalling a relatively dovish position amid signs of easing inflation, although they emphasised their readiness to tighten further if necessary. U.S. inflation data for June showed a slight moderation, with the Consumer Price Index rising 3% on an annual basis, down from previous months. This, coupled with strong labour market data, fuelled cautious optimism among investors. Meanwhile, geopolitical tensions, particularly in Eastern Europe and the Middle East, continued to cast a shadow over global markets, contributing to increased volatility.

Global equity markets reflected the uncertainty, with regional performances diverging. The U.S. market, represented by the S&P 500, posted a modest gain of 1.2% for the month, continuing its upward trajectory. However, Japan's Nikkei Index declined by -1.2%, reflecting concerns over a weaker-than-expected economic recovery. In Europe, the Euro Stoxx Index edged down slightly by -0.3%, while the UK's FTSE 100 rose by 2.5%. Notably, the Chinese market, represented by the CSI 300 Index, managed a modest gain of 0.6% despite ongoing concerns about the country's economic slowdown. The Australian market outperformed many of its global peers, with the ASX 300 Index gaining 4.1%, driven by strong performances in industrials and small caps, although the resources sector lagged with a decline of -1.1%.

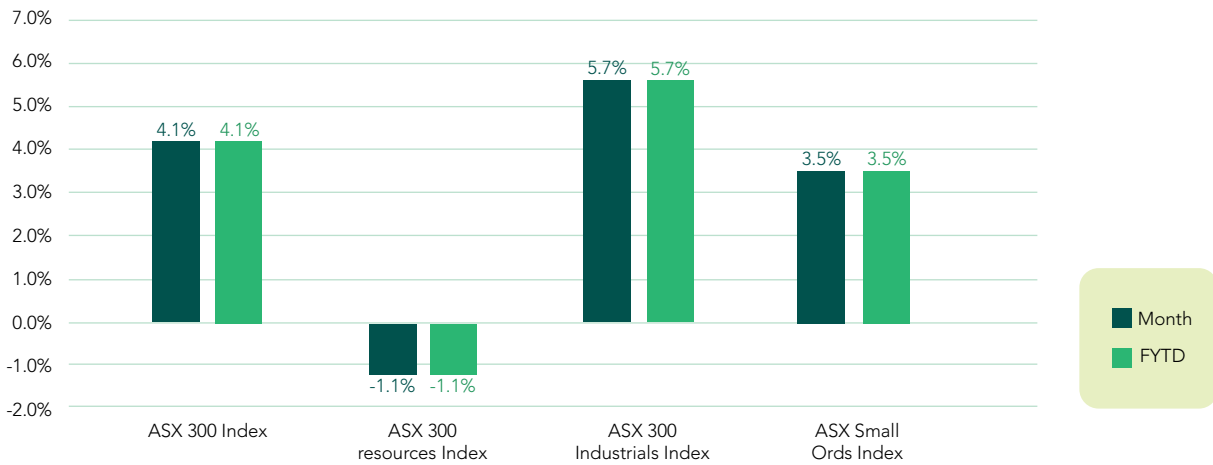
Other financial markets also exhibited varied performances in July. The bond market saw positive returns, with the Bloomberg Global Aggregate Index up by 2.8%, reflecting declining yields as investors sought safety amidst uncertainty. The Australian bond market also posted gains, with the Bloomberg Ausbond Composite Index rising by 1.5%. In the currency markets, the Australian dollar weakened against major currencies, with AUD/USD down by -1.9% and AUD/JPY falling sharply by -8.6%, reflecting divergent central bank policies and weakening investor sentiment. Property and infrastructure markets showed resilience, with the ASX 300 Listed Property Index and the FTSE EPRA Nareit Developed Index both rising by 6.8% and 6.1%, respectively. Commodities had a mixed month, with gold prices increasing by 5.2% in USD terms, while the broader Bloomberg Commodity Index declined by -4.0%.

Turning to the Australian economy, the Reserve Bank of Australia maintained its policy stance, keeping the cash rate unchanged as it assessed the impact of previous rate hikes on inflation and economic growth. The housing market continued its recovery, with national home values rising for the fifth consecutive month, supported by limited supply and strong demand in major cities. However, mortgage rates remain high, putting pressure on household budgets. Consumer confidence showed signs of improvement, but there are ongoing concerns about cost-of-living pressures and economic uncertainty.

Overall, we consider that July 2024 was characterised by cautious optimism in global financial markets, with investors balancing hopes of a soft landing in the U.S. economy against ongoing geopolitical risks and mixed economic data. The diverse performances across different asset classes and regions highlight the complexity of the current market environment as investors navigate through a landscape marked by uncertainty and change.

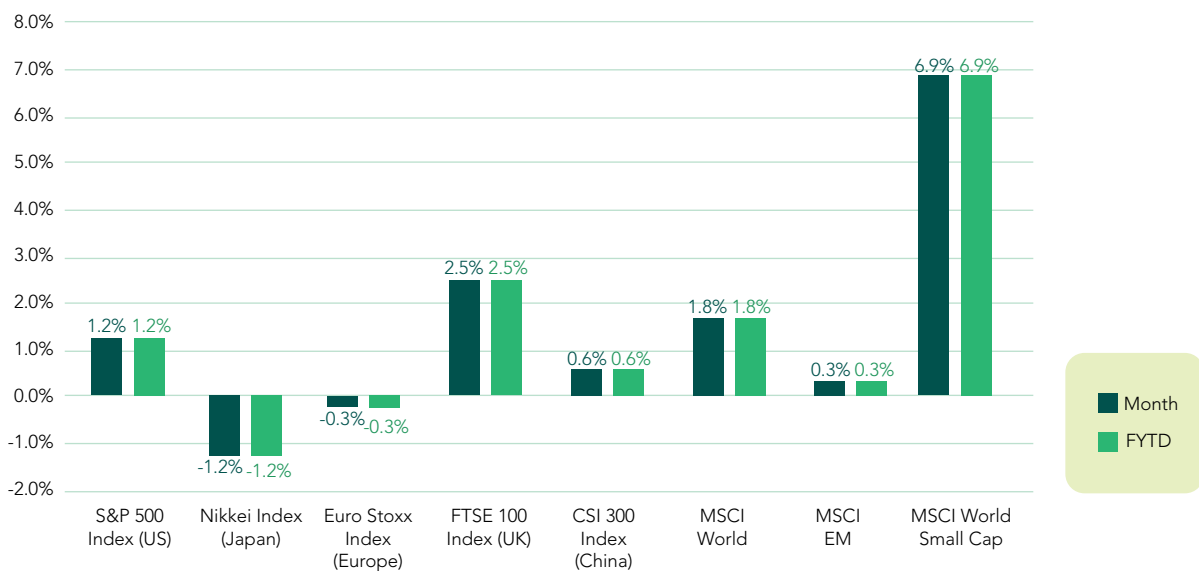
July 2024

### Australian equities



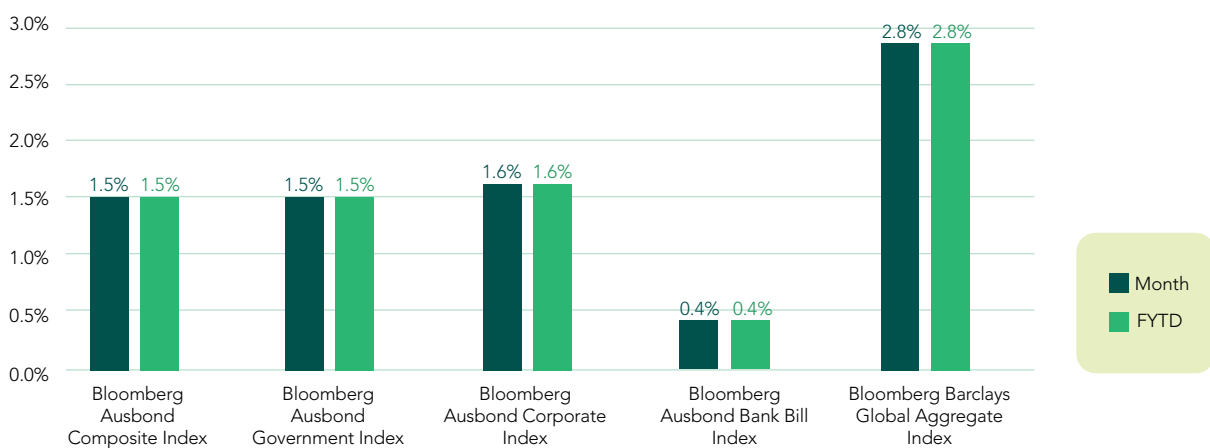
Source: Bloomberg

### International equities (local currencies)



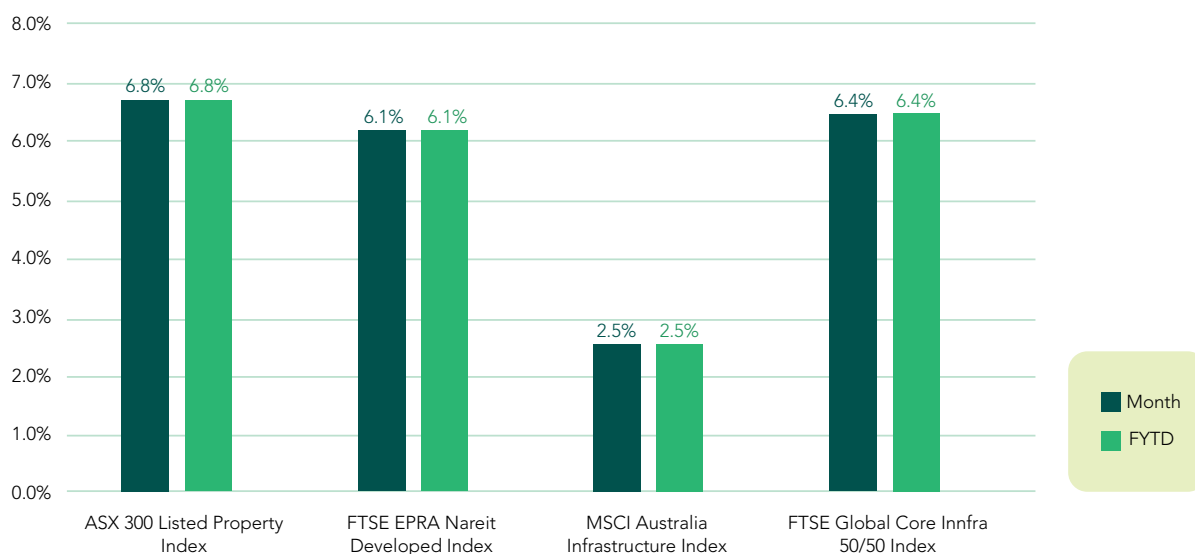
Source: Bloomberg

### Fixed income



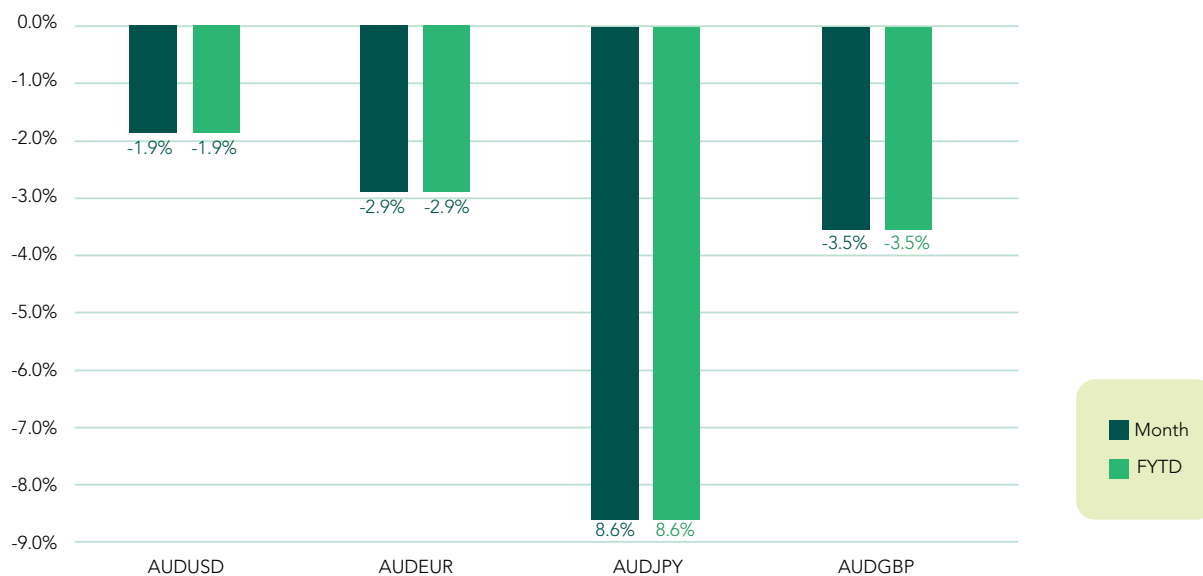
Source: Bloomberg

Property and infrastructure



Source: Bloomberg

Australian dollar against major local currencies



Source: Bloomberg

# NGS Super Investment Performance Summary

To 31 July 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)	6.97	5.80	4.47	8.52	1.91	1.91	6.83	Oct 1999	9844.30
	High Growth	7.72	6.42	4.56	9.70	2.01	2.01	6.42	Jul 2007	693.00
	Balanced	5.72	4.59	3.65	6.82	1.51	1.51	5.34	Jul 2007	474.20
	Defensive	4.79	3.54	2.84	5.79	1.24	1.24	5.56	Feb 2003	299.20
	Indexed Growth	7.38	6.34	5.56	12.66	3.12	3.12	8.44	Oct 2011	165.30
SECTOR-SPECIFIC	Australian Shares	7.75	7.38	7.43	12.61	3.62	3.62	9.37	Feb 2003	463.70
	International Shares	10.17	8.43	4.30	14.95	2.38	2.38	8.19	Mar 2003	328.00
	Infrastructure	n/a	4.07	3.03	5.92	5.43	5.43	4.28	May 2019	8.10
	Property	6.81	4.87	6.37	10.03	4.49	4.49	7.71	Sep 2002	81.40
	Diversified Bonds	1.62	0.24	-1.31	4.09	1.41	1.41	3.91	Oct 1999	34.90
	Cash and Term Deposits	1.94	1.78	2.45	4.17	0.36	0.36	3.44	Oct 1999	275.50

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.

<sup>1</sup> 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 31 July 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	7.20	5.80	4.47	8.52	1.91	1.91	7.18	Jul 2005	9844.30
	High Growth	7.98	6.42	4.56	9.70	2.01	2.01	6.66	Jul 2007	693.00
	Balanced	5.91	4.59	3.65	6.82	1.51	1.51	5.67	Jul 2007	474.20
	Defensive	4.99	3.54	2.84	5.79	1.24	1.24	5.78	Jul 2005	299.20
	Indexed Growth	7.57	6.34	5.56	12.66	3.12	3.12	8.90	Oct 2011	165.30
SECTOR-SPECIFIC	Australian Shares	7.89	7.38	7.43	12.61	3.62	3.62	8.17	Jul 2005	463.70
	International Shares	10.45	8.43	4.30	14.95	2.38	2.38	8.17	Jul 2005	328.00
	Infrastructure	n/a	4.07	3.03	5.92	5.43	5.43	4.28	May 2019	8.10
	Property	7.01	4.87	6.37	10.03	4.49	4.49	7.05	Jul 2005	81.40
	Diversified Bonds	1.74	0.24	-1.31	4.09	1.41	1.41	3.51	Jul 2005	34.90
	Cash and Term Deposits	2.05	1.78	2.45	4.17	0.36	0.36	3.52	Jul 2005	275.50

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.

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# NGS Super Investment Performance Summary

To 31 July 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	7.55	6.24	5.07	9.53	2.08	2.08	7.12	Nov 2001	1192.20
	High Growth	8.26	6.77	5.18	10.74	2.20	2.20	6.82	Aug 2007	105.50
	Balanced	6.22	4.93	4.12	7.62	1.70	1.70	5.85	Aug 2007	405.50
	Defensive	5.29	3.85	3.22	6.53	1.44	1.44	5.76	Nov 2001	393.40
	Indexed Growth	7.97	6.79	6.23	14.04	3.42	3.42	9.22	Sept 2011	109.50
	Retire Plus	n/a	5.96	5.55	6.53	1.54	1.54	7.25	Aug 2017	236.30
SECTOR-SPECIFIC	Australian Shares	7.74	6.94	8.22	14.20	4.06	4.06	8.67	Sept 2004	88.80
	International Shares	10.73	8.57	4.41	16.66	2.59	2.59	8.35	Sept 2004	57.30
	Infrastructure	n/a	4.92	4.06	7.94	6.21	6.21	5.16	May 2019	2.70
	Property	7.60	5.47	6.86	11.82	5.30	5.30	8.48	Dec 2002	19.80
	Diversified Bonds	1.99	0.50	-1.49	5.09	1.66	1.66	4.04	May 2004	20.40
	Cash and Term Deposits	2.28	2.09	2.87	4.88	0.42	0.42	3.74	Jul 2004	149.70

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](https://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 July 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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