

Monthly market snapshot

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



Monthly market snapshot

November 2023 market commentary

A turnaround in global markets amidst economic moderation

November was characterised by a significant risk-on rally driven by positive sentiment about decreasing inflation across developed markets and signs that many major central banks may have finished raising interest rates. The US S&P 500 index surged by 9.1%, buoyed by growth stocks, particularly in the Technology sector. European markets followed suit, with the MSCI Europe ex-UK Index climbing 7%. Emerging markets also rallied; the MSCI Emerging Markets Index grew 8%. The US 10-year Treasury yield fell below 4.4%, down from the October peak of 5%, potentially spurred by expectations of future rate cuts. The Bloomberg Global Aggregate index, which tracks global bond markets, was up 5%, recording its best month in recent history. The Australian dollar appreciated against major global currencies, gaining 4.2% against the USD, 1.2% against the Euro, and 1.8% against the Japanese Yen. Despite ongoing conflict in the Middle East, Brent crude oil fell to \$80 per barrel. Natural gas prices also fell 15% during the month on the back of lower demand, mild weather, and high storage levels in Europe.

The positive sentiments in global markets are largely driven by continued disinflation amid resilient economic growth. Headline and core CPI in the US dropped to 3.2% and 4.0% respectively, driven partly by declines in energy and travel-related costs. US core personal consumption expenditures (PCE), the Fed's preferred measure of inflation, came in lower at 3.5% for October, still above the target range but continuing a recent downward trend. As such, rates remained unchanged at the November Federal Reserve meeting. These lower inflation figures were accompanied by weaker payroll and labour market readings in the US. In particular, US personal spending rose by 0.2%, the smallest increase in 6 months, while continuing unemployment claims rose to the highest figure since November 2021. Eurozone flash CPI also slowed more than expected in November to 2.4%, down from 2.9% in October. The OECD cut its global 2024 GDP growth forecast only slightly, from 3.0% to 2.9%, raising hopes that any recession in 2024 could be mild and short-lived.

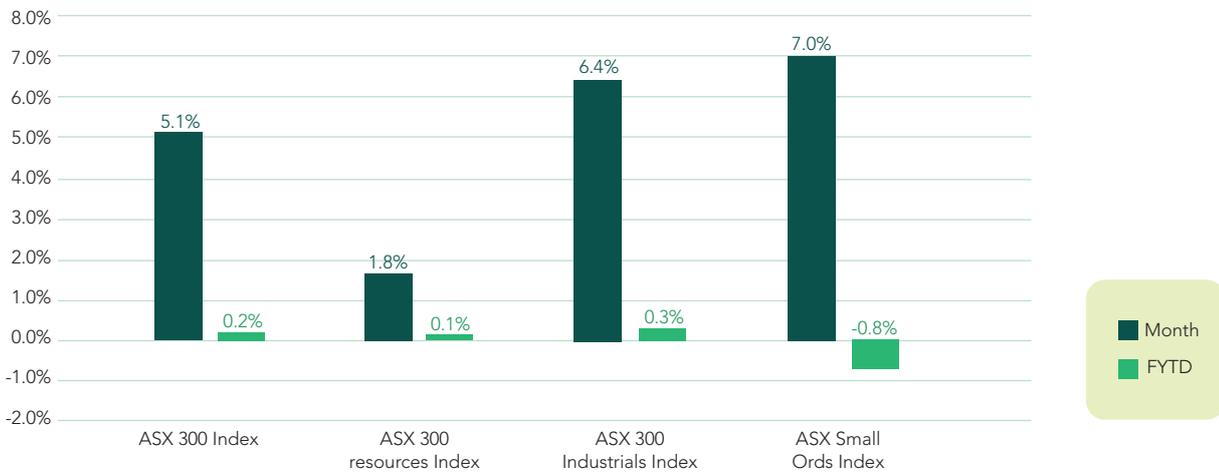
China's economic data was mixed. The official manufacturing Purchasing Managers' Index (PMI), which indicates the health of the manufacturing sector, fell to a below-consensus 49.4 in November. The service sector PMI slipped to a lower-than-expected 50.2. However, Chinese authorities announced 25 measures designed to help support the private sector to boost business confidence, and retail sales rose by 7.6% year-on-year in October.

In Australia, the RBA hiked interest rates by a further 25 basis points, bringing the target cash rate to 4.35%. Concerns about persistent inflationary pressures in the service sector, stronger economic growth, and lower unemployment were mentioned as the reasons for this rise. Australian retail sales figures fell by 0.2% in October but are still 1.2% higher when compared against the same period last year.

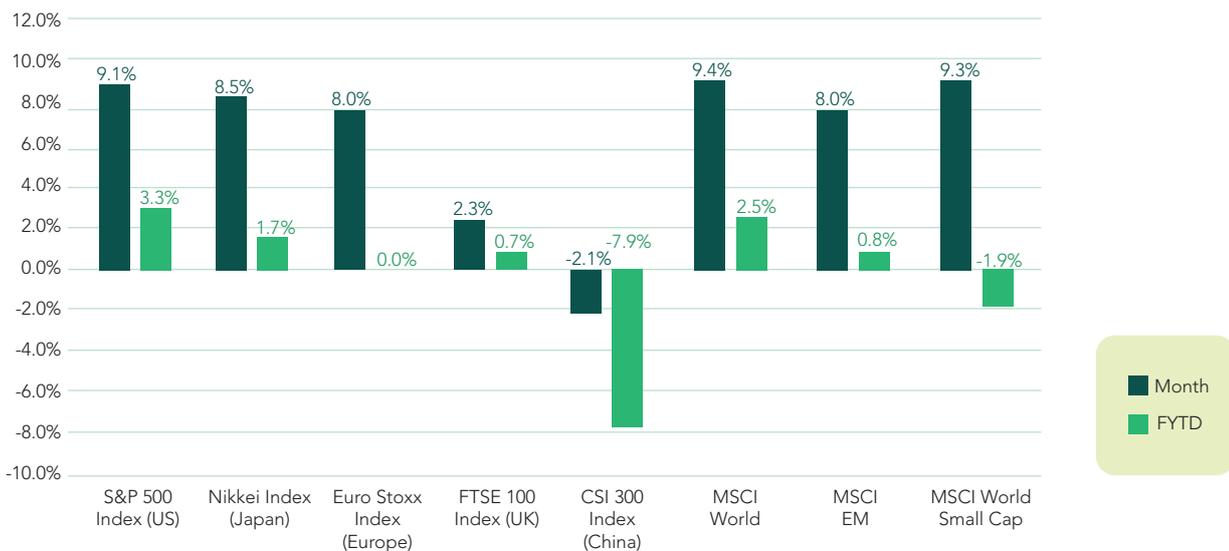
Australian property prices continued to rise, albeit at the slowest pace since February. The CoreLogic National Home Value Index rose by 0.6% for the month and is up 8.6% on a year-on-year basis. Perth saw the largest increase, rising by 1.9% for the month, followed by Brisbane and Adelaide which both recorded increases of 1.2%. Melbourne recorded a small decrease of 0.1%, driven by a decline in the value of units over the month.

November 2023

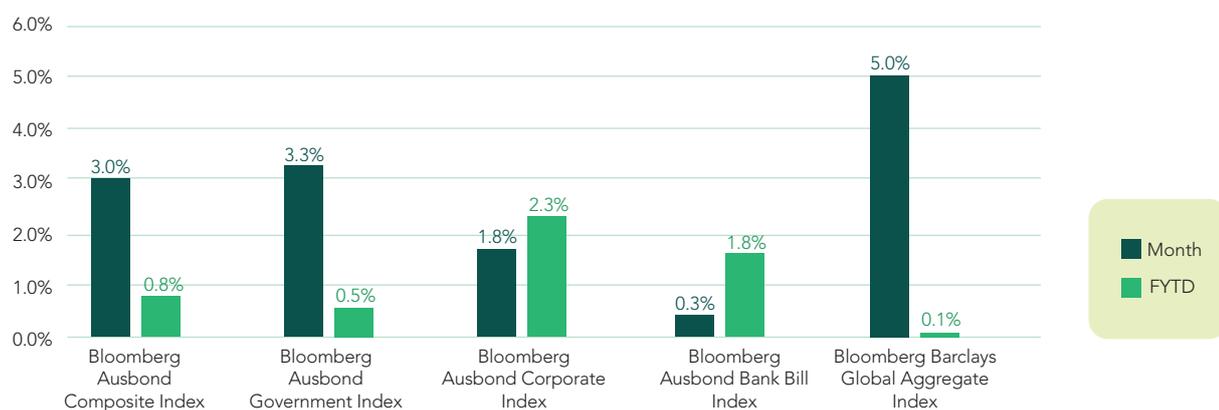
Australian equities



International equities (local currencies)

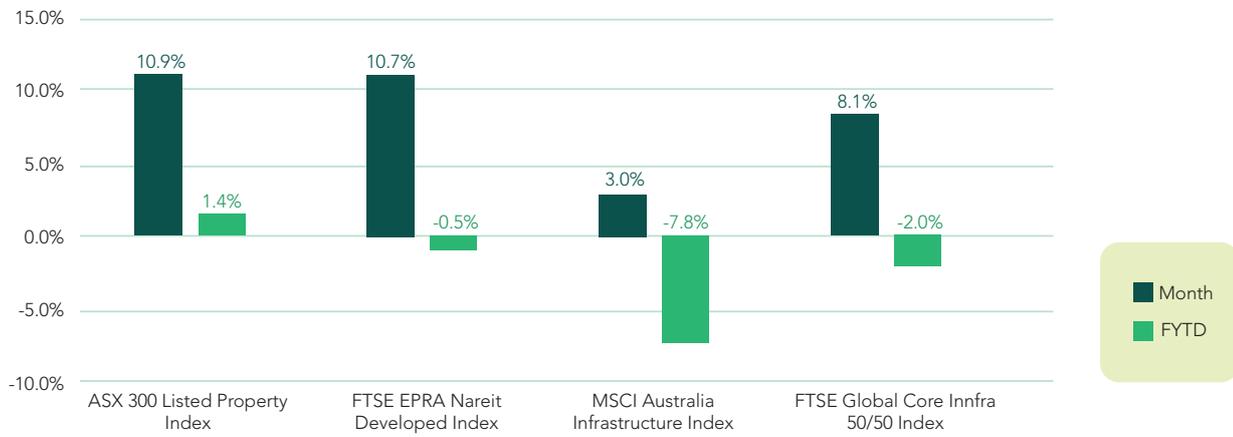


Fixed income



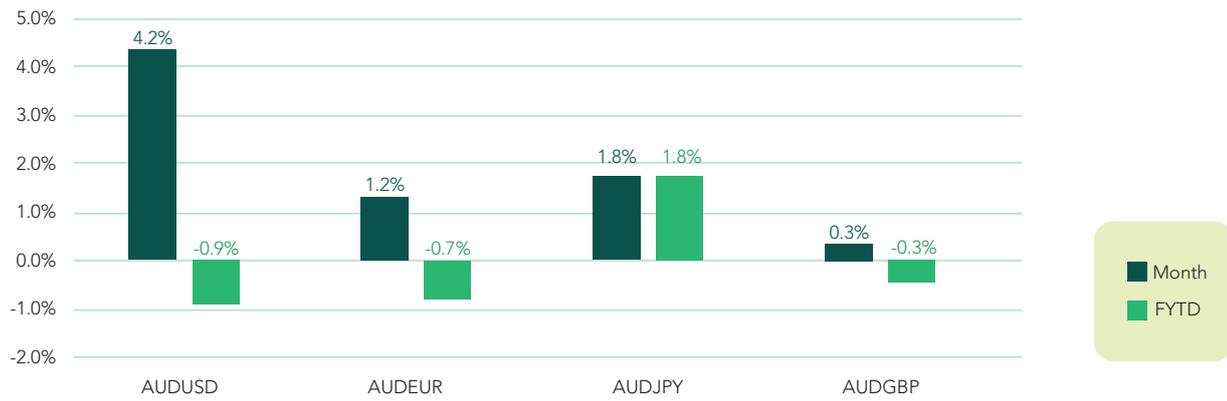
November 2023

Property and Infrastructure



Source: Bloomberg

Australian dollar against major local currencies



Source: Bloomberg

NGS Super Investment Performance Summary

To 30 November 2023

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)	6.58	5.88	4.89	4.15	0.63	2.89	6.64	Oct 1999	9086.20
	High Growth	7.26	6.56	5.30	4.31	0.71	2.64	6.04	Jul 2007	620.50
	Balanced	5.48	4.74	3.80	3.56	0.76	2.59	5.13	Jul 2007	463.00
	Defensive	4.67	3.75	2.90	3.11	0.83	2.03	5.46	Feb 2003	302.50
	Indexed Growth	6.58	6.31	4.64	3.55	0.96	4.66	7.77	Oct 2011	137.30
SECTOR-SPECIFIC	Australian Shares	7.05	8.03	6.90	3.24	0.52	5.29	8.95	Feb 2003	411.20
	International Shares	8.90	7.67	3.82	11.08	1.29	5.56	7.70	Mar 2003	281.10
	Infrastructure	n/a	n/a	2.59	-5.67	-1.87	5.84	3.00	May 2019	8.40
	Property	6.62	3.25	5.01	1.87	0.06	7.44	7.36	Sep 2002	75.90
	Diversified Bonds	1.59	0.39	-2.50	-0.44	-0.18	2.94	3.85	Oct 1999	34.30
	Cash and Term Deposits	1.83	1.48	1.55	3.51	1.63	0.33	3.41	Oct 1999	292.10

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 November 2023

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 (MySuper)	6.87	5.88	4.89	4.15	0.63	2.89	6.94	Jul 2005	9086.20
	High Growth	7.59	6.56	5.30	4.31	0.71	2.64	6.29	Jul 2007	620.50
	Balanced	5.74	4.74	3.80	3.56	0.76	2.59	5.47	Jul 2007	463.00
	Defensive	4.92	3.75	2.90	3.11	0.83	2.03	5.68	Jul 2005	302.50
	Indexed Growth	6.83	6.31	4.64	3.55	0.96	4.66	8.25	Oct 2011	137.30
SECTOR-SPECIFIC	Australian Shares	7.28	8.03	6.90	3.24	0.52	5.29	7.66	Jul 2005	411.20
	International Shares	9.22	7.67	3.82	11.08	1.29	5.56	7.62	Jul 2005	281.10
	Infrastructure	n/a	n/a	2.59	-5.67	-1.87	5.84	3.00	May 2019	8.40
	Property	6.92	3.25	5.01	1.87	0.06	7.44	6.63	Jul 2005	75.90
	Diversified Bonds	1.77	0.39	-2.50	-0.44	-0.18	2.94	3.43	Jul 2005	34.30
	Cash and Term Deposits	1.97	1.48	1.55	3.51	1.63	0.33	3.50	Jul 2005	292.10

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 November 2023

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 (MySuper)	7.12	6.31	5.30	4.85	0.79	3.40	6.87	Nov 2001	1092.90
	High Growth	7.77	6.84	5.78	5.29	0.84	2.91	6.39	Aug 2007	88.60
	Balanced	5.96	5.05	4.14	4.20	0.86	2.90	5.60	Aug 2007	389.60
	Defensive	5.15	4.02	3.21	3.64	0.93	2.32	5.65	Nov 2001	376.90
	Indexed Growth	7.09	6.67	4.77	4.20	1.06	5.19	8.47	Sept 2011	88.30
	Retire Plus	n/a	6.56	6.62	4.25	0.88	2.46	6.94	Aug 2017	141.40
SECTOR-SPECIFIC	Australian Shares	6.96	7.63	6.90	3.25	0.56	5.94	8.11	Sept 2004	75.90
	International Shares	9.32	7.52	2.92	11.33	1.43	6.19	7.74	Sept 2004	49.70
	Infrastructure	n/a	n/a	3.02	-5.21	-2.04	6.77	3.46	May 2019	3.10
	Property	7.30	3.64	5.45	1.72	0.14	9.07	8.04	Dec 2002	18.90
	Diversified Bonds	1.93	0.60	-2.64	-0.52	-0.19	3.51	3.93	May 2004	21.70
	Cash and Term Deposits	2.15	1.74	1.82	4.12	1.91	0.39	3.70	Jul 2004	141.30

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 is general information only — it does not take into account your objectives, financial situation or needs.

Please assess your own financial situation, read the **Product Disclosure Statement** for any product you may be thinking of acquiring and consider seeking professional advice before acting on this information. Past performance is not a reliable indicator of future performance.

NGS Financial Planning Pty Ltd, ABN 89 134 620 518, is a corporate authorised representative #394909 of Guideway Financial Services Pty Ltd, ABN 46 156 498 538, AFSL #420367 and offers financial planning services on behalf of NGS Super ABN 73 549 180 515.

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.



CARBON
NEUTRAL
BY 2030



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Pty Ltd, ABN 46 156 498 538, AFSL #420367 and offers financial planning services on behalf of NGS Super ABN 73 549 180 515.