

Market Commentary

Financial markets ended 2023 with a bang, with all major asset classes generating exceptionally strong investment performance. This was despite the difficult macro backdrop over the course of calendar 2023, with the strength of the rally over the final quarter of 2023 resulting in returns for the major asset classes above longer term averages. The backdrop to the rally was driven by the sharp decline in bond yields as global inflationary pressures subsided with financial markets taking the view that the next move by central banks would be to start cutting cash rates through the 1q24, beginning with the US Fed (in March). The strength of the market's conviction resulted in the steepest decline in global yield curves witnessed in 2023, with the interest rate sensitive sectors (i.e. REITs & infrastructure) along with some of the more cyclical growth sectors (i.e. global small cap) enjoying their best individual monthly performance for 2023. While the rally in the bond market over the month suggests that financial markets anticipate that the Fed will begin reducing cash rates through the 1q24 we remain circumspect on the likelihood of any rates cuts though the 1h24. While the Fed has reiterated that US cash rates are in 'restrictive' territory, the overall strength of the economy (led by personal consumption) remains sound. In addition, the road to the Fed's inflation target will continue to be a bumpy ride with the potential for near term spikes in inflation. So, while we are now closer to the end of the global rate rising cycle there potential for inflation and cash rates to remain higher for longer remains. While this likely to see ongoing gyrations across financial markets, we continue to see opportunities across both 'growth' and 'defensive' asset classes though 2024. To this extent, given the current macro and market backdrop, our focus remains on mitigating exposures where we feel that risk/reward outcome is not justified, both in the short and medium term. Additionally, we have also repositioned sub-allocations within individual asset classes given the changing market conditions. Overall, we continue to maintain a broad-based investment strategy across the entirety of our portfolios, but with a view to modifying individual portfolio risk exposures as market dynamics evolve. The need to maintain a flexible investment and asset allocation framework remains an important construct given the current financial, macro and geopolitical backdrop.

Portfolio Commentary

The portfolio produced a return of 6.00% in December which was broadly in line with the blended benchmark's return. Real Estate and Infrastructure sectors had another strong month of performance in December. The Real Estate sector was particularly strong as inflationary pressures eased and bond yields fell. Pleasingly, all underlying strategies in the portfolio delivered a positive return. The top performers were in the AREIT sector. Ironbark Paladin Property Securities Fund (+12.43%) and Macquarie True Index Listed Property Fund (+11.50%) produced a stellar return in the month after a similarly buoyant November. On the GREIT side, Principal Global Property Securities Fund (+7.56%) performed well to finish the year. All major regions of the global property market posted positive returns with the exception of Japan, which was slightly down. Elsewhere, Spire Multifamily Growth and Income (+2.41%) and CBRE Global Real Assets Fund (+1.76%) recorded solid performance with their unlisted exposures slightly lagging the public markets.

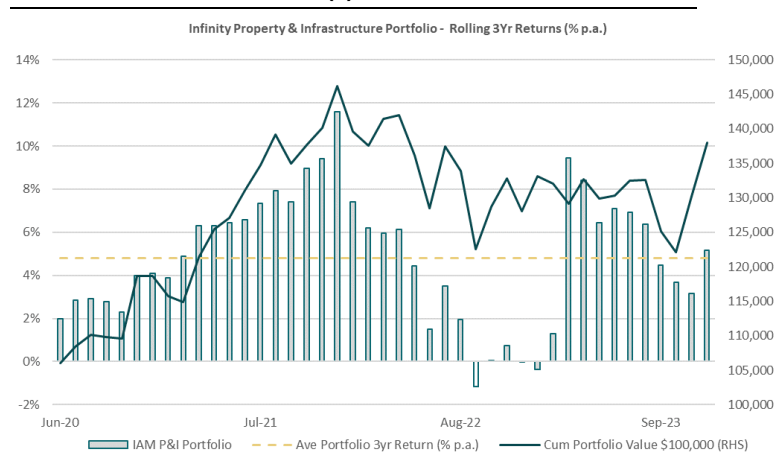
Despite a highly volatile period, we are pleased that the portfolio has managed to outperform the blended index over the medium- and long-term.

Performance

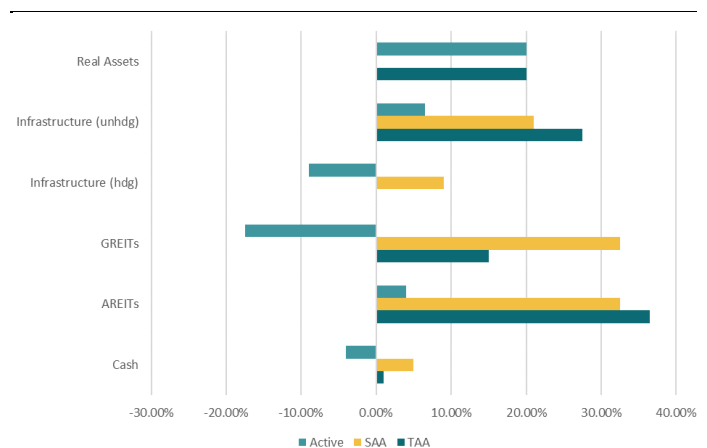
Period	Portfolio (%)	Growth (%)	Income (%)
1mth	6.00%	5.73%	0.27%
3mths	10.26%	9.98%	0.28%
6mths	5.87%	6.01%	-0.13%
1yr p.a.)	7.75%	4.98%	2.77%
3yrs (p.a.)	5.17%	1.39%	3.78%
5yrs (p.a.)	5.57%	2.16%	3.41%

Source: FE Analytics. Since inception July 2017. Past performance is not indicative of future performance.

Cumulative Portfolio Value (\$)



Asset Allocation



Portfolio Characteristics

Characteristic	Portfolio
3yr Risk (std dev %)	13.2%
Sharpe Ratio	0.1
Risk/Return Ratio	0.4
Mthly OPR ratio (%)	56.4%
Tracking Error (%)	4.4%
Information Ratio	0.3

Source: Financial Express Analytics, Infinity Asset Mgt.

Infinity Property & Infrastructure Portfolio

December 2023

Portfolio Changes:

There were no changes made to the portfolio in December.

The portfolio continues to have an overweight position in Real Assets, Unhedged Infrastructure, and AREITs. This is balanced by an underweight to Hedged Infrastructure and GREITs.

The table below provides a snapshot of the major positions in the portfolio at the end of December.

Manager	Sector	Asset Class	%
CB RARE Infrastructure Value Fund - Unhedged	Infrastructure	Property & Infrastructure	27.50%
Macquarie True Index AREIT Fund	A-REIT	Property & Infrastructure	19.00%
Ironbark Paladin Property Securities	A-REIT	Property & Infrastructure	17.50%
Principal Global Securities Fund	GREIT	Property & Infrastructure	15.00%
UBS CBRE Global Real Assets Fund	Infrastructure	Property & Infrastructure	10.00%

Portfolio Overview:

Product Code:	Panorama: DAM6067AU	Hub: INF012	NWL: MAC000384
Asset Class:	Property & Infrastructure		
Style:	Active		
B'chmk Index:	Composite of underlying indices. Refer PDS for details		
Min. Inv Horizon:	3 to 5 years		
Min Inv Amt:	A\$25,000		
Inv Mgt Fee:	0.3596% p.a.		

Investment Objective:

To deliver outperformance of the benchmark over a rolling three year period.

Designed for Investors who:

Seek exposure to a diversified mix of domestic and global listed real estate securities as well as global listed infrastructure investments with a focus on capital appreciation over the longer term. Investors need to be able to tolerate a higher level of investment risk that includes the potential for negative returns in any single year.