Infinity Global Equity Portfolio

December 2023

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 delivered a return 2.26% in December, continuing its strong performance in a buoyant end to the year for equity markets. 2023 was a strong year for global equities and particularly for the portfolio, returning 19.68% and outperforming its benchmark.

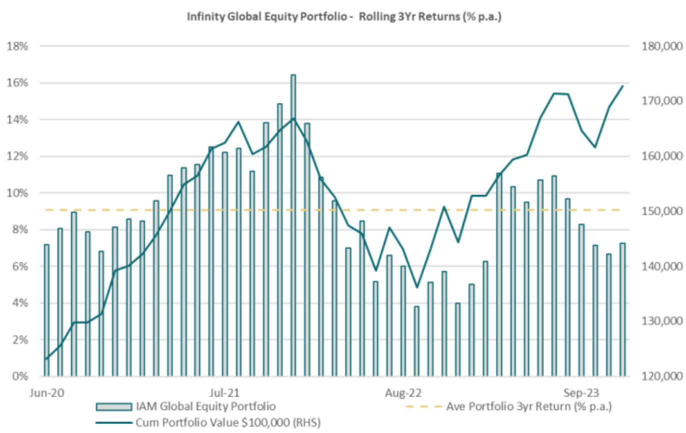
In a welcome change of pace, it was the smaller end of global equity markets that performed best in December, with Bell Global Emerging Companies (+5.01%) delivering a solid result, although not seeing all the upside of the rally due to its bias for high quality, less cyclical businesses. As with November, currency was a significant factor in performance, with JP Morgan Global Research Enhanced Index (+3.90%) marginally underperforming its hedged benchmark, but significantly underperforming the unhedged benchmark in a month where the AUD continued to strengthen. Conversely, the portfolio's unhedged global funds faced a currency headwind and saw mixed performance, with PAN-Tribal Global Equity (+2.56%) performing the best, and Ironbark Royal London Concentrated Global (+0.54%) performing the worst. Despite this short-term underperformance, Royal London remains the best performing strategy in the portfolio, having outperformed the broader market by c. 10% in 2023.

Performance

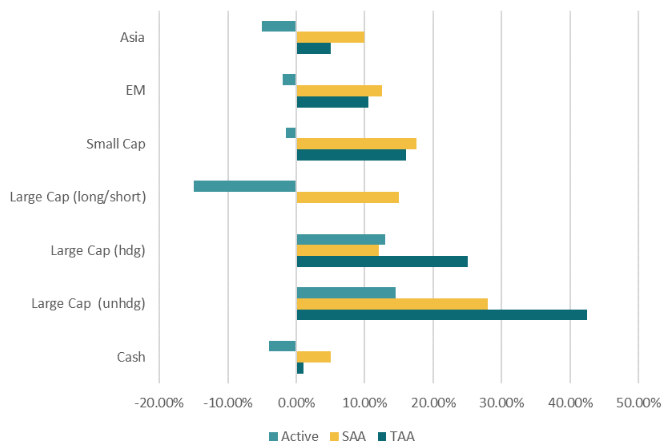
Period	Portfolio (%)	Growth (%)	Income (%)
1mth	2.26%	2.26%	0.00%
3mths	4.89%	4.89%	0.00%
6mths	3.45%	3.43%	0.02%
1yr (p.a.)	19.68%	19.65%	0.02%
3yrs (p.a.)	7.25%	5.19%	2.06%
5yrs (p.a.)	10.32%	12.92%	-2.60%

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 %)	11.1%
Sharpe Ratio	0.3
Risk/Return Ratio	0.7
Mthly OPR ratio (%)	65%
Tracking Error (%)	2.9%
Information Ratio	-0.1

Source: Financial Express Analytics, Infinity Asset Mgt.

INFINITY ASSET MANAGEMENT

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Portfolio Changes:

There were no changes made to the portfolio in December. The portfolio remains underweight Emerging Markets, Asia, and Small Caps and overweight to Developed Markets in Large Caps. There is currently no exposure to Long Short strategies. The portfolio hedge ratio remains at 25%.

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

Manager	Sector	Asset Class	%
JP Morgan Global Research Enhanced Equity Fund (hdg)	Global Large Cap (hdg)	Gbl Equity	25.00%
Ironbark Royal London Concentrated Global Share Fund	Concentrated	Gbl Equity	20.50%
Bell Global Emerging Companies Fund	Gbl Small Cap	Gbl Equity	16.00%
T. Rowe Price Global Equity Fund	Growth	Gbl Equity	11.50%
Pan Tribal Global Equity Fund	Relative Value	Gbl Equity	10.50%

Portfolio Overview:

Product Code:	**Panorama:** DAM6177AU	**Hub:** INF010	**NWL**: MAC000382
Asset Class:	Global Equities		
Style:	Active		
B'chmk Index:	Composite of underlying indices. Refer PDS for details		
Min. Inv Horizon:	5 to 7 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 global equity investments with a focus on capital appreciation over the longer term and who can tolerate a high level of investment risk that includes the potential for negative returns in any single year.