

Markets march on

- The market rally that began in January continued more modestly in February and into March, with most markets positive.
- Global shares were up by 1.7% and 1.5% in hedged and unhedged terms, respectively.
- US shares were up 1.8% and economic indicators were mixed. On the upside, the manufacturing PMI firmed; on the downside, Q418 GDP growth was revised down from 2.6% annualised to 2.2%.
- Asian stocks continued to rally in March, supported by optimism about an impending US-China trade deal and the major central banks taking a more dovish tone.
- Australian shares posted a small 0.7% rally, which was a good result after February's 6% surge.
- Like the US Fed, the RBA has amended its growth forecasts for the Australian economy in 2019 downward, increasing the chance of at least one official interest rate cut this year. Continued falls in Sydney and Melbourne house prices remain the main domestic concern.
- European shares were strong in March, despite the increasing likelihood of a 'no deal' or 'hard' Brexit rising with the UK parliament's inability to reach agreement.
- The Australian dollar was virtually unchanged against all the major currencies, at US71c and €0.63 at the end of the month.

Major asset class performance (%)

Asset classes	1 month	12 months	5 years (p.a.)
Australian shares	0.7	11.7	7.4
Global shares (hedged)	1.7	6.5	9.7
Global shares (unhedged)	1.5	12.3	12.8
Global emerging markets (unhedged)	1.0	0	9.3
Global small companies (unhedged)	-0.5	6.4	11.9
Global listed property	3.5	16.5	9.3
Cash	0.2	2.0	2.1
Australian fixed income	1.8	7.2	5.1
International fixed income	2.1	4.7	5.1

Source: JP Morgan & ANZ Wealth, 31 March 2019.

Indices: Australian shares: S&P/ASX 300 Accumulation | Global shares (hedged/unhedged): MSCI World ex Australia Net | Global emerging markets: MSCI Emerging Markets Net in AUD (unhedged) | Global small companies (unhedged): MSCI World ex Aust Small Cap | Global listed property: FTSE EPRA/NAREIT Developed Rental Index ex Australia (hedged) | Cash: Bloomberg Bank Bill | Australian fixed income: Bloomberg AusBond Composite 0+ Yr Index | International fixed income: Barclays Global Aggregate Bond Index (hedged).

Please note: Past performance is not indicative of future performance.

Currency

Exchange rates	At close on 31/3	% change 1 month	% change 12 months
AUD/USD	0.71	0.0	-7.6
AUD/euro	0.63	1.4	1.4
AUD/yen	78.7	-0.5	-3.6
Trade weighted index	60.5	-0.3	-2.9

Source: Bloomberg & ANZ Wealth, 31 March 2019. All foreign exchange rates are rounded to two decimal places where appropriate.

Please note: Please note: Past performance is not indicative of future performance.

Disclaimer: This information is current as at 31 March 2019 but is subject to change. This information has been prepared on behalf of Financial Services Partners Pty Ltd ABN 15 089 512 587 AFSL 237590, a wholly owned subsidiary of IOOF Ltd ABN 21 087 649 625 AFS Licence No. 230522. Whilst care has been taken in preparing this information, Financial Services Partners and its related entities do not warrant or represent that the information is accurate. To the extent permitted by law, Financial Services Partners and its related entities do not accept any liability from the use of the information. Past performance is not indicative of future performance. The value of investments may rise or fall and the repayment of capital is not guaranteed. The information is not to be construed as investment or financial product advice, and should not be relied upon as a substitute for professional advice. The information provided is of a general nature and has been prepared without taking into account a potential investor's objectives, financial situation or needs. Before acting on this information, potential investors should consider whether the information is appropriate for them, having regard to their objectives, financial situation and needs. Financial Services Partners Pty Ltd ABN 15 089 512 587 AFSL 237590 is a wholly owned subsidiary of IOOF Ltd ABN 21 087 649 625 AFS Licence No. 230522.