INDEX INVESTMENT STRATEGY

Index Dashboard: Australia & New Zealand

August 30, 2019

Summary

- The S&P/ASX 200 fell by 3% on two consecutive days in early August, as global trade worries brought a return of volatility to the equity markets. However, the month’s final week hosted gains on four days out of five; the benchmark closed August only 3% away from July’s all-time high and remains up by more than 20% year to date.

- The Materials and Energy sectors led the way down for the S&P/ASX 200, with the former’s 7% decline contributing over half of the overall benchmark’s decline. The Health Care and Real Estate sectors rode up on the greater dovish central bank signaling. The S&P/NZX NZ Inflation-Linked Government Bond index was a significant gainer, it rose 5%.

- New Zealand’s S&P/NZX 50 Portfolio Index finished August more or less flat. Companies with higher dividend yields flourished; the S&P/NZX 50 High Dividend gained 3%.

- Among Australian equity factors, the S&P/ASX 200 Low Volatility took the top spot this month, gaining 3%.

- Fixed income indices ticked up across the board in August, as global yields ticked up across the board. The S&P/ASX Bank Bill index was a significant gainer, it rose 5%.

Source: S&P Dow Jones Indices LLC and/or its affiliates. Data as of August 30, 2019 except * as of August 29. Index performance based on total return in local currency. Figures in brackets in the table correspond to the closing price level for that index.

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