

FRONTIER
ADVISORS



2017 Annual Conference

Thursday, 8 June 2017

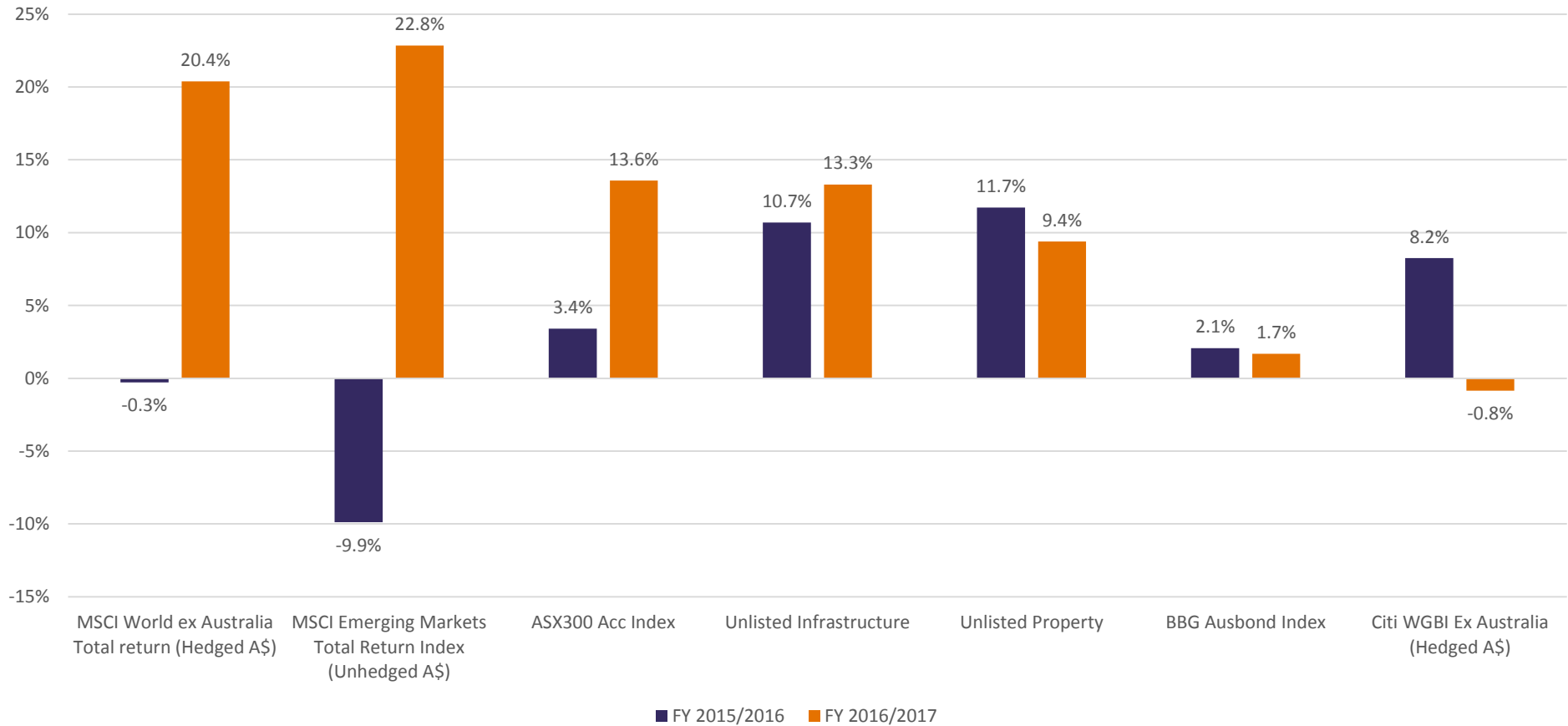


Around the World in 60 Minutes

Global market views and analysis

Asset class returns

Asset class returns



Unlisted infrastructure returns are to March 2017, unlisted property is up to January 2017.

Question - Twelve month return forecast

(Click on "Polls" in this session from the Agenda on your App)

What will the median SuperRatings Balanced Fund (60-76) return be in a year's time?

- Between -5% and 0%
- Between 0% and 5%
- Between 5.1% and 10%
- Between 10.1% and 15%
- More than 15%



Question - Asset class forecast

(Click on “Polls” in this session from the Agenda on your App)

What will be the best performing asset class in a year’s time?

- Multi-Asset Strategies
- Property & Infrastructure
- International shares (EM)
- International shares (DM)
- Australian shares



Question - US political outlook

(Click on "Polls" in this session from the Agenda on your App)

Will Donald Trump last a full term in the Presidency?

- Not sure
- No way
- Yes - he will "Make America Great Again"
- Yes - but it will be a disaster
- It won't matter for financial markets



Question - Outlook for emerging market equities

(Click on “Polls” in this session from the Agenda on your App)

In the coming 12 months do you expect to...

- No change
- Increase allocation
- Reduce allocation
- Have no dedicated allocation



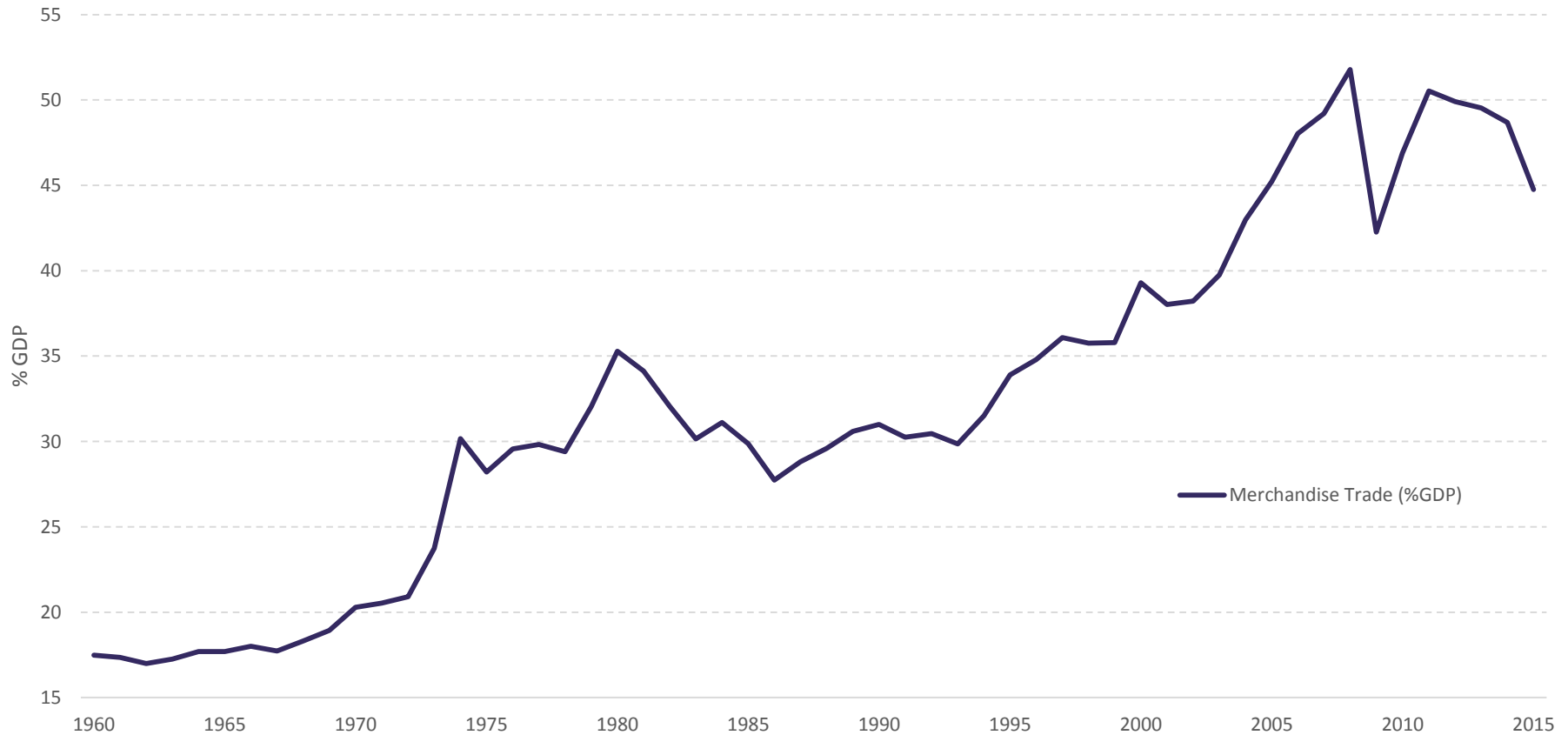
Global trade and inflation (1976-2015)



Source: Datastream, Frontier

Peak globalisation

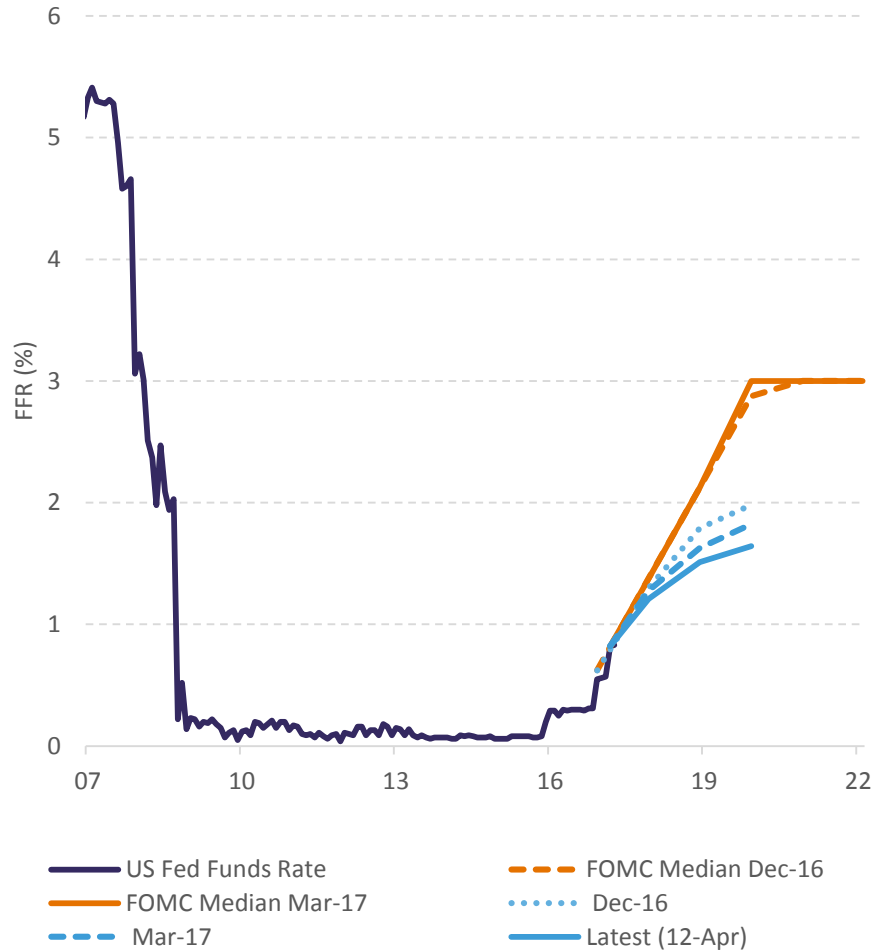
Merchandise trade (% GDP)



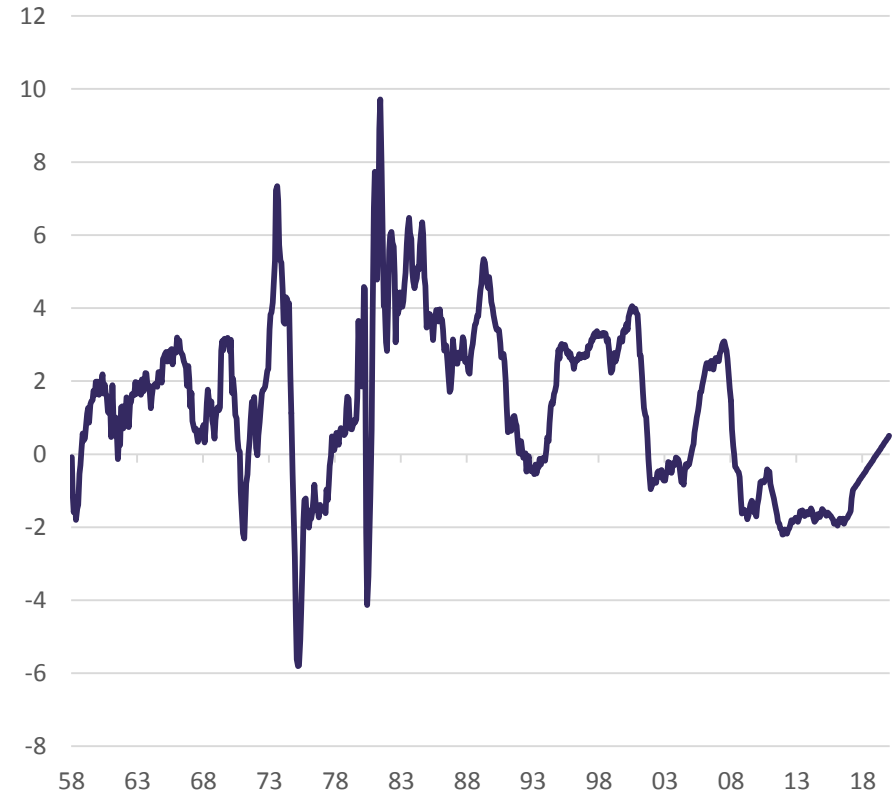
Source: Datastream, Frontier

Long term assumptions of the neutral Fed Funds rate are very low

Fed Funds actual and forecast

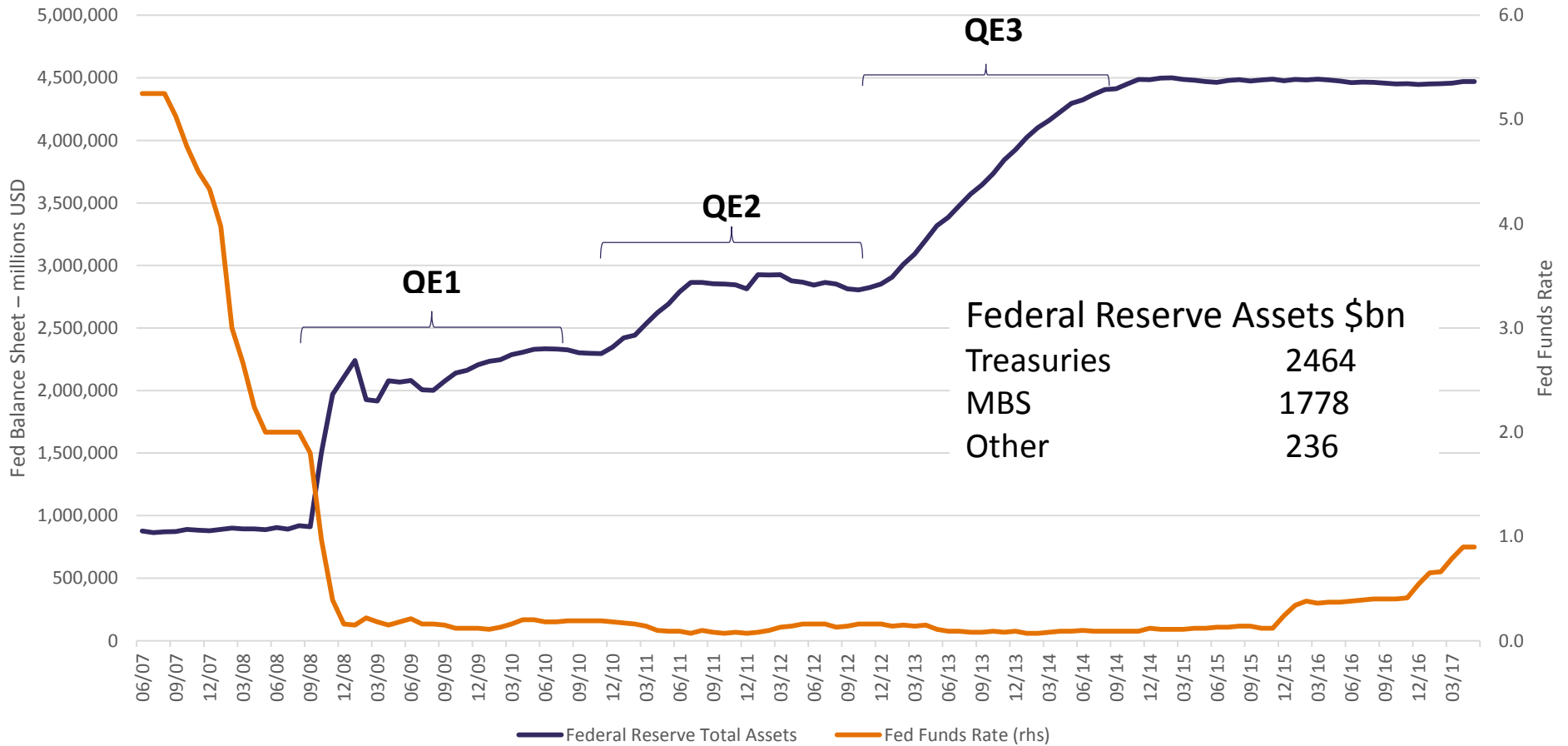


Effective real Fed Funds rate based upon core inflation



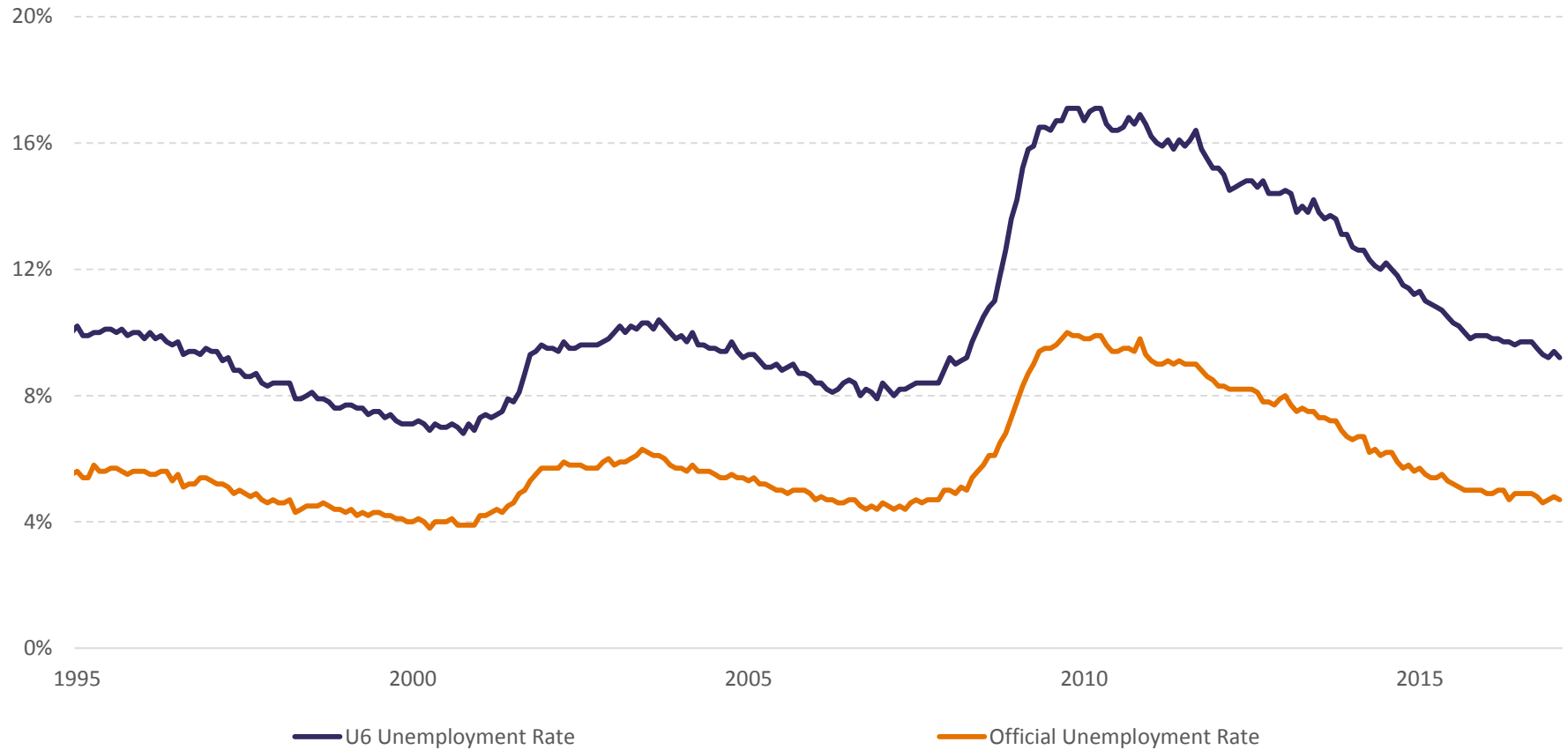
FOMC task; raise the target Fed Funds rate and reduce the balance sheet

Federal Reserve asset balance and the Fed Funds rate 2007 to present



Global spare capacity

US unemployment rate



Source: Datastream, Frontier

Question - Aussie dollar forecast

(Click on "Polls" in this session from the Agenda on your App)

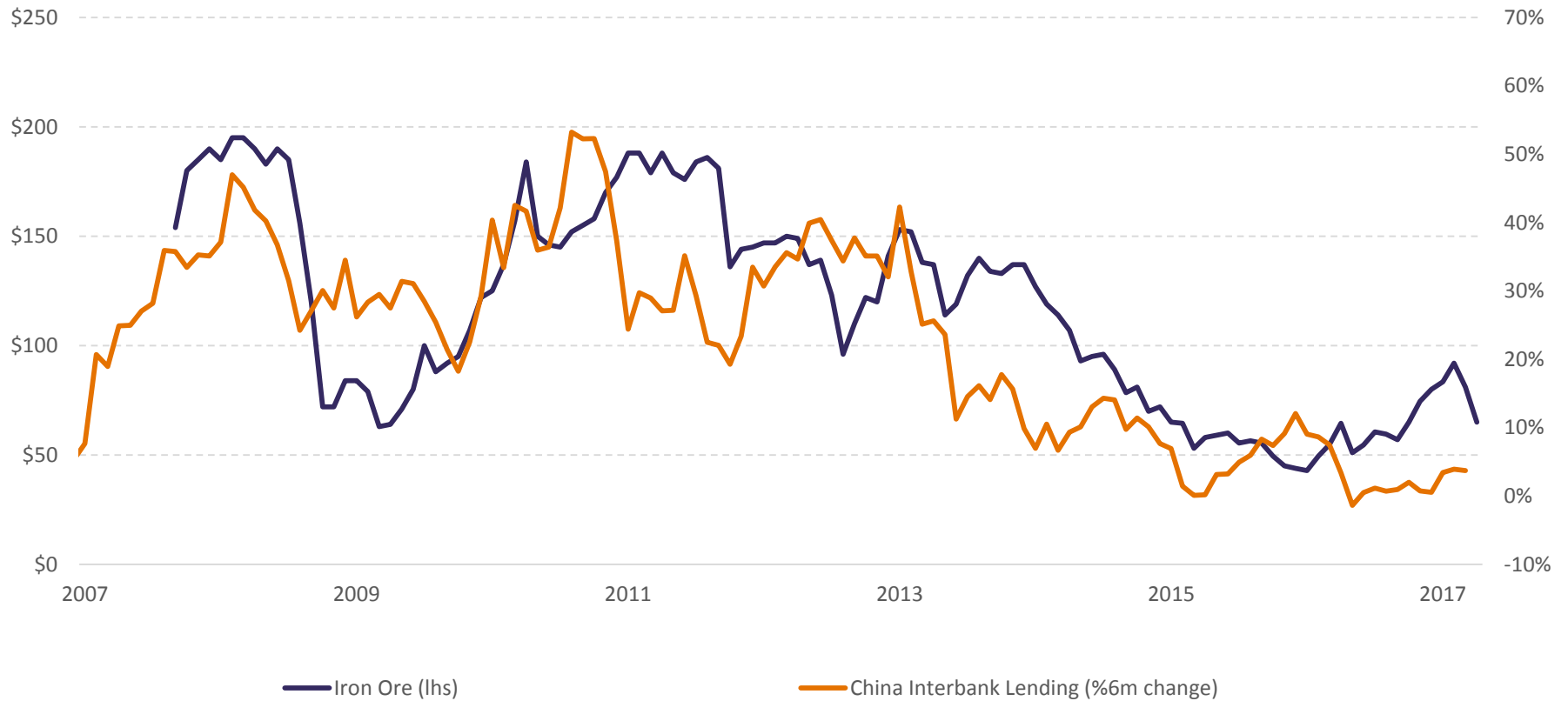
Where will the AUD be against the USD in a year's time?

- Over 0.85
- Between USD .78 and 0.85
- Between USD .72 and 0.78
- Between USD .65 and 0.72
- Less than USD .65



Commodities

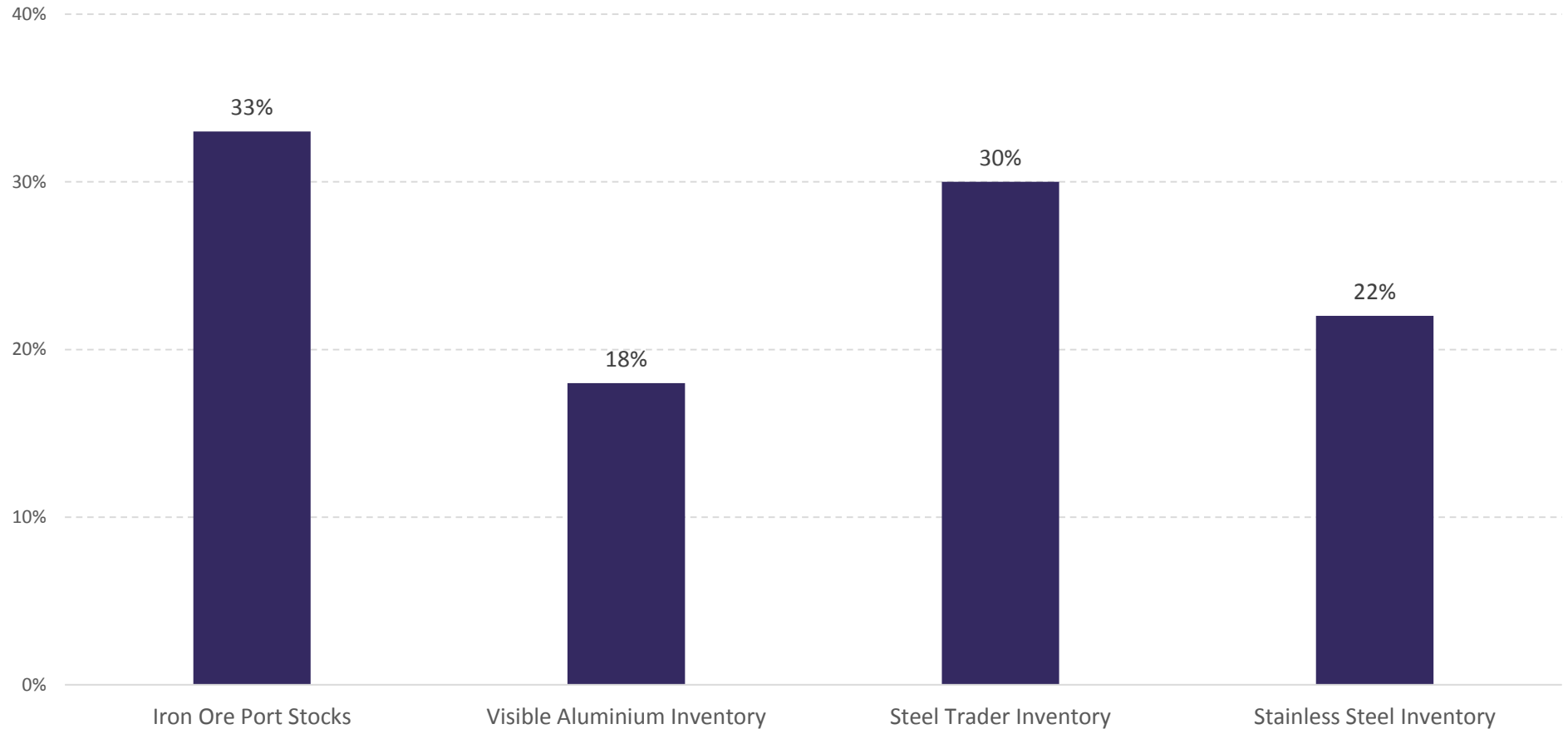
China's interbank lending vs iron ore price



Source: Datastream, Frontier

Commodities

Annual growth in current Chinese resource inventories



Source: Macquarie Research, SHFE, Mysteel, Frontier

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