

Ordinary Meeting

Meeting Date: Monday, 22 May, 2023

Location: Council Chambers, City Administrative Building, Bridge Road, Nowra

Attachments (Under Separate Cover)

Index

13. Reports


CL23.154	Investment Report - April 2023	
	Attachment 1 Shoalhaven Monthly Investment Report - April 2023	2
CL23.164	DA22/1847 – 31 Currambene Street Huskisson – Lot 3 Sec 1 DP 758530	
	Attachment 1 DRAFT Notice of Determination	27
	Attachment 2 s4.15 Assessment Report (Class 1 & 10)	49
CL23.167	Shoalhaven Arts Foundation Update - Proceeding as a Legal Entity	
	Attachment 1 Draft Constitution Shoalhaven Arts Foundation Ltd	100



Monthly Investment Report

April 2023

CL23.154 - Attachment 1

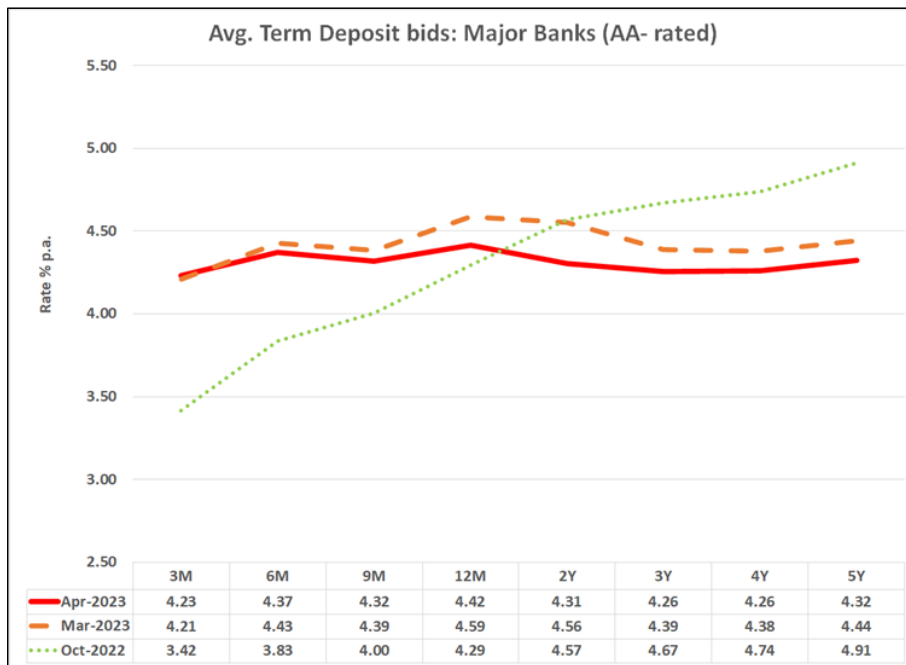
 <p>IMPERIUM MARKETS</p>	<p>Imperium Markets Pty Ltd ABN: 87 616 579 527 Authorised Representative of Libertas Financial Planning Pty Ltd AFSL 429 718 Phone: +61 2 9053 2987 Email: michael.chandra@imperium.markets Level 9 Suite 06, 70 Phillip Street, Sydney NSW 2000</p>
---	---



Market Update Summary

Financial markets were aided in April following early signs of inflation peaking across several developed economies. Markets continue to adjust their forecasts regarding future interest rate expectations accordingly, with the peak of the interest rate cycle potentially month(s) away, as per the rhetoric from several global central banks. Domestically, the RBA paused in April but decided to lift rates in May to 3.85%, commenting “*some further tightening of monetary policy may be required*” reinforcing a continuing commitment to do what is necessary to return inflation to target and a bias that still higher interest rates might be required to return inflation to target.

Despite the aggressive rate hikes, over the past few months, the deposit market has already factored in the current rate hike cycle. Deposit rates in the long-end (12m-5yr tenors) from the major banks (rated AA-) fell around 10-20bp on average during April (compared to March), with the market starting to price in the possibility that we may have reached the peak of the interest rate cycle:



Source: Imperium Markets

‘New’ investments close to or above 4% - 4½% p.a. is currently available if Council can place the majority of its surplus funds for terms of 12 months to 3 years. *With recessionary fears being priced in coming years, investors may take an ‘insurance policy’ against future rate cuts by investing across 3-5 year fixed deposits and locking in rates above or close to 4½% p.a. (small allocation only), although this is primarily being offered by the lower rated (“BBB”) ADIs.*

