

# 2023 market reflections and the year ahead

By Perpetual Wealth Management

13 December 2023

In this special end-of-year Reflections report, Perpetual Private's Investment Research team provide insights by reflecting on the economic events of 2023 and postulating on the key themes they believe will continue into next year, as well as those that will possibly emerge.

[Download Report](#)

## 2023 was widely expected to see a global recession

Reflecting on the past year, it's evident that economists' gloomy predictions didn't unfold as anticipated. The expected convergence of higher interest rates, above-target inflation, and rising unemployment was thought to lead us into a recession. However, contrary to the consensus, the economic environment proved to be far more resilient than many expected.

## The world is facing a high level of uncertainty, and forecasting what will happen next is becoming increasingly challenging

### Improving user experience

We use Microsoft Clarity to understand how you use our website to improve your experience. See our [Privacy Policy](#) for details

institutions signalled a more cautious approach and have suggested that they will adopt a 'wait-and-see' stance as they monitor unfolding data in the forthcoming year.

Geopolitics claimed headlines, perpetuating existing conflicts and spawning new ones, casting a shadow on the regions and populations directly impacted. Investment market performance and investor sentiment, in a curious turn, became chiefly influenced by a select handful of U.S. technology giants, heralded as the 'Magnificent Seven.' These firms rode the crest of the Artificial Intelligence hype, providing a much-needed boost to equity markets.

### **More of the same, but some things different**

Moving into 2024 it is self-evident that some of the themes from 2023 will persist. However, the landscape will change and the year may prove to be pivotal, as markets and economies begin to complete their transition to higher capital costs. The interplay between and timing of these factors, will determine the fortunes of investors for the next 12 months and beyond.

**Download the report to read more about our reflections on key economic events in 2023 that shaped the market and themes that will shape the year ahead.**

[Download Report](#)

Perpetual Private advice and services are provided by Perpetual Trustee Company Limited (PTCo) ABN 42 000 001 007, AFSL 236643. This information was prepared and used by PTCo. It contains general information only and is not intended to provide you with financial advice or take into account your objectives, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable for your circumstances. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. The information is believed to be accurate at the time of compilation and is provided in good faith.

PTCo do not warrant the accuracy or completeness of any information contributed by a third party. This information, including any assumptions and conclusions is not intended to be a comprehensive statement of relevant practice or law that is often complex and can change. No company in the Perpetual Group (Perpetual Limited ABN 86 000 431 827 and its subsidiaries) guarantees the performance of any fund or the return of an investor's capital. Past performance is not indicative of future performance.

---

### **Improving user experience**

We use Microsoft Clarity to understand how you use our website to improve your experience. See our Privacy Policy for details