



STATE OF THE STOCK MARKET

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Agenda:

- Valuations
- Earnings growth
- What worked in 2023
- Forward Economic Indicators
- Investment Outlook

Valuation: Global Equities

Global 12m Forward Price to Earnings Ratio



Global 12m Forward P/E ex Financials and Resources



Source: Nucleus Wealth, Capital IQ

Valuation: Aussie Equities

Global 12m Forward Price to Earnings Ratio



Global 12m Forward P/E ex Financials and Resources



Source: Nucleus Wealth, Capital IQ

Valuation: Aussie Equities

Global 12m Forward Price to Earnings Ratio



Global 12m Forward P/E ex Financials and Resources



Source: Nucleus Wealth, Capital IQ

Valuation: Aussie Equities



Valuation: Aussie Equities

Forward Price Earnings Ratio:
Australian banks / World banks



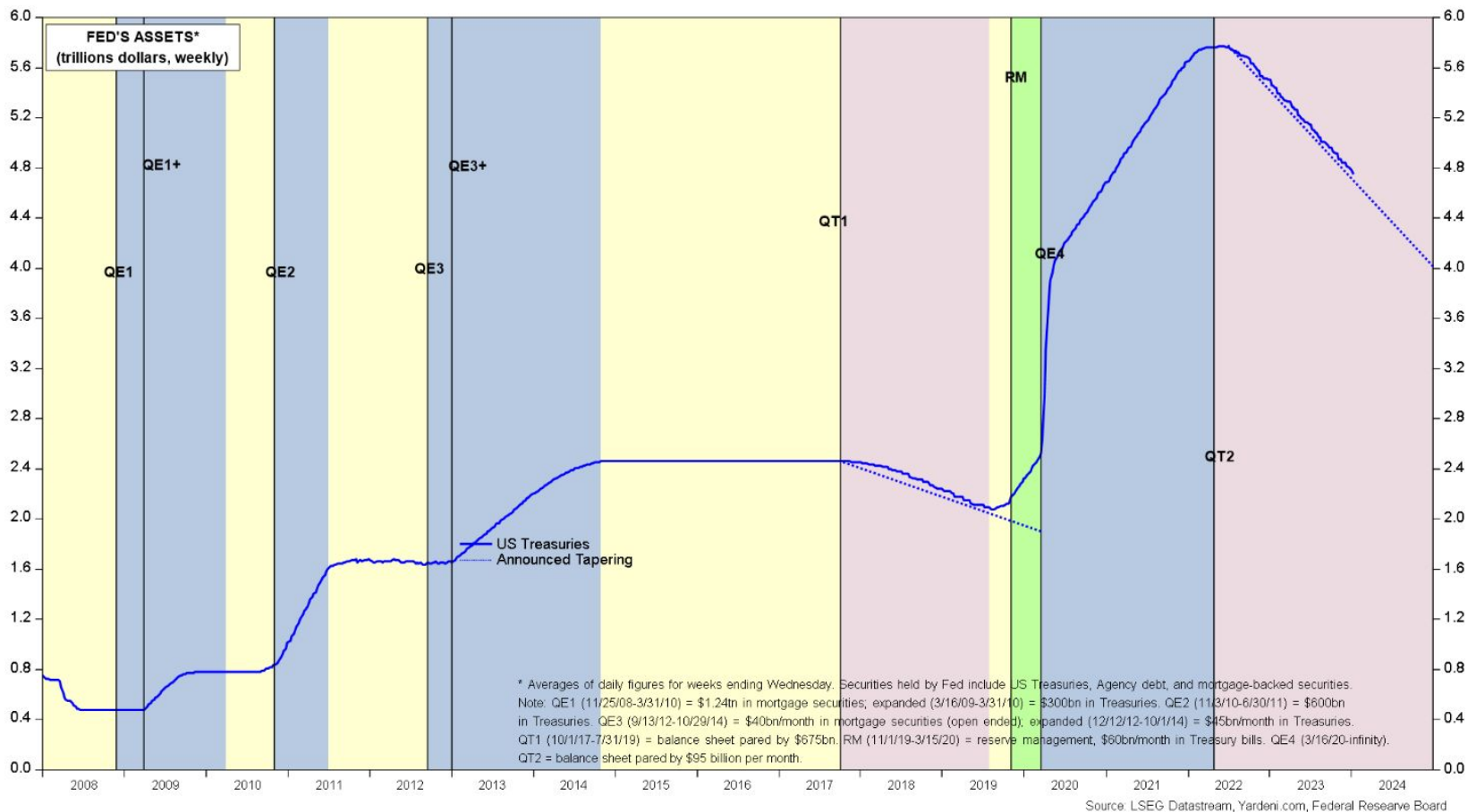
Source: Nucleus Wealth, S&P Capital IQ

Forward Price Earnings Ratio:
Australian resources / World resources

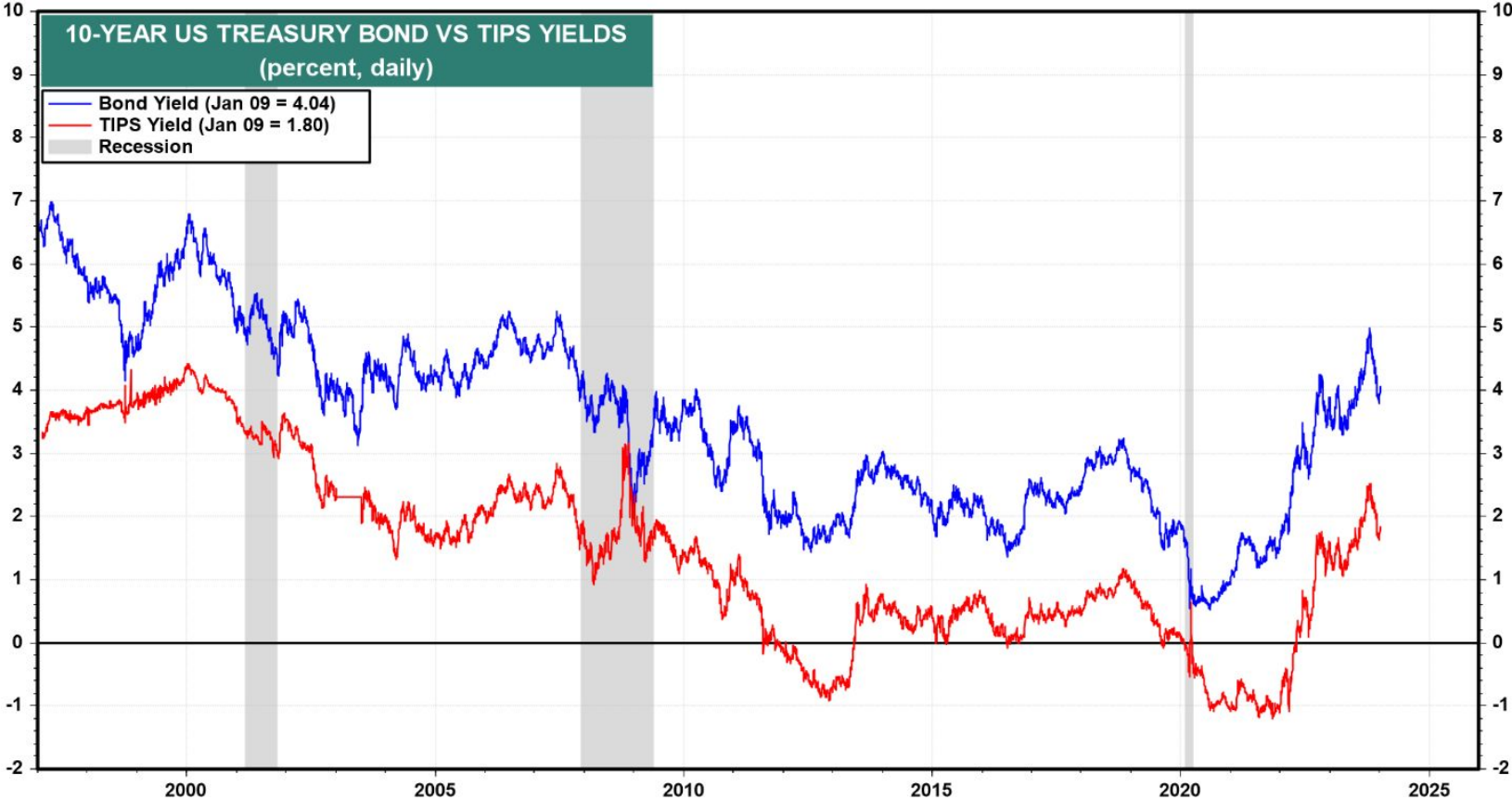


Source: Nucleus Wealth, S&P Capital IQ

Valuation: Fed

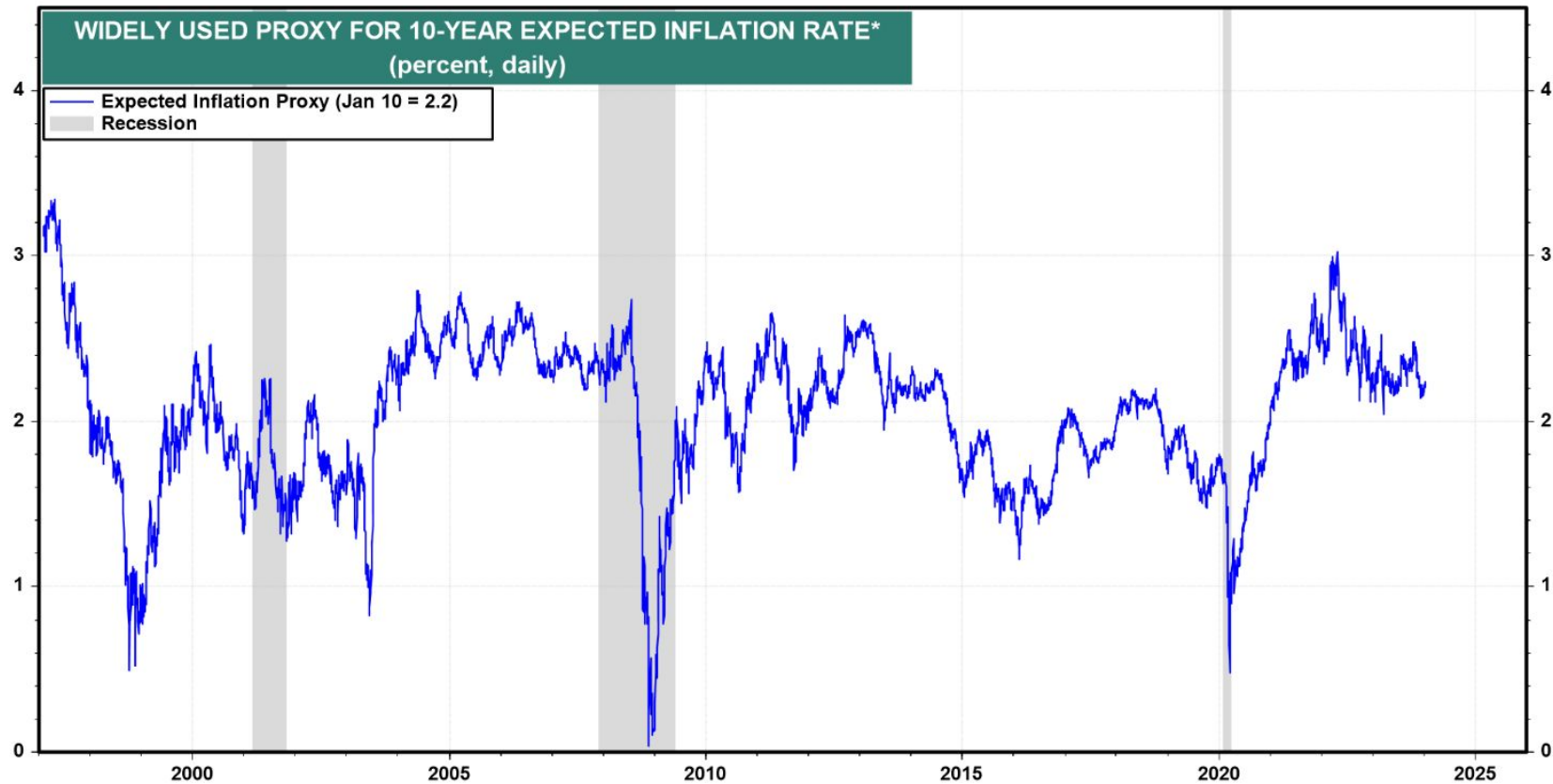


Valuation: Bond yields



Source: LSEG Datastream and © Yardeni Research.

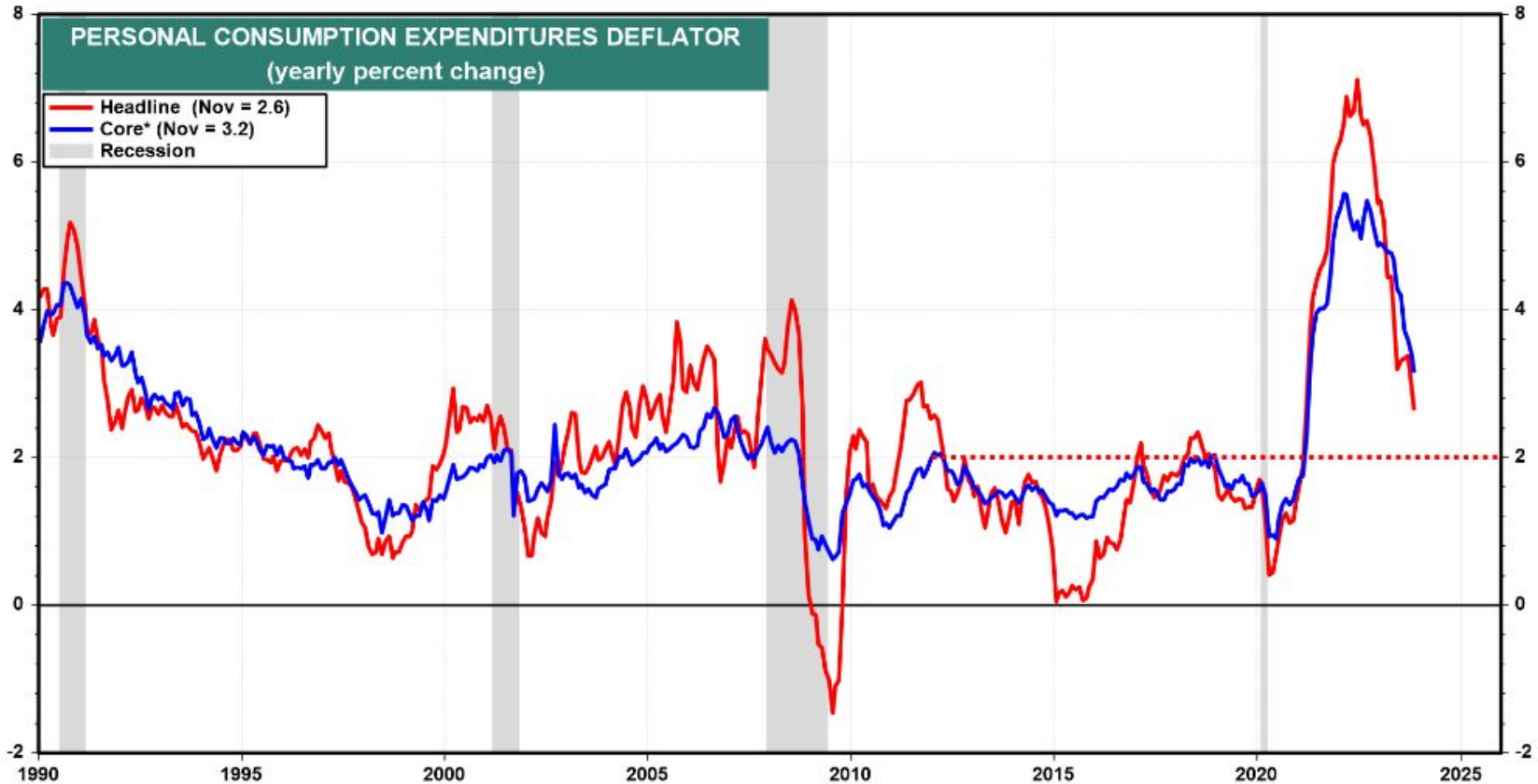
Valuation: inflation



Source: LSEG Datastream and © Yardeni Research.

* Nominal 10-year Treasury bond yield minus 10-Year TIPS Yield.

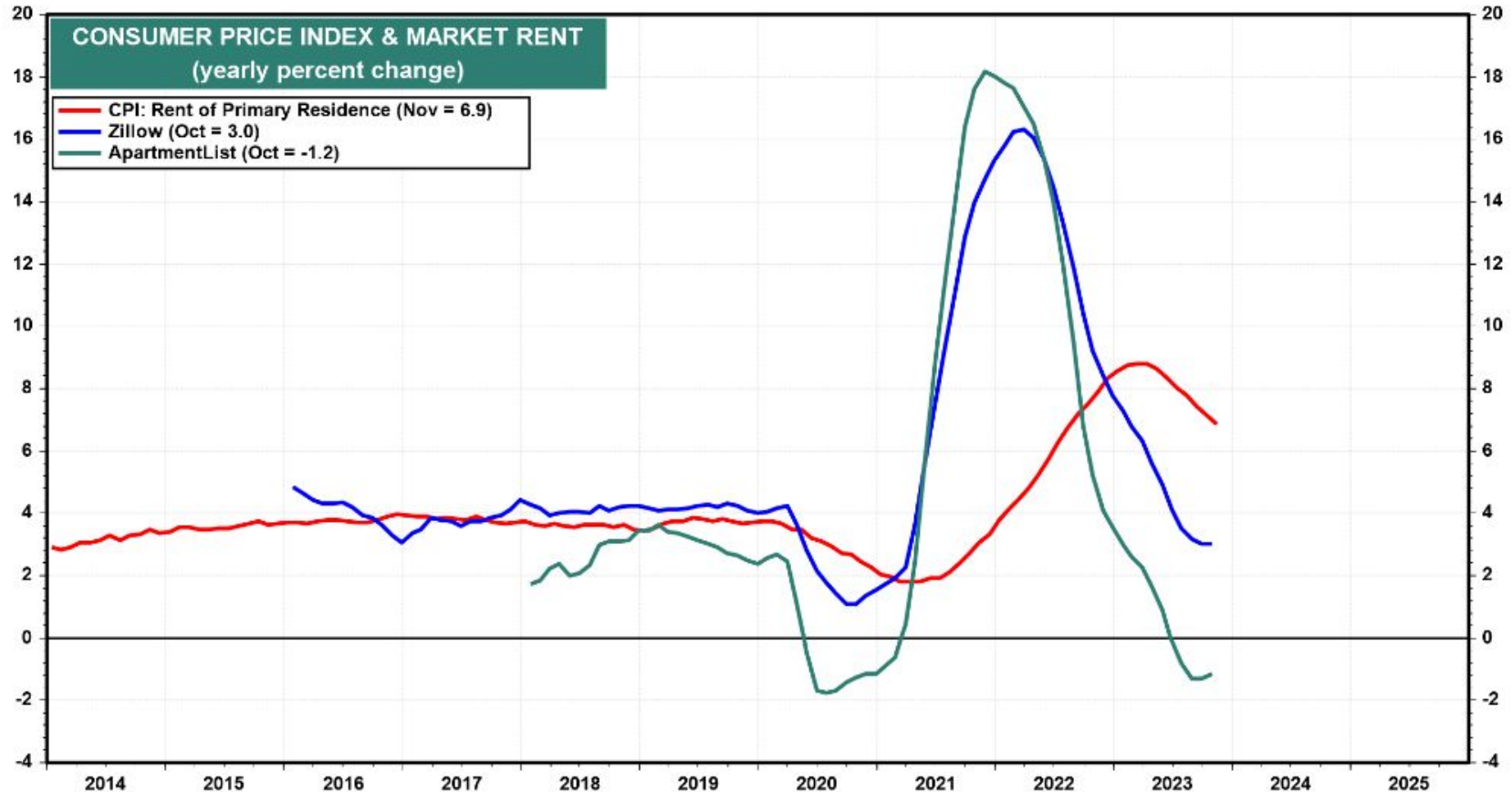
Valuation: inflation



Source: LSEG Datastream and © Yardeni Research.

*Excluding food & energy prices.

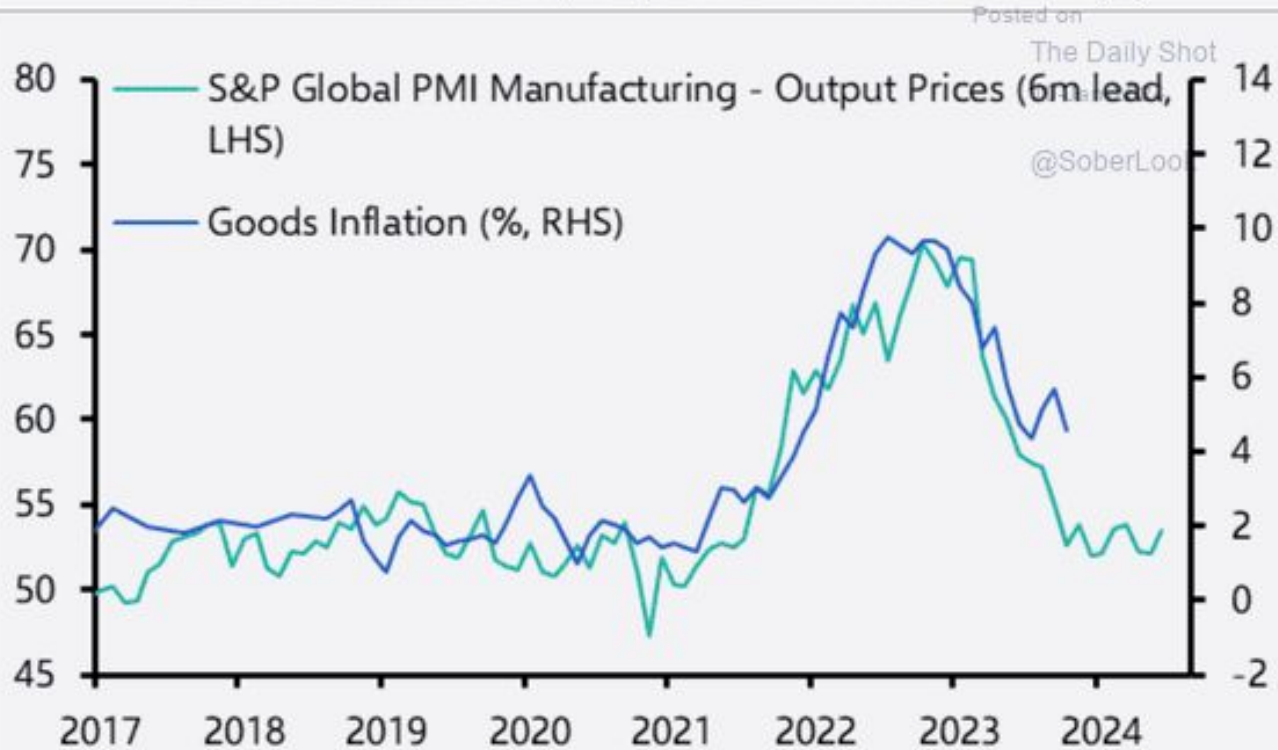
Valuation: inflation / rent



Source: LSEG Datastream and © Yardeni Research.

Valuation: inflation / rent

Chart 2: PMI Manufacturing Output Prices & Goods Inflation (%)



Sources: ABS, CEIC, Refinitiv, Capital Economics

Choose themes to screen from your portfolio away from (i.e. remove stocks)

Climate Change

War

Human Rights

Health

Vices

Animal Rights

Religion

Asset Class

Thematic

Climate Change

- No Fossil Fuels (Worst Offenders) 
- No Fossil Fuels (Any) 
- No Coal Seam Gas or Fracking 
- No Nuclear Power 
- No Old Growth Forest Logging 

What Worked: S&P 500 (top) vs Europe (bottom)

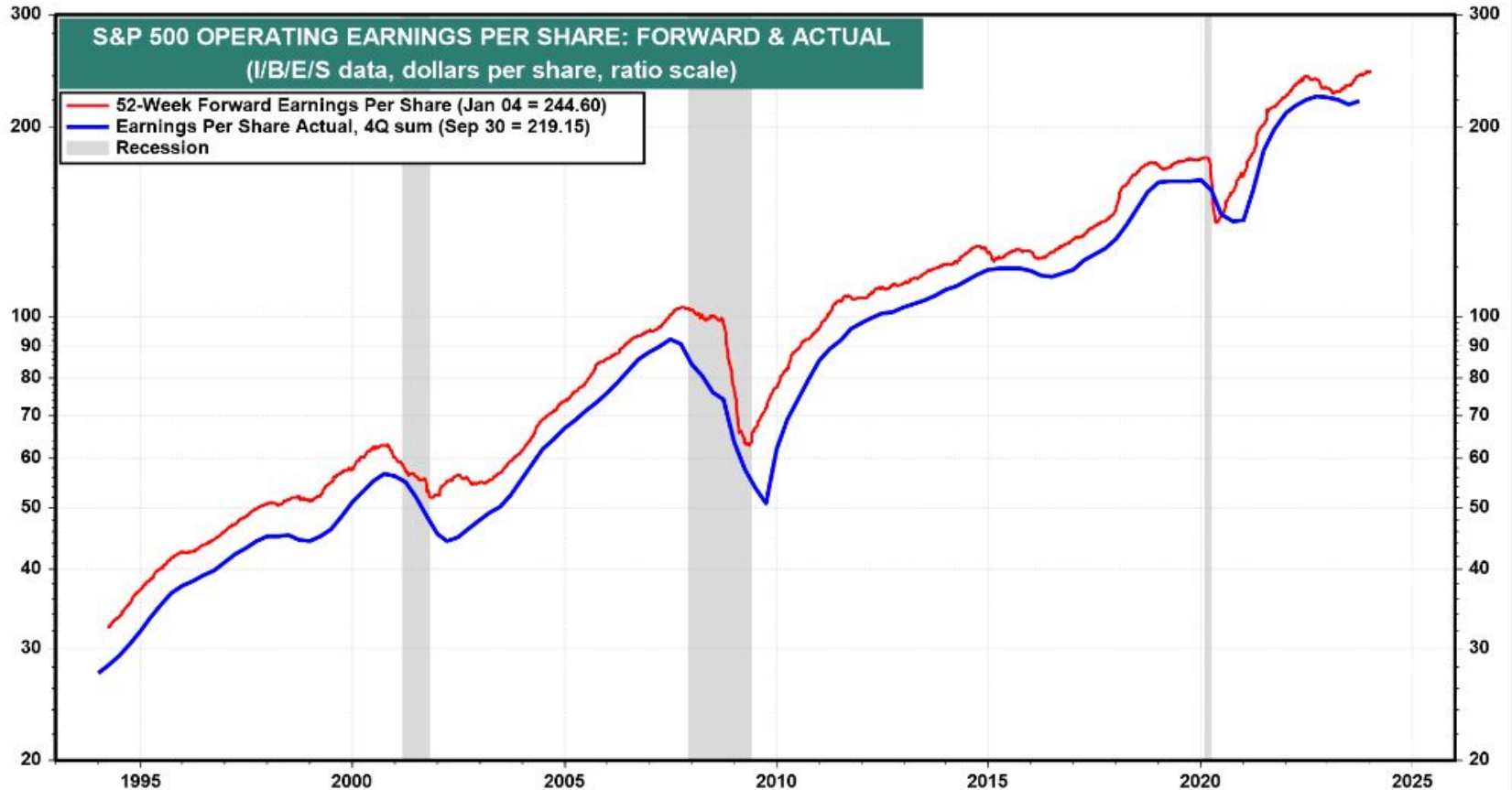
QUARTERLY Q1-Q5 RETURN SPREAD %

Frequency: ▾

Style	Factor	QTD	Q4 23	Q3 23	Q2 23	Q1 23	Q4 22	Q3 22	Q2 22	Q1 22	Q4 21	Q3 21	Q2 21	Q1 21	L1Y	L2Y	L3Y ▾
Vol	Volatility	(2.12)	9.47	1.49	16.37	30.58	(17.31)	9.21	(22.79)	(7.20)	2.61	2.46	3.99	8.03	68.81	4.52	8.86
CE	Capital Efficiency	0.76	(2.19)	2.65	5.39	13.00	(9.22)	2.33	(1.70)	(4.08)	10.81	2.52	5.00	(5.57)	19.56	2.33	5.66
EQ	Earnings Quality	0.51	(1.97)	0.06	9.38	12.10	(12.34)	0.06	(4.26)	(4.58)	12.49	3.71	4.56	(10.32)	20.28	(1.83)	1.78
PM	Price Momentum	(0.68)	0.02	6.16	0.90	(7.58)	(2.96)	11.65	2.08	(5.70)	(4.29)	(2.61)	5.19	1.92	(0.98)	1.62	1.06
Val	Valuation	0.67	(1.75)	0.73	(12.77)	(15.36)	17.29	(8.30)	17.73	4.13	2.07	(5.33)	(8.35)	16.68	(26.93)	(1.84)	(0.14)
AE	Analyst Expectations	1.17	(1.34)	(2.47)	12.62	(6.22)	(2.50)	2.62	(10.69)	(1.65)	8.05	1.45	7.74	(7.35)	1.63	(5.49)	(0.76)
Sz	Size	(1.73)	3.55	(5.61)	(9.23)	(4.04)	2.01	(0.33)	0.70	1.73	(2.88)	(0.82)	(0.91)	5.08	(14.86)	(5.83)	(3.83)
HG	Historical Growth	1.03	0.50	(1.83)	(6.76)	(5.26)	(5.95)	(0.87)	(2.13)	(2.97)	10.74	2.33	6.73	(6.13)	(12.84)	(12.16)	(4.32)

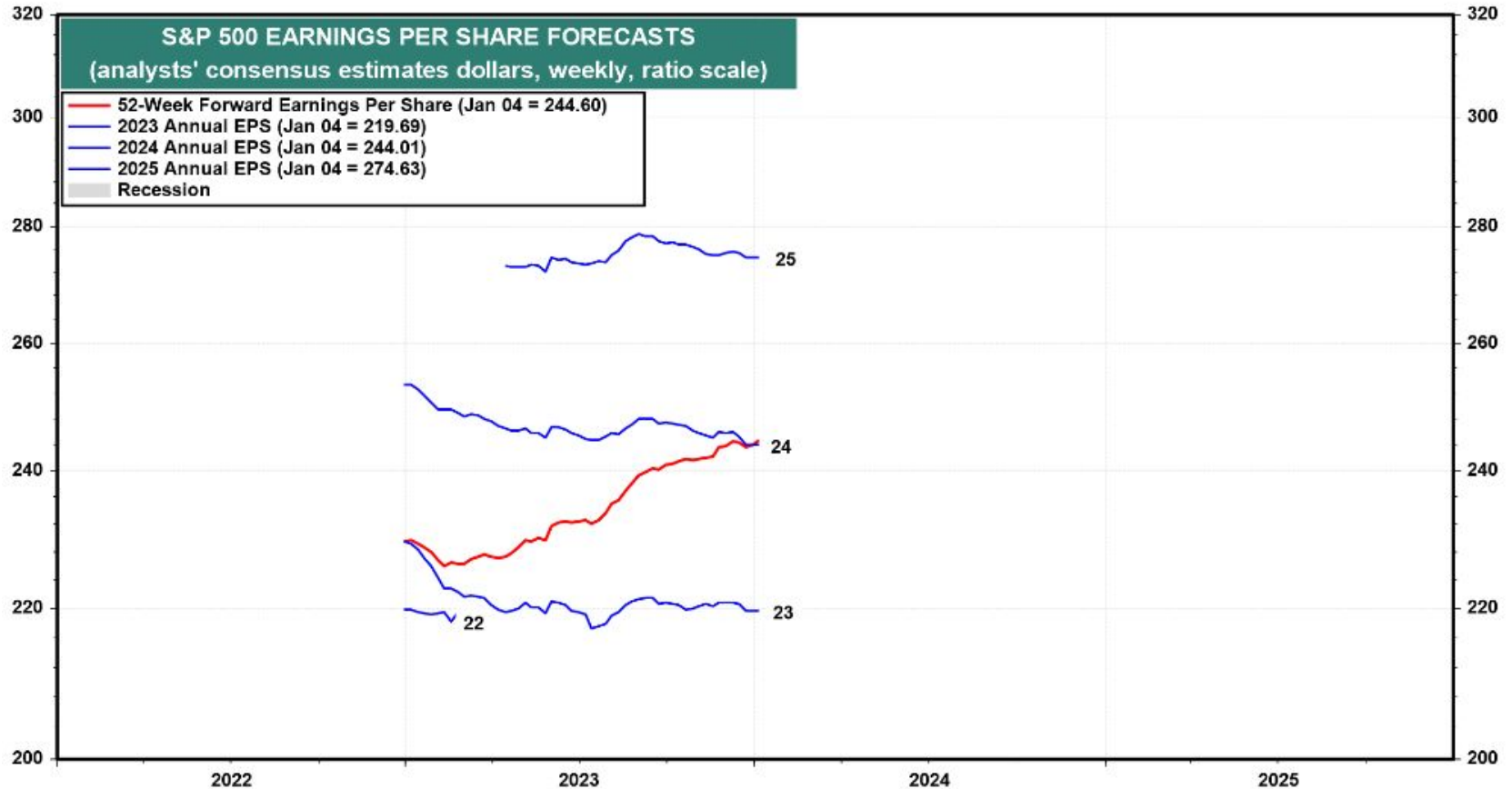
Style	Factor	QTD	Q4 23	Q3 23	Q2 23	Q1 23	Q4 22	Q3 22	Q2 22	Q1 22	Q4 21	Q3 21	Q2 21	Q1 21	L1Y	L2Y	L3Y ▾
AE	Analyst Expectations	1.08	(0.30)	(5.75)	2.32	5.45	0.64	5.04	(2.26)	(6.17)	4.38	5.05	3.89	6.45	1.38	(0.86)	6.02
Val	Valuation	3.57	(6.22)	8.79	0.32	(4.08)	7.27	(5.48)	6.38	12.57	(2.82)	(3.25)	(2.83)	9.20	(1.82)	9.18	5.95
PM	Price Momentum	2.00	(4.80)	1.31	5.18	2.21	(1.91)	6.19	4.09	(4.71)	5.08	(4.12)	(0.40)	8.40	3.69	3.50	5.23
CE	Capital Efficiency	(0.94)	0.30	(1.17)	(0.60)	3.06	(1.59)	8.46	0.18	(5.50)	9.70	(0.38)	6.62	(3.82)	1.54	1.30	4.77
EQ	Earnings Quality	0.54	(0.59)	3.14	(2.57)	3.73	(5.70)	5.17	1.73	1.28	3.29	0.58	5.85	(1.96)	3.63	2.90	4.51
HG	Historical Growth	1.02	0.43	0.08	1.81	1.52	(3.29)	8.32	(3.83)	(7.29)	8.19	0.75	8.44	(0.89)	3.89	(1.50)	4.36
Vol	Volatility	(4.25)	8.96	(5.25)	(4.60)	1.85	1.30	(4.13)	(7.26)	(5.27)	(12.13)	0.23	(9.01)	10.12	0.31	(7.49)	(8.93)
Sz	Size	(0.80)	6.18	(4.23)	(3.12)	(8.86)	(1.42)	(5.45)	(8.52)	(4.36)	(5.10)	0.62	(1.18)	0.10	(10.21)	(14.43)	(11.57)

Earnings: S&P 500



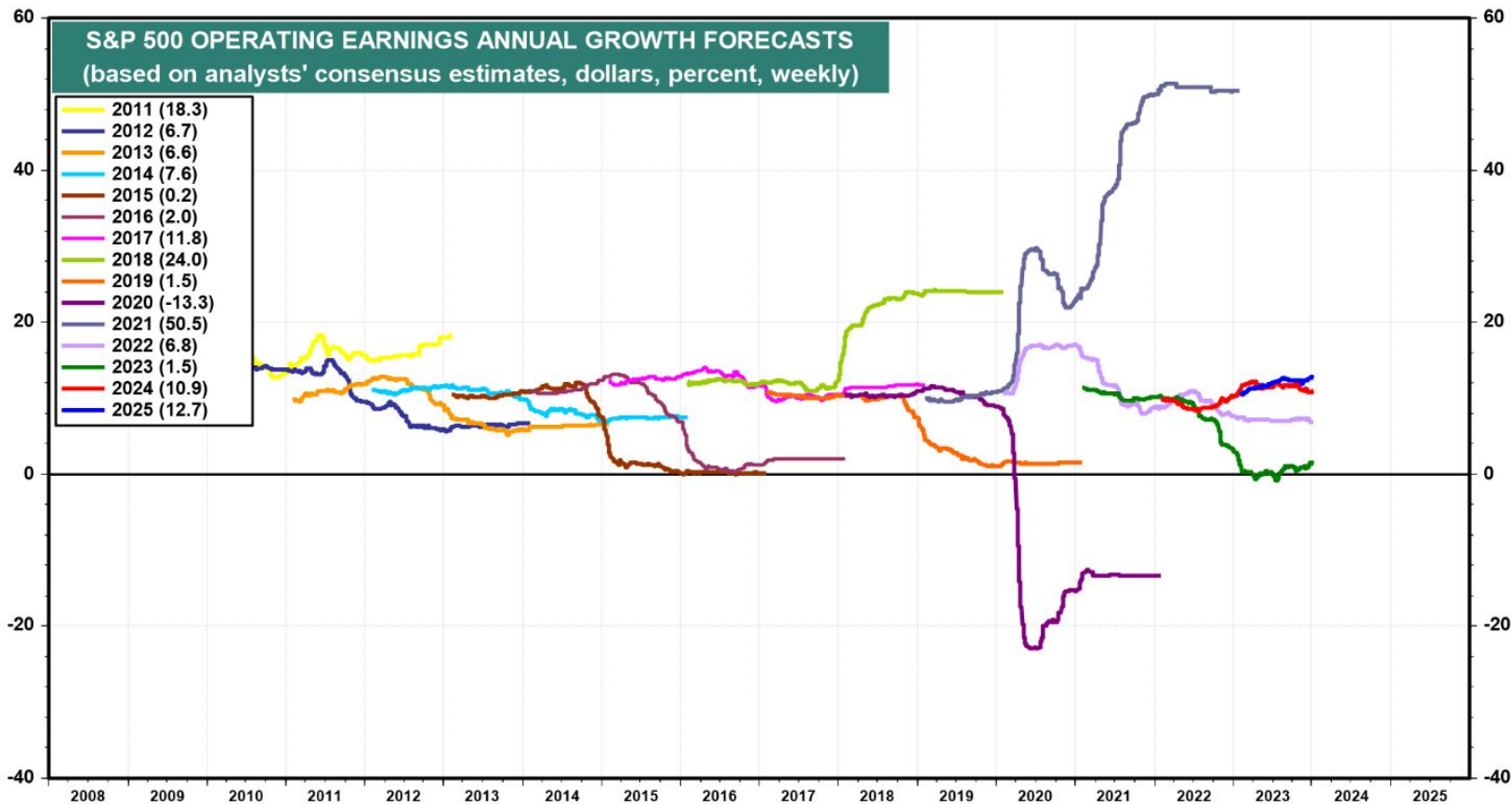
Source: LSEG Datastream and © Yardeni Research.

Earnings: S&P 500



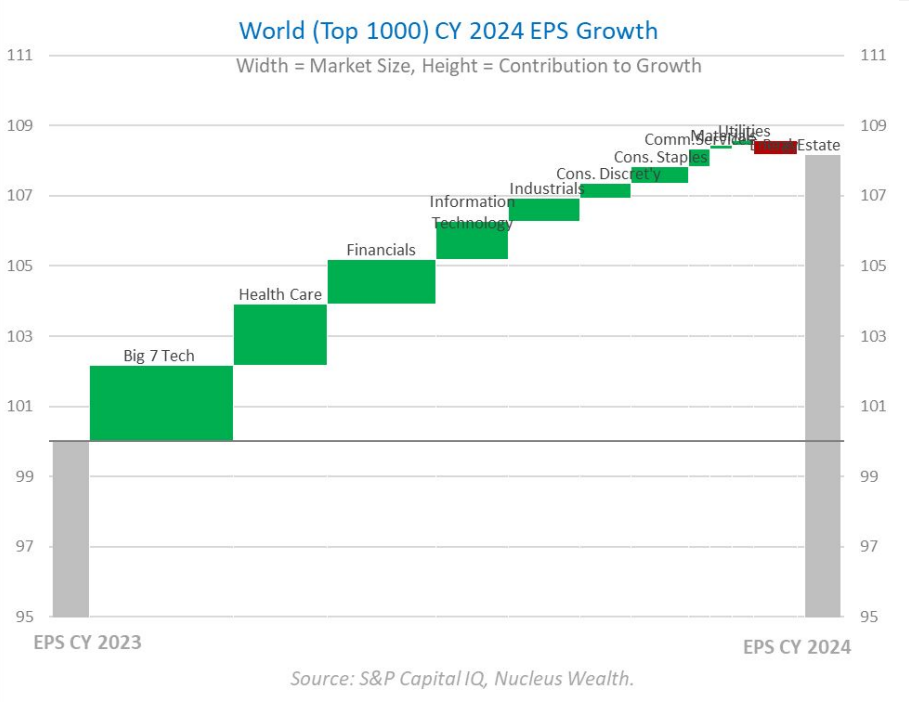
Source: LSEG Datastream and © Yardeni Research.

Earnings: S&P 500



Source: LSEG Datastream and © Yardeni Research.

Earnings: Full year



Earnings: Quarters

Personalise Your Portfolio

Screens

You can exclude the below to customise your portfolio

Climate Change	War	Human Rights	Health	Vices
Animal Rights	Religion	Asset Class	Thematic	

- No Fossil Fuels (Worst Offenders) ?
- No Fossil Fuels (Any) ?
- No Coal Seam Gas or Fracking ?
- No Nuclear Power ?
- No Old Growth Forest Logging ?

Tilts

You can add the below to customise your portfolio

Investment Style Factors	Climate Change	Technology	
Consumption	Commodities	Military	GICS Sectors

- Quality Stocks ?
- Value Stocks ?
- Growth Stocks ?
- Defensives ?



Personalise your portfolio now >



Build Your Portfolio

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- Investment Choice
- Risk Profile
- Build Your Portfolio**
- Ethical Overlay
- Review
- Applicants
- Bank Details
- Compliance
- Final Review

Portfolio Tilts



Quality Stocks

Value Stocks

Growth Stocks

Oil & Gas Stocks

Gold Stocks

Agribusiness

Large Technology Stocks

Cloud Computing Stocks

Robotics/AI

Video Gaming

Cybersecurity

Clean Energy

Defensives

Battery Supply Chain

Nuclear Power

Defense Contractors

Travel

Luxury Goods

Logistics

Global Communication Services

Global Consumer Discretionary

Global Consumer Staples

Global Energy

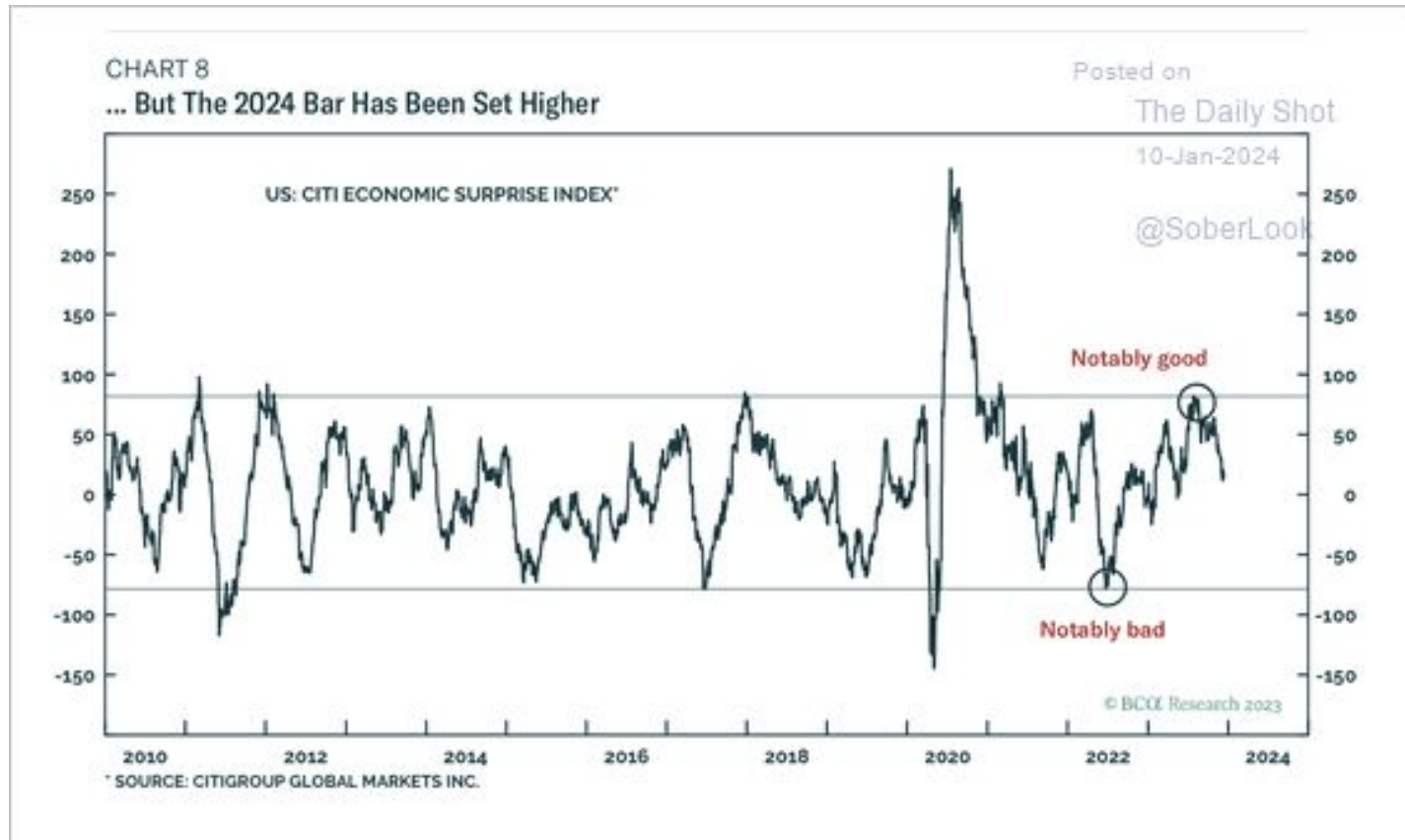
Global Financials

Global Health Care

Global Industrials

Global Information Technology

Economic Indicators: surprise!



Economic Indicators: trade

Shipping

Port of LA Cargo



Busiest container port in North America

Singapore Throughput



World's second-busiest port by volume

Hong Kong Port Cargo



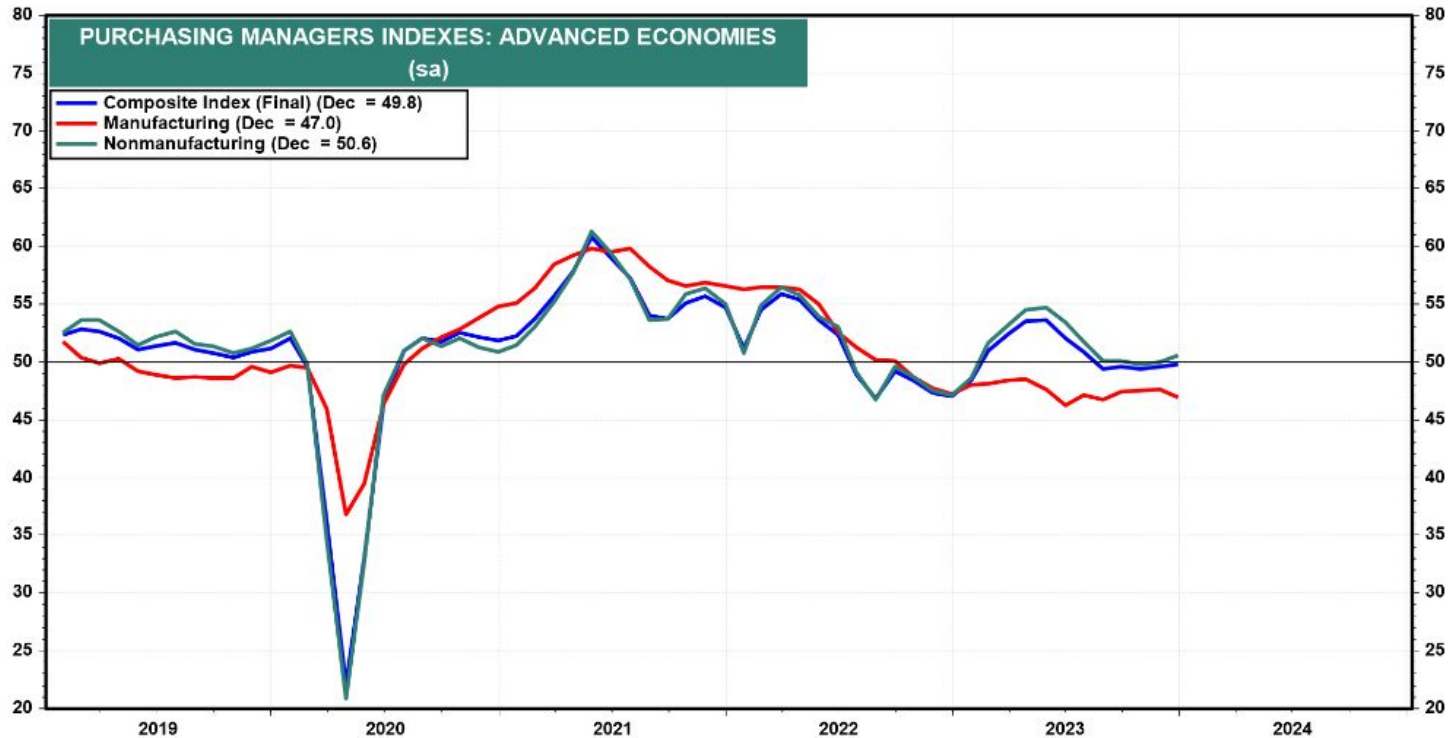
A key North Asia trans-shipment port

Baltic Dry Index



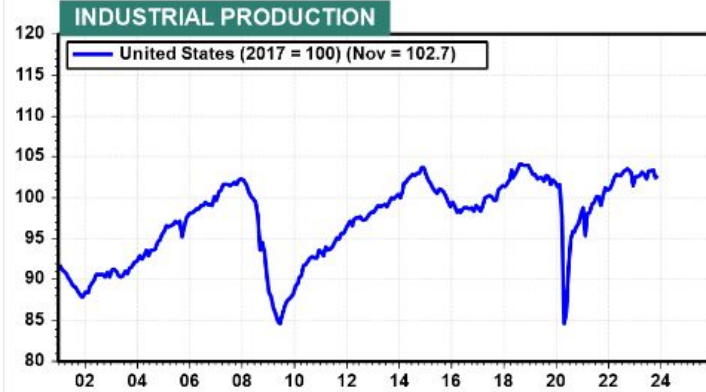
Tracks changes in cost of moving raw materials

Economic Indicators: Purchasing Manager Indexes



Source: LSEG Datastream and © Yardeni Research.

Economic Indicators: Industrial Production

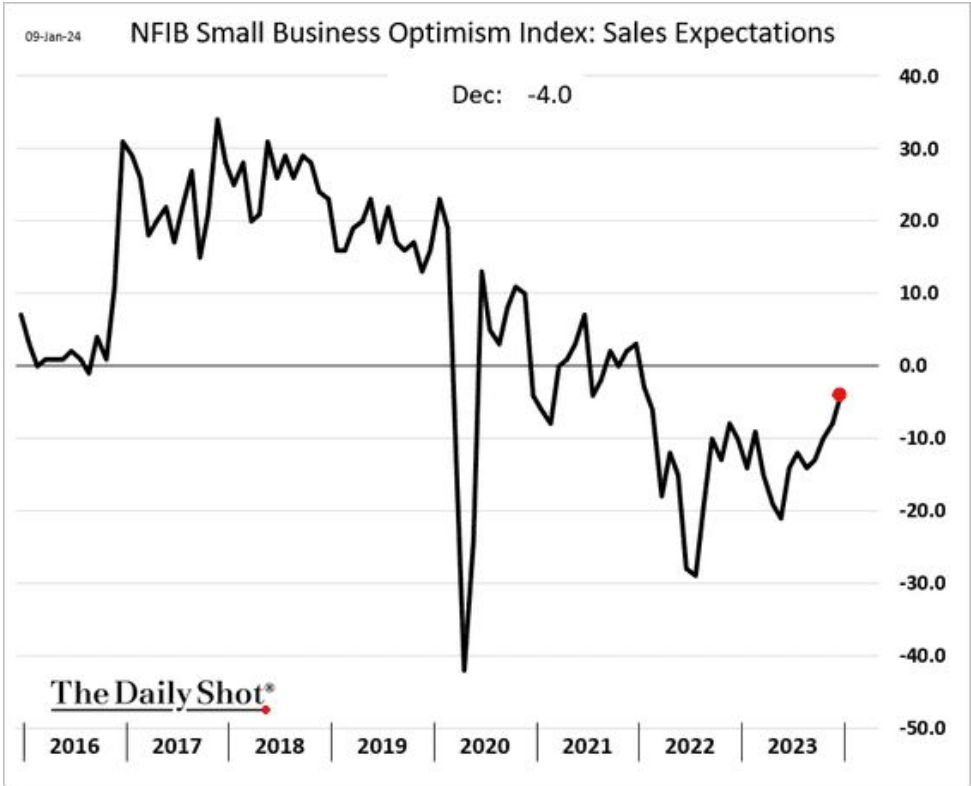


Economic Indicators: Industrial Production



Source: LSEG Datastream and © Yardeni Research.

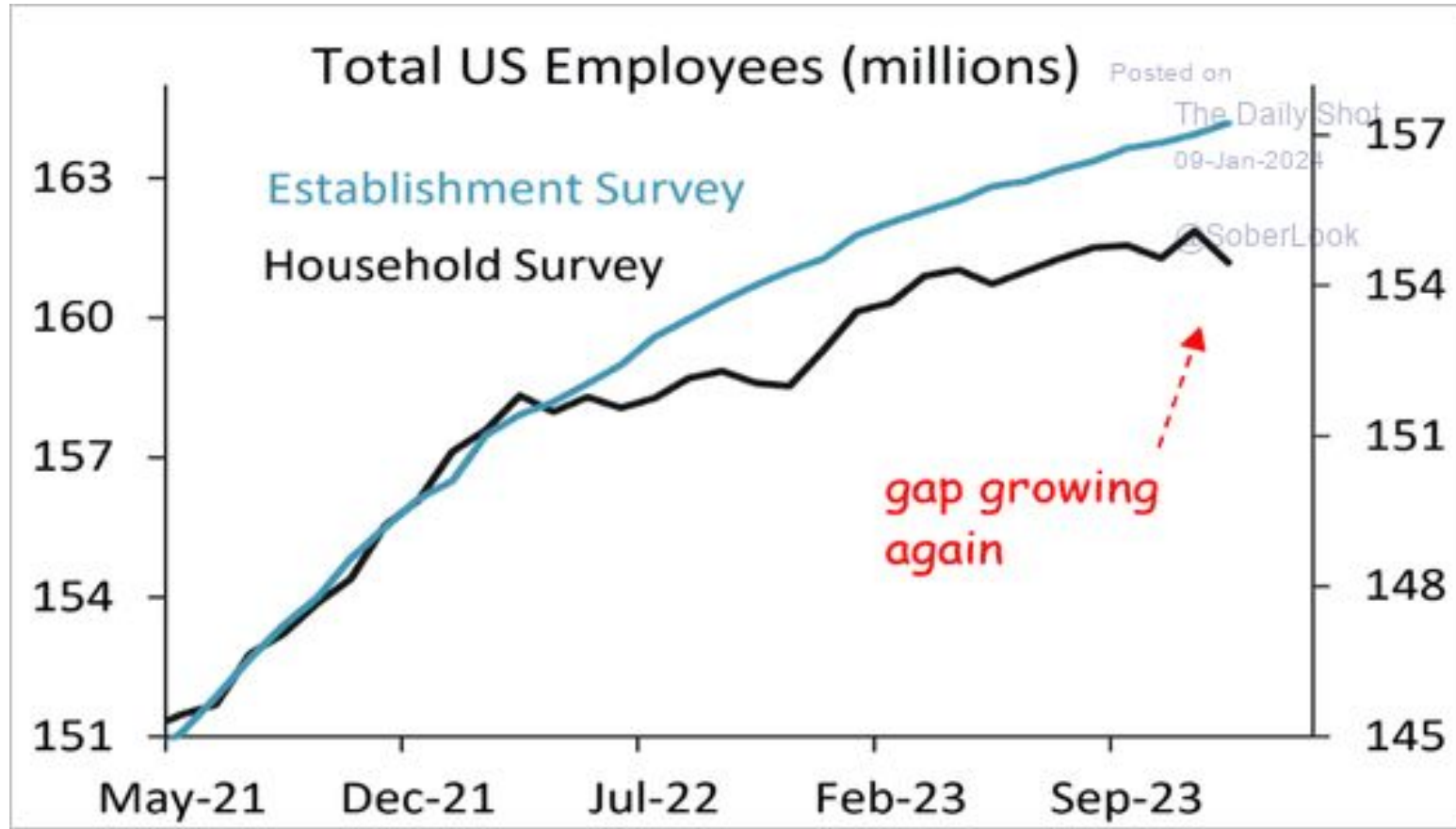
Economic Indicators: US Small Businesses



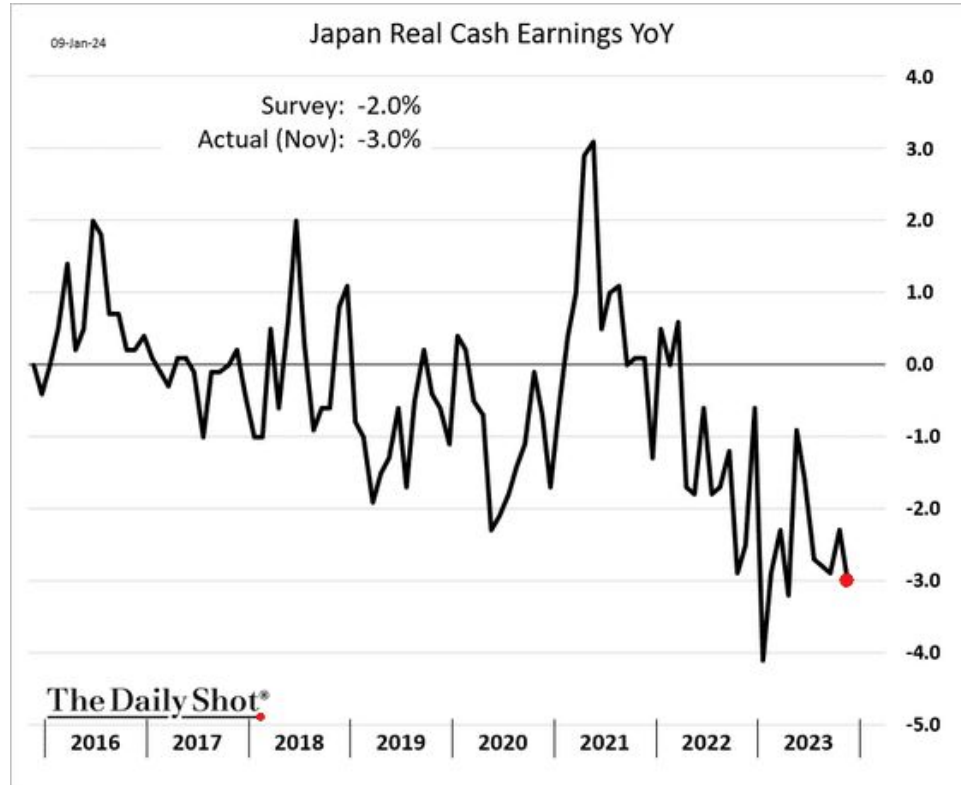
Economic Indicators: Jobs



Economic Indicators: Jobs



Economic Indicators: Jobs



Viewer question of the week:

Question of the week?

Drop your answers in the comments

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