NUCLEUS INSIGHTS

Disclaimer

This presentation has been prepared by Nucleus Wealth and is for general information only.

Every effort has been made to ensure that it is accurate, however it is not intended to be a complete description of the matters described. The presentation has been prepared without taking into account any personal objectives, financial situation or needs. It does not contain and is not to be taken as containing any securities advice or securities recommendation. Furthermore, it is not intended that it be relied on by recipients for the purpose of making investment decisions and is not a replacement of the requirement for individual research or professional tax advice.

Nucleus Wealth does not give any warranty as to the accuracy, reliability or completeness of information which is contained in this presentation. Except insofar as liability under any statute cannot be excluded, Nucleus Wealth and its directors, employees and consultants do not accept any liability for any error or omission in this presentation or for any resulting loss or damage suffered by the recipient or any other person. Unless otherwise noted, Nucleus Wealth is the source of all charts; and all performance figures are calculated using exit to exit prices and assume reinvestment of income, take into account all fees and charges but exclude the entry fee.

It is important to note that past performance is not a reliable indicator of future performance. This document was accompanied by an oral presentation, and is not a complete record of the discussion held. No part of this presentation should be used elsewhere without prior consent from the author.

Introducing today's speakers

Certified Financial Planner (CFP)

Years of "making the complex, simple" for clients of:

- AMP Financial Planning
- Mercer Financial Advice
- Akambo Private Wealth

- Responsible for Mining & Energy, Big Data
- Head of Quantitative Strategy
- Founding partner and Head of Investment Research

Nucleus Insights : World Valuation Round Up

Nucleus Wealth is a Corporate Authorised Representative of Integrity Private Wealth AFSL 436298

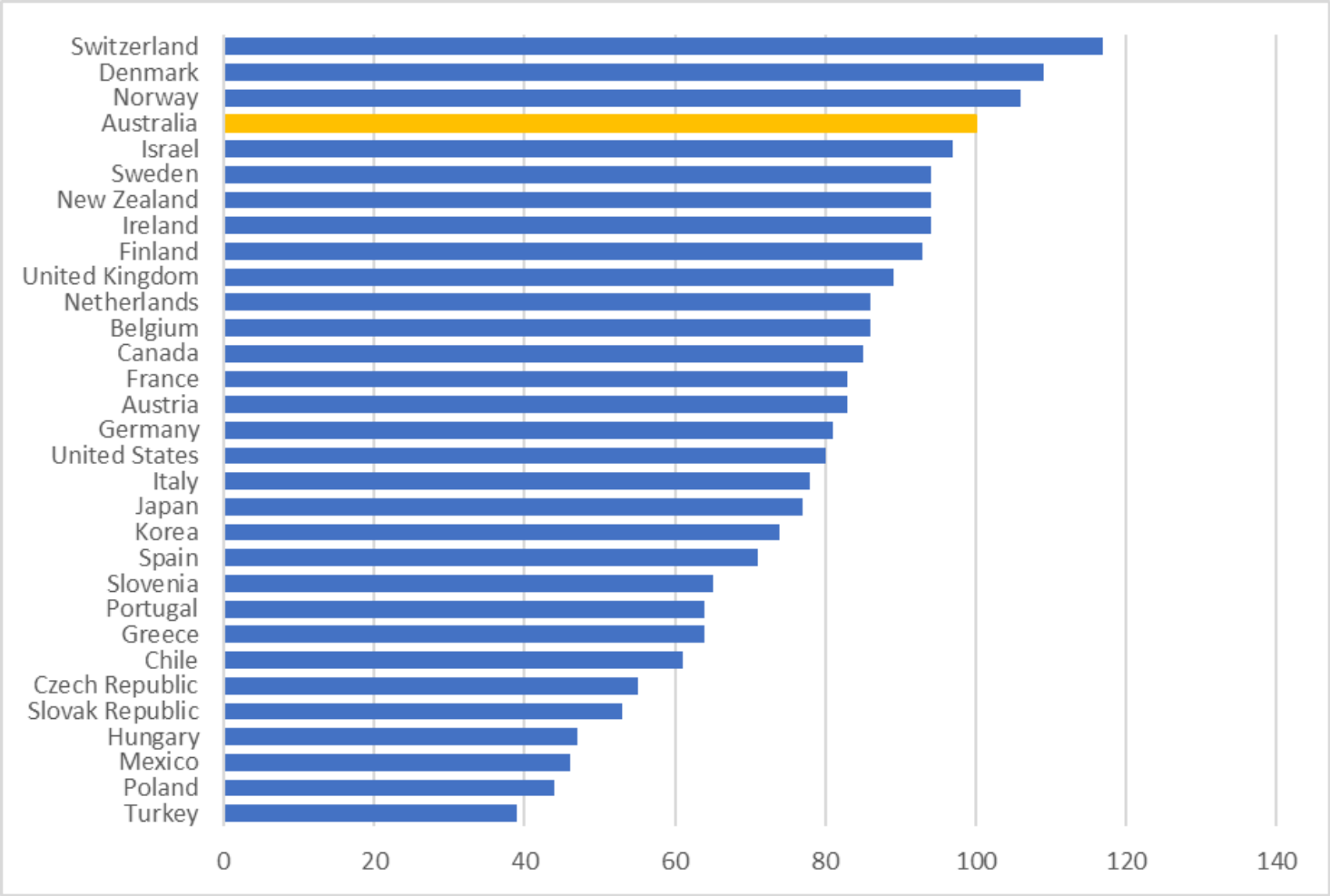
Agenda

1. Currencies & purchasing power
2. Bonds & Global Credit
3. The state of Global Shares
4. How we find value in an overvalued world

Tim Fuller
Damien Klassen

Currencies

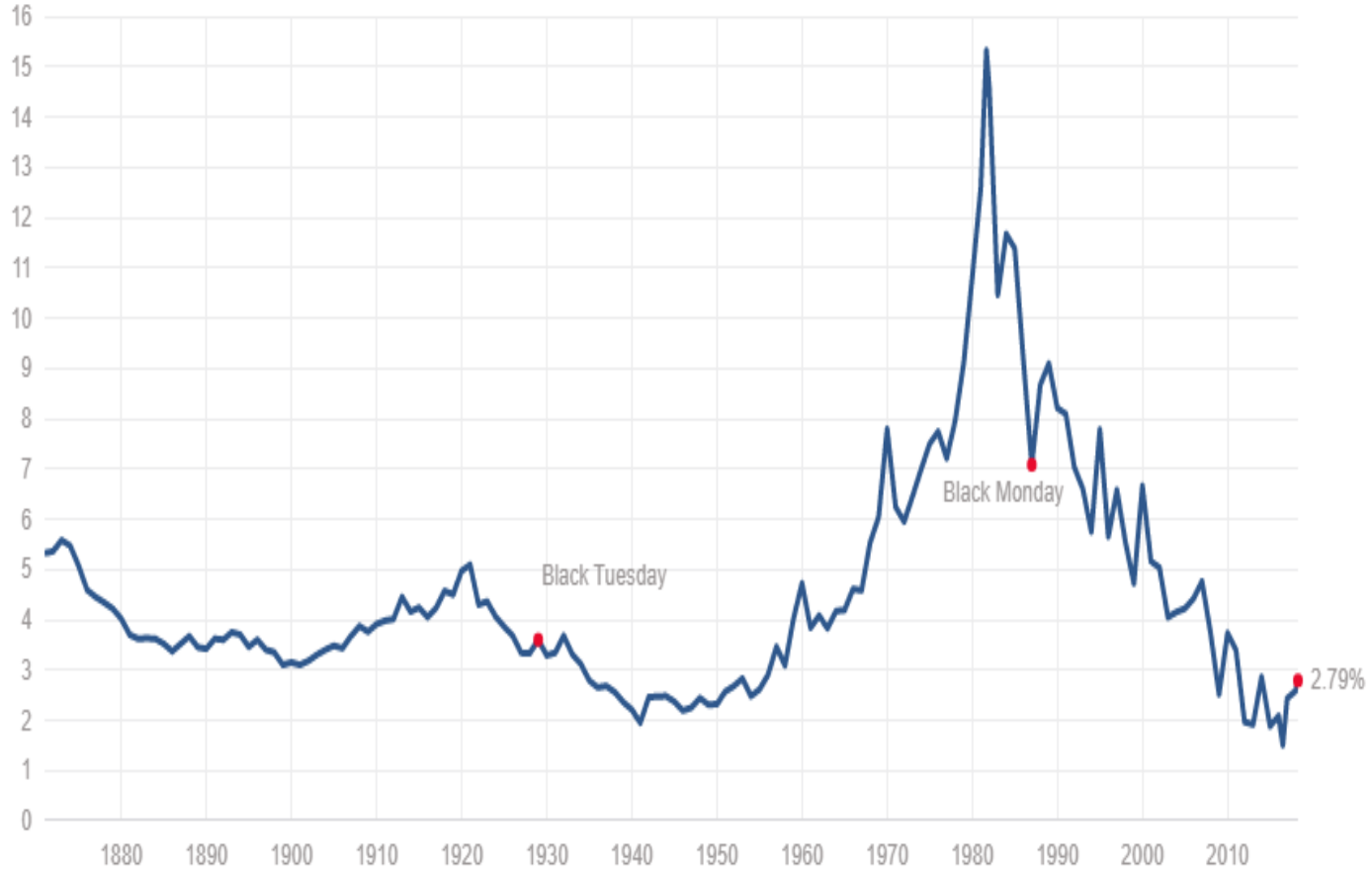
AUD still expensive



Tim Fuller
Damien Klassen

Bonds

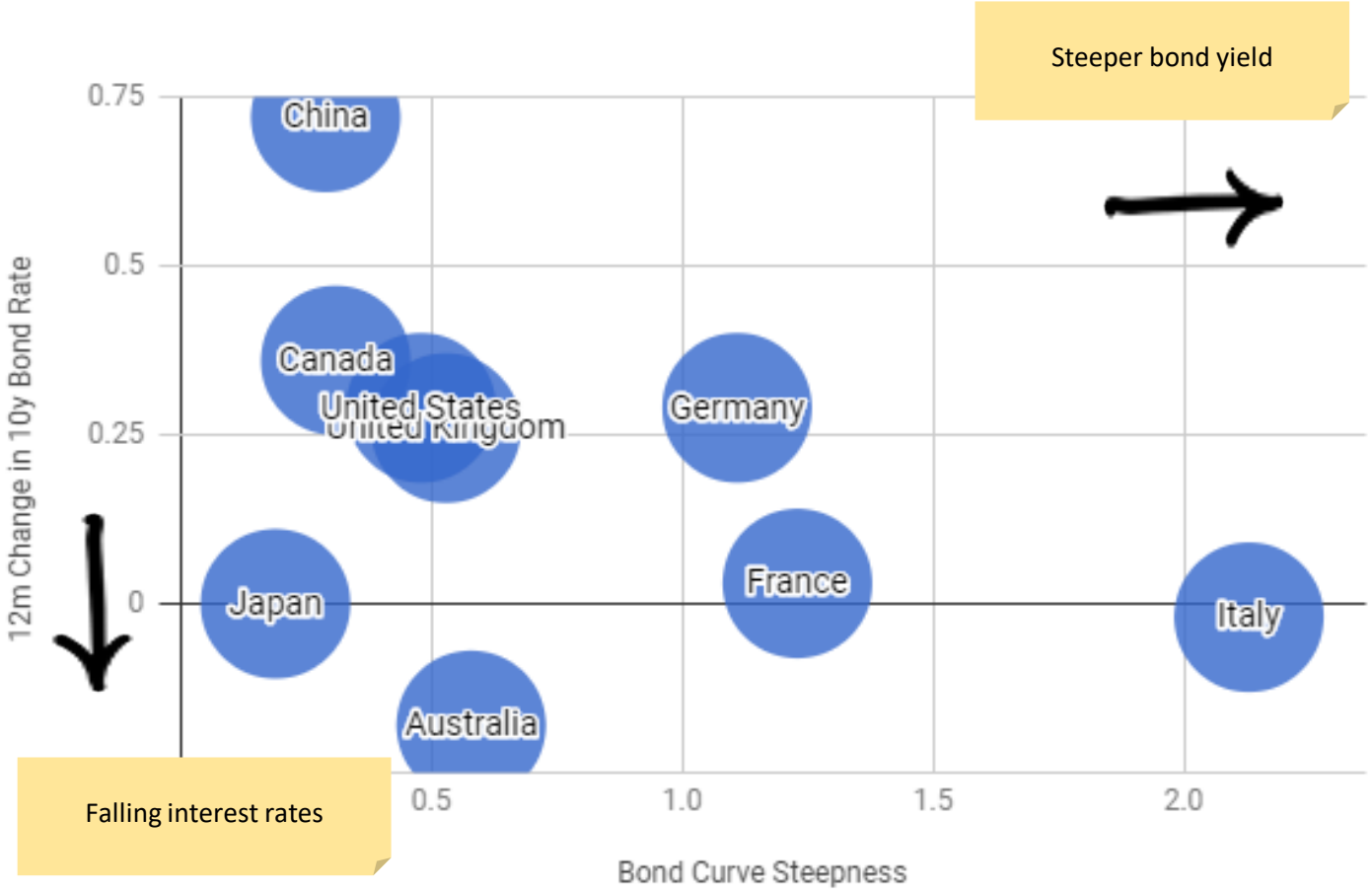
Bond Yields are extraordinary



Tim Fuller
Damien Klassen

Bonds

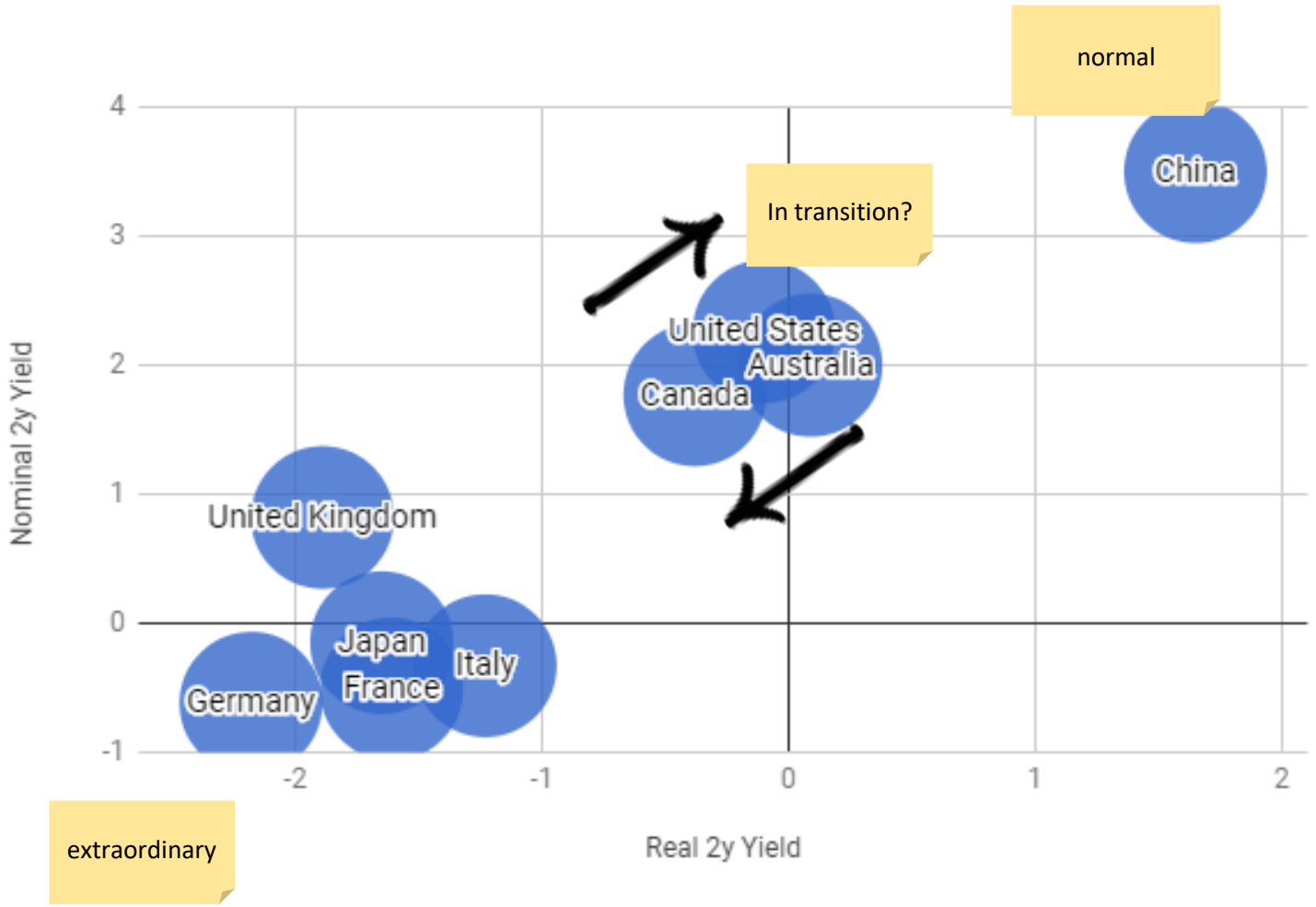
Down down



Tim Fuller
Damien Klassen

Bonds

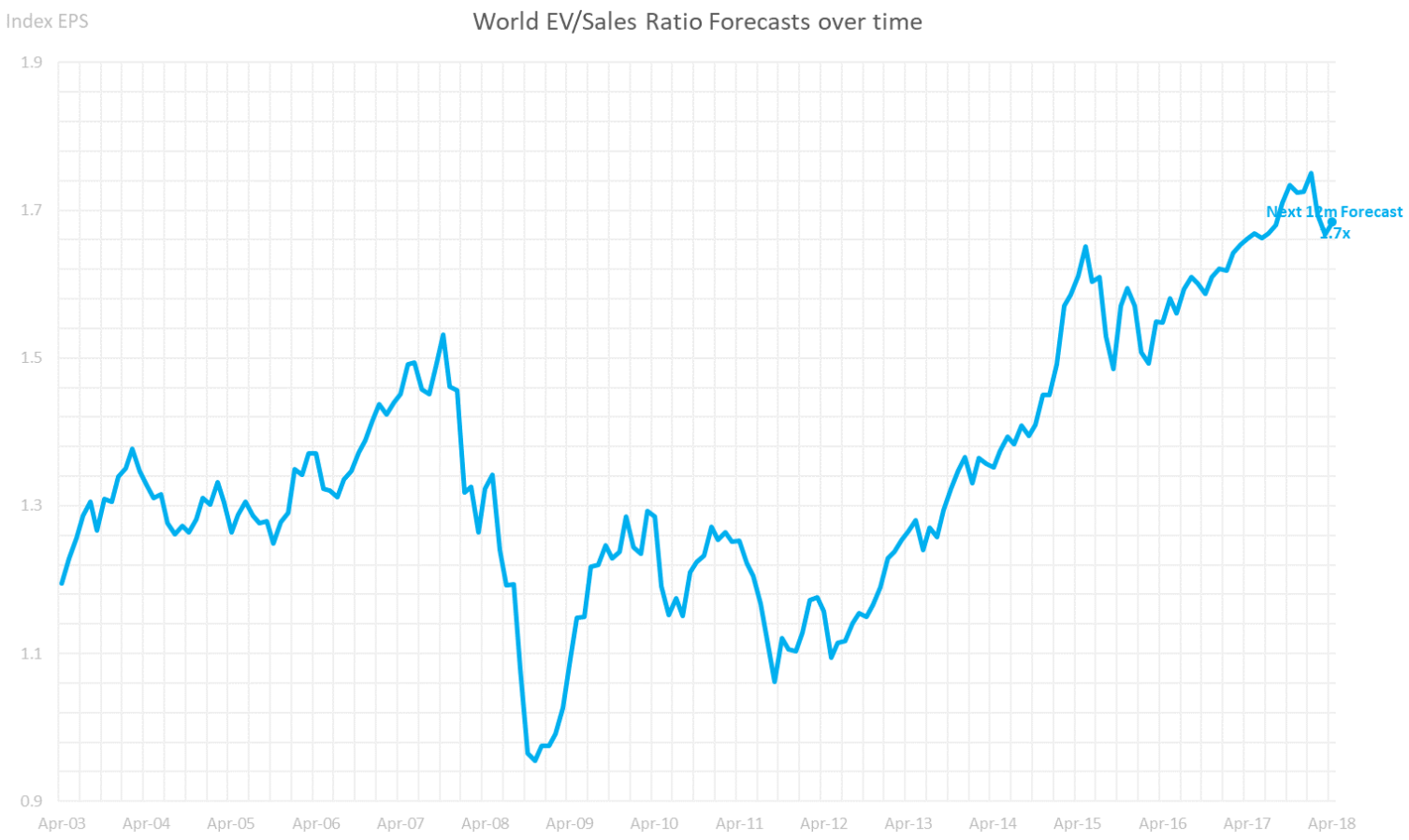
Nominal yields still negative



Tim Fuller
Damien Klassen

Stocks

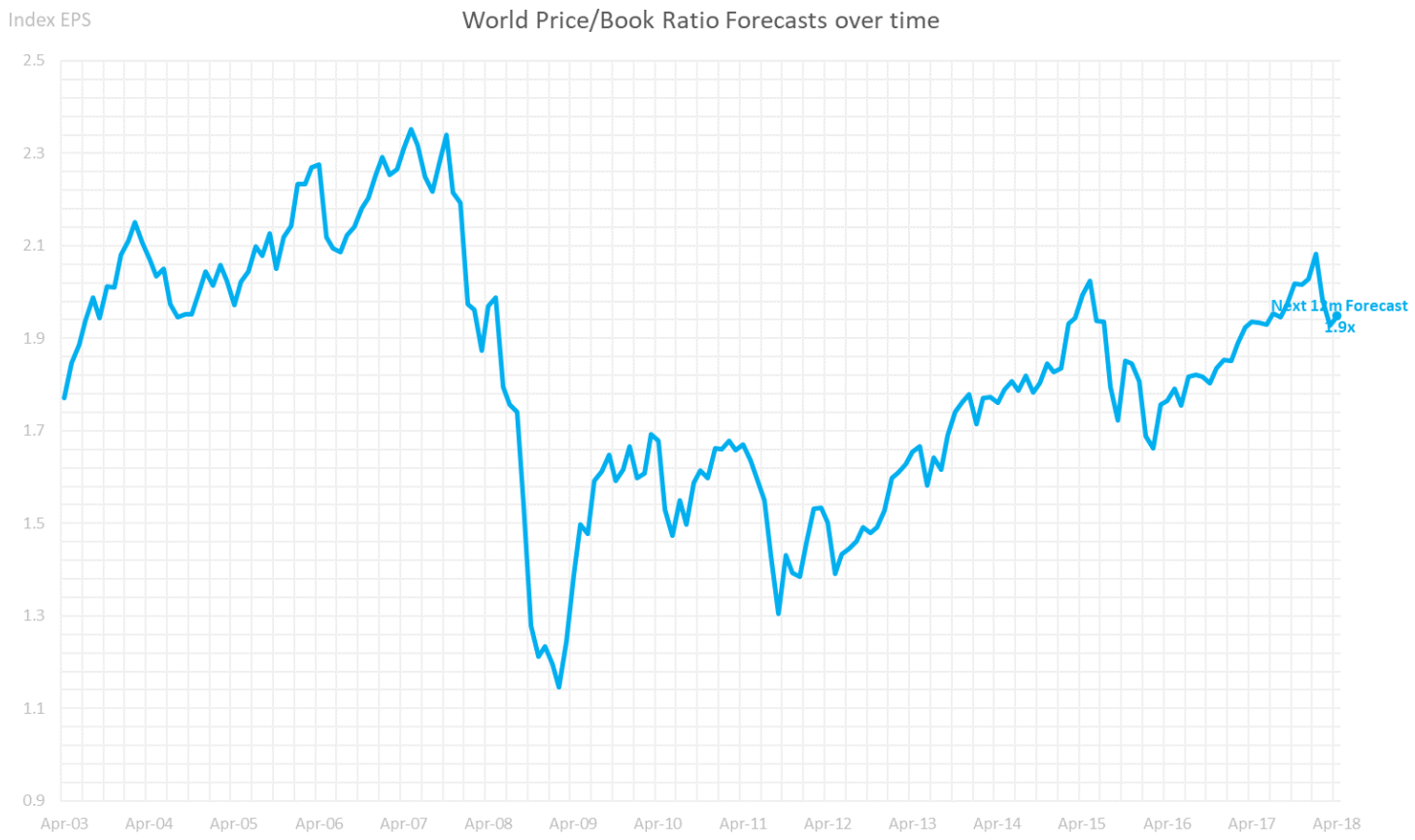
Deep Value



Tim Fuller
Damien Klassen

Stocks

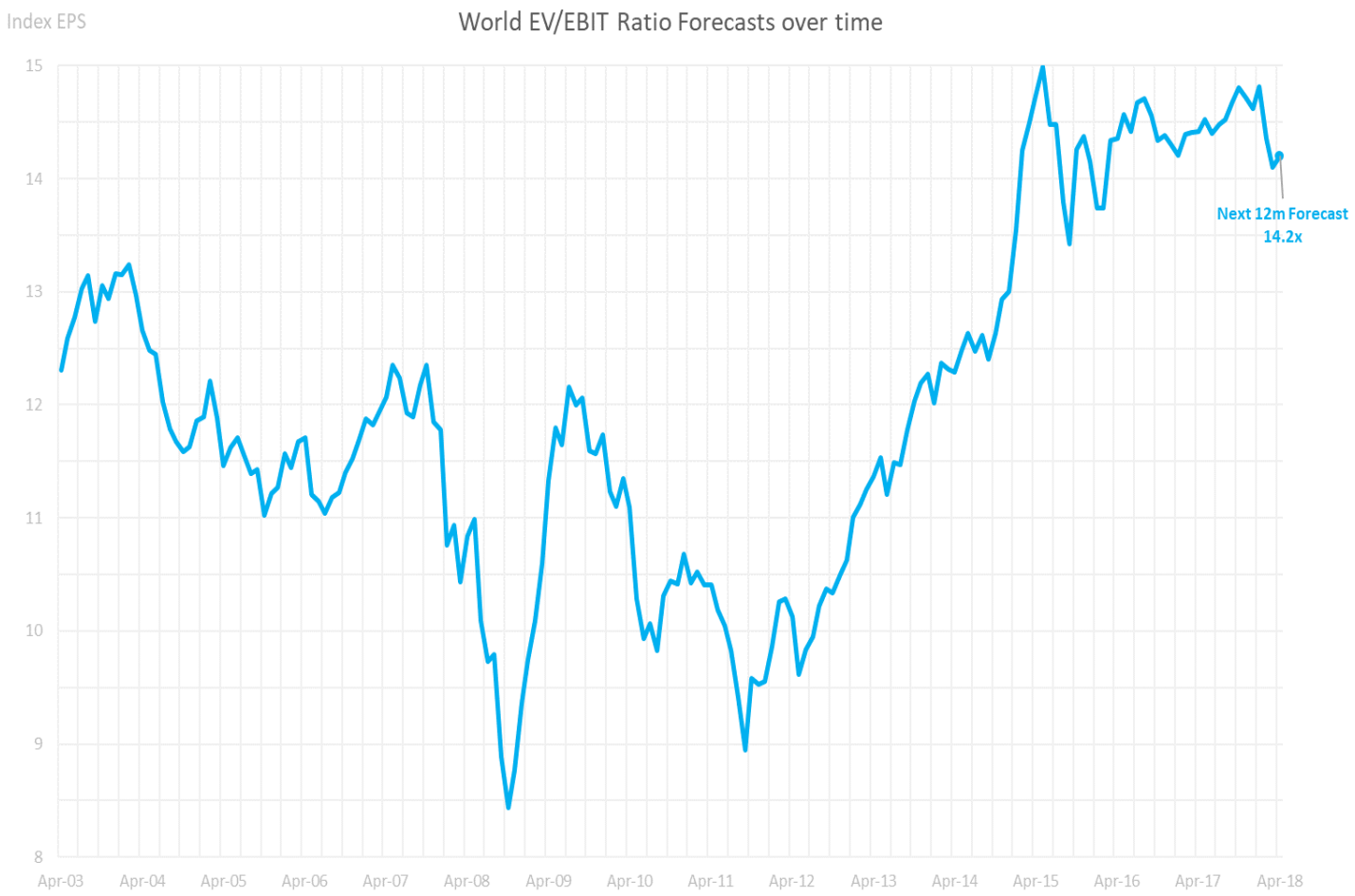
Deep Value



Tim Fuller
Damien Klassen

Stocks

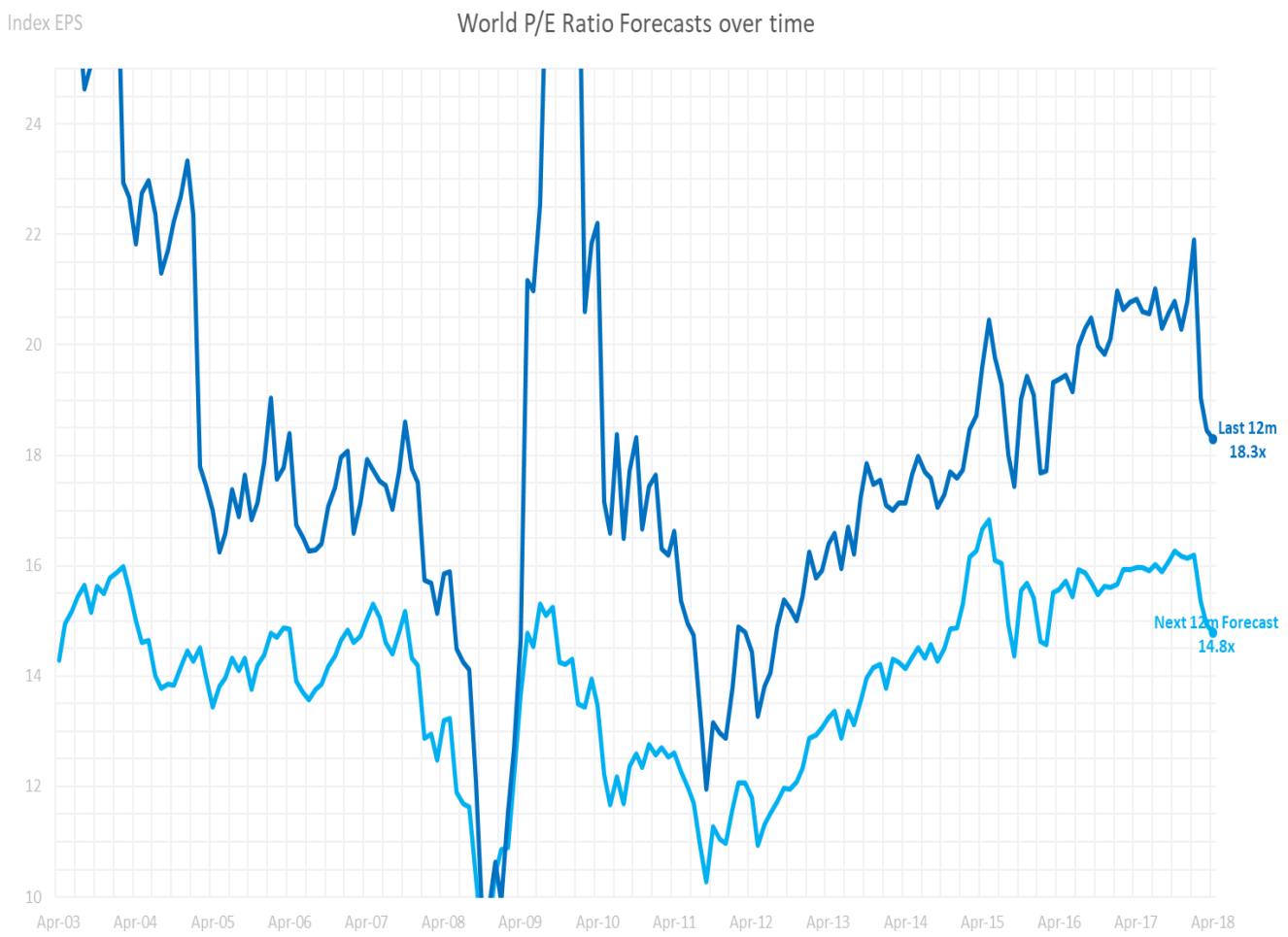
Interest expenses matter



Tim Fuller
Damien Klassen

Stocks

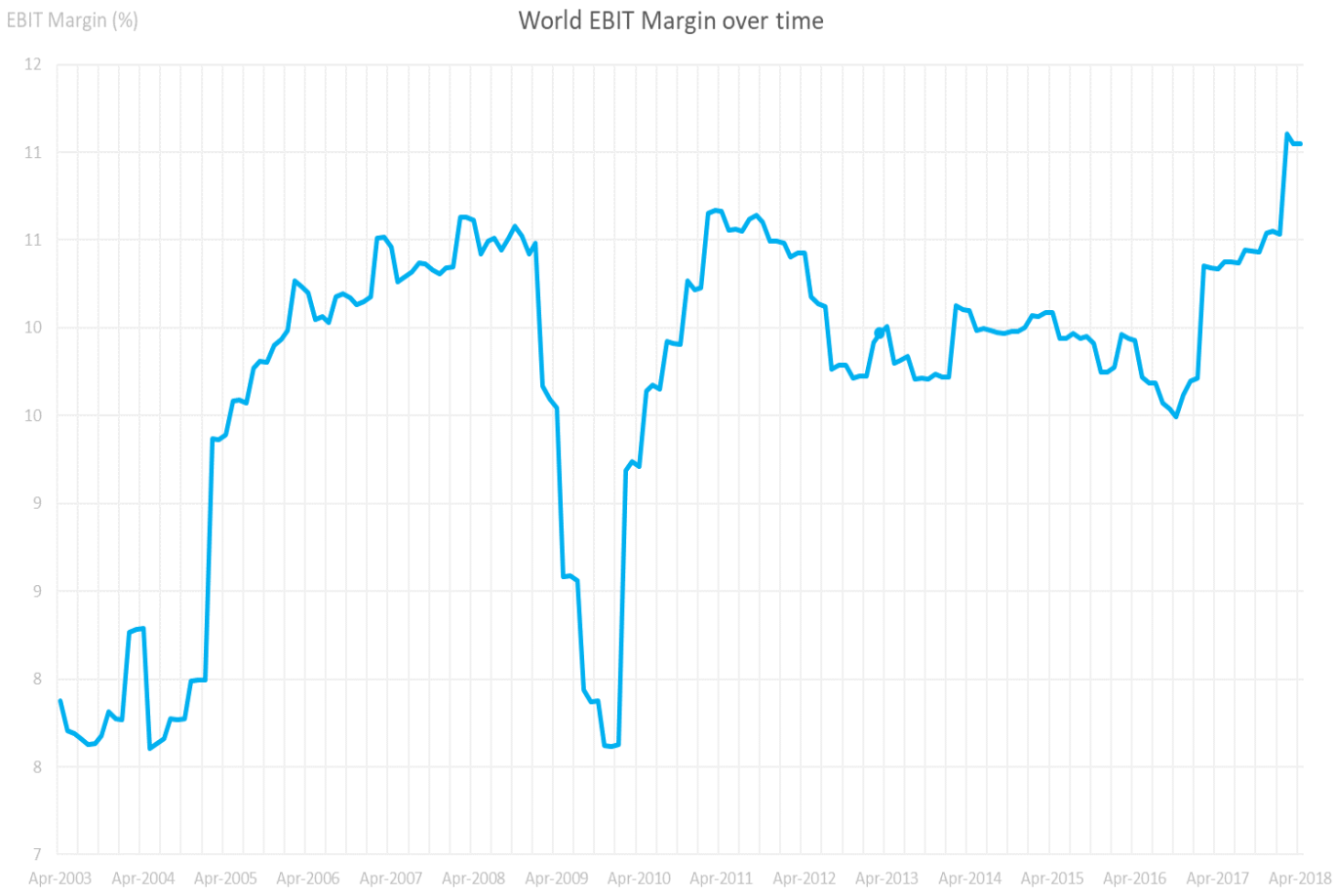
LTM vs NTM



Tim Fuller
Damien Klassen

Stocks

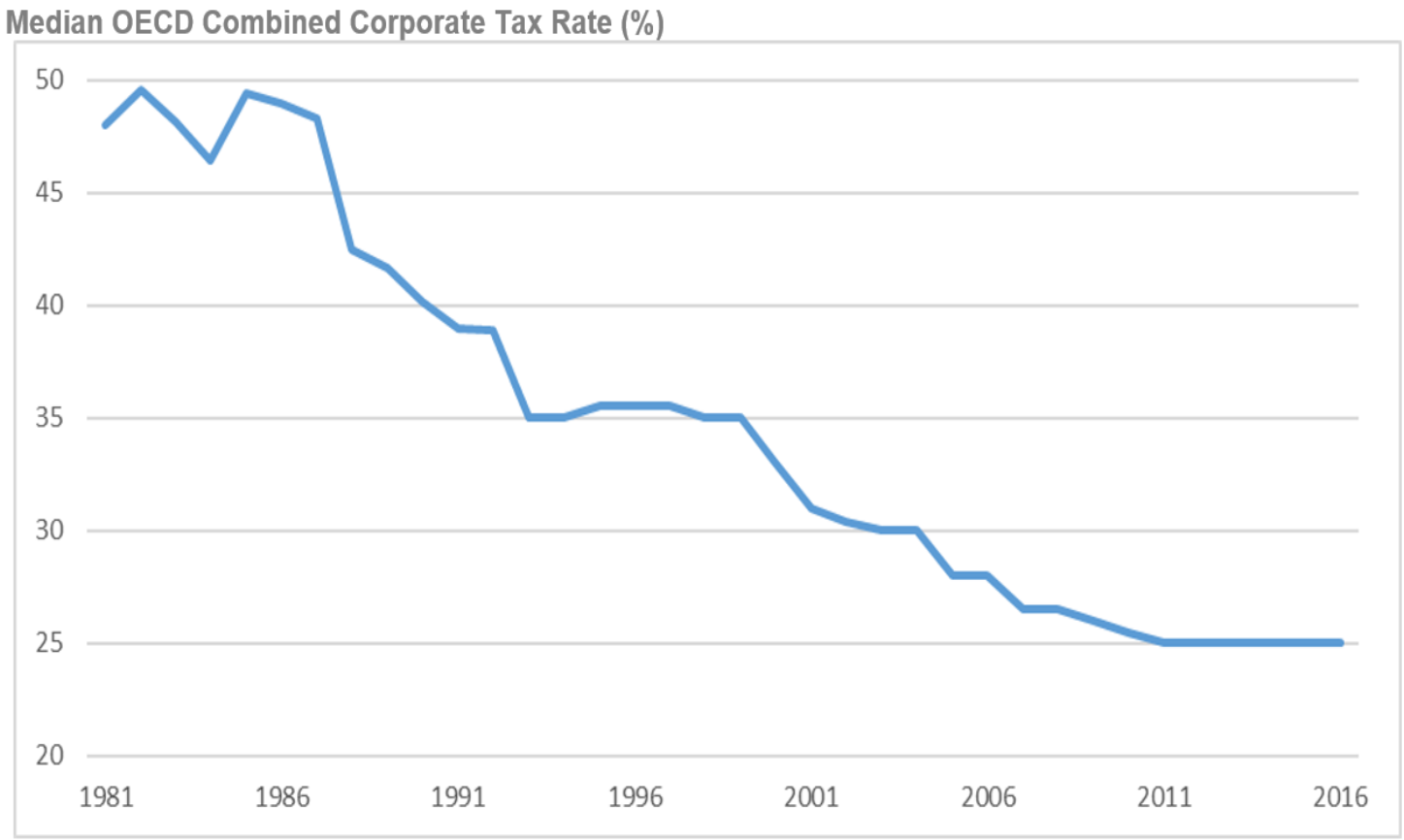
Margins matter



Tim Fuller
Damien Klassen

Stocks

Taxes matter

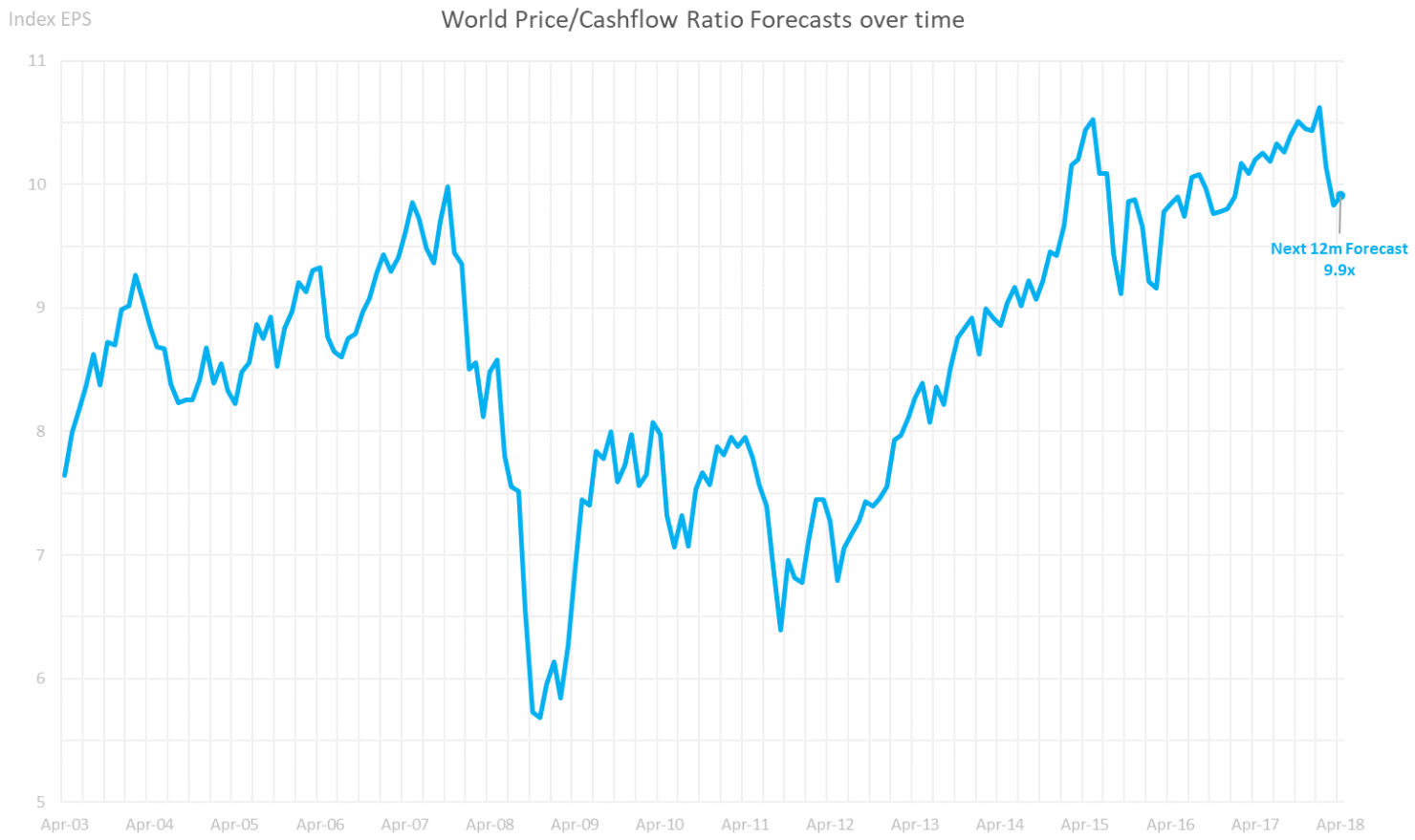


Source: OECD Stat

Tim Fuller
Damien Klassen

Stocks

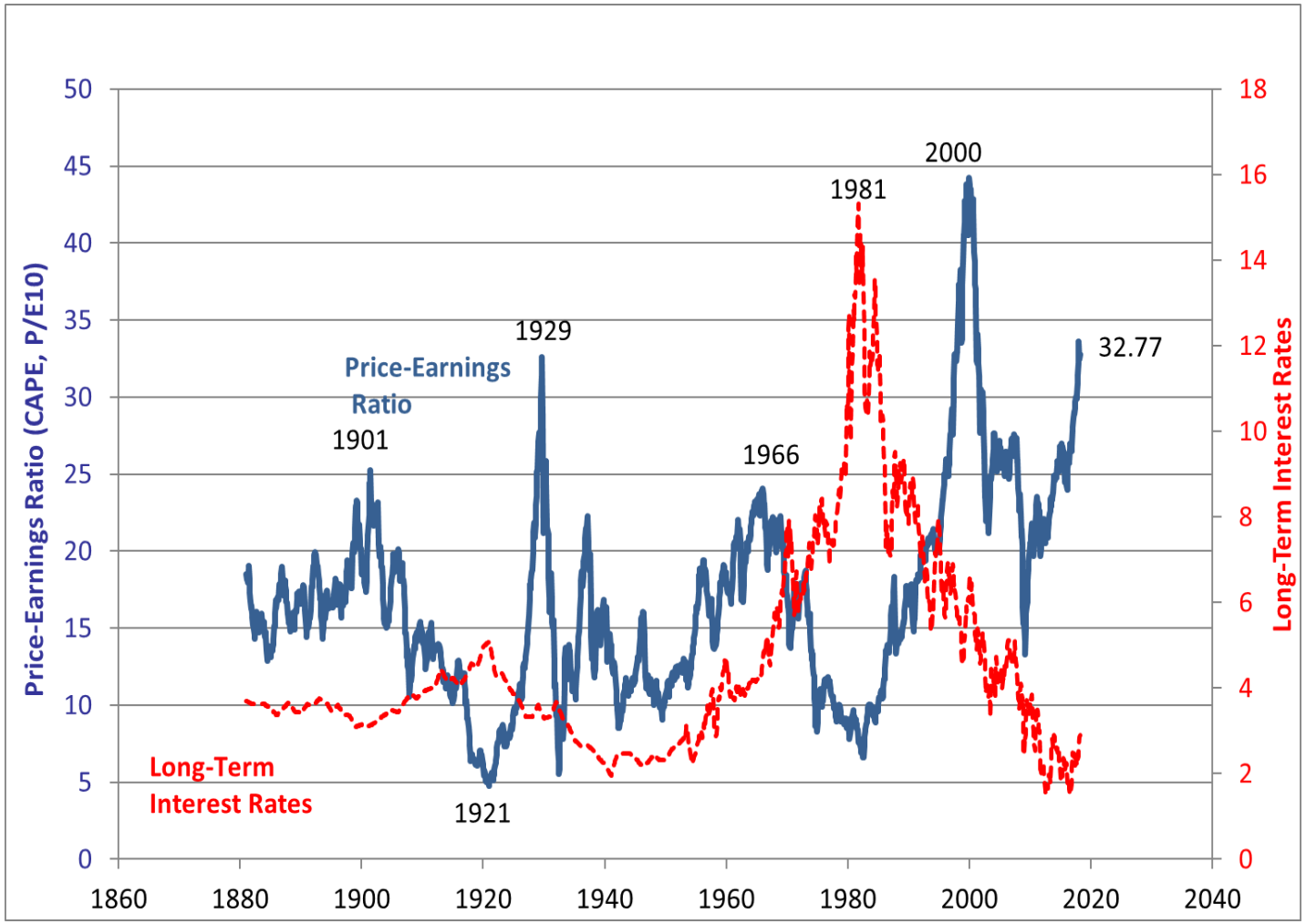
Cash is king



Tim Fuller
Damien Klassen

Stocks

Cyclically Adjusted



Tim Fuller
Damien Klassen

Stocks

12m Forward P/E

Name	World	US	Eurozone	urope x E	Japan	Australia	Emerging
TOTALS	15.0	17.0	14.9	13.2	13.8	15.3	14.5
Consumer Durables	11.3	13.4	8.1	13.0	10.5	19.5	15.5
Finance	11.7	13.5	11.5	11.6	11.3	13.3	11.0
Distribution Services	12.3	14.3	14.2	15.7	8.8	15.9	15.8
Non-Energy Minerals	12.5	14.3	13.8	10.4	9.7	13.8	12.2
Energy Minerals	12.9	18.6	13.3	8.7	8.6	16.0	8.2
Communications	13.7	12.2	14.9	15.3	11.4	10.7	19.6
Utilities	14.4	16.7	14.5	10.9	11.3	14.9	12.4
Process Industries	14.4	15.5	14.7	14.4	12.8	16.6	15.1
Transportation	14.7	13.8	15.1	12.9	14.1	23.5	16.8
Electronic Technology	15.2	15.5	20.1	22.4	17.2	12.4	18.1
Producer Manufacturing	15.6	16.4	15.3	17.2	14.3	17.2	18.6
Industrial Services	15.9	20.4	15.7	15.0	11.1	18.8	12.4
Health Services	17.0	15.1	21.2	21.9	23.3	19.6	33.6
Commercial Services	17.9	18.4	16.8	14.7	24.0	20.4	18.3
Consumer Services	19.6	19.6	18.6	15.3	22.8	17.5	23.1
Consumer Non-Durables	20.3	18.5	22.7	17.6	21.7	23.2	23.9
Health Technology	20.8	20.6	18.5	16.9	26.2	32.6	26.8
Retail Trade	21.1	22.9	18.1	14.6	22.9	16.9	22.6
Technology Services	23.8	23.4	21.4	20.2	21.6	30.3	23.1

Tim Fuller
Damien Klassen

Stocks

Digging deeper

Retail Trade	**21.1**
Retail Trade excluding Amazon	16.7
Food Retail	17.9
Drugstore Chains	12.4
Department Stores	15.9
Discount Stores	17.6
Apparel/Footwear Retail	17.7
Home Improvement Chains	17.2
Electronics/Appliance Stores	19.2
Specialty Stores	15.1
Catalog/Specialty Distribution	15.0
Internet Retail	118.6

Tim Fuller
Damien Klassen

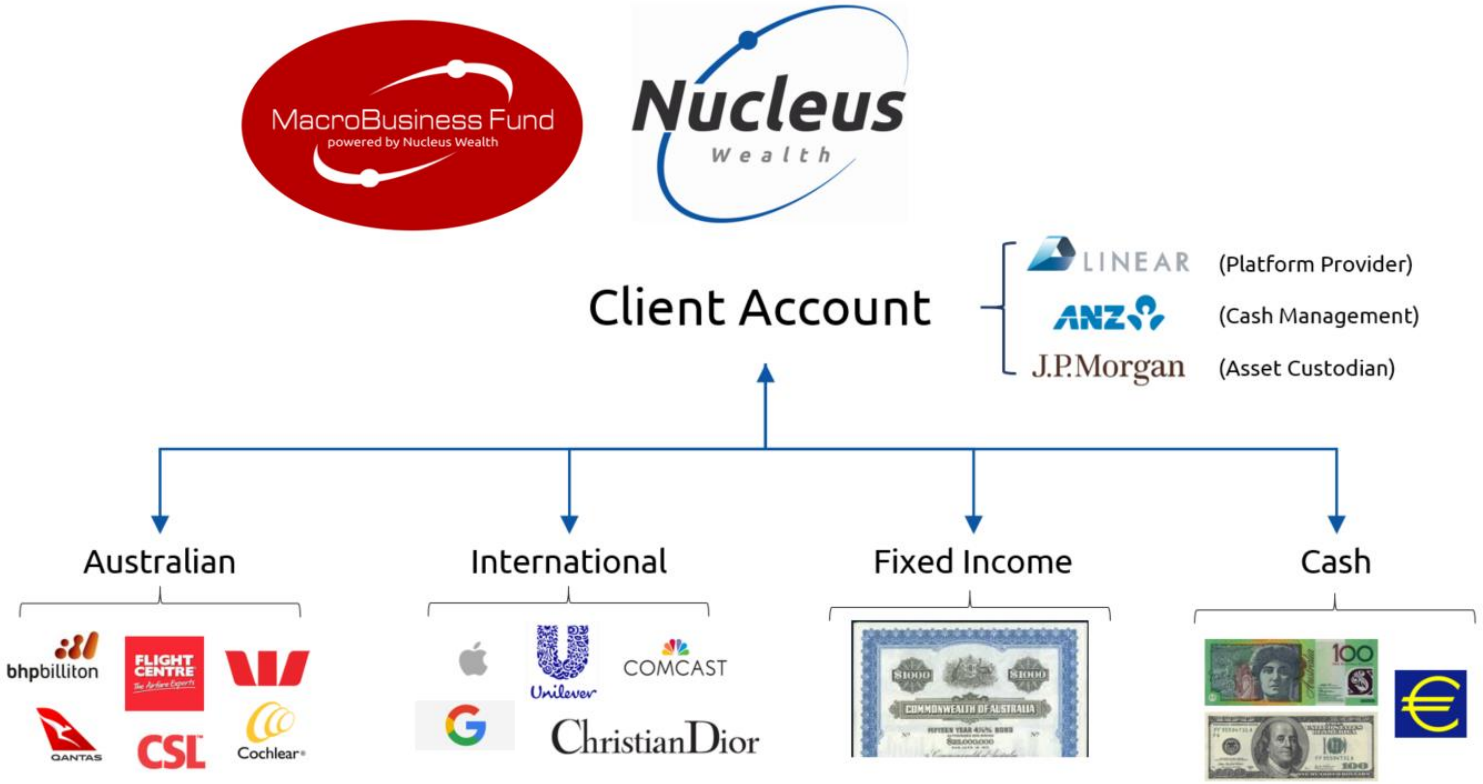
Investment Impacts

Where to look

1. Nothing is cheap
2. Bonds extraordinarily expensive
3. Stocks are “just” expensive
4. Averages aren’t everything

Tim Fuller
Damien Klassen

Investing with Nucleus Wealth



Investing with Nucleus Wealth

HEALTH
- No Fast Food
- No GMO Foods

VICES
- No Gambling
- No Alcohol
- No Pornography
- No Tobacco

ANIMAL RIGHTS
- No Animal Testing (Broad)
- No Animal Testing (High Impact)

RELIGION
- No Contraception
- Only Sharia / Islamic

CLIMATE CHANGE
- No Fossil Fuels (High Impact)
- No Fossil Fuels (Broad)
- No Fossil Fuels (CSG)
- No Nuclear
- No Loggers - OGF

WAR
- No Arms (High Impact)
- No Arms (Broad)

HUMAN RIGHTS
- No Immigration Detention
- No Jails

Nucleus Wealth

MacroBusiness Fund
powered by Nucleus Wealth

Investing with Nucleus Wealth

- Complete investment solution
- 19 individual ethical screens
- Experienced investment managers
- Completely transparent

- Lower fees as we get rid of the multiple layers of middle-men between you and your money
- Tax effective

Nucleus Wealth

MacroBusiness Fund
powered by Nucleus Wealth

Nucleus Wealth is now on iTunes and Podcasts!

Bit.ly/NucleusInsights

Podcast Available on iTunes

Keep your investments in focus.

Let us help you get started

1300 623 863