



Nucleus

W e a l t h

NUCLEUS INSIGHTS

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Don't
Forget!

Please feel free to ask any questions along the way in the chat box below.

If you are watching this after the event, make sure you can attend the next one for LIVE Q and A.



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



- Co-author with Ross Garnaut of The Great Crash of 2008 and editor of the Garnaut Climate Change Review
- Chief Economics editor and Founder of the Diplomat magazine
- Chief Editor of highly read MacroBusiness blog



- Responsible for Mining & Energy, Big Data



- Head of Quantitative Strategy



- Founding partner and Head of Investment Research





Nucleus Insights : GFC 2.0 – The Italian Job?

Agenda

1. Fundamentals

- Economics
- Currency
- Corporate Earnings
- Valuation

2. Underlying Issues

- Euro straight-jacket
- Debt
- Inequality
- Demographics

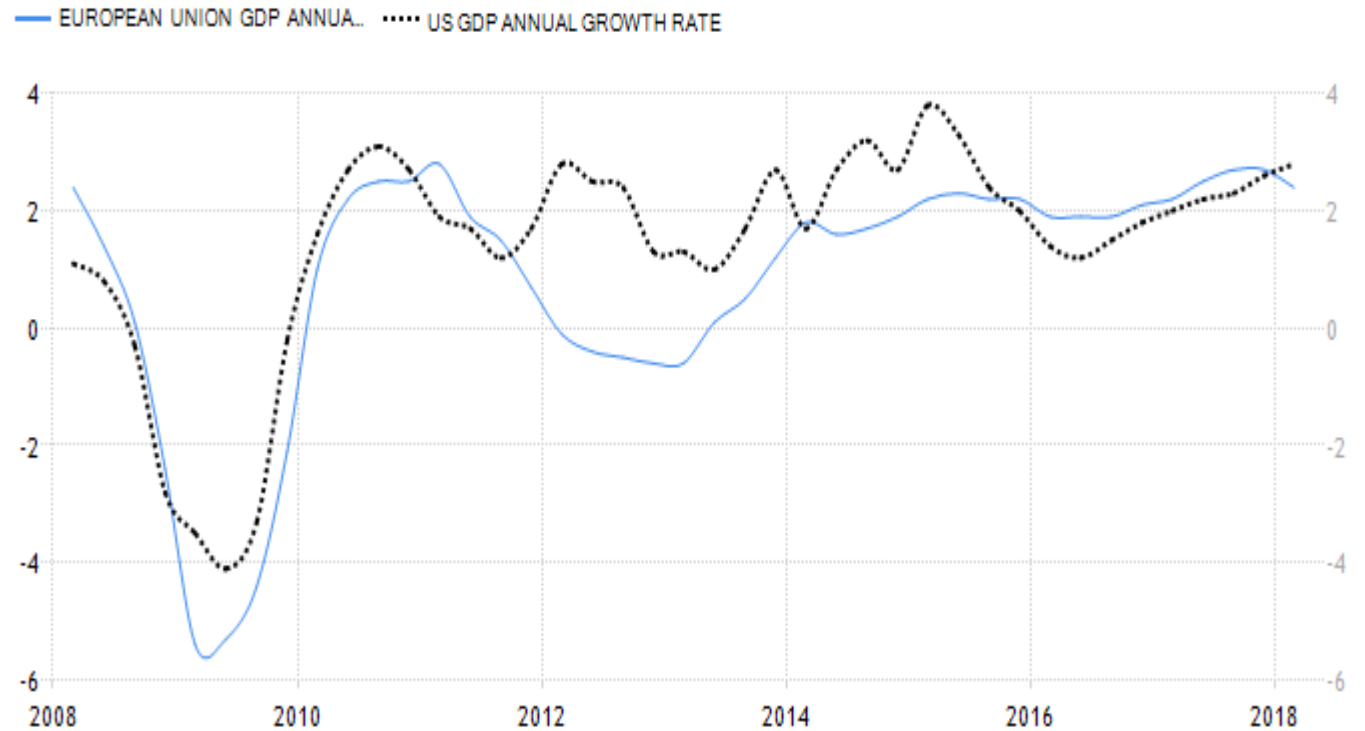
3. Politics

David Llewellyn Smith
Tim Fuller
Damien Klassen



Fundamentals: Economics

Headline GDP rolling
over



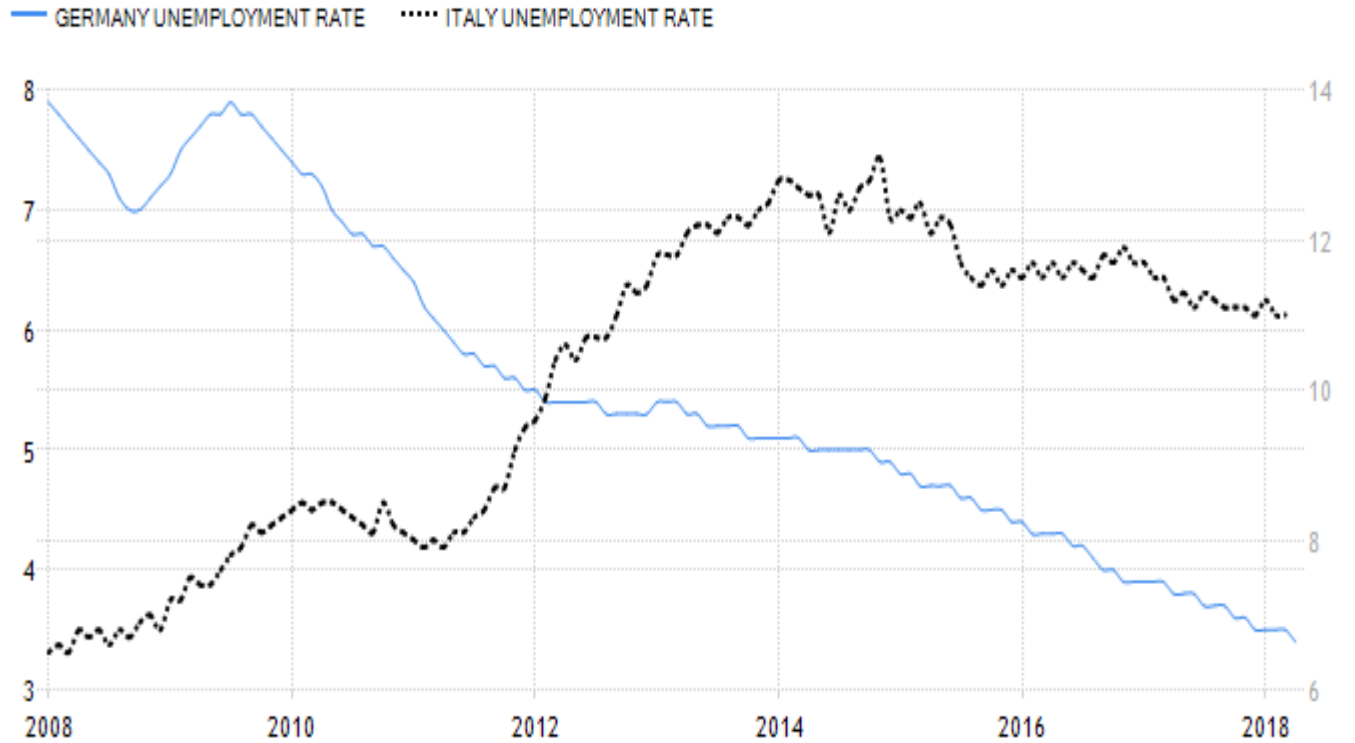
SOURCE: TRADINGECONOMICS.COM

David Llewellyn Smith
Tim Fuller
Damien Klassen



Fundamentals: Economics

Employment not
evenly distributed



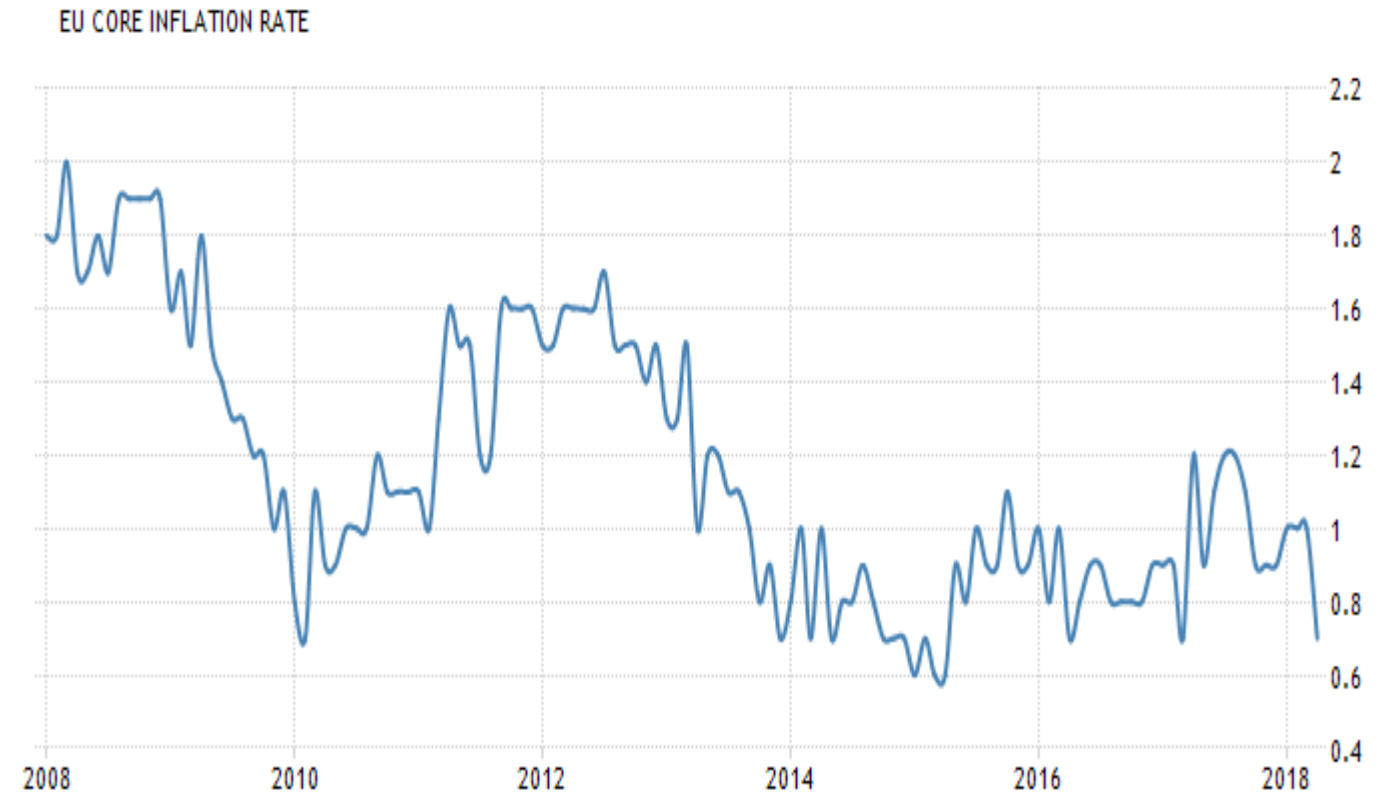
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Damien Klassen



Fundamentals: Economics

Inflation weak



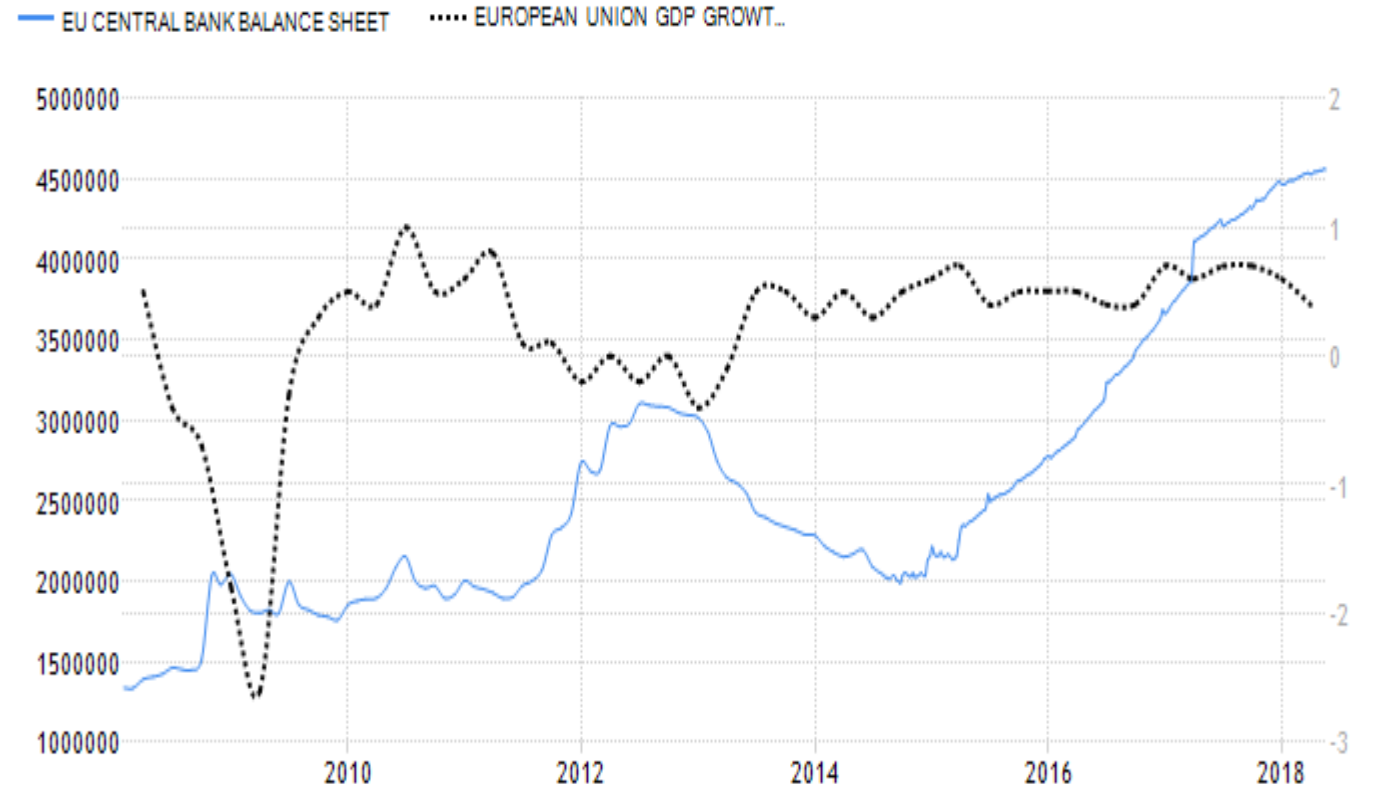
SOURCE: TRADINGECONOMICS.COM | EUROSTAT

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Damien Klassen



Fundamentals: Economics

Central bank – still
expanding but slowing



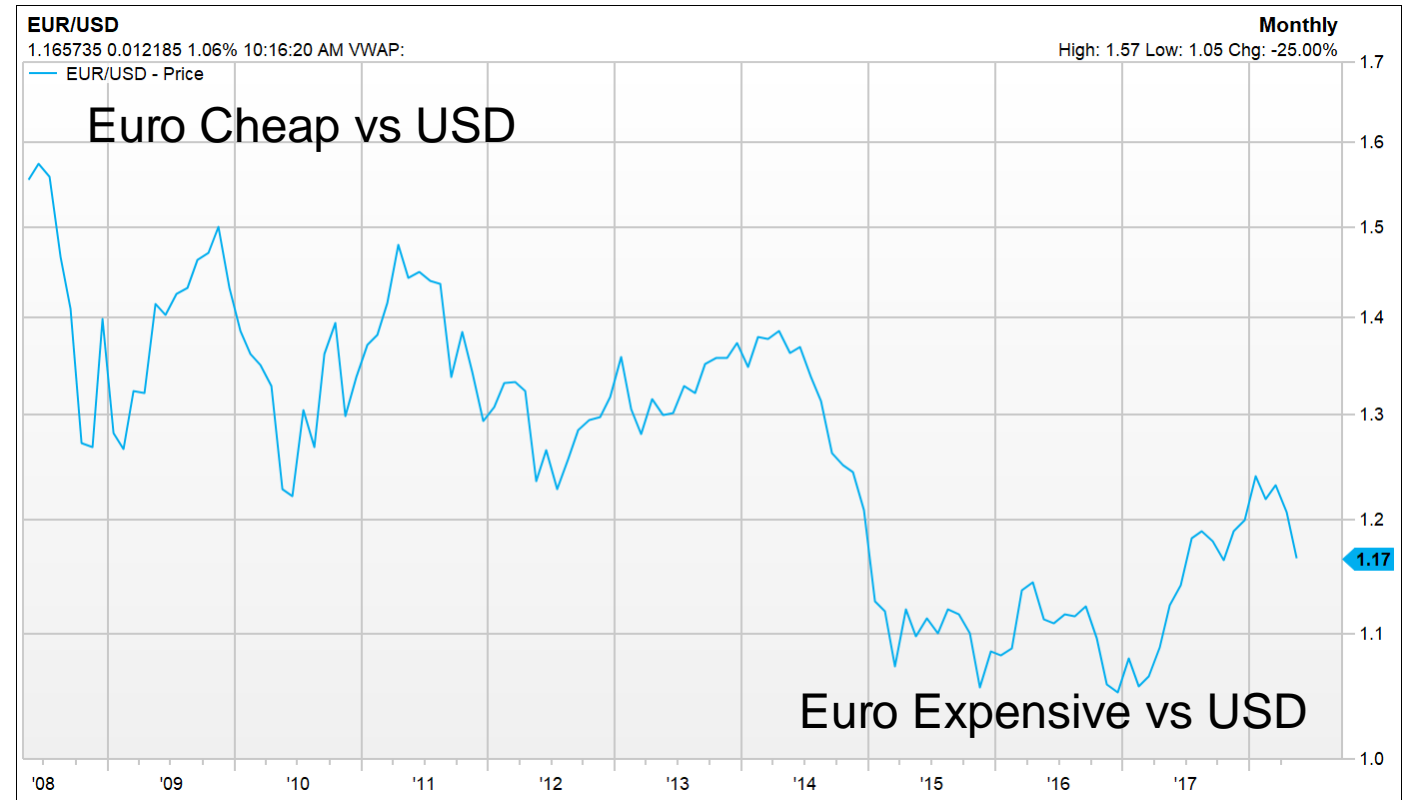
SOURCE: TRADINGECONOMICS.COM

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Fundamentals: Currency

How high can the Euro go before growth is affected?

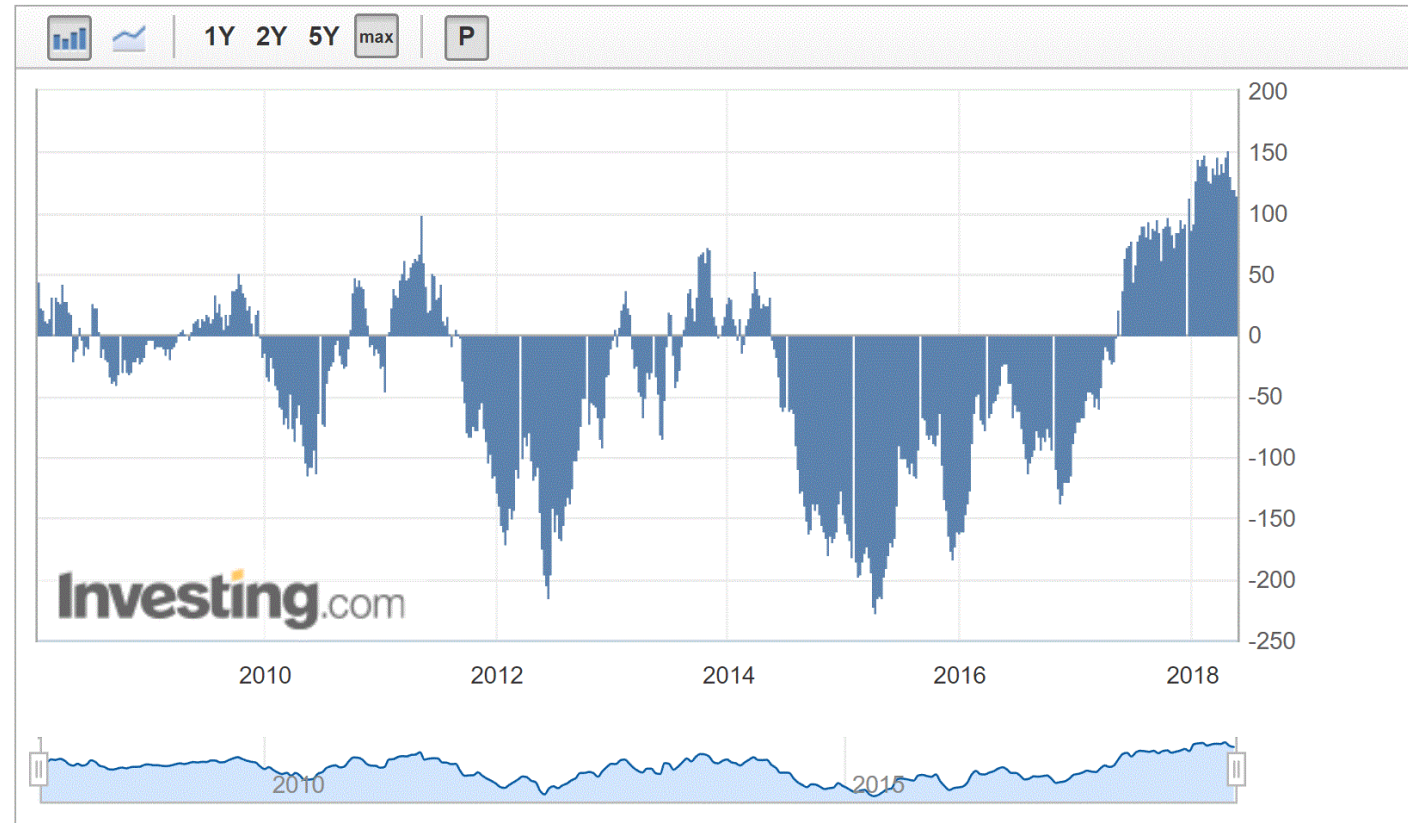


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Tim Fuller
Damien Klassen



Fundamentals: Currency

Speculators are long



David Llewellyn Smith
Tim Fuller
Damien Klassen



Fundamentals: Corporate Earnings

Eurozone earnings
have rolled over



David Llewellyn Smith
Tim Fuller
Damien Klassen



Fundamentals: Valuation

Ex Eurozone more
attractive

Index EPS

P/E Ratio Forecasts over time



David Llewellyn Smith
Tim Fuller
Damien Klassen



Fundamentals: Valuation

Ex Eurozone more
attractive



David Llewellyn Smith
Tim Fuller
Damien Klassen



Underlying Issues: Euro Straight Jacket

No natural way to
rebalance

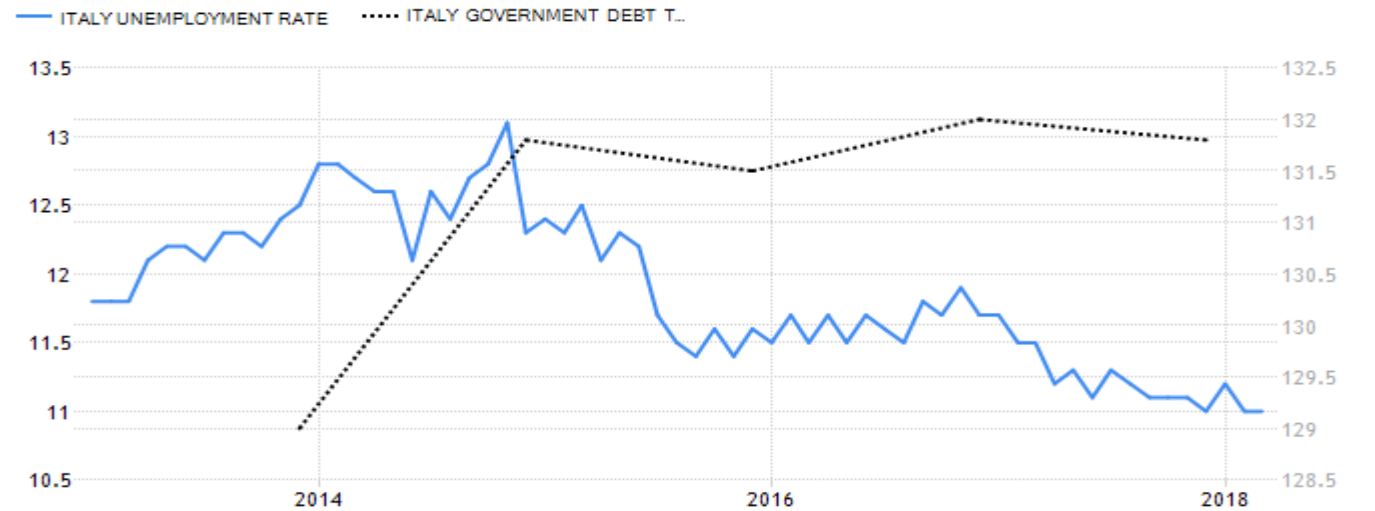
1. Euro limits the ability to restore competitiveness
2. No Fiscal Transfers
3. Not a mobile labour market

David Llewellyn Smith
Tim Fuller
Damien Klassen



Underlying Issues: Debt

Extend and pretend



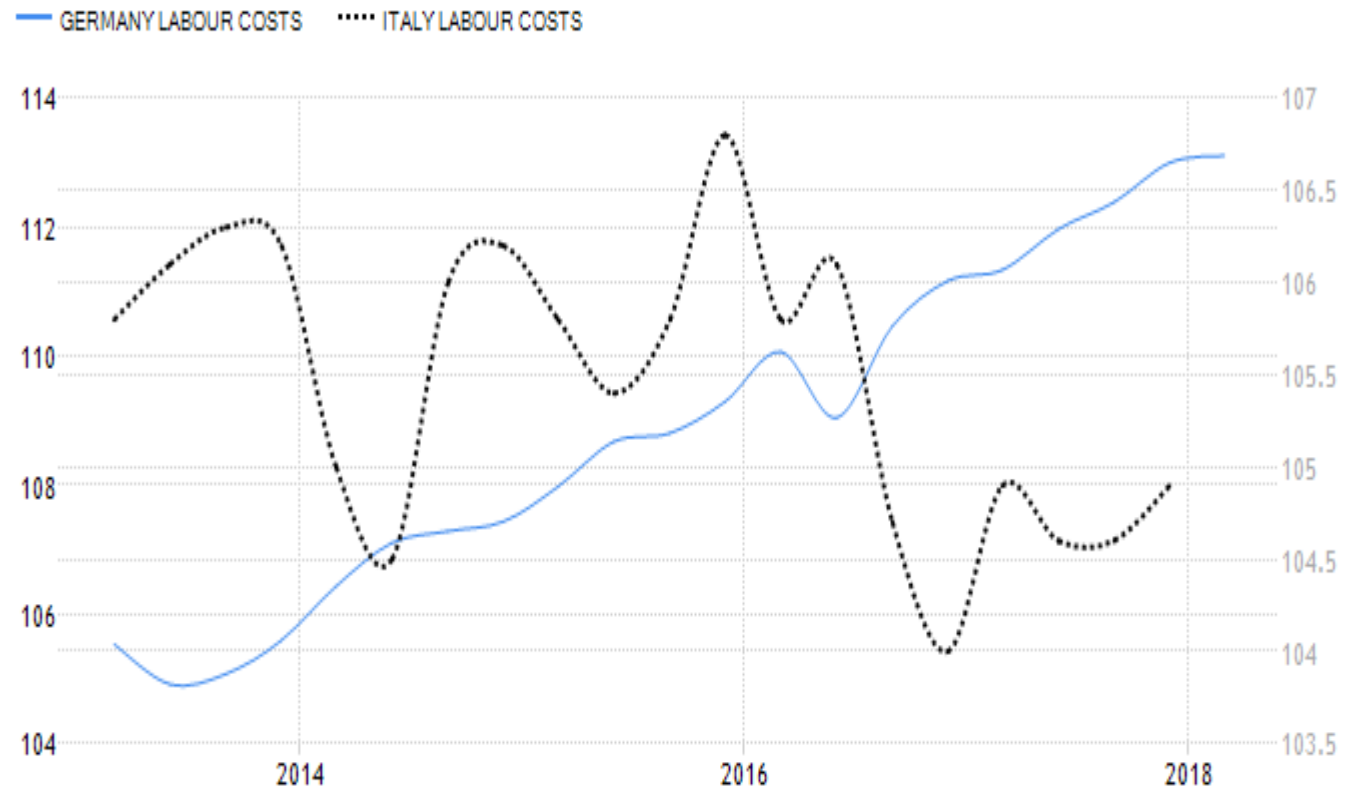
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Underlying Issues: Inequality

Inter country + intra country



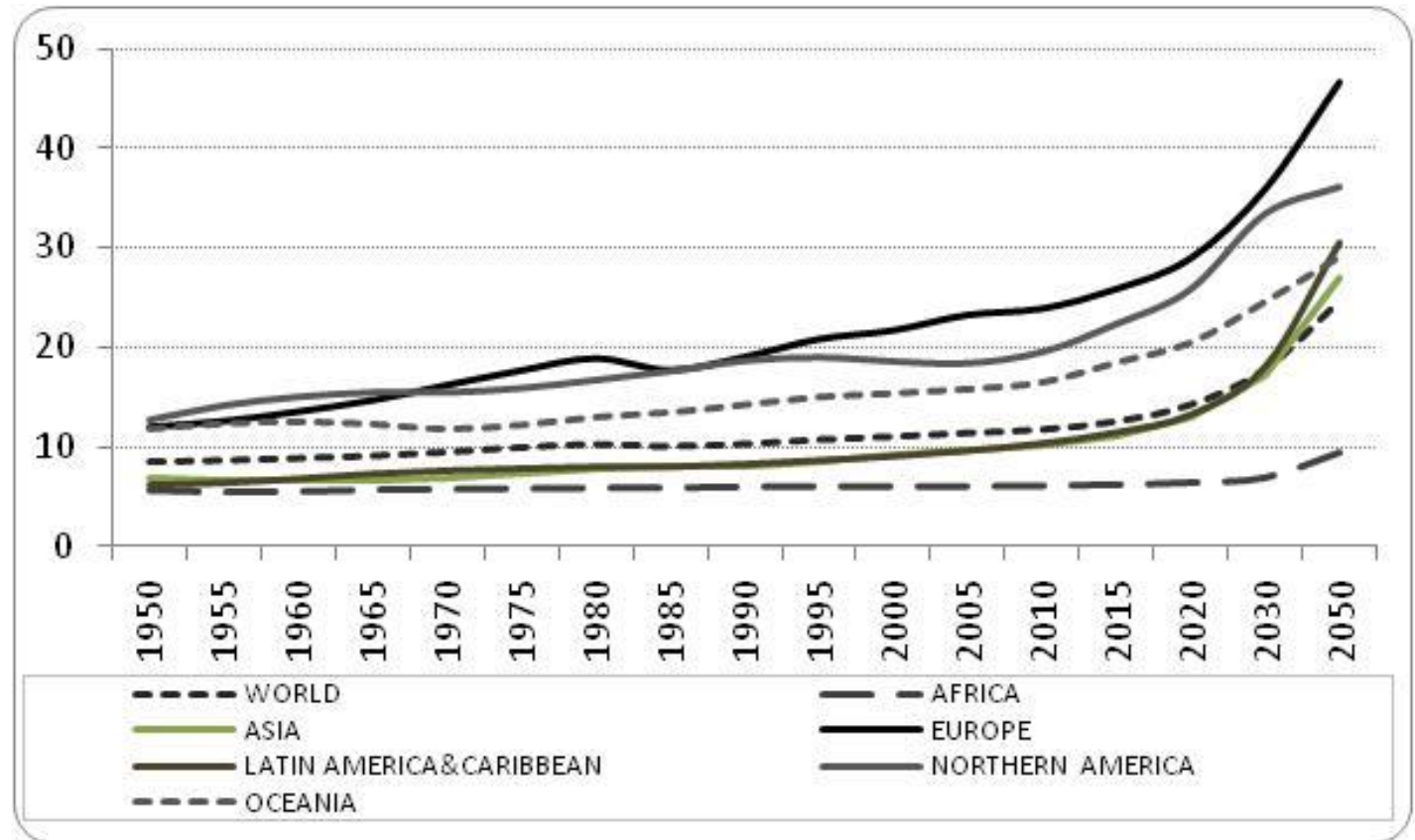
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Underlying Issues: Demography

The oldest continent



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Tim Fuller
Damien Klassen



Politics:

Technocrats vs the
people

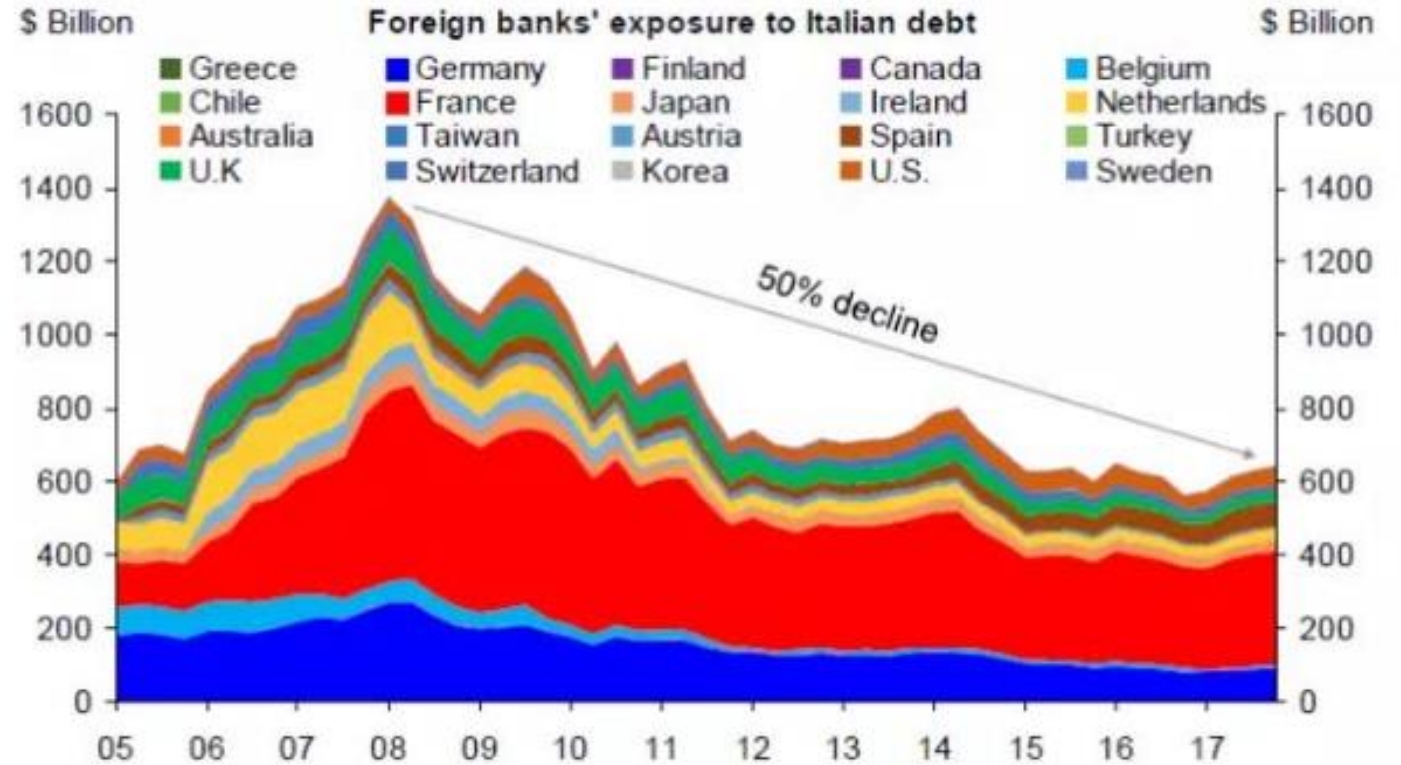
1. President to uphold constitution,
Prime Minister to run country
2. One Prime Minister deposed for
EU led appointee (Mario Monti) in
2011
3. Question for Italian people about
democracy vs technocracy

David Llewellyn Smith
Tim Fuller
Damien Klassen





Exposure to Italian debt is half of what it was in 2008



Source: BIS, Haver Analytics, DB Global Markets Research

Deutsche Bank Research

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May 2018

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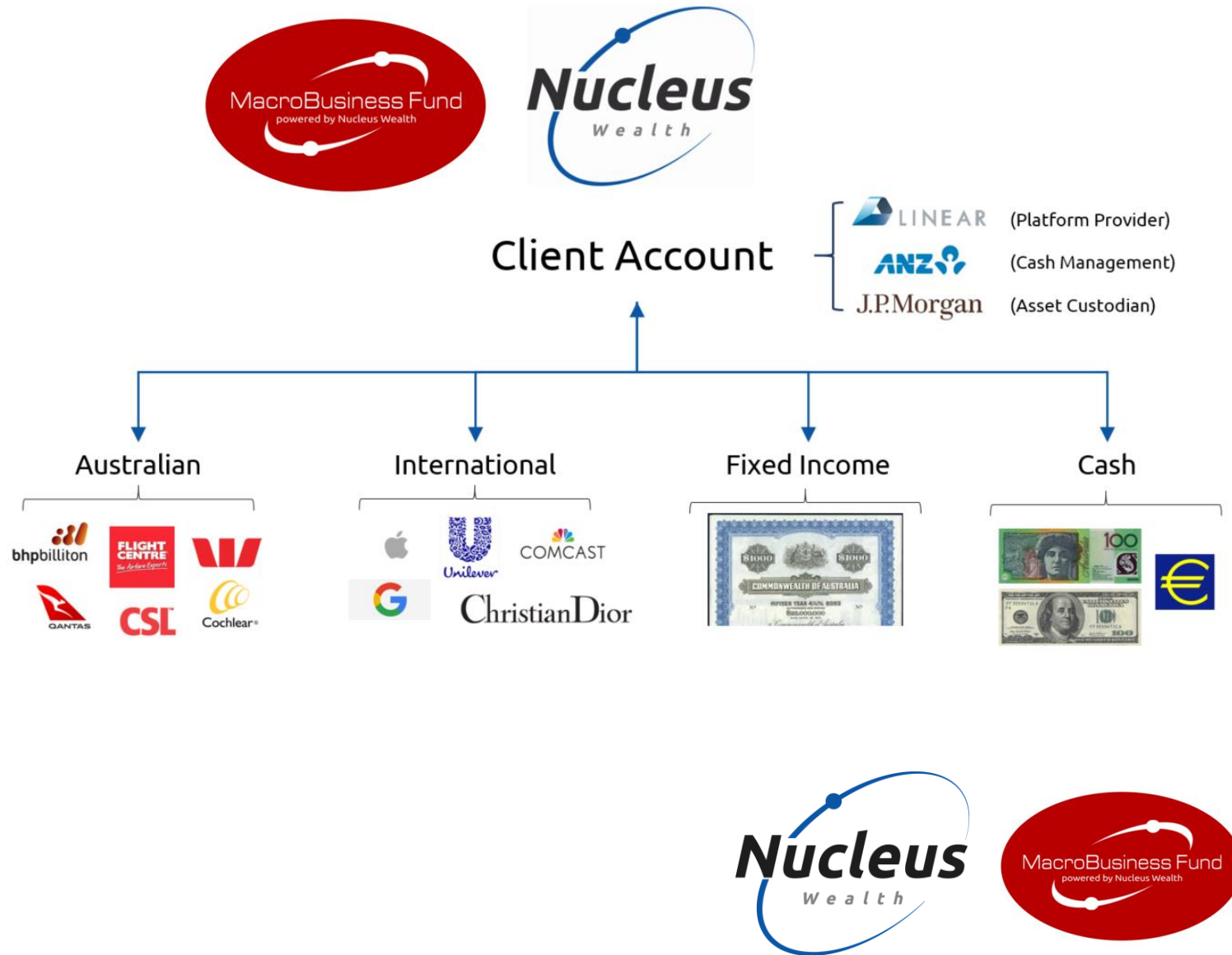
Scenarios

Chronic vs. Acute Crisis

David Llewellyn Smith
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



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





portal.nucleuswealth.com

The screenshot shows the Nucleus Wealth client portal dashboard. At the top, the Nucleus Wealth logo and name are displayed in a blue header bar, along with navigation links for "Invest With Us", "Blog", and "Client Portal". Below the header, the user's account information is shown: "Accounts", "New Account Creation", "Seek Advice", "Logout", and "John Citizen & Jill Citizen - Joint Account" with a "Take a tour" button.

The main content area features a blue bar indicating the "Current Balance \$258,091". Below this, a "Tactical" section is expanded to show "Your Holdings Summary". This section includes four gauge charts representing different asset classes, each with a percentage value and a legend for "Underweight" (light blue) and "Overweight" (dark blue):

- Cash: 35%
- Govt. Bonds: 27%
- Australian Shares: 10%
- International Shares: 27%

Below the holdings summary is the "Your Assets Summary" section, which contains two pie charts. The first pie chart shows the distribution of assets: Cash (green), International Shares (orange), Bonds (blue), and Total Growth (light blue). The second pie chart shows the distribution of assets: Total Defensive (green) and Total Growth (blue).

At the bottom of the dashboard, there is a blue bar for "Additional Assets" and a "Portfolio Detail" section with three tabs: "Sector Groups" (selected), "Regions", and "Defensive". A partial pie chart is visible at the bottom of the page.

Nucleus Wealth is now on iTunes and Podcasts!

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podcastaddict





Keep your investment goals in focus.

1300 623 863

