



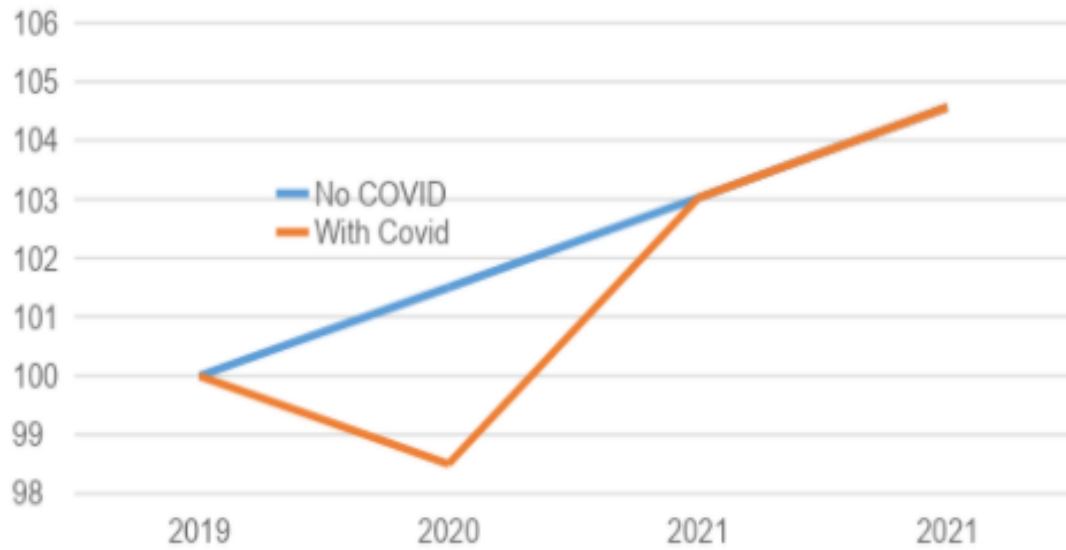
POSITION YOUR PORTFOLIO FOR INFLATION HEAD FAKE

Agenda

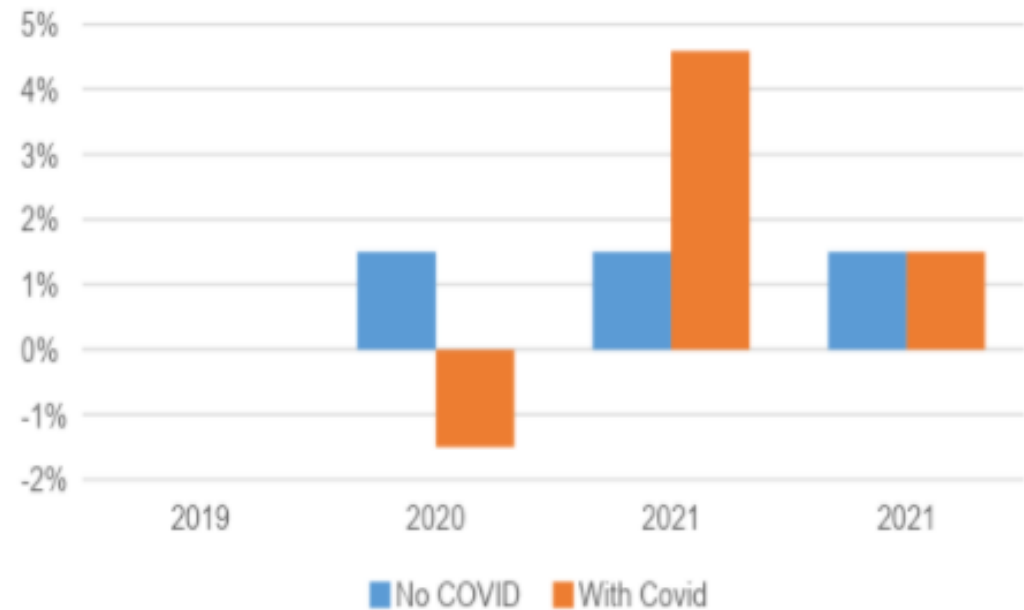
- Now vs History
- Commodity prices
- Inventory Cycle
- Scenarios
- Investment positioning

Now vs History: Base Effects

A low inflation economy that returns to trend...

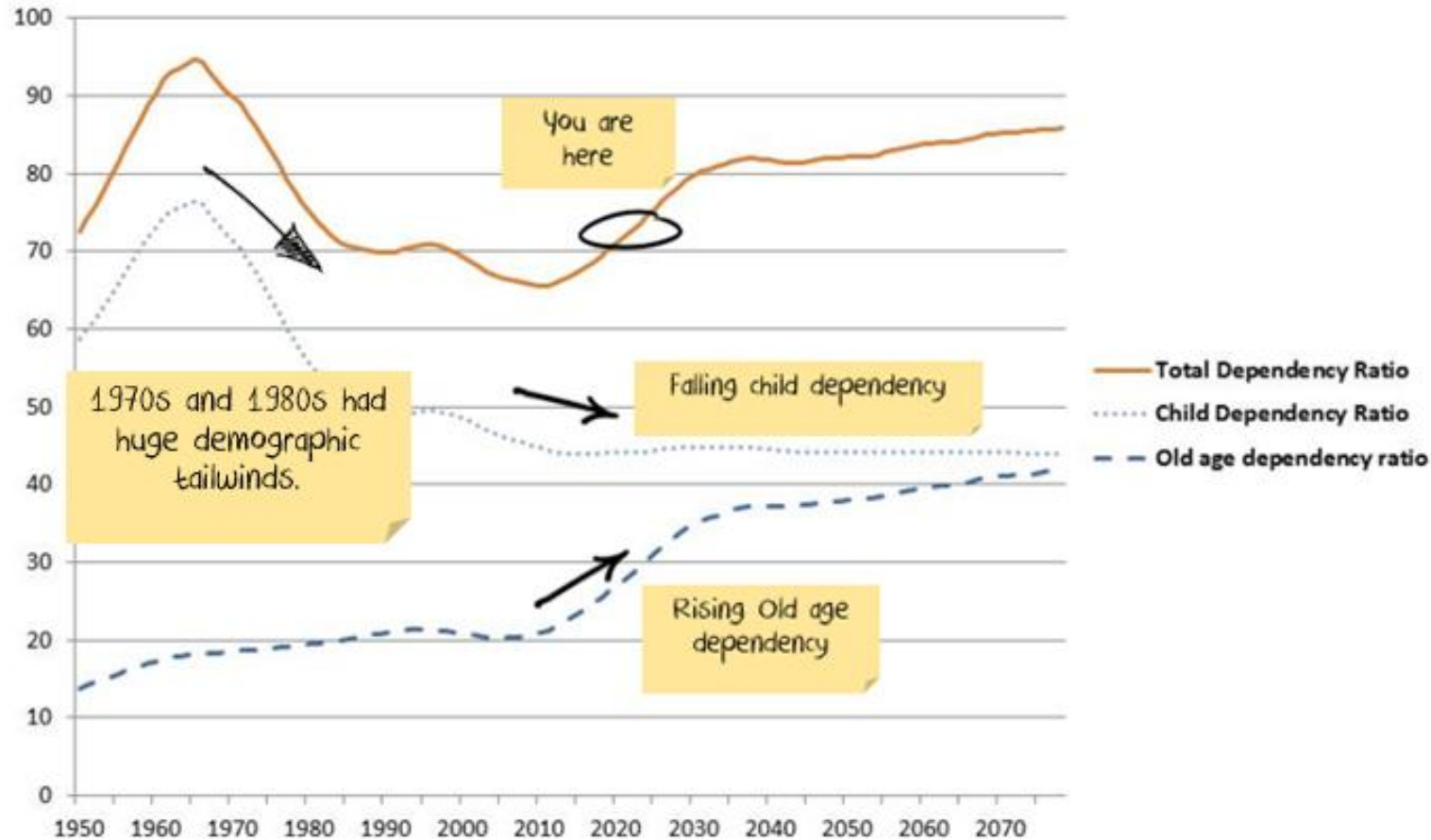


... looks a lot like a high inflation economy for one year.



Now vs History:

Dependency ratios in the U.S. over time



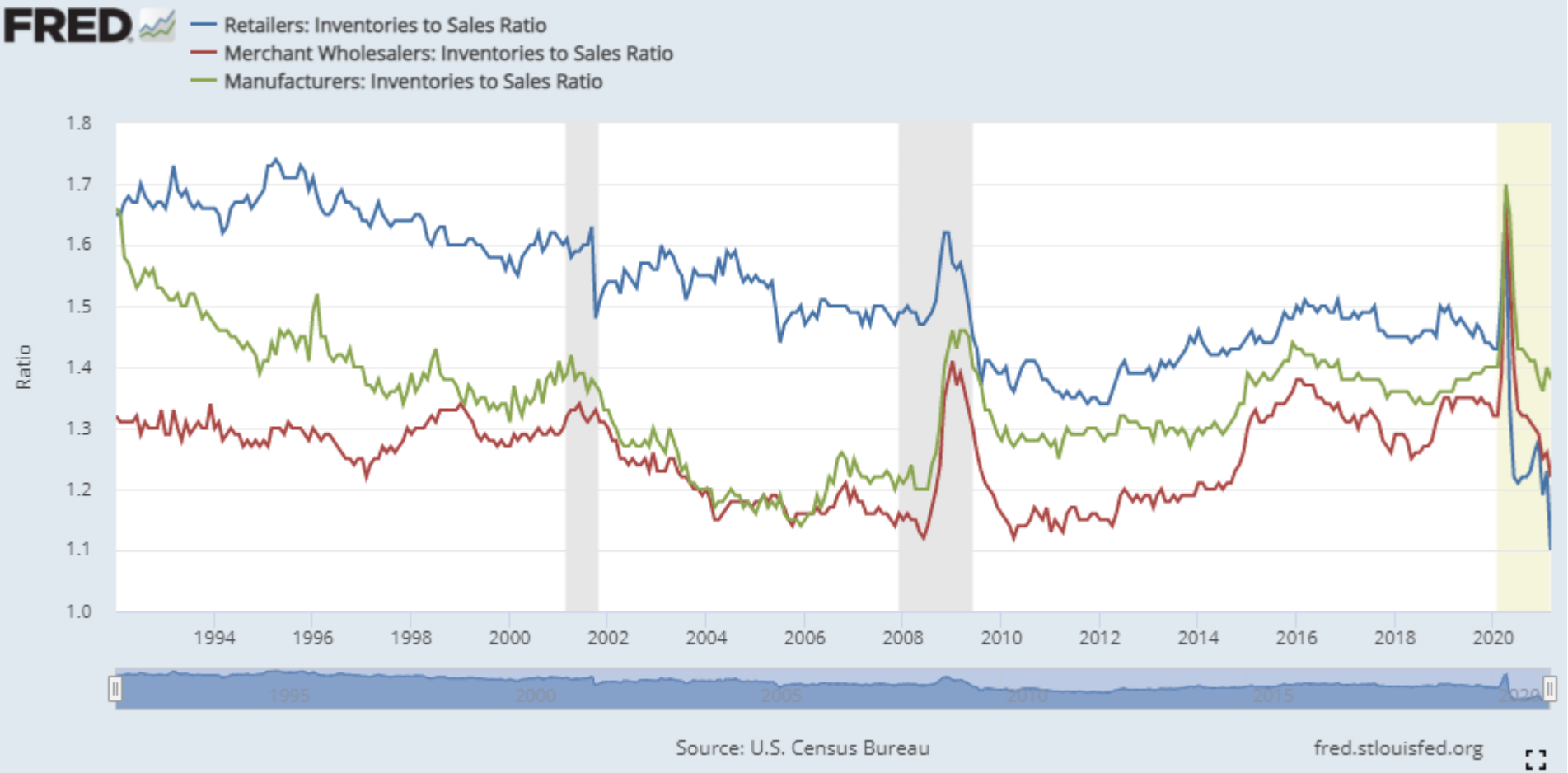
Source: Nucleus Wealth, US Census

- Rules have changed
- Trade
- Demographics
- Debt
- Manufacturing
- Unions

Commodities: China Problem

- Bet on commodities = a bet on Chinese property
- Long term trends are clear that development will slow:
 - Demographics
 - Urbanisation
 - Recycling
 - Debt
- Short term measure also point to slowing property development

Inventory supercycle: Retail Centric



Inventory Cycle:

Typical Inventory cycle plus:

Demand

- Stimulus Cheques
- Reopening
- Goods vs services

Supply

- Covid disruptions / demand changes
- Suez Canal
- Capacity expansion

Changing conditions:

- Peak inflation numbers coming tomorrow. Head fake.
- Inflation easing in H2, more in 2022
- Bottlenecks easing

Investment scenarios:

- **Good news is good news:** inflation falls, corporate profits lift
- **Bad news is good news:** Inflation falls, yields collapse and stocks violently rotate back to the “growth” stock bubble.
- **Good news is bad news:** Central banks commit a policy error by following hawkish leads in China, NZ and Canada.

See what an investment with Nucleus Wealth could look like for you:

portal.nucleuswealth.com/register



Nucleus Wealth's onboarding system generates a customised portfolio based on your preferences. This includes 3 simple steps and should only take 10-15 minutes.

1

Provide some basic details. If you'd like investment advice, then answer a brief risk questionnaire [?](#)

2

Tailor the portfolio to your risk and income preference. Customise your ethical exclusions

3

Review your indicative portfolio. Change your answers to the prior steps at any time, obligation-free

Register

We use this mobile number as additional security for your account.

I have read and agree to the [privacy policy](#) which explains how we protect your information

Already have an account? [Log in here](#)

See what an investment with Nucleus Wealth could look like for you:

Complete transparency over portfolio holdings prior to choosing to invest:

Your Security Holdings

Cash

[AAA Cash ETF \(AAA AXW\)](#)

[Betashares Euro \(EEU AXW\)](#)

[Betashares US Dollar \(USD AXW\)](#)

[Cash \(Cash\)](#)

Bonds

[AGB Apr-2025 \(GSBG25 ASX\)](#)

[AGB Apr-2027 \(GSBG27 ASX\)](#)

[AGB Apr-2029 \(GSBG29 ASX\)](#)

[AGB Apr-2033 \(GSBG33 ASX\)](#)

[AGB Apr-2037 \(GSBG37 ASX\)](#)

[AGB Jul-2022 \(GSBM22 ASX\)](#)

[AGB Nov-2020 \(GSBU20 ASX\)](#)

[AGB Nov-2028 \(GSBU28 ASX\)](#)

[Infl.AGB Feb-2022 \(GSIQ22 ASX\)](#)

[Infl.AGB Sep-2025 \(GSIQ25 ASX\)](#)

[Infl.AGB Sep-2030 \(GSIQ30 ASX\)](#)

Australian Shares

[AGL Energy \(AGL ASX\)](#)

[Amcor \(AMC ASX\)](#)

[Ampol \(ALD ASX\)](#)

[ANZ Bank \(ANZ ASX\)](#)

[Aristocrat Leisure \(ALL ASX\)](#)

[BHP Billiton Plc \(BHP ASX\)](#)

[Bluescope Steel \(BSL ASX\)](#)

[Brambles \(BXB ASX\)](#)

[Coca-Cola Amatil \(CCL ASX\)](#)

[Coles \(COL ASX\)](#)

[Commonwealth Bank \(CBA ASX\)](#)

[Computershare \(CPU ASX\)](#)

Sector Group | Industry

Cash |

Cash |

Cash |

Cash |

Sector Group | Industry

Bonds |

Bonds |

Bonds |

Bonds |

Bonds |

Bonds |

Bonds |

Bonds |

Bonds |

Bonds |

Bonds |

Sector Group | Industry

Defensives | Alternative Power Generation

Manufacturing | Containers/Packaging

Resources | Oil Refining/Marketing

Finance | Major Banks

Consumer | Recreational Products

Resources | Other Metals/Minerals

Resources | Steel

Services | Miscellaneous Commercial Services

Consumer | Beverages: Non-Alcoholic

Consumer | Food Retail

Finance | Major Banks

Technology | Information Technology Services

International Shares

[Allianz \(ALV ETB\)](#)

[AMADA HOLDINGS \(6113 TKS\)](#)

[Amgen Inc. \(AMGN NAS\)](#)

[Apple \(AAPL NAS\)](#)

[Applied Materials I \(AMAT NAS\)](#)

[Atos \(ATO PAR\)](#)

[Auto Trader \(AUTO LSE\)](#)

[Bristol-Myers Squibb \(BMY NYS\)](#)

[CDW \(CDW NAS\)](#)

[Chevron \(CVX NYS\)](#)

[Cisco Systems Inc. \(CSCO NAS\)](#)

[Citizens Financial \(CFG NYS\)](#)

[Cognizant Technology \(CTSH NAS\)](#)

[CVS Health \(CVS NYS\)](#)

[Daito Trust \(1878 TKS\)](#)

[DBS \(D05 SGX\)](#)

[Direct Line \(DLG LSE\)](#)

[eBay \(EBAY NAS\)](#)

[EDP-Energias de \(EDP LIS\)](#)

[Endesa \(ELE MAD\)](#)

[Illinois Tool Works \(ITW NYS\)](#)

[Intertek \(ITRK LSE\)](#)

[J. M. Smucker \(SJM NYS\)](#)

[KDDI \(9433 TKS\)](#)

[Kimberly-Clark \(KMB NYS\)](#)

[Kinross Gold \(K TSX\)](#)

[Kirin \(2503 TKS\)](#)

[LyondellBasell \(LYB NYS\)](#)

[Meiji \(2269 TKS\)](#)

[Microsoft Corporatio \(MSFT NAS\)](#)

Sector Group | Industry

Finance | Multi-Line Insurance

Manufacturing | Industrial Machinery

Technology | Biotechnology

Technology | Telecommunications Equipment

Technology | Electronic Production Equipment

Technology | Information Technology Services

Services | Miscellaneous Commercial Services

Technology | Pharmaceuticals: Major

Technology | Information Technology Services

Resources | Integrated Oil

Technology | Computer Communications

Finance | Regional Banks

Technology | Information Technology Services

Consumer | Drugstore Chains

Finance | Real Estate Development

Finance | Regional Banks

Finance | Property/Casualty Insurance

Consumer | Other Consumer Services

Defensives | Electric Utilities

Defensives | Electric Utilities

Manufacturing | Industrial Machinery

Services | Miscellaneous Commercial Services

Consumer | Food: Specialty/Candy

Defensives | Wireless Telecommunications

Consumer | Household/Personal Care

Resources | Precious Metals

Consumer | Beverages: Alcoholic

Manufacturing | Chemicals: Specialty

Consumer | Food: Specialty/Candy

Technology | Packaged Software

Viewer question of the week:

What steps are you taking with your portfolio?

Drop your answers in the comments

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