



# STATE OF THE STOCK MARKET

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# Agenda:

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- 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



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# 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

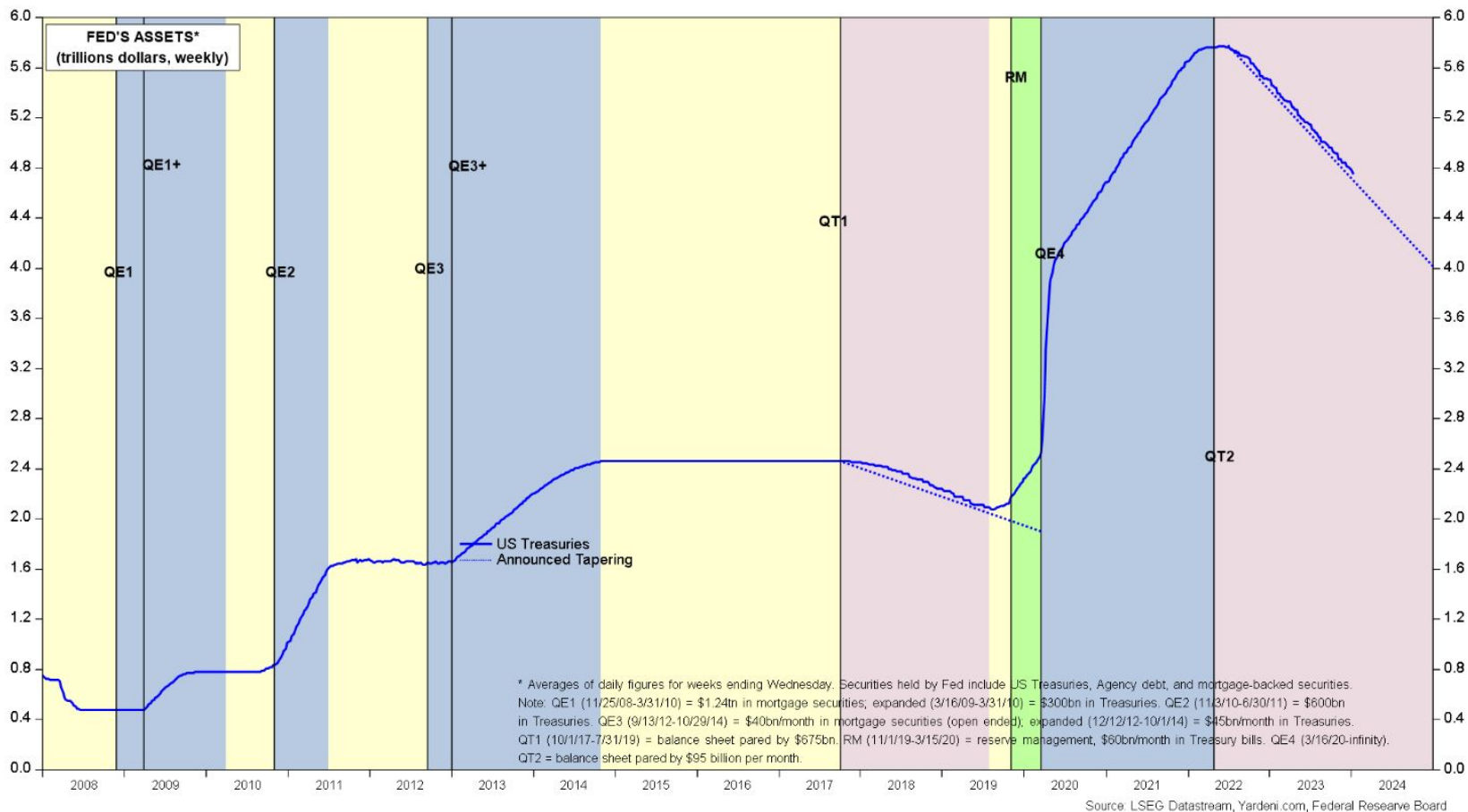
Forward Price Earnings Ratio:  
Australian resources / World resources



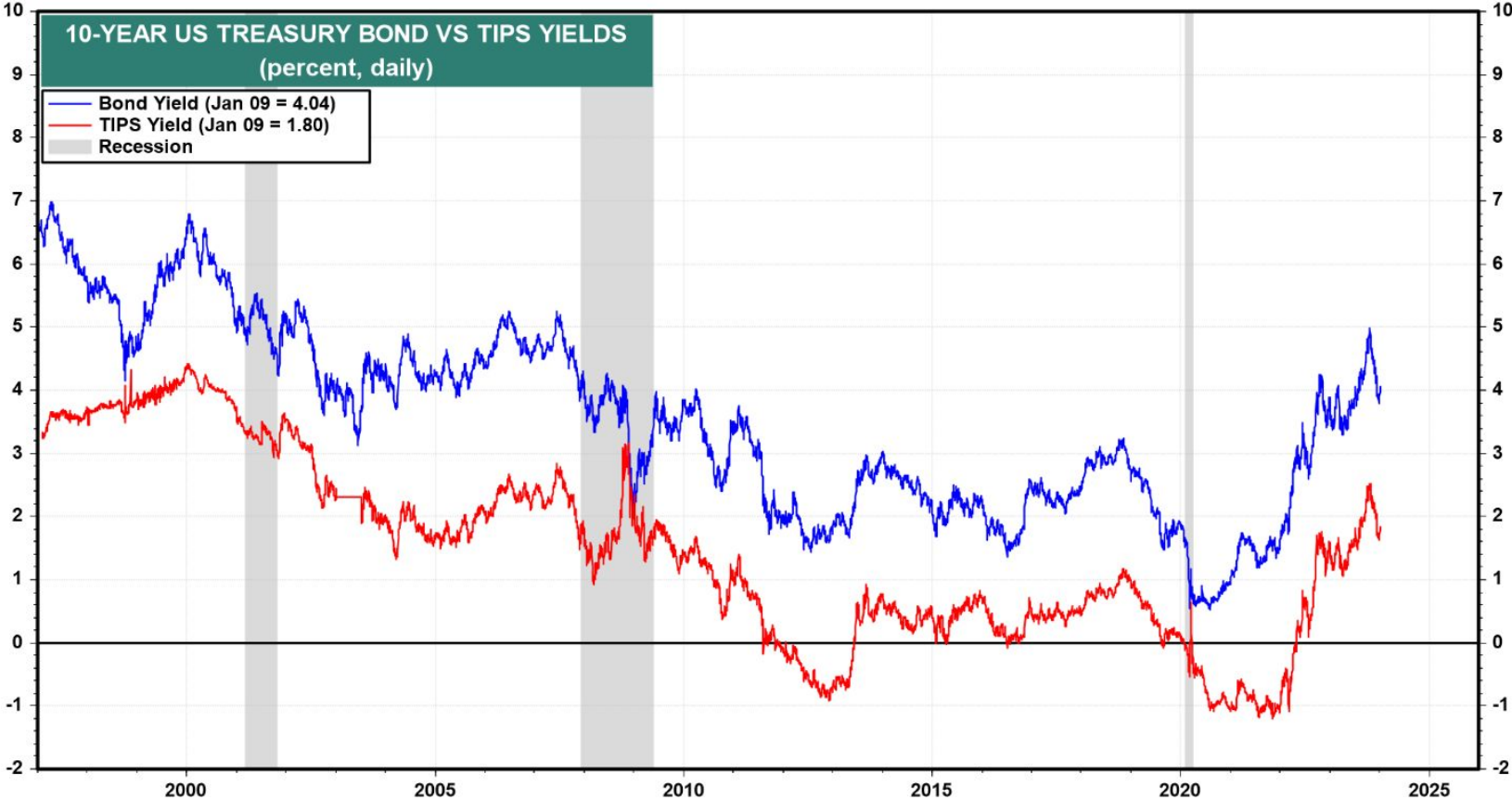
Source: Nucleus Wealth, S&P Capital IQ



# Valuation: Fed

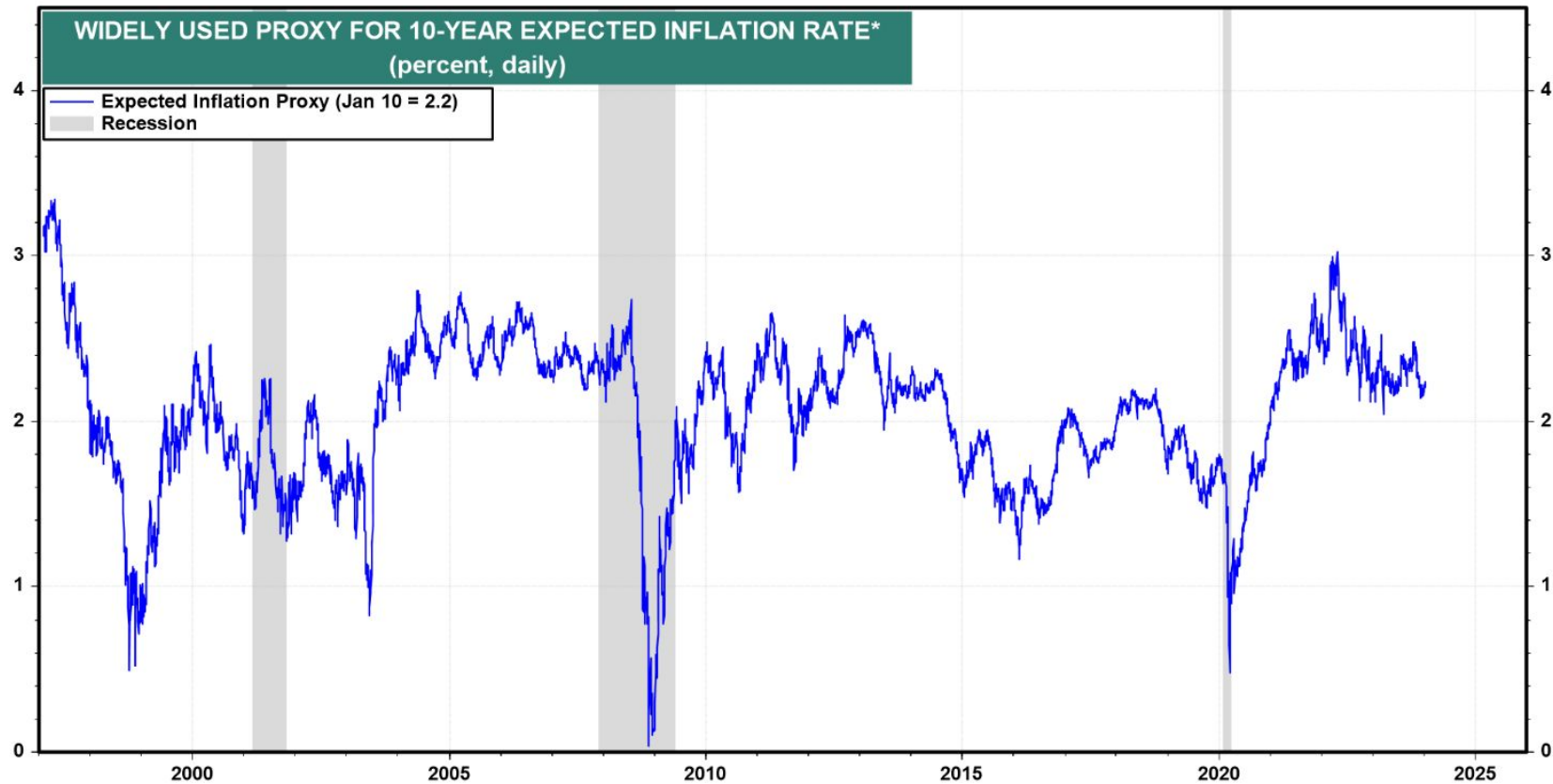


# Valuation: Bond yields



Source: LSEG Datastream and © Yardeni Research.

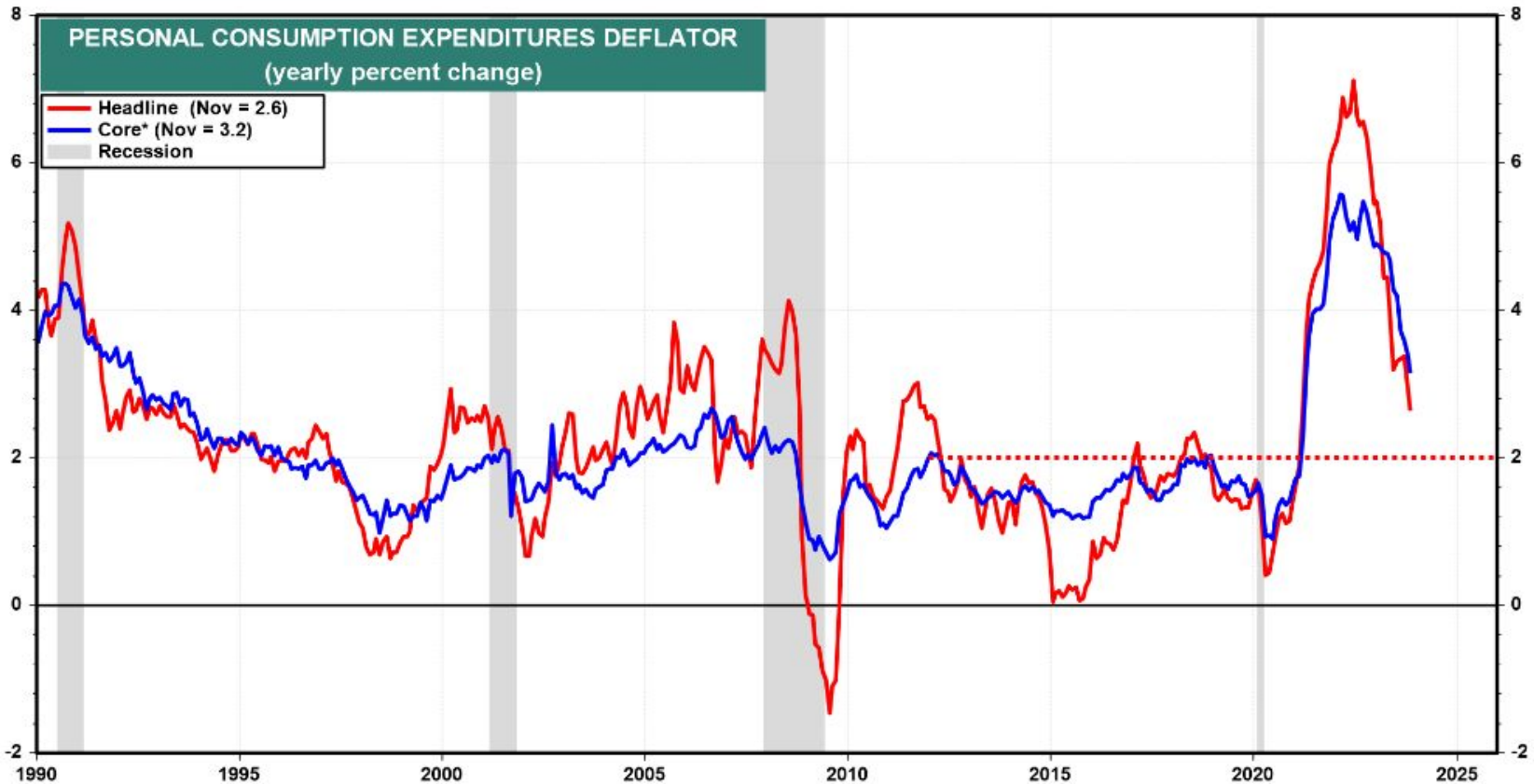
# Valuation: inflation



Source: LSEG Datastream and © Yardeni Research.

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

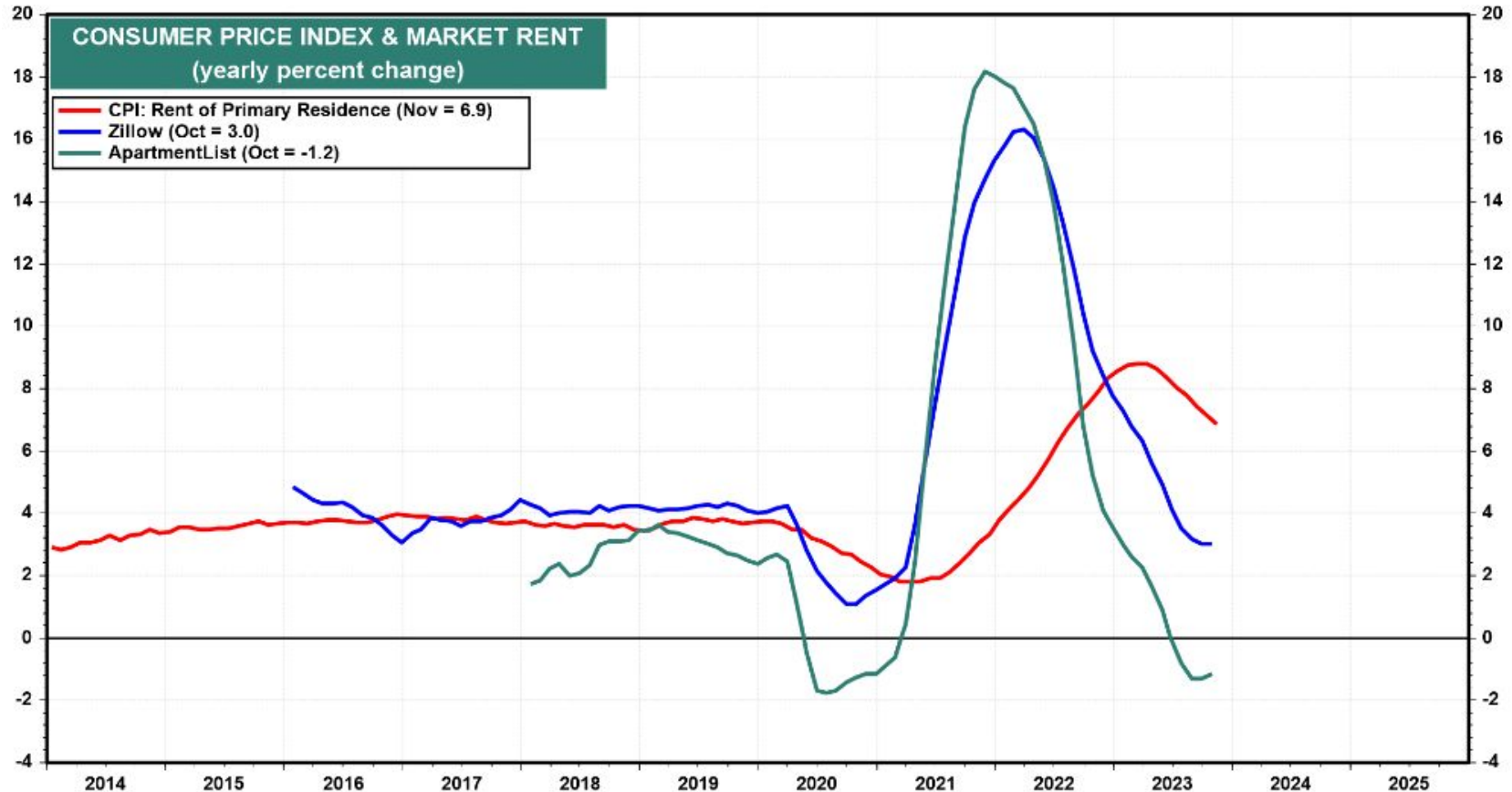
# Valuation: inflation



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 %

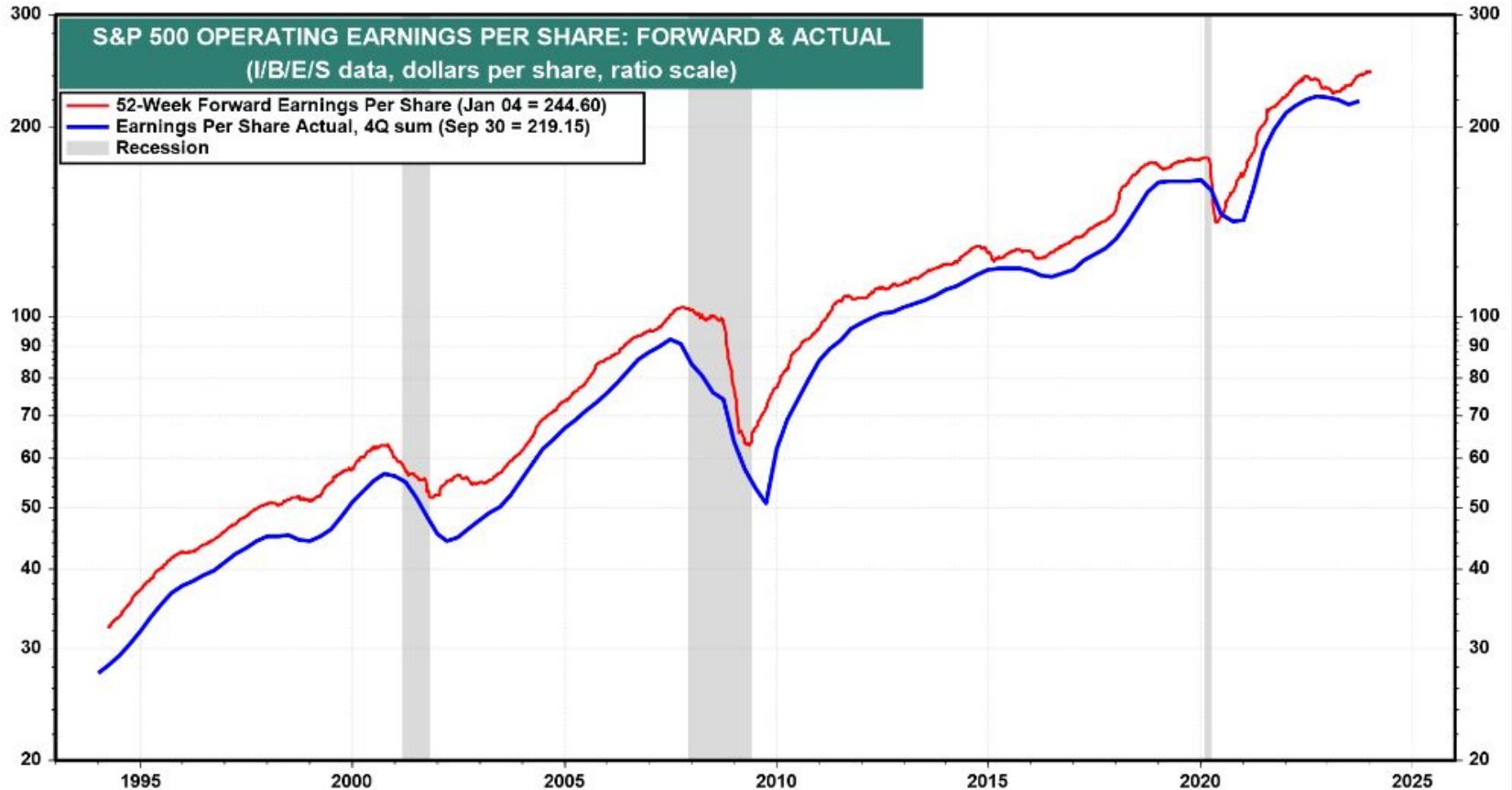
Frequency:  ▾

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)

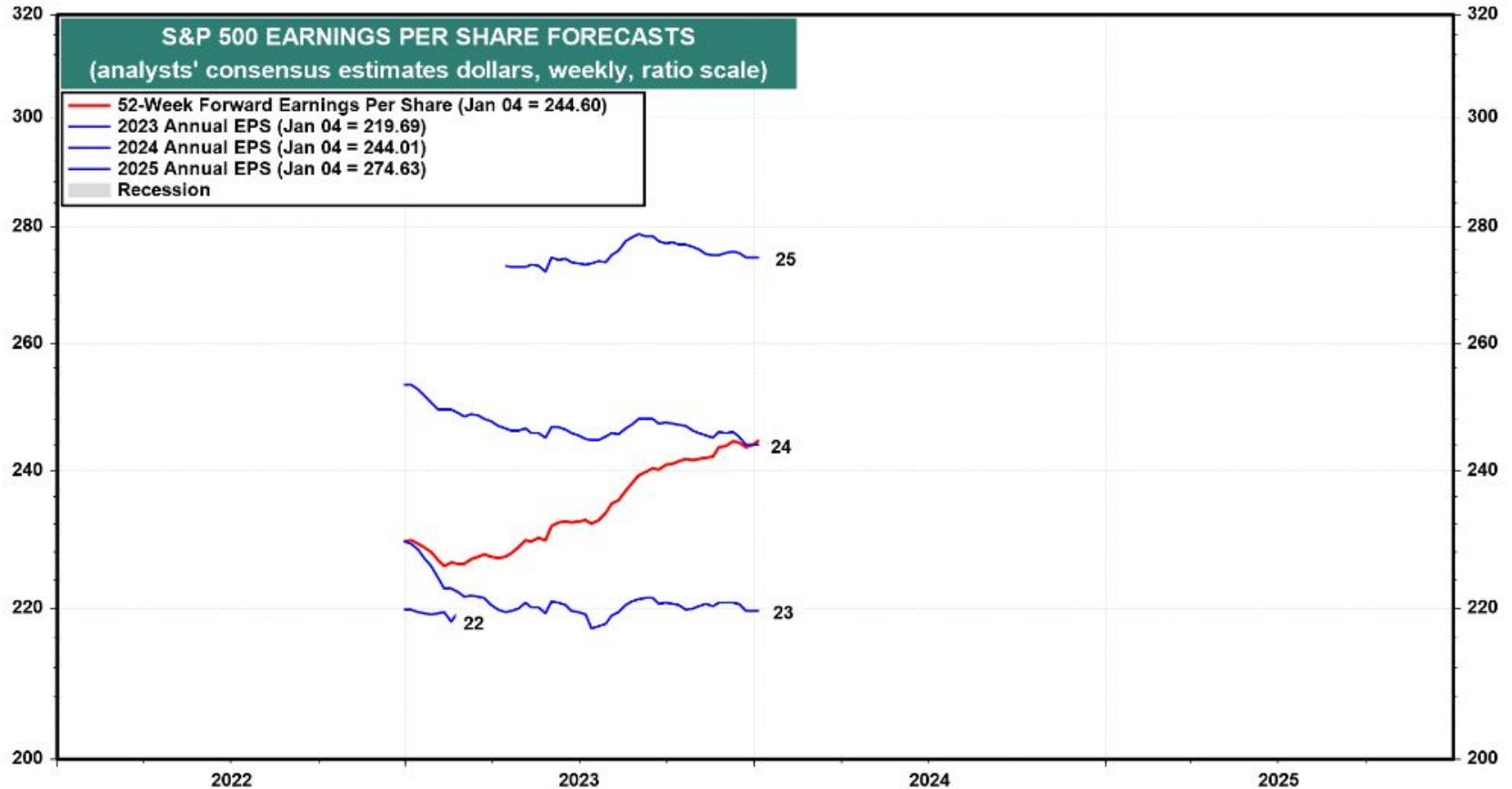


# Earnings: S&P 500



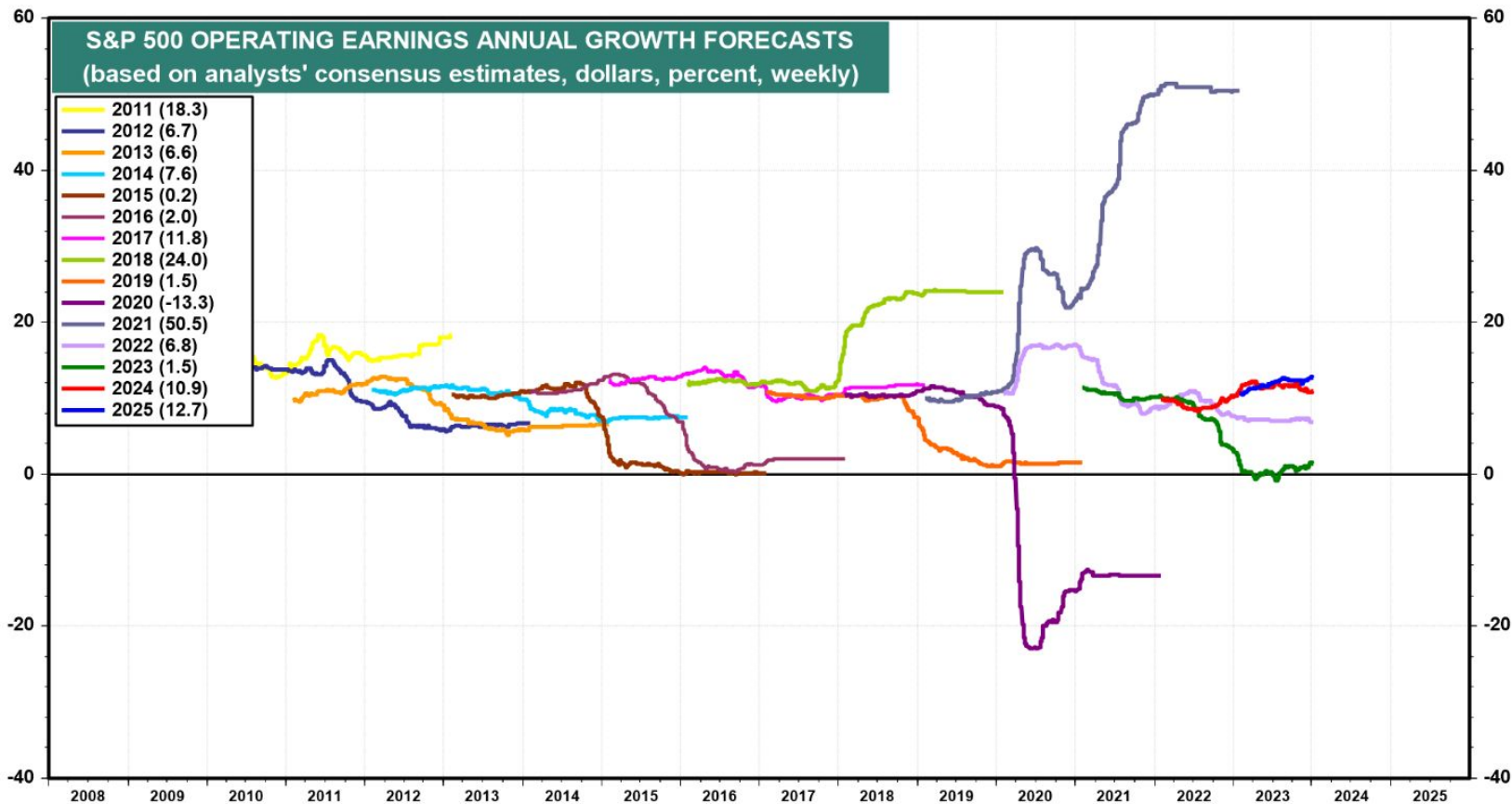
Source: LSEG Datastream and © Yardeni Research.

# Earnings: S&P 500



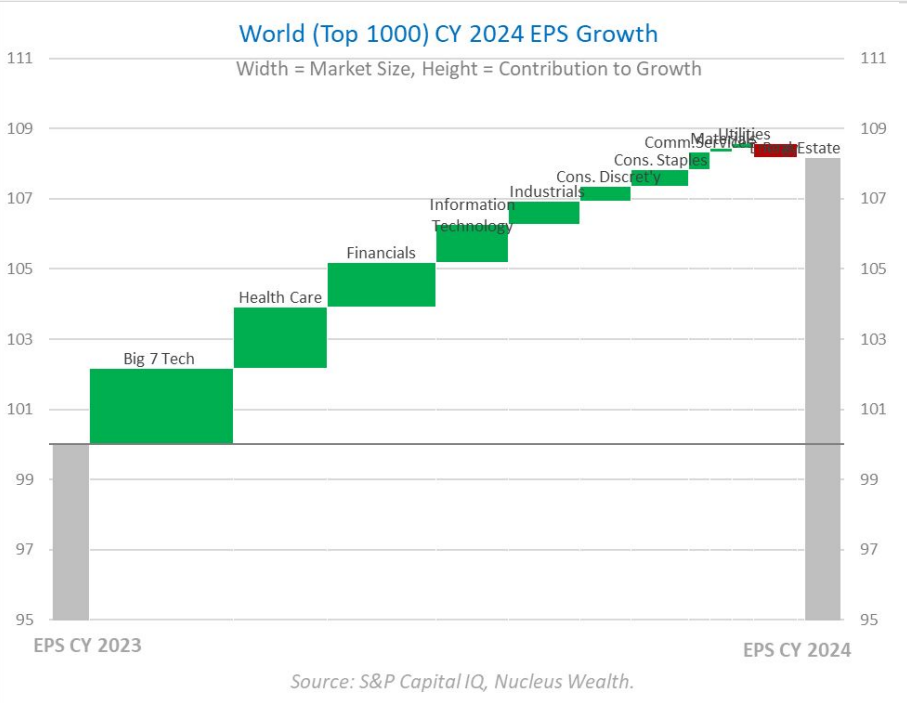
Source: LSEG Datastream and © Yardeni Research.

# Earnings: S&P 500



Source: LSEG Datastream and © Yardeni Research.

# Earnings: Full year



# Earnings: Quarters

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# 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

Need help with this page? Video Tutorial

Account Selection

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

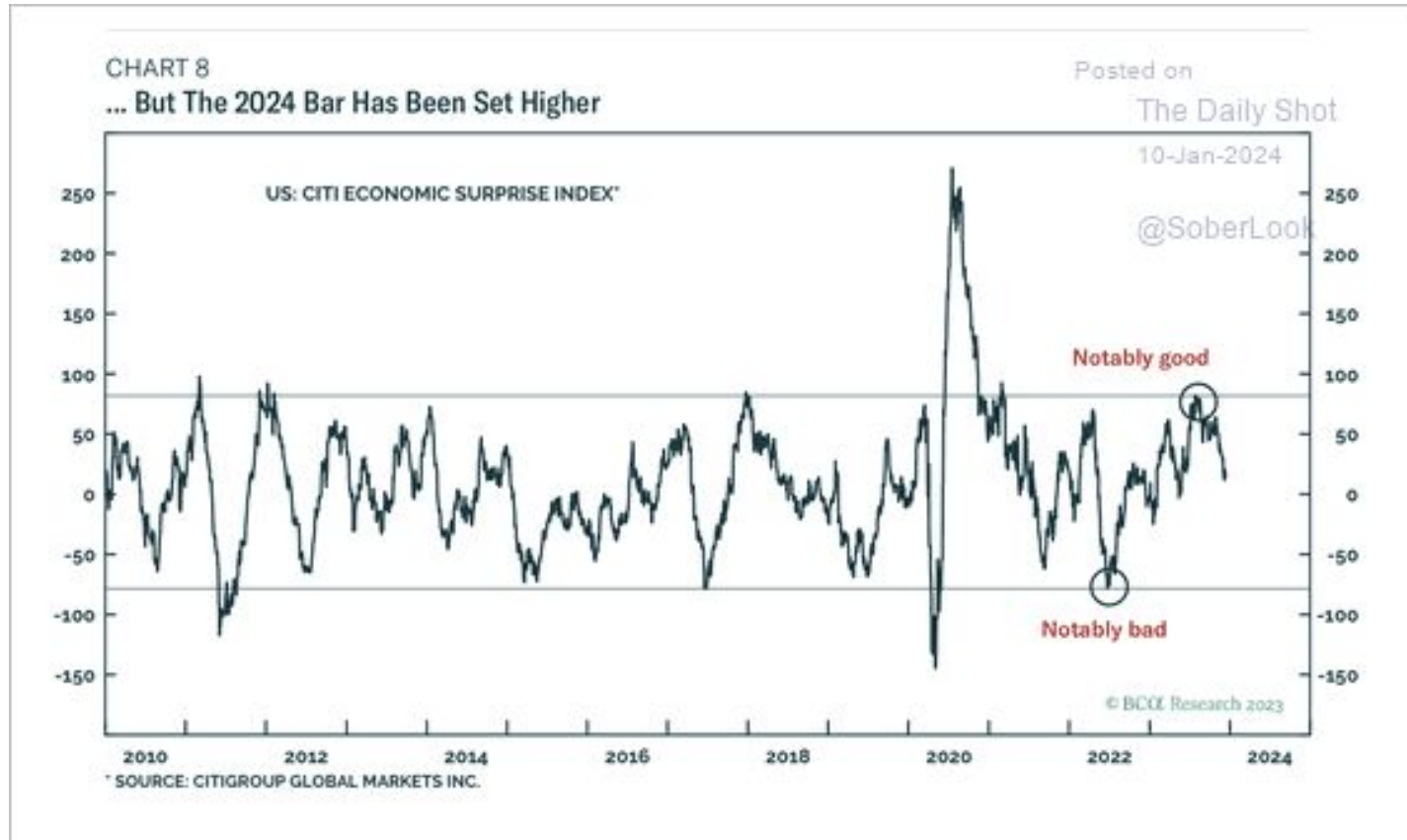
Global Financials

Global Health Care

Global Industrials

Global Information Technology

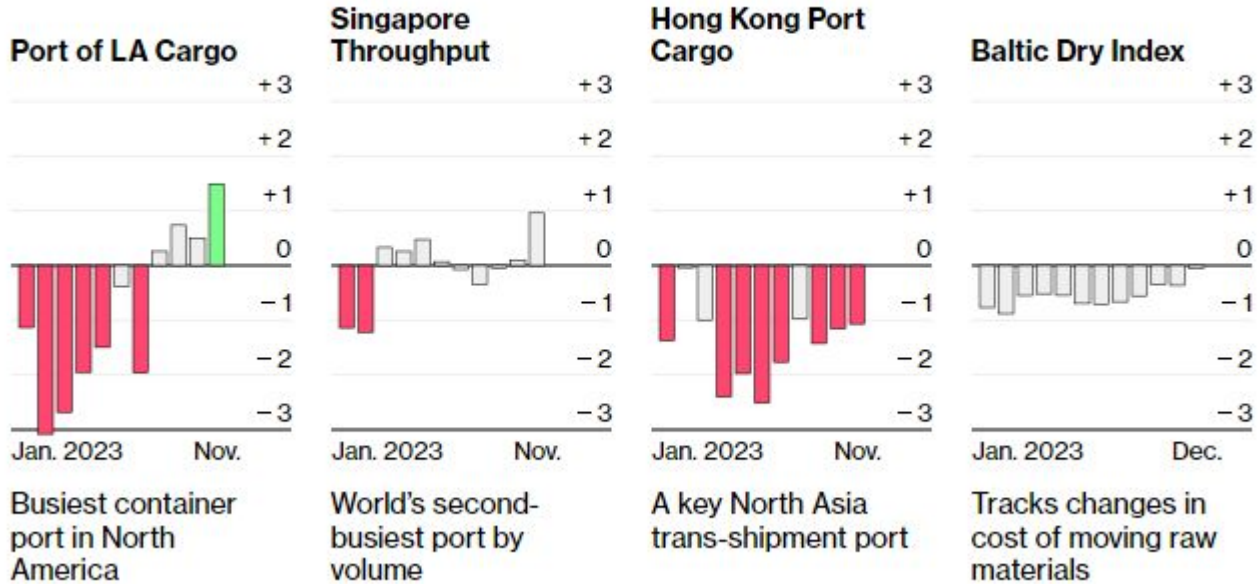
# Economic Indicators: surprise!



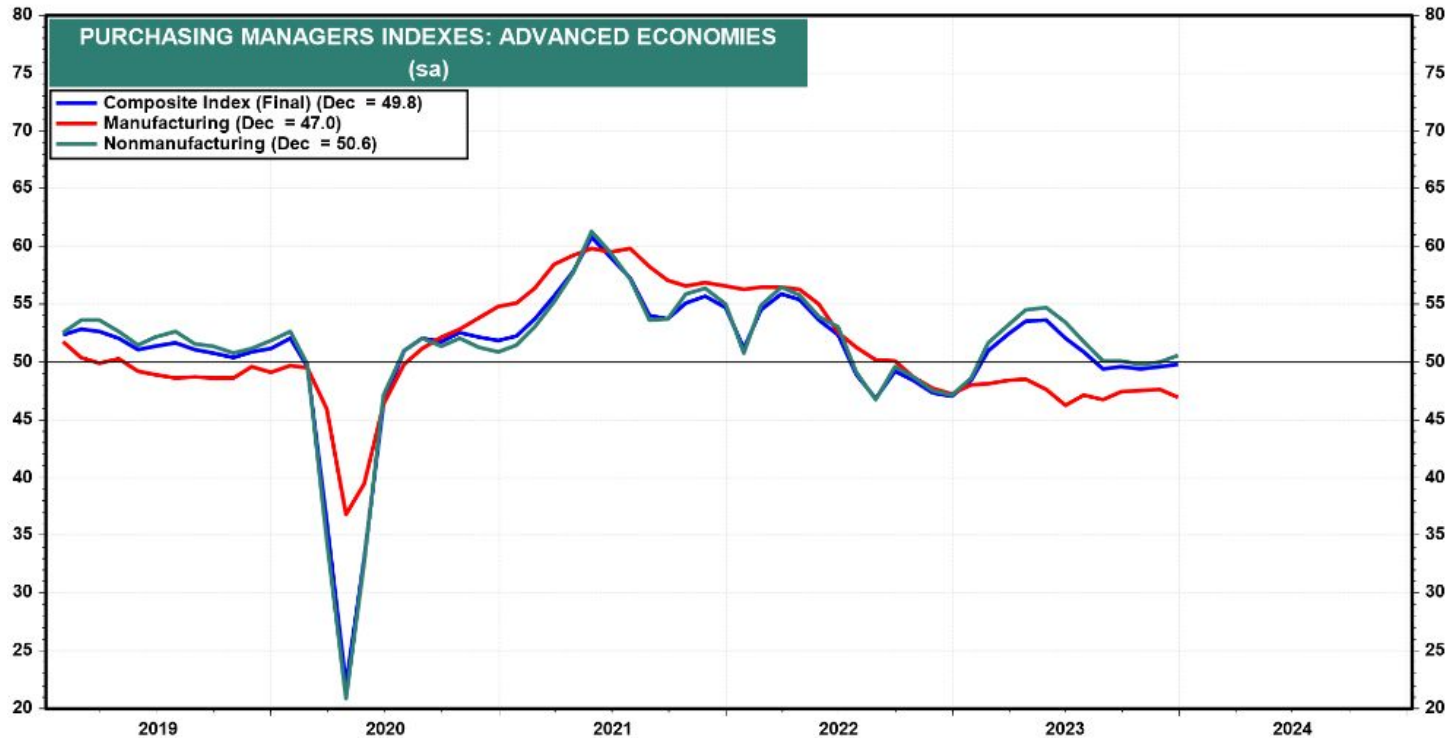


# Economic Indicators: trade

## Shipping

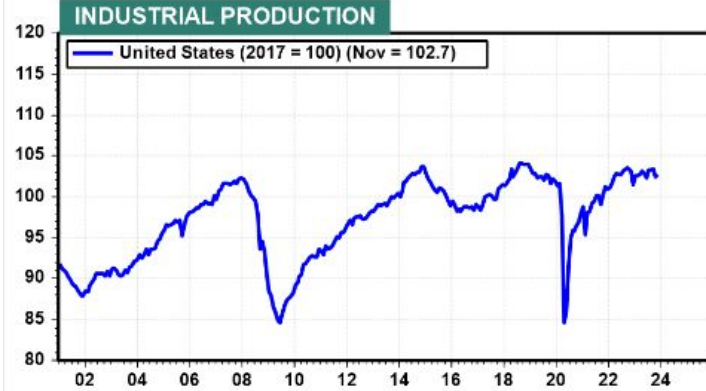


# Economic Indicators: Purchasing Manager Indexes



Source: LSEG Datastream and © Yardeni Research.

# Economic Indicators: Industrial Production

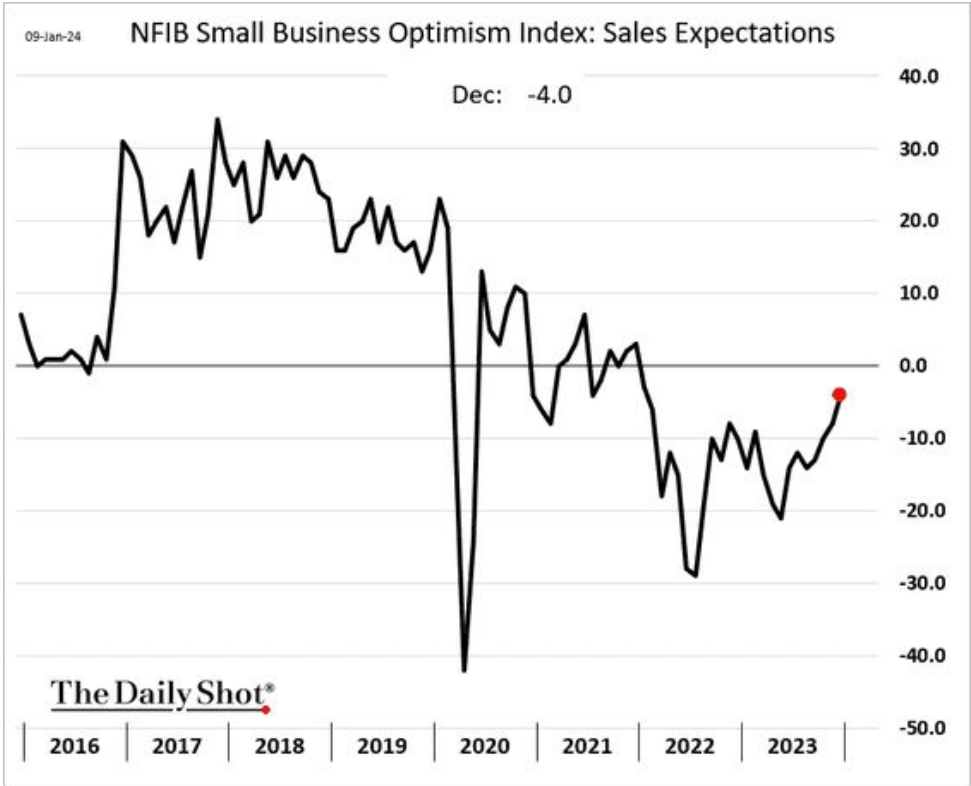


# Economic Indicators: Industrial Production



Source: LSEG Datastream and © Yardeni Research.

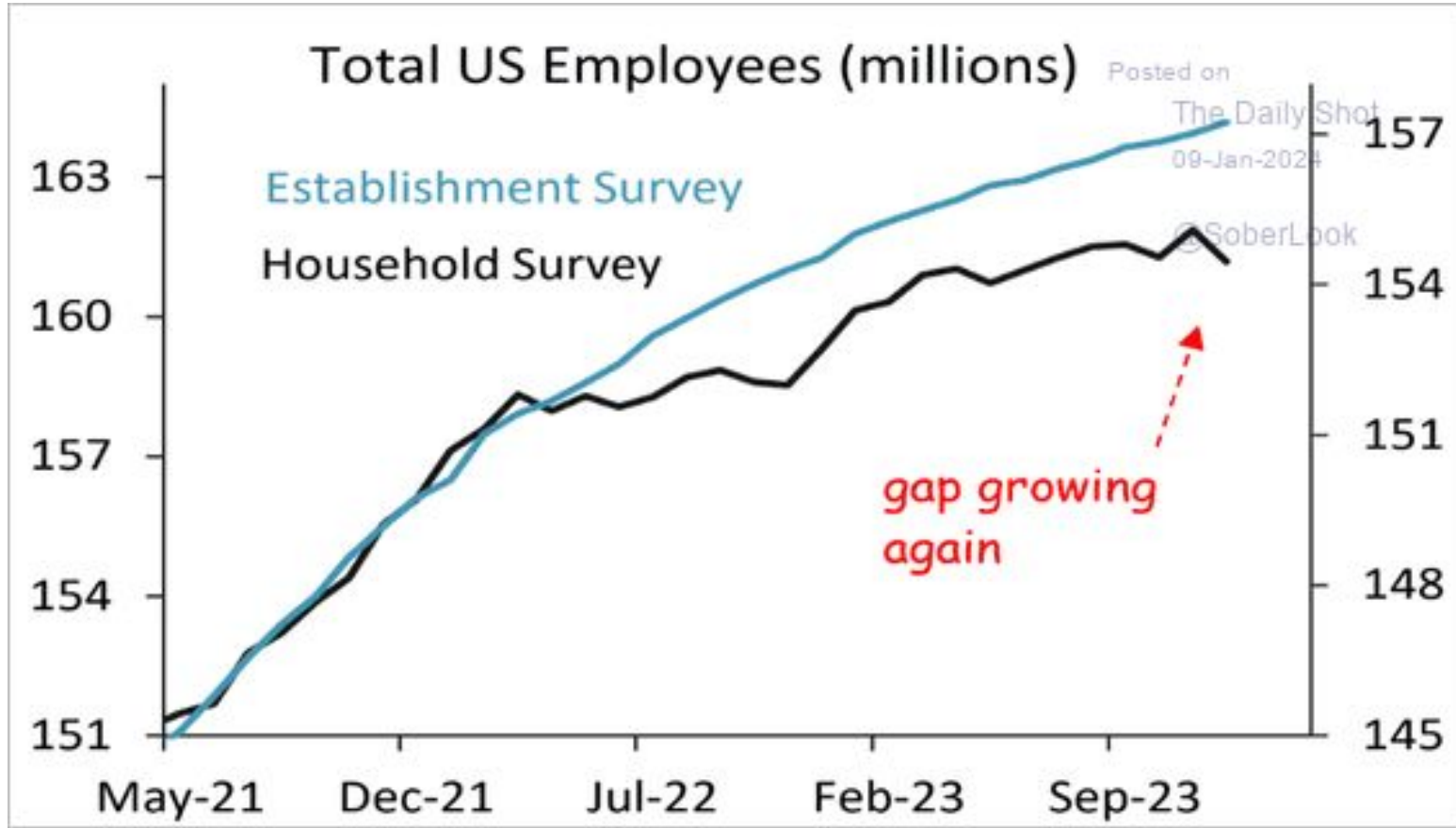
# Economic Indicators: US Small Businesses



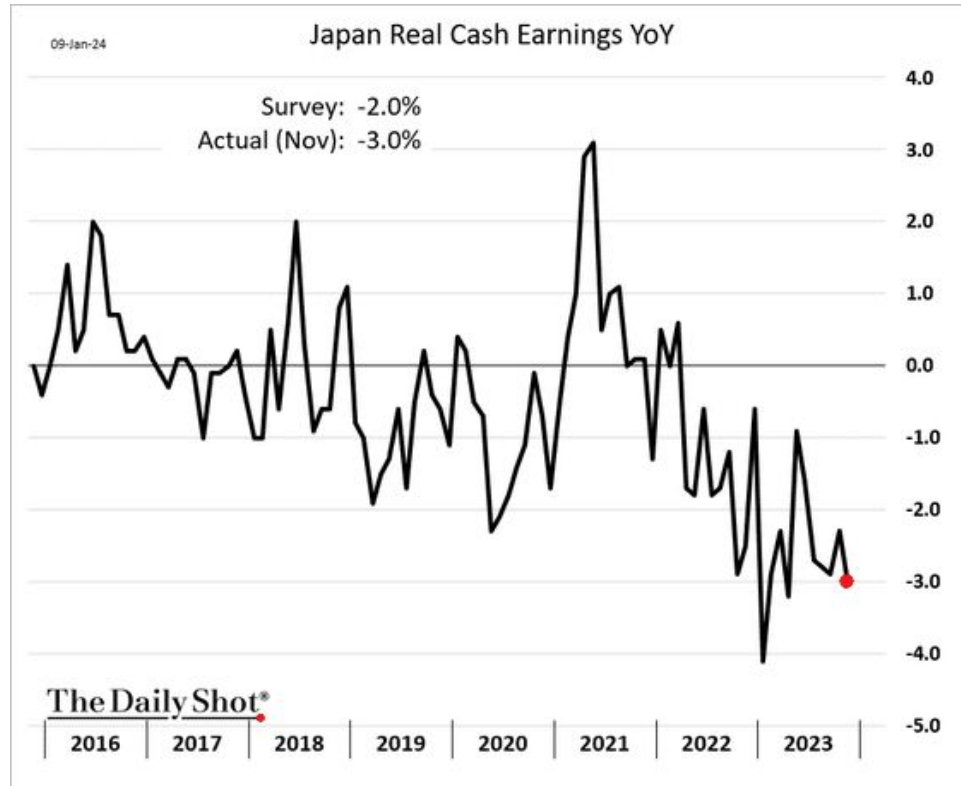
# Economic Indicators: Jobs



# Economic Indicators: Jobs



# Economic Indicators: Jobs





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