



SUPER NETWORK

TAILORED INVESTMENT ADVICE

MONTHLY REPORT

NOVEMBER



8:30 AM - Marketing System meeting
1:15 PM - Review PPA User manual
John again to arrange meeting

Sydney
Flight

CASHBOOK

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Jul-16		Aug-16		Sep-16		Oct-16		Nov-16		Total	Overview
99,341	118,096	93,519	78,442	31,047	68,092	817,103					
20,776	24,788	45,088	1,016	14,221	19,185	19,185					
3,641	354	1,016	980	450	1,046	12,557					
784	133	190	785	884	498	5,993					
246	316	154	37,039	14,510	15,999	21,689	265,156				
25,316	25,099	47,758									
May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Total	Overview	xxxx		
May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Total	Overview	xxxx		
May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Total	Overview	xxxx		
May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Total	Overview	xxxx		

4,689,154
1,829,450
980,750
368,970
950,000
559,984
4,689,154
121,470

Other goals
Total Goals

Total Funding Offset

MONTHLY REPORT

Monthly Report

Our November report is out now. See the global and Australian updates and trends.

+6%

ASX performance

+14%

US markets were stronger in the month, with the Dow Jones up +14% and S&P500 up +8%.



- **US markets.** US markets were stronger in the month, with the Dow Jones up +14% and S&P500 up +8%.
- **Long-dated US** treasury yields were higher, with the 2-Yr yield at 4.49% and 10-Yr yield at 4.05%, however, fell below the 3-month bill, flashing a recession warning.

GLOBAL MARKET UPDATES

- **European markets.** European markets were higher with the Stoxx Europe 600 up +6.3%, UK FTSE up +2.9% and German DAX up +9.4%.
- **Asian markets.** Asian markets were mostly higher, with KOSPI up +6.4%, as South Korean government pledged at least 50 trillion won to prop up credit markets, easing concerns about rising default risks in key sectors including real estate, and Nikkei gaining +6.4%. The Shanghai Composite declined -4.3%, amid concerns President Xi Jinping's tighter control over the government as he secured a precedent-breaking third term in power and gave no indication of any departure from China's zero-Covid policy.
- **Commodities.** Over the month, WTI oil price gained +9.9% to US\$86.53/bbl, after OPEC+ held firm to projections that global oil demand will keep growing for another decade, forecasting world oil consumption to climb by +13% to reach 109.5m barrels a day in 2035 and hold around this level for another decade, while agreeing to reduce its collective output by 2m barrels a day from November.

IN POLITICAL NEWS

- U.S-China tensions escalated with the Biden administration announcing new restrictions on China's access to US semiconductor technology, and Chinese President Xi Jinping reaffirming China's commitment to gaining control over Taiwan and Beijing's willingness to use force to prevent the democratically governed island's independence, leading to US Secretary of State Antony Blinken warning that Beijing of trying to "speed-up" its seizure of the island.
- Rishi Sunak was elected as the new UK Prime Minister as political turmoil in the UK led to Liz Truss scrapping her plan to freeze corporation tax next year and resigning as Prime Minister, becoming the shortest-ruling Prime Minister in British history, after firing her ally Kwasi Kwarteng, replacing him with Jeremy Hunt as the new UK Chancellor of the Exchequer.

ON STOCK SPECIFIC NEWS (WHICH CAUSED SIGNIFICANT INTRADAY MOVES DURING THE MONTH):

- **Adbri Ltd (ABC)** - slumped -14.4%, after announcing CEO Nick Miller will step down as it cautioned mounting inflationary pressures have squeezed profits.
- **Megaport Ltd (MP1)** - slumped -21.8%, after announcing ports, services and customer additions grew slightly in 1Q23.
- **Novonix Ltd (NVX)** - surged +52.3%, after being selected to receive \$150m in funding from the US Department of Energy to expand its domestic production of synthetic graphite anode materials.
- **St Barbara Ltd (SBM)** - slumped -31.1%, after downgrading FY23 gold production guidance to 260-290koz from 280-315koz.

IN ECONOMIC NEWS

- **Australian RBA decision.** RBA downshifted to smaller rate hikes, increasing cash rate by +25bps to 2.6% in October, and by another +25bps to 2.85% in November, the highest level since April 2013, however, signalled further tightening to come as it projected inflation to peak at 8% vs 7.75% forecast previously. According to RBA's quarterly statement on monetary policy, the bank increased its forecasts for inflation with headline inflation now seen peaking at 8% in 2022 from 7.75% previously and both the headline and core measures predicted to remain above the RBA's 2-3% target over the next two years, and wages growth with Wage Price Index expected to jump to 3.9% in December 2023 and stay there through end-2024 compared with the most recent reading of 2.6%, and highlighted the risk of a price-wage spiral emerging among key reasons it expects to raise interest rates further, while forecasting the economy to expand +3% in 2022, supported by consumer spending, before easing to 1.5% in 2023 and 2024 as higher borrowing costs begin to weigh on demand, leading to household consumption growth slowing to 1.3% by end-2023 from a forecast of 6.6% in December 2022 and unemployment ticking higher to 3.75% in December 2023 and 4.25% at end-2024, compared with 3.5% at present.
- **Global growth outlook.** IMF forecast about one-third of the world economy to have at least two consecutive quarters of contraction in 2022 and 2023 with the lost output through 2026 being \$4 trillion as it downgraded 2023 forecast by -20bps to 2.7% with advanced economies down -30bps to 1.1% (U.S. unchanged at 1.0%, euro area down -70bps to 0.5%, U.K. down -20bps to 0.3% and Japan down -10bps to 1.6%) and EM/developing economies down -20bps to 3.7% (China down -20bps to 4.4% and India unchanged at 6.1%), adding that it sees 25% probability that the world growth will slow to less than 2%, however, maintained 2022 forecast of 3.2% with advanced economies down -10bps to 2.4% (U.S. down -70bps to 1.6%, euro area up +50bps to 3.1%, U.K. up +40bps to 3.6% and Japan unchanged at 1.7%) and EM/developing economies up +10bps to 3.7% (China down -10bps to 3.2% and India down -60bps to 6.8%), also warning of worsening living conditions as it upgraded CPI forecast for 2022 by +50bps to 8.8% (advanced economies up +60bps to 7.2% and EM economies up +40bps to 9.9%) and for 2023 by +80bps to 6.5% (advanced economies up +110bps to 4.4% and EM economies up +80bps to 8.1%).
- **U.S.** The Fed raised interest rates by +75bps for the fourth time in a row to 3.75-4%, with U.S. Fed's Chair Jerome Powell making very unequivocally hawkish comments, announcing it's very premature to think about a pause in interest rate hiking cycle and suggesting the terminal rate of Fed Funds will be higher than previously expected.
- **U.S.** Economy grew at a solid pace in 3Q22, with GDP growing at a +2.6% q/q annualized rate and marking the first advance this year with consumer spending rising +1.4% q/q, capping the weakest three quarters since the demand destruction of early 2020, investment in residential housing plunging at an annual rate of about 26% and final sales to domestic buyers showing an annualized growth rate of +0.5% vs an average of almost 2.6% over the five years before the pandemic. For the month of October, (1) Year-ahead inflation expectations rose for the first time in seven months with consumers expecting prices to climb +5% over the next year, up from prior expectation of +4.7% in September, and the long-term outlook also crept up with costs expected to rise at an annual rate of +2.9% over the next five to 10 years, a pickup from +2.7% expectation previously. (2) Businesses reported strong hiring and wage increases with nonfarm payrolls increasing 261k and average hourly earnings increasing +0.4% MoM (+4.7% y/y), although the unemployment rate climbed +20bps MoM to 3.7% as participation rate edged -10bps lower MoM to 62.2%. (3) Consumer confidence fell to a three-month low. (4) Business activity contracted for a fourth-straight month and manufacturing neared stagnation.

IN ECONOMIC NEWS (CONT.)

- **China.** GDP growth rebounded to 3.9% in 3Q22 from 0.4% in 2Q22, fuelled by increasing investment in infrastructure, though retail sales weakened, and unemployment increased with PBOC's employment sentiment index declining to a record low.
- **Australia.** Inflation continued to increase in 3Q22 with PPI posted largest increase on record, rising +6.4% y/y (+1.9% q/q) and annual headline CPI accelerating to a 32-year high of 7.3% y/y. Australian Treasurer Jim Chalmers painted a gloomy outlook of mounting debt and deficits, forecasting; (1) Underlying cash deficit to be A\$36.9bn in the current fiscal year and rise to A\$44bn in 2023-24 and A\$51.3bn in 2024-25, (2) Net debt to rise to 23% of GDP at June 30, 2023 and keep increasing in each forecast year to reach 28.5% of GDP at June 30, 2026, (3) Real GDP to expand 3.25% in 2022 and slow to 1.5% in 2023 before growing 2.25% in 2024, (4) CPI to rise 5.75% in 2022-23, 3.5% in 2023-24 and 2.5% in 2024-25, (5) Unemployment rate to be 3.75% by the June quarter of 2023 before rising to 4.5% in 2023-24 and 2024-25.
- **Europe.** ECB raised interest rate by +75bps to 1.5%, the highest level in more than a decade, however, signalled its making progress in its battle with record inflation. Euro-area inflation surged to a fresh all-time high in October with CPI up +10.7% y/y (core up +5% y/y), while the bloc's economy lost momentum in 3Q22, with GDP expanding +0.2% q/q (+2.1% y/y), leading to ECB President Christine Lagarde warning economic activity to slow further in 4Q22 and 1Q23, describing situation as a "higher likelihood of a recession."
- **U.K.** BOE delivered its biggest interest rate increase in 33 years, increasing rates by +75bps to 3%, the highest level in 14 years, but strongly pushed back against market expectations for the scale of future increases, warning that following that path which peaks at around 5.25% next year, would knock 3% off GDP, inducing a two-year recession and ultimately push inflation to zero by 2025, while also warning the UK economy faces a "very challenging outlook" and that GDP will fall for eight straight quarters until mid-2024 with some UK households facing a strain over debt repayments that is as great as before the 2008 GFC.
- **Japan.** BOJ left their negative rate, 10-year yield cap and asset purchases unchanged amid fresh government support with Prime Minister Fumio Kishida ordering an extra budget of 29.1 trillion yen to fund an economic stimulus package, predicting the package to shave more than 1.2% from overall inflation and add about 4.6% to real GDP.
- **Germany.** Government downgraded Germany's GDP growth forecast for 2022 by -80bps to 1.4% and for 2023 by -290bps to -0.4% and Bundesbank warned the economy is likely to be on the cusp of a recession.

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Super Network Financial Services Pty Ltd ACN 600 099 410 is a Corporate Authorised Representative 461918 of ANDIKA Pty Ltd AFSL 297069