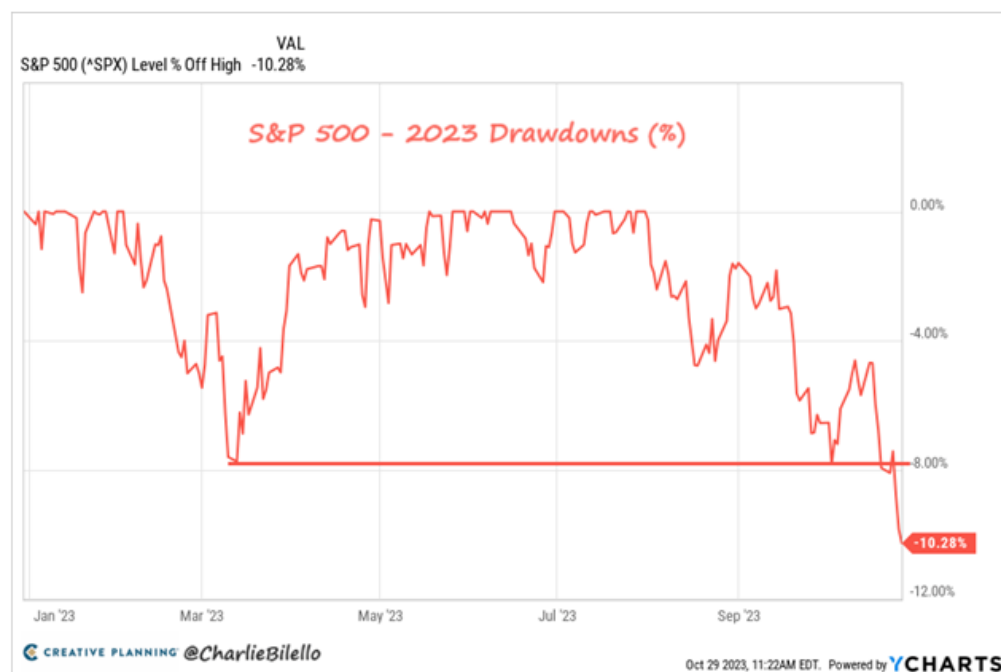


## Market Wrap November 2023

### American Data

#### 1) The Biggest Correction of the Year

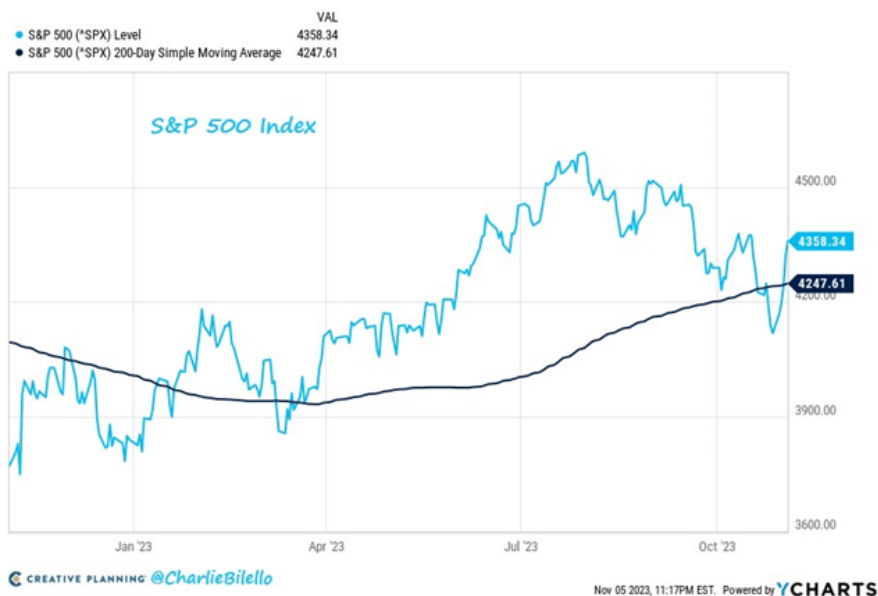
The S&P 500 is now down over 10% from its high in late July, the biggest correction of the year.



#### Fast forward a week

##### 1) Bouncing Back With a Vengeance


The S&P 500 bounced back with a vengeance last week, rising nearly 6%.



Is such a decline unusual?

Not at all...

- A 10% intra-year drawdown has happened every 1.6 years on average.

S&P 500 Intra-Year Decline	% of Years (since 1928)	Happens Every __ On Average
-1%	100%	Year
-5%	94%	1.1 Years
-10%	63%	1.6 Years
-15%	40%	2.5 Years
-20%	26%	4 Years
-25%	21%	5 Years
-30%	11%	9 Years
-40%	6%	16 Years
-50%	2%	47 Years
 CREATIVE PLANNING		@CharlieBilello

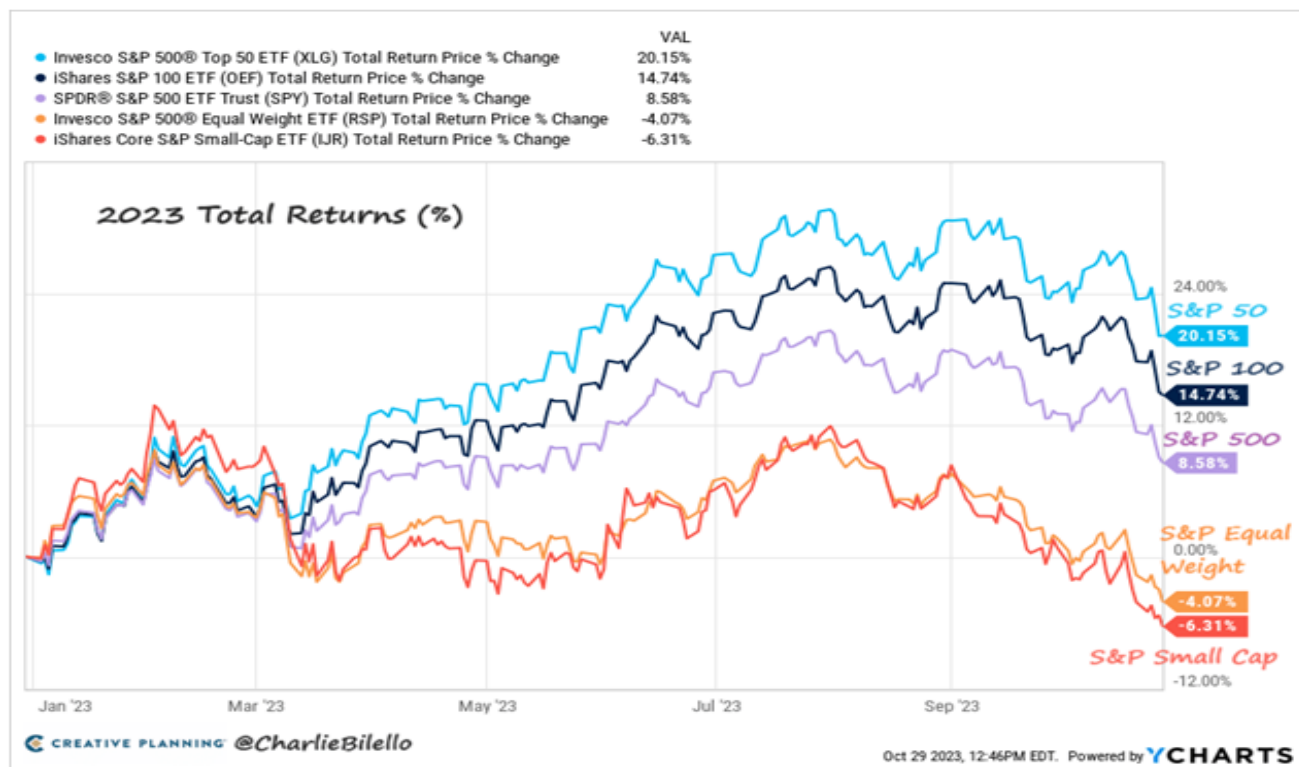
What if you do not panic...



## What has been doing well & what have been doing poorly

### 2) Largest Stocks Continue to Mask Broader Weakness

It's been a great year for the 50 largest stocks in the S&P 500, which are still up 20% year-to-date even after the recent correction. But the performance of the average stock paints a very different picture with the S&P 500 equal weight down 4% YTD and small caps down 6%.



## Gold

CLOSE CHART ^

SPOT PRICE PER TROY OUNCE - AUD

AUD v

Zoom 1w 2w 1m 3m 6m YTD 1y All

From 01/01/2023 To 05/11/2023



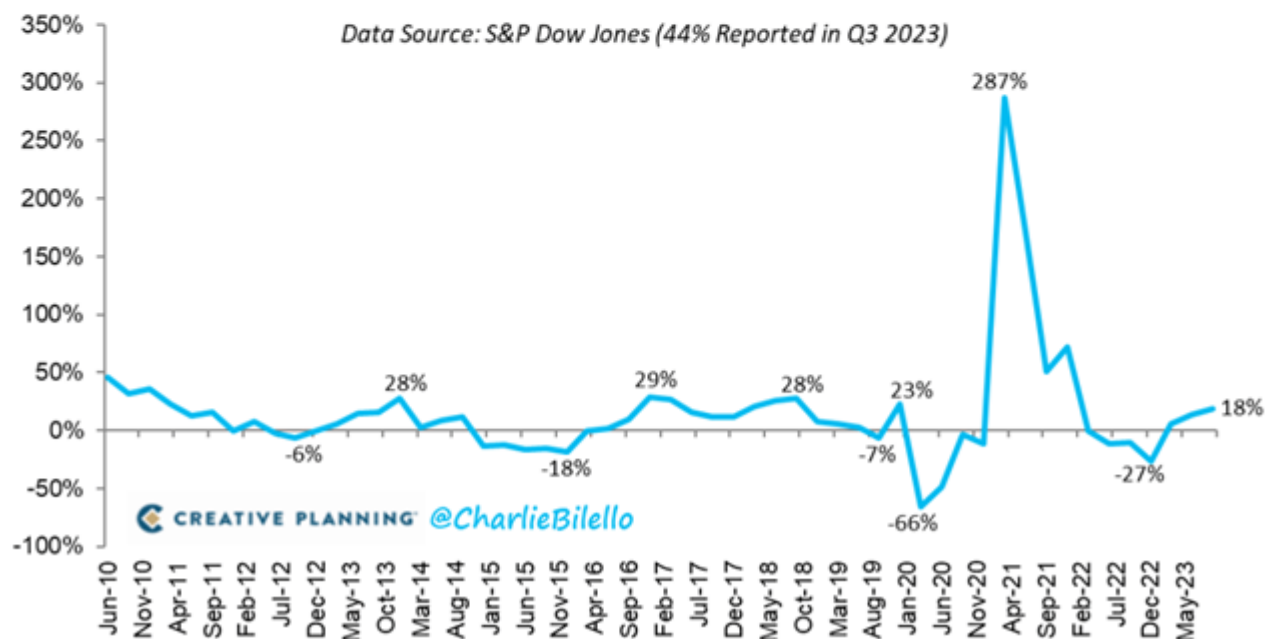
### 3) The Earnings Comeback Continues

While the stock market has been moving lower of late, earnings continue to recover from last year's downturn.

With 44% of companies reported, S&P 500 Q3 GAAP earnings per share are 18% higher than a year ago, the 3rd straight quarter of positive YoY growth and highest growth rate since Q4 2021.

#### S&P 500 As Reported (GAAP) EPS Growth (Quarterly, YoY %)

Data Source: S&P Dow Jones (44% Reported in Q3 2023)



#### WTI Crude (December Contract)

80.90 +0.50%



1D | 1WK | 1M | 1YR | Max

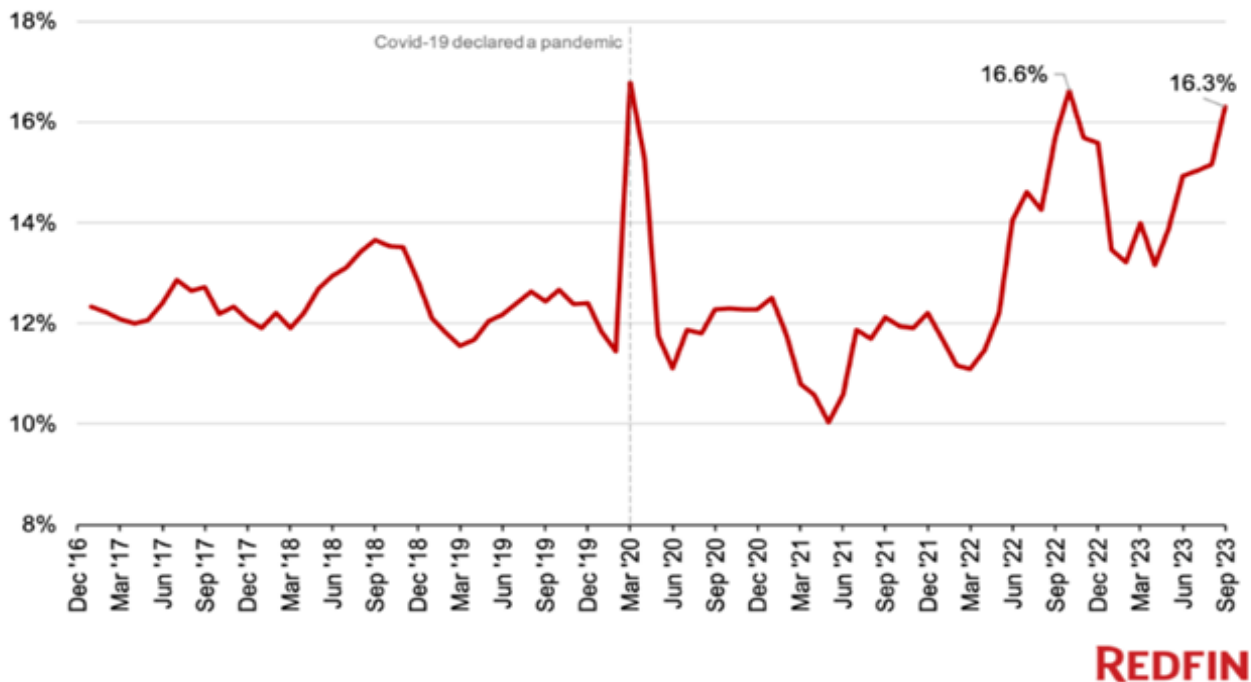
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## What is happening to housing

### Home Purchases Are Falling Through at the Highest Rate in Nearly a Year

Monthly pending home sale that fell out of contract, as % of overall pending home sales

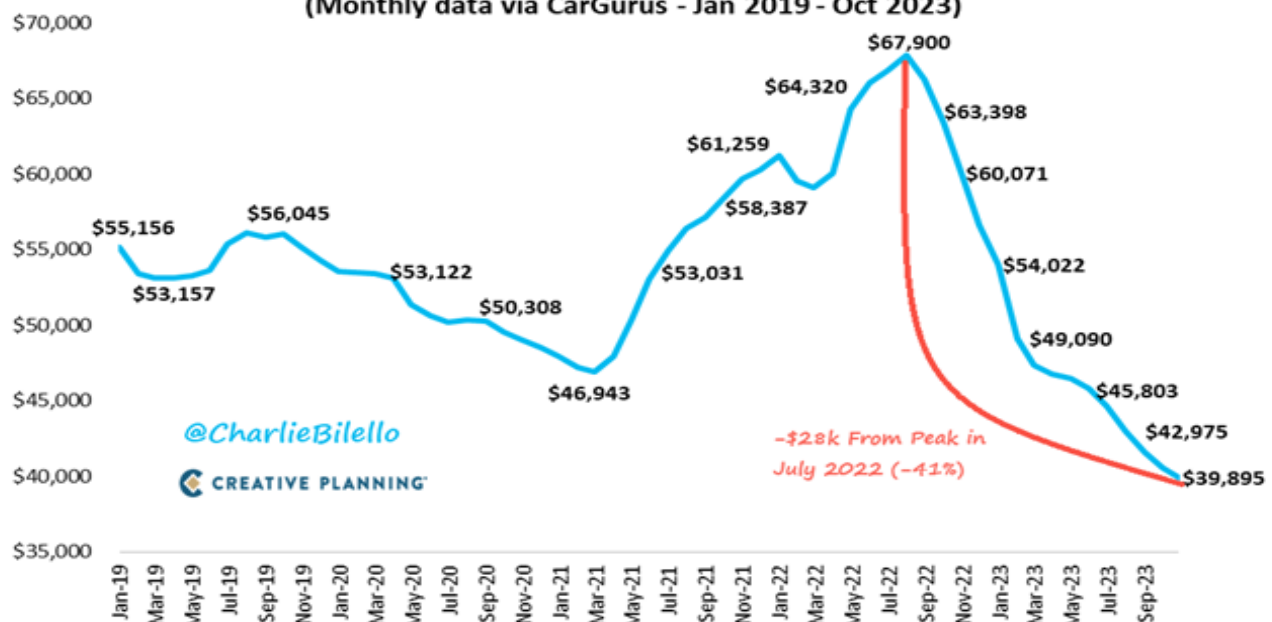


## What is happening to cars?

Fast forward to today and that game has ended in tears for anyone that bought in the summer of 2022 with the expectation of selling to a greater fool.

The average price of a used Tesla is now \$28k lower than the peak price in July 2022, a 41% decline. Cars are once again a depreciating asset.

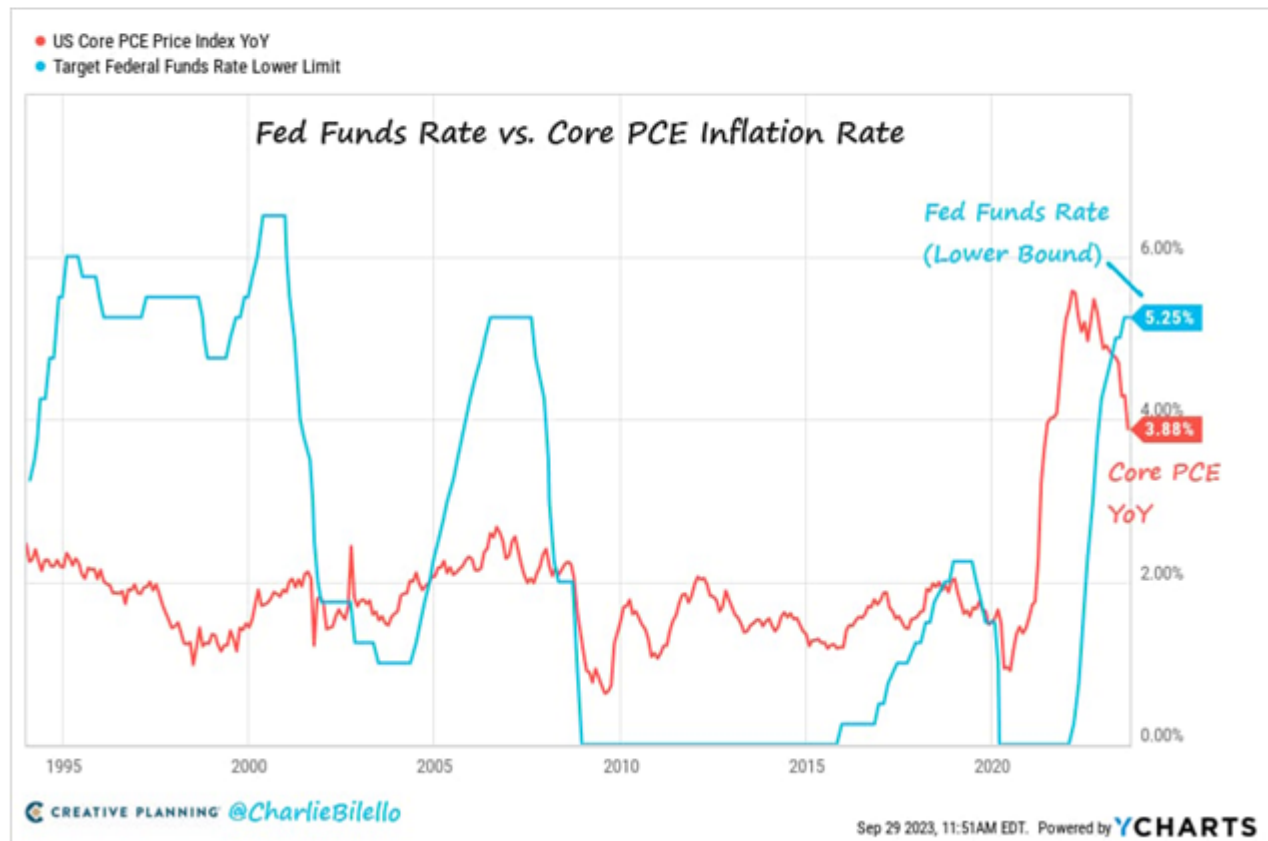
### Average Price of a Used Tesla (Monthly data via CarGurus - Jan 2019 - Oct 2023)

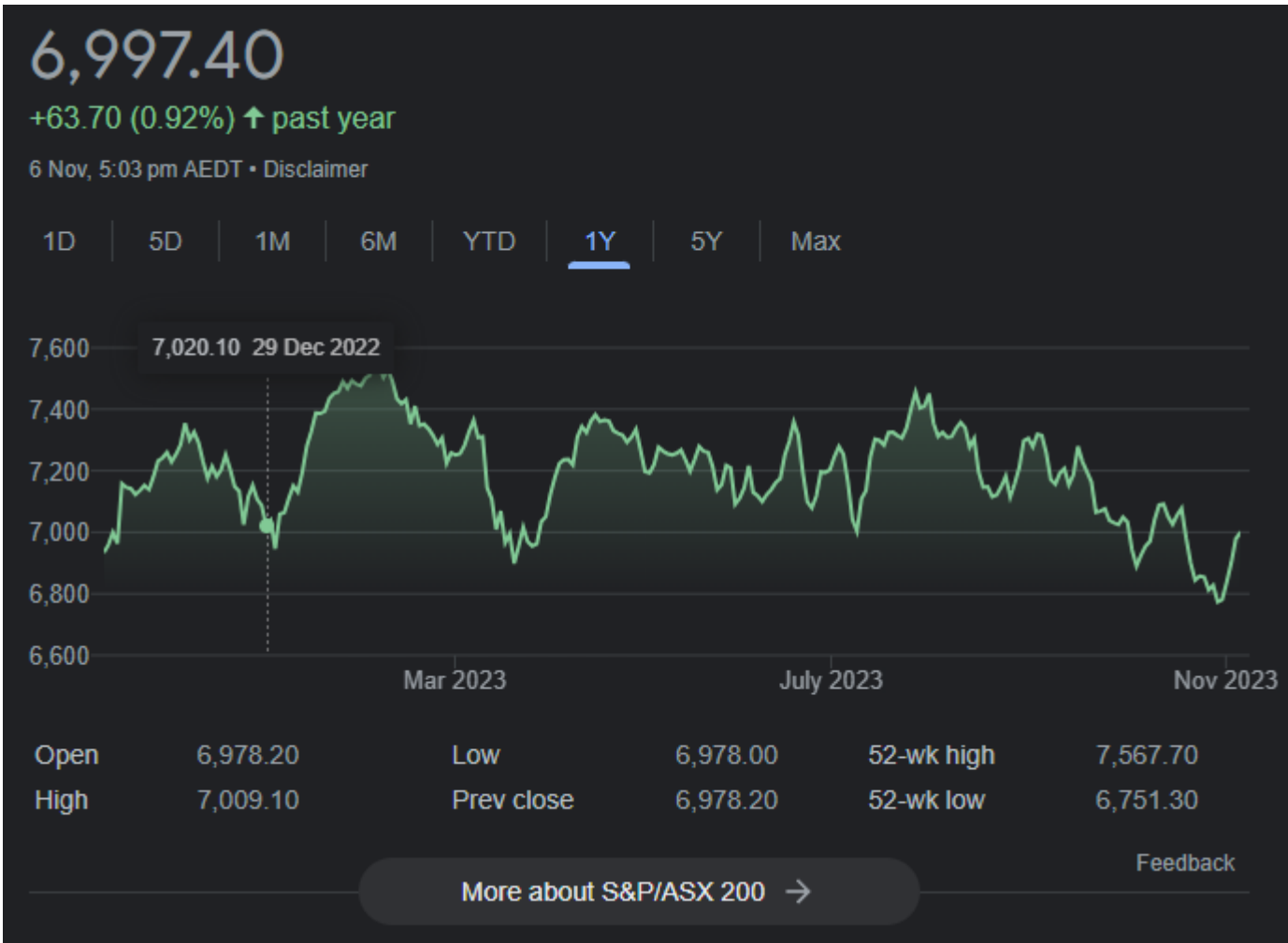


## Has the USA got inflation under control?

### 9) No Need to Hike

The Fed's preferred measure of inflation (Core PCE) moved down to 3.7% in September, the lowest level since May 2021. The Fed Funds Rate is now 1.6% above Core PCE, the most restrictive monetary policy we've seen since 2007.







Welcome to the

# Australian Bureau of Statistics

Population <b>26,473,055</b> 31 March 2023	Consumer price index <b>5.4%</b> Annual change September 2023 quarter	Gross domestic product <b>0.4%</b> Quarterly change Jun 2023	Average weekly earnings <b>\$1,838.10</b> May 2023	Unemployment rate <b>3.6%</b> September 2023
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## Goods and Services annual inflation both lower

Prices for most goods continued to be higher than they were 12 months ago, albeit with smaller increases for a range of goods including food, furniture, and housing.

Annual services inflation eased for the first time since December 2021. The main reasons for the lower annual inflation are price falls for holiday travel and accommodation and a decrease in the costs for child-care due to changes in the Child Care Subsidy.

GraphTable

Download

CPI, Goods and Services components, annual movement (%)



# Annual services inflation remains elevated

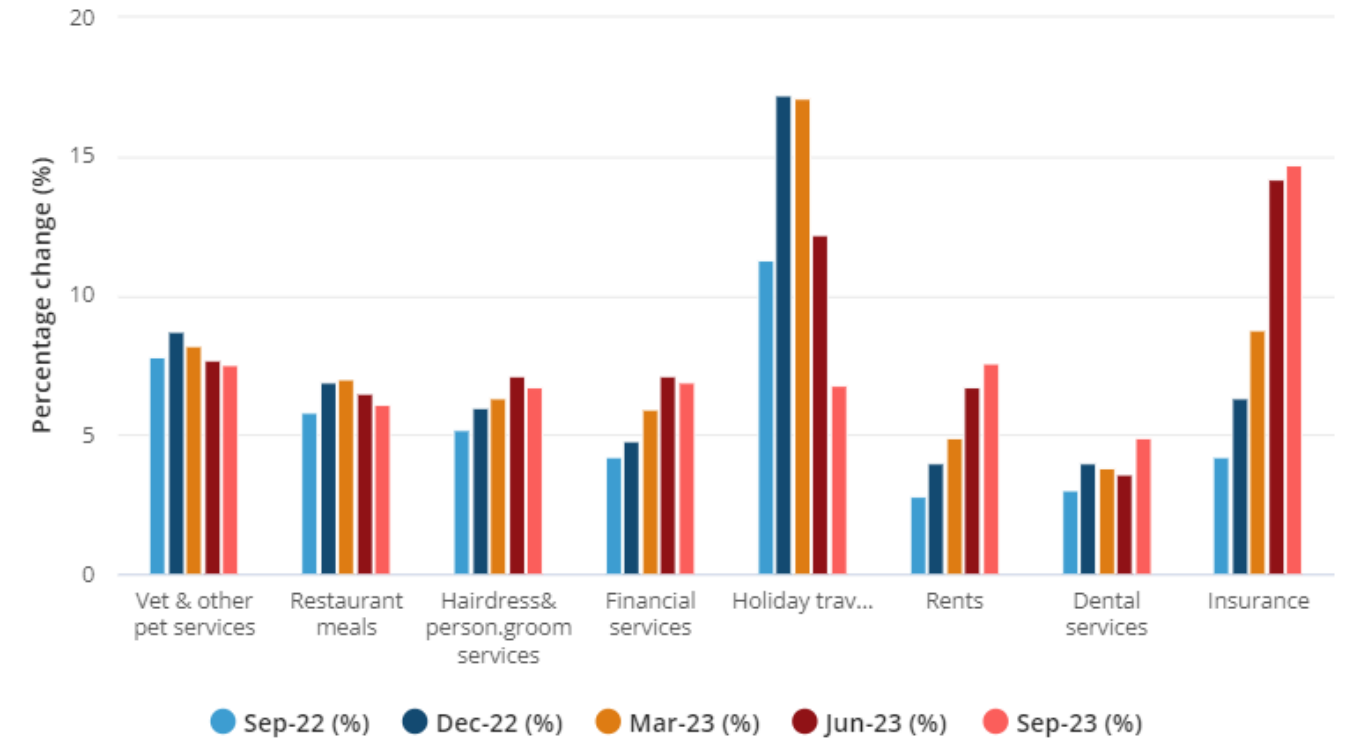
Annual inflation remains elevated, for a range of services such as vets, restaurant meals and hairdressers. Annual inflation continues to rise for some service categories including rents, dental services and insurance, while inflation for holiday travel has more than halved in the past two quarters.

Graph

Table

Download

Selected services, annual movement (%)



# Rental price increases highest since 2009

Rental prices rose 7.6 per cent annually, the largest annual rise since 2009. This reflects low vacancy rates amid a tight rental market in capital cities across the country.

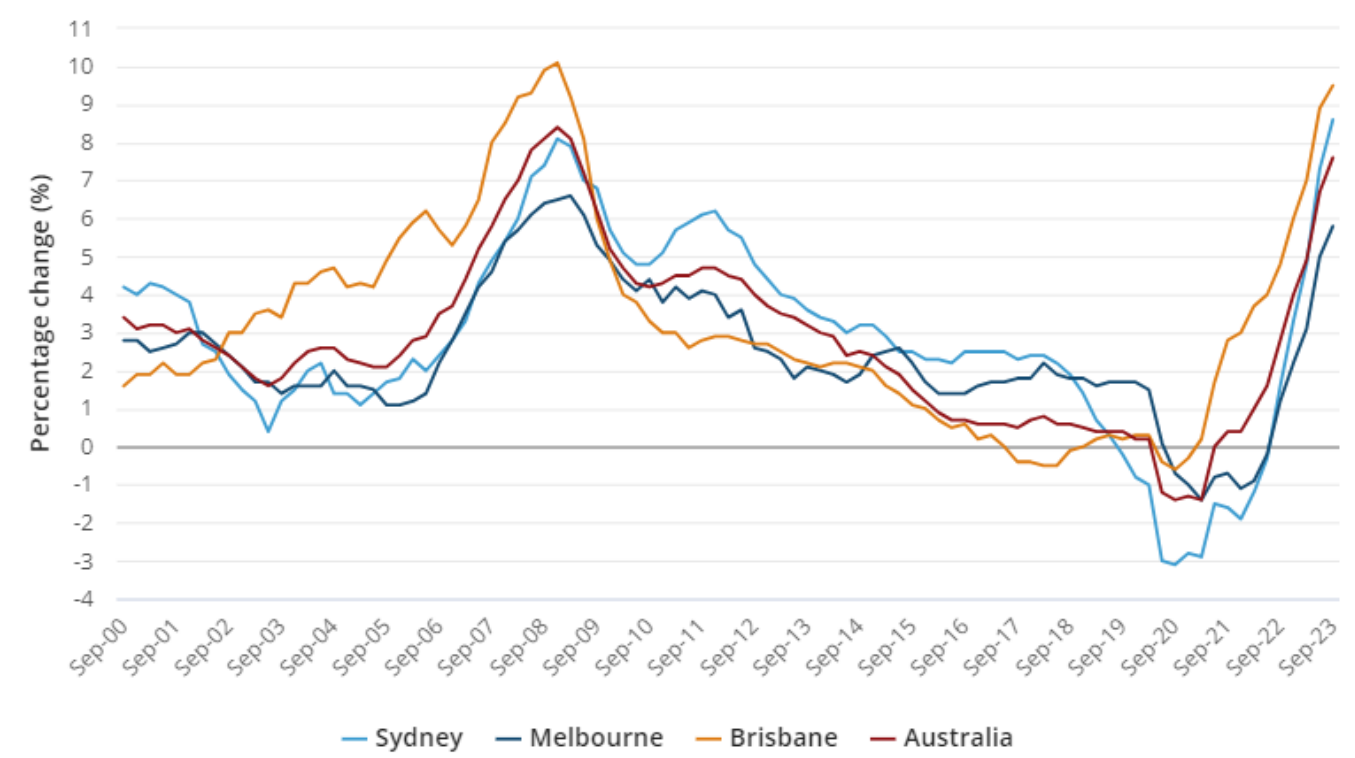
Rental prices for the quarter rose 2.2 per cent following a 2.5 per cent increase in the June quarter. The increase in rents this quarter was moderated by increases in Commonwealth Rent Assistance.

Graph

Table

Download

Rents, annual movement (%)



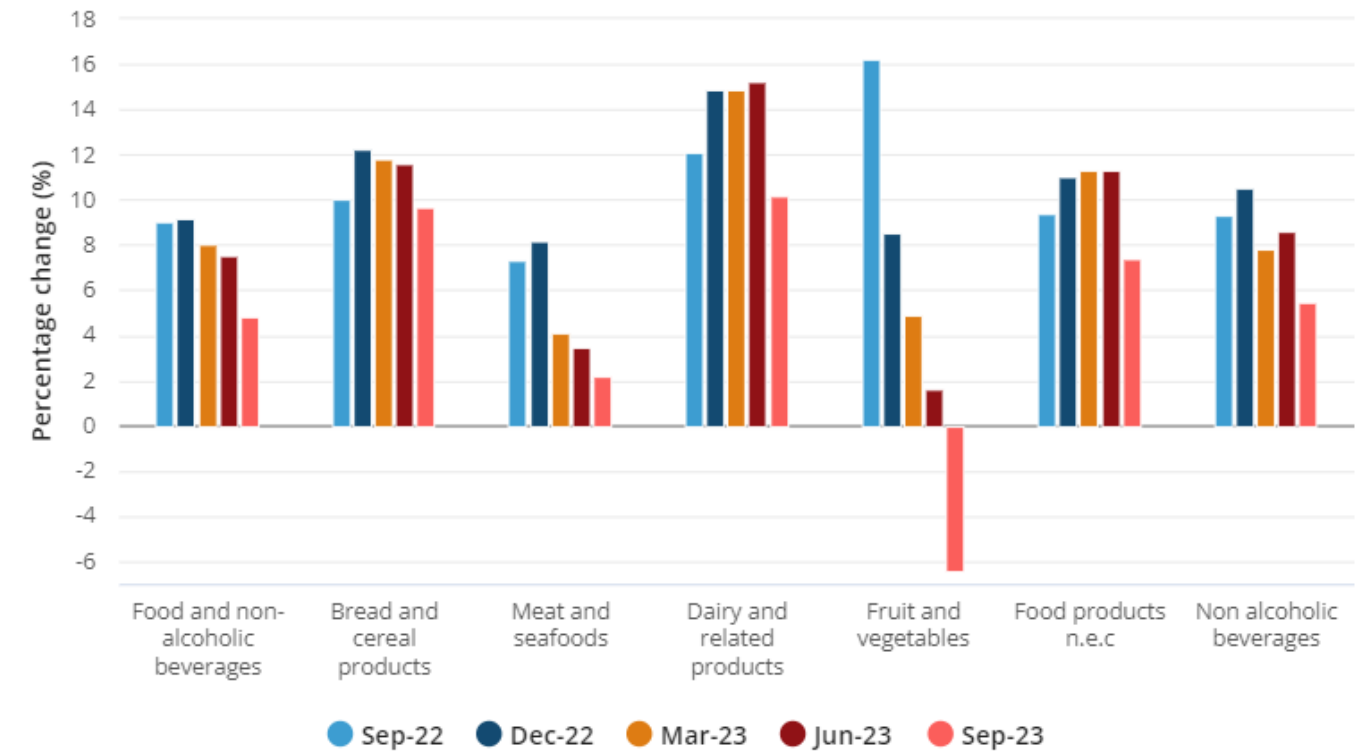
# Annual food inflation eases for the third quarter in a row

Annual food inflation eased to 4.8 per cent in the September quarter, down from 7.5 per cent in June quarter and the peak of 9.2 per cent in December 2022. Price rises have been lower across all food categories, while fruit and vegetable prices fell 6.4 per cent compared to 12 months ago.

[Graph](#)[Table](#)

[Download](#)

Grocery products, annual movement (%)



## What is happening in real estate

### Auction Results & Recent Sales

Australian auction results, clearance rates and recent sales for the week ending Sun 05 Nov 2023

#### Victoria



Clearance rate\*

Mon 6 Nov 4:00 PM AEDT

Auction results available 430  
Private sales 1,170

[VIC auction results](#)

#### New South Wales



Clearance rate\*

Mon 6 Nov 4:00 PM AEDT

Auction results available 1,136  
Private sales 1,588

[NSW auction results](#)

#### Queensland



Clearance rate\*

Mon 6 Nov 4:00 PM AEDT

Auction results available 229  
Private sales 1,131

[QLD auction results](#)

#### South Australia



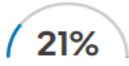
Clearance rate\*

Mon 6 Nov 4:00 PM AEDT

Auction results available 140  
Private sales 318

[SA auction results](#)

#### Western Australia



Clearance rate\*

Mon 6 Nov 4:00 PM AEDT

Auction results available 14  
Private sales 718

[WA auction results](#)

#### Northern Territory



Clearance rate\*

Mon 6 Nov 4:00 PM AEDT

Auction results available 4  
Private sales 29

[NT auction results](#)

#### ACT



Clearance rate\*

Mon 6 Nov 4:00 PM AEDT

Auction results available 123  
Private sales 101

[ACT auction results](#)

#### Tasmania



Clearance rate\*

Mon 6 Nov 4:00 PM AEDT

Auction results available 1  
Private sales 133

[TAS auction results](#)



QLD clearance rate\*

Updated Mon 6 Nov 4:00 PM AEDT

Based on 229 auction results available

SOLD

83

Sold at auction

29

Sold prior to auction

4

Sold after auction

NOT SOLD

30

Withdrawn

83

Passed in

300 auctions scheduled