



Antipodean Private Pty Ltd  
133 Alexander Street  
Crows Nest NSW 2065  
Phone: 1300 101 250  
Mobile: 0438 893 571  
Email: michael@antipodeanadvisory.com  
Web: www.antipodeanadvisory.com

## November 2019 Market Wrap

Monday 2 December 2019

Australia's S&P P/ASX 200 continued its strong 2019, gaining 3.3% in November. Currently up 26% year-to date, the benchmark is on track to complete its best year since 2009.

Globally stocks closed near record highs with, the S&P Europe 350 gained 3% keeping it on track for its best year since 2009. United Kingdom political campaigns kicked off this month, and polls currently favour the Conservative party. Amid optimism that US- China trade issues will be resolved amicably US equities showed strength in November S&P 500 was up 3.63% its biggest monthly gain since June.

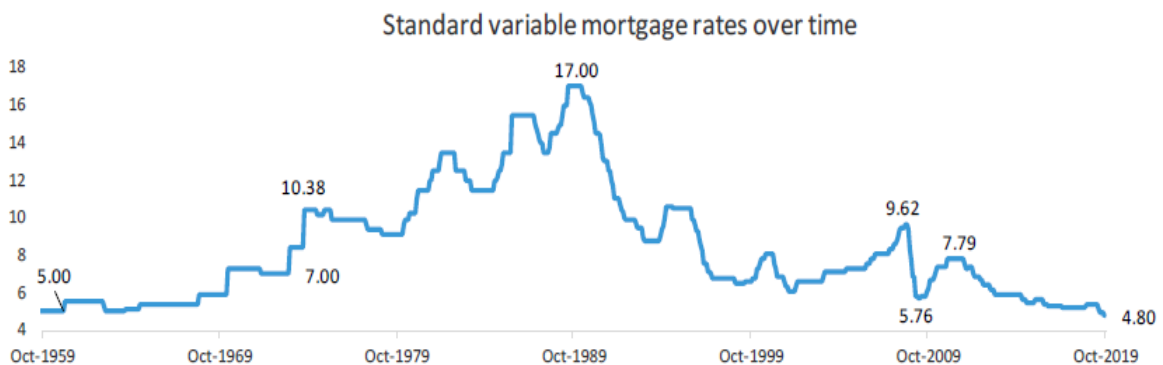
The Australian dollar continues to trade in the bottom of the past few months range. Australia has lost its attraction as a high yielding currency with better yield opportunities in the US market. The Reserve Bank will be very comfortable with the lower currency as they are trying to import growth. This will be key for the Reserve Bank on to keep any further rate cuts on hold. They will continue to watch data, if they move it would be in February if the data is poor (higher unemployment).

Cautiously optimistic seems to be the pervasive on both trade and markets. Trade tensions and monetary policy easing concurrently should see a lifting in global growth from 1Q 2020. A "skinny" US-Chine trade deal look likely buy unexciting and global growth is toughing.

The key questions for markets is how this translates into earnings and corporate profits in 2020. If slow growth and margin pressure persist companies may have no choice but to cut costs and capex if they continue to see negative leverage.

The other key issue for 2020 will be credit and bond pricing, Low rates keep zombie assets alive. In the past it was believed a cooling economy is inevitable and even necessary to curb rising debt levels.

On a final note the Reserve Bank has Australia mortgage rate tracking at the lowest level since the 1950's.





Antipodean Private Pty Ltd  
 133 Alexander Street  
 Crows Nest NSW 2065  
 Phone: 1300 101 250  
 Mobile: 0438 893 571  
 Email: michael@antipodeanadvisory.com  
 Web: www.antipodeanadvisory.com

### Summary of Major share indices

| Index                    | 1 Month | 52 Weeks | YTD     |
|--------------------------|---------|----------|---------|
| DJIA                     | +3.72%  | +10.71%  | +20.25% |
| Nasdaq                   | +4.50%  | +19.14%  | +30.60% |
| S&P 500                  | +3.40%  | +14.73%  | +25.30% |
| Russel 2000              | +3.97%  | +6.50%   | +20.46% |
| Europe 600 Index         | +2.00%  | +13.97%  | +20.67% |
| UK FTSE 100 Index        | +0.60%  | +5.25    | +9.19%  |
| Hong Kong Hang Seng      | -2.78%  | -0.60%   | +1.94%  |
| Japan Nikkei 225         | +1.94%  | +4.22%   | +16.38% |
| China Shanghai Composite | -2.91%  | +10.96%  | +15.16% |
| ASX 200 (Australia)      | +3.28%  | +20.80%  | +26.13% |

### Australian Dollar

|     | Close   | 52 week Range  |
|-----|---------|----------------|
| AUD | 0.6760% | 0.6671-0.7394% |

### Government Bonds

|                    | Close  | 52 week Range  |
|--------------------|--------|----------------|
| US 3 Month         | 1.588% | 1.514-2.487%   |
| US 10 Years        | 1.782% | 1.431 – 3.05%  |
| US 30 Years        | 2.202% | 1.903 - 3.335% |
| Australia 10 years | 1.06%  | 0.864-2.633%   |

Source: Wall Street Journal.