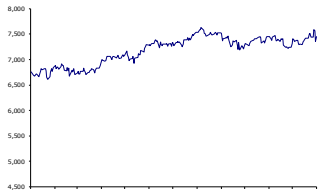
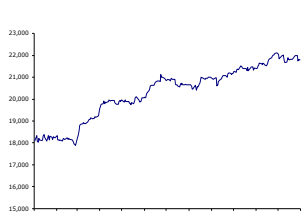


**12-month XJO chart**

**12-month Dow Jones chart**

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**Global Wrap – 9 January 2022**

World Markets	9/01/2022	2/01/2022	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	7453	7445	0.1%	1.7%	34.4%
S&P 500	4677	4766	-1.9%	-0.7%	108.2%
FTSE 100	7485	7385	1.4%	4.4%	8.0%
DAX30	14050	13719	2.4%	3.6%	3.6%
Shanghai Composite	3580	3640	-1.7%	-2.6%	11.3%
Nikkei 225	28479	28792	-1.1%	-2.0%	51.8%
Hang Seng	23493	23398	0.4%	0.3%	2.8%
<b>Currency</b>					
AUD/USD	0.7182	0.7265	-1.1%	-0.9%	4.5%
<b>Commodities</b>					
Oil (\$/bbl)	78.9	75.2	4.9%	11.3%	48.0%
Gas (\$/gal)	3.9	3.6	10.1%	6.8%	56.8%
Iron Ore (\$/t)	0.0	53.9	-100.0%	-100.0%	-100.0%
Copper (\$/t)	9615	9692	-0.8%	3.5%	64.7%
Lead (\$/t)	2342	2329	0.6%	1.5%	0.5%
Zinc (\$/t)	3660	3630	0.8%	11.9%	33.4%
Aluminium (\$/t)	2920	2806	4.0%	12.4%	68.6%
Nickel (\$/t)	20725	20925	-1.0%	7.2%	82.3%
Tin (\$/t)	40650	39635	2.6%	5.0%	90.0%
Gold (\$/oz)	1797	1829	-1.7%	1.8%	53.3%
Silver (\$/oz)	22.4	23.4	-4.0%	4.0%	31.1%
Platinum (\$/oz)	957	966	-1.0%	7.0%	2.1%
Wheat (\$/t)	758.500	770.250	-1.5%	0.3%	85.8%

Source: Iress

**Key points**

1. Rate rise fears hit tech stocks
2. Miners, financial and health stocks buoy ASX
3. What to watch this week

Stocks fell on Friday to end a rough first trading week of the year, as tech shares were battered by rising interest rates.

The **Nasdaq Composite** dropped another 0.9% on Friday to close at 14,935.90. The **S&P 500** fell 0.4% to 4,677.03. The **Dow Jones Industrial Average** lost 4.81 points, or about 0.01%, to close at 36,231.66.

For the week the tech-heavy Nasdaq was down about 4.5%. The S&P 500 was off by 1.8%, while the Dow lost only 0.29% as investors rotated into some value stocks amid the rise in rates.

The **10-year Treasury yield** topped 1.8% on Friday, continuing its 2022 run from a 2021 year-end of 1.51%. The release of the **Federal Reserve's December meeting minutes** on Wednesday was the major catalyst for the rate move. The meeting notes showed the central bank is ready to dial back its economic help more rapidly than some had anticipated, including taking steps to shrink its balance sheet while **raising rates**.



With rates rising rapidly, investors are dumping riskier stocks, such as tech stocks, which trading on high valuations based on estimates of profit growth far off in the future.

**Microchip Technology** was one of the biggest decliners in the Nasdaq, down 3.9%. Other semiconductor stocks fell too, with **Nvidia** and **AMD** both down more than 3%. Netflix fell 2.2%. **Twilio** lost 3.5%.

**Software stocks** were among the hardest hit shares for the week amid the rotation out of tech, with **Salesforce** down 10%, and **Adobe** down more than 9% for the week. **CrowdStrike** moved 7.7% lower.

Meanwhile value names showed strength, particularly among energy and financial stocks. **Schlumberger** and **Hess** climbed about 17% for the week. **Wells Fargo** rose 14.1% this week and **Regions Financial** gained 15.2%.

Elsewhere, **GameStop** shares jumped 7.3% Friday following news that the company is venturing into the crypto world with investments in a marketplace for non-fungible tokens (NFTs) and digital currency partnerships to create games and other items.

On Friday, the Labor Department reported the US economy added far fewer jobs in December than expected. The **nonfarm payrolls** report showed an increase of 199,000 in December, though 422,000 was expected.

However there were some data in the report that pointed to an improving economic picture and higher inflation.

**Average hourly earnings** increased by 0.6%, above expectations. And the **unemployment rate** fell to 3.9%, the lowest level since February 2020 and well below the 4.1% expected.

Shares in Asia were mixed on Friday following heavy losses for some regional markets in the previous trading day, as investors continued to assess the impact of a potentially faster-than-expected policy tightening by the US Federal Reserve.

The **Hang Seng** index in Hong Kong jumped 1.82% to close at 23,493.38, leading gains among the major markets.

Hong Kong-listed shares of **Shimao Group** dropped 5.43% after Reuters reported that the developer defaulted on a trust loan.

However shares of other Chinese real estate companies listed in the city had gains: **China Evergrande Group** climbed 4.85% and **Sunac** jumped 4.08%. The **Hang Seng Properties index** gained 2.54%. Mainland Chinese stocks closed lower. The **Shanghai composite** fell 0.18% to 3,579.54 while the **Shenzhen component** shed 0.595% to 14,343.65.

The **Nikkei 225** in Japan shed earlier gains and closed marginally lower at 28,478.56, adding to losses after a nearly 3% drop on Thursday.

European stocks closed lower on Friday as investors digested euro zone inflation data and the weaker-than-expected US jobs report.

The **pan-European Stoxx 600** provisionally ended down 0.5%, with most sectors in negative territory and major bourses pointing in opposite directions.

It comes after inflation in the euro zone hit a new record high in December, raising more questions about the European Central Bank's monetary policy.

Preliminary data showed Friday that headline inflation came in at 5% for the month, compared to the same month last year. The figure represents the highest ever on record and follows November's all-time high of 4.9%.

**Travel and leisure** was the worst-performing sector, down by 1.6%. **Basic resources**, on the other hand, was the top performer, up almost 1.9%.

**Deutsche Bank** was also in the spotlight on Friday after positive statements that the German bank is on track to hit key profit targets, Reuters reported. Shares of the firm rose 1.8%.



The **Australian sharemarket** had a wild ride in the first four sessions of trading in the new year, hitting a four-month high mid-week before suffering its worst session in 16-months just two days later. The S&P/ASX 200 Index closed the week 8.7 points, or 0.1%, higher at 7453.3, rising 95 points, or 1.3%, on Friday.

Friday's gains were bolstered by the major private health insurers, which rose sharply following news that NSW was suspending non-urgent, elective surgery until February to help the health system cope with omicron.

**Medibank Private** ended the week 7.5% higher at \$3.60 while **Nib Holdings** firmed 3.1% to \$7.23. The other insurers were also stronger. **QBE Insurance** climbed 7.4% to \$12.19, **Suncorp Group** added 4.8% to \$11.07 and **Insurance Australia Group** rose 4.7% to \$4.26.

Most of the heavy lifting through the week was done by the miners and major financial stocks.

**BHP** led the gains, rising 5.4% to \$43.73, **Rio Tinto** advanced 3.5% to \$103.63 and **Fortescue Metals Group** climbed 6% to \$20.37.

**Commonwealth Bank** firmed 1.6% to \$102.65, **ANZ** advanced 3.2% to \$28.40, **Westpac** rose 1.9% to \$21.75, NAB climbed 2% to \$29.42 and **Macquarie Group** added 3.1% to \$211.71.

**Tech stocks** were the worst performers through the week, hit hard mid-week as the US Federal Reserve hinted it could raise rates more aggressively than the market was anticipating.

**Afterpay** fell 10.9% to \$74.00, **Xero** lost 7.5% to \$130.83, **Altium** declined 9.2% to \$41.04, **NEXTDC** slid 8.8% to \$11.66 and **WiseTech Global** dropped 4.5% to \$55.95.

**James Hardie Industries** declined 6.8% to \$51.54 after its board dumped chief executive Jack Truong following an inquiry found he had acted inappropriately.

#### What to watch this week

The second trading week of 2022 starts with the release of the TD Securities Inflation estimate for Australia and Australian building data for November, followed by the trade balance on Tuesday and new home sales on Wednesday.

On Thursday the Australian Consumer Inflation Expectation reading will be released by the Melbourne Institute, as well as US initial jobless claims for January. On Friday investors will be watching US retail sales, the Chinese trade balance and UK GDP.

**Economic Calendar 10/01/2022 – 14/01/2022**

Monday January 10 2022			Actual	Previous	Consensus	Forecast	
05:00 PM	IT	Unemployment Rate NOV		9.4%	9.3%	9.2%	
06:00 PM	EA	Unemployment Rate NOV		7.3%	7.2%	7.3%	
Tuesday January 11 2022			Actual	Previous	Consensus	Forecast	
08:30 AM	AU	Balance of Trade NOV		AS\$11.22B	A\$10.6B	A\$10.5B	
Wednesday January 12 2022			Actual	Previous	Consensus	Forecast	
09:30 AM	CN	Inflation Rate YoY DEC		2.3%	1.8%	2%	
09:30 PM	US	Inflation Rate YoY DEC		6.8%	7%	7.1%	
09:30 PM	US	Core Inflation Rate YoY DEC		4.9%	5.4%	5.4%	
Friday January 14 2022			Actual	Previous	Consensus	Forecast	
11:00 AM	CN	Exports YoY DEC		22%	20%	21%	
11:00 AM	CN	Imports YoY DEC		31.7%	25.9%	27%	
03:00 PM	GB	Balance of Trade NOV		£-2.027B		£-2.7B	
05:00 PM	DE	Full Year GDP Growth 2021		-4.6%	2.7%	3.0%	
09:30 PM	US	Retail Sales MoM DEC		0.3%	0%	0.3%	
11:00 PM	US	Michigan Consumer Sentiment Prel JAN		70.6	70	70.4	

**Economic Calendar 17/01/2022 – 21/01/2022**

Monday January 17 2022			Actual	Previous	Consensus	Forecast	
10:00 AM	CN	GDP Growth Rate YoY Q4		4.9%			
10:00 AM	CN	Industrial Production YoY DEC		3.8%			
10:00 AM	CN	Retail Sales YoY DEC		3.9%			
Tuesday January 18 2022			Actual	Previous	Consensus	Forecast	
11:00 AM	JP	BoJ Interest Rate Decision		-0.1%		-0.1%	
03:00 PM	GB	Claimant Count Change DEC		-49.8K			
03:00 PM	GB	Unemployment Rate NOV		4.2%			
06:00 PM	DE	ZEW Economic Sentiment Index JAN		29.9			
Wednesday January 19 2022			Actual	Previous	Consensus	Forecast	
07:30 AM	AU	Westpac Consumer Confidence Change JAN		-1%			
07:30 AM	AU	Westpac Consumer Confidence Index JAN		104.3			
03:00 PM	GB	Inflation Rate YoY DEC		5.1%		5.4%	
09:30 PM	CA	Inflation Rate YoY DEC		4.7%			
09:30 PM	US	Housing Starts DEC		1.679M	1.67M		
09:30 PM	US	Building Permits DEC		1.712M			
Thursday January 20 2022			Actual	Previous	Consensus	Forecast	
07:50 AM	JP	Balance of Trade DEC		¥-954.8B		¥-200B	
08:30 AM	AU	Unemployment Rate DEC		4.6%			
09:30 AM	CN	Loan Prime Rate 1Y		3.8%		3.8%	
11:00 PM	US	Existing Home Sales DEC		6.46M	6.4M		
Friday January 21 2022			Actual	Previous	Consensus	Forecast	
07:30 AM	JP	Inflation Rate YoY DEC		0.6%			
08:01 AM	GB	Gfk Consumer Confidence JAN		-15		-18	
03:00 PM	GB	Retail Sales MoM DEC		1.4%			

Source: [www.tradingeconomics.com](http://www.tradingeconomics.com)

**All Ords Top 10 Week Ending 7 January 2022**

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
URW	Unibailrodawestfield	10.3	360	Life360 Inc.	-14.0
PLS	Pilbara Min Ltd	9.4	CHN	Chalice Mining Ltd	-13.9
LYC	Lynas Rare Earths	8.8	PNI	Pinnacle Investment	-13.4
STO	Santos Ltd	7.6	PME	Pro Medicus Limited	-13.3
MPL	Medibank Private Ltd	7.5	PBH	Pointsbet Holdings	-12.2
QBE	QBE Insurance Group	7.4	Z1P	Zip Co Ltd.	-11.8
CIA	Champion Iron Ltd	6.1	APT	Afterpay Limited	-10.9
FMG	Fortescue Metals Grp	6.0	APX	Appen Limited	-10.1
MIN	Mineral Resources.	5.4	IMU	Imugene Limited	-10.0
BHP	BHP Group Limited	5.4	DHG	Domain Holdings Aus	-9.9

Source: IRESS

**S & P Indices Week Ending 7 January 2022**

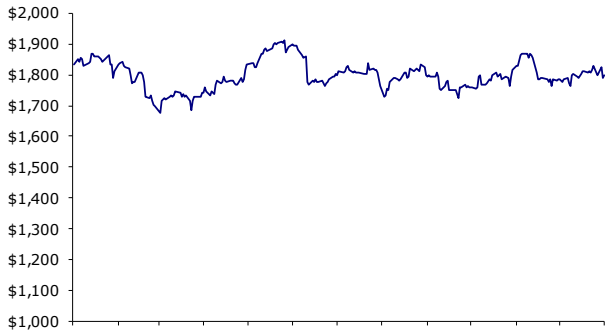
S&P Indices	9/01/2022	2/01/2022	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	8238	7900	4.3%	3.9%	-7.4%
S&P 200 Materials	17123	16740	2.3%	5.7%	73.0%
S&P 200 Industrials	6608	6645	-0.6%	1.1%	29.5%
S&P 200 Consumer Disc.	3492	3530	-1.1%	0.3%	66.8%
S&P 200 Consumer Staples	13320	13544	-1.7%	0.3%	55.7%
S&P 200 Healthcare	43669	45183	-3.4%	-3.8%	126.5%
S&P 200 Financials	6671	6536	2.1%	3.7%	4.7%
S&P 200 Info Technology	2006	2138	-6.1%	-5.2%	158.0%
S&P 200 Telecommunicatic	1597	1630	-2.0%	-1.2%	-9.0%
S&P 200 Utilities	6830	6693	2.0%	5.1%	-9.4%
S&P 200 Property Trusts	1715	1754	-2.3%	-1.1%	27.8%
S&P 200 Financials ex PT	7440	7290	2.1%	3.7%	4.7%

Source: IRESS

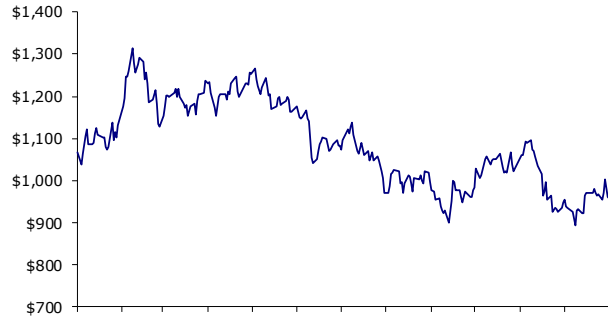


### 1 Year Commodity Price Charts

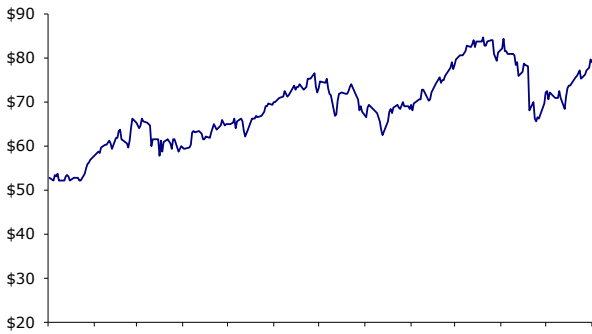
**1 Year Gold**



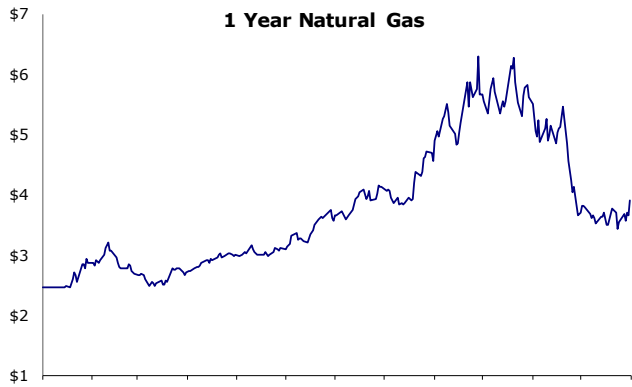
**1 Year Platinum**



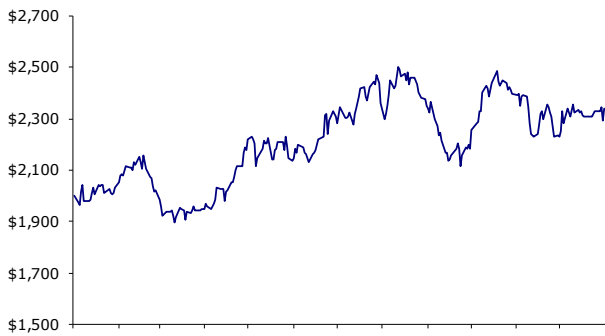
**1 Year Oil**



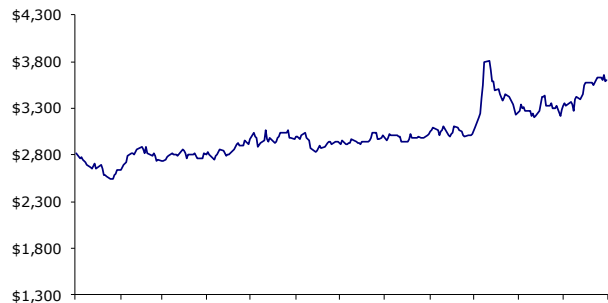
**1 Year Natural Gas**



**1 Year Lead**

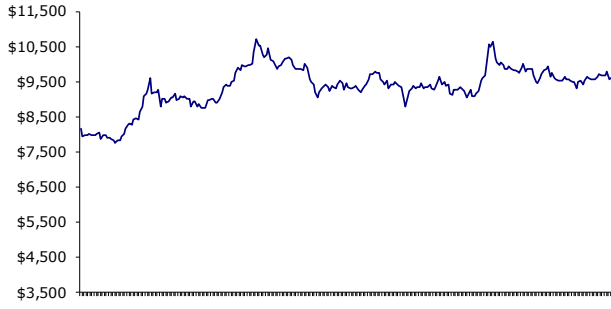


**1 Year Zinc**

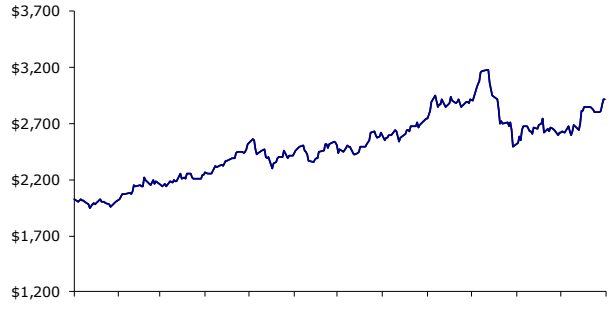




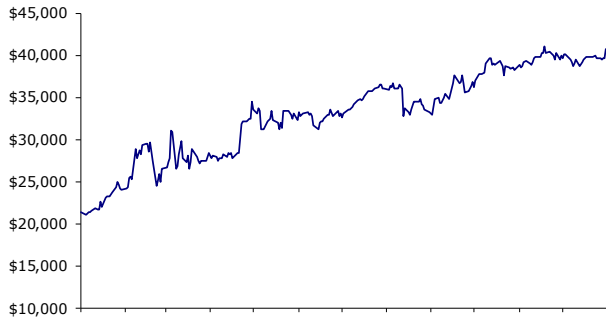
**1 Year Copper**



**1 Year Aluminium**

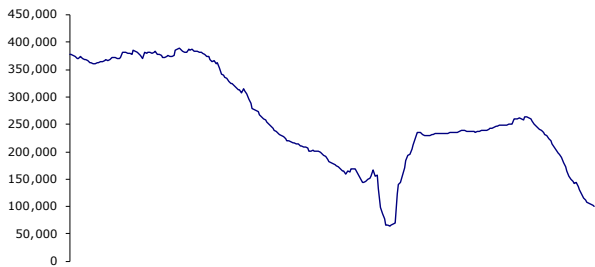


**1 Year Tin**

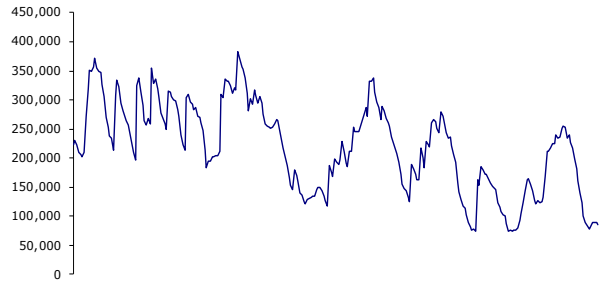


**5 Year Metals Stockpiles**

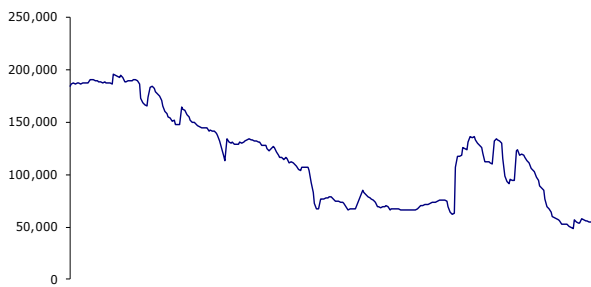
**Nickel LME Stockpiles - 5 Year**



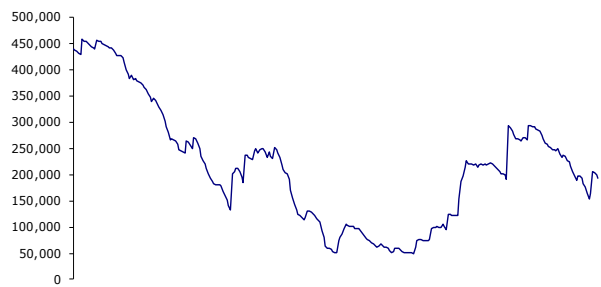
**Copper LME Stockpiles - 5 Year**



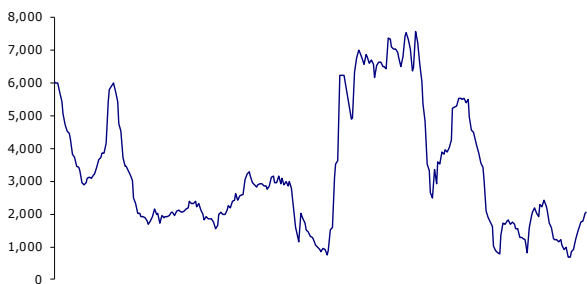
**Lead LME Stockpiles - 5 Year**



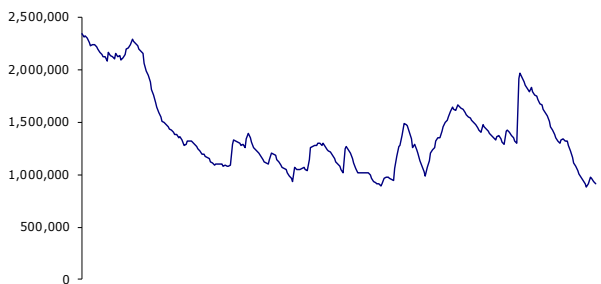
**Zinc LME Stockpiles - 5 Year**



**Tin LME Stockpiles - 5 Year**



**Aluminium LME Stockpiles - 5 Year**





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