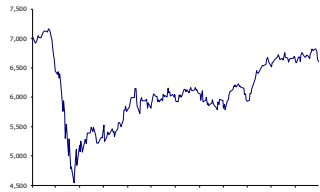
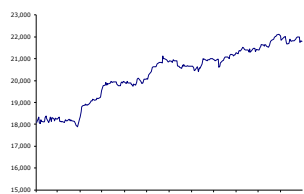


Issue 537
12-month XJO chart

12-month Dow Jones chart

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Global Wrap – 31 January 2021

World Markets	31/01/2021	24/01/2021	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	6607	6800	-2.8%	0.0%	19.2%
S&P 500	3714	3841	-3.3%	-0.9%	65.4%
FTSE 100	6407	6695	-4.3%	-6.3%	-7.6%
DAX30	14050	13719	2.4%	3.6%	3.6%
Shanghai Composite	3483	3624	-3.9%	-2.6%	8.3%
Nikkei 225	27663	28822	-4.0%	0.6%	47.4%
Hang Seng	28284	29448	-4.0%	2.1%	23.7%
Currency					
AUD/USD	0.7648	0.7717	-0.9%	-1.3%	11.3%
Commodities					
Oil (\$/bbl)	52.2	52.8	-1.2%	2.5%	1.3%
Gas (\$/gal)	2.6	2.5	4.4%	-4.5%	38.2%
Iron Ore (\$/t)	0.0	53.9	-100.0%	-100.0%	-100.0%
Copper (\$/t)	7877	7872	0.1%	-3.1%	34.9%
Lead (\$/t)	2013	2007	0.3%	-2.7%	-13.6%
Zinc (\$/t)	2585	2651	-2.5%	-8.8%	-5.8%
Aluminium (\$/t)	1987	1976	0.6%	-3.7%	14.8%
Nickel (\$/t)	17727	17906	-1.0%	-0.4%	55.9%
Tin (\$/t)	23657	22000	7.5%	10.3%	10.6%
Gold (\$/oz)	1850	1860	-0.5%	-3.1%	57.8%
Silver (\$/oz)	26.9	25.6	5.3%	-0.5%	57.4%
Platinum (\$/oz)	1079	1108	-2.6%	-2.4%	15.1%
Wheat (\$/t)	663.000	635.000	4.4%	2.4%	62.4%

Source: Iress

Key points

- 'Reddit' rally pushes GameStop up 68% - plus bonus surge for WA miner**
- Markets end rollercoaster week down**
- What to watch next week**

US stocks fell sharply on Friday, wrapping up a roller-coaster week on Wall Street as heightened speculative trading by retail investors continued to unnerve the market, CNBC reported.

The Dow Jones Industrial average lost 620.74 points, or 2%, to 29,982.62.

The S&P 500 fell 1.9% to 3,714.24 as 10 sectors registered losses.

The Nasdaq Composite slid 2% to 13,070.69 as Apple dropped 3.7% and other major tech names slipped.

All three major averages dropped more than 3% this week, posting their worst week since October.

For January, the blue-chip Dow and the S&P 500 fell 2% and 1.1%, respectively, suffering their first negative month in four.



GameStop shares rallied again, awarding retail investors the advantage in the latest round of their week-long slugfest against major financial institutions that had shorted the video game retailer, The Sydney Morning Herald reported.

The so-called “Reddit rally” has inflated stock prices for GameStop and other previously downtrodden companies that individual investors championed on social media forums such as Reddit’s Wallstreetbets, which has almost 6 million members.

GameStop surged 68% on Friday after brokerage apps including Robinhood eased some restrictions on trading. GameStop shares fell on Thursday following the curbs, which drew calls for scrutiny from regulators and outrage from celebrities and politicians on both sides of the political aisle.

Hedge funds and other short sellers had a bruising week. GameStop short sellers have endured mark-to-market losses of \$US19.75 billion so far this year, according to S3 Partners. Even so, the stock remained highly shorted, with \$US11.2 billion short interest.

The US Securities and Exchange Commission waded into the battle between small investors and Wall Street hedge funds on Friday, warning brokerages and social-media traders it was on alert for any wrongdoing in this week’s roller-coaster trade.

The volatility forced some funds to sell some of their best-performing stocks, including Apple, to cover billions of dollars in losses on short positions.

It issued a rare joint statement from its acting chair and commissioners that said it was working closely with other regulators and stock exchanges “to protect investors and to identify and pursue potential wrongdoing” and would “closely review actions ... that may disadvantage investors” or hinder their ability to trade stocks.

Meanwhile, new trial results from Johnson & Johnson’s coronavirus vaccine disappointed some investors because it was less effective on some variants, also hurting market sentiment.

J&J said its one-dose vaccine demonstrated 66% effectiveness overall in protecting against Covid-19. The vaccine was 72% effective in the United States, 66% in Latin America and 57% in South Africa after four weeks, the company said. The vaccine however offered complete protection against Covid-related hospitalizations. Shares of JNJ dropped 3.6%.

Stocks had rallied to record highs on the hope that vaccines would be effective against Covid to allow a smooth economic reopening before the end of the year. New mutations more resilient to vaccines could upend that rosy outlook for investors.

Stocks in Asia were lower in Friday trade, with South Korea’s Kospi leading losses among the region’s major markets.

By the Friday market close in South Korea, the Kospi fell 3.03% to 2,976.21. Japan’s Nikkei 225 dropped 1.89% to close at 27,663.39 while the Topix index slipped 1.64% to finish its trading day at 1,808.78.

Mainland Chinese stocks were also lower on the day: The Shanghai composite fell 0.63% to 3,483.07 while the Shenzhen component slipped 0.612% to 14,821.99. Hong Kong’s Hang Seng index declined 0.94% to close at 28,283.71.

European markets closed lower Friday as market jitters persisted over a retail trading frenzy that has rocked Wall Street.

The pan-European Stoxx 600 ended the session down by 1.9%, with retail stocks shedding 2.6% to lead losses as all sectors slid into negative territory.

Also on Friday, the European Medicines Agency approved the vaccine developed by British pharma giant AstraZeneca for emergency use in the EU, around a month after it was first given the greenlight in the UK, which recently left the bloc.

But the European Commission also placed temporary controls on the export of coronavirus vaccines made inside the bloc, following a spat with AstraZeneca and wider supply issues.

The **ASX 200** finished 0.6% lower at 6607.4. The index banked its worst weekly loss since October, though emerged narrowly in front for January.



Tech names such as Afterpay and Xero joined the energy and mining sectors in the dumps on Friday, while Wesfarmers backed away from a record high.

Pulling the other way were blue-chips biotech CSL, toll giant Transurban, and Telstra.

An analyst told The Sydney Morning Herald that end-of-month portfolio repositioning likely played a role in the decline, though mixed vaccine news from Germany may also have weighed on sentiment.

The European nation is not recommending the use of the Oxford-AstraZeneca vaccine - one of the vaccines expected to be used in Australia - for people aged over 65, citing a lack of trial data.

Treasurer Josh Frydenberg ruled out extending JobKeeper beyond March, while falling iron ore prices weighed on the miners.

BHP, Rio Tinto and Fortescue Metals were sharply lower, with the latter losing 4.1% in its worst week in nearly three months.

The ASX 200 finished 0.3%. It was a fourth straight monthly gain, and the 10th month of gains out of the past 11 since the pandemic plunge.

Markets rallied strongly at the start of 2021 on vaccine hopes, improved economic data, and the prospect of additional US stimulus on a Democrat clean sweep of Congress.

Meanwhile a tiny West Australian mining company has been caught up in the investing craze surrounding US company GameStop thanks to its ASX code matching that of the American video game retailer.

GME Resources, which is listed on the local bourse with a market capitalisation of just \$40 million, is a mining company focused on nickel and cobalt extraction. On Thursday, its shares soared more than 50% to 12 cents, their highest level since 2018, with volumes of nearly \$7 million.

However, the skyrocketing price had nothing to do with the business' quarterly update released last Friday nor the rising price of nickel. Instead, local participants of share trading groups on Reddit and Facebook had bought the stock as a joke due to its ticker's similarity to popular US stock GameStop.

Next week, in addition to vaccine and trading developments, investors will be watching Reserve Bank of Australia Governor Philip Lowe's statement on interest rates Tuesday. The cash rate is expected to remain at 0.1% but the Governor's statement on Tuesday and speech on Wednesday will give clues as to any future movements or other monetary policy changes.

Australian GDP will also be released on Tuesday, while the closely watched non-farm payroll figures will be out in the US on Friday.

**Economic Calendar 1/02/2021 – 5/02/2021**

Monday February 01 2021		Actual	Previous	Consensus	Forecast	
09:45 AM	CN Caixin Manufacturing PMI JAN		53.0	52.6	52.5	
Thursday February 04 2021		Actual	Previous	Consensus	Forecast	
08:30 AM	AU Balance of Trade DEC		A\$5.022B		A\$ 4.4B	
Friday February 05 2021		Actual	Previous	Consensus	Forecast	
09:30 PM	CA Balance of Trade DEC		C\$-3.34B		C\$ -3.2B	
09:30 PM	US Non Farm Payrolls JAN		-140K	85K	80K	
09:30 PM	US Balance of Trade DEC		\$-68.1B	\$-67.4B	\$-70B	
11:00 PM	CA Ivey PMI s.a JAN		46.7		47	

Economic Calendar 8/02/2021 – 12/02/2021

Tuesday February 09 2021		Actual	Previous	Consensus	Forecast	
03:00 PM	DE Balance of Trade DEC		€17.2B			
Wednesday February 10 2021		Actual	Previous	Consensus	Forecast	
09:30 AM	CN Inflation Rate YoY JAN		0.2%		0.5%	
03:00 PM	GB Balance of Trade DEC		£-5B			
09:30 PM	US Core Inflation Rate YoY JAN		1.6%		1.5%	
09:30 PM	US Inflation Rate YoY JAN		1.4%		1.3%	
Thursday February 11 2021		Actual	Previous	Consensus	Forecast	
07:30 AM	AU Westpac Consumer Confidence Change FEB		-4.5%			
07:30 AM	AU Westpac Consumer Confidence Index FEB		107			
08:30 AM	AU NAB Business Confidence JAN		4			

Source: www.tradingeconomics.com

**All Ords Top 10 Week Ending 29 January 2021**

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
URW	Unibailrodawestfield	22.4	IFL	IOOF Holdings Ltd	-16.6
IEL	Idp Education Ltd	12.6	ALD	Ampol Limited	-14.9
DHG	Domain Holdings Aus	8.0	LYC	Lynas Rare Earths	-14.0
TWE	Treasury Wine Estate	7.8	KGN	Kogan.Com Ltd	-13.8
SSM	Service Stream	6.4	BPT	Beach Energy Limited	-12.0
TNE	Technology One	6.3	OSH	Oil Search Ltd	-10.8
PME	Pro Medicus Limited	5.8	SGM	Sims Limited	-10.7
A2M	The A2 Milk Company	5.5	FMG	Fortescue Metals Grp	-10.4
ALU	Altium Limited	5.2	MND	Monadelphous Group	-10.1
MP1	Megaport Limited	5.0	MIN	Mineral Resources.	-10.1

Source: IRESS

S & P Indices Week Ending 29 January 2021

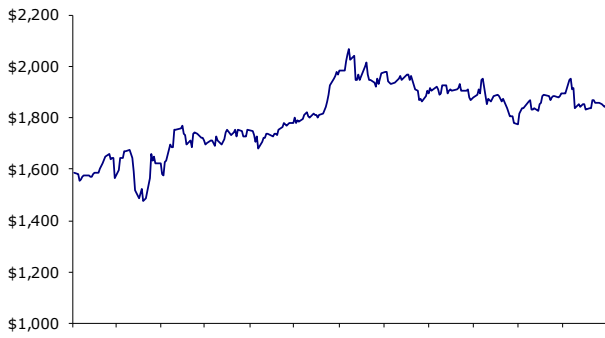
S&P Indices	31/01/2021	24/01/2021	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	8163	8959	-8.9%	-0.6%	-8.2%
S&P 200 Materials	15496	16467	-5.9%	-4.1%	56.5%
S&P 200 Industrials	5795	5939	-2.4%	-1.9%	13.6%
S&P 200 Consumer Disc.	3045	3039	0.2%	5.2%	45.5%
S&P 200 Consumer Staples	12907	12765	1.1%	1.7%	50.9%
S&P 200 Healthcare	41069	41464	-1.0%	-0.4%	113.0%
S&P 200 Financials	5558	5717	-2.8%	2.3%	-12.8%
S&P 200 Info Technology	2207	2276	-3.0%	3.7%	183.8%
S&P 200 Telecommunicatic	1303	1318	-1.1%	2.6%	-25.8%
S&P 200 Utilities	6395	6314	1.3%	-1.7%	-15.2%
S&P 200 Property Trusts	1384	1407	-1.7%	-4.0%	3.2%
S&P 200 Financials ex PT	6199	6376	-2.8%	2.3%	-12.8%

Source: IRESS

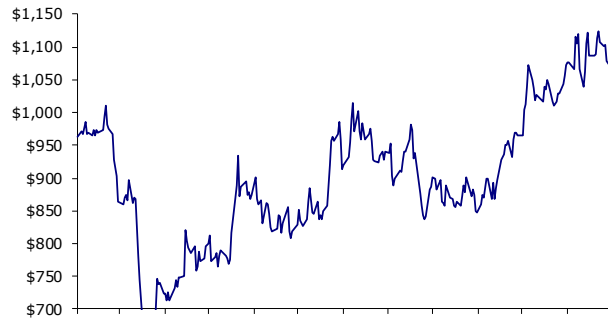


1 Year Commodity Price Charts

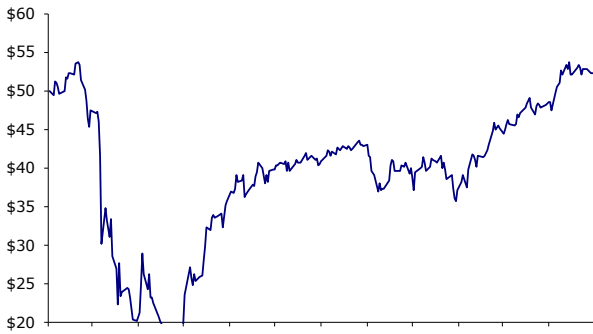
1 Year Gold



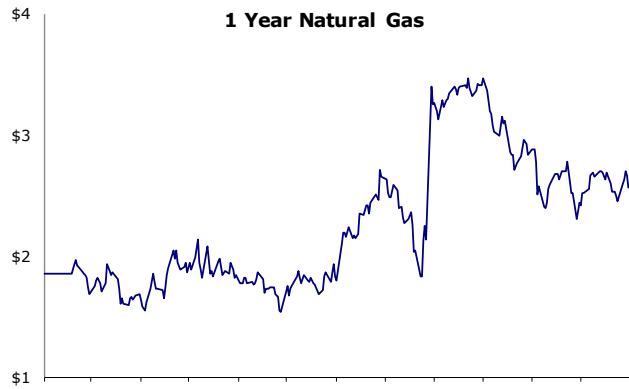
1 Year Platinum



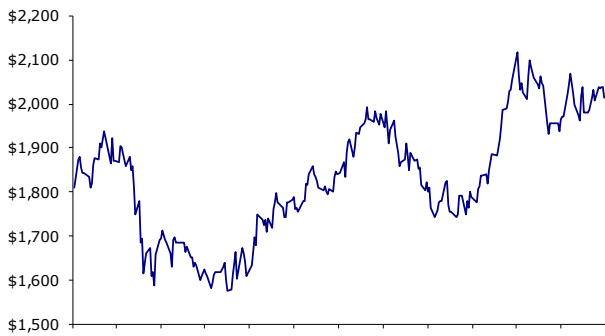
1 Year Oil



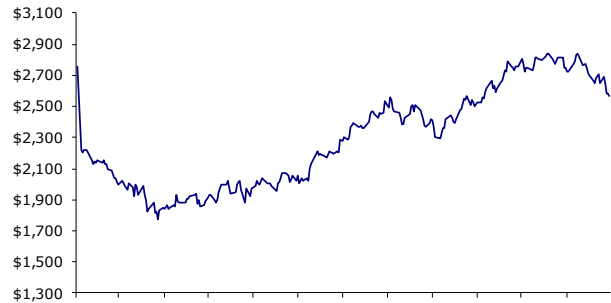
1 Year Natural Gas



1 Year Lead

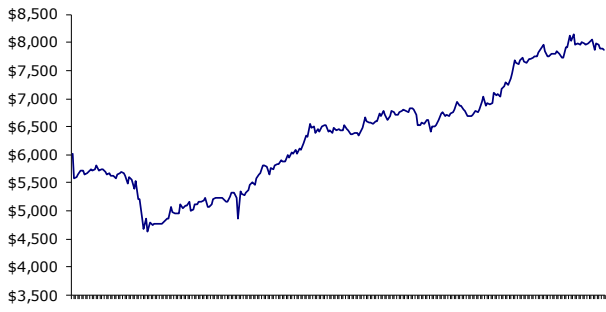


1 Year Zinc

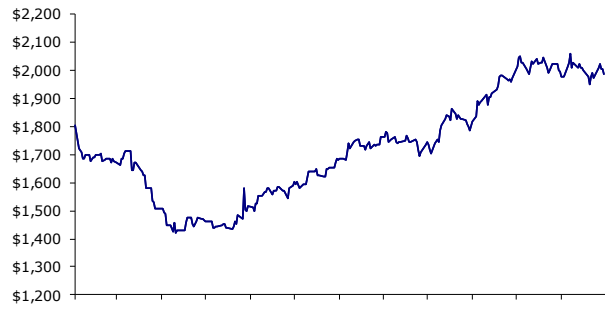




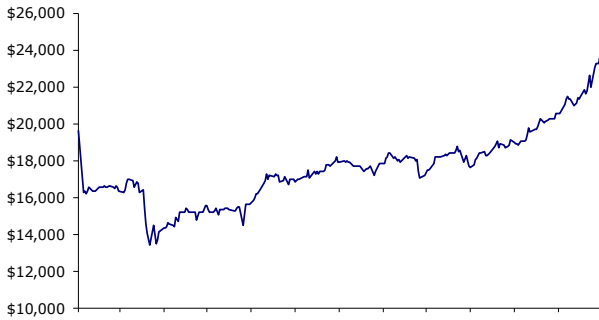
1 Year Copper



1 Year Aluminium

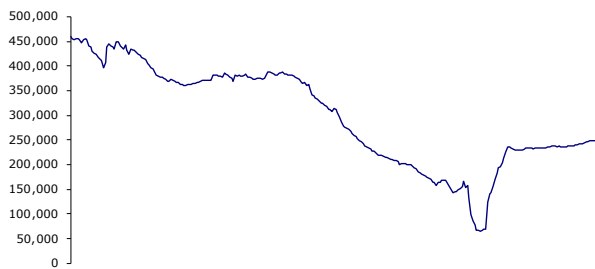


1 Year Tin

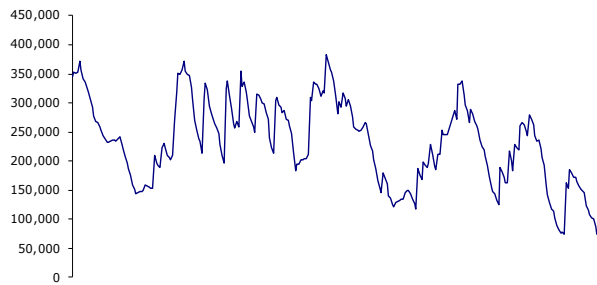


5 Year Metals Stockpiles

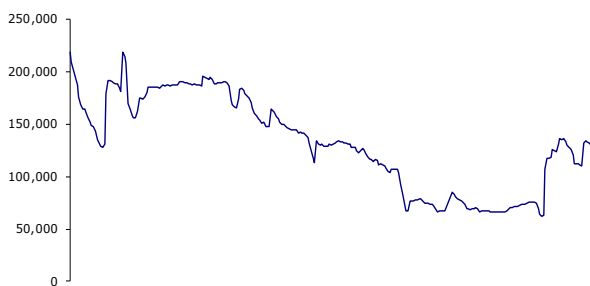
Nickel LME Stockpiles - 5 Year



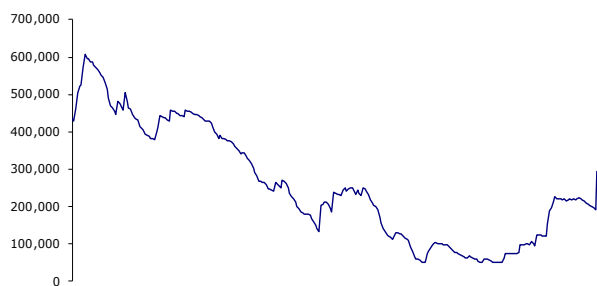
Copper LME Stockpiles - 5 Year



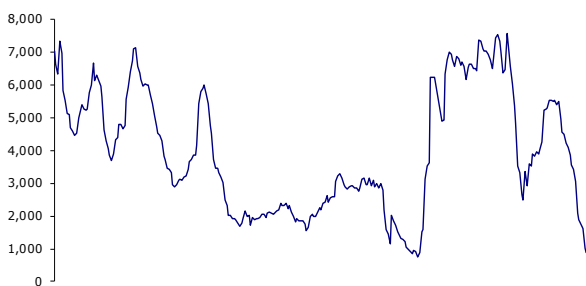
Lead LME Stockpiles - 5 Year



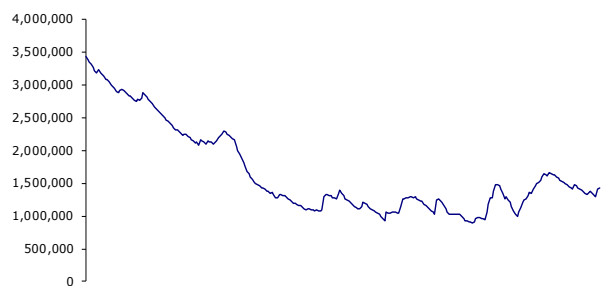
Zinc LME Stockpiles - 5 Year



Tin LME Stockpiles - 5 Year



Aluminium LME Stockpiles - 5 Year





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