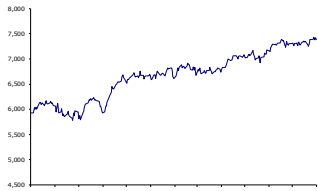
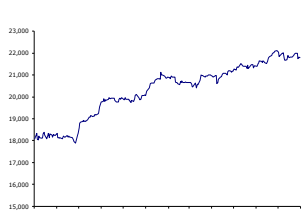


**12-month XJO chart**

**12-month Dow Jones chart**

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**Global Wrap – 1 August 2021**

World Markets	1/08/2021	25/07/2021	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	7393	7394	0.0%	0.9%	33.4%
S&P 500	4395	4412	-0.4%	0.9%	95.7%
FTSE 100	7032	7028	0.1%	-1.7%	1.5%
DAX30	14050	13719	2.4%	3.6%	3.6%
Shanghai Composite	3397	3467	-2.0%	-3.6%	5.7%
Nikkei 225	27284	27833	-2.0%	-3.0%	45.4%
Hang Seng	25961	27322	-5.0%	-7.2%	13.6%
<b>Currency</b>					
AUD/USD	0.7345	0.7367	-0.3%	-0.2%	6.9%
<b>Commodities</b>					
Oil (\$/bbl)	74.0	72.2	2.5%	2.5%	38.7%
Gas (\$/gal)	3.9	4.0	-3.2%	9.5%	79.4%
Iron Ore (\$/t)	0.0	53.9	-100.0%	-100.0%	-100.0%
Copper (\$/t)	9748	9434	3.3%	3.1%	67.0%
Lead (\$/t)	2424	2416	0.3%	5.1%	4.0%
Zinc (\$/t)	2952	2944	0.3%	0.3%	7.5%
Aluminium (\$/t)	2624	2492	5.3%	4.6%	51.5%
Nickel (\$/t)	19892	19267	3.2%	8.6%	75.0%
Tin (\$/t)	35965	35101	2.5%	9.0%	68.1%
Gold (\$/oz)	1817	1806	0.6%	0.8%	55.0%
Silver (\$/oz)	25.5	25.2	1.2%	-2.2%	49.4%
Platinum (\$/oz)	1048	1061	-1.2%	-3.1%	11.8%
Wheat (\$/t)	703.750	679.000	3.6%	12.8%	72.4%

Source: Iress

**Key points**

1. Stocks dip Friday after strong month
2. Amazon and Robinhood plunge
3. Australian reporting season to start

**US stocks** fell on Friday amid a slide in Amazon shares, but the S&P 500 notched its sixth straight positive month.

The broad equity benchmark fell 0.5% to 4,395.26, dragged down by the consumer discretionary and energy sectors.

The tech-heavy Nasdaq Composite slipped 0.7% to 14,672.68.

The Dow Jones Industrial Average dipped 149.06 points, or 0.4%, to 34,935.47.

**Amazon** sank nearly 7.6% after it reported its first quarterly revenue miss in three years and gave weaker guidance.

**Pinterest** fell even further, down 18.2%, after saying it lost monthly users during the three months ended June 30.

Shares of online brokerage **Robinhood** rebounded shy of 1% in volatile trading on Friday after closing its debut session 8% lower.



Despite Friday's falls, the major averages managed to wrap up a solid month. The Nasdaq and Dow added about 1.2% and 1.3% respectively in July, while the broad S&P 500 gained close to 2.3% over the same period.

However volatility has picked up amid concerns about the economic recovery in the face of the spreading delta variant.

**Earnings** have been phenomenal, but investors only seem to care about the future. A record number of companies in the S&P 500 are beating analysts' forecasts, but guidance for the current quarter and the rest of the year has been weak, and some company executives are not providing forecasts due to uncertainty. **Revenue growth** has been astonishing, but investors want to know that will continue. They aren't hearing that on earnings calls.

On Friday investors digested a key inflation indicator that showed better-than-feared price pressures on Friday.

The **core personal consumption expenditures price index** rose 3.5% in June year over year. It marked a sharp acceleration in **inflation**, but came in slightly below a Dow Jones expectation of a 3.6% jump.

Weaker-than-expected readings on the US economy further eased concerns about the Federal Reserve dialling back asset purchases.

US second-quarter **gross domestic product** accelerated 6.5% on an annualised basis, considerably less than the 8.4% Dow Jones estimate.

Meanwhile, the latest weekly jobless claims also came in higher than expected.

Fed Chairman Jerome Powell on Wednesday noted that while the economy had come a long way since the COVID-19 recession, it still has a way to go before the central bank considers adjusting its easy-money policies.

In Asia, Hong Kong and mainland-listed stocks fell on Friday, losing the partial recovery they made after diving earlier this week. Hong Kong's **Hang Seng** index ended Friday off session lows, but still closed about 1.4% lower at 25,961.03

Tech stocks fell, reversing from their Thursday gains. **Alibaba** tumbled around 4%, **Tencent** was down about 2.6%, and **Meituan** dived nearly 6%. The Hang Seng Tech index overall lost around 2.6%.

The **Shanghai composite** declined 0.42% to 3,397.36 and the **Shenzhen component** was down 0.29% to 14,473.21.

Japan's **Nikkei 225** dipped 1.8% to close at 27,283.59.

Reuters reported Japan's industrial output jumped 6.2% in June, sharply rising from a 6.5% drop in May. June retail sales rose 0.1% from a year earlier, less than forecasts for a 0.2% gain.

South Korea's Kospi was down around 1.24% to close at 3,202.32.

**European stocks** retreated on Friday after closing the previous session at all-time highs, as investors reacted to another deluge of corporate earnings and economic data.

The **pan-European Stoxx 600** index provisionally ended down 0.4%, with most major bourses and sectors in negative territory. Travel and leisure stocks dropped 2.5% to lead losses while chemicals stocks climbed 1%.

The rapid spread of the delta Covid-19 variant and the regulatory measures in China continued to weigh on sentiment in Europe.

In earnings news BNP Paribas reported a 26% annual rise in net profit for the second quarter to 2.9 billion euros (\$3.44 billion), exceeding market expectations on the back of a rebound in business activity. However the French lender's shares slid 1.2%.



**Renault** posted a quarterly net profit of 354 million euros for the first half of the year, up from a substantial loss of nearly 7.3 billion euros for the same period last year as the pandemic shut down production across the industry. The French automaker forecast a full-year profit in 2021 despite the challenges caused by the global semiconductor shortage. Despite this Renault stock fell 3%.

On Thursday **L'Oréal** reported an acceleration in second-quarter sales growth in part due to a surge in US makeup sales as lockdowns eased. Shares gained 0.3%.

On the data front, the **euro zone economy** posted a sharper rebound than expected in the second quarter to grow by a quarterly 2%, according to EU statistics office Eurostat.

Euro zone **inflation** climbed to 2.2% in July, its highest rate since October 2018 and above the European Central Bank's 2% target. However, ECB policymakers have indicated that they expect temporary overshoots.

The **ASX 200** fell 0.3% on Friday and closed the week marginally lower at 7392.6, though July marked a 10th straight monthly gain for the index. The miners faded late to drag the market down.

The **big banks** were mixed, and **energy and utilities** firms slipped, while **CSL** and **Wesfarmers** were also lower.

Big four lender **NAB** has announced a \$2.5b share buyback, which will take place in August. It comes after **ANZ** announced a \$1.5b buyback last week. NAB shares closed 0.6% higher at \$25.93

**Seven Group** chief executive Ryan Stokes has been named chairman of **Boral**, while the investment firm added another board representative after upping its stake in the building materials company to nearly 70%

**Origin Energy** expects to recognise charges of \$2.2b in its full-year report following a significant reduction in wholesale electricity prices, as well as lower gas earnings on higher costs and subdued business demand. Shares fell 7.9% to \$4.11

Mining giants **Rio Tinto** and **Fortescue Metals** sagged with **iron ore futures** on Friday, while **Afterpay** led a tech sector decline.

A tightening of Sydney's **COVID restrictions** as the month wore on threatened to dull investor enthusiasm as the market approaches a bumper earnings period.

But strong demand for commodities and global reopening hopes helped investors look through Australia's lagging vaccination rates and the spread of the highly contagious delta variant.

**This coming week, GUD** and **Resmed** are among the major companies that will kick off **Australia's reporting season** next week.

Strong rebound trade and economic growth in the year to June means consensus **earnings per share growth expectations** are for a 49 per cent rise in earnings for 2020-21 and a 56 per cent surge in dividend payments.

Markets will also be tracking the COVID-19 situation in Sydney, which reported a record daily rise in COVID-19 cases despite an extended lockdown.

However **outlook statements** are likely to be cautious though given the uncertainty posed by recent coronavirus outbreaks and lockdowns, particularly that in NSW

On the data front, TD Securities Inflation reading will be released on Monday, offering an estimate of inflation in the Australian economy.

This will come ahead of the Reserve Bank of Australia's interest rate decision and statement. It is expected to take a dovish tone thanks to the ongoing coronavirus restrictions, which are tipped to send the economy backwards in the September quarter.



Australian retail sales figures will be released on Wednesday followed by the Balance of Trade on Thursday.

Sources: CNBC, The Sydney Morning Herald, Investopedia, FX Street

## Economic Calendar 2/08/2021 –6/08/2021

Monday August 02 2021		Actual	Previous	Consensus	Forecast	
09:45 AM	CN	Caixin Manufacturing PMI JUL	51.3	51	51	
01:00 PM	JP	Consumer Confidence JUL	37.4		37	
Tuesday August 03 2021		Actual	Previous	Consensus	Forecast	
12:30 PM	AU	RBA Interest Rate Decision	0.1%		0.1%	
Thursday August 05 2021		Actual	Previous	Consensus	Forecast	
09:30 AM	AU	Balance of Trade JUN	A\$9.681B	A\$10.45B	A\$10.1B	
07:00 PM	GB	BoE Interest Rate Decision	0.1%	0.1%	0.1%	
08:30 PM	CA	Balance of Trade JUN	C\$-1.39B	C\$-0.8B	C\$ -0.1B	
08:30 PM	US	Balance of Trade JUN	\$-71.2B	\$-73.9B	\$-74.3B	
Friday August 06 2021		Actual	Previous	Consensus	Forecast	
08:30 PM	US	Non Farm Payrolls JUL	850K	900K	900K	
10:00 PM	CA	Ivey PMI s.a JUL	71.9		70	

## Economic Calendar 9/08/2021 – 13/08/2021

Monday August 09 2021		Actual	Previous	Consensus	Forecast	
09:30 AM	CN	Inflation Rate YoY JUL	1.1%		1%	
02:00 PM	DE	Balance of Trade JUN	€12.3B		€16.8B	
Tuesday August 10 2021		Actual	Previous	Consensus	Forecast	
09:30 AM	AU	NAB Business Confidence JUL	11		14	
05:00 PM	DE	ZEW Economic Sentiment Index AUG	63.3		51.5	
Wednesday August 11 2021		Actual	Previous	Consensus	Forecast	
08:30 AM	AU	Westpac Consumer Confidence Change AUG	1.5%			
08:30 AM	AU	Westpac Consumer Confidence Index AUG	108.8			
08:30 PM	US	Core Inflation Rate YoY JUL	4.5%		4.4%	
08:30 PM	US	Inflation Rate YoY JUL	5.4%		5.4%	
Thursday August 12 2021		Actual	Previous	Consensus	Forecast	
02:00 PM	GB	Balance of Trade JUN	£0.9B		£-2.2B	

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

**All Ords Top 10 Week Ending 30 July 2021**

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
LYC	Lynas Rare Earths	14.2	RBL	Redbubble Limited	-17.1
CIA	Champion Iron Ltd	12.4	CWN	Crown Resorts Ltd	-14.1
IRE	IRESS Limited	9.3	A2M	The A2 Milk Company	-13.6
OZL	OZ Minerals	9.3	NXL	Nuix Limited	-11.7
ORA	Orora Limited	7.5	APX	Appen Limited	-11.1
ORE	Orocobre Limited	7.3	AGL	AGL Energy Limited.	-9.5
VUK	Virgin Money Uk PLC	7.1	APT	Afterpay Limited	-9.4
CHN	Chalice Mining Ltd	7.1	MFG	Magellan Fin Grp Ltd	-9.4
BSL	BlueScope Steel Ltd	6.7	ORG	Origin Energy	-9.3
JHG	Janus Henderson	6.7	PBH	Pointsbet Holdings	-9.2

Source: IRESS

**S & P Indices Week Ending 30 July 2021**

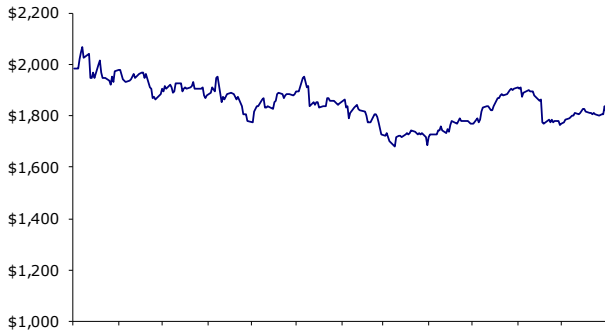
S&P Indices	1/08/2021	25/07/2021	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	7848	8026	-2.2%	-5.3%	-11.7%
S&P 200 Materials	18393	17890	2.8%	6.2%	85.8%
S&P 200 Industrials	6467	6462	0.1%	0.1%	26.7%
S&P 200 Consumer Disc.	3455	3500	-1.3%	0.5%	65.0%
S&P 200 Consumer Staples	13368	13604	-1.7%	1.8%	56.2%
S&P 200 Healthcare	44808	45312	-1.1%	2.8%	132.4%
S&P 200 Financials	6412	6424	-0.2%	-1.1%	0.6%
S&P 200 Info Technology	2031	2108	-3.6%	-6.7%	161.2%
S&P 200 Telecommunicatic	1481	1490	-0.6%	-0.9%	-15.6%
S&P 200 Utilities	5942	6144	-3.3%	-0.2%	-21.2%
S&P 200 Property Trusts	1558	1552	0.4%	-0.1%	16.2%
S&P 200 Financials ex PT	7152	7165	-0.2%	-1.1%	0.6%

Source: IRESS

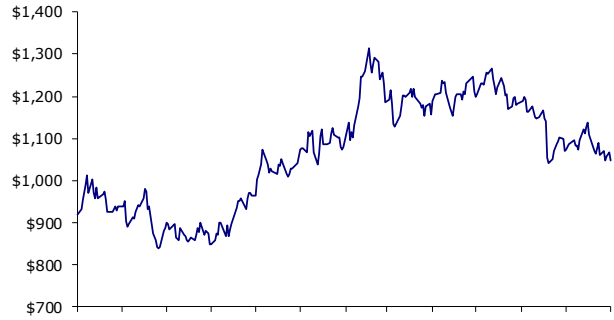


### 1 Year Commodity Price Charts

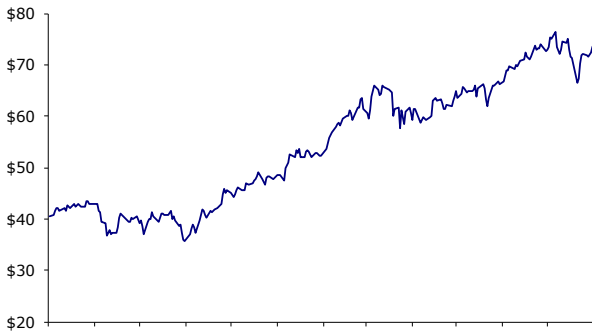
1 Year Gold



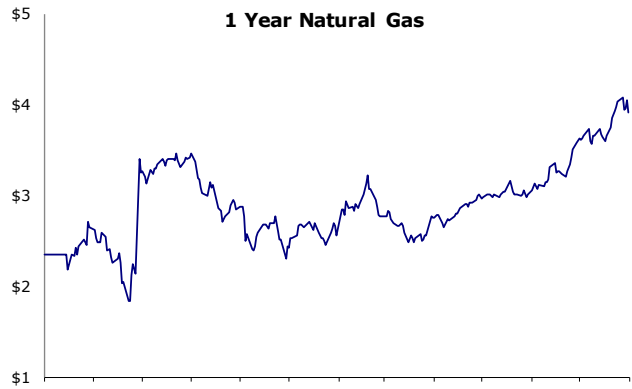
1 Year Platinum



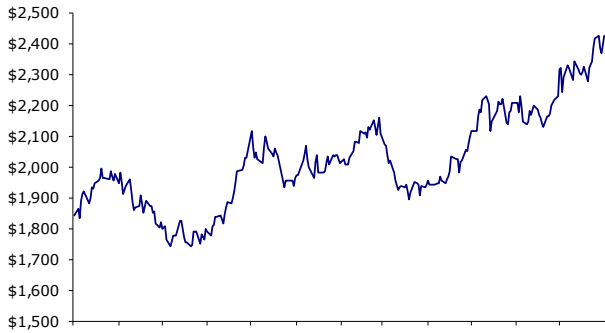
1 Year Oil



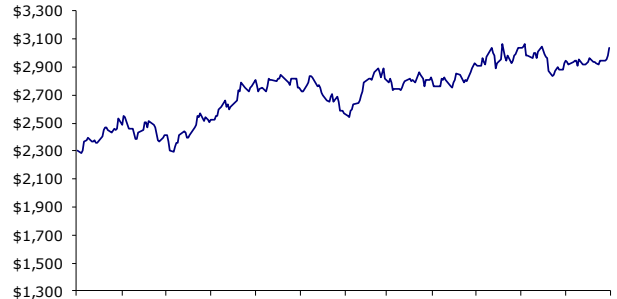
1 Year Natural Gas



1 Year Lead

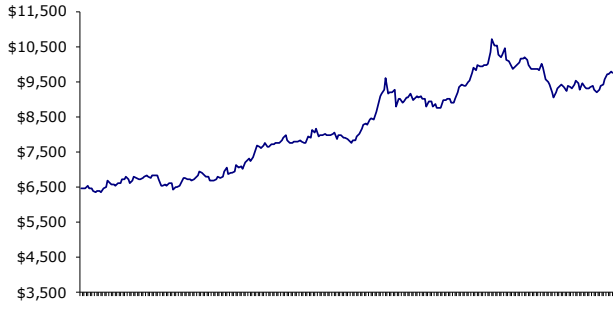


1 Year Zinc

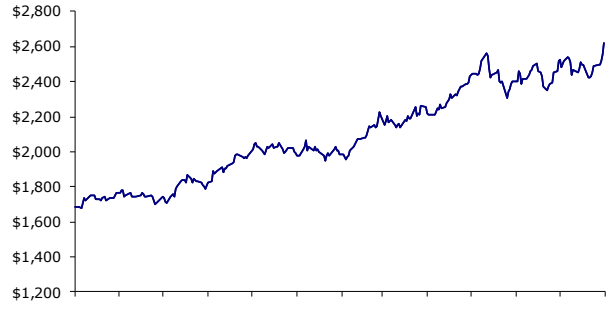




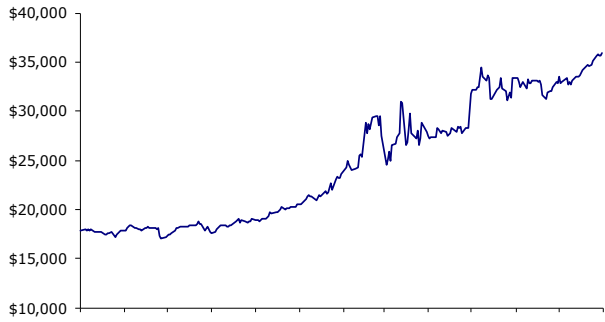
1 Year Copper



1 Year Aluminium

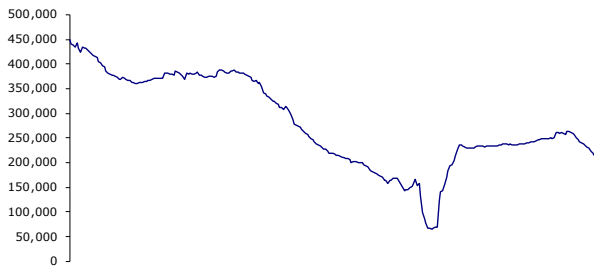


1 Year Tin

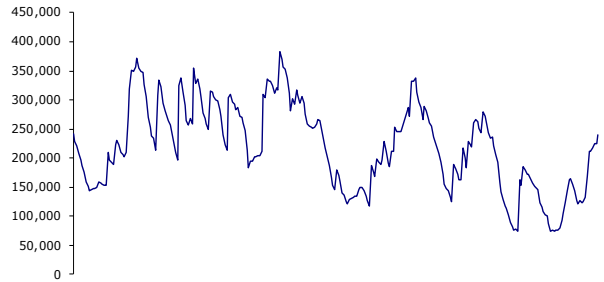


5 Year Metals Stockpiles

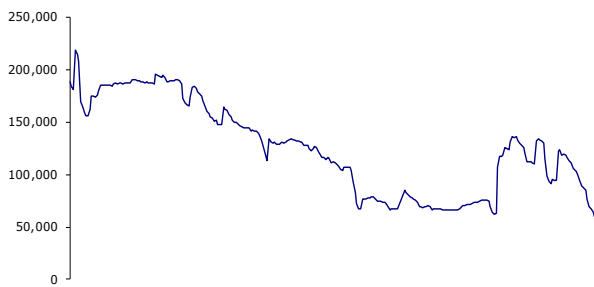
Nickel LME Stockpiles - 5 Year



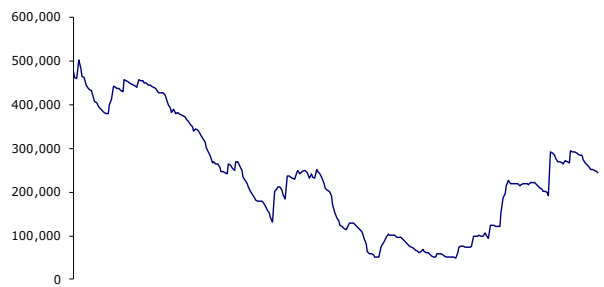
Copper LME Stockpiles - 5 Year



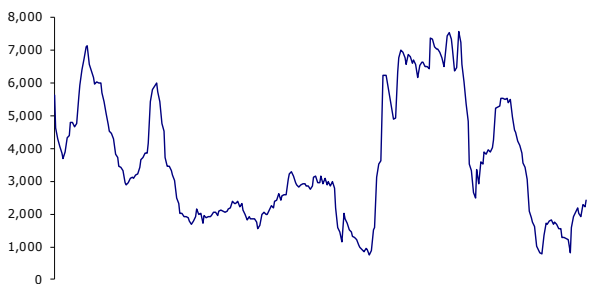
Lead LME Stockpiles - 5 Year



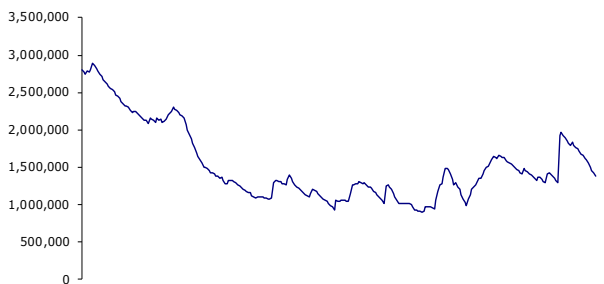
Zinc LME Stockpiles - 5 Year



Tin LME Stockpiles - 5 Year



Aluminium LME Stockpiles - 5 Year





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