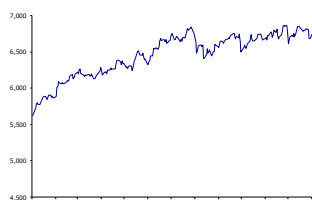


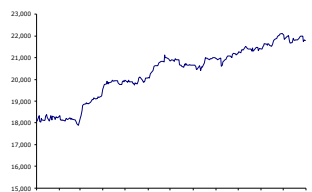
## STATE ONE SPINNAKER

**5 January 2020**  
**Issue 483**

**12 month XJO chart**



**12 month Dow Jones chart**



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**Overview**

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## Global Wrap – 5 January 2020

World Markets	5/01/2020	29/12/2019	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	6733	6822	-1.3%	-0.3%	21.5%
Dow Jones	21798	21988	-0.9%	-1.0%	18.0%
Nasdaq	5284	5284	0.0%	-0.2%	21.9%
S&P 500	3235	3240	-0.2%	3.0%	44.0%
FTSE 100	7622	7645	-0.3%	5.6%	10.0%
DAX30	13219	13337	-0.9%	0.6%	21.4%
Shanghai Composite	3084	3040	1.4%	5.8%	-4.1%
Nikkei 225	23657	23657	0.0%	1.0%	26.1%
Hang Seng	28452	28225	0.8%	6.8%	24.4%
Currency					
AUD/USD	0.6952	0.6994	-0.6%	0.1%	-2.3%
Commodities					
Oil (\$/bbl)	63.0	61.6	2.2%	6.5%	30.7%
Gas (\$/gal)	2.1	2.2	-4.5%	-5.1%	-33.0%
Iron Ore (\$/t)	0.0	53.9	-100.0%	-100.0%	-100.0%
Copper (\$/t)	6077	6211	-2.2%	-0.1%	4.1%
Lead (\$/t)	1890	1910	-1.1%	-0.7%	-18.9%
Zinc (\$/t)	2293	2296	-0.1%	3.2%	-16.5%
Aluminium (\$/t)	1758	1789	-1.7%	0.4%	1.5%
Nickel (\$/t)	13740	14000	-1.9%	1.5%	20.8%
Tin (\$/t)	16750	17100	-2.0%	-3.9%	-21.7%
Gold (\$/oz)	1552	1518	2.3%	4.9%	32.4%
Silver (\$/oz)	18.2	17.9	1.2%	7.3%	6.2%
Platinum (\$/oz)	990	957	3.5%	5.1%	5.6%
Wheat (\$/t)	554.000	555.750	-0.3%	6.7%	35.7%

Source: Iress

## Global Wrap

### US

Stocks fell on Friday after the US confirmed that an airstrike had killed Iran's top military commander.

The US announced that it had killed Iran's top commander, General Qasem Soleimani, in Baghdad. Soleimani had been a key figure in Iranian politics, and his death has raised concerns over a potential retaliation from the Iranian forces.

The news sent oil prices surging and ratcheted up geopolitical concerns.

The Dow Jones Industrial Average closed 233.92 points lower, or 0.6% at 28,634.88. The S&P 500 also had its worst day in a month, sliding 0.7% to 3,234.85, CNBC reported. The Nasdaq Composite dropped 0.8% to 9,020.77. The Dow briefly dropped more than 360 points at the open. The major averages recovered some ground later in the session as oil prices came off their lows.

**US crude oil** futures settled up 3% at \$63.05 per barrel and briefly gained 4.8%, raising concerns about an energy shock on the global economy. Airline stocks fell broadly on the threat of higher oil prices. United, American and Delta all dropped more than 1.6%.

Energy stocks such as Concho Resources and Apache went up 3.7% and 1.3%, respectively. Devon Energy climbed 1.2%.

In data releases, a weaker-than-expected reading on the manufacturing economy also weighed on stocks. December's ISM manufacturing index came in at 47.2, the weakest in a decade and smaller than the 49 reading expected by economists polled by Dow Jones.

Investors largely fled risk assets such as stocks in favour of gold and Treasuries and other traditional safe havens.

**Gold** futures jumped more than 1%. The benchmark 10-year Treasury yield, which moves inversely to the price, dropped to around 1.79%.

The market moves come after US equities rose to all-time highs on Thursday on the back of a strong performance in the tech sector. The Dow surged more than 300 points on Thursday, while the S&P 500 and Nasdaq gained 0.8% and 1.3%, respectively.

That performance added followed the strong gains from 2019. The S&P 500 rallied nearly 29% in 2019, its best annual performance since 2013. The Nasdaq surged 35.2% last year while the Dow climbed 22.3%.

However, the optimism entering the new year seems to be fading amid political tensions, including North Korea and the impeachment of President Donald Trump.

### Asia

The Hang Seng index in Hong Kong slipped about 0.2%, with shares of HSBC declining 0.57%.

The Shanghai composite was slightly lower at about 3,083.79 while the Shenzhen component added 0.17% to 10,656.41. The Shenzhen composite was 0.267% higher at about 1,760.85.

Hong Kong-listed shares of PetroChina and CNOOC also soared 3.05% and 1.85%, respectively following the killing of Iran's top commander.

### Europe

The pan-European Stoxx 600 closed provisionally down 0.4%. Travel and autos stocks led the losses, while oil and gas shares rose over 1% on the back of renewed unrest in the Middle East.

Shares of Swedish Match rose over 3% to lead the Stoxx 600 in afternoon trade as tobacco stocks were boosted by the US Food and Drug Administration's (FDA) final vapour guidance.

Under the new policy, vape companies will have 30 days from when the policy publishes in the federal register to stop manufacturing, distributing and selling flavoured cartridge-based e-cigarettes, other than tobacco or menthol, the US Department of Health and Human Services announced on Thursday.

Airlines Lufthansa and Air France KLM slid around 7% and 8% respectively as airlines broadly declined on the back of the sharp rise in oil prices.

### Australia

Australia's S&P/ASX 200 rose 0.64% to close at 6,733.50, with all the sectors in positive territory. Amid the Middle East tensions **Santos** added 2.31% while **Beach Energy** surged 3.17%.

For the big miners, **BHP** shares were up 1.36% at \$39.48, while **Rio Tinto** rose 1.2% to \$102.36, the Sydney Morning Herald reported.

**South32** was up 1.87% to \$2.73, **Fortescue Metals** was 1.35% higher at \$10.925, and **BlueScope Steel** rose 0.69% to \$15.245.

**Westpac** led gains for the big four banks, up 1.57% to \$24.57.

**ANZ** was up 1.14% at \$24.83, **Commonwealth Bank** rose 1.43% to \$81.02, and **NAB** dipped 1.3% to \$24.89.

**Bendigo and Adelaide Bank** and **Bank of Queensland** were up by 0.66% and 1.1% respectively, while **Macquarie Group** rose 1.61% to \$139.74.

Magellan Financial climbed 2.74% to \$59.31 and insurers **QBE**, **IAG**, and **Suncorp** climbed by between 0.81% and 1.57%.

Biotech benchmark **CSL** gained 1.89% to \$280.24, with **Ramsay Health Care** and **Sonic Healthcare** rising by 1.58% and 2.03% respectively.

The **tech sector** was a strong early performer thanks to gains by Wisetech, Afterpay, Appen, Altium, Xero and Bravura Solutions - with each company climbing by between 0.57% and 2.66% in the first half hour.

For the **industrials**, Aurizon, Transurban, Sydney Airport, and Qantas were well in the black, but Virgin Australia slipped by more than 3.0%.

The **energy sector**, as well as **consumer staples**, **consumer discretionaries**, **telcos** and **property trusts**, were also trading higher.









**Next week**, when markets swing back into action after the holiday interrupted past two weeks, investors will be watching:

CPI releases in Europe (Tuesday) and China (Thursday), while non-farm payroll and average wages data will be out in the US on Friday.

Australia's trade balance will be released on Thursday and retail sales on Friday.










***Wishing you a happy and prosperous new year!***

## Economic Calendar 6/01/2020 – 10/01/2020

Tuesday January 07 2020			Actual	Previous	Consensus	Forecast	
09:30 PM	🇨🇦 CA	Balance of Trade NOV		C\$-1.08B	C\$-1B	C\$ -0.9B	
09:30 PM	🇺🇸 US	Balance of Trade NOV		\$-47.2B	\$-44B	\$ -43B	
11:00 PM	🇨🇦 CA	Ivey PMI s.a DEC		60	53.8	56	
Wednesday January 08 2020			Actual	Previous	Consensus	Forecast	
01:00 PM	🇯🇵 JP	Consumer Confidence DEC		38.7		39	
06:00 PM	🇪🇺 EA	Business Confidence DEC		-0.23	-0.16	-0.10	
Thursday January 09 2020			Actual	Previous	Consensus	Forecast	
08:30 AM	🇦🇺 AU	Balance of Trade NOV		A\$4.50B	A\$6.1B	A\$4B	
09:30 AM	🇨🇳 CN	Inflation Rate YoY DEC		4.5%		4.7%	
03:00 PM	🇩🇪 DE	Balance of Trade NOV		€21.5B		€19.9B	
Friday January 10 2020			Actual	Previous	Consensus	Forecast	
09:30 PM	🇺🇸 US	Non Farm Payrolls DEC		266K	160K	165K	

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

## Economic Calendar 13/01/2020 – 17/01/2020

Monday January 13 2020			Actual	Previous	Consensus	Forecast	
05:30 PM	🇬🇧 GB	Balance of Trade NOV		£-5.19B		£-3.2B	
Tuesday January 14 2020			Actual	Previous	Consensus	Forecast	
09:30 PM	🇺🇸 US	Core Inflation Rate YoY DEC		2.3%		2.2%	
09:30 PM	🇺🇸 US	Inflation Rate YoY DEC		2.1%		2.3%	
Wednesday January 15 2020			Actual	Previous	Consensus	Forecast	
03:00 PM	🇩🇪 DE	Full Year GDP Growth 2019		1.5%			
05:30 PM	🇬🇧 GB	Inflation Rate YoY DEC		1.5%		1.5%	
Thursday January 16 2020			Actual	Previous	Consensus	Forecast	
09:30 PM	🇺🇸 US	Retail Sales MoM DEC		0.2%		0.3%	
Friday January 17 2020			Actual	Previous	Consensus	Forecast	
08:30 AM	🇦🇺 AU	Westpac Consumer Confidence Change JAN		-1.9%		96	
08:30 AM	🇦🇺 AU	Westpac Consumer Confidence Index JAN		95.1		0.9%	
10:00 AM	🇨🇳 CN	GDP Growth Rate YoY Q4		6%		5.9%	

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

## All Ords Top 10 Week Ending 3 January 2020

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
PLS	Pilbara Min Ltd	17.0	SYD	SYD Airport	-5.6
GOR	Gold Road Res Ltd	9.2	APX	Appen Limited	-4.9
ORE	Orocobre Limited	8.5	APA	APA Group	-4.7
SAR	Saracen Mineral	7.5	CGC	COSTA GROUP HOLDINGS	-4.6
NST	Northern Star	7.0	TCL	Transurban Group	-4.4
SLR	Silver Lake Resource	5.7	PNV	Polynovo Limited	-4.3
RSG	Resolute Mining	4.1	MYX	Mayne Pharma Ltd	-4.3
NUF	Nufarm Limited	2.7	A2M	The A2 Milk Company	-4.2
GNC	GrainCorp Limited	2.3	APE	AP Eagers Limited	-4.1
GUD	G.U.D. Holdings	2.1	CUV	Clinuvel Pharmaceut.	-4.0

Source: IRESS

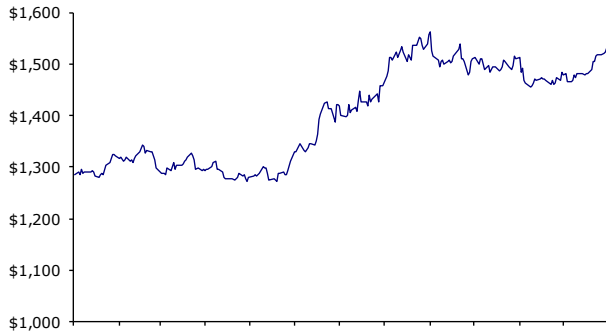
## S & P Indices Week Ending 3 January 2020

S&P Indices	5/01/2020	29/12/2019	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	11713	11703	0.1%	1.0%	31.7%
S&P 200 Materials	13896	14025	-0.9%	1.8%	40.4%
S&P 200 Industrials	6986	7186	-2.8%	-1.8%	36.9%
S&P 200 Consumer Disc.	2705	2735	-1.1%	1.0%	29.2%
S&P 200 Consumer Staples	12242	12572	-2.6%	-3.8%	43.1%
S&P 200 Healthcare	40851	41408	-1.3%	-1.0%	111.9%
S&P 200 Financials	6011	6059	-0.8%	0.1%	-5.7%
S&P 200 Info Technology	1424	1448	-1.7%	0.7%	83.0%
S&P 200 Telecommunicatic	1279	1301	-1.7%	-2.8%	-27.2%
S&P 200 Utilities	8162	8399	-2.8%	-0.5%	8.3%
S&P 200 Property Trusts	1587	1617	-1.9%	-2.6%	18.3%
S&P 200 Financials ex PT	6704	6757	-0.8%	0.1%	-5.7%

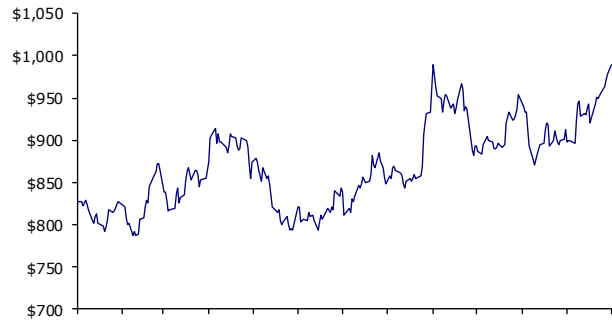
Source: IRESS

## 1 Year Commodity Price Charts

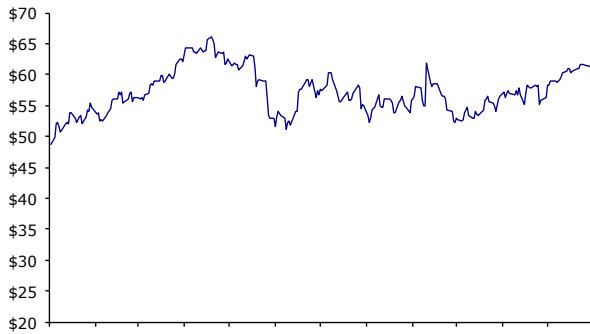
**1 Year Gold**



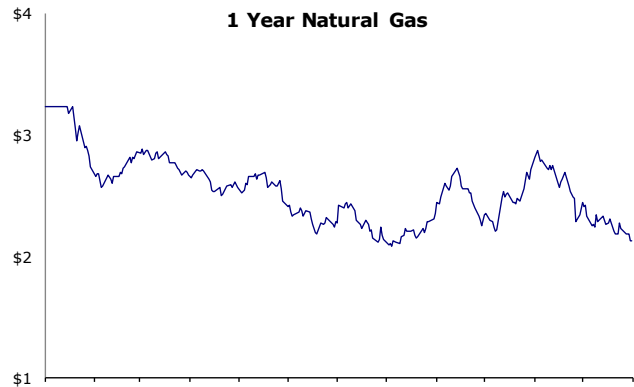
**1 Year Platinum**



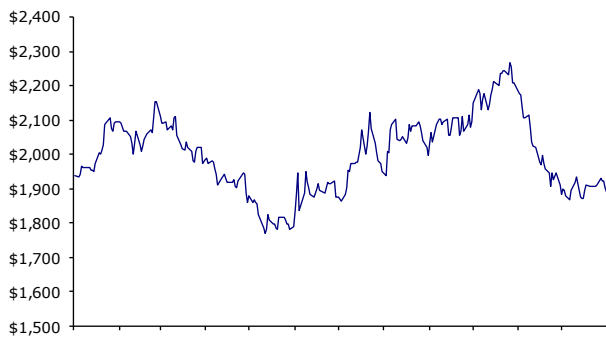
**1 Year Oil**



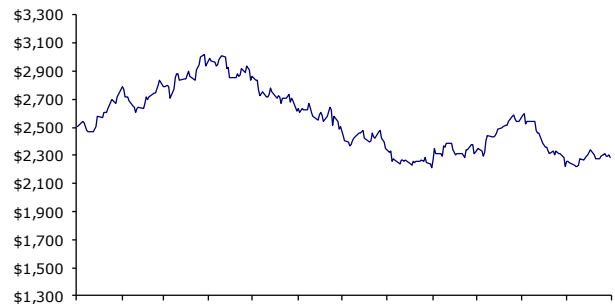
**1 Year Natural Gas**



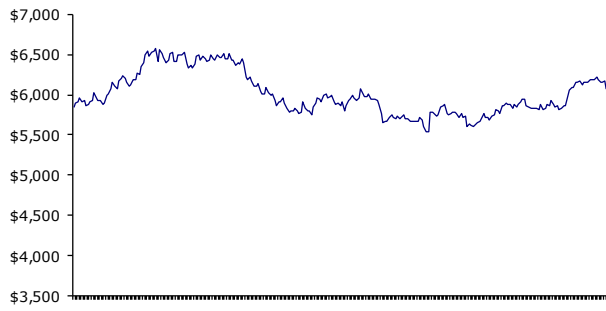
**1 Year Lead**



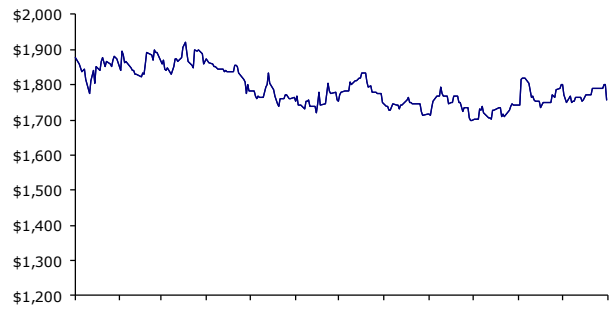
**1 Year Zinc**



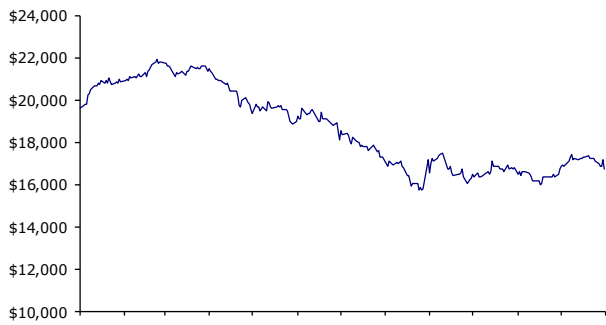
**1 Year Copper**



**1 Year Aluminium**

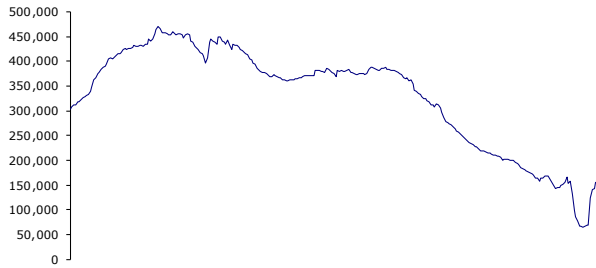


**1 Year Tin**

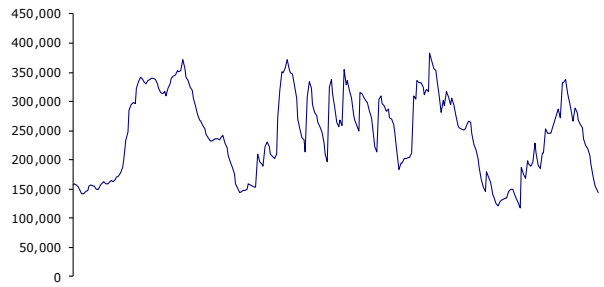


## 5 Year Metals Stockpiles

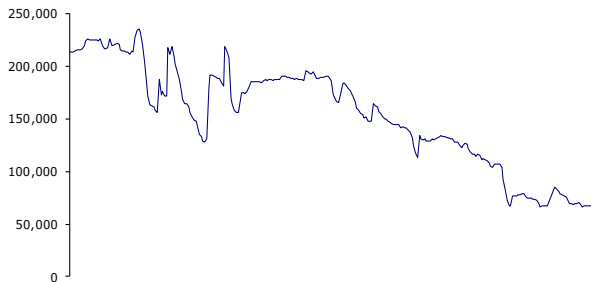
**Nickel LME Stockpiles - 5 Year**



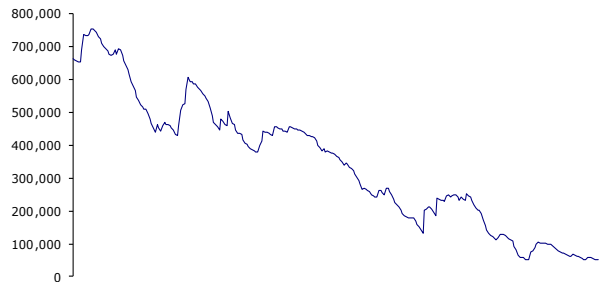
**Copper LME Stockpiles - 5 Year**



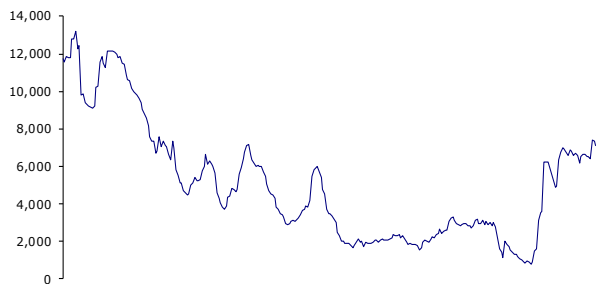
**Lead LME Stockpiles - 5 Year**



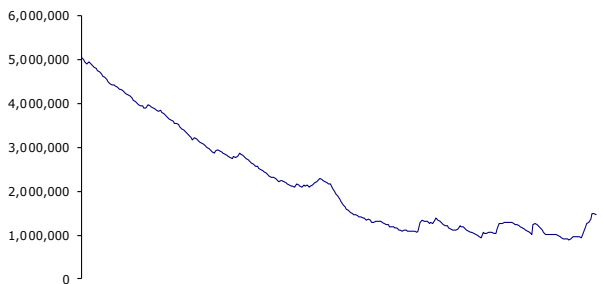
**Zinc LME Stockpiles - 5 Year**



**Tin LME Stockpiles - 5 Year**



**Aluminium LME Stockpiles - 5 Year**



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