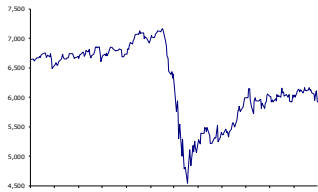
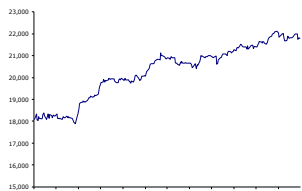


Issue 516
12-month XJO chart

12-month Dow Jones chart

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Global Wrap – 6 September 2020

World Markets	6/09/2020	30/08/2020	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	5926	6074	-2.4%	-3.4%	6.9%
S&P 500	3427	3508	-2.3%	1.4%	52.6%
FTSE 100	5799	5964	-2.8%	-7.7%	-16.3%
DAX30	12843	13033	-1.5%	-1.7%	3.8%
Shanghai Composite	3355	3396	-1.2%	1.0%	4.4%
Nikkei 225	23205	23140	0.3%	-0.2%	23.7%
Hang Seng	24695	25422	-2.9%	-2.2%	8.0%
Currency					
AUD/USD	0.7285	0.7377	-1.2%	0.4%	6.4%
Commodities					
Oil (\$/bbl)	39.8	42.8	-7.1%	-6.1%	-29.7%
Gas (\$/gal)	2.6	2.7	-2.6%	20.3%	0.4%
Iron Ore (\$/t)	0.0	53.9	-100.0%	-100.0%	-100.0%
Copper (\$/t)	6678	6728	-0.7%	4.7%	14.4%
Lead (\$/t)	1940	1977	-1.8%	0.3%	-16.8%
Zinc (\$/t)	2539	2530	0.4%	6.8%	-7.5%
Aluminium (\$/t)	1753	1762	-0.5%	-0.1%	1.2%
Nickel (\$/t)	15210	15414	-1.3%	7.4%	33.8%
Tin (\$/t)	18370	17801	3.2%	3.7%	-14.1%
Gold (\$/oz)	1934	1975	-2.1%	-0.8%	65.0%
Silver (\$/oz)	26.6	27.6	-3.7%	2.3%	55.5%
Platinum (\$/oz)	898	940	-4.4%	-6.4%	-4.2%
Wheat (\$/t)	541.250	539.500	0.3%	10.3%	32.6%

Source: Iress

Key points

1. Last week in review
2. Friday's markets
3. What to watch next week

The week in review

Earnings season ended on Monday with a case study in the surging e-commerce sector. Online furniture retailer Temple & Webster Group, for example, reported year-on-year revenue growth of 74%, a 77% increase in active customers and a net profit after tax of \$13.9 million.

Until Thursday the ASX was buoyed by a stronger-than-expected reporting season figures and minimal surprises within the release of **June quarter gross domestic product (GDP) data**, which confirmed the first recession in 29 years and the greatest fall on record.

The **Reserve Bank of Australia** expanded its term funding facility to approximately \$200 billion on Tuesday. This allows low cost funding for banks to promote lending to business and consumers, while holding the official cash rate at 0.25%.

Meanwhile the **US Federal Reserve's** recent change in its approach to managing inflation, ultimately redoubling its commitment to lower interest rates, led the US equity market higher until Friday.

Friday's markets

The **Dow Jones** fell 159.42 points, or 0.6%, to 28,133.31. The **S&P 500** dipped 0.81% to 3,426.96. The **Nasdaq Composite** slid 1.3%, CNBC reported.

Stocks gyrated throughout Friday as tech shares tried to recover from a sell-off in the previous session. All the major benchmarks fell for the week as tech shares declined.

In data releases the US unemployment rate fell to 8.4% last month from 10.2% in July, the Labor Department said on Friday. Economists polled by Dow Jones expected the rate to decline to 9.8%. As for overall jobs creation, employment in the US grew by 1.37 million in August, topping an estimate of 1.32 million.

However the report was not enough to push the markets into the green.

JPMorgan Chase and Citigroup both gained 2% as traders rotated into more beaten-down names. Boeing also climbed 1.4%. Apple closed slightly higher after a late-day rally. Tesla ended the session 2.8% higher after dropping as much as 8.6%.

Asia-Pacific stocks were lower on Friday, following Wall Street's sharp declines on Thursday US time.

The **Shanghai composite** dropped 0.87% to approximately 3,355.37 while the **Shenzhen component** declined 0.84% to about 13,656.66. **Hong Kong's Hang Seng** index slipped 1.25% to end its trading day at 24,695.45.

The **Kospi in South Korea** dropped 1.15% on the day to 2,368.25, while **Japan's Nikkei 225** declined 1.11% to close at 23,205.43.

Technology stocks in the region followed their counterparts stateside.

Shares of Apple suppliers in Asia declined, with Sharp and Murata Manufacturing in Japan slipping 0.65% and 1.56%, respectively.

Chinese tech stocks listed in Hong Kong also came under pressure. Tech giant **Alibaba** had its stock drop 3.59% while **Tencent** also slipped 3%. It came as the Hang Seng Tech index fell 1.53% on the day to 7,588.02.

European stocks closed lower on Friday as a sell-off in the tech sector continued for a second consecutive trading session.

The **pan-European Stoxx 600** ended down 1.1%. Technology stocks led the losses, down 2.6%, while Europe's banking index jumped 1.6%.

Also in Europe, the EU is considering fresh sanctions on Russia following the poisoning of Putin critic Alexei Navalny, once the specific culprits have been properly identified.

The plunges on American markets spilled into local trade on Friday as the Australian sharemarket suffered its sharpest one-day loss in four months, shedding \$56 billion in a 3.1% dive.

The benchmark **S&P/ASX 200** finished 187.1 points lower at 5925.5 on Friday, eroding two buoyant days, The Sydney Morning Herald reported.

Just six companies on the index added to their tally on Friday and all sectors ended the session deep in the red.

Local tech stocks were the biggest losers as the sector booked its worst session since mid-March, mirroring the overnight battering of high-flying NASDAQ firms.

The ASX 200 started the day narrowly ahead but ended 2.4% lower over the five sessions.

At its Friday nadir, the market was as much as 3.3% – or \$60 billion – lower.

Biotech **CSL** dropped 4.1% and miners **BHP** and **Rio Tinto** fell 3.8% and 2.8% respectively.

Commonwealth Bank shed 2.1% to \$66.73, while **Westpac** and **ANZ** dropped 3.1% and **NAB** 3%.

Other blue chips to cop a battering included iron ore giant **Fortescue Metals**, down 3.4%, retail and industrial conglomerate **Wesfarmers**, down 3.7%, and supermarket **Woolworths**, which lost 3.9%.

The tech sector fell by a collective 5.6%. **Afterpay** shed 6.7% to \$78.20, taking its weekly losses to 11.9%.



Appen fell even further on Friday, losing 7.1% to \$32.43, while **Wisetech** Global was the sector's biggest drag, shedding 7.3% to \$27.53.

Xero gave up 5.7%, **Altium** dropped 6.2% and **NEXTDC** lost 6.8%.

This coming week will be a shortened trading week in the US as American markets are closed on Monday for Labor Day.

The Chinese trade balance and Japanese GDP will be released on Monday, along with the eurozone GDP reading on Tuesday.

Chinese CPI will be released on Wednesday and the eurozone's interest rate decision will be announced on Thursday.

**Economic Calendar 7/09/2020 – 11/09/2020**

Tuesday September 08 2020		Actual	Previous	Consensus	Forecast
07:50 AM	JP GDP Growth Rate QoQ Final Q2		-0.6%		-4.2%
09:30 AM	AU NAB Business Confidence AUG		-14		-18
02:00 PM	DE Balance of Trade JUL	€15.6B			€22B
05:00 PM	EA GDP Growth Rate QoQ 3rd Est Q2		-3.6%	-12.1%	-12.1%
05:00 PM	EA GDP Growth Rate YoY 3rd Est Q2		-3.1%	-15%	-15%
Wednesday September 09 2020		Actual	Previous	Consensus	Forecast
08:30 AM	AU Westpac Consumer Confidence Index SEP		79.5		77
08:30 AM	AU Westpac Consumer Confidence Change SEP		-9.5%		-3.1%
09:30 AM	CN Inflation Rate YoY AUG		2.7%		2.9%
10:00 PM	CA BoC Interest Rate Decision		0.25%		0.25%
Friday September 11 2020		Actual	Previous	Consensus	Forecast
02:00 PM	GB Balance of Trade JUL	£5.3B			£1.2B
08:30 PM	US Core Inflation Rate YoY AUG		1.6%	1.6%	1.5%
08:30 PM	US Inflation Rate YoY AUG		1%	1.2%	1.1%
	EA Eurogroup Meeting				

Economic Calendar 14/09/2020 – 18/09/2020

Tuesday September 15 2020		Actual	Previous	Consensus	Forecast
02:00 PM	GB Claimant Count Change AUG		94.4K		51K
05:00 PM	DE ZEW Economic Sentiment Index SEP		71.5		55.1
Wednesday September 16 2020		Actual	Previous	Consensus	Forecast
07:50 AM	JP Balance of Trade AUG		¥11.6B		¥160B
02:00 PM	GB Inflation Rate YoY AUG		1%		0.4%
08:30 PM	CA Inflation Rate YoY AUG		0.1%		
08:30 PM	US Retail Sales MoM AUG		1.2%		4%
Thursday September 17 2020		Actual	Previous	Consensus	Forecast
02:00 AM	US Fed Interest Rate Decision		0.25%		0.25%
07:00 PM	GB BoE Interest Rate Decision		0.1%		0.1%
Friday September 18 2020		Actual	Previous	Consensus	Forecast
07:30 AM	JP Inflation Rate YoY AUG		0.3%		

Source: www.tradingeconomics.com

**All Ords Top 10 Week Ending 4 September 2020**

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
SKC	Skycity Ent Grp Ltd	11.7	IFL	IOOF Holdings Ltd	-15.8
LLC	Lendlease Group	9.1	APT	Afterpay Limited	-11.9
CGC	Costa Group Holdings	8.5	TNE	Technology One	-8.6
AMP	AMP Limited	8.3	FPH	Fisher & Paykel H.	-8.1
SYD	SYD Airport	6.5	QBE	QBE Insurance Group	-8.0
TCL	Transurban Group	6.3	OBL	Omni Bridgeway Ltd	-7.8
AVH	Avita Therapeutics	6.2	MPL	Medibank Private Ltd	-7.4
COE	Cooper Energy Ltd	6.0	PTM	Platinum Asset	-7.2
BGA	Bega Cheese Ltd	5.8	SDF	Steadfast Group Ltd	-7.1
ABC	Adbri Limited	5.6	MP1	Megaport Limited	-7.1

Source: IRESS

S & P Indices Week Ending 4 September 2020

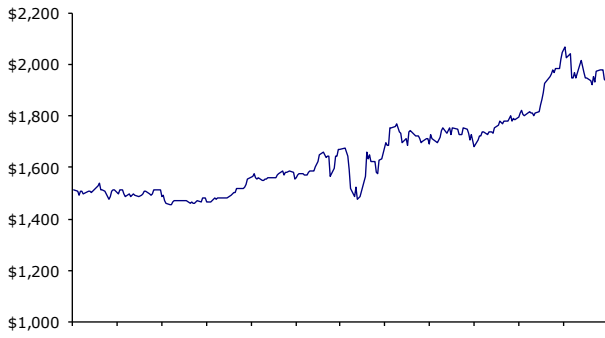
S&P Indices	6/09/2020	30/08/2020	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	6927	7071	-2.0%	-7.6%	-22.1%
S&P 200 Materials	13774	14155	-2.7%	-5.8%	39.1%
S&P 200 Industrials	5800	5700	1.8%	2.7%	13.7%
S&P 200 Consumer Disc.	2680	2721	-1.5%	3.7%	28.0%
S&P 200 Consumer Staples	12434	12954	-4.0%	-7.1%	45.3%
S&P 200 Healthcare	41291	42679	-3.3%	-1.1%	114.2%
S&P 200 Financials	4634	4794	-3.3%	-5.9%	-27.3%
S&P 200 Info Technology	1736	1871	-7.2%	5.1%	123.2%
S&P 200 Telecommunicatic	1140	1159	-1.6%	-7.6%	-35.1%
S&P 200 Utilities	7166	7092	1.0%	-8.3%	-4.9%
S&P 200 Property Trusts	1290	1293	-0.2%	1.9%	-3.8%
S&P 200 Financials ex PT	5169	5347	-3.3%	-5.9%	-27.3%

Source: IRESS

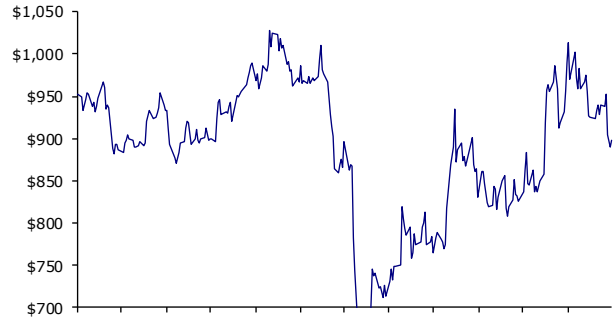


1 Year Commodity Price Charts

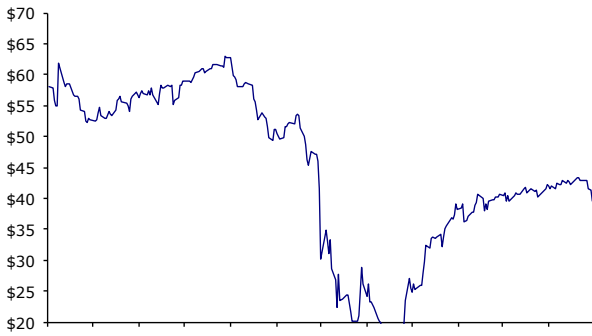
1 Year Gold



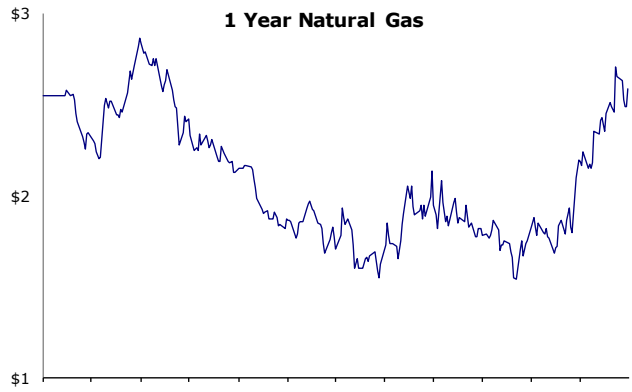
1 Year Platinum



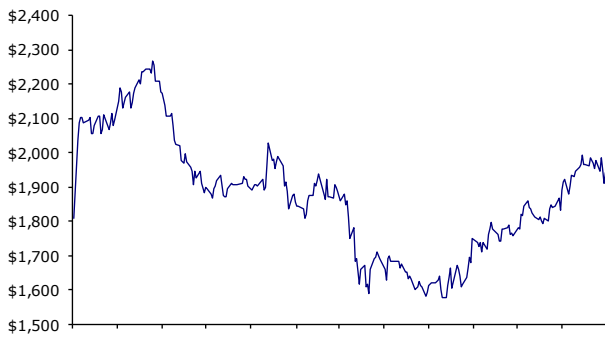
1 Year Oil



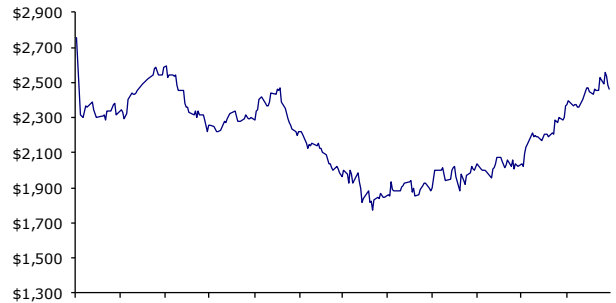
1 Year Natural Gas



1 Year Lead

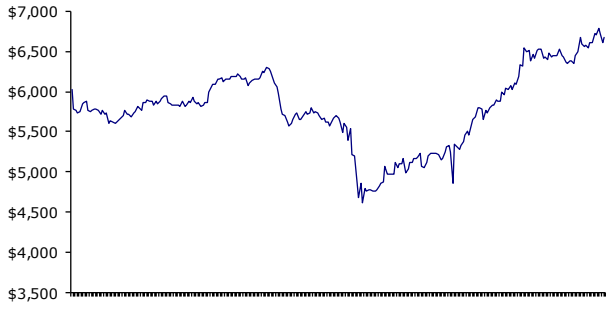


1 Year Zinc

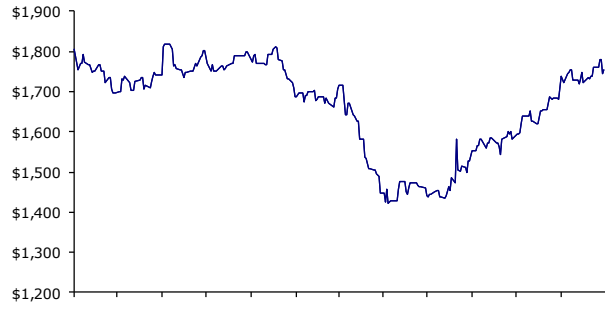




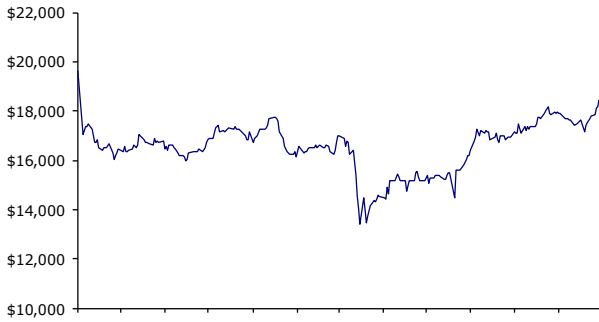
1 Year Copper



1 Year Aluminium

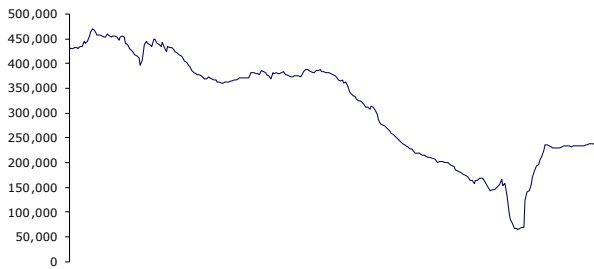


1 Year Tin

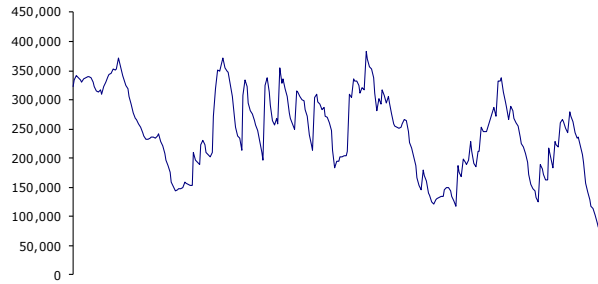


5 Year Metals Stockpiles

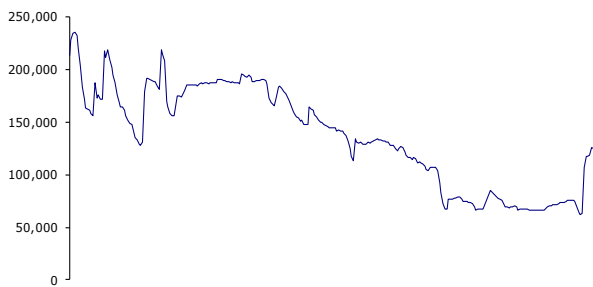
Nickel LME Stockpiles - 5 Year



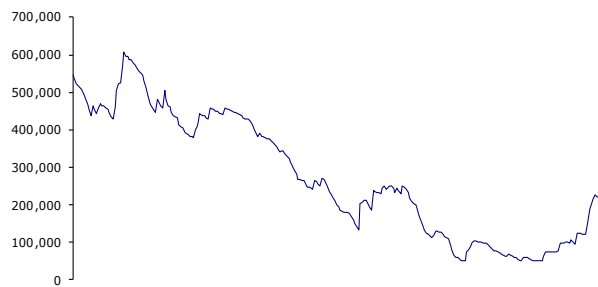
Copper LME Stockpiles - 5 Year



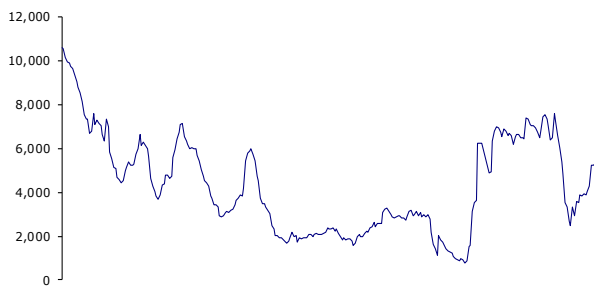
Lead LME Stockpiles - 5 Year



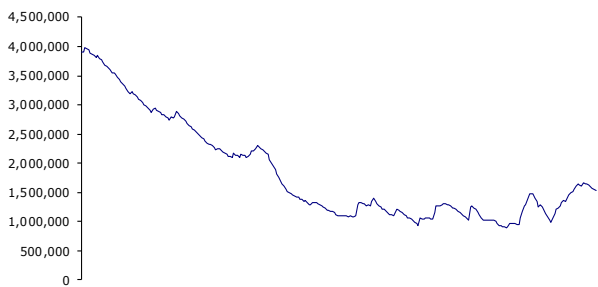
Zinc LME Stockpiles - 5 Year



Tin LME Stockpiles - 5 Year



Aluminium LME Stockpiles - 5 Year





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