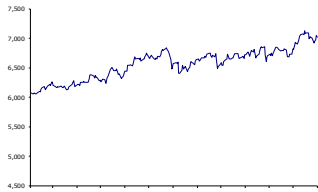
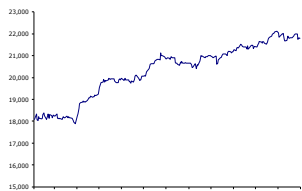


Issue 487
12-month XJO chart

12-month Dow Jones chart

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Global Wrap – 9 February 2020

World Markets	9/02/2020	2/02/2020	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	7023	7017	0.1%	0.4%	26.7%
Dow Jones	21798	21988	-0.9%	-1.0%	18.0%
Nasdaq	5284	5284	0.0%	-0.2%	21.9%
S&P 500	3328	3226	3.2%	1.2%	48.1%
FTSE 100	7467	7286	2.5%	-2.3%	7.7%
DAX30	13514	12982	4.1%	0.6%	19.5%
Shanghai Composite	2876	2747	4.7%	-6.4%	-10.6%
Nikkei 225	23828	22972	3.7%	-0.4%	27.0%
Hang Seng	27404	26313	4.1%	-4.8%	19.9%
Currency					
AUD/USD	0.6675	0.6692	-0.3%	-0.7%	-5.9%
Commodities					
Oil (\$/bbl)	50.4	49.9	1.0%	-14.0%	-4.3%
Gas (\$/gal)	1.9	1.8	0.9%	-11.0%	-31.9%
Iron Ore (\$/t)	0.0	53.9	-100.0%	-100.0%	-100.0%
Copper (\$/t)	5653	5570	1.5%	-9.3%	-3.2%
Lead (\$/t)	1835	1875	-2.1%	-6.4%	-21.3%
Zinc (\$/t)	2223	2219	0.2%	-7.0%	-19.0%
Aluminium (\$/t)	1694	1723	-1.7%	-4.2%	-2.2%
Nickel (\$/t)	12770	12675	0.7%	-8.5%	12.3%
Tin (\$/t)	16325	16275	0.3%	-6.3%	-23.7%
Gold (\$/oz)	1573	1588	-0.9%	1.1%	34.2%
Silver (\$/oz)	17.7	18.0	-1.8%	-1.7%	3.5%
Platinum (\$/oz)	969	962	0.8%	-5.7%	3.4%
Wheat (\$/t)	559.000	553.500	1.0%	-2.4%	36.9%

Source: Iress

Global Wrap
Key points

- 1. Coronavirus fears hit markets**
- 2. US jobs up**
- 3. What to watch next week**

US

The **Dow** slid 277.26 points, or 0.94%, to 29,102.51. **The S&P 500** fell 0.54% to 3,327.71. The **Nasdaq Composite** pulled back 0.54% to 9,520.51. Investors booked some of the week's sharp gains as worries over the coronavirus's impact on the Chinese economy persisted, CNBC reported.

The major averages fell for the first time in five sessions amid worries the Chinese economy could suffer a significant economic slowdown because of the coronavirus outbreak.

Not even a much stronger-than-expected jobs report could outweigh those concerns. Still, the major averages posted solid weekly gains.

An unseasonably mild January helped power the **US jobs market** to more gains, with non-farm payrolls rising 225,000 for the month, well above Wall Street estimates.

The unemployment rate ticked higher to 3.6%, but for the right reason as the labor force participation rate increased 0.2 percentage points to 63.4%, matching its highest level since June 2013, according to data released on Friday by the Labor Department.

Economists surveyed by Dow Jones were looking for payroll growth of 158,000 and the jobless rate to stay at 3.5%, its lowest in more than 50 years.

Caterpillar and [Boeing](#) — two bellwether stocks for the global economy — fell 2.83% and 1.37%, respectively, to lead the Dow lower. Uber, meanwhile, jumped 9.54% on the back of stronger-than-forecast quarterly results.

Asia

Asia Pacific markets mostly fell on Friday, following three sessions of broad gains, as China delayed the release of trade data for January.

China's trade data for January, which was supposed to be released on Friday, will be combined with February's trade data, according to a Reuters report citing the country's customs office.

S&P Global Ratings on Friday issued a report where it revised its estimation of **China's GDP growth** for 2020 from 5.7% before the outbreak to 5%, stating that "most of the economic impact of coronavirus will be felt in the first quarter, and China's recovery will be firmly in place by the third quarter of this year."

JPMorgan expects the second-largest economy in the world to expand by just 1% in the first three months of 2020.

Mainland Chinese shares bucked the downward trend to bounce back slightly from declines earlier.

The **Shanghai composite** rose 0.33% to close at 2,875.96. The **Shenzhen component** edged up slightly to 10,611.55, while the **Shenzhen composite** bounced 0.49% to 1,735.63.

The indexes had fallen sharply on Monday when Chinese markets reopened, following the Lunar New Year break, before they attempted a slow recovery in subsequent sessions.

In Hong Kong, the **Hang Seng** index dropped 0.50% in the afternoon. **Gaming stocks** listed on the bourse fell as Macao temporarily shut down its casinos amid the pneumonia-like coronavirus outbreak. Shares of Melco International Development fell around 2.35%, Wynn Macau lost 1.36% and Galaxy Entertainment tumbled around 1%.

Japan's Nikkei 225 reversed gains and declined 0.19% to 23,827.98, while the Topix was down 0.28% to 1,732.14.

South Korea's Kospi dropped 1.02%.

Carmakers in Japan and South Korea declined amid worries that the virus outbreak, which led to widespread quarantine efforts in China, might hit the global supply chain for various industries as Chinese factories remain shut.

Australia

Local shares declined for the first time in four sessions on Friday, dragged lower by steep falls in the energy and materials sectors amid renewed concerns about China's coronavirus outbreak.

The benchmark **S&P/ASX 200** fell 26.6 points, or 0.4% to 7022.6 points, trimming its advance for the week to 0.1 per cent. Prior to Friday's slide, the local market had gained 1.8% in the previous three sessions, helping to recoup Monday's steep losses, The Sydney Morning Herald reported.

Underlining those risks, shares in travel retailer **Flight Centre** tumbled 2.4% to \$39.75 after the company warned the coronavirus outbreak would make it more difficult to achieve its full-year profit guidance.

The **energy sector** was also hit hard by reports of Chinese firms seeking delays to LNG shipments as a result of attempts to control the coronavirus.

Santos and **Woodside Petroleum** dropped more than 1.5%, while **Origin** slid 2% to \$7.74.

The **iron ore miners** were also pressured as Tropical Cyclone Damien barrelled its way towards the Pilbara coastline, threatening to disrupt mining and port operations across the region.



Fortescue Metals skidded 3.3% to \$10.85, **BHP** shed 2% to \$38.77, while **Rio Tinto** fell 0.7% to \$98.43. Despite the soft finish to the trading week, there were some winners on Friday.

News Corporation rallied 3.2% to \$21.82 following the release of its quarterly profit report. Online property services firm **REA Group** jumped 3.1% to \$116.90, closing at a record high. The gains followed the release of the company's first-half profit result. Retailer **Kathmandu** also delivered a solid trading update, sending its shares soaring 17.6% to \$3.54 to a fresh six-year high.

Oil prices jumped on Friday during Asia hours, with US crude futures up 0.16% to \$51.11 per barrel, and Brent higher by 0.42% to \$55.16 per barrel.

Year-to-date, prices are still down but traders appeared optimistic after a committee advising OPEC and its allies met for three days in Vienna this week. It recommended a production cut of 600,000 barrels a day to provide some relief to the oil market.

Europe

European markets declined Friday as investors monitored the latest coronavirus developments and breaking news on the corporate front.

The **pan-European Stoxx 600** slipped 0.32% below the flatline by mid-afternoon, with basic resources falling more than 2% to lead losses. Telecoms, banks and utilities bucked the trend to move higher.

Economic data placed some downward pressure on markets after German industrial production plunged in December. The Federal Statistics Office said Friday morning that total industrial output, comprising manufacturing, energy and construction, fell 3.5% from November in calendar-adjusted terms, well below the 0.1% rise forecast by economists.

French industrial output also fell further than expected in December, tumbling 2.8% against an expectation of -0.4%.

Finnish telecoms company **Nokia** saw its shares jump 7% after US Attorney General William Barr told an audience in Washington on Thursday that the US and its allies should consider buyouts of Nokia and **Ericsson**, in a bid to counter Chinese giant Huawei's 5G dominance. Ericsson shares also gained 5.7%.

What to watch next week:

Investors will keep an eye for any updates on the coronavirus.

Additionally the domestic reporting season for interim financial 2020 earnings commenced last week.

US reporting season has also begun, with more than half of S&P 500 companies reporting results for the fourth quarter so far this year.

Next week we'll provide you with an update on how the reporting season is playing out.



Europe

The pan-European [Stoxx 600](#) jumped 0.85% by the closing bell, with industrials and technology stocks leading gains.

There was a raft of flash PMI (purchasing managers' index) figures released on Friday morning, which showed euro zone business activity remaining weak to start the year but offered some glimmers of hope which boosted European stock markets.

IHS Markit's euro zone composite flash PMI stayed at 50.9 in January, missing the 51.2 estimate from analysts polled by Reuters. Readings over 50 indicate growth.

The industrial slowdown in Europe continued to weigh on the headline index, with the manufacturing PMI reading coming in at 47.8, but this represented a marked improvement on December's 46.3 and the January expectation of 46.8, CNBC reported.

Optimism about the 2020 outlook increased, with the composite future output index advancing from 59.4 in December to 61.2, its highest since September 2018.

In the UK, January data came in above forecast with the flash composite PMI hitting 52.4 against an expectation of 50.6, with both manufacturing and services exceeding expectations.

What to watch next week?

Australian CPI and the *Fed's interest rate* decision will be released on Wednesday.

On Thursday the *Bank of England* will announce its interest rate decision and *US GDP* will be announced. Friday is the *Brexit deadline*, when *euro zone CPI and GDP* will also be released.

**Economic Calendar 10/02/2020 – 14/02/2020**

Monday February 10 2020		Actual	Previous	Consensus	Forecast	
09:30 AM	CN Inflation Rate YoY JAN		4.5%	4.9%	5.1%	
Tuesday February 11 2020		Actual	Previous	Consensus	Forecast	
08:30 AM	AU NAB Business Confidence JAN		-2	0	-1	
05:30 PM	GB Balance of Trade DEC		£4.03B		£-2.6B	
05:30 PM	GB GDP Growth Rate YoY Prel Q4		1.1%	0.8%	0.9%	
05:30 PM	GB GDP Growth Rate QoQ Prel Q4		0.4%	0%	0.0%	
Wednesday February 12 2020		Actual	Previous	Consensus	Forecast	
07:30 AM	AU Westpac Consumer Confidence Change FEB		-1.8%	1.4%	1%	
07:30 AM	AU Westpac Consumer Confidence Index FEB		93.4		94.3	
Thursday February 13 2020		Actual	Previous	Consensus	Forecast	
09:30 PM	US Core Inflation Rate YoY JAN		2.3%	2.2%	2.3%	
09:30 PM	US Inflation Rate YoY JAN		2.3%	2.5%	2.4%	
Friday February 14 2020		Actual	Previous	Consensus	Forecast	
03:00 PM	DE GDP Growth Rate YoY Flash Q4		0.5%	0.4%	0.5%	
03:00 PM	DE GDP Growth Rate QoQ Flash Q4		0.1%	0.1%	0.2%	
06:00 PM	EA GDP Growth Rate YoY 2nd Est Q4		1.2%	1%	1%	
06:00 PM	EA GDP Growth Rate QoQ 2nd Est Q4		0.3%	0.1%	0.1%	
09:30 PM	US Retail Sales MoM JAN		0.3%	0.3%	0.3%	

Source: www.tradingeconomics.com

**Economic Calendar 17/02/2020 – 21/02/2020**

Monday February 17 2020		Actual	Previous	Consensus	Forecast	
07:50 AM	JP GDP Growth Rate QoQ Prel Q4		0.4%		-0.9%	
Tuesday February 18 2020		Actual	Previous	Consensus	Forecast	
05:30 PM	GB Claimant Count Change JAN		14.9K		15K	
06:00 PM	DE ZEW Economic Sentiment Index FEB		26.7		19	
Wednesday February 19 2020		Actual	Previous	Consensus	Forecast	
07:50 AM	JP Balance of Trade JAN		¥-152.5B		¥-1240B	
05:30 PM	GB Inflation Rate YoY JAN		1.3%		1.3%	
09:30 PM	CA Inflation Rate YoY JAN		2.2%		2.1%	
Thursday February 20 2020		Actual	Previous	Consensus	Forecast	
09:30 AM	CN Loan Prime Rate 1Y		4.15%		3.95%	
03:00 PM	DE GfK Consumer Confidence MAR		9.9		9.4	
Friday February 21 2020		Actual	Previous	Consensus	Forecast	
07:30 AM	JP Inflation Rate YoY JAN		0.8%		0.7%	

Source: www.tradingeconomics.com

**All Ords Top 10 Week Ending 7 February 2020**

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
PNI	Pinnacle Investment	20.3	OSH	Oil Search Ltd	-11.6
CGC	Costa Group Holdings	14.1	BPT	Beach Energy Limited	-10.9
NEA	Nearmap Ltd	13.9	IFL	IOOF Holdings Ltd	-10.0
WTC	Wisetech Global Ltd	11.7	CUV	Clinuvel Pharmaceut.	-9.5
ELD	Elders Limited	11.6	TWE	Treasury Wine Estate	-8.1
GOR	Gold Road Res Ltd	11.3	MYX	Mayne Pharma Ltd	-7.7
PLS	Pilbara Min Ltd	10.2	SFR	Sandfire Resources	-6.3
ORE	Orocobre Limited	9.9	OML	Ooh!Media Limited	-5.9
PME	Pro Medicus Limited	9.3	SXL	Sthn Cross Media	-5.6
AVH	Avita Medical Ltd	8.1	ORG	Origin Energy	-5.6

Source: IRESS

S & P Indices Week Ending 7 February 2020

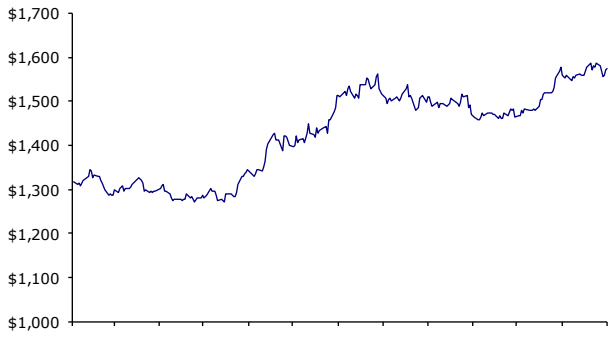
S&P Indices	9/02/2020	2/02/2020	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	11047	11582	-4.6%	-9.0%	24.2%
S&P 200 Materials	13941	14063	-0.9%	-2.6%	40.8%
S&P 200 Industrials	7152	7090	0.9%	-2.3%	40.2%
S&P 200 Consumer Disc.	2820	2803	0.6%	-0.5%	34.7%
S&P 200 Consumer Staples	13371	13207	1.2%	4.4%	56.3%
S&P 200 Healthcare	46421	45528	2.0%	6.5%	140.8%
S&P 200 Financials	6260	6255	0.1%	1.5%	-1.7%
S&P 200 Info Technology	1588	1563	1.6%	5.7%	104.2%
S&P 200 Telecommunicatic	1351	1359	-0.6%	-1.0%	-23.1%
S&P 200 Utilities	8088	8205	-1.4%	-3.4%	7.3%
S&P 200 Property Trusts	1680	1668	0.7%	2.3%	25.2%
S&P 200 Financials ex PT	6982	6977	0.1%	1.5%	-1.7%

Source: IRESS

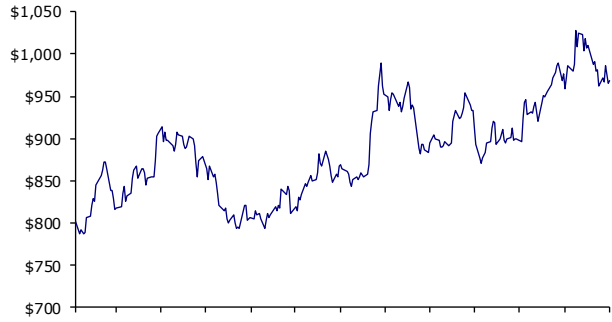


1 Year Commodity Price Charts

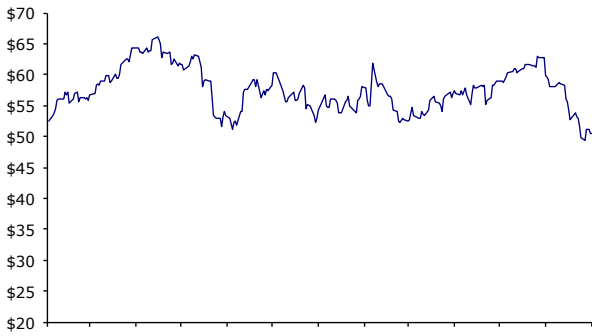
1 Year Gold



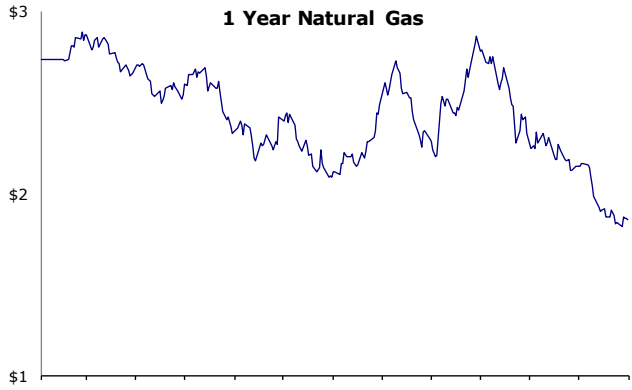
1 Year Platinum



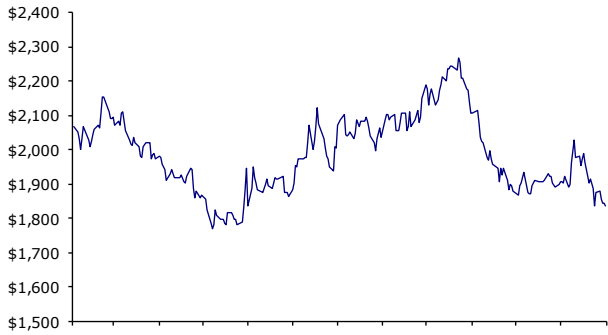
1 Year Oil



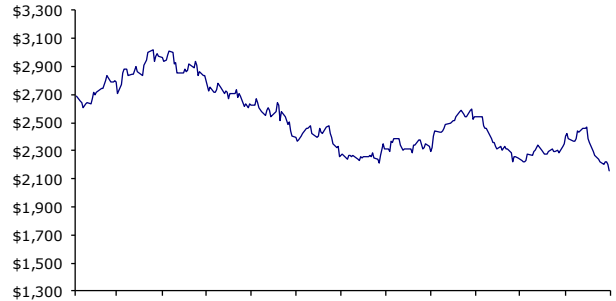
1 Year Natural Gas



1 Year Lead

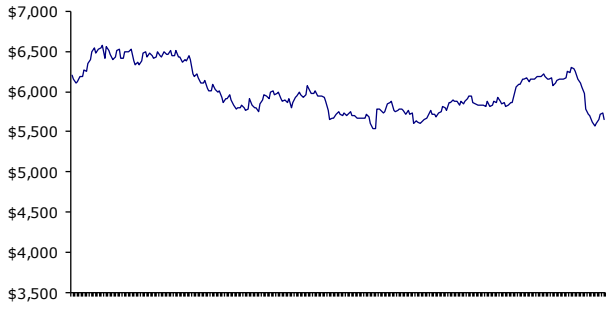


1 Year Zinc

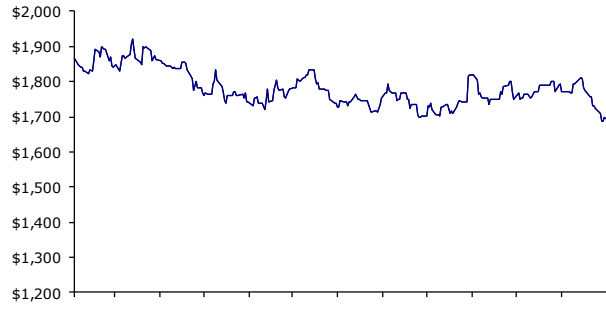




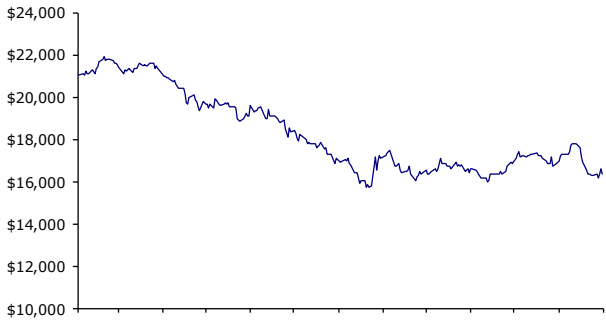
1 Year Copper



1 Year Aluminium

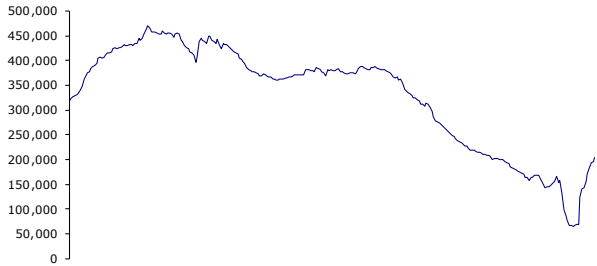


1 Year Tin

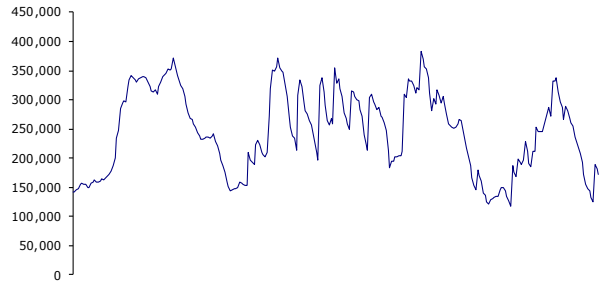


5 Year Metals Stockpiles

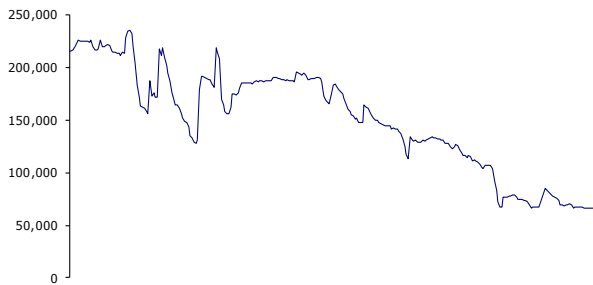
Nickel LME Stockpiles - 5 Year



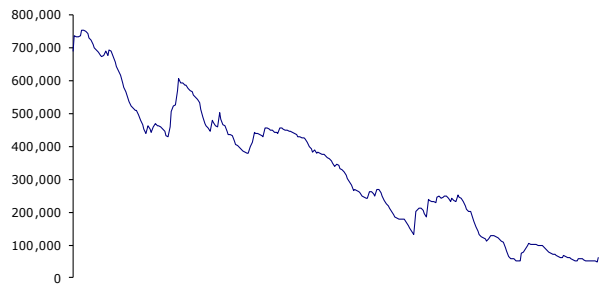
Copper LME Stockpiles - 5 Year



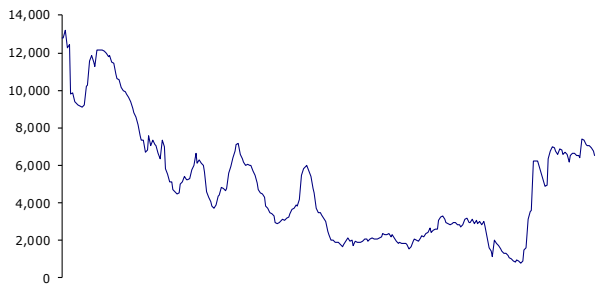
Lead LME Stockpiles - 5 Year



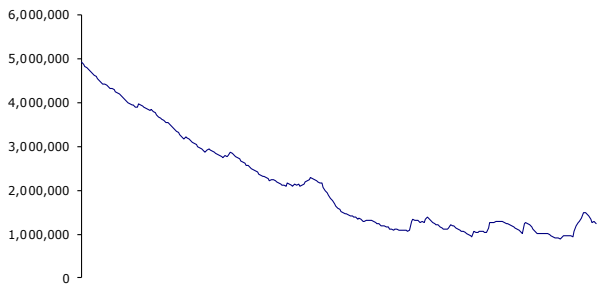
Zinc LME Stockpiles - 5 Year



Tin LME Stockpiles - 5 Year



Aluminium LME Stockpiles - 5 Year





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