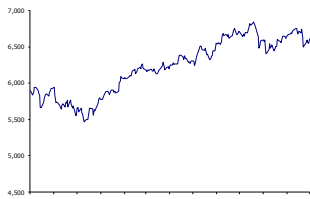


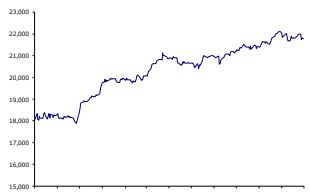
STATE ONE SPINNAKER

13 October 2019
Issue 475

12 month XJO chart



12 month Dow Jones chart



State One Research Products

Spinnaker Free Weekly

Market Opener Free Daily

Daily Resources [Clients Only](#)

Overview

For more research visit:

www.stateone.com.au/research

State One Stockbroking Ltd

Head Office

Level 14, State One House

172 St George's Terrace

Perth WA 6000

Perth Tel: (+61 8) 9288 3388

Sydney Tel: (+61 2) 9024 9105

Email: broker@stateone.com.au

Web: www.stateone.com.au

Global Wrap – 13 October 2019

World Markets	13/10/2019	6/10/2019	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	6607	6517	1.4%	-1.1%	19.2%
Dow Jones	21798	21988	-0.9%	-1.0%	18.0%
Nasdaq	5284	5284	0.0%	-0.2%	21.9%
S&P 500	2970	2952	0.6%	-1.2%	32.2%
FTSE 100	7247	7155	1.3%	-0.9%	4.6%
DAX30	12512	12013	4.2%	1.0%	11.0%
Shanghai Composite	2974	2905	2.4%	-0.9%	-7.5%
Nikkei 225	21799	21375	2.0%	-1.1%	16.2%
Hang Seng	26308	25821	1.9%	-1.7%	15.1%
Currency					
AUD/USD	0.6794	0.6732	0.9%	0.8%	-4.5%
Commodities					
Oil (\$/bbl)	54.8	52.8	3.8%	-6.6%	-23.3%
Gas (\$/gal)	2.2	2.3	-5.7%	-16.8%	-31.3%
Iron Ore (\$/t)	0.0	53.9	-100.0%	-100.0%	-100.0%
Copper (\$/t)	5763	5599	2.9%	0.3%	-1.3%
Lead (\$/t)	2177	2148	1.4%	6.0%	-6.6%
Zinc (\$/t)	2322	2345	-1.0%	0.0%	-15.4%
Aluminium (\$/t)	1721	1702	1.1%	-1.7%	-0.6%
Nickel (\$/t)	18000	17905	0.5%	4.5%	58.3%
Tin (\$/t)	16455	16350	0.6%	-2.3%	-23.1%
Gold (\$/oz)	1489	1513	-1.6%	-0.8%	27.0%
Silver (\$/oz)	17.5	17.6	-0.3%	-1.5%	2.6%
Platinum (\$/oz)	900	887	1.5%	-3.4%	-4.0%
Wheat (\$/t)	507.750	490.000	3.6%	3.7%	24.4%

Source: Iress

Global Wrap

Key points

1. Stocks lift on US-China trade breakthrough

2. What to watch next week

US

Stocks rallied on Friday after President Donald Trump said China and the US had reached the first phase of a substantial trade deal. The deal delays tariff hikes that were set to kick in next week, CNBC reported.

The **Dow Jones Industrial Average** surged 319.92 points, or 1.2%, to close at 26,816.59, led by Apple which surged to an all-time high.

The **S&P 500** rose 1.1% to 2,970.27, while the **Nasdaq Composite** jumped 1.3% to 8,057.04.

The gains helped the Dow and S&P 500 snap a three-week losing streak. The Dow and S&P 500 gained 0.9% and 0.6%, respectively, for the week. The Nasdaq ended the week up 0.9%.

Trump told reporters at the Oval Office that phase one of the trade deal will be written over the next three weeks.

The major indexes hit their session highs on this comment, with the Dow rising more than 500 points. Trump made his comments after meeting with Chinese Vice Premier Liu He.

As part of this phase, China will purchase between \$40 billion and \$50 billion in US agricultural products. Trump also said the deal includes agreements on foreign-exchange issues with China. In exchange, the US agreed to hold off on tariff hikes that were set to take effect Tuesday.

Treasury Secretary Steven Mnuchin said both sides struck an “almost complete agreement” on currency and financial services issues. Phase two of the deal will “start almost immediately” after the first one is signed, Trump said.

Asia

Stocks in Asia were higher on Friday as investors cheered the positive developments on the US-China trade front.

Mainland Chinese stocks rose on the day, with the **Shanghai composite** up 0.88% to around 2,973.66 and the **Shenzhen composite** 0.314% higher to approximately 1,636.96. The Shenzhen component also rose 0.3% to 9,666.58.

Hong Kong's **Hang Seng** index jumped 2.32%.

The **Nikkei 225** in Japan rose 1.15% to 21,798.87 while the Topix index added 0.88% to close at 1,595.27.

Shares of **Fast Retailing**, the company behind apparel giant **Uniqlo**, jumped 2.63% after the firm reported a record profit on Thursday.

Europe

European stocks closed sharply higher on Friday as investors tracked positive signals around US-China trade talks and Brexit.

The pan-European **Stoxx 600** closed provisionally up by more than 2%, with bank shares soaring close to 5% higher as most sectors and all major bourses traded in positive territory.

Australia

The Australian sharemarket has capped off a strong week with a solid gain on Friday, with **miners, banks, CSL** and **Telstra** leading the market higher.

The **S&P/ASX 200 Index** added 59.7 points, or 0.9%, to close the week at 6606.8, The Australian Financial Review reported.

BHP Group was the market leader, rising 2.1% to \$35.82 while Rio Tinto firmed 2.3% to \$89.97 and Fortescue Metals Group advanced 4.1% to \$8.81.

Commonwealth Bank firmed 0.9% to \$78.77, ANZ rose 1.1% to \$27.49, Westpac climbed 0.8% to \$28.75, NAB added 0.6% to end the session at \$28.20 and Macquarie advanced 2.2% to \$129.39.

CSL advanced 2% advance to \$244.54 while Telstra rose 1.7% to \$3.57.

Silver Lake Resources was a solid performer, climbing 12.5%. However other gold miners, REITs and infrastructure stocks were the main drags on the market.

Transurban was among the biggest, falling 2.3% to \$14.60 while Newcrest Mining dropped 1.5% to \$35.25.

What investors will be watching next week

Australian unemployment rate: Thursday 17 October

Last month, the Australian Bureau of Statistics reported an unemployment rate of 5.3%, the highest figure in over a year. Markets are expecting the unemployment rate to remain at 5.3% for September, which is higher than the US, the United Kingdom, Germany and Japan.

China GDP annual growth rate: Friday 18 October

In March, China set its gross domestic product (GDP) growth target of between 6.0% and 6.5% for 2019. The growth rate announced in July reported a drop to 6.2% for the second quarter - China's weakest growth in 27 years. Markets are anticipating a further fall for the third quarter and it will be interested to see whether recent trade tensions with the US will cause a drop to below 6.0%.

Economic Calendar 14/10/2019 – 18/10/2019

Monday October 14 2019		Actual	Previous	Consensus	Forecast	
10:30 AM	CN Balance of Trade SEP		\$34.83B	\$33.3B	\$34B	
10:30 AM	CN Exports YoY SEP		-1%	-3%		
10:30 AM	CN Imports YoY SEP		-5.6%	-5.2%		
Tuesday October 15 2019		Actual	Previous	Consensus	Forecast	
08:30 AM	AU RBA Meeting Minutes					
09:30 AM	CN Inflation Rate YoY SEP		2.8%	2.9%	2.9%	
04:30 PM	GB Claimant Count Change SEP		28.2K	27.9K	24K	
05:00 PM	DE ZEW Economic Sentiment Index OCT		-22.5	-27	-29.4	
Wednesday October 16 2019		Actual	Previous	Consensus	Forecast	
04:30 PM	GB Inflation Rate YoY SEP		1.7%	1.8%	1.9%	
08:30 PM	CA Inflation Rate YoY SEP		1.9%	2%	1.8%	
08:30 PM	US Retail Sales MoM SEP		0.4%	0.3%	0.3%	
Thursday October 17 2019		Actual	Previous	Consensus	Forecast	
08:30 AM	AU Unemployment Rate SEP		5.3%	5.3%	5.3%	
	EU European Council Meeting					
Friday October 18 2019		Actual	Previous	Consensus	Forecast	
07:30 AM	JP Inflation Rate YoY SEP		0.3%	0.4%	0.4%	
10:00 AM	CN GDP Growth Rate YoY Q3		6.2%	6.1%	5.9%	
	EU European Council Meeting					

Source: www.tradingeconomics.com

Economic Calendar 21/10/2019 – 25/10/2019

Monday October 21 2019		Actual	Previous	Consensus	Forecast
07:50 AM	JP Balance of Trade SEP		¥-136.3B	¥151B	
09:30 AM	CN Loan Prime Rate 1Y		4.20%	4.05%	
	CA Federal Election				
Wednesday October 23 2019		Actual	Previous	Consensus	Forecast
10:00 PM	EA Consumer Confidence Flash OCT		-6.5	-7.0	
Thursday October 24 2019		Actual	Previous	Consensus	Forecast
03:30 PM	DE Markit Manufacturing PMI Flash OCT		41.7	41.4	
07:45 PM	EA ECB Interest Rate Decision		0%	0%	
08:30 PM	EA ECB Press Conference				
08:30 PM	US Durable Goods Orders MoM SEP		0.2%	-0.6%	
Friday October 25 2019		Actual	Previous	Consensus	Forecast
02:00 PM	DE GfK Consumer Confidence NOV		9.9	9.9	
04:00 PM	DE Ifo Business Climate OCT		94.6	94.2	

Source: www.tradingeconomics.com

All Ords Top 10 Week Ending 11 October 2019

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
CUV	Clinuvel Pharmaceut.	41.4	FLT	Flight Centre Travel	-10.5
PNV	Polynovo Limited	18.0	RSG	Resolute Mining	-10.4
SLR	Silver Lake Resource	11.9	SDA	Speedcast Int Ltd	-9.7
ORA	Orora Limited	9.4	HVN	Harvey Norman	-7.6
HUB	HUB24 Ltd	7.7	AMP	AMP Limited	-5.3
CWY	Cleanaway Waste Ltd	7.4	MFG	Magellan Fin Grp Ltd	-5.0
XRO	Xero Ltd	7.4	MTS	Metcash Limited	-3.8
CYB	Cybg PLC	7.0	GOR	Gold Road Res Ltd	-3.7
PLS	Pilbara Min Ltd	6.9	JIN	Jumbo Interactive	-3.7
CIM	Cimic Group Ltd	6.4	JHG	Janus Henderson	-3.5

Source: IRESS

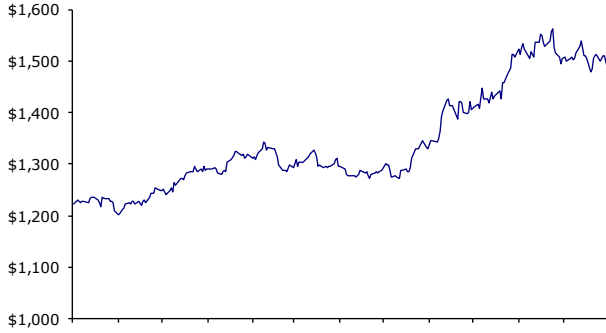
S & P Indices Week Ending 11 October 2019

S&P Indices	13/10/2019	6/10/2019	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	10486	10396	0.9%	-4.0%	17.9%
S&P 200 Materials	13070	12904	1.3%	-3.0%	32.0%
S&P 200 Industrials	6765	6642	1.9%	0.7%	32.6%
S&P 200 Consumer Disc.	2581	2571	0.4%	0.5%	23.3%
S&P 200 Consumer Staples	12405	12227	1.5%	-0.3%	45.0%
S&P 200 Healthcare	36973	35832	3.2%	3.5%	91.8%
S&P 200 Financials	6272	6208	1.0%	-2.6%	-1.6%
S&P 200 Info Technology	1379	1346	2.4%	0.8%	77.3%
S&P 200 Telecommunicatic	1269	1232	3.0%	-0.5%	-27.7%
S&P 200 Utilities	8077	7975	1.3%	0.9%	7.1%
S&P 200 Property Trusts	1612	1609	0.2%	0.4%	20.2%
S&P 200 Financials ex PT	6995	6924	1.0%	-2.6%	-1.6%

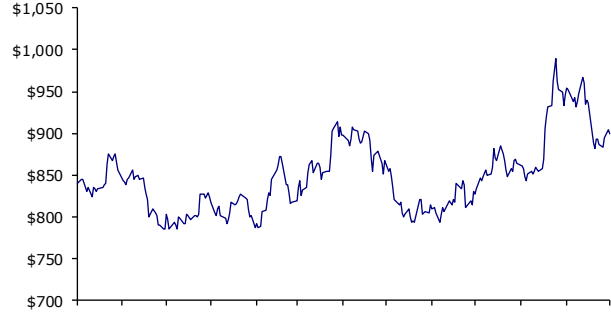
Source: IRESS

1 Year Commodity Price Charts

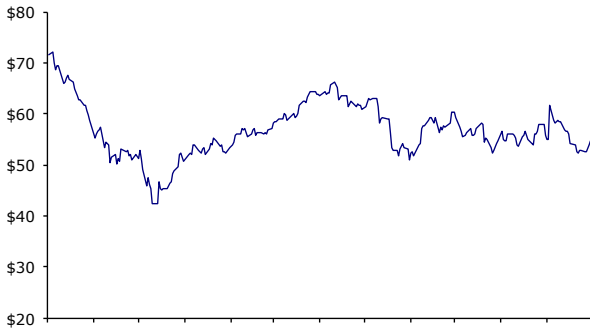
1 Year Gold



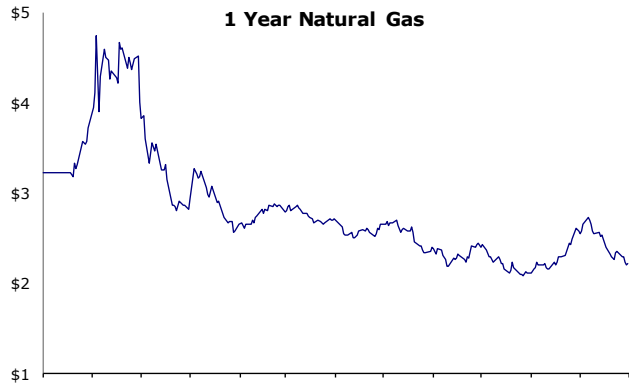
1 Year Platinum



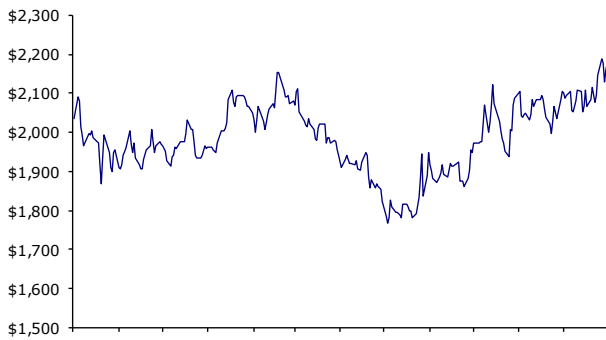
1 Year Oil



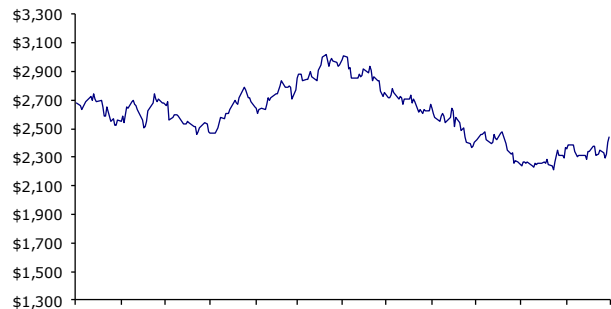
1 Year Natural Gas



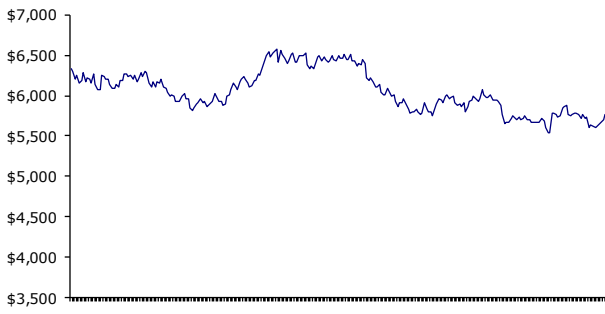
1 Year Lead



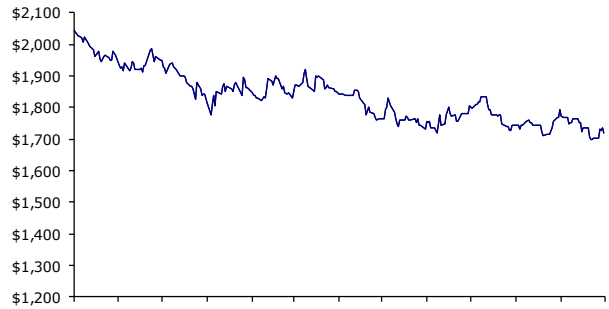
1 Year Zinc



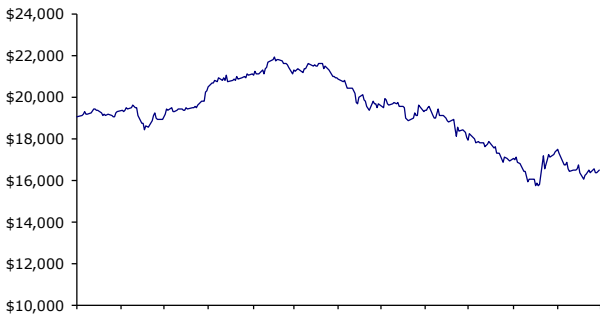
1 Year Copper



1 Year Aluminium



1 Year Tin

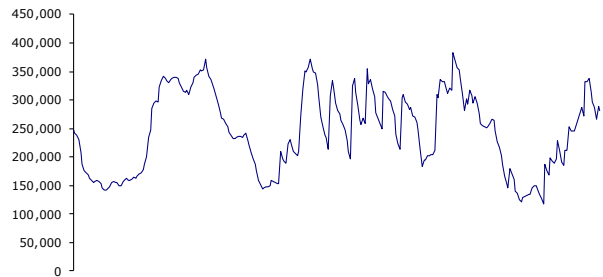


5 Year Metals Stockpiles

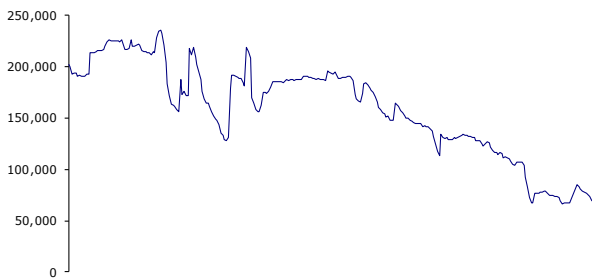
Nickel LME Stockpiles - 5 Year



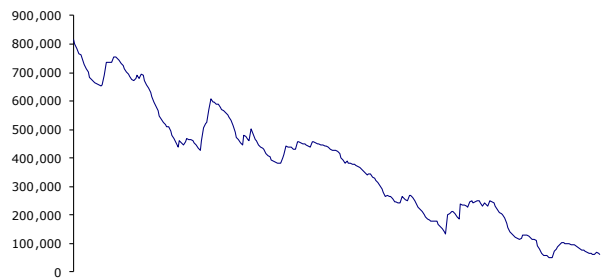
Copper LME Stockpiles - 5 Year



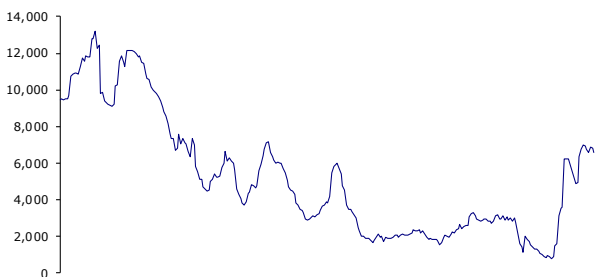
Lead LME Stockpiles - 5 Year



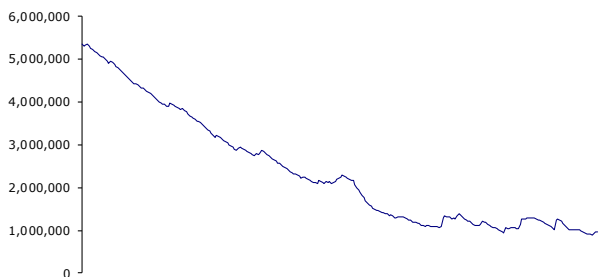
Zinc LME Stockpiles - 5 Year



Tin LME Stockpiles - 5 Year



Aluminium LME Stockpiles - 5 Year



Alan Hill
Executive Chairman
Phone: +61 8 9288 3388
ahill@stateone.com.au

Mark Sullivan
Institutional Dealer
Phone: +61 2 9024 9134
msullivan@stateone.com.au

Yitz Barber
Equities Advisor
Phone: +61 2 9024 9107
ybarber@stateone.com.au

Graeme Johnson
Equities & Derivatives Advisor
Phone: +61 8 9288 3316
gjohnson@stateone.com.au

Karen Tan
Equities Advisor
Phone: +61 8 9288 3303
ktan@stateone.com.au

David Zhang
Equities Advisor
Phone: +61 2 9024 9130
dzhang@stateone.com.au

David Brennan
Senior Investment Analyst
Phone: +61 2 9024 9142
DBrennan@stateone.com.au

Tammie Wong
Equities Advisor
Phone: +61 2 9024 9133
twong@stateone.com.au

Ric Heydon
Equities & Derivatives Advisor
Phone: +61 8 9288 3307
rheydon@stateone.com.au

Robert Chen
Equities Advisor
Phone: +61 2 9024 9132
rchen@stateone.com.au

Morris Levitzke
Equities Advisor
Phone: +61 8 9288 3315
mlevitzke@stateone.com.au

General Advice Warning

The contents of this document have been prepared by State One Stockbroking Ltd (ABN 95 092 989 083, Australian Financial Services Licence ("AFSL") 247100) without taking account of your objectives, financial situation or needs. To the extent that any of the content constitutes advice, it is general advice. You should, before taking any action to acquire or deal in, or follow a recommendation (if any) in respect of any of the financial products or information mentioned in this document, consult your own investment advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

Whilst State One Stockbroking Ltd believe the data and content contained in this document is based on information which is believed to be reliable, its accuracy and completeness are not guaranteed and no warranty of accuracy or reliability is given or implied and no responsibility for any loss or damage arising in any way for any representation, act or omission is accepted by State One Stockbroking Ltd or any of their officers, agents or employees. Some material is copyright and published under licence from ASX Operations Pty Limited ACN 004 523 782 ("ASXO").

If applicable, you should obtain the Product Disclosure Statement relating to the relevant financial product mentioned in this document (which contains full details of the terms and conditions of the financial product) and consider it before making any decision about whether to acquire the financial product.

For more information please refer to the State One Stockbroking Ltd Financial Services Guide (FSG) at https://www.stateone.com.au/Download/Download?file=stateone_fsg.pdf

Disclosure

The directors and associated persons of State One Stockbroking Ltd may have an interest in the financial products discussed in this document and they may earn brokerage, commissions, fees and advantages, pecuniary or otherwise, in connection with the making of a recommendation or dealing by a client in such financial products.

This research at all times remains the property of State One Stockbroking Ltd and is not for public circulation or reproduction whether in whole or in part and is not to be disclosed to any person other than the intended recipient, without obtaining prior written consent.