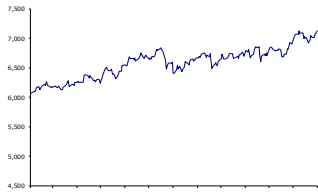
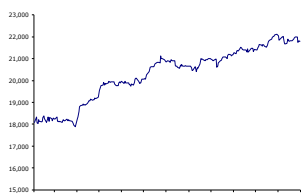


Issue 488
12-month XJO chart

12-month Dow Jones chart

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Global Wrap – 16 February 2020

World Markets	16/02/2020	9/02/2020	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	7130	7023	1.5%	0.0%	28.6%
Dow Jones	21798	21988	-0.9%	-1.0%	18.0%
Nasdaq	5284	5284	0.0%	-0.2%	21.9%
S&P 500	3380	3328	1.6%	1.8%	50.5%
FTSE 100	7409	7467	-0.8%	-2.1%	6.9%
DAX30	13744	13514	1.7%	1.7%	19.1%
Shanghai Composite	2917	2890	0.9%	-2.0%	-9.3%
Nikkei 225	23688	23686	0.0%	-0.5%	26.2%
Hang Seng	27816	27404	1.5%	-1.9%	21.7%
Currency					
AUD/USD	0.6714	0.6687	0.4%	-0.3%	-6.0%
Commodities					
Oil (\$/bbl)	52.2	49.7	5.1%	-6.3%	-6.4%
Gas (\$/gal)	1.9	1.9	-0.1%	-2.6%	-33.9%
Iron Ore (\$/t)	0.0	53.9	-100.0%	-100.0%	-100.0%
Copper (\$/t)	5737	5653	1.5%	-6.0%	-1.7%
Lead (\$/t)	1875	1835	2.2%	-5.0%	-19.6%
Zinc (\$/t)	2140	2153	-0.6%	-13.2%	-22.0%
Aluminium (\$/t)	1702	1698	0.2%	-5.9%	-1.7%
Nickel (\$/t)	13035	12770	2.1%	-4.5%	14.6%
Tin (\$/t)	16525	16325	1.2%	-6.0%	-22.8%
Gold (\$/oz)	1586	1573	0.8%	1.8%	35.3%
Silver (\$/oz)	17.7	17.7	0.2%	-0.6%	3.7%
Platinum (\$/oz)	969	969	0.0%	-4.9%	3.3%
Wheat (\$/t)	541.750	559.000	-3.1%	-6.2%	32.7%

Source: Iress

Global Wrap
Key points

- 1. Stocks tax incentive plan lifts US stocks**
- 2. Earnings and coronavirus watch**
- 3. What happens next week**

US

Stocks finished Friday's session little changed, but did post weekly gains across the board. The Dow Jones Industrial Average fell 25.57 points, or 0.09%, while the S&P 500 and Nasdaq gained 0.18% and 0.2%, respectively. For the week the Dow rose 1%, the S&P gained 1.58% and the NASDAQ rose 2.2%.

The major averages hit their session lows around midday then recovered after CNBC reported that the White House is considering tax incentives for people in the US to buy stocks.

Back-to-back weekly gains despite coronavirus

The major averages posted a second straight weekly gain even as the number of reported coronavirus cases jumped this week. The S&P 500 and Nasdaq rose 1.5% and 2.2%, respectively, for the week while the Dow climbed around 1%. More than 64,000 coronavirus cases have been confirmed, with deaths totalling at least 1,380 by Friday.



Earnings have been a bright spot for investors this week, however, with companies such as Nvidia and Expedia posting better-than-expected results.

Asia

Stocks in Asia were mostly higher on Friday as concerns around the ongoing coronavirus outbreak continued to weigh on investor sentiment.

Mainland Chinese stocks gained on the day, with the **Shanghai composite** rising 0.38% to about 2,917.01 and the Shenzhen component up 0.48% to 10,916.31. The **Shenzhen composite** also added 0.441% to around 1,779.43. Hong Kong's **Hang Seng** index was 0.39% higher, as of its final hour of trading

In Japan, however, the **Nikkei 225** closed 0.59% lower at 23,687.59 as shares of index heavyweight Fast Retailing (owner of Uniqlo and other brands) dropped 1.8%. The Topix index also declined 0.6% to end its trading day at 1,702.87.

Nissan shares plunged 9.64% after the company cut its annual operating income forecast by more than 40%.

Europe

The pan-European **Stoxx 600** closed provisionally up 0.6%, hitting a record high as most sectors and major bourses were in positive territory. Autos shares soared 3.8% to lead gains while utilities bucked the upward trend to fall 0.4%.

Euro zone manufacturing output plunged more than expected in December, falling 2.1% month-on-month against the expected 1.6% slide, according to Eurostat.

Australia

Australia stocks were higher after the close on Friday, as gains in the financials, utilities and healthcare sectors led shares higher, investing.com reported.

At the close in Sydney, the S&P/ASX 200 had risen 0.38%.

The best performers of the session were **Pinnacle Investment Management Group Ltd (ASX:PNI)**, which rose 4.71% or 0.28 points to trade at 6.23 at the close. Meanwhile, **Avita Medical (ASX:AVH)** added 3.82% or 0.030 points to end at 0.815 and **Washington H Soul Pattinson&Co Ltd (ASX:SOL)** was up 3.81% or 0.82 points to 22.34 in late trade.

The worst performers of the session were **Southern Cross Media Group Ltd (ASX:SXL)**, which fell 5.56% or 0.045 points to trade at 0.765 at the close. **Pro Medicus Ltd (ASX:PME)** declined 5.26% or 1.39 points to end at 25.03 and **Unibail Rodamco Westfield (ASX:URW)** was down 4.85% or 0.51 points to 10.01.

The **S&P/ASX 200 VIX**, which measures the implied volatility of S&P/ASX 200 options, was down 7.40% to 12.295.

Gold futures for April delivery was unchanged 0.00% or 0.00 to \$1578.80 a troy ounce. Elsewhere in **commodities trading**, crude oil for delivery in March rose 0.06% or 0.03 to hit \$51.45 a barrel, while the April Brent oil contract fell 0.02% or 0.01 to trade at \$56.33 a barrel.

What happens next?

As the reporting period winds down next week, investors will turn their attention to the economic data for clues on how the coronavirus is impacting the global economy.

US markets will be closed Monday due to the Presidents Day holiday. On Tuesday, Walmart is set to report earnings.

In the US, over 70% of S&P 500 companies have reported quarterly earnings, with around 70% beating expectations, which is above the long-term average of beats and misses. The Nasdaq Composite hit a record high this week as the technology sector continued its remarkable push higher led by strong earnings beats outpacing other sectors.

Some statements from management have reported on the **coronavirus** and the possible impact on earnings should it escalate further. Earnings reports from Chinese and Hong Kong listed firms will provide insight into whether the coronavirus outbreak halts the recovery we witnessed at the end of last year.

In Australia, 13% of all ASX listed companies and 23% of S&P/ASX All Ordinaries Accumulation Index companies have reported their **half year earnings** so far. Overall, results have been better than expected



with the technology and healthcare sectors performing strongly. Companies that are exposed to an improving housing market have also pointed to a robust outlook. We remain cautious about companies directly exposed to the impact of the bushfires and the coronavirus, as they continue to dominate earnings and outlook discussions.

The resilience in earnings from the Australian banking sector is a clear theme. The **Commonwealth Bank of Australia (ASX: CBA)** delivered impressive results and **National Australia Bank (ASX: NAB)** also beat market expectations.

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%	-0.9%	
Tuesday February 18 2020		Actual	Previous	Consensus	Forecast	
05:30 PM	GB Claimant Count Change JAN		14.9K	22.6K	15K	
06:00 PM	DE ZEW Economic Sentiment Index FEB		26.7	22	19	
Wednesday February 19 2020		Actual	Previous	Consensus	Forecast	
07:50 AM	JP Balance of Trade JAN		¥-152.5B	¥-1694.9B	¥-1723B	
05:30 PM	GB Inflation Rate YoY JAN		1.3%	1.6%	1.4%	
09:30 PM	CA Inflation Rate YoY JAN		2.2%	2.4%	2.3%	
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	9.8	9.7	
Friday February 21 2020		Actual	Previous	Consensus	Forecast	
07:30 AM	JP Inflation Rate YoY JAN		0.8%	0.7%	0.7%	

Source: www.tradingeconomics.com

**Economic Calendar 24/02/2020 – 28/02/2020**

Monday February 24 2020		Actual	Previous	Consensus	Forecast	
05:00 PM	DE Ifo Business Climate FEB		95.9		95.4	
Tuesday February 25 2020		Actual	Previous	Consensus	Forecast	
03:00 PM	DE GDP Growth Rate YoY Final Q4		0.6%	0.4%	0.4%	
03:00 PM	DE GDP Growth Rate QoQ Final Q4		0.2%	0%	0%	
Thursday February 27 2020		Actual	Previous	Consensus	Forecast	
06:00 PM	EA Business Confidence FEB		-0.23		-0.17	
09:30 PM	US Durable Goods Orders MoM JAN		2.4%		-3.4%	
09:30 PM	US GDP Growth Rate QoQ 2nd Est Q4		2.1%		2.1%	
Friday February 28 2020		Actual	Previous	Consensus	Forecast	
08:01 AM	GB Gfk Consumer Confidence FEB		-9		-8	
03:00 PM	TR GDP Growth Rate YoY Q4		0.9%		4.5%	
03:45 PM	FR GDP Growth Rate QoQ Final Q4		0.3%	-0.1%	-0.1%	
09:30 PM	CA GDP Growth Rate Annualized Q4		1.3%		1.6%	
09:30 PM	CA GDP Growth Rate QoQ Q4		0.3%		0.3%	
09:30 PM	US Personal Income MoM JAN		0.2%		0.2%	
09:30 PM	US Personal Spending MoM JAN		0.3%		0.3%	
Saturday February 29 2020		Actual	Previous	Consensus	Forecast	
09:00 AM	CN NBS Manufacturing PMI FEB		50		48	

Source: www.tradingeconomics.com

**All Ords Top 10 Week Ending 14 February 2020**

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
IEL	Idp Education Ltd	36.4	BKL	Blackmores Limited	-17.7
BRG	Breville Group Ltd	27.5	BPT	Beach Energy Limited	-11.3
CGF	Challenger Limited	13.0	ABC	Adelaide Brighton	-9.6
BIN	Bingo Industries Ltd	12.4	ORA	Orora Limited	-9.4
EVN	Evolution Mining Ltd	12.2	SXL	Sthn Cross Media	-8.4
AVH	Avita Medical Ltd	11.6	BLD	Boral Limited	-8.3
IPH	IPH Limited	9.7	DOW	Downer EDI Limited	-7.8
EML	EML Payments Ltd	9.3	AMC	Ancor PLC	-7.0
TPM	TPG Telecom Limited	9.1	SSM	Service Stream	-6.3
ARB	ARB Corporation.	8.9	MND	Monadelphous Group	-6.3

Source: IRESS

S & P Indices Week Ending 14 February 2020

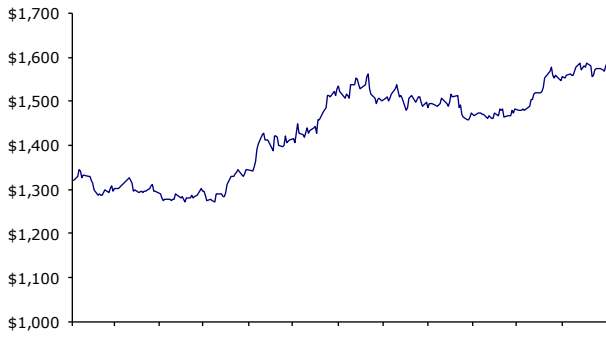
S&P Indices	16/02/2020	9/02/2020	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	10890	11047	-1.4%	-10.0%	22.5%
S&P 200 Materials	13830	13941	-0.8%	-6.3%	39.7%
S&P 200 Industrials	7205	7152	0.7%	-1.0%	41.2%
S&P 200 Consumer Disc.	2885	2820	2.3%	1.2%	37.8%
S&P 200 Consumer Staples	13403	13371	0.2%	-1.7%	56.7%
S&P 200 Healthcare	47557	46421	2.4%	5.5%	146.7%
S&P 200 Financials	6487	6260	3.6%	3.5%	1.8%
S&P 200 Info Technology	1587	1588	-0.1%	3.0%	104.0%
S&P 200 Telecommunicatic	1352	1351	0.1%	-2.0%	-23.0%
S&P 200 Utilities	8346	8088	3.2%	0.8%	10.7%
S&P 200 Property Trusts	1706	1680	1.6%	1.8%	27.2%
S&P 200 Financials ex PT	7235	6982	3.6%	3.5%	1.8%

Source: IRESS

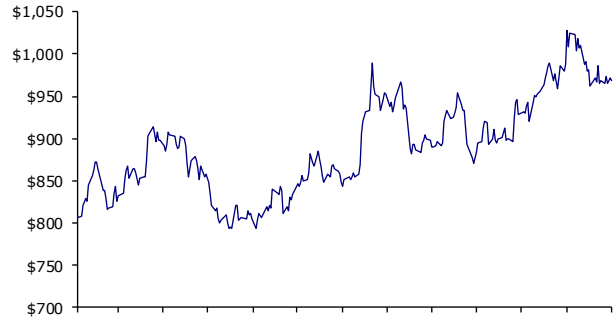


1 Year Commodity Price Charts

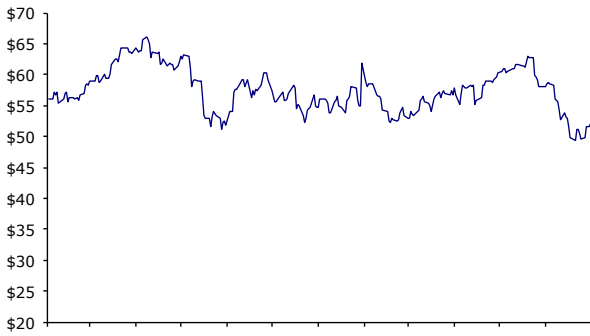
1 Year Gold



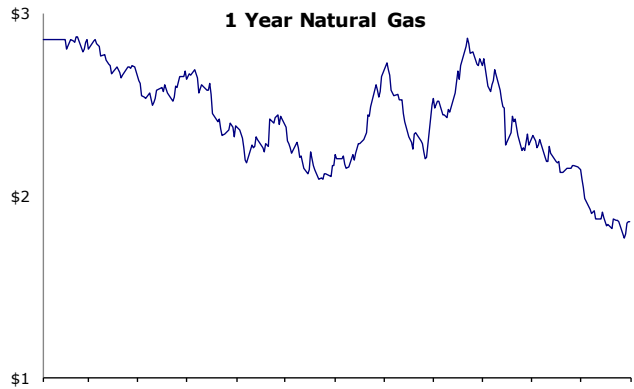
1 Year Platinum



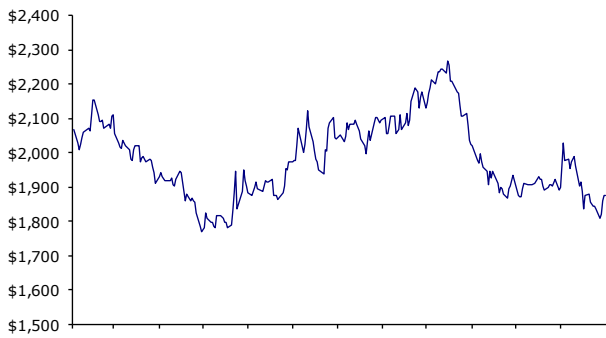
1 Year Oil



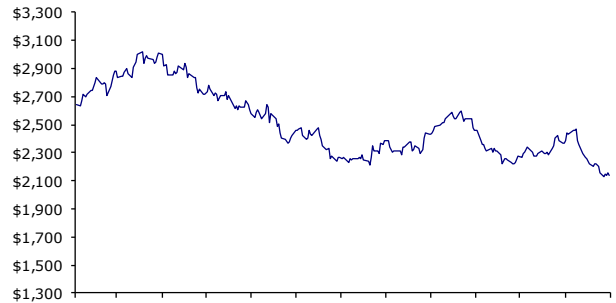
1 Year Natural Gas



1 Year Lead

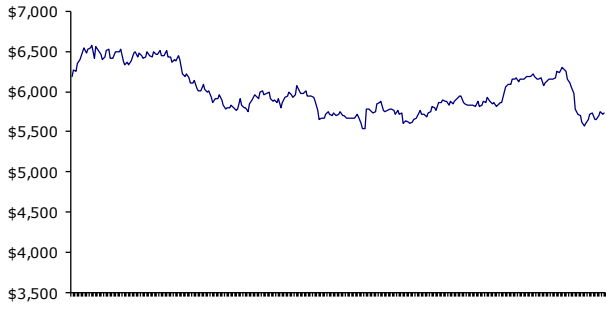


1 Year Zinc

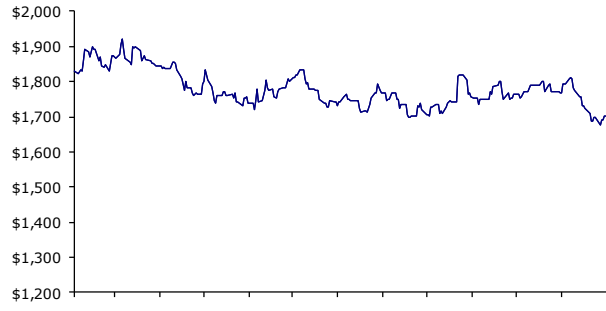




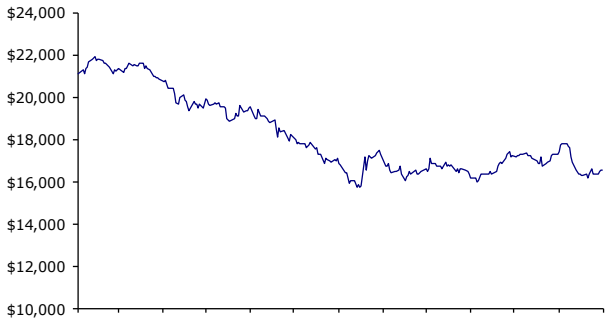
1 Year Copper



1 Year Aluminium



1 Year Tin

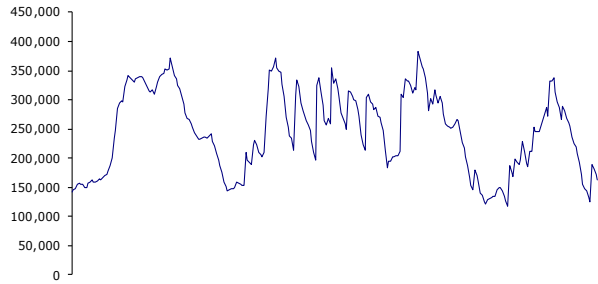


5 Year Metals Stockpiles

Nickel LME Stockpiles - 5 Year



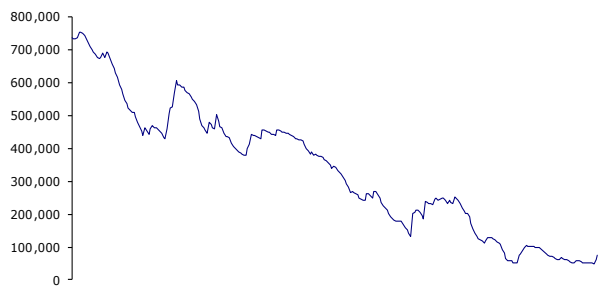
Copper LME Stockpiles - 5 Year



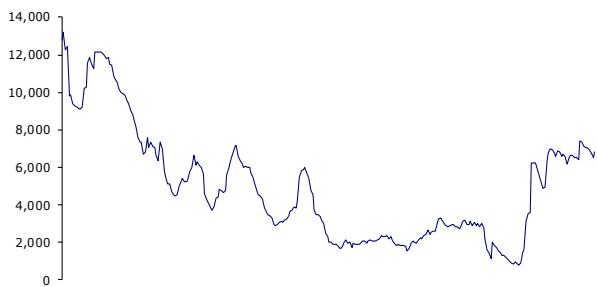
Lead LME Stockpiles - 5 Year



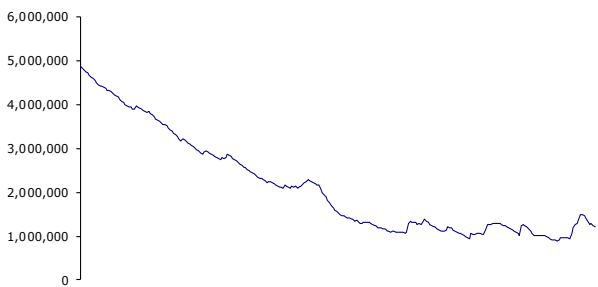
Zinc LME Stockpiles - 5 Year



Tin LME Stockpiles - 5 Year



Aluminium LME Stockpiles - 5 Year





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