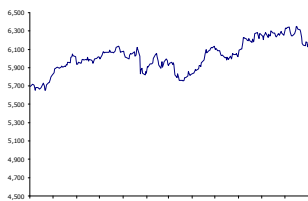


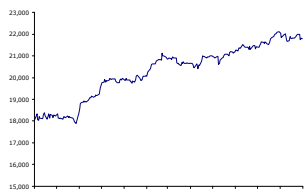
## STATE ONE SPINNAKER

**16 September 2018**  
**Issue 428**

### 12 month XJO chart



### 12 month Dow Jones chart



#### State One Research Products

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**Overview**

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## Global Wrap – 16 September 2018

World Markets	16/09/2018	9/09/2018	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	6165	6144	0.4%	-1.6%	11.2%
Dow Jones	21798	21988	-0.9%	-1.0%	18.0%
Nasdaq	5284	5284	0.0%	-0.2%	21.9%
S&P 500	2905	2872	1.2%	1.5%	29.3%
FTSE 100	7304	7278	0.4%	-3.6%	5.4%
DAX30	12124	11960	1.4%	-2.1%	-3.8%
Shanghai Composite	2682	2669	0.5%	-1.6%	-16.6%
Nikkei 225	23095	22373	3.2%	3.1%	23.1%
Hang Seng	27286	26973	1.2%	-2.3%	19.4%
Currency					
AUD/USD	0.7153	0.7113	0.6%	-0.6%	-10.6%
Commodities					
Oil (\$/bbl)	69.0	67.5	2.2%	1.6%	38.5%
Gas (\$/gal)	2.8	2.8	-0.9%	-6.5%	-8.9%
Iron Ore (\$/t)	0.0	53.9	-100.0%	-100.0%	-100.0%
Copper (\$/t)	5947	5883	1.1%	-0.9%	1.9%
Lead (\$/t)	2050	2037	0.7%	2.6%	-12.1%
Zinc (\$/t)	2355	2412	-2.4%	-3.4%	-14.2%
Aluminium (\$/t)	2016	2030	-0.7%	-1.1%	16.4%
Nickel (\$/t)	12515	12290	1.8%	-7.8%	10.1%
Tin (\$/t)	19150	19110	0.2%	-0.1%	-10.5%
Gold (\$/oz)	1201	1200	0.1%	-0.1%	2.4%
Silver (\$/oz)	14.1	14.2	-0.2%	-4.6%	-17.3%
Platinum (\$/oz)	799	780	2.3%	0.5%	-14.8%
Wheat (\$/t)	509.250	509.750	-0.1%	-7.0%	24.7%

Source: Iress

## Global Wrap

### US

US stocks slumped over the line on Friday but chalked up their best week in two months, The Financial Times reported.

Tech stocks rebounded from a drop in the previous week, while energy stocks were buoyed by rising oil prices as Hurricane Florence, which was bearing down on the eastern coast of the US, spurred expectations for higher fuel demand. (See more on oil below).

The S&P 500 closed less than 0.1% higher on Friday, with industrials, energy and financials the only sectors to close in the black, up by 0.4% to 0.6%. Worst off were utilities, telecommunications and consumer staples.

The Dow Jones Industrial Average also finished higher by less than 0.1%, while the Nasdaq Composite slipped 0.1%.

August economic data released this week, including consumer and producer price inflation as well as retail sales, came in on the weak side. It was not enough, however, to meaningfully sway views that the Federal Reserve will push ahead with a 25 basis point interest rate rise on September 25/26.

## China

Hong Kong stocks climbed on Friday while mainland markets ended mixed, The South China Morning Post reported, as speculation over the brewing China-US trade war continued to dominate investor sentiment.

The Hang Seng Index ended the week up 1.16% from last week, reversing a 3.28% fall to levels last seen in August 2017.

But uncertainty over when trade negotiations might actually kick off led to a low turnover of HK\$37.87 billion (US\$4.82 billion).

In mainland trading, the benchmark Shanghai Composite Index closed down 0.18%, or 4.94 points, to 2,681.64.

Its third consecutive weekly fall, the drop was fuelled by mixed August economic data which failed to curb worries over the economy.

The CSI 300 – which tracks large caps – edged up 0.17%, or 5.52 points, to 3,242.09 while the ChiNext gauge of smaller companies dropped 1.5%, or 20.88 points, to 1,370.40.

In Hong Kong, both casino and technology shares had significant rebounds after drops earlier in the week, as investors bought in on cheap valuations and lower share prices.

## Japan

Stocks rose further on the Tokyo Stock Exchange on Friday thanks to the yen's drop against the dollar, with the benchmark Nikkei average hitting a seven-month closing high above 23,000.

The 225-issue Nikkei average surged 273.35 points, or 1.20%, to end at 23,094.67, the first close above 23,000 since May 21.

The yen's weakening following an interest rate hike to 24% by the Turkish central bank on Thursday lifted investor sentiment, market sources told The Japan Times.

Friday's advance also reflected an easing of tensions over trade between the United States and China.

The Japanese trade balance will be released on Tuesday followed by the Bank of Japan's rate decision on Wednesday and CPI on Thursday.

## Europe

Gains among tech, auto and mining stocks pushed European shares higher on Friday, as hopes of new trade talks between the US and China boosted investor sentiment.

The pan-European STOXX 600 ended up 0.4%, scoring its strongest weekly gains in seven weeks. Analysts and traders saw new trade talks as a positive for the market, with some expecting US President Donald Trump to seek to seal a trade deal before mid-term elections in November, but they pointed to lingering nerves in the market.

This was vindicated after the European markets' close when shares in the US turned lower after a Bloomberg report said Trump had asked aides to proceed with tariffs on \$200 billion more in Chinese imports.

Topping the STOXX was bank and asset manager Investec which jumped 8.4% after saying it would demerge and separately list its asset management arm.

Euro zone CPI will be released on Monday and British CPI on Wednesday, when European Central Bank president Mario Draghi will present a speech in Berlin.

## Australia

Australian shares rebounded from last week's \$50 billion fall to close the week higher, despite some of the major financial stocks weighing the index, Fairfax reported.

The S&P/ASX 200 index advanced 21.5 points, or 0.4%, this week to close on Friday at 6165.3, with strong gains from the energy and technology sectors.

A strong rise in oil prices this week on the back of strengthened demand and potential supply disruptions pushed energy stocks higher.

The information technology sector rebounded from last week's sell-off, led by Afterpay Touch who rose 15.1% to \$17.27.

It was a mixed week for the materials sector with base metal miners advancing, while precious metal and mineral miners closed the week lower.

The major miners all closed the week higher. BHP rose 1.3% to \$31.82, Rio Tinto closed 4.1% higher at \$73.15 and South32 advanced 8.1% to \$3.75.

Regis Resources was among the index's worst performing stocks this week, falling 7.4% to \$3.90. Fellow gold miner Resolute Mining closed 4.8% lower at \$1.09 and Evolution Mining ended the week down 4.3% at \$2.65. Galaxy Resources also closed the week lower, falling 6% to \$2.49.

The market was weighed this week by losses from the major financial stocks as the royal commission focused its attention on the insurance industry.

QBE Insurance closed the week 1% lower at \$10.84, Insurance Australia Group fell 1.2% to \$7.38 and Suncorp Group closed the week at \$14.34, falling 3.7%.

Next week the RBA September meeting minutes will be released on Tuesday.

## Commodities

**Oil** markets were mixed on Friday, with West Texas Intermediate, the US marker, up 0.5% to \$68.92 a barrel. Brent, the global benchmark, was down 0.1% at \$78.11, but hit a four-year high this week.

The International Energy Agency (IEA) reported this week that OPEC oil output rose by 0.42 million barrels per day in August. The IEA also reported that global economic risks were mounting and could weigh on the price of oil, even as the market tightens and demand lifts.










**Metals prices** received a battering on Friday after fresh reports of more China tariffs spooked investors and sent the US dollar higher, The Wall Street Journal reported.

**Gold and copper** ended in the red after Bloomberg reported that President Trump had instructed aides to push ahead with tariffs on around \$200 billion of Chinese products.

The price of gold for September delivery fell 0.58% to \$1,195 a troy ounce on the Comex division of the New York Mercantile Exchange on Friday, unwinding some of its gains from earlier in the week.

Copper for September delivery was also down, falling 1.39% to \$2.40 a pound on the Comex division.

**Economic Calendar 17/09/2018 – 21/09/2018**

<b>Wednesday September 19 2018</b>			Actual	Previous	Consensus
<b>07:50 AM</b>	 JP	Balance of Trade AUG		¥-231B	¥-468.7B
<b>11:00 AM</b>	 JP	BoJ Interest Rate Decision		-0.1%	-0.1%
<b>04:30 PM</b>	 GB	Inflation Rate YoY AUG		2.5%	2.4%
<b>Thursday September 20 2018</b>			Actual	Previous	Consensus
<b>09:30 AM</b>	 AU	RBA Bulletin			+
<b>10:00 PM</b>	 EA	Consumer Confidence Flash SEP		-1.9	-2
<b>10:00 PM</b>	 US	Existing Home Sales AUG		5.34M	5.36M
<b>Friday September 21 2018</b>			Actual	Previous	Consensus
<b>07:30 AM</b>	 JP	Inflation Rate YoY AUG		0.9%	+
<b>03:30 PM</b>	 DE	Markit Manufacturing PMI Flash SEP		55.9	55.6
<b>08:30 PM</b>	 CA	Inflation Rate YoY AUG		3%	2.9%

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

**Economic Calendar 24/09/2018 – 28/09/2018**

<b>Monday September 24 2018</b>			Actual	Previous	Consensus
<b>04:00 PM</b>	DE	Ifo Business Climate SEP		103.8	+
<b>Tuesday September 25 2018</b>			Actual	Previous	Consensus
<b>07:50 AM</b>	JP	BoJ Monetary Policy Meeting Minutes			
<b>Wednesday September 26 2018</b>			Actual	Previous	Consensus
<b>10:00 PM</b>	US	New Home Sales AUG		-1.7%	633K
	EA	ECB Non-Monetary Policy Meeting			
<b>Thursday September 27 2018</b>			Actual	Previous	Consensus
<b>02:00 AM</b>	US	FOMC Economic Projections			+
<b>02:00 AM</b>	US	Fed Interest Rate Decision		2%	+
<b>02:30 AM</b>	US	Fed Press Conference			+
<b>02:00 PM</b>	DE	GfK Consumer Confidence OCT		10.5	10.6
<b>05:00 PM</b>	EA	Business Confidence SEP		1.22	+
<b>08:00 PM</b>	DE	Inflation Rate YoY PreI SEP		2%	+
<b>08:30 PM</b>	US	Durable Goods Orders MoM AUG		-1.7%	1.6%
<b>08:30 PM</b>	US	GDP Growth Rate QoQ Final Q2		2.2%	+
<b>Friday September 28 2018</b>			Actual	Previous	Consensus
<b>07:01 AM</b>	GB	Gfk Consumer Confidence SEP		-7	-10
<b>07:30 AM</b>	JP	Unemployment Rate AUG		2.5%	2.4%
<b>09:45 AM</b>	CN	Caixin Manufacturing PMI SEP		50.6	50.6
<b>03:55 PM</b>	DE	Unemployment Change SEP		-8K	+
<b>03:55 PM</b>	DE	Unemployment Rate SEP		5.2%	5.2%
<b>04:30 PM</b>	GB	GDP Growth Rate YoY Final Q2		1.2%	1.3%
<b>04:30 PM</b>	GB	GDP Growth Rate QoQ Final Q2		0.2%	0.4%
<b>08:30 PM</b>	US	Personal Income MoM AUG		0.3%	0.4%
<b>08:30 PM</b>	US	Personal Spending MoM AUG		0.4%	0.3%

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

## All Ords Top 10 Week Ending 14 September 2018

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
APT	Afterpay Touch	15.1	RRL	Regis Resources	-7.4
WHC	Whitehaven Coal	8.8	GXL	Greencross Limited	-7.3
API	Australian Pharm.	8.7	CSR	CSR Limited	-6.4
VEA	Viva Energy Group	8.6	GXY	Galaxy Resources	-6.0
ORG	Origin Energy	7.9	DMP	Domino Pizza Enterpr	-5.5
S32	South32 Limited	7.4	GEM	G8 Education Limited	-5.5
MYX	Mayne Pharma Ltd	7.0	AMP	AMP Limited	-4.8
BPT	Beach Energy Limited	6.8	RSG	Resolute Mining	-4.8
IPL	Incitec Pivot	6.2	NAN	Nanosonics Limited	-4.8
RWC	Reliance Worldwide	5.7	BGA	Bega Cheese Ltd	-4.4

Source: IRESS

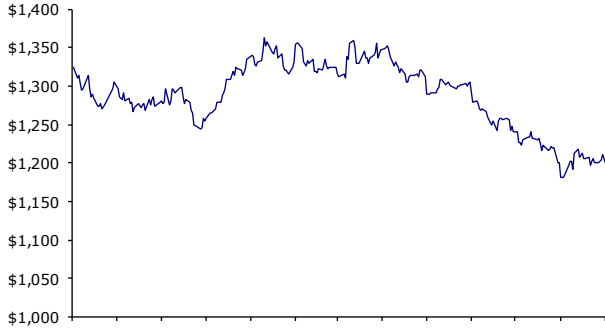
## S & P Indices Week Ending 14 September 2018

S&P Indices	16/09/2018	9/09/2018	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	12016	11454	4.9%	1.9%	35.1%
S&P 200 Materials	11392	11240	1.3%	-0.5%	15.1%
S&P 200 Industrials	6163	6142	0.4%	-1.2%	20.8%
S&P 200 Consumer Disc.	2474	2506	-1.3%	-3.0%	18.2%
S&P 200 Consumer Staples	11091	11265	-1.5%	-2.1%	29.6%
S&P 200 Healthcare	32308	32275	0.1%	-1.6%	67.6%
S&P 200 Financials	6092	6113	-0.3%	-2.7%	-4.4%
S&P 200 Info Technology	1208	1178	2.6%	-2.1%	55.4%
S&P 200 Telecommunicatic	1208	1189	1.6%	-1.1%	-31.2%
S&P 200 Utilities	7564	7709	-1.9%	-5.2%	0.3%
S&P 200 Property Trusts	1463	1455	0.6%	0.6%	9.1%
S&P 200 Financials ex PT	6795	6818	-0.3%	-2.7%	-4.4%

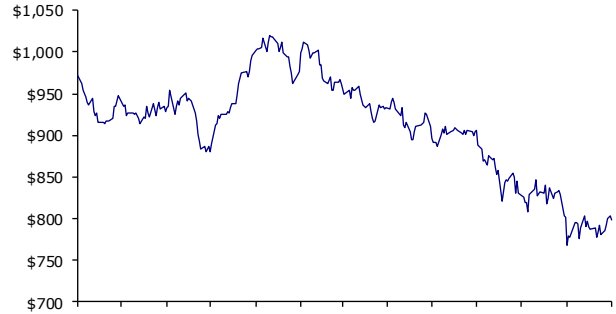
Source: IRESS

### 1 Year Commodity Price Charts

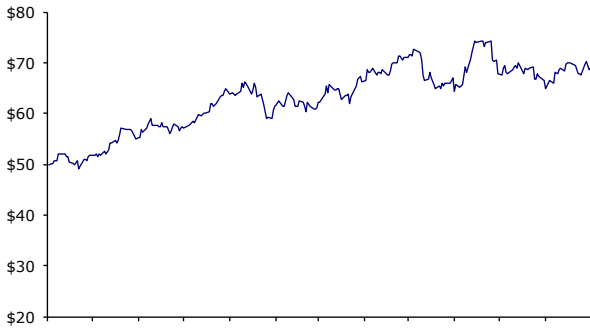
**1 Year Gold**



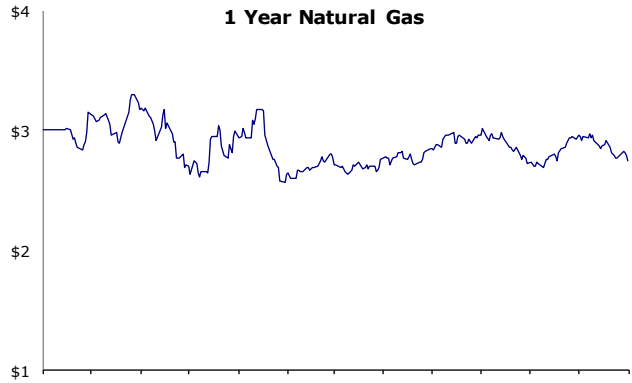
**1 Year Platinum**



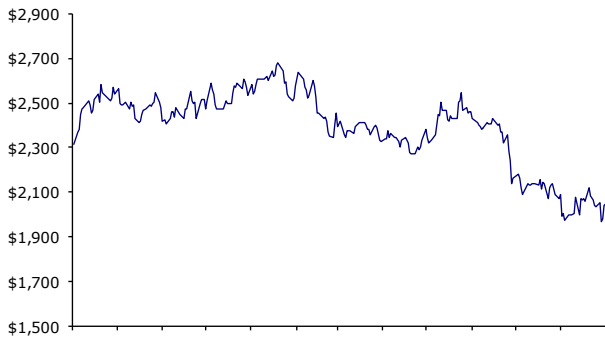
**1 Year Oil**



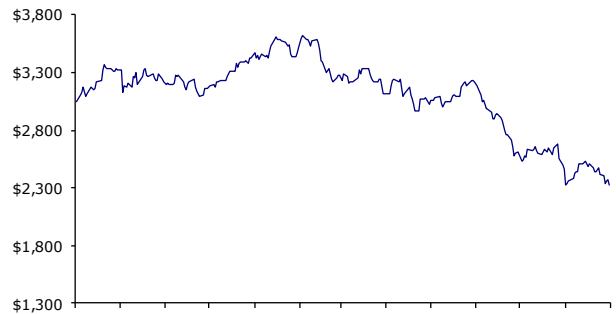
**1 Year Natural Gas**



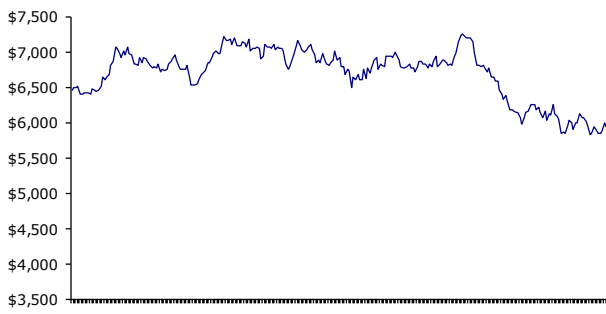
**1 Year Lead**



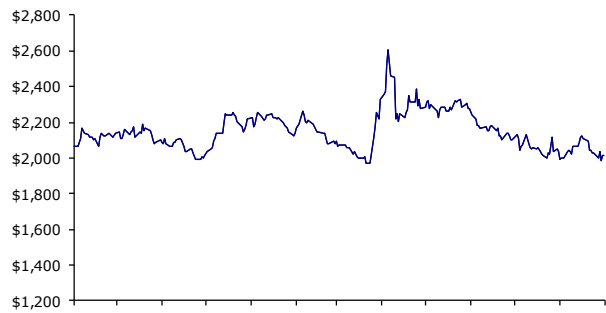
**1 Year Zinc**



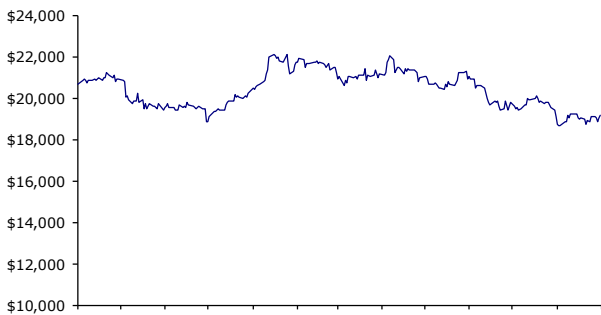
**1 Year Copper**



**1 Year Aluminium**

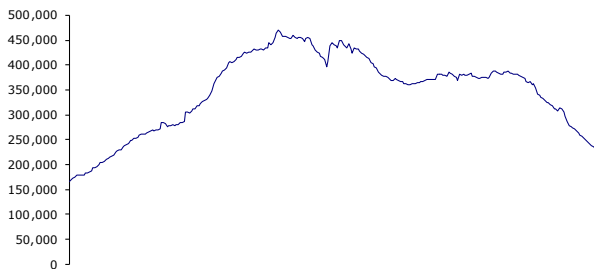


**1 Year Tin**

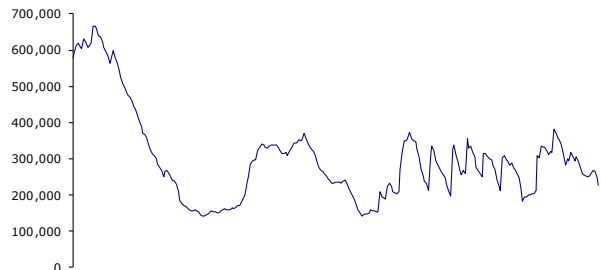


**5 Year Metals Stockpiles**

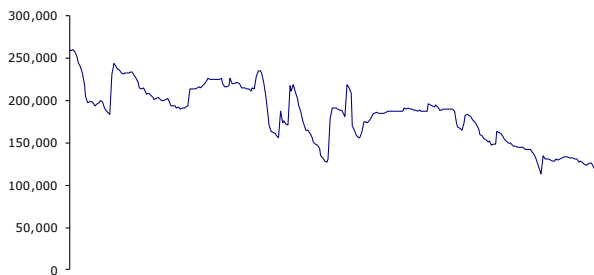
**Nickel LME Stockpiles - 5 Year**



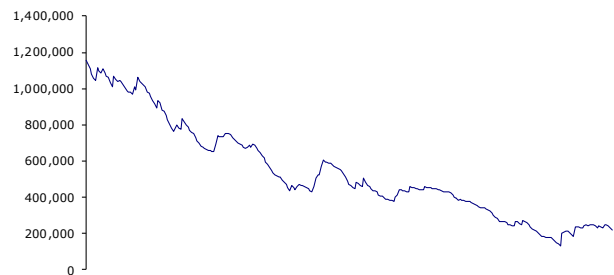
**Copper LME Stockpiles - 5 Year**



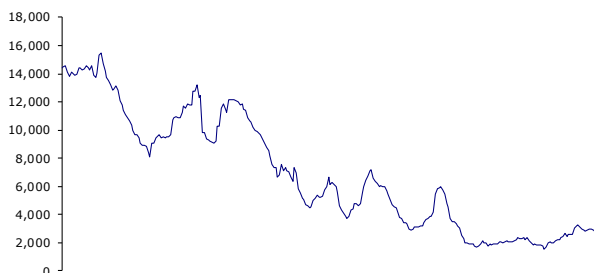
**Lead LME Stockpiles - 5 Year**



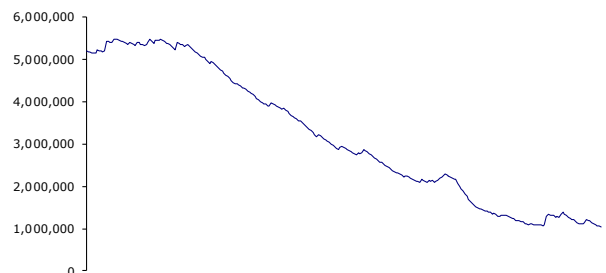
**Zinc LME Stockpiles - 5 Year**



**Tin LME Stockpiles - 5 Year**



**Aluminium LME Stockpiles - 5 Year**





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