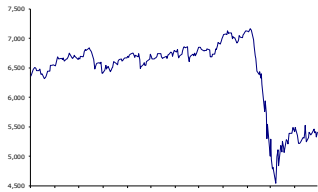


Issue 500
12-month XJO chart

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Global Wrap – 17 May 2020

World Markets	17/05/2020	10/05/2020	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	5405	5391	0.3%	3.5%	-2.5%
S&P 500	2864	2930	-2.3%	2.3%	27.5%
FTSE 100	5800	5936	-2.3%	0.5%	-16.3%
DAX30	10465	10904	-4.0%	0.5%	-13.0%
Shanghai Composite	2868	2895	-0.9%	1.1%	-10.8%
Nikkei 225	20037	20391	-1.7%	3.1%	6.8%
Hang Seng	23797	24230	-1.8%	-0.4%	4.1%
Currency					
AUD/USD	0.6416	0.6487	-1.1%	-1.2%	-6.6%
Commodities					
Oil (\$/bbl)	29.8	25.3	17.6%	74.4%	-52.5%
Gas (\$/gal)	1.8	1.8	0.5%	-10.7%	-28.4%
Iron Ore (\$/t)	0.0	53.9	-100.0%	-100.0%	-100.0%
Copper (\$/t)	5165	5228	-1.2%	2.6%	-11.5%
Lead (\$/t)	1579	1620	-2.5%	-3.8%	-32.3%
Zinc (\$/t)	1978	2000	-1.1%	4.2%	-27.9%
Aluminium (\$/t)	1433	1450	-1.2%	-2.0%	-17.3%
Nickel (\$/t)	11807	12247	-3.6%	-0.7%	3.8%
Tin (\$/t)	15250	15298	-0.3%	1.7%	-28.7%
Gold (\$/oz)	1756	1714	2.5%	1.0%	49.8%
Silver (\$/oz)	17.1	15.8	8.2%	10.1%	-0.1%
Platinum (\$/oz)	817	789	3.5%	6.8%	-12.9%
Wheat (\$/t)	499.750	523.000	-4.4%	-8.1%	22.4%

Source: Iress

Key points

1. What happened last week
2. What happened Friday
3. What happens next

The week in review

Markets fell for the week after central bankers, scientists and other leaders questioned government plans to reopen economies globally.

US Federal Reserve Chairman Jerome Powell said his country could face an extended period of weak growth and stagnated incomes as it looked towards an economic downturn “significantly worse than any recession since World War II”.

As other countries began to relax restrictions, those that had early wins, such as South Korea and Singapore, in controlling the spread of the virus saw some clusters of new outbreaks.

In the US, nearly three million Americans sought jobless benefits last week, a significant decrease on the week prior, bringing the eight-week total to around 36.5 million.

The MSCI World Index (AUD) was down 2.8% and the S&P 500 Index was down 2.6% for the week.

The **S&P/ASX All Ordinaries Accumulation Index** closed up 0.1% for the week. The **National Australia Bank's monthly consumer confidence** surged to 16.4% in May, the biggest monthly rise in the survey's history, while the Australian economy shed 594,300 jobs in April, the largest monthly fall on record.

The **seasonally adjusted wage price index**, a measure of the annual change in hourly rates of pay, experienced the weakest growth since the second quarter of 2018.

What happened Friday

US stocks finished Friday with slight gains but the major indexes capped the week with significant losses between a slew of somber economic reports and increasing tensions between China and the US.

The **Dow Jones Industrial Average** advanced on Friday by 60.08 points, or 0.25%, to 23,685.42, but ended the week lower by 2.65%.

The **S&P 500** finished Friday's session up 0.39% at 2,863.70 while the **Nasdaq Composite** added 0.79% to close at 9,014.56.

The major averages clawed back their losses throughout the afternoon as retail stocks turned around despite a record decline in monthly retail sales.

Friday's turnaround also followed better-than-expected data on **US consumer sentiment**. The University of Michigan's consumer sentiment index unexpectedly rose in early May as US fiscal stimulus measures "improved consumers' finances and widespread price discounting boosted their buying attitudes."

This came after US monthly retail sales fell by a record 16.4% in April.

Stocks initially tumbled on the retail data. Market sentiment also took a hit amid rising **trade tensions** between China and the US.

The Trump administration moved to block semiconductor shipments to Chinese company Huawei. The Commerce Department said it would "strategically target Huawei's acquisition of semiconductors that are the direct product of certain US software and technology."

Stocks in Asia were little changed on Friday even as data showed China's industrial output bouncing back more than expected in April.

Mainland Chinese stocks were mixed on the day, with the **Shanghai composite** slightly lower at around 2,868.46 while the **Shenzhen composite** added 0.159% to about 1,808.56. **Hong Kong's Hang Seng** index hovered around the flatline, as of its final hour of trading.

In Japan, the **Nikkei 225** closed 0.62% higher at 20,037.47 while the Topix index rose 0.5% to end its trading day at 1,453.77.

South Korea's Kospi added 0.12% to close at 1,927.28.

On the economic data front, **China's industrial output** rose 3.9% year-on-year in April, according to data released Friday by the country's National Bureau of Statistics. That marked the first expansion in the metric for this year from the world's second largest economy.

Retail sales, however, fell 7.5% in April. That was a larger fall than the 7% decline forecast, according to Reuters.

European markets closed slightly higher on Friday, as investors monitored news about efforts to reopen economies and digested harrowing economic data.

The **pan-European Stoxx 600** pared earlier gains to provisionally close up 0.5%. Basic resources led the gains, nearly 3% higher, while retail stocks dropped 0.4%.

The transmission rate for the coronavirus remained below the key threshold of 1 in Germany following initial easing of lockdown measures, the Robert Koch Institute for Disease Control said Thursday.

Official data published Friday revealed that **German GDP** (gross domestic product) shrank by 2.2% in the first quarter compared to the final three months of 2019, the sharpest quarterly decline for Europe's largest economy since the financial crisis.



In Australia blue chip stocks rallied to drive the **ASX200** 1.4% higher on Friday, its strongest day of the week.

The index hit the 5404.8 mark at the market close.

The materials index led throughout the session, up 3.25% for the session as **BHP** and **Fortescue Metals** posted gains of more than 3% each, to \$31.67 and \$12.55 as the iron ore price continues to be strong.

The **banks** also showed improvements, as financials jumped 1.5% and the big banks returned to the green.

All sectors aside from **information technology** spent the afternoon in the green. Tech stocks were dragged down as small business accounting operator Xero continued to be hit after revealing numbers yesterday, where it posted profit but signalled coronavirus slowdowns. It lost 5.6% for the session to close at \$75.32.

Next week, the Reserve Bank of Australia (RBA) will release its May meeting minutes on Tuesday and its governor Philip Lowe will deliver a speech on Thursday.

The Federal Reserve will release its minutes on Wednesday and chairman Jerome Powell will also deliver a speech on Thursday, ahead of US employment data on Friday.

Economic Calendar 18/05/2020 – 22/05/2020

Monday May 18 2020		Actual	Previous	Consensus	Forecast
07:50 AM	JP GDP Growth Rate QoQ Prel Q1		-1.8%	-1.2%	-1.6%
Tuesday May 19 2020		Actual	Previous	Consensus	Forecast
02:00 PM	GB Claimant Count Change APR		12.2K		650K
05:00 PM	DE ZEW Economic Sentiment Index MAY		28.2		-14
09:00 PM	RU GDP Growth Rate YoY Prel Q1		2.1%	1.9%	1.8%
Wednesday May 20 2020		Actual	Previous	Consensus	Forecast
09:30 AM	CN Loan Prime Rate 1Y		3.85%		3.85%
02:00 PM	GB Inflation Rate YoY APR		1.5%		0.2%
08:30 PM	CA Inflation Rate YoY APR		0.9%		0.2%
Thursday May 21 2020		Actual	Previous	Consensus	Forecast
07:50 AM	JP Balance of Trade APR		¥4.9B		¥-40B
Friday May 22 2020		Actual	Previous	Consensus	Forecast
07:30 AM	JP Inflation Rate YoY APR		0.4%		0.2%

Source: www.tradingeconomics.com

Economic Calendar 25/05/2020 – 29/05/2020

Monday May 25 2020		Actual	Previous	Consensus	Forecast
02:00 PM	DE GDP Growth Rate YoY Final Q1		0.4%		-2.6%
02:00 PM	DE GDP Growth Rate QoQ Final Q1		0%		-2.4%
04:00 PM	DE Ifo Business Climate MAY		74.3		75
Tuesday May 26 2020		Actual	Previous	Consensus	Forecast
02:00 PM	DE GfK Consumer Confidence JUN		-23.4		-4
Thursday May 28 2020		Actual	Previous	Consensus	Forecast
05:00 PM	EA Business Confidence MAY				
08:30 PM	US Durable Goods Orders MoM APR		-14.4%		-25%
08:30 PM	US GDP Growth Rate QoQ 2nd Est Q1		2.1%		-4.8%
Friday May 29 2020		Actual	Previous	Consensus	Forecast
07:01 AM	GB GfK Consumer Confidence MAY		-33		-42
01:00 PM	JP Consumer Confidence MAY				25.1
02:45 PM	FR GDP Growth Rate QoQ Final Q1		-0.1%	-5.8%	-5.8%
03:00 PM	TR GDP Growth Rate YoY Q1		6%		1.9%
04:00 PM	IT GDP Growth Rate YoY Final Q1		0.1%	-4.8%	-4.8%
04:00 PM	IT GDP Growth Rate QoQ Final Q1		-0.3%	-4.7%	-4.7%
08:00 PM	BR GDP Growth Rate YoY Q1		1.7%		-2.5%
08:30 PM	CA GDP Growth Rate Annualized Q1		0.3%		-4%
08:30 PM	CA GDP Growth Rate QoQ Q1		0.1%		-2.6%
08:30 PM	US Personal Income MoM APR		-2%		
08:30 PM	US Personal Spending MoM APR		-7.5%		

Source: www.tradingeconomics.com

**All Ords Top 10 Week Ending 15 May 2020**

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
PLS	Pilbara Min Ltd	19.5	CTD	Corp Travel Limited	-11.8
SXL	Sthn Cross Media	18.5	CGF	Challenger Limited	-10.9
RSG	Resolute Mining	14.2	URW	Unibailrodawestfield	-10.4
SAR	Saracen Mineral	13.2	JIN	Jumbo Interactive	-9.8
SBM	St Barbara Limited	11.9	IPL	Incitec Pivot	-9.6
RRL	Regis Resources	10.9	IFL	IOOF Holdings Ltd	-9.0
SLR	Silver Lake Resource	10.0	BLD	Boral Limited	-8.7
NCM	Newcrest Mining	9.5	XRO	Xero Ltd	-8.5
GNC	GrainCorp Limited	9.2	PNV	Polynovo Limited	-8.2
ANN	Ansell Limited	8.1	DHG	Domain Holdings Aus	-7.7

Source: IRESS

S & P Indices Week Ending 15 May 2020

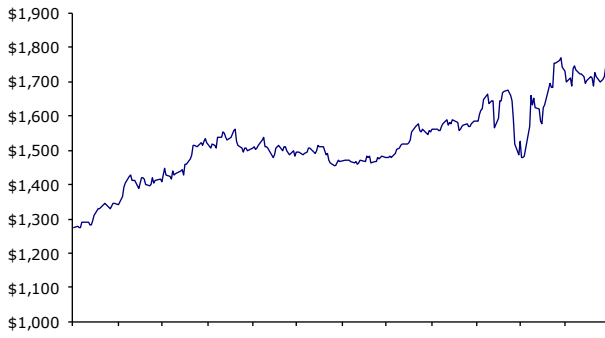
S&P Indices	17/05/2020	10/05/2020	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	6977	7151	-2.4%	11.3%	-21.5%
S&P 200 Materials	12037	11707	2.8%	8.5%	21.6%
S&P 200 Industrials	5409	5369	0.7%	4.7%	6.0%
S&P 200 Consumer Disc.	2147	2151	-0.2%	8.6%	2.6%
S&P 200 Consumer Staples	11777	11701	0.6%	-3.0%	37.6%
S&P 200 Healthcare	42783	42335	1.1%	-1.2%	121.9%
S&P 200 Financials	4158	4208	-1.2%	0.2%	-34.7%
S&P 200 Info Technology	1352	1386	-2.4%	16.6%	73.9%
S&P 200 Telecommunicatic	1111	1088	2.2%	6.1%	-36.7%
S&P 200 Utilities	7653	7623	0.4%	0.7%	1.5%
S&P 200 Property Trusts	1125	1148	-2.0%	2.9%	-16.1%
S&P 200 Financials ex PT	4638	4693	-1.2%	0.2%	-34.7%

Source: IRESS

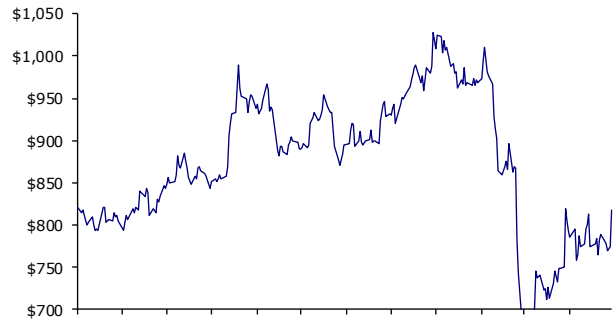


1 Year Commodity Price Charts

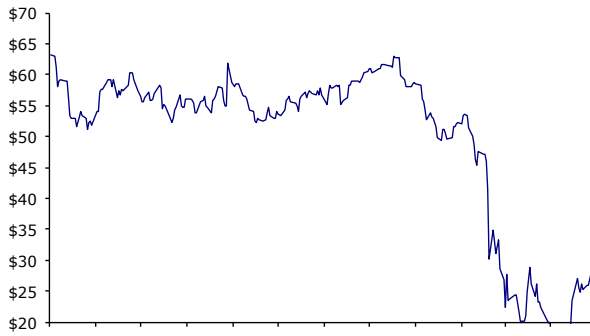
1 Year Gold



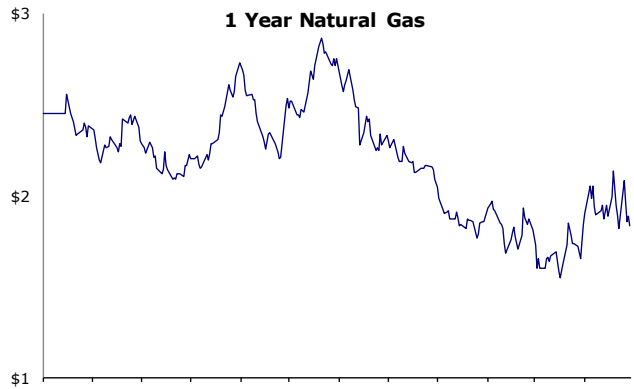
1 Year Platinum



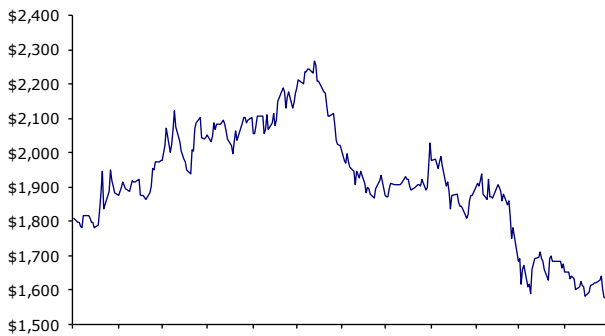
1 Year Oil



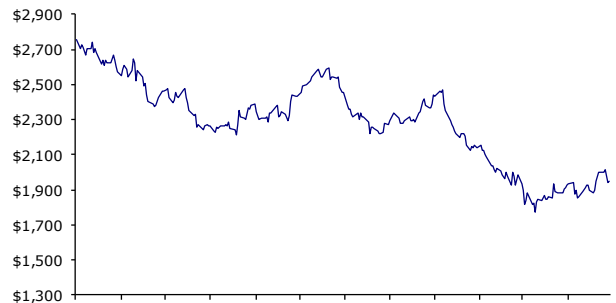
1 Year Natural Gas



1 Year Lead

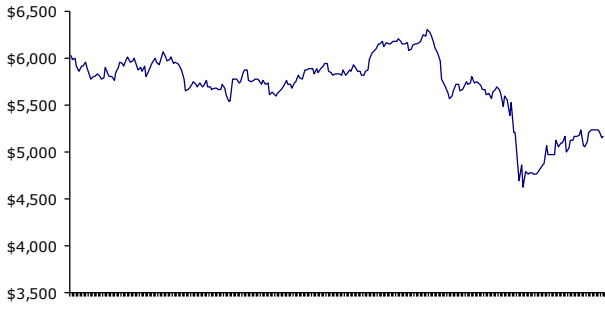


1 Year Zinc

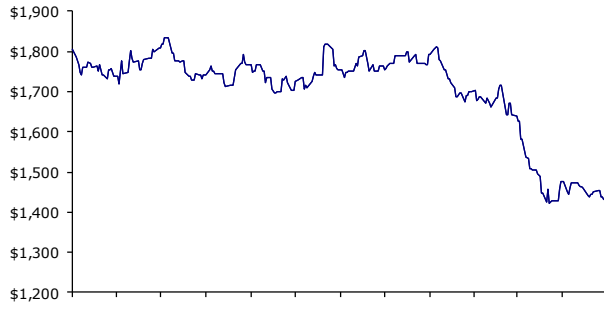




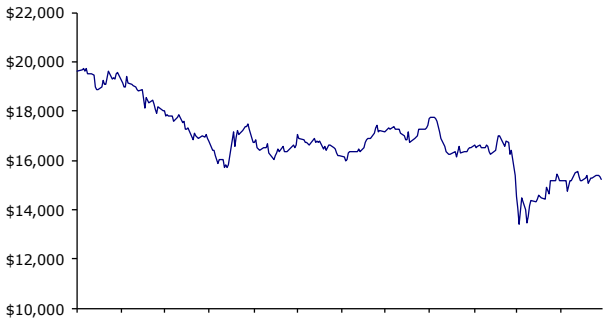
1 Year Copper



1 Year Aluminium

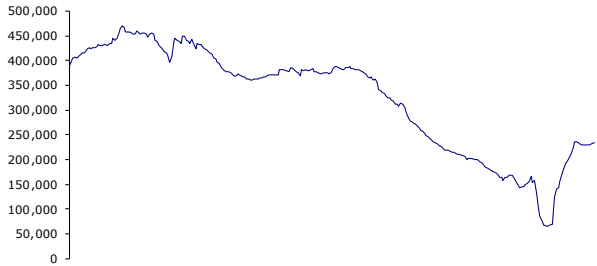


1 Year Tin

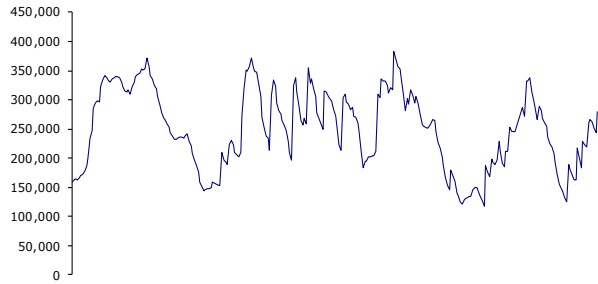


5 Year Metals Stockpiles

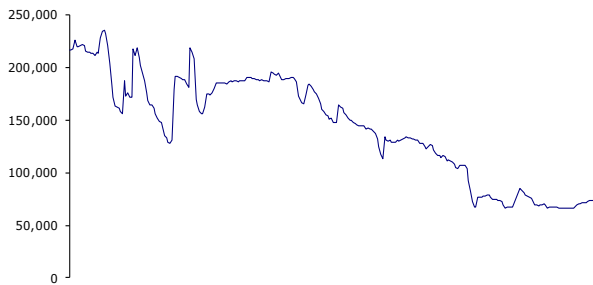
Nickel LME Stockpiles - 5 Year



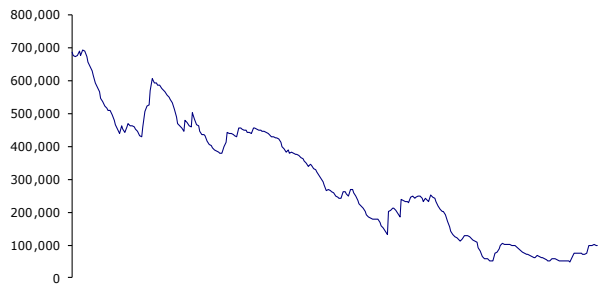
Copper LME Stockpiles - 5 Year



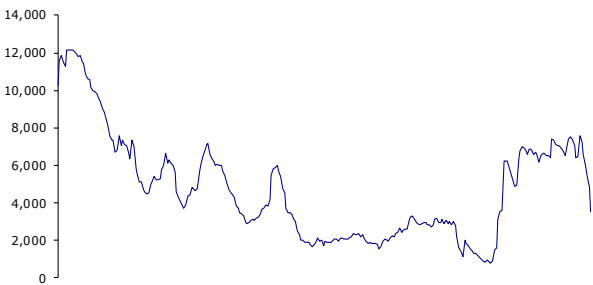
Lead LME Stockpiles - 5 Year



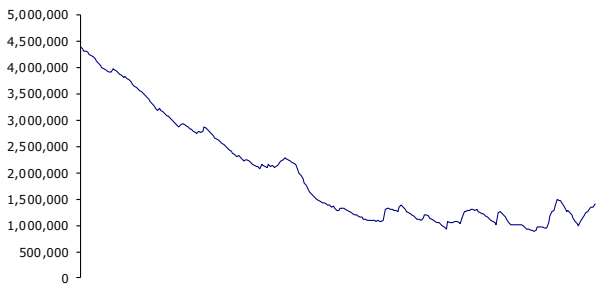
Zinc LME Stockpiles - 5 Year



Tin LME Stockpiles - 5 Year



Aluminium LME Stockpiles - 5 Year





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