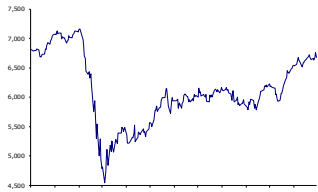
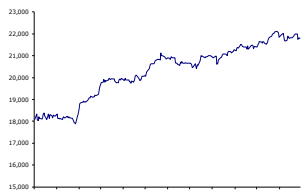


**Issue 531**
**12-month XJO chart**

**12-month Dow Jones chart**

**State One Research Products**

<b>Spinnaker</b>	Free
	Weekly
<b>Market</b>	Free
<b>Opener</b>	Daily

**For more research visit:**
[www.stateone.com.au/research](http://www.stateone.com.au/research)
**State One Stockbroking Ltd**

 Head Office  
 Level 14,  
 172 St George's Terrace  
 Perth WA 6000  
 Tel: +61 (8) 9288 3388 or  
 1300 651 898  
 Email: [advice@stateone.com.au](mailto:advice@stateone.com.au)  
 Web: [www.stateone.com.au](http://www.stateone.com.au)
**Global Wrap – 20 December 2020**

World Markets	20/12/2020	13/12/2020	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	6675	6643	0.5%	-0.1%	20.4%
S&P 500	3709	3663	1.3%	2.2%	65.1%
FTSE 100	6529	6547	-0.3%	2.2%	-5.8%
DAX30	13631	13114	3.9%	2.6%	2.9%
Shanghai Composite	3395	3369	0.8%	0.7%	5.6%
Nikkei 225	26763	26732	0.1%	0.9%	42.6%
Hang Seng	26499	26506	0.0%	-0.6%	15.9%
<b>Currency</b>					
AUD/USD	0.7622	0.7536	1.2%	1.2%	10.4%
<b>Commodities</b>					
Oil (\$/bbl)	49.1	47.0	4.5%	9.1%	-18.6%
Gas (\$/gal)	2.7	2.6	4.2%	-8.8%	26.8%
Iron Ore (\$/t)	0.0	53.9	-100.0%	-100.0%	-100.0%
Copper (\$/t)	7964	7741	2.9%	10.0%	36.4%
Lead (\$/t)	2041	2059	-0.9%	0.5%	-12.5%
Zinc (\$/t)	2818	2806	0.4%	3.3%	2.7%
Aluminium (\$/t)	2049	2022	1.3%	4.2%	18.3%
Nickel (\$/t)	17551	17192	2.1%	9.9%	54.4%
Tin (\$/t)	20255	19550	3.6%	7.8%	-5.3%
Gold (\$/oz)	1889	1840	2.7%	4.6%	61.1%
Silver (\$/oz)	26.0	24.0	8.3%	11.4%	52.3%
Platinum (\$/oz)	1043	1022	2.1%	7.6%	11.2%
Wheat (\$/t)	608.250	590.250	3.0%	3.6%	49.0%

Source: Iress

**Key points**
**1. COVID-19 cases dampen mood on ASX**
**2. Tesla powers into S&P 500**
**3. What to watch before Christmas long weekend**

US stocks slipped from record highs in volatile trading on Friday as lawmakers struggled to bridge differences on additional coronavirus stimulus measures.

The **Dow Jones Industrial Average** fell 124.32 points, or 0.4%, to 30,179.05. At its session low, the 30-stock benchmark shed more than 270 points, CNBC reported.

The **S&P 500** dipped 0.4%, or 13.07 points, to 3,709.41, snapping a three-day winning streak.

The **Nasdaq Composite** lost 0.1%, or 9.11 points, to 12,755.64. All three indexes touched new intraday highs earlier in the day after closing at records in the previous session.

As the market closed, Congress was trying to approve a measure to keep the government running for two more days.

**Big volume**

The stock market experienced massive volume on Friday as **Tesla's** historic entry into the S&P 500 will be based on prices at the close.

There was a rush of activity into the final bell and the S&P 500 will begin trading with Tesla as a member on Monday.

With a market capitalization of more than \$600 billion after a 700% rally this year, the electric carmaker will be joining as the seventh-largest company in the index.

Tesla is being added to the benchmark in one fell swoop, marking the largest rebalancing of the S&P 500 in history. It's estimated that passive funds tracking the S&P 500 needed to buy more than USD 85 billion of Tesla, while selling USD 85 billion of the rest of the index to make room for it.

Tesla rose to an all-time high on Friday of USD 695 after more than 200 million of its shares changed hands, more than quadrupling the 30-day average volume.

Shares in Asia-Pacific were mostly lower on Friday as investors reacted to developments from the Bank of Japan.

In Japan, the **Nikkei 225** dipped 0.16% to close at 26,763.39.

Mainland Chinese stocks edged higher on the day: The **Shanghai composite** was up 0.29% to 3,394.90 while the **Shenzhen component** advanced 0.257% to 13,854.12. Hong Kong's **Hang Seng** index declined about 1% as of its final hour of trading.

The **Bank of Japan** on Friday announced a six-month extension of its special program aimed at easing corporate financing pressures amid the coronavirus pandemic. Meanwhile, the yield target on the 10-year Japan government bond was set at around 0% while the short-term interest target was set to -0.1%.

The Japanese central bank also said it will "conduct an assessment for further effective and sustainable monetary easing" as it looks to support the economy and achieve its ever elusive inflation target, with the findings likely to be out in March.

Following the BOJ's announcement, the [Japanese yen](#) traded at 103.39 per dollar, having been at levels above 103.8 against the greenback earlier in the trading week.

Rising coronavirus cases in certain parts of North Asia may also have weighed on investor sentiment.

Japan's capital Tokyo on Thursday had a record number of new infections, with the metropolitan government raising its alert for the strain on the medical system to the highest level.

In South Korea [daily new coronavirus cases crossed the 1,000 level](#) for the second day in a row.

European markets closed lower on Friday as British and European leaders struck a pessimistic tone about the prospect of a post-Brexit trade deal.

The **pan-European Stoxx 600** provisionally closed 0.33% lower, with sectors pointing in opposite directions. Retail shares slid the most, losing 1.8%, while telecoms were up over 0.2%.

European Union Chief Negotiator Michel Barnier warned Friday that time was running out for an agreement to be reached on a new trading arrangement after Britain leaves the EU's orbit on December 31.

Meanwhile British Prime Minister Boris Johnson said Thursday that talks were in a "serious situation" and a deal is unlikely unless the EU is willing to alter its position on fisheries, a long-standing spanner in the works.

The **Australian sharemarket's** seventh straight weekly rise finished under a cloud as a growing coronavirus cluster on Sydney's northern beaches threatened to ruin Christmas for holidaymakers and investors alike.

The ASX 200 backed away from near 10-month highs on Friday as a total of 28 new COVID19 cases were found in Sydney, The Sydney Morning Herald reported. The cases prompted all other states and territories to implement border restrictions for travellers from the hot spot.

The local benchmark dropped 81.2 points, or 1.2%, to finish at 6675.5 as investors ignored a strong Wall Street lead and improved commodity prices and instead focused on the threat of wider lockdowns.

Gold miners, health firms, and supermarkets Coles and Woolworths, were in the winners' circle.



However the index did seal a seventh straight weekly rise - mainly due to Thursday's ebullience fuelled by the Mid-Year Economic and Fiscal Outlook (MYEFO). This continues a streak that began with the market-friendly US election result in November.

Stem cell firm Mesoblast plummeted 36% to a near eight-month low of \$2.41 on poor trial results for a COVID treatment.

Dairy company a2 Milk dropped 23.6% to \$10.14 - its lowest in nearly two years - as it forecast a near half-a-billion dollar hit to revenue from its disrupted daigou (surrogate shopping) network.

QBE was the third heavy loss for the session. The insurer dropped 12.5% to \$12.85 after flagging a statutory full-year loss of \$1.5 billion after US write-downs and a higher than expected impact of COVID-19 and extreme weather claims.

**This coming week**, before the Christmas four-day long weekend starting Friday, the Chinese interest rate decision will be released on Monday. Australian retail sales data will come out on Tuesday followed by the trade balance on Wednesday. The UK and US gross domestic product reading will also be released on Tuesday.

***Wishing you all a very happy and safe Christmas!***

**Economic Calendar 21/12/2020 – 25/12/2020**

Monday December 21 2020		Actual	Previous	Consensus	Forecast
09:30 AM	🇨🇳 CN Loan Prime Rate 1Y		3.85%		3.85%
Tuesday December 22 2020		Actual	Previous	Consensus	Forecast
03:00 PM	🇩🇪 DE GfK Consumer Confidence JAN		-6.7	-9.5	-8.8
Wednesday December 23 2020		Actual	Previous	Consensus	Forecast
09:30 PM	🇺🇸 US Personal Income MoM NOV		-0.7%	-0.3%	-0.4%
09:30 PM	🇺🇸 US Personal Spending MoM NOV		0.5%	0.3%	0.2%
Thursday December 24 2020		Actual	Previous	Consensus	Forecast
09:30 PM	🇺🇸 US Durable Goods Orders MoM NOV		1.3%	0.7%	0.6%

**Economic Calendar 28/12/2020 – 1/01/2021**

Thursday December 31 2020		Actual	Previous	Consensus	Forecast
09:00 AM	🇨🇳 CN NBS Manufacturing PMI DEC		52.1		51.5

Source: [www.tradingeconomics.com](http://www.tradingeconomics.com)**All Ords Top 10 Week Ending 18 December 2020**

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
EML	EML Payments Ltd	13.1	MSB	Mesoblast Limited	-47.6
PRU	Perseus Mining Ltd	12.5	A2M	The A2 Milk Company	-22.4
RSG	Resolute Mining	12.2	SSM	Service Stream	-20.4
MP1	Megaport Limited	11.5	AVH	Avita Therapeutics	-13.8
NAN	Nanosonics Limited	10.3	QBE	QBE Insurance Group	-10.8
APT	Afterpay Limited	10.2	BKL	Blackmores Limited	-9.4
GWA	GWA Group Ltd	10.1	COE	Cooper Energy Ltd	-8.9
JBH	JB Hi-Fi Limited	9.0	CTD	Corp Travel Limited	-8.4
BAP	Bapcor Limited	8.7	ALD	Ampol Limited	-7.6
PME	Pro Medicus Limited	8.4	MND	Monadelphous Group	-7.3

Source: IRESS

**S & P Indices Week Ending 18 December 2020**

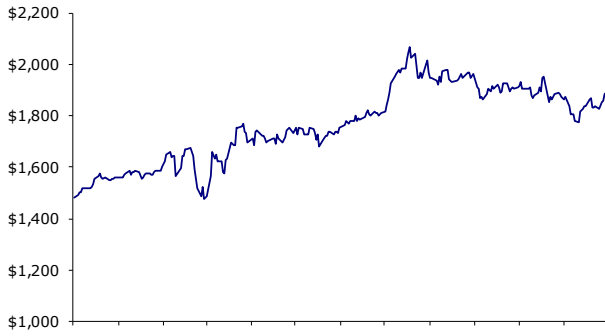
S&P Indices	20/12/2020	13/12/2020	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	8207	8408	-2.4%	-2.9%	-7.7%
S&P 200 Materials	15824	15695	0.8%	7.5%	59.8%
S&P 200 Industrials	6086	6078	0.1%	-3.6%	19.3%
S&P 200 Consumer Disc.	2927	2864	2.2%	-1.0%	39.8%
S&P 200 Consumer Staples	12693	12729	-0.3%	0.1%	48.3%
S&P 200 Healthcare	42819	43083	-0.6%	-5.4%	122.1%
S&P 200 Financials	5533	5527	0.1%	-2.2%	-13.2%
S&P 200 Info Technology	2194	2071	5.9%	9.6%	182.1%
S&P 200 Telecommunicatic	1280	1262	1.5%	-0.5%	-27.1%
S&P 200 Utilities	6860	6845	0.2%	-2.2%	-9.0%
S&P 200 Property Trusts	1444	1438	0.4%	-1.8%	7.6%
S&P 200 Financials ex PT	6171	6165	0.1%	-2.2%	-13.2%

Source: IRESS

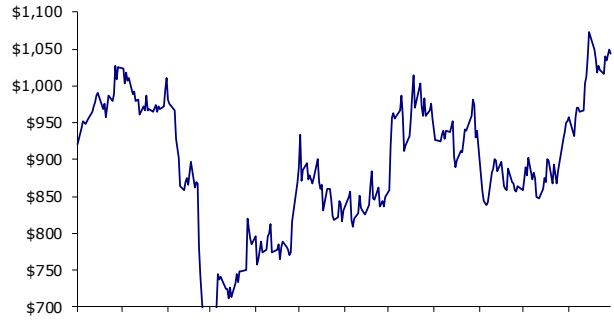


### 1 Year Commodity Price Charts

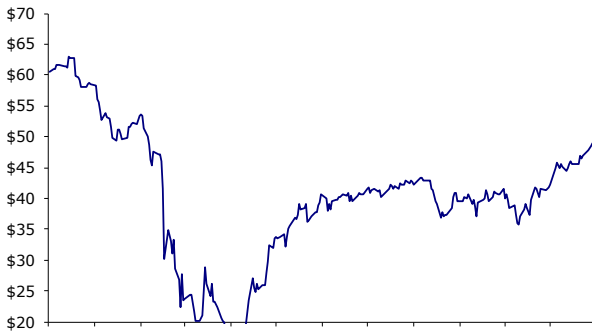
**1 Year Gold**



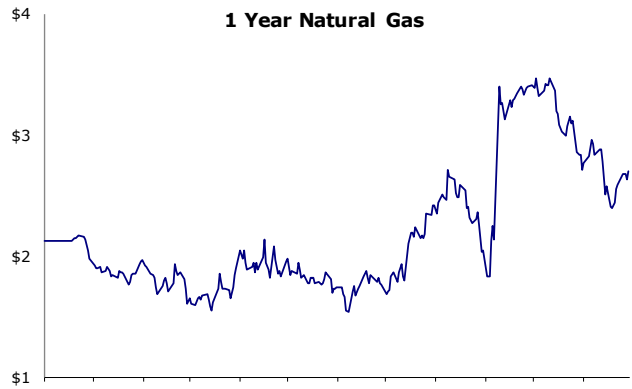
**1 Year Platinum**



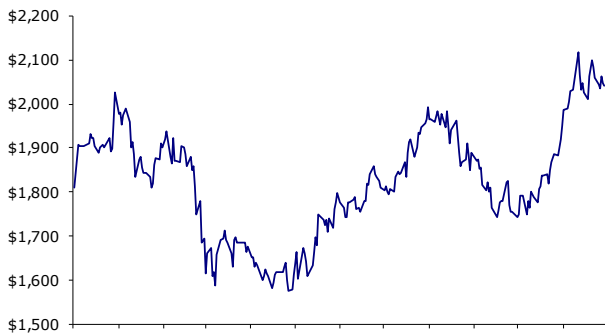
**1 Year Oil**



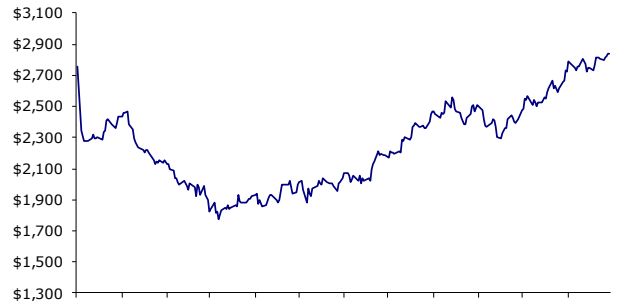
**1 Year Natural Gas**



**1 Year Lead**

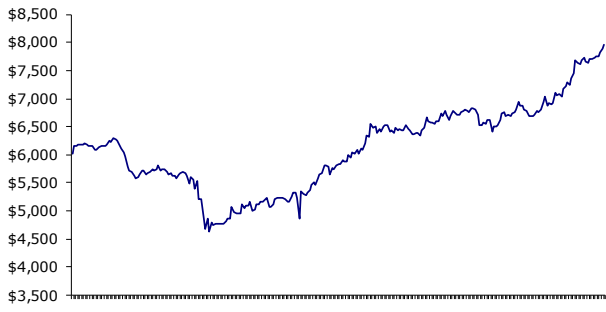


**1 Year Zinc**

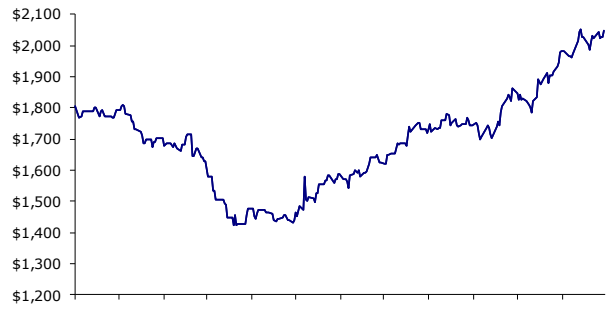




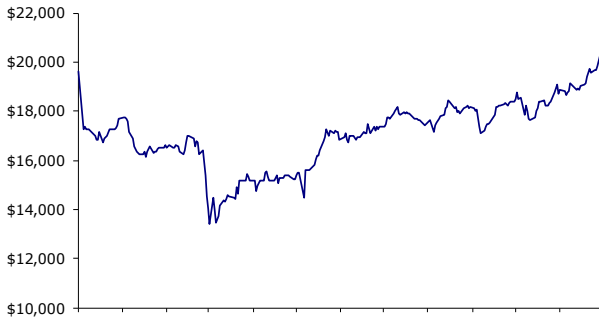
**1 Year Copper**



**1 Year Aluminium**

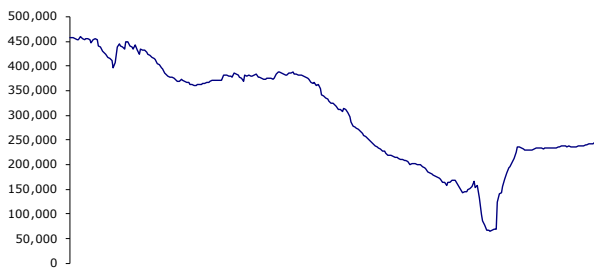


**1 Year Tin**

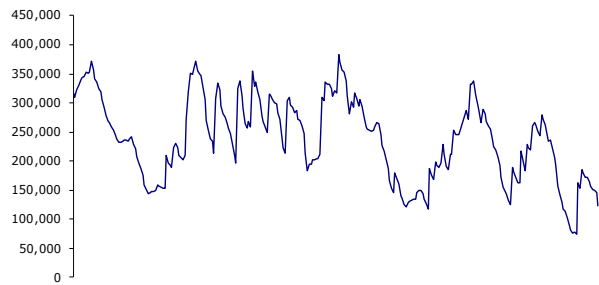


**5 Year Metals Stockpiles**

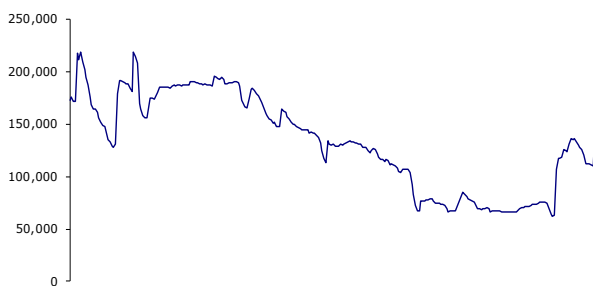
**Nickel LME Stockpiles - 5 Year**



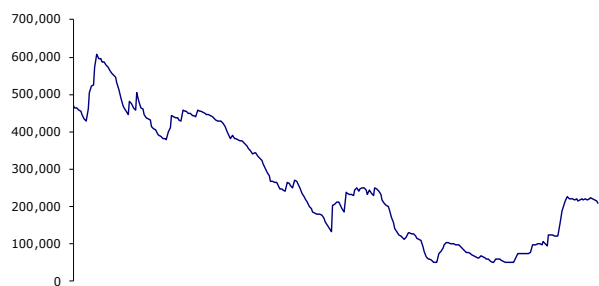
**Copper LME Stockpiles - 5 Year**



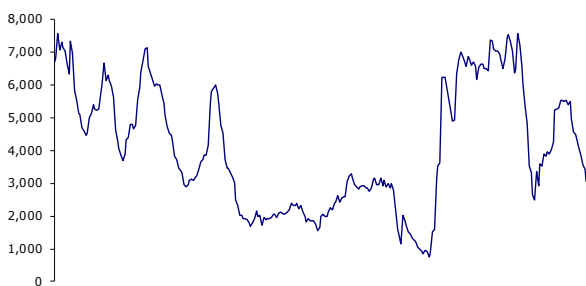
**Lead LME Stockpiles - 5 Year**



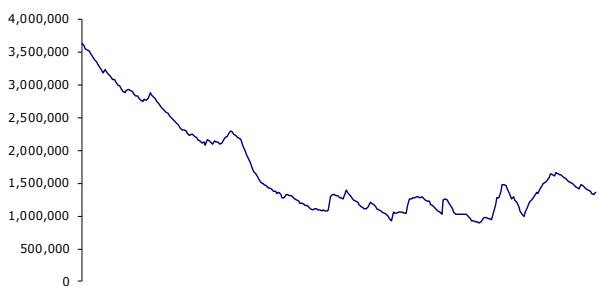
**Zinc LME Stockpiles - 5 Year**



**Tin LME Stockpiles - 5 Year**



**Aluminium LME Stockpiles - 5 Year**





Alan Hill  
Executive Chairman  
Phone: +61 8 9288 3388  
[ahill@stateone.com.au](mailto:ahill@stateone.com.au)

Ric Heydon  
Equities & Derivatives Advisor  
Phone: +61 8 9288 3307  
[rheydon@stateone.com.au](mailto:rheydon@stateone.com.au)

Mark Sullivan  
Institutional Dealer  
Phone: +61 2 9024 9134  
[msullivan@stateone.com.au](mailto:msullivan@stateone.com.au)

Thomas Tan  
Equities Advisor  
Phone: +61 2 9024 9131  
[ttan@stateone.com.au](mailto:ttan@stateone.com.au)

Morris Levitzke  
Equities Advisor  
Phone: +61 8 9288 3315  
[mlevitzke@stateone.com.au](mailto:mlevitzke@stateone.com.au)

Graeme Johnson  
Equities & Derivatives Advisor  
Phone: +61 8 9288 3316  
[gjohnson@stateone.com.au](mailto:gjohnson@stateone.com.au)

Yitz Barber  
Equities Advisor  
Phone: +61 2 9024 9124  
[ybarber@stateone.com.au](mailto:ybarber@stateone.com.au)

Tammie Wong  
Equities Advisor  
Phone: +61 2 9024 9133  
[twong@stateone.com.au](mailto:twong@stateone.com.au)

David Zhang  
Equities Advisor  
Phone: +61 2 9024 9130  
[dzang@stateone.com.au](mailto:dzang@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 License ("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) on our website:  
[www.stateone.com.au](http://www.stateone.com.au)

### 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.