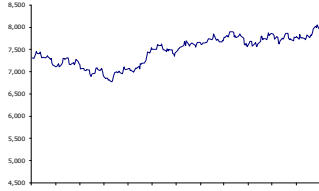
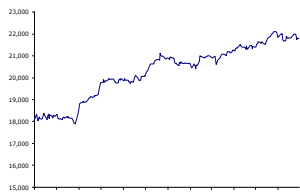


12-month XJO chart

12-month Dow Jones chart

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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
 Web: www.stateone.com.au
Global Wrap – 21 July 2024

World Markets	21/07/2024	14/07/2024	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	7972	7959	0.2%	2.4%	43.8%
S&P 500	5505	5615	-2.0%	0.5%	145.1%
FTSE 100	8156	8253	-1.2%	-0.8%	17.7%
DAX30	14050	13719	2.4%	3.6%	3.6%
Shanghai Composite	2982	2974	0.3%	1.2%	-7.2%
Nikkei 225	40064	41191	-2.7%	1.8%	113.5%
Hang Seng	17418	18293	-4.8%	-3.7%	-23.8%
Currency					
AUD/USD	0.6685	0.6778	-1.4%	-0.9%	-0.9%
Commodities					
Oil (\$/bbl)	80.1	82.2	-2.5%	-0.9%	50.3%
Gas (\$/gal)	2.2	2.3	-7.1%	-20.9%	-15.6%
Iron Ore (\$/t)	0.0	53.9	-100.0%	-100.0%	-100.0%
Copper (\$/t)	9214	9673	-4.7%	-2.2%	57.8%
Lead (\$/t)	2100	2129	-1.4%	-2.7%	-9.9%
Zinc (\$/t)	2819	2870	-1.8%	-1.5%	2.7%
Aluminium (\$/t)	2312	2422	-4.5%	-5.4%	33.5%
Nickel (\$/t)	16105	16625	-3.1%	-4.8%	41.6%
Tin (\$/t)	30695	33950	-9.6%	-2.7%	43.5%
Gold (\$/oz)	2447	2421	1.1%	5.8%	108.7%
Silver (\$/oz)	29.3	31.2	-6.0%	0.1%	71.4%
Platinum (\$/oz)	974	1013	-3.9%	-6.0%	3.9%
Wheat (\$/t)	542.750	551.250	-1.5%	-2.9%	32.9%

Source: Iress

Key points

- 1. Stocks fall on rotation out of big tech**
- 2. Commodity price drop hits ASX**
- 3. What to watch this week**

US stocks retreated on Friday, as Wall Street wrapped up the week defined by a rotation out of this year's megacap winners in favour of smaller names.

The **S&P 500** dropped 0.71%, closing at 5,505.00. **Nasdaq Composite** slid 0.81% to end at 17,726.94. The Dow Jones Industrial Average fell 377.49 points, or 0.93%, to 40,287.53.

Friday's moves marked another day of declines across the board, with the **Russell 2000** down 0.63%.

But a shift toward names viewed as bigger beneficiaries of interest rate cuts from the Federal Reserve, like small caps, still appears to be theme of the week. The S&P 500 and Nasdaq slipped 1.97% and 3.65%, respectively, marking their biggest weekly losses since April. The tech-heavy Nasdaq also snapped a six-week win streak. On the other hand, the Dow advanced 0.72%, while the small cap-focused Russell 2000 climbed 1.68%.



That divergence has encouraged some Wall Street pros, who had worried that the market rally was becoming too dependent on a handful of massive tech stocks. Meanwhile, rising optimism around forthcoming interest rate decreases from the Fed have bolstered smaller and more cyclically oriented names.

A shift away from **megacap artificial intelligence beneficiaries** can explain the Nasdaq's underperformance this week. Similarly, the **information technology sector** led the broad S&P 500 lower with a 5.1% drop.

CrowdStrike tumbled 11.1% following a major information technology outage that impacted business around the world. The New York Stock Exchange and Nasdaq both said trading did not appear to be affected by the outage.

Asian markets fell on Friday, tracking Wall Street declines as investors continued to rotate out of tech stocks and take profits from the rally in equities in recent weeks.

In Asia, Japan's inflation came in at 2.8% for June unchanged from May, while core inflation, which strips out prices of fresh food, accelerated to 2.6%, from 2.5%.

However, the core inflation reading was lower than the 2.7% expected by a Reuters poll of economists.

Japan's **Nikkei 225** ended the day 0.16% lower at 40,063.79, while the broad-based Topix retreated 0.27% to end at 2,860.83.

The country's central bank is unlikely to raise interest rates at its policy-setting meeting in July as it seeks to support economic growth, more than 75% of the economists said in a Reuters poll.

Hong Kong's **Hang Seng** index was down 2.02% in its final hour of trade, while mainland China's CSI 300 inched up 0.51% to close at 3,539.

However, Chinese chip stocks listed in Hong Kong bucked the trend, with Hua Hong Semiconductor up 4.46% and SMIC gaining 1.5%.

South Korea's **Kospi** fell 1.02% to 2,795.46. The index lost 2.15% this week, marking its steepest weekly decline since April 15. The small-cap **Kosdaq** climbed 0.76% to end the trading session at 828.72.

South Korean chipmaker **Samsung Electronics** dropped 2.88%, while peer **SK Hynix** shed 1.41%.

Taiwanese chip stocks continued to decline, with heavyweights Taiwan Semiconductor Manufacturing Company dropping 3.48%, while **Hon Hai Precision Industry** — **known internationally as Foxconn** — lost over 2%. The Taiwan Weighted Index shed 2.26%, wrapping the day at 22,869.26.

European markets closed lower on Friday as investors assessed the global IT outage linked to issues at cybersecurity firm CrowdStrike persisted.

The **pan-European Stoxx 600** index closed 0.77% lower as travel — one of the sectors most affected — tumbled 2.07%.

European markets have retreated throughout the week, with the Stoxx 600 closing lower on five consecutive days.

Australian shares fell to their third session of losses this week as **falling commodity prices** pressured the mining sector, and technology stocks tracked a sell-off on Wall Street.

On Friday, the **S&P/ASX 200** dropped 0.8%, or 64.9 points, to 7971.6 to take the flagship index's loss for the week to 0.1% as it dropped back below 8000 after hitting a record closing high of 8057.9 on Wednesday.



Commonwealth Bank economist Stephen Wu noted geopolitical tensions related to the US election had weighed on market sentiment.

“Financial markets began the week reacting to the weekend assassination attempt on former US president Trump,” he said.

“The event has increased the likelihood of Trump winning the presidency, which markets interpret as inflationary. President Trump would extend tax cuts, curb investment links with China, and generally increase fiscal spending.”

The worst-performing sector on the ASX was **materials**, down 1.5%.

Iron ore, gold and copper prices all dropped overnight, with commodities’ weakness dragging the Australian dollar down 0.3% to buy \$US67¢ at the closing bell. The broader materials sector lost 2%.

“China’s economic data continues to weaken,” ANZ Bank said. “GDP growth was only 4.7 % in the second quarter, while home sales and property investment were also weaker. This comes as the steel industry enters its quieter summer period, where demand tends to weaken.”

Bank shares also weighed on the index. Commonwealth Bank ended 0.8% lower at \$131.63, and ANZ fell 1.2 % to \$29.71.

Meanwhile, local banking supervisor APRA agreed to reduce the amount of capital **Westpac** must hold in reserve by \$500 million in response to the lender’s improved risk management. Shares fell 0.9% to \$28.22, in line with other losses across the banking sector.

Home builder **Lifestyle Communities** also pulled all forward earnings and operational guidance, blaming its decision on the media and uncertainty over its construction business. Shares plunged 13.9% to \$9.51.

Shares in Afterpay-owner **Block** fell 4.3% to \$102.23. Square announced it’s set to close down the operation of its Cash App peer-to-peer payments business in the UK.

This coming week is a big one for **Purchasing Manager Index (PMI)** data, with a preliminary Judo Bank reading coming out in Australia on Tuesday, and more preliminary figures to be released from the Hamburg Commercial Bank for Germany and the euro zone on Wednesday. Also on Wednesday S&P Global will release its preliminary figures for the UK and the preliminary **US trade balance** will come out too.

US GDP will be released on Thursday, as well as the also closely watched **Tokyo CPI** reading, followed by the **Core Personal Consumption Expenditures (CME)** Price Index in the US – a key inflation reading watched by the Federal Reserve.

Sources: *CNBC, AFR, FXStreet*



Economic Calendar 22/07/2024 - 26/07/2024

Wednesday July 24 2024			Actual	Previous	Consensus	Forecast	
02:00 PM	DE	GfK Consumer Confidence AUG		-21.8	-21	-21.7	
03:30 PM	DE	HCOB Manufacturing PMI Flash JUL		43.5	44.5	43.8	
09:45 PM	CA	BoC Interest Rate Decision		4.75%	4.5%	4.5%	
09:45 PM	CA	BoC Monetary Policy Report					
Thursday July 25 2024			Actual	Previous	Consensus	Forecast	
04:00 PM	DE	Ifo Business Climate JUL		88.6	89	89	
08:30 PM	US	Durable Goods Orders MoM JUN		0.1%	0.3%	0.3%	
08:30 PM	US	GDP Growth Rate QoQ Adv Q2		1.4%	2%	2.5%	
Friday July 26 2024			Actual	Previous	Consensus	Forecast	
08:30 PM	US	Core PCE Price Index MoM JUN		0.1%	0.2%	0.1%	
08:30 PM	US	Personal Income MoM JUN		0.5%	0.4%	0.3%	
08:30 PM	US	Personal Spending MoM JUN		0.2%	0.3%	0.3%	

Economic Calendar 29/07/2024 – 2/08/2024

Tuesday July 30 2024			Actual	Previous	Consensus	Forecast	
01:30 PM	FR	GDP Growth Rate QoQ Prel Q2		0.2%		0.1%	
01:30 PM	FR	GDP Growth Rate YoY Prel Q2		1.1%		0.8%	
04:00 PM	DE	GDP Growth Rate QoQ Flash Q2		0.2%		0.1%	
04:00 PM	DE	GDP Growth Rate YoY Flash Q2		-0.2%		0.4%	
04:00 PM	IT	GDP Growth Rate QoQ Adv Q2		0.3%		0.2%	
04:00 PM	IT	GDP Growth Rate YoY Adv Q2		0.7%		0.9%	
05:00 PM	EA	GDP Growth Rate QoQ Flash Q2		0.3%		0.2%	
05:00 PM	EA	GDP Growth Rate YoY Flash Q2		0.4%		0.7%	
08:00 PM	DE	Inflation Rate YoY Prel JUL		2.2%		2.2%	
10:00 PM	US	JOLTs Job Openings JUN		8.14M		8.35M	
Wednesday July 31 2024			Actual	Previous	Consensus	Forecast	
09:30 AM	AU	Monthly CPI Indicator JUN		4%		3.7%	
09:30 AM	CN	NBS Manufacturing PMI JUL		49.5			
12:00 PM	JP	BoJ Interest Rate Decision		0.1%		0.1%	
01:00 PM	JP	Consumer Confidence JUL		36.4			
02:45 PM	FR	Inflation Rate YoY Prel JUL		2.2%		1.7%	
05:00 PM	EA	Inflation Rate YoY Flash JUL		2.5%			
05:00 PM	IT	Inflation Rate YoY Prel JUL		0.8%		0.9%	
Thursday August 01 2024			Actual	Previous	Consensus	Forecast	
02:00 AM	US	Fed Interest Rate Decision		5.5%	5.5%	5.5%	
02:30 AM	US	Fed Press Conference					
09:30 AM	AU	Balance of Trade JUN		A\$5.773B		A\$ 7.3B	
09:45 AM	CN	Caixin Manufacturing PMI JUL		51.8			
07:00 PM	GB	BoE Interest Rate Decision				5.0%	
10:00 PM	US	ISM Manufacturing PMI JUL		48.5			
Friday August 02 2024			Actual	Previous	Consensus	Forecast	
08:30 PM	US	Non Farm Payrolls JUL		206K		190.0K	
08:30 PM	US	Unemployment Rate JUL		4.1%		4.1%	

Source: www.tradingeconomics.com

**All Ords Top 10 Week Ending 19 July 2024**

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
JHX	James Hardie Indust	9.6	LIC	Lifestyle Communit.	-24.3
RWC	Reliance Worldwide	7.7	DYL	Deep Yellow Limited	-16.9
IRE	IRESS Limited	7.6	BGL	Bellevue Gold Ltd	-10.6
REH	Reece Limited	7.0	PDN	Paladin Energy Ltd	-9.6
CCP	Credit Corp Group	6.0	AWC	Alumina Limited	-7.9
NWH	NRW Holdings Limited	5.8	BOE	Boss Energy Ltd	-7.7
FBU	Fletcher Building	5.7	SFR	Sandfire Resources	-7.5
AMC	Amcor PLC	5.3	STX	Strike Energy Ltd	-7.0
PNV	Polynovo Limited	5.2	CRN	Coronado Global Res	-6.7
GMG	Goodman Group	4.3	DMP	Domino Pizza Enterpr	-6.5

Source: IRESS

S & P Indices Week Ending 19 July 2024

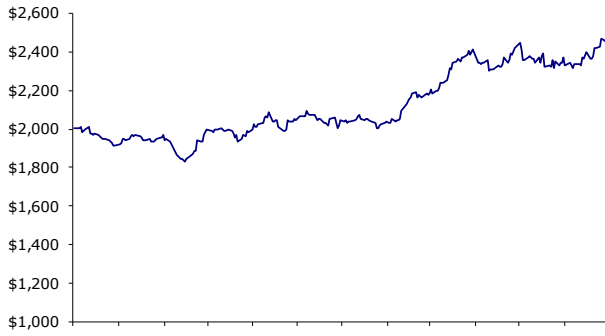
S&P Indices	21/07/2024	14/07/2024	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	10344	10398	-0.5%	3.2%	16.3%
S&P 200 Materials	16949	17337	-2.2%	-0.6%	71.2%
S&P 200 Industrials	6969	6899	1.0%	1.7%	36.6%
S&P 200 Consumer Disc.	3693	3653	1.1%	5.3%	76.4%
S&P 200 Consumer Staples	12715	12534	1.4%	2.2%	48.6%
S&P 200 Healthcare	45763	45255	1.1%	4.2%	137.4%
S&P 200 Financials	7887	7827	0.8%	3.3%	23.8%
S&P 200 Info Technology	2301	2344	-1.8%	-0.1%	195.9%
S&P 200 Telecommunicatic	1550	1539	0.7%	3.3%	-11.7%
S&P 200 Utilities	9084	9114	-0.3%	-3.0%	20.5%
S&P 200 Property Trusts	1734	1701	1.9%	4.5%	29.3%
S&P 200 Financials ex PT	8797	8729	0.8%	3.3%	23.8%

Source: IRESS

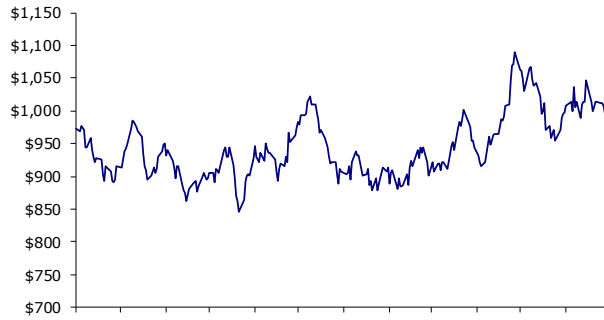


1 Year Commodity Price Charts

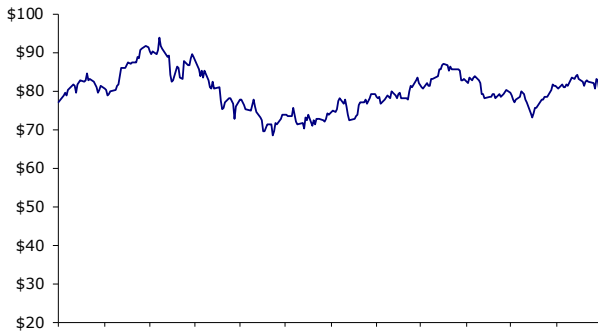
1 Year Gold



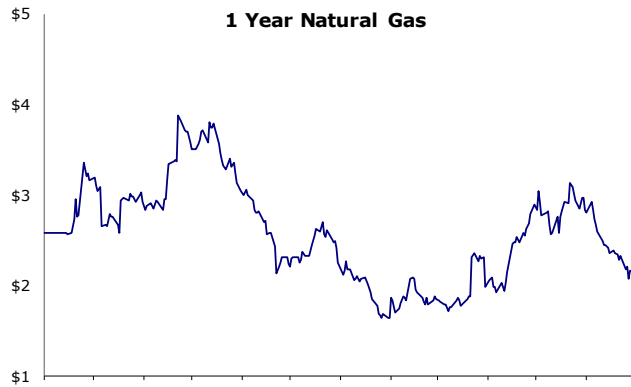
1 Year Platinum



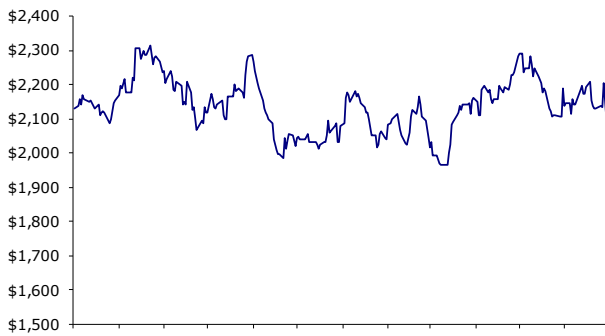
1 Year Oil



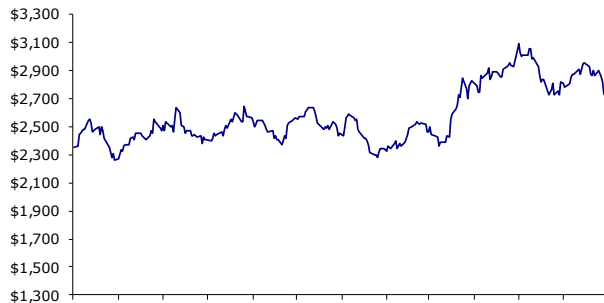
1 Year Natural Gas



1 Year Lead

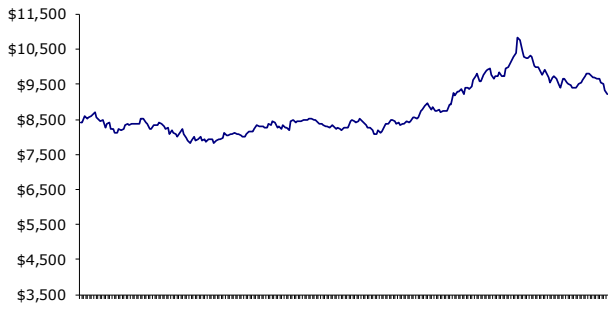


1 Year Zinc

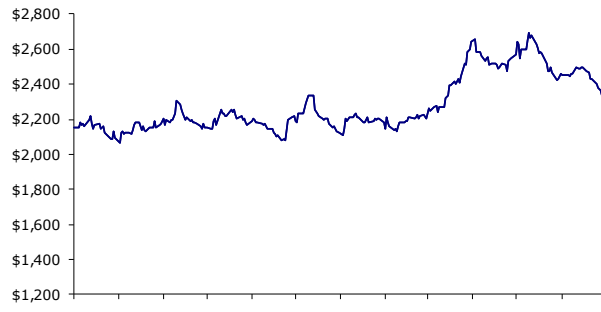




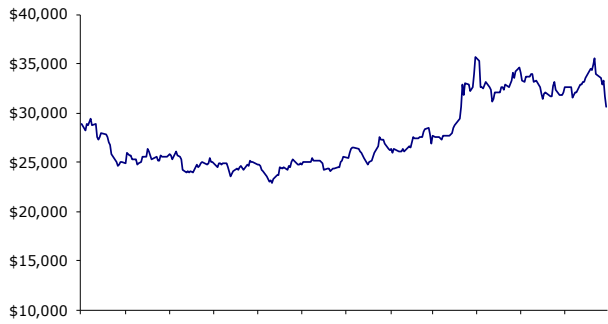
1 Year Copper



1 Year Aluminium

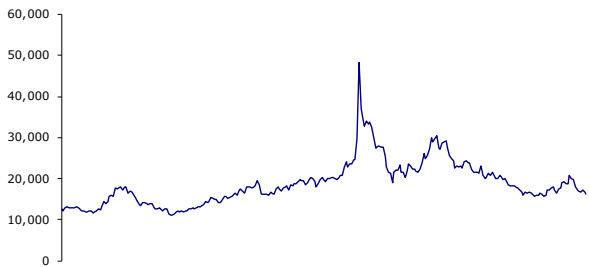


1 Year Tin



5 Year Metals Stockpiles

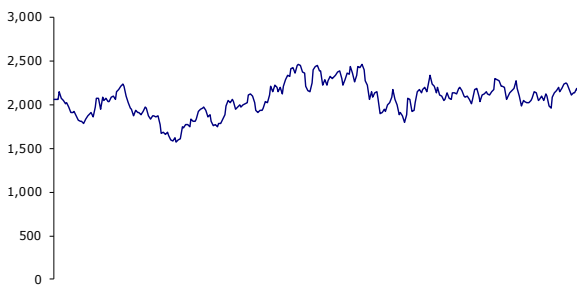
Nickel LME Stockpiles - 5 Year



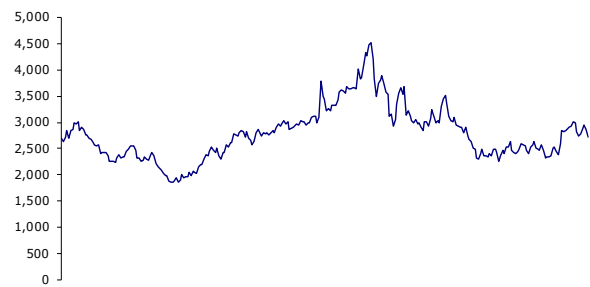
Copper LME Stockpiles - 5 Year



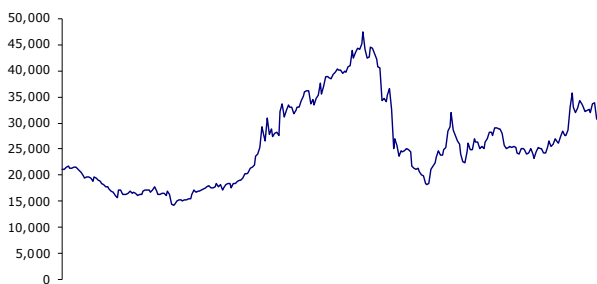
Lead LME Stockpiles - 5 Year



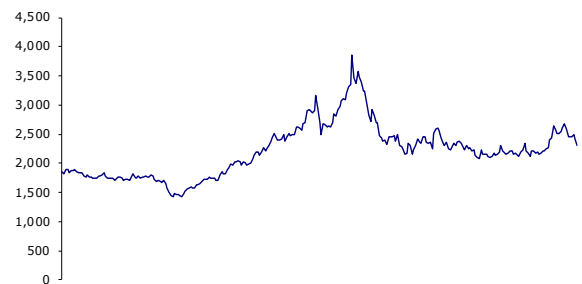
Zinc LME Stockpiles - 5 Year



Tin LME Stockpiles - 5 Year



Aluminium LME Stockpiles - 5 Year





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

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

Thomas Tan
Equities Advisor
Phone: +61 2 9024 9131
ttan@stateone.com.au

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

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

Yitz Barber
Equities Advisor
Phone: +61 2 9024 9124
ybarber@stateone.com.au

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

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

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