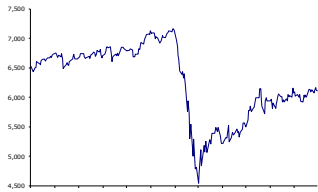
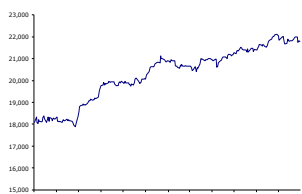


Issue 514
12-month XJO chart

12-month Dow Jones chart

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Global Wrap – 23 August 2020

World Markets	23/08/2020	16/08/2020	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	6111	6126	-0.2%	1.7%	10.2%
S&P 500	3397	3373	0.7%	4.3%	51.2%
FTSE 100	6002	6090	-1.4%	-2.1%	-13.4%
DAX30	12765	12901	-1.1%	-0.4%	7.2%
Shanghai Composite	3381	3439	-1.7%	2.9%	5.1%
Nikkei 225	22920	23097	-0.8%	2.6%	22.1%
Hang Seng	25114	25183	-0.3%	0.9%	9.9%
Currency					
AUD/USD	0.7161	0.7215	-0.8%	0.2%	6.0%
Commodities					
Oil (\$/bbl)	42.3	42.8	-1.1%	5.0%	-21.4%
Gas (\$/gal)	2.4	2.4	3.9%	26.8%	0.5%
Iron Ore (\$/t)	0.0	53.9	-100.0%	-100.0%	-100.0%
Copper (\$/t)	6565	6343	3.5%	1.4%	12.4%
Lead (\$/t)	1965	1946	1.0%	6.4%	-15.7%
Zinc (\$/t)	2469	2360	4.6%	8.0%	-10.1%
Aluminium (\$/t)	1723	1730	-0.4%	2.1%	-0.5%
Nickel (\$/t)	14562	14235	2.3%	5.8%	28.1%
Tin (\$/t)	17660	17665	0.0%	-2.9%	-17.5%
Gold (\$/oz)	1947	1950	-0.1%	-1.5%	66.1%
Silver (\$/oz)	26.7	26.1	2.5%	9.9%	56.4%
Platinum (\$/oz)	926	959	-3.4%	-3.4%	-1.2%
Wheat (\$/t)	527.000	500.250	5.3%	-1.1%	29.1%

Source: Iress

Key points
1. Reporting season review
2. Friday's markets
3. What to watch next week
Australian reporting season review

The dominant trend of dividend cuts continued during Australia's reporting season last week, with ANZ, Westpac, Qantas, Crown Resorts and Coca-Cola Amatil cutting or cancelling dividend payments.

Meanwhile, global biotechnology company CSL delivered an outstanding result on Wednesday, reporting a 9.6% rise in full year net profit to USD 2.1 billion and overtaking Commonwealth Bank of Australia as the largest ASX-listed company by market capitalisation.

Other Australian-focused companies reporting strong results last week included packaging company Amcor, dairy producer The a2 Milk Company, discount variety store The Reject Shop, property group Ingenia Communities, diversified mining services company Mineral Resources, student placement and testing provider IDP Education, and communications, metal detection and mining technology manufacturer Codan.

**Friday's markets**

US stocks rose on Friday, lifted by stronger than expected American economic data, to end a week in which the broader market reached a record level, CNBC reported.

The **Dow Jones Industrial Average** finished the session up 190.6 points at 27,930.33, a gain of about 0.7%. The **S&P 500** advanced 0.34% to 3,397.16, a new record closing high. The **Nasdaq Composite** climbed 0.4% and ended the day at 11,311.80, also a record close.

Apple shares rose 5.1% to an all-time high, building on this week's strong gain. **Deere** and **Foot Locker** jumped 4.4% and 1.4%, respectively, on better-than-expected quarterly results.

Over the week Apple rose 8.2% and became the first publicly traded company in the US to reach a market valuation of USD 2 trillion. **Amazon** and **Alphabet** rallied over 4% this week while **Microsoft** gained 1.97%.

Meanwhile data from IHS Markit showed US manufacturing activity hit its highest level in 19 months in August, while services were at their highest level in 17 months.

Also in data releases, the US Labor Department said on Thursday that initial weekly jobless claims came in above 1 million. That was higher than a Dow Jones estimate of 923,000. Additionally, continuing claims — those receiving unemployment benefits for at least two straight weeks — continued to decline.

Mainland Chinese stocks were higher on Friday. The **Shanghai composite** advanced 0.5% to about 3,380.68 while the **Shenzhen component** jumped 1.179% to around 13,478. **Hong Kong's Hang Seng** index rose 1.3% to close at 25,113.84.

In Japan, the **Nikkei 225** rose 0.17% to close at 22,920.30.

The **pan-European Stoxx 600** fell 0.6%, as most sectors and major bourses dipped despite starting the session in positive territory.

This came as euro zone flash PMI (purchasing managers' index) data published on Friday dented hopes of a V-shaped recovery from the bloc's deepest economic downturn on record. The August composite reading, widely seen as a strong gauge of economic health, fell to 51.6 from July's 54.9, considerably below analyst expectations.

The UK's August composite PMI came in at 60.3, outstripping expectations of 57.1 and a marked improvement from July's 57.0.

European markets received a cautiously positive handover from Asia, where investors digested mixed jobs data out of the US.

The markets were also attuned to geopolitical tensions, with US President Donald Trump's administration declining to acknowledge claims by China's commerce ministry that negotiators from Washington and Beijing would be returning to the table to discuss the two countries' "phase one" trade deal in the coming days.

On the Australian market banking and mining stocks lost a strong start on Friday as the **ASX 200** finished the session - and the week - in the red.

The benchmark index closed 8.8 points, or 0.1%, lower at 6111.7 and slipped to its first weekly loss in three, The Sydney Morning Herald reported.

Over the August earnings season's 'hump week' the market shed 0.2%, with profit reports again driving strong share price reactions for those who beat expectations.

This included Suncorp, which added 11.1% to finish at \$9.65 on a consensus-trumping annual result.

Finishing the local session in the red were the **big four banks** plus **Macquarie Group**, biotech **CSL**, mining giants **Rio Tinto** and **BHP**, and the likes of Woolworths and Wesfarmers.

Improving coronavirus case statistics out of Victoria and NSW did little to lift the mood.

Fortescue Metals outperformed the materials sector with a 0.7% rise to \$17.99, while **Oz Minerals** was the worst performer on the ASX 200 as it shed 4.6% to \$14.18.

Lab and diagnostic firm **Healius** touched its highest price since August 2018 and closed 0.3% higher after releasing its profit report. **Mayne Pharma** fell 2.9% to 34 cents.

There were a number of record highs across the tech sector after the NASDAQ set a new peak overnight.



Megaport, Appen and **Xero** reached all-time highs on Friday and **Afterpay** equalled Thursday's record of \$82. All had cooled off by the end of the session. **Nearmap** rose 10.3% to \$2.69, helping the sector to a 4.6% weekly gain.

It was also a record day for a number of consumer discretionary stocks.

Wesfarmers, ARB Corp, Breville, Domino's, and JB Hi-Fi set new peaks, but they too cooled towards the close.

Travel stocks **Webjet** and **Flight Centre** were standouts, finishing up 11.8% and 7.1%, while the **Star Entertainment Group** added 7.1% on an analyst upgrade following its result on Thursday.

Woolworths and **Coles** weighed consumer staples down, though **Inghams** rose highest in a month on its earnings report, closing 3% higher at \$3.39.

A \$251 million manufacturing foray for **a2 Milk** seemed to impress investors, with the stock ending the day 1.2% ahead at \$18.37.

A 2.3% gain for **Transurban** helped industrials improve, while telco stocks were helped by a 0.7% rise for **Telstra** and a 2.7% climb for **TPG Telecom**.

Along with ongoing reporting season announcements, **next week** investors will be watching the release of a key US consumer confidence reading and home sales data on Tuesday; US GDP on Thursday, along with Federal Reserve Chairman Jerome Powell's speech.

On Friday the **Jackson Hole Economic Policy Symposium** will be held. This is an annual symposium for central bankers, policy experts and academics sponsored by the Federal Reserve Bank, and held in Jackson Hole, Wyoming.

**Economic Calendar 24/08/2020 – 28/08/2020**

Tuesday August 25 2020		Actual	Previous	Consensus	Forecast	
02:00 PM	DE GDP Growth Rate QoQ Final Q2		-2.0%	-10.1%	-10.1%	
02:00 PM	DE GDP Growth Rate YoY Final Q2		-2.3%	-11.7%	-11.7%	
04:00 PM	DE Ifo Business Climate AUG		90.5	91.7	95.1	
Wednesday August 26 2020		Actual	Previous	Consensus	Forecast	
08:30 PM	US Durable Goods Orders MoM JUL		7.3%	3.3%	2%	
Thursday August 27 2020		Actual	Previous	Consensus	Forecast	
08:30 PM	US GDP Growth Rate QoQ 2nd Est Q2		-5%	-32.5%	-32.9%	
Friday August 28 2020		Actual	Previous	Consensus	Forecast	
02:00 PM	DE GfK Consumer Confidence SEP		-0.3		5	
02:45 PM	FR GDP Growth Rate QoQ Final Q2		-5.9%	-13.8%	-13.8%	
08:30 PM	CA GDP Growth Rate QoQ Q2		-2.1%		-12%	
08:30 PM	CA GDP Growth Rate Annualized Q2		-8.2%		-38%	
08:30 PM	US Personal Income MoM JUL		-1.1%	-0.2%	-1.2%	
08:30 PM	US Personal Spending MoM JUL		5.6%	1.5%	1%	

Economic Calendar 31/08/2020 – 4/09/2020

Monday August 31 2020		Actual	Previous	Consensus	Forecast	
09:00 AM	CN NBS Manufacturing PMI AUG		51.1		51.3	
01:00 PM	JP Consumer Confidence AUG		29.5		29	
03:00 PM	TR GDP Growth Rate YoY Q2		4.5%		-8.9%	
04:00 PM	IT GDP Growth Rate YoY Final Q2		-5.5%	-17.3%	-17.3%	
04:00 PM	IT GDP Growth Rate QoQ Final Q2		-5.4%	-12.4%	-12.4%	
Tuesday September 01 2020		Actual	Previous	Consensus	Forecast	
09:45 AM	CN Caixin Manufacturing PMI AUG		52.8		52.4	
12:30 PM	AU RBA Interest Rate Decision		0.25%		0.25%	
08:00 PM	BR GDP Growth Rate YoY Q2		-0.3%		-10%	
Wednesday September 02 2020		Actual	Previous	Consensus	Forecast	
09:30 AM	AU GDP Growth Rate YoY Q2		1.4%		-7.5%	
09:30 AM	AU GDP Growth Rate QoQ Q2		-0.3%		-8%	
Thursday September 03 2020		Actual	Previous	Consensus	Forecast	
09:30 AM	AU Balance of Trade JUL		A\$8.202B			
08:30 PM	CA Balance of Trade JUL		C\$-3.19B			
08:30 PM	US Balance of Trade JUL		\$-50.7B		\$-55.4B	
Friday September 04 2020		Actual	Previous	Consensus	Forecast	
08:30 PM	US Non Farm Payrolls AUG		1763K		1630K	
10:00 PM	CA Ivey PMI s.a AUG		68.5		67	

Source: www.tradingeconomics.com

**All Ords Top 10 Week Ending 21 August 2020**

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
WTC	Wisetech Global Ltd	40.0	TWE	Treasury Wine Estate	-22.8
IEL	Idp Education Ltd	31.6	URW	Unibailrodawestfield	-12.9
MND	Monadelphous Group	29.3	COE	Cooper Energy Ltd	-10.0
CTD	Corp Travel Limited	20.9	RSG	Resolute Mining	-9.9
MP1	Megaport Limited	20.3	GWA	GWA Group Ltd	-9.4
NWH	NRW Holdings Limited	17.1	AMP	AMP Limited	-8.3
GEM	G8 Education Limited	16.2	BEN	Bendigo and Adelaide	-8.3
SGR	The Star Ent Grp	13.7	ORG	Origin Energy	-6.2
VOC	Vocus Group Ltd	12.9	EML	EML Payments Ltd	-6.1
BAP	Bapcor Limited	12.4	ORE	Orocobre Limited	-5.7

Source: IRESS

S & P Indices Week Ending 21 August 2020

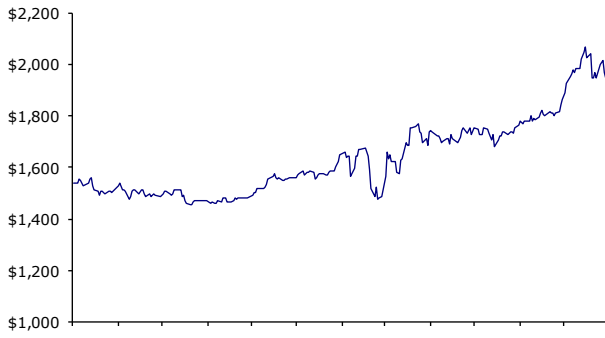
S&P Indices	23/08/2020	16/08/2020	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	7321	7515	-2.6%	1.9%	-17.7%
S&P 200 Materials	14377	14660	-1.9%	0.7%	45.2%
S&P 200 Industrials	5683	5670	0.2%	1.2%	11.4%
S&P 200 Consumer Disc.	2718	2607	4.2%	9.0%	29.8%
S&P 200 Consumer Staples	13118	13556	-3.2%	0.8%	53.3%
S&P 200 Healthcare	43608	41813	4.3%	7.3%	126.2%
S&P 200 Financials	4777	4881	-2.1%	-1.8%	-25.0%
S&P 200 Info Technology	1808	1729	4.6%	11.0%	132.5%
S&P 200 Telecommunicatic	1181	1176	0.4%	-4.0%	-32.7%
S&P 200 Utilities	7448	7479	-0.4%	-3.8%	-1.2%
S&P 200 Property Trusts	1276	1266	0.7%	3.9%	-4.9%
S&P 200 Financials ex PT	5328	5444	-2.1%	-1.8%	-25.0%

Source: IRESS

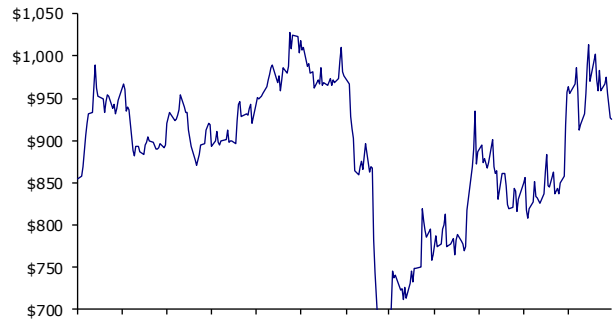


1 Year Commodity Price Charts

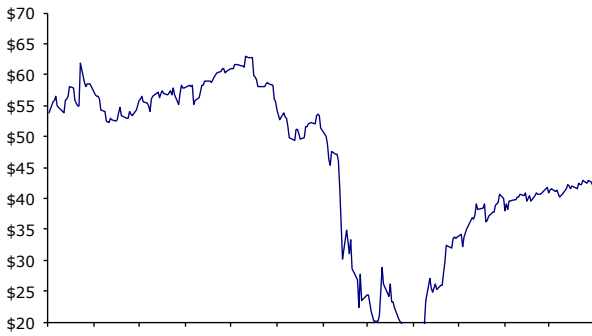
1 Year Gold



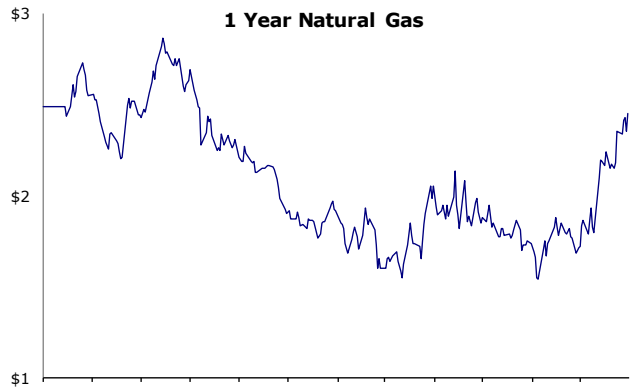
1 Year Platinum



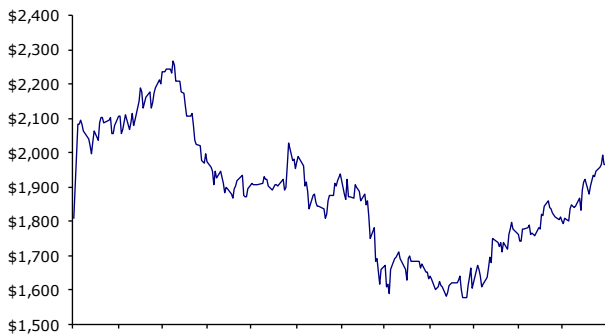
1 Year Oil



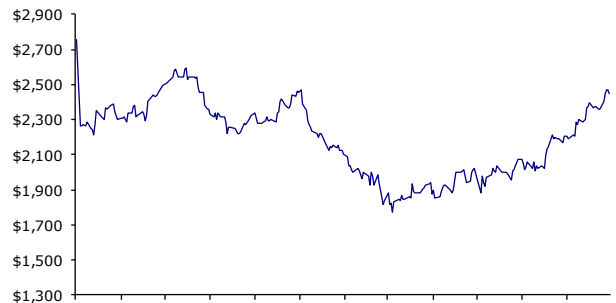
1 Year Natural Gas



1 Year Lead

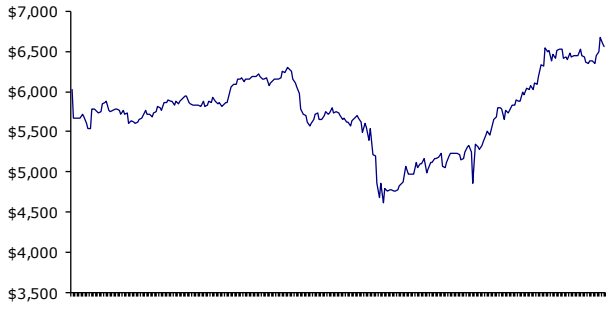


1 Year Zinc

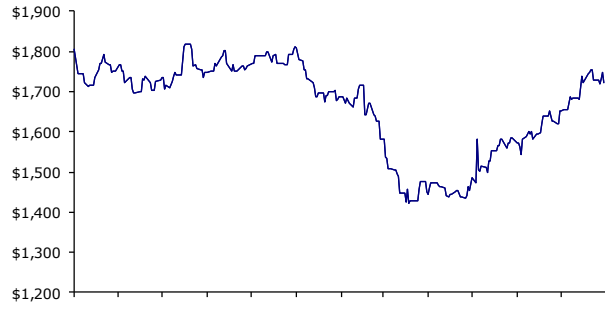




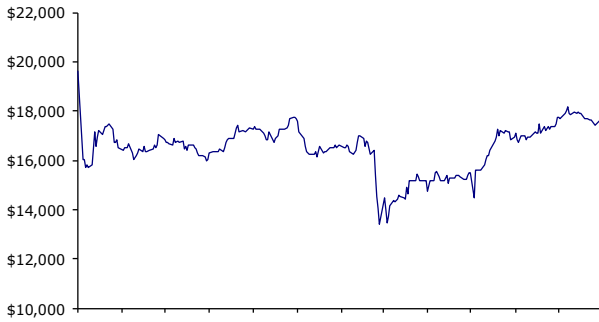
1 Year Copper



1 Year Aluminium

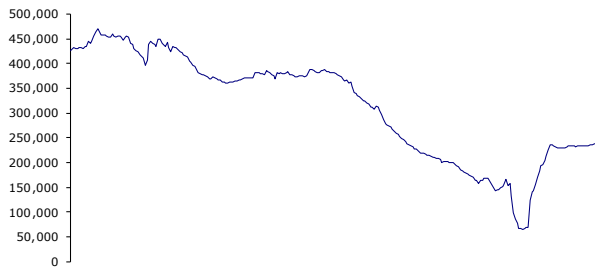


1 Year Tin

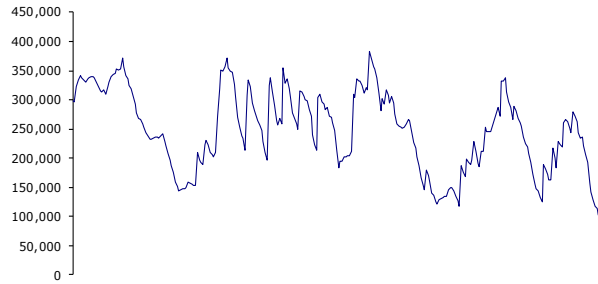


5 Year Metals Stockpiles

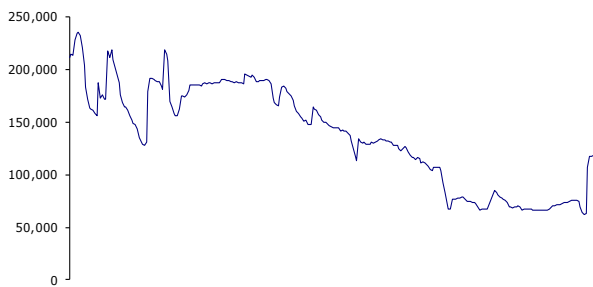
Nickel LME Stockpiles - 5 Year



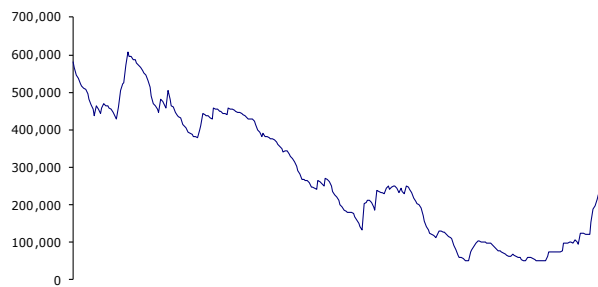
Copper LME Stockpiles - 5 Year



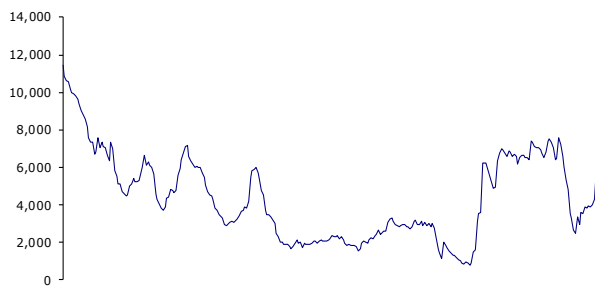
Lead LME Stockpiles - 5 Year



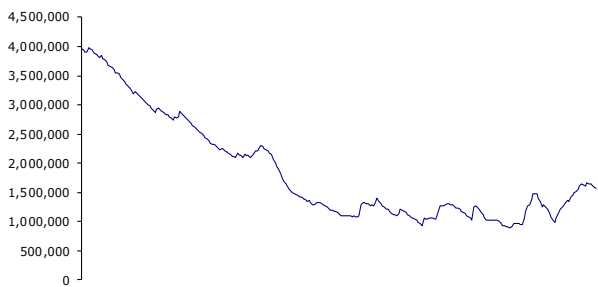
Zinc LME Stockpiles - 5 Year



Tin LME Stockpiles - 5 Year



Aluminium LME Stockpiles - 5 Year





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