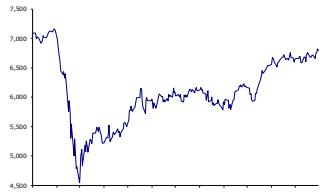
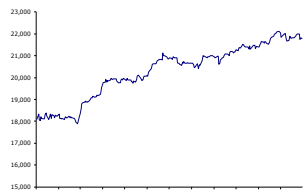


**Issue 536**
**12-month XJO chart**

**12-month Dow Jones chart**

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**Global Wrap – 24 January 2021**

World Markets	24/01/2021	17/01/2021	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	6800	6715	1.3%	1.8%	22.7%
S&P 500	3841	3768	1.9%	2.9%	71.0%
FTSE 100	6695	6736	-0.6%	2.1%	-3.4%
DAX30	14050	13719	2.4%	3.6%	3.6%
Shanghai Composite	3607	3596	0.3%	3.8%	12.2%
Nikkei 225	28631	28242	1.4%	4.3%	52.6%
Hang Seng	29448	28574	3.1%	8.5%	28.8%
<b>Currency</b>					
AUD/USD	0.7717	0.7697	0.3%	-0.2%	12.3%
<b>Commodities</b>					
Oil (\$/bbl)	52.3	52.1	0.3%	7.9%	-3.6%
Gas (\$/gal)	2.5	2.7	-8.9%	1.4%	31.7%
Iron Ore (\$/t)	0.0	53.9	-100.0%	-100.0%	-100.0%
Copper (\$/t)	7872	7980	-1.3%	0.9%	34.8%
Lead (\$/t)	2007	1981	1.3%	2.1%	-13.9%
Zinc (\$/t)	2685	2699	-0.5%	-2.3%	-2.2%
Aluminium (\$/t)	1976	2001	-1.2%	-1.0%	14.1%
Nickel (\$/t)	17906	17970	-0.4%	6.7%	57.5%
Tin (\$/t)	22000	21495	2.3%	7.1%	2.8%
Gold (\$/oz)	1860	1830	1.6%	-1.8%	58.6%
Silver (\$/oz)	25.6	24.9	2.8%	-3.8%	49.5%
Platinum (\$/oz)	1108	1086	2.1%	3.3%	18.2%
Wheat (\$/t)	634.500	674.750	-6.0%	-0.8%	55.4%

Source: Iress

**Key points**
**1. Big tech stands out on Friday dampened by US stimulus concerns**
**2. Rare earths miner Lynas leads ASX with 13.7% lift**
**3. Watch to watch in the coming week**

The **S&P 500** fell slightly on Friday, retreating from record levels, while the strength in major technology names pushed the **Nasdaq Composite** to another all-time high, CNBC reported.

The broad equity benchmark dipped 0.3% to 3,841.47 after closing at a record in the previous session. The Nasdaq rose 0.1% to another record close of 13,543.06, supported by Big Tech. The **Dow Jones Industrial Average** slid 179.03 points, or 0.6%, to 30,996.98.

Dow-component IBM dropped 9.9% after the company reported fourth-quarter sales below analysts' expectations. Revenue fell 6% on an annualised basis, the fourth consecutive quarter of declines. Intel shares retreated 9.3% following a 6% pop on Thursday after it released better-than-expected earnings.



Hopes for a robust earnings season from the largest communications and tech companies sparked a rally in mega-cap stocks during the Inauguration Day-shortened week, pushing the broader market higher. The Nasdaq climbed 4.2% this week, while the S&P 500 and the Dow gained 1.9% and 0.6%, respectively.

Apple rose another 1.6% Friday, bringing its weekly gain to 9.4%. Facebook and Microsoft also rallied 9.2% and 6.3%, respectively, this week. These big tech companies are scheduled to report earnings next week.

Cyclical sectors, or those that would benefit most from additional stimulus, have put pressure on the broader market this week. Energy, financial, and materials were the biggest laggards, losing at least 1% each this week.

This dampening effect on the market came as investors reassessed the outlook for President Joe Biden's ambitious Covid stimulus plan. A growing number of Republicans have expressed doubts over the need for another stimulus bill, especially one with a price tag of \$1.9 trillion proposed by Biden.

Meanwhile, a Senate committee on Friday overwhelmingly supported former Federal Reserve Chair Janet Yellen as Biden's Treasury secretary. If confirmed, she would be the first woman to lead the department.

**Stocks in Asia** fell on Friday, as shares of oil giant CNOOC in Hong Kong experienced heavy losses. By the Friday market close in Hong Kong, CNOOC shares fell 5.57%. That came after index provider MSCI announced that it will delete the firm from the MSCI ACWI and MSCI China All Shares indexes.

The US Department of Commerce under former US President Donald Trump announced last week that it had added CNOOC to a list which essentially restricts those firms from receiving specific goods made in the US.

The broader Hang Seng index in Hong Kong fell 1.6% on Friday to close at 29,447.85. Mainland Chinese stocks closed mixed, with the Shanghai composite down 0.4% to 3,606.75 while the Shenzhen component rose 0.697% to 15,628.73. In Japan, the Nikkei 225 slipped 0.44% to close at 28,631.45 while the Topix index shed 0.21% to finish its trading day at 1,856.64. South Korea's Kospi declined 0.64% to close at 3,140.63.

European markets pulled back Friday as investors monitored coronavirus restrictions and new economic data out of the euro zone.

The **pan-European Stoxx 600** slipped 0.6% by the close, with travel and leisure stocks dropping 2.5% to lead losses. This came after European governments announced further travel restrictions to fight growing Covid infection rates and highly infectious variants.

Business activity in the euro zone fell to a two-month low in January, preliminary data showed on Friday, on the back of stricter coronavirus-related lockdowns. Markit's flash composite PMI, which looks at activity across both manufacturing and services, dropped to 47.5 January from 49.1 in December, with a reading below 50 representing a contraction in activity.

The UK suffered its sharpest drop in business activity since May, amid the nation's third national lockdown.

The European Central Bank on Thursday held interest rates steady, but said it stood ready to act in light of the new restrictions. ECB President Christine Lagarde said the pandemic "still poses serious risks" to the euro zone economy.

In terms of individual share price movement, German meal kit delivery company [Hellofresh](#), engineering group [Siemens](#) and mass media outlet ProSiebenSat.1 all added more than 4% by late morning on Friday, with Siemens and ProSiebenSat posting better-than-expected earnings before the opening bell.

At the bottom of the European blue chip index, Anglo-German travel operator [Tui](#) dropped more than 15%.

In Australia investors pulled away from 11-month highs in a soft Friday session that took the shine off an otherwise strong week for the local sharemarket.

The major banks and iron ore miners weighed on the **ASX 200** as it drifted 0.3% lower to close at 6800.4 and halt a three-session run of gains, The Sydney Morning Herald reported.

Despite Friday's slide, the local benchmark still managed to add 1.3% for the week as investors were buoyed by Joe Biden's inauguration as US President, and the promise of further US stimulus.



Buy now, pay later rivals Afterpay and Zip Co cooled off on Friday after an early surge, while Transurban and Woodside Petroleum also sagged.

Pulling the other way was biotech giant CSL, Telstra, as well as retail conglomerates Woolworths and Wesfarmers, the latter of which rose 2.2% to a new record high \$53.41.

Rare earths miner Lynas led the local market with a 13.7% lift to a seven-and a half year high of \$5.56, after it struck a deal with the US Department of Defence to build a commercial light rare earths separation plant in Texas.

Dragging the materials sector lower was BHP, which fell 1.9% to \$46.13. Rio Tinto dropped 2.1% to \$119.32 and Fortescue Metals fell 2.2% to \$24.32.

NAB led the big four banks lower, dropping 0.7% to \$24.12.

**In the coming week** investors will be monitoring the effectiveness of vaccine roll-outs and the reopenings - or otherwise - in key economies.

Additionally, Australian CPI will be released on Wednesday, along with the US Federal Reserve's interest rate decision which is expected to remain at 0.25%.

**Economic Calendar 25/01/2021 – 29/01/2021**

Monday January 25 2021		Actual	Previous	Consensus	Forecast	
05:00 PM	DE Ifo Business Climate JAN		92.1	91.9	90.7	
Tuesday January 26 2021		Actual	Previous	Consensus	Forecast	
03:00 PM	GB Claimant Count Change DEC		64.3K		86.3K	
Wednesday January 27 2021		Actual	Previous	Consensus	Forecast	
08:30 AM	AU NAB Business Confidence DEC		12			
03:00 PM	DE GfK Consumer Confidence FEB		-7.3		-1	
09:30 PM	US Durable Goods Orders MoM DEC		0.9%	0.9%	0.8%	
Friday January 29 2021		Actual	Previous	Consensus	Forecast	
01:00 PM	JP Consumer Confidence JAN		31.8		31.2	
09:30 PM	US Personal Income MoM DEC		-1.1%	0.0%	-0.1%	
09:30 PM	US Personal Spending MoM DEC		-0.4%	-0.5%	-0.6%	

**Economic Calendar 1/02/2021 – 5/02/2021**

Monday February 01 2021		Actual	Previous	Consensus	Forecast	
09:45 AM	CN Caixin Manufacturing PMI JAN		53.0		52.5	
Thursday February 04 2021		Actual	Previous	Consensus	Forecast	
08:30 AM	AU Balance of Trade DEC		A\$5.022B		A\$ 4.4B	
Friday February 05 2021		Actual	Previous	Consensus	Forecast	
09:30 PM	CA Balance of Trade DEC		C\$-3.34B		C\$ -2B	
09:30 PM	US Balance of Trade DEC		\$-68.1B		\$-70B	
09:30 PM	US Non Farm Payrolls JAN		-140K		-200K	
11:00 PM	CA Ivey PMI s.a JAN		46.7			

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

**All Ords Top 10 Week Ending 22 January 2021**

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
Z1P	Zip Co Ltd.	28.9	WHC	Whitehaven Coal	-10.6
LYC	Lynas Rare Earths	26.1	URW	Unibailrodawestfield	-10.2
NWL	Netwealth Group	20.5	AWC	Alumina Limited	-6.3
BIN	Bingo Industries Ltd	20.2	PMV	Premier Investments	-6.0
WTC	Wisetech Global Ltd	19.7	CWY	Cleanaway Waste Ltd	-5.3
NUF	Nufarm Limited	12.9	BPT	Beach Energy Limited	-4.6
DMP	Domino Pizza Enterpr	11.8	CIM	Cimic Group Ltd	-4.4
BRG	Breville Group Ltd	11.4	MIN	Mineral Resources.	-4.1
FPH	Fisher & Paykel H.	10.8	PPT	Perpetual Limited	-3.8
IPL	Incitec Pivot	10.7	SYD	SYD Airport	-3.8

Source: IRESS

**S & P Indices Week Ending 22 January 2021**

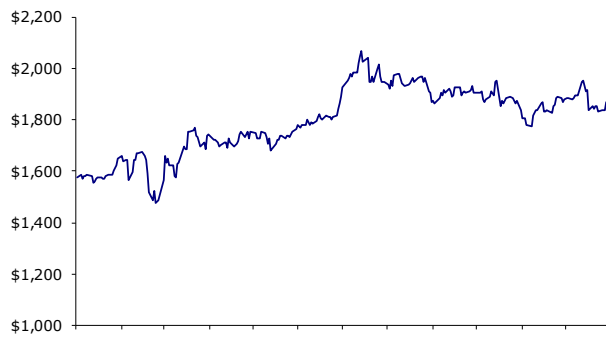
S&P Indices	24/01/2021	17/01/2021	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	8959	9045	-1.0%	10.1%	0.7%
S&P 200 Materials	16467	16492	-0.1%	3.9%	66.3%
S&P 200 Industrials	5939	5857	1.4%	-1.8%	16.4%
S&P 200 Consumer Disc.	3039	2901	4.8%	2.5%	45.1%
S&P 200 Consumer Staples	12765	12520	2.0%	-0.3%	49.2%
S&P 200 Healthcare	41464	40127	3.3%	-2.5%	115.1%
S&P 200 Financials	5717	5699	0.3%	3.4%	-10.3%
S&P 200 Info Technology	2276	2168	5.0%	3.3%	192.7%
S&P 200 Telecommunicatic	1318	1281	2.9%	3.2%	-24.9%
S&P 200 Utilities	6314	6381	-1.0%	-2.8%	-16.2%
S&P 200 Property Trusts	1407	1397	0.7%	-5.0%	4.9%
S&P 200 Financials ex PT	6376	6356	0.3%	3.4%	-10.3%

Source: IRESS

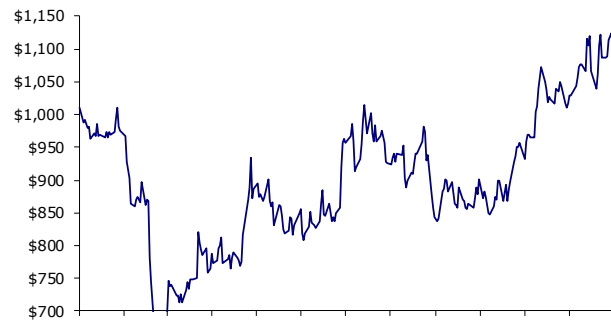


## 1 Year Commodity Price Charts

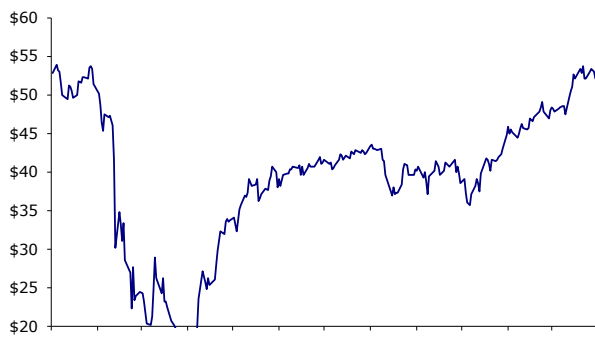
**1 Year Gold**



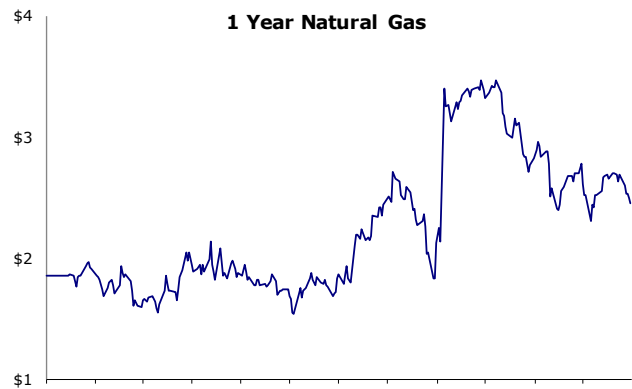
**1 Year Platinum**



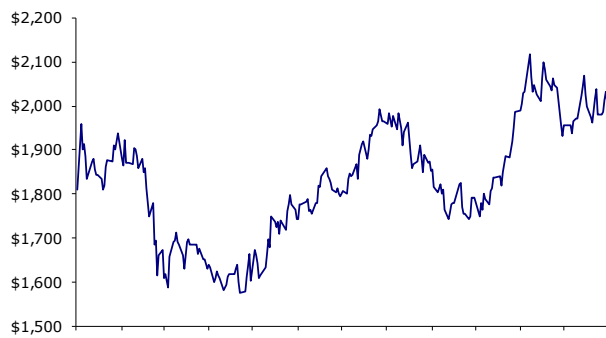
**1 Year Oil**



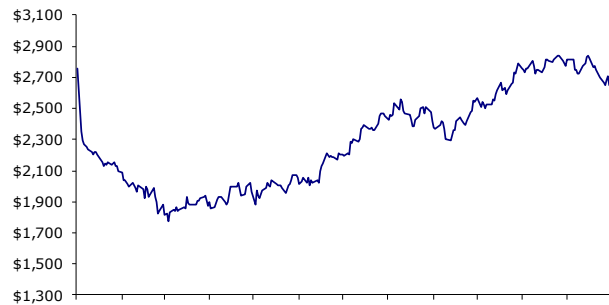
**1 Year Natural Gas**



**1 Year Lead**

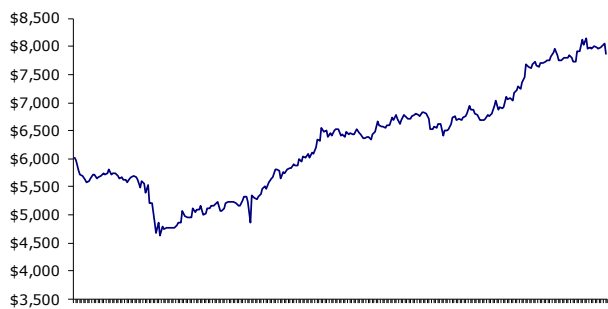


**1 Year Zinc**

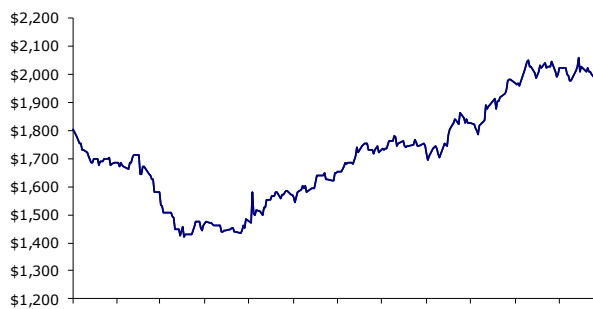




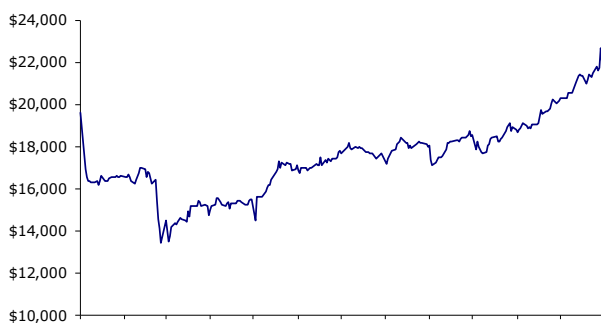
**1 Year Copper**



**1 Year Aluminium**

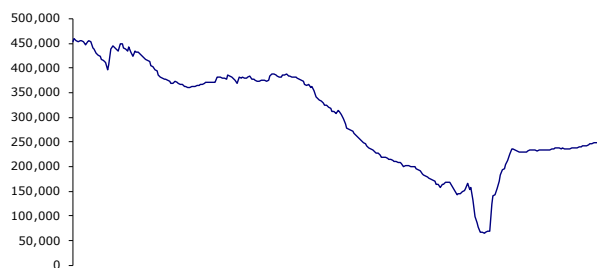


**1 Year Tin**

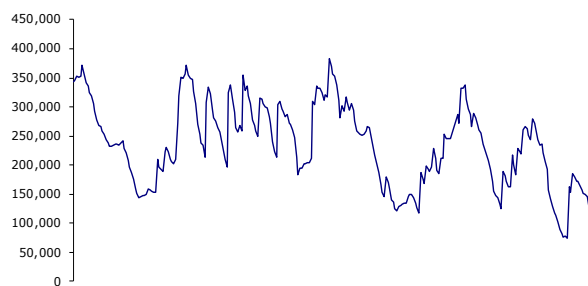


## 5 Year Metals Stockpiles

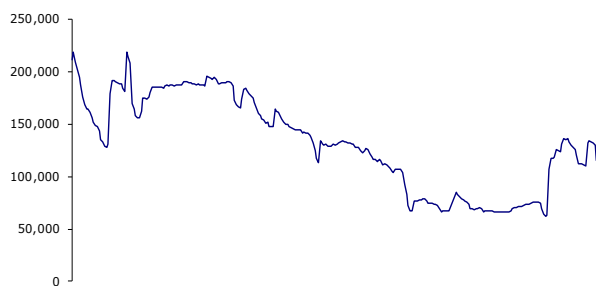
**Nickel LME Stockpiles - 5 Year**



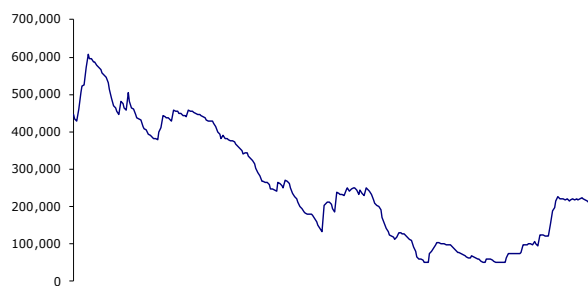
**Copper LME Stockpiles - 5 Year**



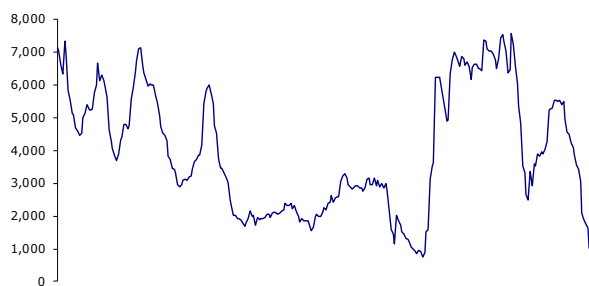
**Lead LME Stockpiles - 5 Year**



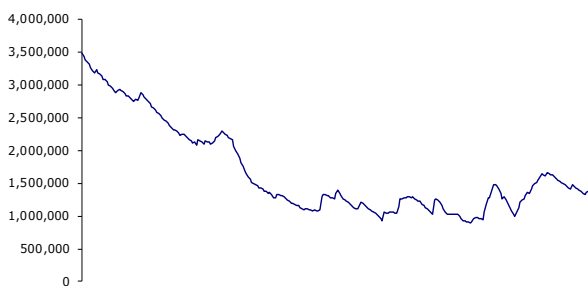
**Zinc LME Stockpiles - 5 Year**



**Tin LME Stockpiles - 5 Year**



**Aluminium LME Stockpiles - 5 Year**





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