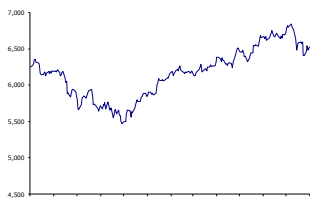


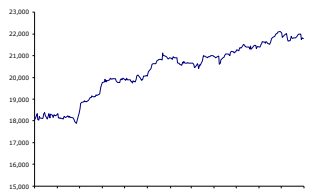
STATE ONE SPINNAKER

25 August 2019
Issue 468

12 month XJO chart



12 month Dow Jones chart



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Global Wrap – 25 August 2019

World Markets	25/08/2019	18/08/2019	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	6523	6406	1.8%	-4.2%	17.7%
Dow Jones	21798	21988	-0.9%	-1.0%	18.0%
Nasdaq	5284	5284	0.0%	-0.2%	21.9%
S&P 500	2847	2889	-1.4%	-4.5%	26.8%
FTSE 100	7095	7117	-0.3%	-6.5%	2.4%
DAX30	11612	11563	0.4%	-4.7%	-4.9%
Shanghai Composite	2897	2883	0.5%	-0.4%	-9.9%
Nikkei 225	20711	20563	0.7%	-3.9%	10.4%
Hang Seng	26179	25734	1.7%	-5.8%	14.5%
Currency					
AUD/USD	0.6757	0.6764	-0.1%	-0.3%	-7.8%
Commodities					
Oil (\$/bbl)	53.9	56.2	-4.1%	-1.1%	-21.4%
Gas (\$/gal)	2.2	2.2	-2.1%	-3.5%	-22.2%
Iron Ore (\$/t)	0.0	53.9	-100.0%	-100.0%	-100.0%
Copper (\$/t)	5675	5710	-0.6%	-4.2%	-2.8%
Lead (\$/t)	2083	2050	1.6%	5.1%	-10.7%
Zinc (\$/t)	2257	2265	-0.3%	-6.9%	-17.8%
Aluminium (\$/t)	1746	1743	0.2%	-1.7%	0.8%
Nickel (\$/t)	15755	16090	-2.1%	9.7%	38.6%
Tin (\$/t)	16050	16805	-4.5%	-7.1%	-25.0%
Gold (\$/oz)	1538	1524	0.9%	7.8%	31.1%
Silver (\$/oz)	17.6	17.1	2.5%	7.8%	2.7%
Platinum (\$/oz)	855	852	0.4%	-1.5%	-8.8%
Wheat (\$/t)	477.000	477.500	-0.1%	-1.9%	16.8%

Source: Iress

Global Wrap

Key points

1. **Australian property sector up, miners down**
2. **How is Australian reporting season tracking?**
3. **What to watch next week**

US

Stocks plunged on Friday after President Donald Trump ordered US manufacturers to find alternatives to their operations in China. Apple led the way lower, dropping 4.6%, CNBC reported.

The Dow Jones Industrial Average closed 623.34 points lower, or 2.4% at 25,628.90. The S&P 500 slid 2.6% to close at 2,847.11. The Nasdaq Composite dropped 3% to end the day at 7,751.77. The losses brought the Dow's decline for August to more than 4%.

The major indexes also posted weekly losses for the fourth consecutive time. The Dow dropped about 1% this week while the S&P 500 pulled back 1.4%. The Nasdaq lost 1.8%.

Trump's tweets came after China unveiled new tariffs on Chinese goods. China will implement new tariffs on another \$75 billion worth of US goods, including cars. The tariffs will range between 5% and 10% and will be implemented in two batches on September 1 and December 15.

Investors also digested remarks from Powell at the central bank's Jackson Hole symposium on Friday. The Fed chief said in a speech that the Fed "will act as appropriate to sustain the expansion", a phrase he has used several times in the recent past.

China

Chinese stocks closed higher Friday, with the benchmark Shanghai Composite Index up 0.49% to 2,897.43 points, the Xinhua news agency reported.

The Shenzhen Component Index closed 0.13% higher at 9,362.55 points.

Financial companies gained after the central bank on Thursday unveiled a plan to further develop the FinTech sector by 2021.

The ChiNext Index, China's NASDAQ-style board of growth enterprises, gained 0.13% to close at 1,615.56 points Friday.

Japan

The 225-issue Nikkei average rose 82.90 points, or 0.40% to close at 20,710.91 on the Tokyo Stock Exchange. On Thursday, the key market gauge advanced 9.44 points.

Stocks extended their gains on Friday as trading remained lethargic ahead of a speech by US Federal Reserve Chairman Jerome Powell at a symposium in Wyoming, The Japan Times reported.

Europe

The pan-European Stoxx 600 closed provisionally about 0.7% lower, with most sectors in negative territory, CNBC reported. The auto sector suffered sharp losses by the close, as it did in the US, slumping around 2% in the ongoing trade tensions.

Meanwhile, the Financial Times reported that the EU is considering plans for a 100 billion euro (\$110.71 billion) sovereign wealth fund to finance European industrial champions in order to compete with US corporate giants, such as Apple and Google.

Australia

Australian shares posted their first weekly gain in four weeks on Friday, as significant gains in real estate firms pushed the benchmark higher, though fears of an impending global recession and the China-US trade war kept investors cautious.

The S&P/ASX 200 index closed 0.3 per cent higher at 6,523.10 and the benchmark gained over 1.8% for the week, The Economic Times reported.

Most property stocks gained, with the sector index tacking on 2.3%.

The softening of interest rates in Australia was the focus in the results commentary of most of the property groups.

Heavyweight financials gained about 0.2% in a volatile session for the sector, with three of the "Big Four" banks ending the session higher.

Overall gains, however, were capped by declines in the mining sector, with gold stocks off for a sixth straight session.

Gold explorer Gold Road Resources ended more than 17% lower after slumping as much as 23%, its most in more than nine years, after its shares were sold by a unit at a discounted price.

The **Australian reporting season** passed the halfway point this week and overall results have been mixed. So far analysts have downgraded their June 2020 earnings forecasts by 1.3% on average for companies in the S&P/ASX 200 Index. This is worse than the 20-year average reporting season downgrade of 0.8%. In spite of this trend, the S&P/ASX All Ordinaries Accumulation Index (which includes dividends) closed up 2.1% for the week.

What to watch next week

July Australian building permits numbers: Friday, 30 August

The number of building approvals in Australia decreased by 1.2% month-over-month in June 2019, greater than the market's expectations of a 1.0% fall. This upcoming release will provide information on the construction industry, which is a major driver of the domestic economy. The reading will also indicate whether the Reserve Bank of Australia's cash rate cuts in June and July have had a positive impact on the housing sector.

August Chinese manufacturing and non-manufacturing PMI: Saturday, 31 August

As the US and China continue to engage in economic brinkmanship, the most recent Purchasing Managers' Index (PMI) numbers will provide insight into the impact of US tariffs on China. Last month, the Chinese manufacturing PMI rose to 49.7 in July from 49.4 in both June and May; a score below 50.0 represents a contraction. The latest reading indicates a third straight month of declines in factory activity, raising suggestions there could be more stimulus from the Government to support the economy. The non-manufacturing PMI in China fell to 53.7 in July 2019, the lowest since November 2018.

Economic Calendar 26/08/2019 – 30/08/2019

Monday August 26 2019			Actual	Previous	Consensus	Forecast	
04:00 PM	DE	Ifo Business Climate AUG		95.7	95.1	95.1	
08:30 PM	US	Durable Goods Orders MoM JUL		2%	1.1%	0.8%	
Tuesday August 27 2019			Actual	Previous	Consensus	Forecast	
02:00 PM	DE	GDP Growth Rate QoQ Final Q2		0.4%	-0.1%	-0.1%	
Wednesday August 28 2019			Actual	Previous	Consensus	Forecast	
02:00 PM	DE	GfK Consumer Confidence SEP		9.7	9.6	9.7	
Thursday August 29 2019			Actual	Previous	Consensus	Forecast	
01:00 PM	JP	Consumer Confidence AUG		37.8		37.6	
02:45 PM	FR	GDP Growth Rate QoQ Final Q2		0.3%	0.2%	0.2%	
05:00 PM	EA	Business Confidence AUG		-0.12	0.08	-0.2	
08:00 PM	BR	GDP Growth Rate YoY Q2		0.5%	0.5%	0.6%	
08:00 PM	DE	Inflation Rate YoY Prel AUG		1.7%	1.5%	1.6%	
08:30 PM	US	GDP Growth Rate QoQ 2nd Est Q2		3.1%	2%	2.1%	
Friday August 30 2019			Actual	Previous	Consensus	Forecast	
07:01 AM	GB	GfK Consumer Confidence AUG		-11	-12	-12	
06:00 PM	IT	GDP Growth Rate QoQ Final Q2		0.1%	0%	0%	
08:00 PM	IN	GDP Growth Rate YoY Q2		5.8%	5.8%	5.6%	
08:30 PM	CA	GDP Growth Rate Annualized Q2		0.4%	3%	2.3%	
08:30 PM	US	Personal Income MoM JUL		0.4%	0.3%	0.3%	
08:30 PM	US	Personal Spending MoM JUL		0.3%	0.5%	0.4%	

Source: www.tradingeconomics.com

Economic Calendar 2/09/2019 – 6/09/2019

Monday September 02 2019			Actual	Previous	Consensus	Forecast	
09:45 AM	CN	Caixin Manufacturing PMI AUG		49.9	49.7	50	
03:00 PM	TR	GDP Growth Rate YoY Q2		-2.6%		-1.1%	
03:55 PM	DE	Markit Manufacturing PMI Final AUG		43.2	43.6	43.6	
Tuesday September 03 2019			Actual	Previous	Consensus	Forecast	
10:00 PM	US	ISM Manufacturing PMI AUG		51.2	51.4	50.7	
Wednesday September 04 2019			Actual	Previous	Consensus	Forecast	
09:30 AM	AU	GDP Growth Rate QoQ Q2		0.4%	0.5%	0.5%	
09:30 AM	AU	GDP Growth Rate YoY Q2		1.8%	1.8%	1.5%	
08:30 PM	CA	Balance of Trade JUL		C\$0.14B	C\$-0.3B		
08:30 PM	US	Balance of Trade JUL		\$-55.2B	\$-55.5B		
Thursday September 05 2019			Actual	Previous	Consensus	Forecast	
09:30 AM	AU	Balance of Trade JUL		A\$8.036B			
10:00 PM	US	ISM Non-Manufacturing PMI AUG		53.7	54.1	52	
Friday September 06 2019			Actual	Previous	Consensus	Forecast	
05:00 PM	EA	GDP Growth Rate QoQ 3rd Est Q2		0.4%	0.2%	0.2%	
08:30 PM	CA	Employment Change AUG		-24.2K	12.5K		
08:30 PM	US	Non Farm Payrolls AUG		164K	155K	200K	
10:00 PM	CA	Ivey PMI s.a AUG		54.2		53.9	

Source: www.tradingeconomics.com

All Ords Top 10 Week Ending 23 August 2019

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
MMS	McMillan Shakespeare	30.6	PLS	Pilbara Min Ltd	-16.3
WTC	Wisetech Global Ltd	24.5	SBM	St Barbara Limited	-15.2
LLC	Lendlease Group	23.1	LYC	Lynas Corporation	-13.7
BPT	Beach Energy Limited	23.0	IEL	Idp Education Ltd	-11.6
SIQ	Smartgrp Corporation	20.1	SAR	Saracen Mineral	-11.3
MYX	Mayne Pharma Ltd	19.3	CGC	COSTA GROUP HOLDINGS	-11.2
NWH	NRW Holdings Limited	18.2	BXB	Brambles Limited	-10.9
PME	Pro Medicus Limited	15.8	S32	South32 Limited	-10.9
CAR	Carsales.Com Ltd.	13.4	RRL	Regis Resources	-10.7
ALU	Altium Limited	12.7	ILU	Iluka Resources	-9.9

Source: IRESS

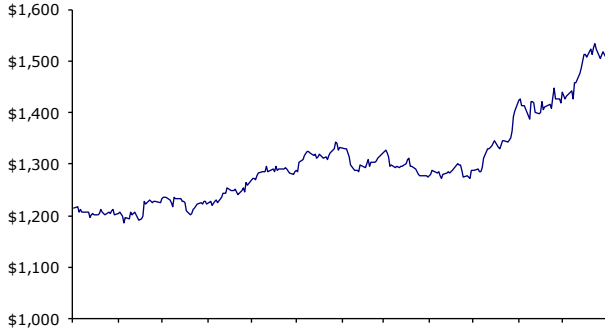
S & P Indices Week Ending 23 August 2019

S&P Indices	25/08/2019	18/08/2019	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	10485	9940	5.5%	-5.8%	17.9%
S&P 200 Materials	12727	13052	-2.5%	-10.3%	28.6%
S&P 200 Industrials	6739	6653	1.3%	-3.5%	32.1%
S&P 200 Consumer Disc.	2532	2449	3.4%	-1.2%	21.0%
S&P 200 Consumer Staples	12157	11863	2.5%	-2.8%	42.1%
S&P 200 Healthcare	36357	34833	4.4%	2.2%	88.6%
S&P 200 Financials	6160	6055	1.7%	-4.7%	-3.3%
S&P 200 Info Technology	1320	1233	7.0%	-5.5%	69.7%
S&P 200 Telecommunicatic	1310	1286	1.9%	-4.1%	-25.4%
S&P 200 Utilities	7959	7843	1.5%	-4.8%	5.6%
S&P 200 Property Trusts	1663	1612	3.1%	1.1%	24.0%
S&P 200 Financials ex PT	6870	6753	1.7%	-4.7%	-3.3%

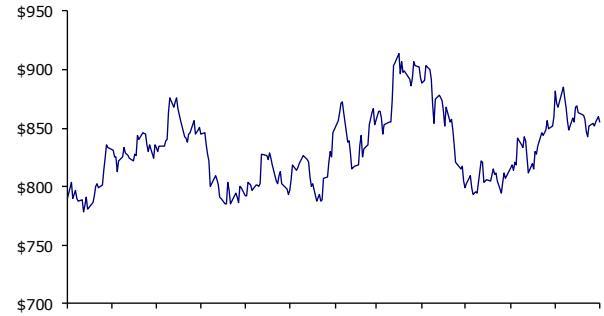
Source: IRESS

1 Year Commodity Price Charts

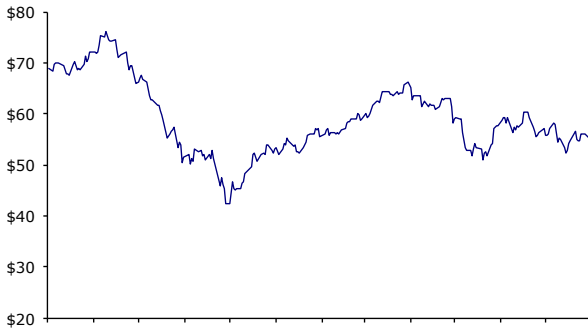
1 Year Gold



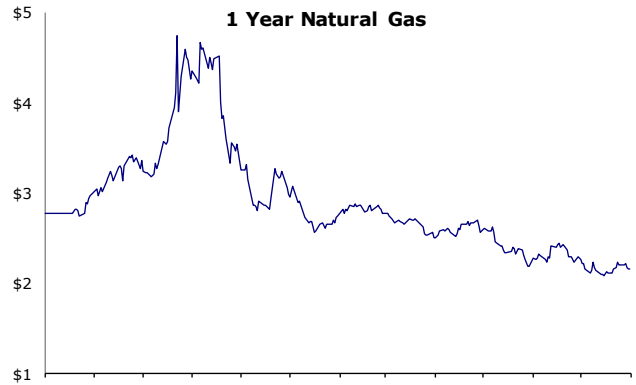
1 Year Platinum



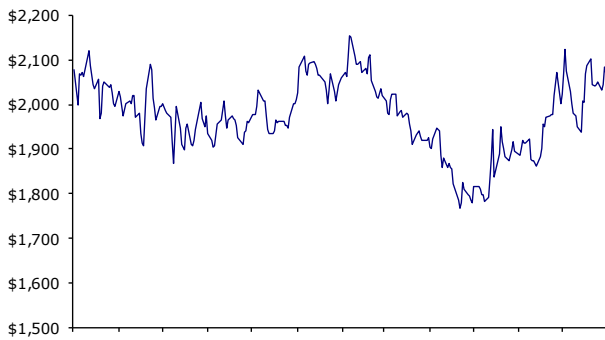
1 Year Oil



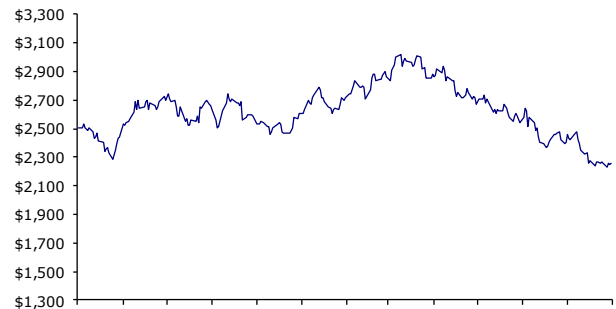
1 Year Natural Gas



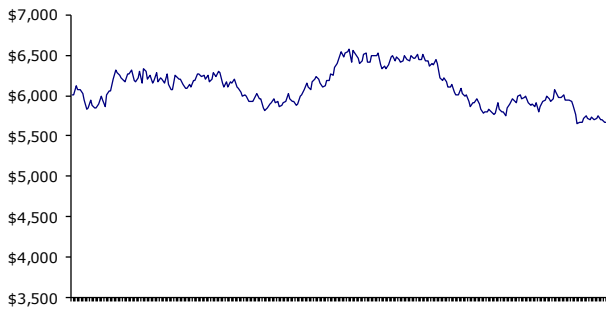
1 Year Lead



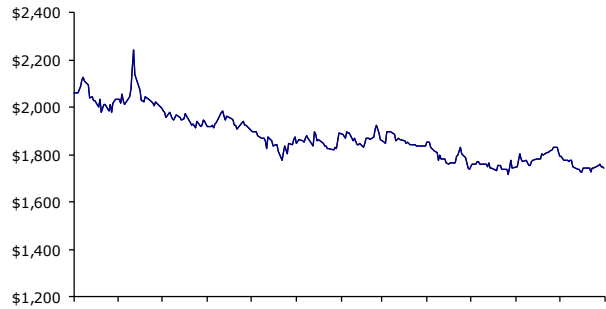
1 Year Zinc



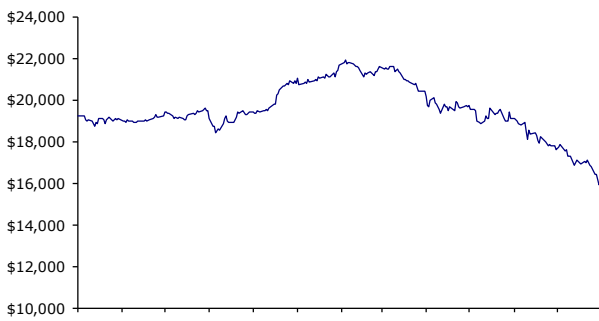
1 Year Copper



1 Year Aluminium



1 Year Tin

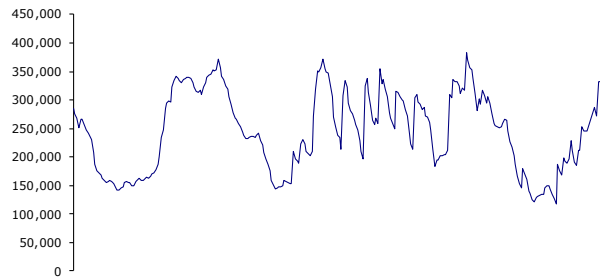


5 Year Metals Stockpiles

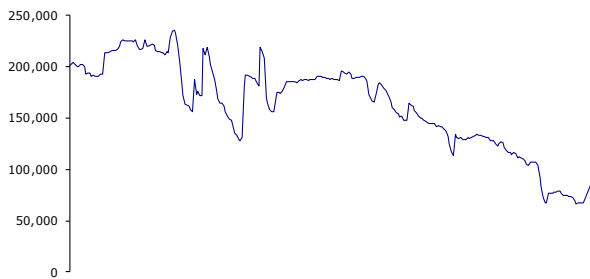
Nickel LME Stockpiles - 5 Year



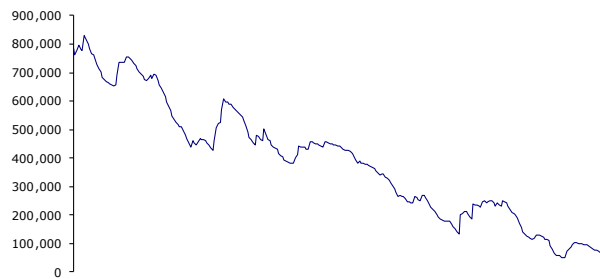
Copper LME Stockpiles - 5 Year



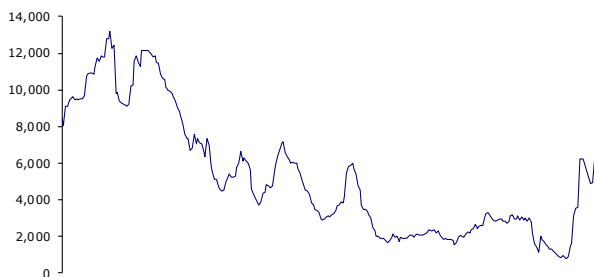
Lead LME Stockpiles - 5 Year



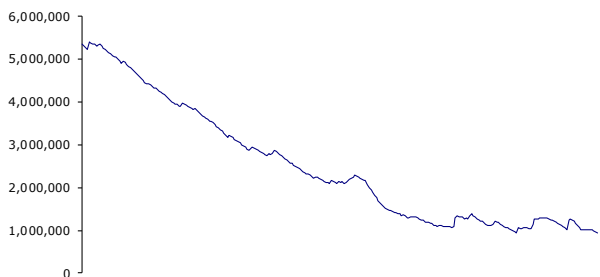
Zinc LME Stockpiles - 5 Year



Tin LME Stockpiles - 5 Year



Aluminium LME Stockpiles - 5 Year



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