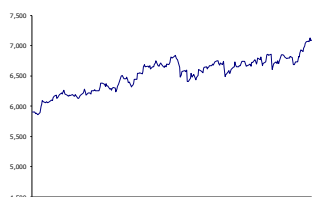


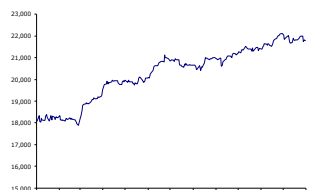
STATE ONE SPINNAKER

26 January 2020
Issue 486

12 month XJO chart



12 month Dow Jones chart



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Global Wrap – 26 January 2020

World Markets	26/01/2020	19/01/2020	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	7091	7064	0.4%	6.1%	27.9%
Dow Jones	21798	21988	-0.9%	-1.0%	18.0%
Nasdaq	5284	5284	0.0%	-0.2%	21.9%
S&P 500	3295	3330	-1.0%	2.0%	46.7%
FTSE 100	7586	7675	-1.2%	0.6%	9.4%
DAX30	13577	13526	0.4%	2.5%	19.4%
Shanghai Composite	2977	3096	-3.9%	-3.5%	-7.4%
Nikkei 225	23827	24084	-1.1%	0.7%	27.0%
Hang Seng	27950	29056	-3.8%	-0.9%	22.3%
Currency					
AUD/USD	0.6829	0.6872	-0.6%	-1.0%	-4.9%
Commodities					
Oil (\$/bbl)	54.2	58.6	-7.5%	-11.3%	1.4%
Gas (\$/gal)	1.9	2.0	-5.8%	-14.6%	-27.2%
Iron Ore (\$/t)	0.0	53.9	-100.0%	-100.0%	-100.0%
Copper (\$/t)	5968	6277	-4.9%	-3.1%	2.2%
Lead (\$/t)	1960	1977	-0.9%	1.9%	-15.9%
Zinc (\$/t)	2467	2434	1.3%	7.6%	-10.1%
Aluminium (\$/t)	1776	1794	-1.0%	-1.4%	2.5%
Nickel (\$/t)	12990	13840	-6.1%	-7.2%	14.2%
Tin (\$/t)	16900	17775	-4.9%	0.3%	-21.0%
Gold (\$/oz)	1578	1560	1.1%	3.6%	34.6%
Silver (\$/oz)	18.1	18.1	0.2%	1.1%	6.0%
Platinum (\$/oz)	1011	1025	-1.4%	3.4%	7.8%
Wheat (\$/t)	573.750	570.000	0.7%	2.5%	40.5%

Source: Iress

Global Wrap

Key points

1. ASX up on Friday
2. Coronavirus weakens some US stocks
3. What happens next week

US

Stocks fell on Friday after the second US case of the deadly coronavirus was confirmed, stoking concerns over the sickness's impact on the global economy, CNBC reported.

The Dow Jones Industrial Average closed down 170.36 points, or 0.6%, at 28,989.73 after jumping more than 100 points earlier in the day.

The 30-stock average briefly fell more than 300 points before recovering some of those losses as Boeing shares turned around. The S&P 500 fell 0.9% to 3,295.47, for its worst loss of the young year. The Nasdaq Composite ended the day 0.9% lower at 9,314.91.

Amid concerns about the impact of the coronavirus shares of United Airlines and American both fell more than 5%. Las Vegas Sands and Wynn Resorts also dropped more than 3% each.

Treasury yields fell, pushing bank shares lower. The benchmark 10-year yield dipped below 1.7%. JPMorgan Chase, Citigroup and Bank of America all traded more than 1.5% lower.

Fears about the coronavirus subdued stocks the entire week. The Dow, S&P 500 and Nasdaq all posted their first weekly loss of 2020. The Dow and S&P 500 both fell at least 1% week to date while the Nasdaq slid 0.8%.

Stocks in major Asian markets edged higher on Friday as the number of coronavirus cases in mainland China rose to more than 800, with the death toll increasing to 25.

The epidemic in China has brought back memories of the severe acute respiratory syndrome (SARS) outbreak in 2002 and 2003, which killed about 800 people.

Boeing shares rose 1.7% after the FAA said it was “pleased” with the progress being made on the 737 Max jet and a report that the plane’s grounding could be lifted before mid-year if no new issues are reported.

There was also the release of better-than-expected earnings from American Express and Intel.

Asia

Hong Kong’s Hang Seng index recovered from an earlier slip, rising 0.15% to close early at 27,949.64.

Major markets across the region such as China and South Korea were closed on Friday ahead of the Lunar New Year starting 25 January.

The **Shanghai Stock Exchange** will be closed until Friday for Lunar New Year. The Hong Kong will be closed on Monday and Tuesday for the New Year holidays.

The [Nikkei 225](#) in **Japan** closed 0.13% higher at 23,827.18 while the Topix index finished its trading session flat at 1,730.44.

Australia

Shares in Australia rose slightly, as the S&P/ASX 200 closed fractionally higher at 7,090.50.

Australian shares eased into the long weekend on Friday, brushing aside continued uncertainty associated with the coronavirus outbreak to post modest gains for the session, The Sydney Morning Herald reported.

The benchmark S&P/ASX 200 rose 2.5 points, or less than 0.1%, to close at 7090.5, recovering some of the ground lost on Thursday following the release of Australia’s better-than-expected December jobs report, which led to near-term RBA interest rate cut bets being curtailed.

For the week, the benchmark index increased 0.4%, adding to the rally the local market has enjoyed since the early parts of January.

The resilient performance on Friday came despite further reports of coronavirus cases in China, including an increased death toll.

The gains were led by healthcare, helped CSL shares which climbed 1.1% to a new closing high of \$310.70.

Financials also added 0.3%, supported by gains in the big four banks. Insurance Australia Group provided some offset, sliding 5.4% to \$7.30 after announcing a profit warning.

The materials sector was the biggest drag on the market, falling 0.9% on the back of weakness in commodity prices, especially iron ore and crude oil.

Rio Tinto shed 2.8% to \$103.18, BHP Group 1.5% to \$40.45 while Fortescue Metals slipped 0.4% to \$12.48.

Downer EDI recorded the largest gain on the benchmark for the session, recovering around a third of the decline seen on Thursday. It rose 6% to \$7.60.

Overall, 100 companies gained, 82 fell while 18 were unchanged. The ASX will be closed on Monday for the Australia Day public holiday.

Europe

The pan-European [Stoxx 600](#) jumped 0.85% by the closing bell, with industrials and technology stocks leading gains.

There was a raft of flash PMI (purchasing managers' index) figures released on Friday morning, which showed euro zone business activity remaining weak to start the year but offered some glimmers of hope which boosted European stock markets.

IHS Markit's euro zone composite flash PMI stayed at 50.9 in January, missing the 51.2 estimate from analysts polled by Reuters. Readings over 50 indicate growth.

The industrial slowdown in Europe continued to weigh on the headline index, with the manufacturing PMI reading coming in at 47.8, but this represented a marked improvement on December's 46.3 and the January expectation of 46.8, CNBC reported.

Optimism about the 2020 outlook increased, with the composite future output index advancing from 59.4 in December to 61.2, its highest since September 2018.

In the UK, January data came in above forecast with the flash composite PMI hitting 52.4 against an expectation of 50.6, with both manufacturing and services exceeding expectations.





















What to watch next week?

Australian CPI and the *Fed's interest rate* decision will be released on Wednesday.

On Thursday the *Bank of England* will announce its interest rate decision and *US GDP* will be announced.





























Friday is the *Brexit deadline*, when *euro zone CPI and GDP* will also be released.

Economic Calendar 27/01/2020 – 31/01/2020

Monday January 27 2020		Actual	Previous	Consensus	Forecast	
05:00 PM	DE Ifo Business Climate JAN		96.3	97	97.3	
Tuesday January 28 2020		Actual	Previous	Consensus	Forecast	
08:30 AM	AU NAB Business Confidence DEC		0	1	1	
09:30 PM	US Durable Goods Orders MoM DEC		-2%	0.5%	0.6%	
Wednesday January 29 2020		Actual	Previous	Consensus	Forecast	
01:00 PM	JP Consumer Confidence JAN		39.1	40.8	40.5	
03:00 PM	DE GfK Consumer Confidence FEB		9.6	9.6	9.7	
	US USMCA Trade Deal Signature					
Thursday January 30 2020		Actual	Previous	Consensus	Forecast	
03:00 AM	US Fed Interest Rate Decision		1.75%	1.75%	1.75%	
06:00 PM	EA Business Confidence JAN		-0.25	-0.2	-0.18	
08:00 PM	GB BoE Interest Rate Decision		0.75%	0.75%	0.75%	
09:30 PM	US GDP Growth Rate QoQ Adv Q4		2.1%	2.1%	2.1%	
Friday January 31 2020		Actual	Previous	Consensus	Forecast	
08:01 AM	GB GfK Consumer Confidence JAN		-11	-8	-10	
09:00 AM	CN NBS Manufacturing PMI JAN		50.2	50	50.5	
02:30 PM	FR GDP Growth Rate QoQ Prel Q4		0.3%	0.2%	0.2%	
04:00 PM	ES GDP Growth Rate QoQ Flash Q4		0.4%	0.4%	0.3%	
04:00 PM	ES GDP Growth Rate YoY Flash Q4		1.9%	1.7%	1.6%	
05:00 PM	IT GDP Growth Rate QoQ Adv Q4		0.1%	0.1%	0.1%	
05:00 PM	IT GDP Growth Rate YoY Adv Q4		0.3%	0.3%	0.2%	
06:00 PM	EA GDP Growth Rate QoQ Flash Q4		0.2%	0.2%	0.2%	
06:00 PM	EA GDP Growth Rate YoY Flash Q4		1.2%	1.1%	1.0%	
09:30 PM	US Personal Income MoM DEC		0.5%	0.3%	0.4%	
09:30 PM	US Personal Spending MoM DEC		0.4%	0.3%	0.5%	

Source: www.tradingeconomics.com

Economic Calendar 3/02/2020 – 7/02/2020

Monday February 03 2020		Actual	Previous	Consensus	Forecast		
09:45 AM	 CN	Caixin Manufacturing PMI JAN		51.5	51.5	51.9	 
09:00 PM	 RU	GDP Growth Rate YoY Prel Q4		1.7%		1.8%	 
Tuesday February 04 2020		Actual	Previous	Consensus	Forecast		
11:30 AM	 AU	RBA Interest Rate Decision		0.75%		0.75%	 
Wednesday February 05 2020		Actual	Previous	Consensus	Forecast		
09:30 PM	 CA	Balance of Trade DEC		C\$-1.09B		C\$ 0.5B	 
09:30 PM	 US	Balance of Trade DEC		\$-43.1B		\$ -50B	 
Thursday February 06 2020		Actual	Previous	Consensus	Forecast		
08:30 AM	 AU	Balance of Trade DEC		A\$5.8B		A\$ 5.6B	 
02:15 PM	 IN	RBI Interest Rate Decision		5.15%	5.15%	5.15%	 
Friday February 07 2020		Actual	Previous	Consensus	Forecast		
03:00 PM	 DE	Balance of Trade DEC		€18.3B		€ 14B	 
09:30 PM	 US	Non Farm Payrolls JAN		145K		138K	 
11:00 PM	 CA	Ivey PMI s.a JAN		51.9		50	 

Source: www.tradingeconomics.com

All Ords Top 10 Week Ending 24 January 2020

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
PNV	Polynovo Limited	15.5	CIM	Cimic Group Ltd	-18.2
APT	Afterpay Limited	11.4	NHF	NIB Holdings Limited	-16.4
SLR	Silver Lake Resource	11.3	DOW	Downer EDI Limited	-13.6
FMG	Fortescue Metals Grp	9.4	JIN	Jumbo Interactive	-9.2
ABC	Adelaide Brighton	7.7	APE	AP Eagers Limited	-9.0
NXT	Nextdc Limited	6.2	CTD	Corp Travel Limited	-8.8
MGR	Mirvac Group	5.8	TNE	Technology One	-8.3
A2M	The A2 Milk Company	5.6	IAG	Insurance Australia	-7.7
NSR	National Storage	5.4	HUB	HUB24 Ltd	-7.5
MFG	Magellan Fin Grp Ltd	5.1	AVH	Avita Medical Ltd	-7.4

Source: IRESS

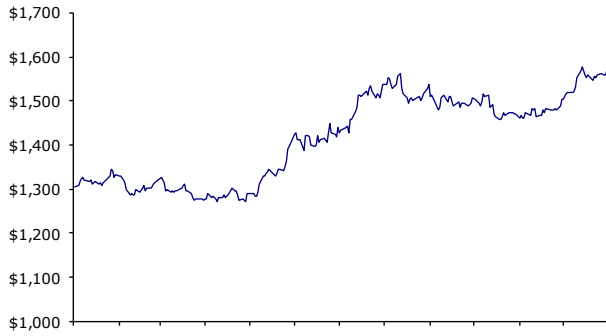
S & P Indices Week Ending 24 January 2020

S&P Indices	26/01/2020	19/01/2020	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	11901	12034	-1.1%	3.5%	33.8%
S&P 200 Materials	14504	14508	0.0%	4.9%	46.5%
S&P 200 Industrials	7160	7321	-2.2%	3.0%	40.3%
S&P 200 Consumer Disc.	2845	2863	-0.6%	6.2%	35.9%
S&P 200 Consumer Staples	13510	13072	3.3%	10.7%	57.9%
S&P 200 Healthcare	45194	44022	2.7%	11.2%	134.4%
S&P 200 Financials	6264	6232	0.5%	4.8%	-1.7%
S&P 200 Info Technology	1550	1533	1.1%	10.2%	99.3%
S&P 200 Telecommunicatic	1371	1379	-0.6%	9.0%	-21.9%
S&P 200 Utilities	8194	8348	-1.8%	0.4%	8.7%
S&P 200 Property Trusts	1679	1665	0.9%	7.1%	25.2%
S&P 200 Financials ex PT	6987	6950	0.5%	4.8%	-1.7%

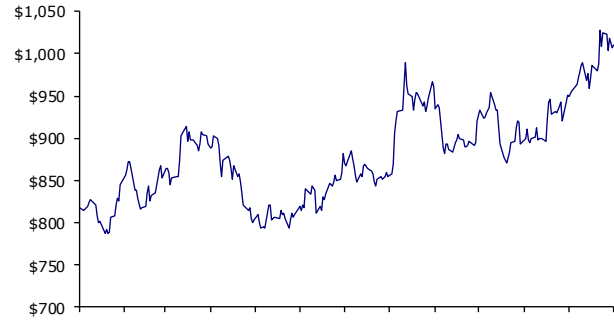
Source: IRESS

1 Year Commodity Price Charts

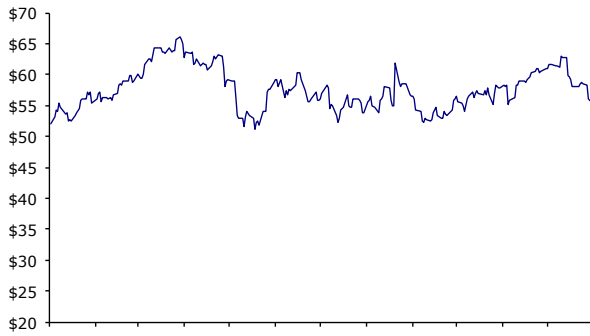
1 Year Gold



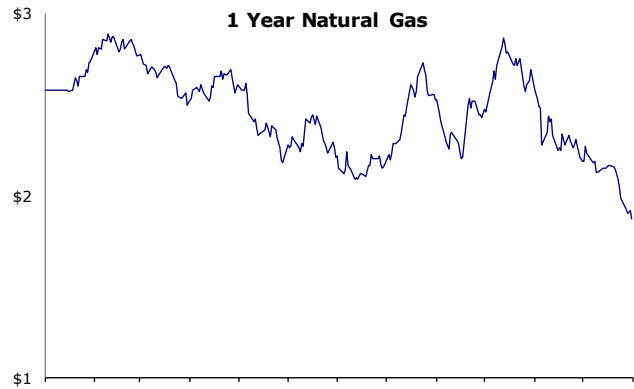
1 Year Platinum



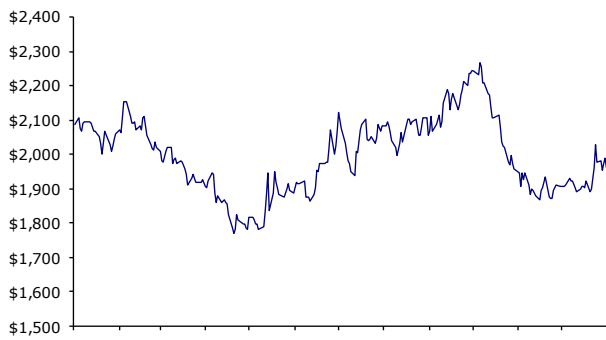
1 Year Oil



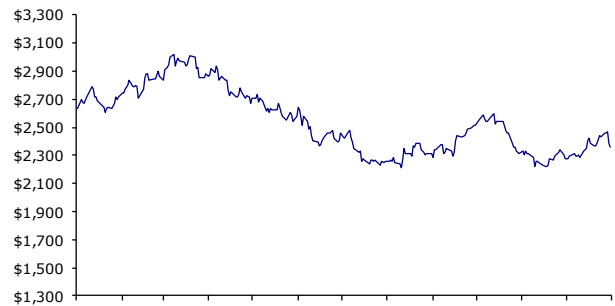
1 Year Natural Gas



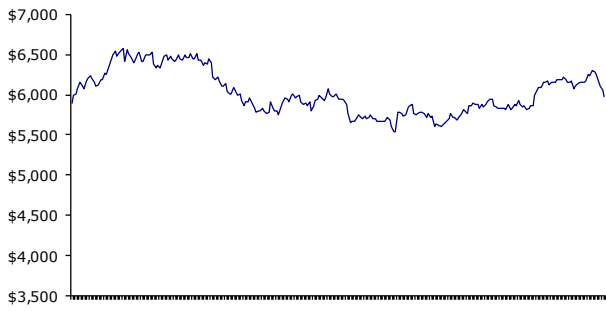
1 Year Lead



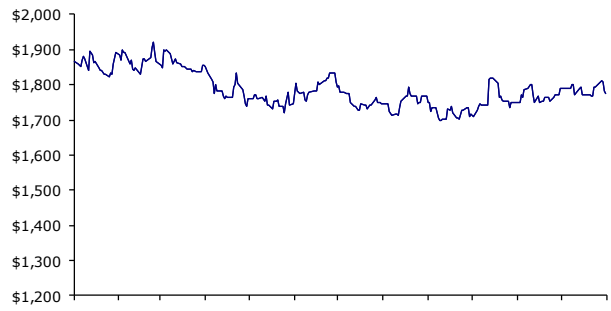
1 Year Zinc



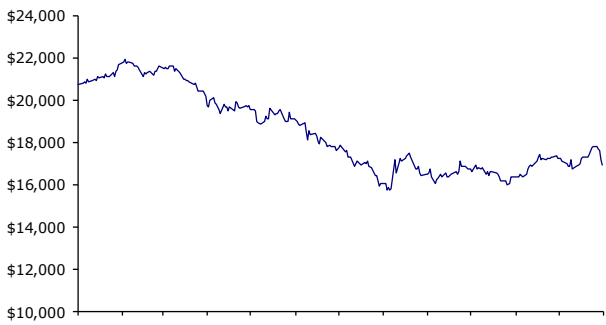
1 Year Copper



1 Year Aluminium

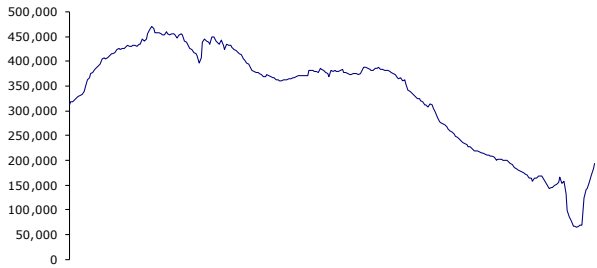


1 Year Tin

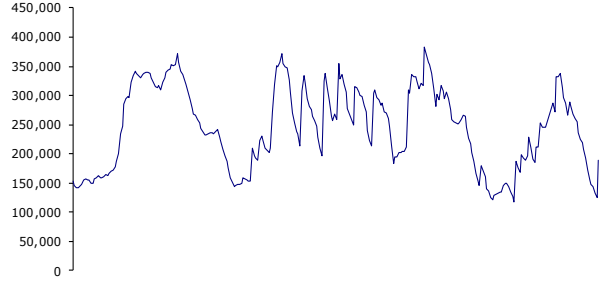


5 Year Metals Stockpiles

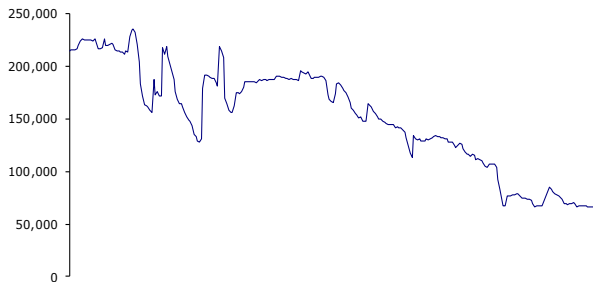
Nickel LME Stockpiles - 5 Year



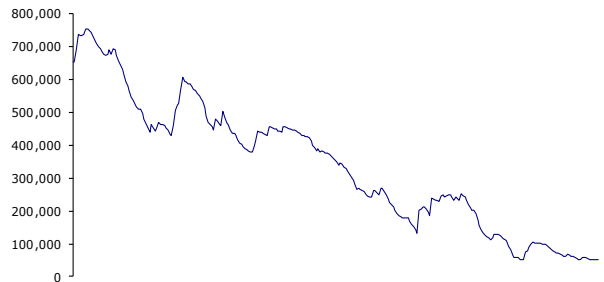
Copper LME Stockpiles - 5 Year



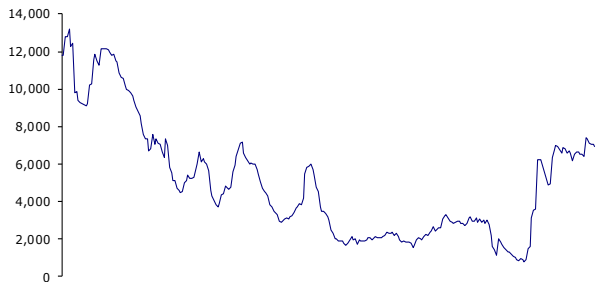
Lead LME Stockpiles - 5 Year



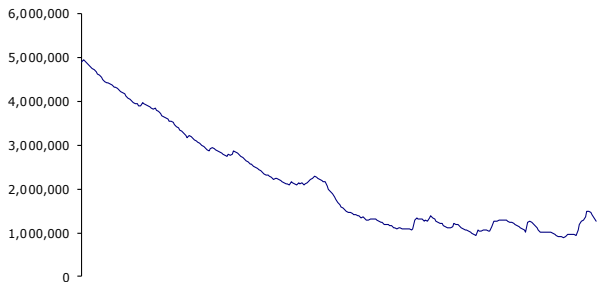
Zinc LME Stockpiles - 5 Year



Tin LME Stockpiles - 5 Year



Aluminium LME Stockpiles - 5 Year



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