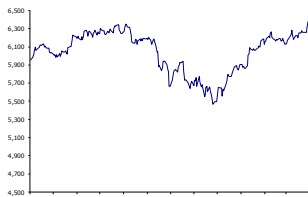


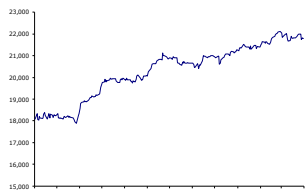
STATE ONE SPINNAKER

28 April 2019
Issue 457

12 month XJO chart



12 month Dow Jones chart



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Overview

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Global Wrap – 28 April 2019

World Markets	28/04/2019	21/04/2019	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	6386	6260	2.0%	1.6%	15.2%
Dow Jones	21798	21988	-0.9%	-1.0%	18.0%
Nasdaq	5284	5284	0.0%	-0.2%	21.9%
S&P 500	2940	2905	1.2%	2.3%	30.9%
FTSE 100	7428	7460	-0.4%	0.1%	7.2%
DAX30	12315	12222	0.8%	3.0%	-4.6%
Shanghai Composite	3086	3215	-4.0%	-4.9%	-4.0%
Nikkei 225	22259	22218	0.2%	2.5%	18.6%
Hang Seng	29605	29963	-1.2%	-1.3%	29.5%
Currency					
AUD/USD	0.7042	0.7136	-1.3%	-1.5%	-7.1%
Commodities					
Oil (\$/bbl)	62.8	65.7	-4.3%	1.1%	-7.5%
Gas (\$/gal)	2.6	2.5	1.8%	-3.6%	-8.5%
Iron Ore (\$/t)	0.0	53.9	-100.0%	-100.0%	-100.0%
Copper (\$/t)	6393	6448	-0.9%	-1.4%	9.5%
Lead (\$/t)	1924	1919	0.3%	-3.1%	-17.5%
Zinc (\$/t)	2859	2854	0.2%	-3.9%	4.2%
Aluminium (\$/t)	1832	1839	-0.4%	-1.8%	5.8%
Nickel (\$/t)	12270	12630	-2.9%	-7.0%	7.9%
Tin (\$/t)	19975	20425	-2.2%	-7.0%	-6.6%
Gold (\$/oz)	1289	1278	0.9%	-0.4%	9.9%
Silver (\$/oz)	15.1	15.0	0.3%	-0.1%	-11.7%
Platinum (\$/oz)	904	904	0.0%	3.4%	-3.6%
Wheat (\$/t)	442.500	446.250	-0.8%	-5.7%	8.4%

Source: Iress

Global Wrap

Key points

1. US stocks at record highs
2. Gold shines, oil tanks
3. Stock analysis: What the experts say

US

The S&P 500 and Nasdaq Composite closed at record highs on Friday as better-than-expected economic data offset a mixed batch of corporate earnings, CNBC reported.

The S&P 500 climbed 0.5% to 2,939.88, an all-time closing high.

The tech-heavy Nasdaq ended the day up 0.3% at 8,146.40.

The Dow Jones Industrial Average rose 81.25 points to 26,543.33 and closed 1.5% below its all-time high.

First-quarter gross domestic product was 3.2%, the Commerce Department said on Friday, topping the consensus economist estimate of 2.5%.

Dow member Exxon fell more than 2% after the company's results were dragged down by poor performances in its refining and chemicals businesses. Intel, another Dow component, fell 9% after the company issued light revenue guidance for the year. The stock also posted its biggest one-day drop since 2016.

Those results overshadowed stronger-than-expected numbers from companies such as Amazon and Ford Motor.

Amazon shares closed 2.5% higher after results topped expectations on Thursday and Wall Street analysts trumpeted its announced push to one-day delivery for Prime members.

Ford Motor, meanwhile, jumped 10.7% — posting its biggest gain since 2009 — after issuing better-than-forecast quarterly numbers, which were driven by strong truck and SUV sales in North America.

The S&P 500 and Nasdaq posted solid gains this week after more than 140 companies released their quarterly reports. The two indexes gained 1.2% and 1.9%, respectively. The Dow, meanwhile, posted a slight weekly loss.

China

Chinese stocks fell on Friday as investors feared China may scale back its stimulus measures amid signs of economic stabilisation, while Sino-U.S. trade conflict also weighed on sentiments.

On Thursday US President Donald Trump said he would soon host Chinese leader Xi Jinping at the White House, setting the stage for a possible agreement on trade between the world's two largest economies.

The blue-chip CSI300 index fell 1.3% to 3,889.27, while the Shanghai Composite Index closed 1.2% lower at 3,086.40, Reuters reported.

For the week, both indexes lost 5.6%, their biggest weekly decline since October 12, 2018.

The market has been debating how much more support Beijing will give the economy after surprisingly resilient data was released last week.

Japan

Japan stocks were lower after the close on Friday on the back of a weaker performance by Softbank and Nintendo in particular

At the close in Tokyo, the Nikkei 225 lost 0.22% to 22,258.73, investing.com. reported.

Europe

The pan-European Stoxx 600 closed provisionally up 0.19% during afternoon deals, with most sectors and major bourses in positive territory, CNBC reported.

Europe's media stocks led the gains, up 1.65% amid earnings news.

Deutsche Bank [posted](#) stronger-than-anticipated first-quarter net profit Friday morning. Germany's flagship lender reported 201 million euros (\$223 million) in net income for the first three months of the year. However the figures came less than 24 hours after bank formally abandoned merger talks with Commerzbank and Deutsche Bank shares slipped 2.09%.

Australia

Australian shares edged lower in light trade on Friday as investors sold financials, but the benchmark index looked set for its best weekly performance since February, Reuters reported.

The S&P/ASX 200 index fell 0.2% to 6,369.20 points, but was on track to gain 1.7% in the holiday-shortened week.

Financials, the benchmark's biggest constituents, dropped 0.4% ahead of the start of earnings releases from the major Aussie banks next week.

Elsewhere, the world's no. 4 iron ore miner Fortescue Metals Group lost about 4%, its lowest level since the start of the month.

This happened as China's **steel** futures ended lower for the third straight session on Thursday, with the market cautious on steel demand amid slowing de-stocking process by traders.

Oil prices fell nearly 2% in early trading on Friday as the market reassessed the impact of US sanctions on Iran. Analysts argue that Iran may succeed in mitigating the impact, maintaining some degree of exports, [oilprice.com](#) said.

Interestingly, the better-than-expected US GDP headline data did not deter **gold** prices. Instead, June gold was last up USD 10.00 an ounce at USD 1,289.70, Kitco reported.

Next week there are four key purchasing managers' index (PMI) releases investors will be watching:

Wednesday, 1 May and Friday, 3 May: April Australian manufacturing PMI and services PMI respectively. In March, the manufacturing PMI reported 51.0 while services PMI reported 50.5.

Thursday, 2 May and Saturday, 4 May: April US manufacturing PMI and non-manufacturing PMI. During March, 16 of the 18 industry sectors for both the manufacturing and non-manufacturing PMIs reported an expansion.

The PMI is a monthly survey of purchasing managers in either manufacturing or services industries. The survey is considered as an indicator of the direction of the economy. The headline PMI is a number from 0 to 100, where a score above 50.0 represents an expansion.

Stock analysis: Listening to what the business leaders say

CEO and business leader comments help in understanding the current investment environment and can aid in identifying important emerging trends. Below are quotes from last week, which in our view, touch on important industry trends and economic factors.

Viticulture

"There is no doubt about it that growth (in wine export to China) will slow, is slowing now and will continue to slow. But growth is growth, it's still a good thing."

Tom Battaglione, CEO, Australian Grape & Wine Inc

Agriculture

"Clearly this (earnings downgrade) is a disappointing outcome in a challenging period in international grain markets, compounded by the ongoing drought conditions in Australia."

Mark Palmquist, CEO, Graincorp

Driverless cars

"The probability of the steering wheel being taken away in the future is 100%. Consumers will demand it. I want to be clear. This is not me prescribing a point of view about the world. This is me predicting what consumers will demand. Consumers will demand in the future that people are not allowed to drive these two-ton death machines."

Elon Musk, CEO, Tesla

Online marketplace

"A number of jurisdictions have enacted legislation requiring marketplace collection of tax. Without a small business exemption this trend will increasingly impact small domestic sellers, making it harder for them to compete in an increasingly global and large merchant dominated world."

Devin Wenig, CEO, Ebay

Telecommunications

"There's an emerging market now of telcos trying to work out what they do with millions of used handsets. Smartphones have reached a point where the difference between, say, a new iPhone and an old one is quite small, particularly for ordinary consumers. The need to upgrade is diminishing."

Simon Downes, Editor-in-Chief, Canstar Blue

Renewable energy

"We are continuing to look at opportunities to introduce renewables, particularly solar, into our energy mix and there's quite a lot of activity on that at the moment."

Elizabeth Gaines, CEO, Fortescue Metals

Domestic property

"We can now sell (apartments) in volume. The Chinese economy has improved."

Harry Triguboff, CEO, Meriton Group

US housing

"We are experiencing a very typical seasonal upswing, and are generally encouraged by the level of buyer activity that we're seeing. Further, with the strong economic backdrop and the recent decline in mortgage rates, there's every reason to believe that 2019 can be another good year for the (US) housing

industry.”
Ryan Marshall, CEO, Pulte Group

US construction

“With (US) roofing labor markets remaining extremely tight, we continue to view CCM [Carlisle Construction Materials] demand backdrop across non-residential building applications as strong and sustainable, consistent to what we experienced as we exited 2018.”
Christian Koch, CEO, Carlisle Companies Inc

Global economy

“I see no signs of a global recession in the coming 12 months. The central banks have loosened their policy above all because of the weak fourth quarter of 2018. We will go through a phase in which things are not great but also not bad. But we are naturally in a late phase of the economic growth cycle.”
Larry Fink, CEO, Blackrock

“UK macroeconomic pressures continue to have a negative impact on consumer spending in that region.”
Devin Wenig, CEO, Ebay

Source: Naos Asset Management

Economic Calendar 29/04/2019 – 3/05/2019

Monday April 29 2019		Actual	Previous	Consensus	Forecast	
05:00 PM	EA Business Confidence APR		0.53	0.49	0.51	
08:30 PM	US Personal Income MoM MAR		0.2%	0.4%	0.3%	
08:30 PM	US Personal Spending MoM MAR			0.7%	0.5%	
08:30 PM	US Personal Spending MoM FEB		0.1%	0.7%	0.3%	
Tuesday April 30 2019		Actual	Previous	Consensus	Forecast	
07:01 AM	GB Gfk Consumer Confidence APR		-13	-12	-12	
09:00 AM	CN NBS Manufacturing PMI APR		50.5	50.5	50.8	
02:00 PM	DE GfK Consumer Confidence MAY		10.4	10.4	10.2	
08:00 PM	DE Inflation Rate YoY Prel APR		1.3%	1.5%	1.3%	
	CN US-China Trade Talks					
Wednesday May 01 2019		Actual	Previous	Consensus	Forecast	
10:00 PM	US ISM Manufacturing PMI APR		55.3	55	54.7	
Thursday May 02 2019		Actual	Previous	Consensus	Forecast	
02:00 AM	US Fed Interest Rate Decision		2.5%	2.5%	2.5%	
09:45 AM	CN Caixin Manufacturing PMI APR		50.8	51	51	
03:55 PM	DE Markit Manufacturing PMI Final APR		44.1	44.5	44.5	
07:00 PM	GB BoE Interest Rate Decision		0.75%	0.75%	0.75%	
07:00 PM	GB BoE Quantitative Easing		£435B	£435B	£435B	
07:00 PM	GB MPC Meeting Minutes					
Friday May 03 2019		Actual	Previous	Consensus	Forecast	
08:30 PM	US Non Farm Payrolls APR		196K	180K	178K	
10:00 PM	US ISM Non-Manufacturing PMI APR		56.1	57	56.6	

Source: www.tradingeconomics.com

Economic Calendar 6/05/2019 – 10/05/2019

Tuesday May 07 2019		Actual	Previous	Consensus	Forecast	
09:30 AM	AU Balance of Trade MAR		A\$4.801B		A\$3.1B	
10:00 PM	CA Ivey PMI s.a APR		54.3		53.5	
Wednesday May 08 2019		Actual	Previous	Consensus	Forecast	
11:00 AM	CN Balance of Trade APR		\$32.67B		\$22B	
11:00 AM	CN Exports YoY APR		14.2%			
11:00 AM	CN Imports YoY APR		-7.6%			
	ZA General Elections					
	US US-China Trade Talks					
Thursday May 09 2019		Actual	Previous	Consensus	Forecast	
09:30 AM	CN Inflation Rate YoY APR		2.3%		1.4%	
01:00 PM	JP Consumer Confidence APR		40.5		41	
08:30 PM	CA Balance of Trade MAR		C\$-2.9B		C\$-1.5B	
08:30 PM	US Balance of Trade MAR		\$-49.4B		\$-52B	
Friday May 10 2019		Actual	Previous	Consensus	Forecast	
09:30 AM	AU RBA Statement on Monetary Policy					
02:00 PM	DE Balance of Trade MAR		€17.9B		€20.0B	
04:30 PM	GB Balance of Trade MAR		£-4.860B		£-2.7B	
08:30 PM	US Core Inflation Rate YoY APR		2%		2.2%	
08:30 PM	US Inflation Rate YoY APR		1.9%		1.7%	

Source: www.tradingeconomics.com

All Ords Top 10 Week Ending 26 April 2019

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
ECX	Eclixp Group Ltd	18.6	FLT	Flight Centre Travel	-10.6
BAL	Bellamy's Australia	16.8	GXY	Galaxy Resources	-5.2
BRG	Breville Group Ltd	8.2	WHC	Whitehaven Coal	-4.9
RMD	ResMed Inc.	7.1	ILU	Iluka Resources	-4.3
GMG	Goodman Group	7.0	IGO	Independence Group	-4.2
NAN	Nanosonics Limited	6.9	OZL	OZ Minerals	-4.1
WTC	Wisetech Global Ltd	6.8	NST	Northern Star	-4.1
IPH	IPH Limited	6.4	FMG	Fortescue Metals Grp	-3.9
A2M	The A2 Milk Company	6.1	ASL	Ausdrill Limited	-3.8
GOZ	Growthpoint Property	6.1	SYR	Syrah Resources	-3.2

Source: IRESS

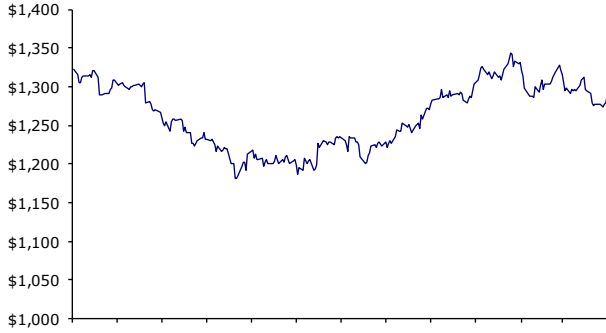
S & P Indices Week Ending 26 April 2019

S&P Indices	28/04/2019	21/04/2019	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	11398	11283	1.0%	2.9%	28.2%
S&P 200 Materials	12973	13055	-0.6%	-3.6%	31.0%
S&P 200 Industrials	6542	6370	2.7%	2.5%	28.2%
S&P 200 Consumer Disc.	2444	2394	2.1%	2.9%	16.7%
S&P 200 Consumer Staples	11542	11224	2.8%	5.0%	34.9%
S&P 200 Healthcare	30962	29840	3.8%	-0.8%	60.6%
S&P 200 Financials	6143	5990	2.6%	3.9%	-3.6%
S&P 200 Info Technology	1364	1317	3.6%	3.6%	75.4%
S&P 200 Telecommunicatic	1211	1210	0.1%	2.7%	-31.0%
S&P 200 Utilities	8335	7972	4.6%	2.4%	10.6%
S&P 200 Property Trusts	1577	1524	3.5%	1.0%	17.6%
S&P 200 Financials ex PT	6852	6681	2.6%	3.9%	-3.6%

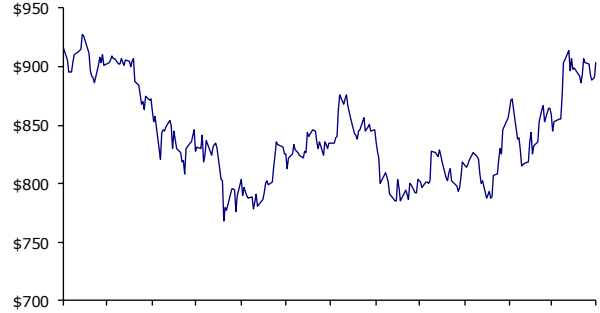
Source: IRESS

1 Year Commodity Price Charts

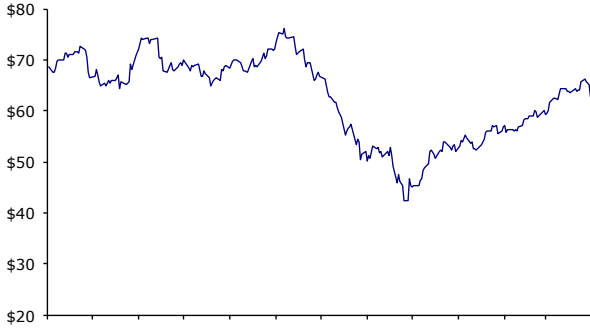
1 Year Gold



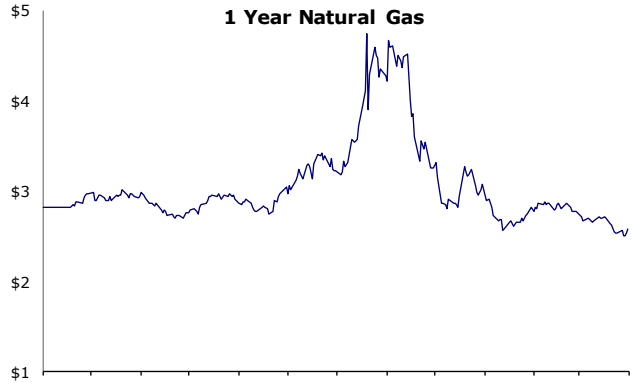
1 Year Platinum



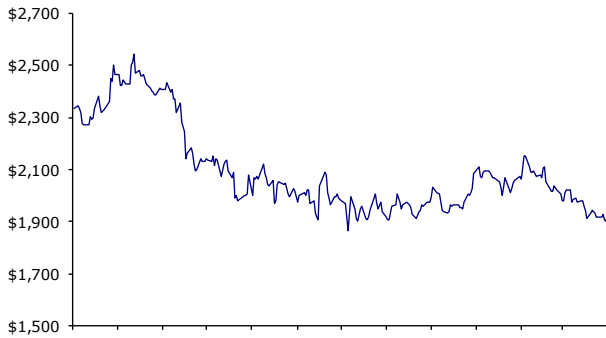
1 Year Oil



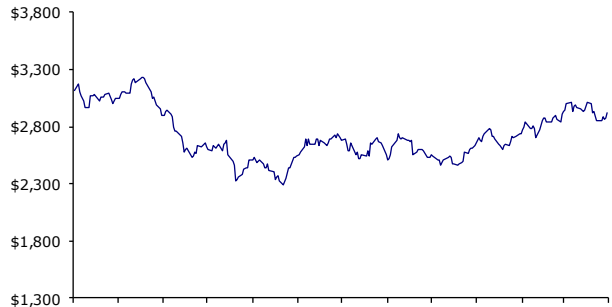
1 Year Natural Gas



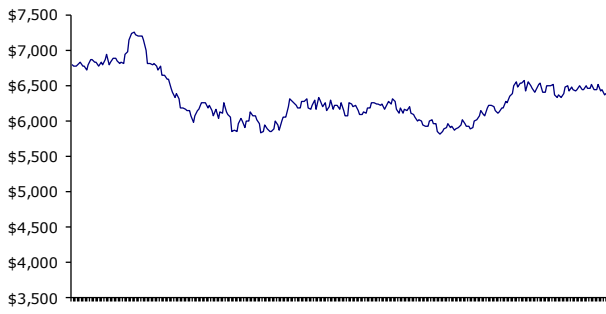
1 Year Lead



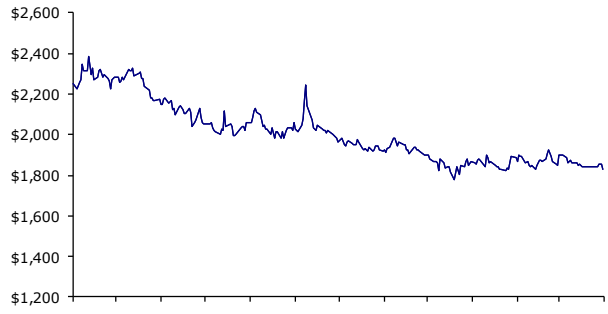
1 Year Zinc



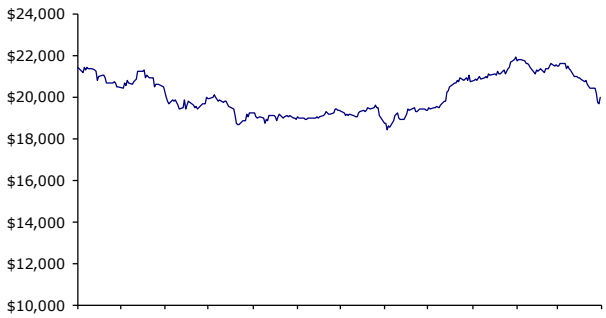
1 Year Copper



1 Year Aluminium

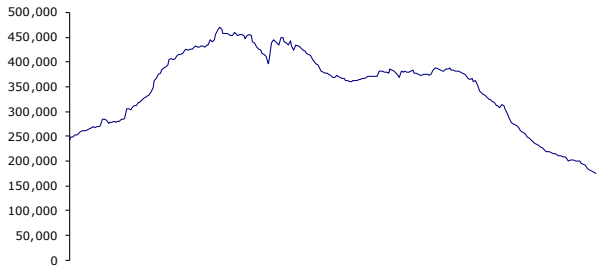


1 Year Tin

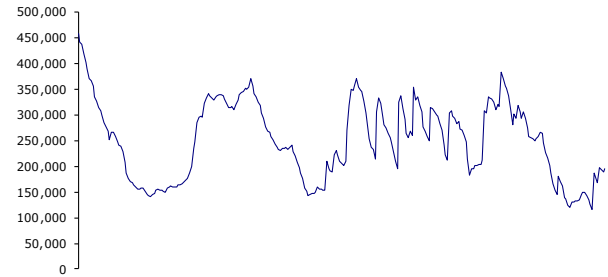


5 Year Metals Stockpiles

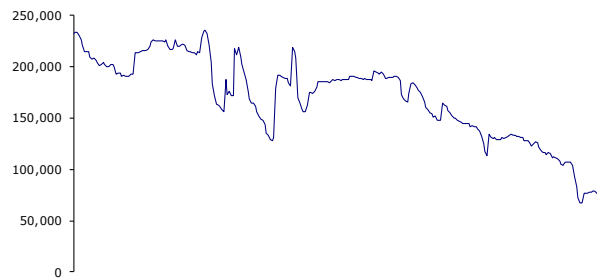
Nickel LME Stockpiles - 5 Year



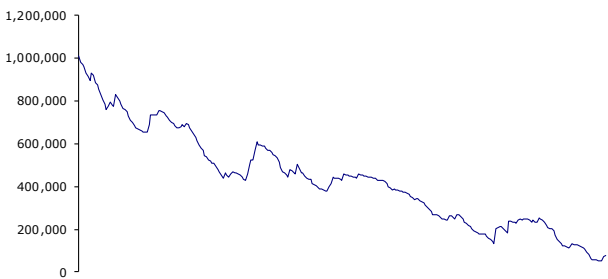
Copper LME Stockpiles - 5 Year



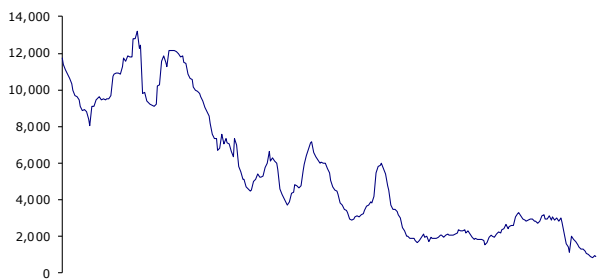
Lead LME Stockpiles - 5 Year



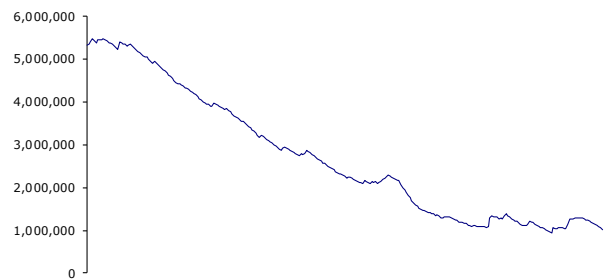
Zinc LME Stockpiles - 5 Year



Tin LME Stockpiles - 5 Year



Aluminium LME Stockpiles - 5 Year



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