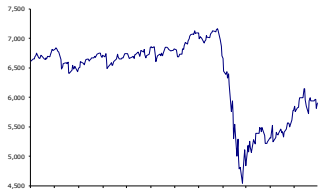


Issue 506
12-month XJO chart

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Global Wrap – 28 June 2020

World Markets	28/06/2020	21/06/2020	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	5904	5943	-0.6%	-0.6%	6.5%
S&P 500	3009	3098	-2.9%	-3.6%	34.0%
FTSE 100	6159	6293	-2.1%	-3.5%	-11.1%
DAX30	12089	12331	-2.0%	-3.2%	-2.8%
Shanghai Composite	2980	2965	0.5%	2.1%	-7.3%
Nikkei 225	22512	22437	0.3%	-0.8%	20.0%
Hang Seng	24550	24644	-0.4%	0.9%	7.4%
Currency					
AUD/USD	0.6861	0.6910	-0.7%	0.1%	-2.3%
Commodities					
Oil (\$/bbl)	38.2	40.6	-6.0%	2.4%	-34.4%
Gas (\$/gal)	1.5	1.7	-11.7%	-15.2%	-35.5%
Iron Ore (\$/t)	0.0	53.9	-100.0%	-100.0%	-100.0%
Copper (\$/t)	5986	5836	2.6%	8.8%	2.5%
Lead (\$/t)	1778	1778	0.0%	4.8%	-23.7%
Zinc (\$/t)	2015	2073	-2.8%	0.3%	-26.6%
Aluminium (\$/t)	1582	1587	-0.3%	3.7%	-8.6%
Nickel (\$/t)	12709	12855	-1.1%	-0.8%	11.8%
Tin (\$/t)	16990	16858	0.8%	5.0%	-20.6%
Gold (\$/oz)	1780	1753	1.6%	4.4%	51.9%
Silver (\$/oz)	18.2	18.0	0.8%	1.2%	6.3%
Platinum (\$/oz)	819	830	-1.3%	-4.8%	-12.6%
Wheat (\$/t)	475.750	485.500	-2.0%	-7.1%	16.5%

Source: Iress

Key points

1. The week in review
2. What happened on Friday
3. What to watch this week

The week in review

Equity market rallies and tumbles through the week affirmed the 'kangaroo market' classification, while rising coronavirus cases increased the risk of secondary lockdown measures, challenging the notion of a V-shaped recovery.

In the US, the NASDAQ Composite Index reached its 21st record high for the year on Tuesday, followed by a fall of more than 2% the next day.

European indexes fell under the weight of USD 3.1 billion in tariffs from Washington after reaching fresh highs on Tuesday.

The US Federal Reserve ordered the nation's largest banks to cap dividends and suspend share buybacks after its annual stress test, while US bank regulations were eased to allow banks to invest in risk assets using their balance sheets.

The MSCI World Index (AUD) is down 0.4% for the week and the S&P 500 Index is down 0.5% for the week.

While the **International Monetary Fund** upgraded Australia's economic outlook this week, the Australian Bureau of Statistics reported that job vacancies fell to a record low of 43% in the May quarter. The S&P/ASX All Ordinaries Accumulation Index closed down 0.8% for the week.

Markets on Friday

In the US the **Dow** slid 730.05 points, or 2.84%, to close at 25,015.55. The S&P 500 dropped 2.42% to 3,009.05. The **Nasdaq Composite** closed 2.59% lower at 9,757.22.

A recent surge in coronavirus cases sent stocks tumbling as investors worried this resurgence could further damage the economy, CNBC reported.

Texas and Florida rolled back some reopening measures in those states as coronavirus cases and hospitalisations continued to rise.

Bank shares were under pressure after the Federal Reserve released its annual stress test results. Goldman Sachs dropped 8.65% and JPMorgan Chase fell 5.48%. Wells Fargo closed 7.42% lower. Shares of **United** and **American Airlines** — which stand to benefit from the economy reopening — closed lower by 5.19% and 6.00%, respectively.

In corporate news on Friday **Amazon** announced it is shelling out more than \$1 billion on **self-driving car company Zoox**, one of its most expensive acquisitions ever.

But CEO Jeff Bezos is going to have to invest many multiples of that to bring the nascent technology to market.

The deal, which was announced on Friday and had been in the works for months prior, pits Amazon squarely against **Alphabet (Google)** spinout Waymo, **GM's** Cruise, **Uber**, **Tesla** and even **Apple**, which is doing its best to keep its self-driving [project](#) secretive.

Waymo [raised](#) \$2.25 billion in outside funding in March, its first external financing, in preparation for the long haul.

Stocks in **Asia** mostly rose on Friday as the coronavirus situation stateside continued to be monitored by investors.

In Japan, the **Nikkei 225** rose 1.13% to close at 22,512.08 as shares of conglomerate Softbank Group jumped 3.04%. South Korea's **Kospi** also gained 1.05% to close at 2,134.65.

Hong Kong's Hang Seng index bucked the overall trend regionally as it slipped 0.77% as of its final hour of trading, with shares of Chinese tech giant **Alibaba** dropping nearly 3%.

Markets in China were closed on Friday for a holiday.

European markets advanced on Friday despite surging coronavirus cases in the US and further warnings about a second market meltdown from the International Monetary Fund (IMF).

The **pan-European Stoxx 600** climbed 1.1% by early afternoon with tech stocks adding 2.3% to lead gains as all sectors and major bourses traded in positive territory.

A bank-inspired rebound added \$26 billion to the **Australian sharemarket** on Friday but the rally wasn't quite enough for the benchmark index to finish a volatile week in the black.

The **S&P/ASX 200** gained 86.4 points, or 1.5%, in the final session of the week to close at 5904.1.

The big four banks were winners, led by a 3.3% gain for **Westpac** to \$17.99.

Commonwealth Bank added 2.4% to \$69.27, **ANZ** rose 3% to \$18.80, and **NAB** gained 2.7% to \$18.40. The big miners also piled on gains with **BHP** rising 2.9% to \$36.05, **Rio Tinto** 2% to \$98.99 and **Fortescue Metals** 2.2% to \$14.18.

It wasn't enough, however, to wipe Thursday's heavy losses completely from the board.

There were 156 companies higher and 37 lower on Friday, with **Qantas** the worst of the bunch.

The national airline shed 9.1% to \$3.81 after resuming trade following its \$1.36 billion institutional placement.

On Thursday, the firm had announced plans to reduce its pre-crisis workforce by at least 6,000 roles as part of steps to recover from the coronavirus pandemic.

Energy stocks closed 2% higher after an **oil price** rebound and property stocks added 1.5% for the session.



Woolworths and **Coles** gained 0.9% and 1.2% respectively after announcing they would be reinstating purchasing limits on toilet paper.

Blood giant **CSL** weighed the health sector down with a 0.4% decline to \$292.74.

Dampening sentiment on Friday were reports that Australia's deficit ballooned to nearly \$65 billion in May, with revenues plummeting and spending skyrocketing in response to the pandemic.

This coming week British GDP and euro zone CPI will be released on Tuesday.

Deputy Governor of the Reserve Bank of Australia **Guy Debelle** will also present a speech on Tuesday.

The Australian and US trade balance will be announced on Thursday, then Australian retail sales will be released on Friday.

**Economic Calendar 29/06/2020 – 3/07/2020**

Monday June 29 2020		Actual	Previous	Consensus	Forecast
05:00 PM	EA Business Confidence JUN		-2.43		-2
Tuesday June 30 2020		Actual	Previous	Consensus	Forecast
09:00 AM	CN NBS Manufacturing PMI JUN		50.6		49.7
02:00 PM	GB GDP Growth Rate YoY Final Q1		1.1%	-1.6%	-1.6%
02:00 PM	GB GDP Growth Rate QoQ Final Q1		0.0%	-2%	-2%
03:00 PM	ES GDP Growth Rate YoY Final Q1		1.8%	-4.1%	-4.1%
03:00 PM	ES GDP Growth Rate QoQ Final Q1		0.4%	-5.2%	-5.2%
Wednesday July 01 2020		Actual	Previous	Consensus	Forecast
07:01 AM	GB Gfk Consumer Confidence JUN		-36		-32
07:50 AM	JP Tankan Large Manufacturers Index Q2		-8		-40
09:45 AM	CN Caixin Manufacturing PMI JUN		50.7		49.8
01:00 PM	JP Consumer Confidence JUN		24.0		30
Thursday July 02 2020		Actual	Previous	Consensus	Forecast
08:30 PM	CA Balance of Trade MAY		C\$-3.25B		
08:30 PM	US Balance of Trade MAY		\$-49.4B		\$-52.9B
08:30 PM	US Non Farm Payrolls JUN		2509K		-600K
Friday July 03 2020		Actual	Previous	Consensus	Forecast
09:30 AM	AU Balance of Trade MAY		A\$8.8B		

Source: www.tradingeconomics.com**Economic Calendar 6/07/2020 – 10/07/2020**

Monday July 06 2020		Actual	Previous	Consensus	Forecast
10:00 PM	CA Ivey PMI s.a JUN		39.1		43
Tuesday July 07 2020		Actual	Previous	Consensus	Forecast
12:30 PM	AU RBA Interest Rate Decision		0.25%		0.25%
Thursday July 09 2020		Actual	Previous	Consensus	Forecast
09:30 AM	CN Inflation Rate YoY JUN		2.4%		3.2%
02:00 PM	DE Balance of Trade MAY		€3.5B		€21.1B

Source: www.tradingeconomics.com

**All Ords Top 10 Week Ending 26 June 2020**

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
WSA	Western Areas Ltd	22.0	MSB	Mesoblast Limited	-19.8
SAR	Saracen Mineral	13.6	CTD	Corp Travel Limited	-18.8
FPH	Fisher & Paykel H.	10.2	FLT	Flight Centre Travel	-16.8
PRU	Perseus Mining Ltd	9.9	WEB	Webjet Limited	-15.1
SFR	Sandfire Resources	9.8	OML	Ooh!Media Limited	-14.9
ORADA	Orora Limited	8.8	PRN	Perenti Global Ltd	-14.3
SLR	Silver Lake Resource	8.0	AVHDA	Avita Therapeutics	-14.2
RMD	ResMed Inc.	7.4	CGF	Challenger Limited	-13.5
MIN	Mineral Resources.	7.2	EML	EML Payments Ltd	-13.1
GOR	Gold Road Res Ltd	6.6	QAN	Qantas Airways	-12.8

Source: IRESS

S & P Indices Week Ending 26 June 2020

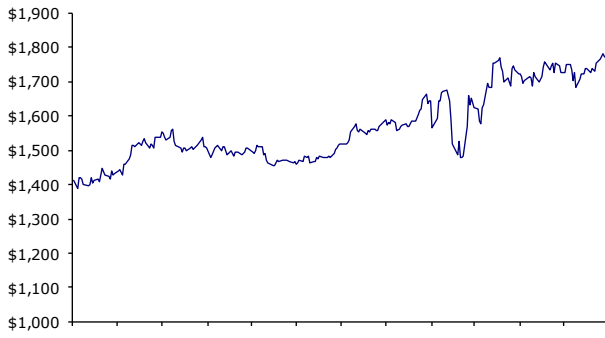
S&P Indices	28/06/2020	21/06/2020	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	7423	7755	-4.3%	-7.8%	-16.5%
S&P 200 Materials	13279	13012	2.0%	-1.5%	34.1%
S&P 200 Industrials	5737	5994	-4.3%	-4.9%	12.4%
S&P 200 Consumer Disc.	2409	2449	-1.6%	0.3%	15.0%
S&P 200 Consumer Staples	12291	12445	-1.2%	1.5%	43.7%
S&P 200 Healthcare	42550	41952	1.4%	2.6%	120.7%
S&P 200 Financials	4818	4843	-0.5%	0.9%	-24.4%
S&P 200 Info Technology	1552	1595	-2.7%	0.3%	99.6%
S&P 200 Telecommunicatic	1168	1194	-2.2%	-2.2%	-33.5%
S&P 200 Utilities	7703	7788	-1.1%	-1.1%	2.2%
S&P 200 Property Trusts	1251	1276	-2.0%	-1.9%	-6.8%
S&P 200 Financials ex PT	5374	5402	-0.5%	0.9%	-24.4%

Source: IRESS

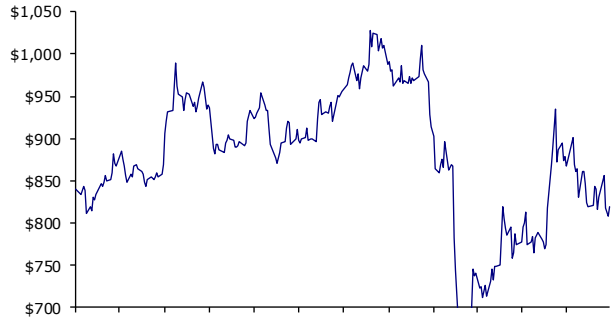


1 Year Commodity Price Charts

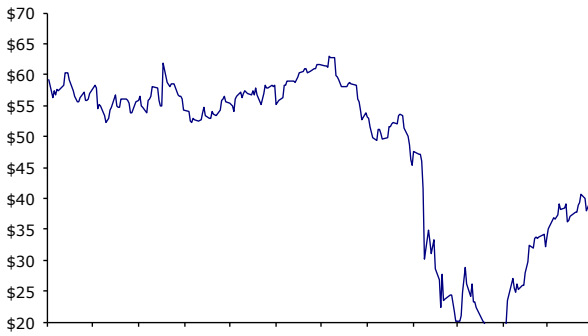
1 Year Gold



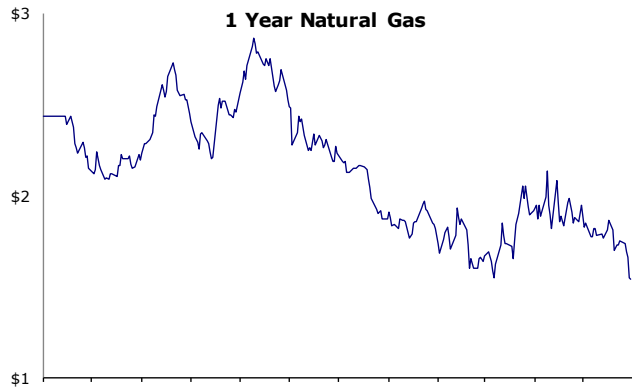
1 Year Platinum



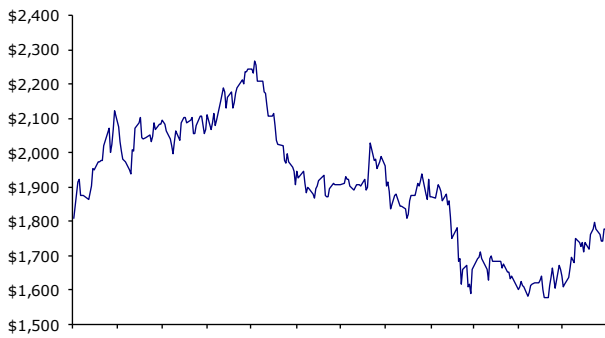
1 Year Oil



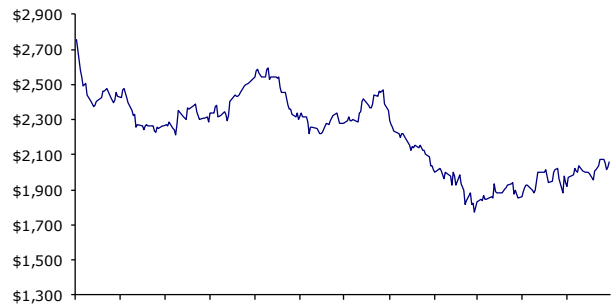
1 Year Natural Gas



1 Year Lead

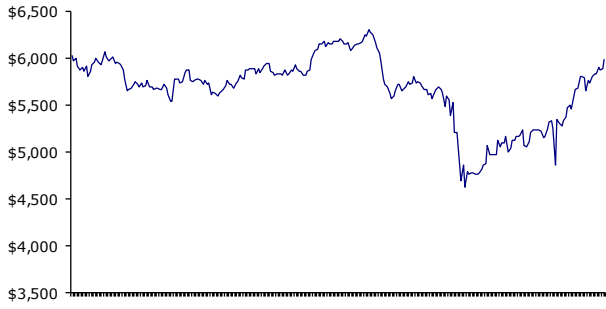


1 Year Zinc

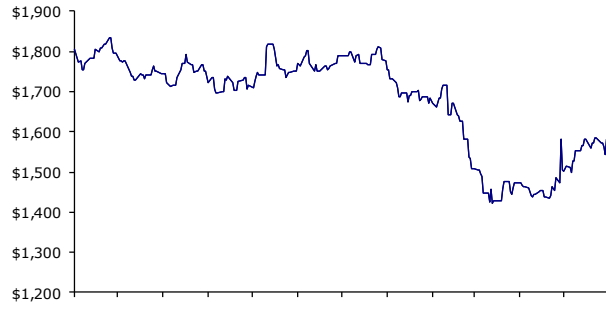




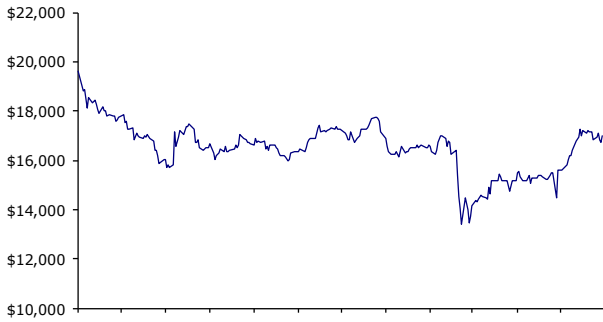
1 Year Copper



1 Year Aluminium

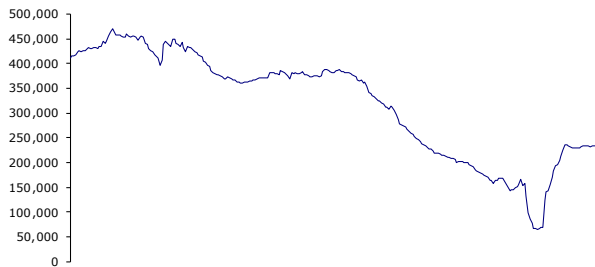


1 Year Tin

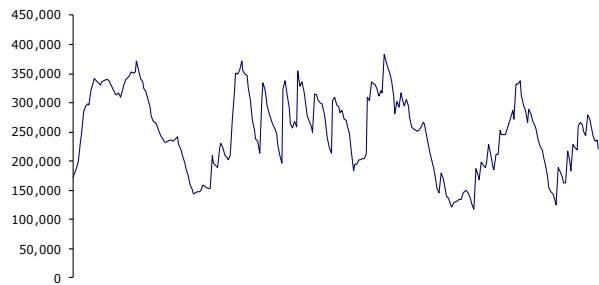


5 Year Metals Stockpiles

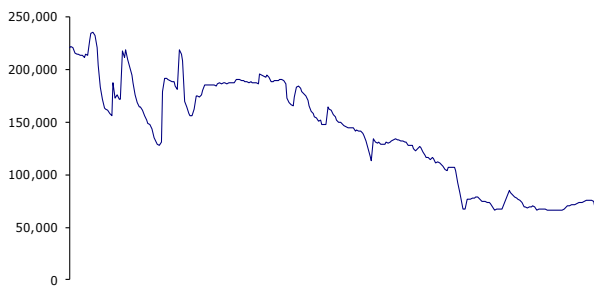
Nickel LME Stockpiles - 5 Year



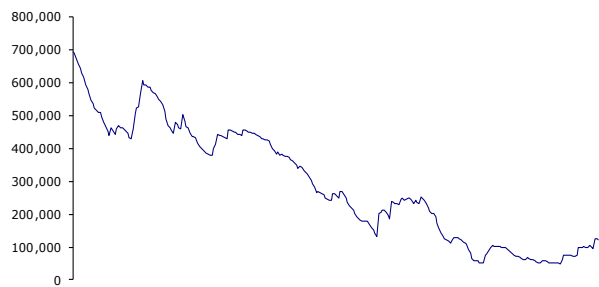
Copper LME Stockpiles - 5 Year



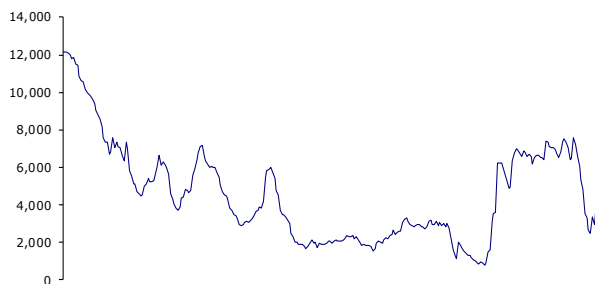
Lead LME Stockpiles - 5 Year



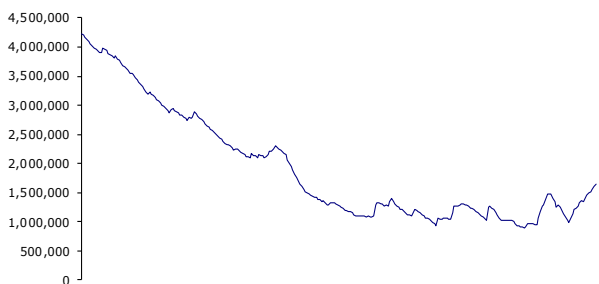
Zinc LME Stockpiles - 5 Year



Tin LME Stockpiles - 5 Year



Aluminium LME Stockpiles - 5 Year





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