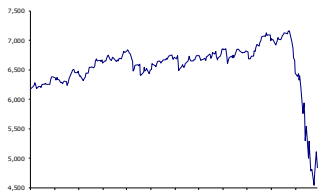
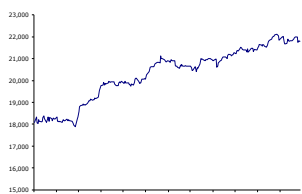


**Issue 494**
**12-month XJO chart**

**12-month Dow Jones chart**

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**Global Wrap – 29 March 2020**

World Markets	29/03/2020	22/03/2020	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	4842	4817	0.5%	-23.4%	-12.6%
Dow Jones	21798	21988	-0.9%	-1.0%	18.0%
Nasdaq	5284	5284	0.0%	-0.2%	21.9%
S&P 500	2541	2305	10.3%	-18.8%	13.1%
FTSE 100	5510	5191	6.2%	-19.2%	-20.5%
DAX30	9633	8929	7.9%	-20.6%	-18.7%
Shanghai Composite	2772	2660	4.2%	-9.7%	-13.8%
Nikkei 225	19389	16888	14.8%	-9.1%	3.3%
Hang Seng	23484	22805	3.0%	-10.4%	2.7%
<b>Currency</b>					
AUD/USD	0.6166	0.5825	5.9%	7.4%	-13.1%
<b>Commodities</b>					
Oil (\$/bbl)	21.8	23.8	-8.3%	-52.6%	-63.8%
Gas (\$/gal)	1.7	1.6	4.2%	-8.5%	-38.4%
Iron Ore (\$/t)	0.0	53.9	-100.0%	-100.0%	-100.0%
Copper (\$/t)	4774	4855	-1.7%	-16.2%	-18.2%
Lead (\$/t)	1690	1674	1.0%	-10.4%	-27.5%
Zinc (\$/t)	1774	1880	-5.7%	-9.7%	-35.4%
Aluminium (\$/t)	1506	1581	-4.7%	-11.7%	-13.0%
Nickel (\$/t)	11225	11370	-1.3%	-11.6%	-1.3%
Tin (\$/t)	14355	14500	-1.0%	-15.6%	-32.9%
Gold (\$/oz)	1625	1485	9.5%	-1.1%	38.6%
Silver (\$/oz)	14.5	12.4	17.4%	-15.7%	-15.0%
Platinum (\$/oz)	740	623	18.9%	-15.4%	-21.1%
Wheat (\$/t)	572.750	540.000	6.1%	10.5%	40.3%

Source: Iress

**Key points**

- 1. Week in review**
- 2. What happened Friday**
- 3. What happens next**

**Week in review**

After a steep decline on Monday, sharp rallies made global equity markets climb higher this week as the US Congress neared the approval of a USD 2 trillion stimulus package.

The Dow Jones Industrial Average recorded the largest one-day gain since 1933 and soared 20% above its recent lows to mark a technical, albeit superficial, end to the current bear market.

Meanwhile, the economic impacts of COVID-19 became clearer as the US reported a 3.3 million rise in weekly unemployment claims, the largest in history by a factor of five.

The MSCI World Index (AUD) and S&P 500 Index is up 9.9% and 10.1% for the week.

The S&P/ASX All Ordinaries Accumulation Index closed the week up 0.7%, following the global lead.



As global economic activity grinds to a halt due to containment strategies employed to combat COVID-19, financial markets are under severe pressure to cope with the subsequent economic shock of huge but uncertain proportions.

The US Federal Reserve, the European Central Bank and the Reserve Bank of Australia have uniformly echoed 'whatever-it-takes' positions.

Meanwhile, governments have also taken drastic fiscal action to prevent a credit crunch as we approach the self-induced recession.

Historically, event-driven downturns have ended sooner than others. Although they are often sharper, the pain generally passes faster.

At times of crisis, the US dollar is king, the ultimate safe haven as volatility peaks. As the COVID-19 induced global slowdown persists, we have seen the US dollar spike. In turn, this has meant the dramatic sell-off across all other currencies, including the Australian dollar. The rise in demand of US dollar also means a decrease in US dollar liquidity, heightening volatility in all asset classes.

## What happened Friday

### US

The Dow closed 915.39 points lower, or 4.06%, at 21,636.78. The S&P 500 slid 3.37% to 2,541.47, CNBC reported. The Nasdaq Composite pulled back 3.79% to 7,502.38. Stocks fell broadly after a sharp spike in US coronavirus cases led investors to take profits following a massive three-day rally.

Data compiled by Johns Hopkins University showed the US now has the most confirmed coronavirus cases in the world, more than 85,000, surpassing China and Italy.

The grim data took a bite out of the Dow and S&P 500's sharp gains for the week. Both indexes were also coming off their biggest three-day surge since the 1930s. Stocks recovered some of their Friday losses, however after the House passed a massive economic stimulus bill, sending it to President Donald Trump for signing.

Boeing shares slid more than 10% to end a volatile week for the airplane maker. The drop came after Treasury Secretary Steven Mnuchin said Boeing would not seek a government bailout. A 4.8% drop in oil prices drove the S&P 500 energy sector down by nearly 7%.

In **Japan**, where the coronavirus curve is flattening, the [Nikkei 225](#) advanced 3.88% by the close at 19,389.43 while the Topix index gained 4.3% to end its trading day at 1,459.49.

Mainland **Chinese stocks** were mixed by their close, with the Shanghai composite rising 0.26% to about 2,772.20 while the Shenzhen composite dipped 0.459% to around 1,693.35.

On the economic data front, China's industrial profits for January-February plunged 38.3% year-on-year, according to the country's National Bureau of Statistics. The period covered by the data release coincided with lockdowns announced by the Chinese government to combat the spread of the coronavirus in the country, where the disease was first reported.

The **pan-European Stoxx 600** closed down 3.2%, with autos and travel and leisure stocks dropping more than 5.7% to lead losses as all sectors and major bourses slid into negative territory.

European Union leaders on Thursday failed to agree on how best to shore up economies hammered by the coronavirus, which has now infected more than 533,000 people worldwide, according to data compiled by Johns Hopkins University.

In the UK Prime Minister Boris Johnson announced Friday that he had tested positive for coronavirus, and vowed to self-isolate at home while continuing to "lead the national fightback against coronavirus."

EU policymakers have allowed themselves two more weeks to work out details, as death tolls in Italy, Spain and France, in particular, continue to surge.

The **European Central Bank** (ECB) has scrapped its cap on the quantity of bonds it can buy from any single euro zone nation, potentially paving the way for unlimited money-printing in a bid to mitigate the economic damage to the bloc.



Meanwhile, **leaders of the G20 (Group of 20) major economies have vowed to pump over \$5 trillion into the global economy** in a coordinated effort to minimise job and income losses from business shutdowns around the world.

In corporate news, Volkswagen has extended its halt to production in Germany until April 9 as it deals with the fallout from the outbreak.

In terms of individual share price action, British tour operator Carnival and postal service Royal Mail both fell more than 14% by mid-afternoon, while Swedish retailer Ica Grumman gained 4% to lead the European benchmark.

### **Australia**

Australian shares slipped more than 5% on Friday, but managed to clock a marginal weekly gain, as sweeping quarantine rules to curb the spread of the coronavirus intensified fears of a deeper economic fallout despite stimulus measures, Reuters reported.

The S&P/ASX 200 index was unable to hold on to initial gains, and fell 5.3% to finish at 4,842.40. The index ended the week 0.5% higher, with Friday's losses erasing most of the gains made over the past three sessions.

The index has fallen nearly 33% since its peak on February 20.

Australia will be introducing enforced quarantine by midnight on Saturday for citizens returning home from overseas, as the number of coronavirus cases surpassed 3,000 on Friday from less than 100 at the start of March, raising fears of a community spread.

ANZ Research estimates that “a six-week widespread shutdown in second-quarter and then a progressive relaxation will lead to gross domestic product slumping 13% over the quarter.”

Meanwhile, listed companies in Australia and New Zealand have already laid off or began considering laying off at least 106,955 people, temporarily or permanently, underlining the toll on livelihoods as virtual lockdowns take hold.

The heavyweight financials sub-index declined 5.8%, with all the big four banks finishing firmly in the red. Top lender **Commonwealth Bank of Australia** and second-largest bank **Westpac Banking Corp** declined 6.7% and 7.1%.

Among mining stocks, which represent a majority chunk in the index, global miners **BHP Group** and **Rio Tinto** finished 5.4% and 2.7% lower, respectively.

Energy stocks shed more than 5%, with **Woodside Petroleum** losing 6.4% after it halved its forecast spending for 2020 and deferred go-ahead decisions for its two biggest gas projects.

### **What happens next?**

Investors will be on the lookout for any new developments on the coronavirus front.

**Economic Calendar 30/03/2020 – 3/04/2020**

Monday March 30 2020		Actual	Previous	Consensus	Forecast	
05:00 PM	EA Business Confidence MAR		-0.04	-0.05	-0.6	
Tuesday March 31 2020		Actual	Previous	Consensus	Forecast	
07:01 AM	GB Gfk Consumer Confidence MAR		-7	-12	-13	
09:00 AM	CN NBS Manufacturing PMI MAR		35.7		40.2	
02:00 PM	GB GDP Growth Rate YoY Final Q4		1.2%	1.1%	1.1%	
02:00 PM	GB GDP Growth Rate QoQ Final Q4		0.5%	0.0%	0.0%	
03:00 PM	ES GDP Growth Rate YoY Final Q4		1.9%	1.8%	1.8%	
03:00 PM	ES GDP Growth Rate QoQ Final Q4		0.4%	0.5%	0.5%	
Wednesday April 01 2020		Actual	Previous	Consensus	Forecast	
07:50 AM	JP Tankan Large Manufacturers Index Q1		0	-10	-22	
09:45 AM	CN Caixin Manufacturing PMI MAR		40.3	45.6	45.7	
09:00 PM	RU GDP Growth Rate YoY Q4		1.7%		1.9%	
Thursday April 02 2020		Actual	Previous	Consensus	Forecast	
08:30 PM	CA Balance of Trade FEB		C\$-1.47B	-0.83B	C\$ -2B	
08:30 PM	US Balance of Trade FEB		\$-45.3B	\$-46.1B		
Friday April 03 2020		Actual	Previous	Consensus	Forecast	
02:15 PM	IN RBI Interest Rate Decision		5.15%		4.5%	
08:30 PM	US Non Farm Payrolls MAR		273K	-293K	-100K	

Source: [www.tradingeconomics.com](http://www.tradingeconomics.com)**Economic Calendar 6/04/2020 – 10/04/2020**

Tuesday April 07 2020		Actual	Previous	Consensus	Forecast	
09:30 AM	AU Balance of Trade FEB		A\$5.21B		A\$3.8B	
10:00 PM	CA Ivey PMI s.a MAR		54.1		50	
Thursday April 09 2020		Actual	Previous	Consensus	Forecast	
01:00 PM	JP Consumer Confidence MAR		38.4		37	
02:00 PM	DE Balance of Trade FEB		€13.9B		€18.2B	
04:30 PM	GB Balance of Trade FEB		£4.2B		£2.2B	
Friday April 10 2020		Actual	Previous	Consensus	Forecast	
09:30 AM	CN Inflation Rate YoY MAR		5.2%		5.4%	
08:30 PM	US Core Inflation Rate YoY MAR		2.4%		2.6%	
08:30 PM	US Inflation Rate YoY MAR		2.3%		1.7%	

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

**All Ords Top 10 Week Ending 27 March 2020**

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
APT	Afterpay Limited	53.5	GNC	GrainCorp Limited	-60.1
CTD	Corp Travel Limited	45.6	SXL	Sthn Cross Media	-32.7
GOR	Gold Road Res Ltd	32.9	IVC	InvoCare Limited	-23.8
QAN	Qantas Airways	31.8	APE	AP Eagers Limited	-22.6
CUV	Clinuvel Pharmaceut.	28.9	PNI	Pinnacle Investment	-19.7
SYD	SYD Airport	24.7	FBU	Fletcher Building	-17.5
SGR	The Star Ent Grp	23.8	PRN	Perenti Global Ltd	-15.6
WTC	Wisetech Global Ltd	22.9	VCX	Vicinity Centres	-15.0
AVH	Avita Medical Ltd	22.4	BOQ	Bank of Queensland.	-14.0
AZJ	Aurizon Holdings Ltd	19.8	HUB	HUB24 Ltd	-13.9

Source: IRESS

**S & P Indices Week Ending 27 March 2020**

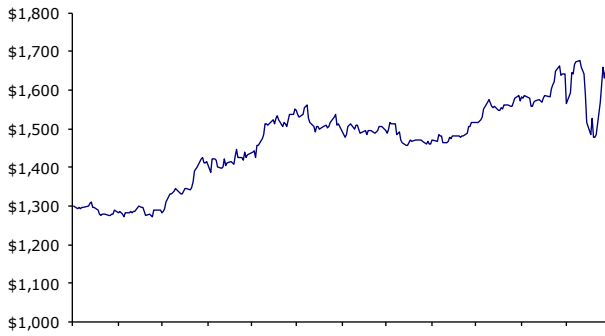
S&P Indices	29/03/2020	22/03/2020	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	5644	5431	3.9%	-39.4%	-36.5%
S&P 200 Materials	10517	10113	4.0%	-15.8%	6.2%
S&P 200 Industrials	4938	4516	9.4%	-23.6%	-3.2%
S&P 200 Consumer Disc.	1754	1742	0.7%	-29.1%	-16.2%
S&P 200 Consumer Staples	11491	12173	-5.6%	-5.4%	34.3%
S&P 200 Healthcare	38488	37231	3.4%	-11.6%	99.6%
S&P 200 Financials	3936	4075	-3.4%	-29.8%	-38.2%
S&P 200 Info Technology	992	914	8.5%	-22.3%	27.5%
S&P 200 Telecommunicatic	1015	1031	-1.6%	-17.7%	-42.2%
S&P 200 Utilities	6918	7011	-1.3%	-11.8%	-8.2%
S&P 200 Property Trusts	959	988	-3.0%	-39.2%	-28.5%
S&P 200 Financials ex PT	4390	4545	-3.4%	-29.8%	-38.2%

Source: IRESS

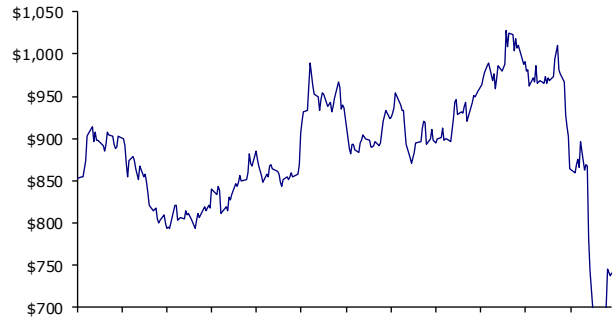


### 1 Year Commodity Price Charts

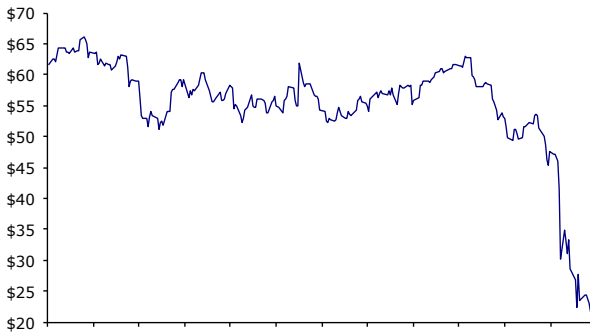
**1 Year Gold**



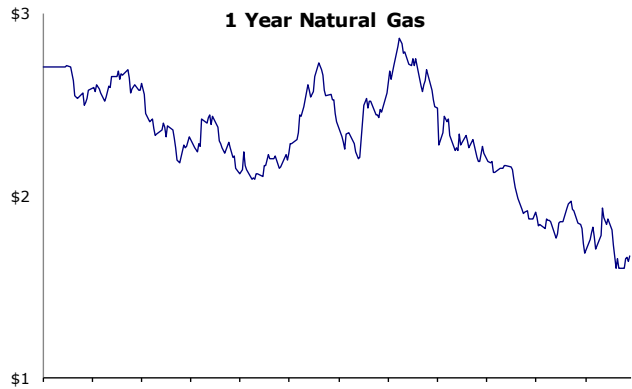
**1 Year Platinum**



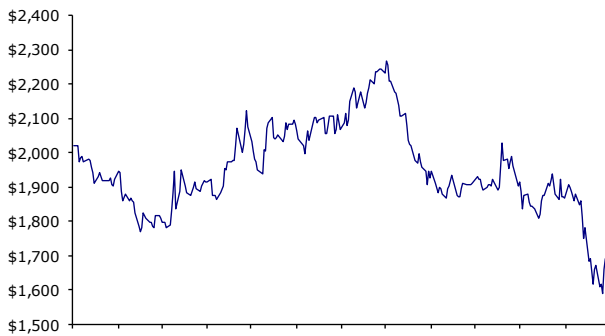
**1 Year Oil**



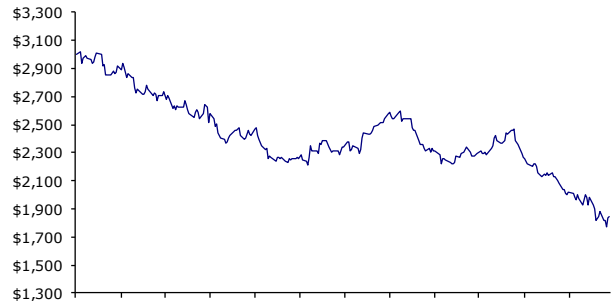
**1 Year Natural Gas**



**1 Year Lead**

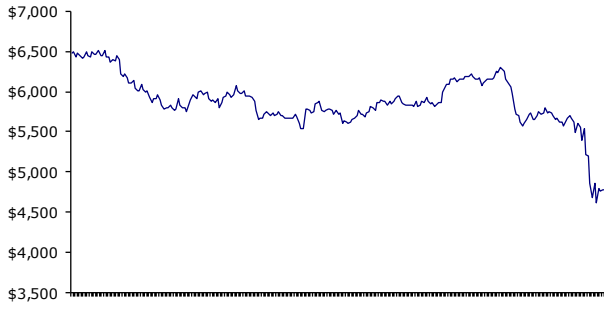


**1 Year Zinc**

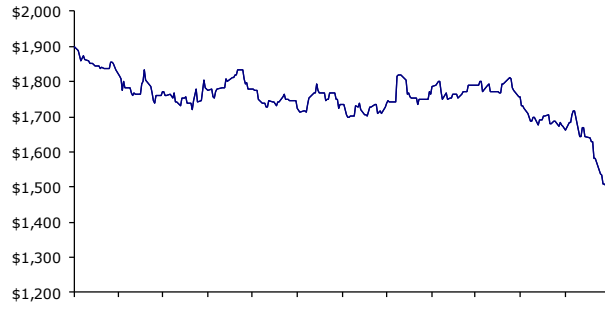




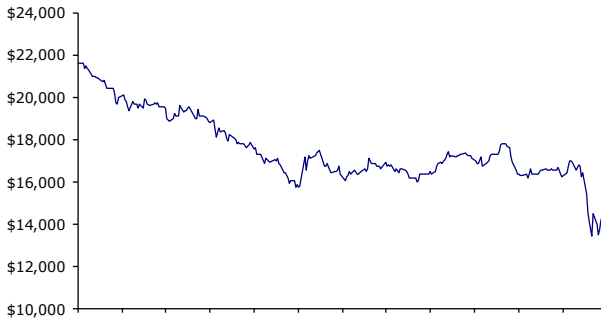
**1 Year Copper**



**1 Year Aluminium**

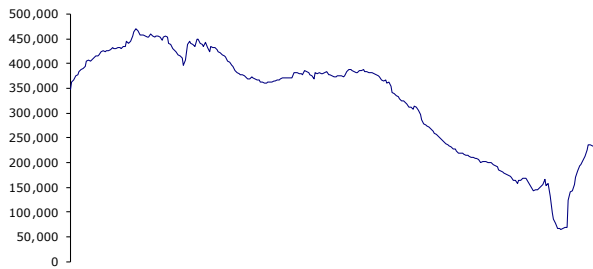


**1 Year Tin**

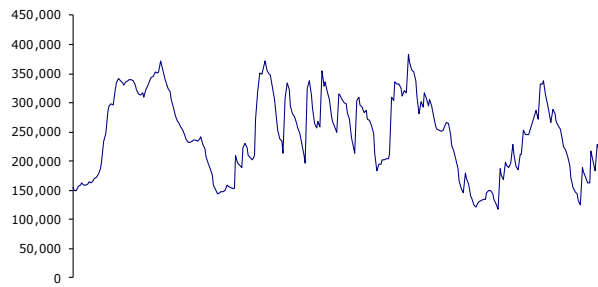


**5 Year Metals Stockpiles**

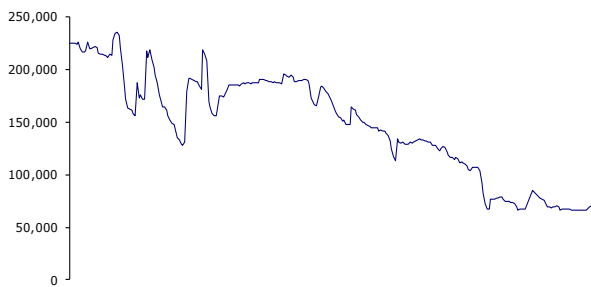
**Nickel LME Stockpiles - 5 Year**



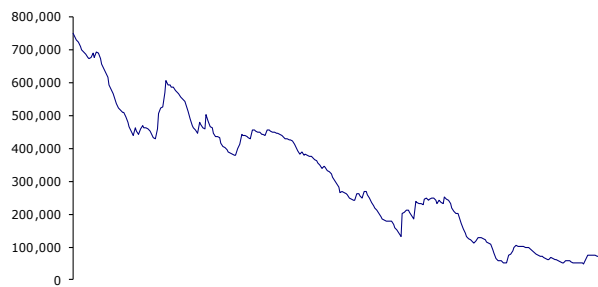
**Copper LME Stockpiles - 5 Year**



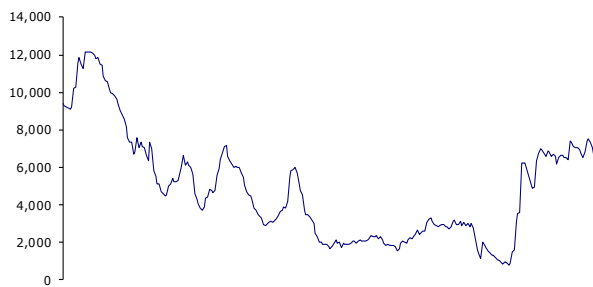
**Lead LME Stockpiles - 5 Year**



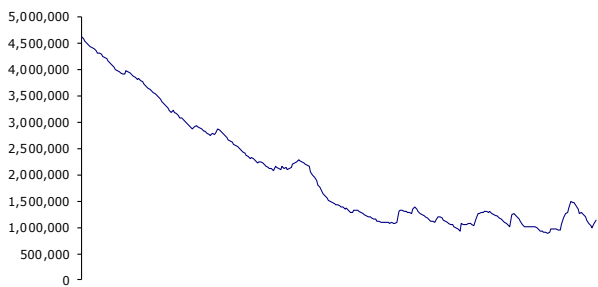
**Zinc LME Stockpiles - 5 Year**



**Tin LME Stockpiles - 5 Year**



**Aluminium LME Stockpiles - 5 Year**





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