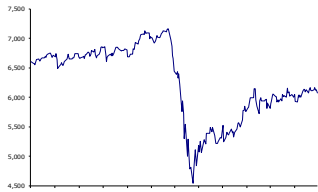
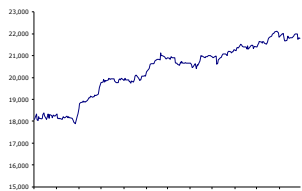


Issue 515
12-month XJO chart

12-month Dow Jones chart

State One Research Products

Spinnaker	Free
	Weekly
Market	Free
Opener	Daily

For more research visit:
www.stateone.com.au/research
State One Stockbroking Ltd

 Head Office
 Level 14,
 172 St George's Terrace
 Perth WA 6000
 Tel: +61 (8) 9288 3388 or
 1300 651 898
 Email: advice@stateone.com.au
 Web: www.stateone.com.au
Global Wrap – 30 August 2020

World Markets	30/08/2020	23/08/2020	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	6074	6111	-0.6%	1.2%	9.6%
S&P 500	3508	3397	3.3%	5.4%	56.2%
FTSE 100	5964	6002	-0.6%	-2.3%	-14.0%
DAX30	13033	12765	2.1%	2.9%	6.2%
Shanghai Composite	3404	3386	0.5%	0.5%	5.9%
Nikkei 225	22883	22986	-0.4%	2.1%	21.9%
Hang Seng	25422	25114	1.2%	1.3%	11.2%
Currency					
AUD/USD	0.7366	0.7161	2.9%	2.4%	9.3%
Commodities					
Oil (\$/bbl)	43.0	42.4	1.3%	2.3%	-21.9%
Gas (\$/gal)	2.7	2.4	8.5%	21.3%	3.2%
Iron Ore (\$/t)	0.0	53.9	-100.0%	-100.0%	-100.0%
Copper (\$/t)	6732	6565	2.6%	3.2%	15.3%
Lead (\$/t)	1975	1965	0.5%	4.6%	-15.3%
Zinc (\$/t)	2454	2450	0.2%	3.5%	-10.6%
Aluminium (\$/t)	1763	1723	2.4%	3.1%	1.8%
Nickel (\$/t)	15425	14562	5.9%	8.2%	35.7%
Tin (\$/t)	17800	17660	0.8%	-0.9%	-16.8%
Gold (\$/oz)	1975	1947	1.4%	-3.6%	68.4%
Silver (\$/oz)	27.6	26.7	3.3%	2.7%	61.5%
Platinum (\$/oz)	940	926	1.5%	-5.0%	0.2%
Wheat (\$/t)	539.500	527.000	2.4%	5.7%	32.1%

Source: Iress

Key points

1. Last week in review
2. Friday's markets
3. What to watch next week

Last week in review

Capital expenditure data released on Thursday highlighted the robust state of the Australian mining sector. Business investment fell 5.9% in the three months to June, a better result compared to economists' forecasts, as mining sector investment declined only 1%.

Iron ore producer **Fortescue Metals Group** announced a 49% increase in net profit on the prior year and an increased dividend, supported by the surge in iron ore prices this year.

Woolworths recorded an increase in total sales and revenue as supermarket sales surged during the coronavirus pandemic. The group's online sales also soared 41.8% to \$3.5 billion as consumers embraced the retail giant's digital offering.



Strong results were also announced by leading software provider for the Australian defence and health sector, **Citadel Group**, information technology software and services supplier, **Objective Corporation**, global ship builder and defence contractor **Austal** and buy now, pay later leader **Afterpay**.

US-listed global financial software company **Intuit** reported a solid earnings beat, with 13% year-on-year revenue growth and the strongest customer growth in four years. Intuit shares have increased 11.7% this month.

Friday's markets

The **Dow** jumped 161.60 points, or 0.6%, to 28,653.87. The **S&P 500** climbed 0.7% to close at 3,508.01. The **Nasdaq Composite** advanced 0.6% to end the day at 11,695.63. Stocks ended the week on a high note, with the Dow erasing its 2020 losses, CNBC reported.

The gains came after the release of **positive economic data**. US consumer spending rose 1.9% in July, topping a Reuters forecast of a 1.5% gain. Personal income was also stronger than expected, rising 0.4% while economists had forecast a drop of 0.2%.

Coca-Cola shares jumped 3.3% to lead the Dow higher on Friday. The move came after the company announced a restructuring plan that would streamline its drink portfolio to focus on its larger and more popular brands. **Walmart** also contributed to the gains, advancing 2.7%.

Shares in Japan fell. The **Nikkei 225** closed 1.41% lower at 22,882.65 after dropping more than 2% earlier during the session.

The moves came following local media reports the country's Prime Minister, Shinzo Abe, would resign. Abe later confirmed his surprise resignation to "deal with a health problem" during a Friday press conference after the market close in Japan.

Mainland Chinese stocks led gains among Asia's major markets, with the **Shanghai composite** up 1.6% to approximately 3,403.81 and the **Shenzhen component** gaining 2.336% to around 13,851.32. Hong Kong's **Hang Seng** index advanced 0.56% to finish its trading day at 25,422.06. South Korea's **Kospi** gained 0.4% to close at 2,353.80.

The **pan-European Stoxx 600** provisionally closed down by 0.4%, with most sectors trading in negative territory.

Europe's banking index, however, rose by more than 1.7%. The reaction comes after **comments from US Federal Reserve Chairman Jerome Powell**. He unveiled a major policy change which suggests that interest rates are likely to remain low for some time.

Powell said the Fed would allow inflation and employment to run above target levels to support the economy. In practice, this means that the Fed will allow inflation to run above 2% before it changes its rates.

Economic data was also in focus Friday. France's second-quarter GDP (gross domestic product) was confirmed at -13.8%. Meanwhile, France's statistical office reported that household consumption rose 0.5% in July from the previous month.

In Spain, retail sales dropped 3.9% year-on-year in the month of July, a slight improvement from the previous reading.

Rolls-Royce, the engine maker, said it would sell assets in an attempt to raise 2 billion pounds. Shares fell by about 3%.

Weaker commodity prices and an unwinding of growth stocks knocked the **ASX 200** lower to seal the market's worst weekly performance this month, The Sydney Morning Herald reported.

The local benchmark finished 52.4 points, or 0.9% lower, on Friday to close at 6073.8. Gold and iron ore miners weighed heavily while investors dumped tech and health shares in favour of the big banks, continuing the trend back to financials.

The index lost 0.6% for the week, its second straight weekly decline.

It was a poor session for the local materials sector, due to a softening of commodities prices.

BHP dropped 1.9% to \$37.73, **Rio Tinto** fell 2.2% to \$97.88, and **Fortescue Metals** shed 2.2% to \$18.87. **Newcrest** dropped 2.5% to \$31.37.



Tech was largely in retreat. **Afterpay** dropped 2.8% to \$88.75 while **Appen** was hammered for a second straight day, losing 10.4% to \$34.65.

Biotech **CSL** fell 1.3% to \$289.89 while fellow blue-chips **Woolworths**, **Wesfarmers**, **Macquarie Group**, **Transurban**, **ResMed**, and **Telstra** all finished in the red.

Commonwealth Bank was flat at \$69.09 while **Westpac** added 0.9% to \$17.56, **NAB** gained 0.7% to \$17.93, and **ANZ** finished 0.4% higher at \$18.40.

Among reporting companies, **Harvey Norman** gave up early gains to close 1.6% lower at \$4.24. The firm reported record sales and profit figures on account of customers' COVID-19 cocooning at home.

Construction materials firm **Boral** rose 2.3% to \$3.93, while **Costa Group** added 11.8% to finish at \$3.31.

Bookmaker **PointsBet** more than doubled its share price to \$16.40 on a partnership deal with US sports broadcast giant NBC. It closed 86.7% higher at \$14.

This coming week is a big one for Australian news and data, with the Reserve Bank of Australia's interest rate decision on Tuesday, the Australian GDP reading on Wednesday, trade balance on Thursday and retail sales on Friday.

The closely watched non-farm payroll figure from the US will also be out Friday.

**Economic Calendar 31/08/2020 – 4/09/2020**

Monday August 31 2020				Actual	Previous	Consensus	Forecast	
09:00 AM	CN	NBS Manufacturing PMI AUG		51.1	51.2	51.3		
01:00 PM	JP	Consumer Confidence AUG		29.5		29		
03:00 PM	TR	GDP Growth Rate YoY Q2		4.5%	-11.8%	-12.9%		
04:00 PM	IT	GDP Growth Rate QoQ Final Q2		-5.4%	-12.4%	-12.4%		
04:00 PM	IT	GDP Growth Rate YoY Final Q2		-5.5%	-17.3%	-17.3%		
Tuesday September 01 2020				Actual	Previous	Consensus	Forecast	
09:45 AM	CN	Caixin Manufacturing PMI AUG		52.8	52.7	52.4		
12:30 PM	AU	RBA Interest Rate Decision		0.25%		0.25%		
08:00 PM	BR	GDP Growth Rate YoY Q2		-0.3%	-10.7%	-10%		
Wednesday September 02 2020				Actual	Previous	Consensus	Forecast	
09:30 AM	AU	GDP Growth Rate QoQ Q2		-0.3%	-6%	-8%		
09:30 AM	AU	GDP Growth Rate YoY Q2		1.4%	-5.3%	-7.5%		
Thursday September 03 2020				Actual	Previous	Consensus	Forecast	
09:30 AM	AU	Balance of Trade JUL		A\$8.202B		A\$7.6B		
08:30 PM	CA	Balance of Trade JUL		C\$-3.19B		C\$-3.5B		
08:30 PM	US	Balance of Trade JUL		\$-50.7B	\$-52.34B	\$-55.4B		
Friday September 04 2020				Actual	Previous	Consensus	Forecast	
08:30 PM	US	Non Farm Payrolls AUG		1763K	1550K	1490K		
10:00 PM	CA	Ivey PMI s.a AUG		68.5		67		

Economic Calendar 7/09/2020 – 11/09/2020

Tuesday September 08 2020				Actual	Previous	Consensus	Forecast	
07:50 AM	JP	GDP Growth Rate QoQ Final Q2		-0.6%		-4.2%		
09:30 AM	AU	NAB Business Confidence AUG		-14		-18		
02:00 PM	DE	Balance of Trade JUL		€15.6B		€22B		
05:00 PM	EA	GDP Growth Rate YoY 3rd Est Q2		-3.1%	-15%	-15%		
05:00 PM	EA	GDP Growth Rate QoQ 3rd Est Q2		-3.6%	-12.1%	-12.1%		
Wednesday September 09 2020				Actual	Previous	Consensus	Forecast	
08:30 AM	AU	Westpac Consumer Confidence Index SEP		79.5		77		
08:30 AM	AU	Westpac Consumer Confidence Change SEP		-9.5%		-3.1%		
09:30 AM	CN	Inflation Rate YoY AUG		2.7%		2.9%		
10:00 PM	CA	BoC Interest Rate Decision		0.25%		0.25%		
Thursday September 10 2020				Actual	Previous	Consensus	Forecast	
02:00 PM	GB	Balance of Trade JUL		£5.3B		£1.2B		
Friday September 11 2020				Actual	Previous	Consensus	Forecast	
08:30 PM	US	Core Inflation Rate YoY AUG		1.6%		1.5%		
08:30 PM	US	Inflation Rate YoY AUG		1%		0.7%		

Source: www.tradingeconomics.com

**All Ords Top 10 Week Ending 28 August 2020**

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
RWC	Reliance Worldwide	32.8	WHC	Whitehaven Coal	-29.7
CWY	Cleanaway Waste Ltd	15.0	BVS	Bravura Solution Ltd	-15.6
NEA	Nearmap Ltd	14.5	BKL	Blackmores Limited	-14.4
BIN	Bingo Industries Ltd	13.3	APX	Appen Limited	-13.5
CTD	Corp Travel Limited	13.2	ALD	Ampol Limited	-8.8
OML	Ooh!Media Limited	12.4	WSA	Western Areas Ltd	-8.7
APT	Afterpay Limited	12.4	NAN	Nanosonics Limited	-8.6
CGC	Costa Group Holdings	11.8	NHC	New Hope Corporation	-8.3
AVH	Avita Therapeutics	9.8	APA	APA Group	-7.7
BGA	Bega Cheese Ltd	9.1	COE	Cooper Energy Ltd	-6.9

Source: IRESS

S & P Indices Week Ending 28 August 2020

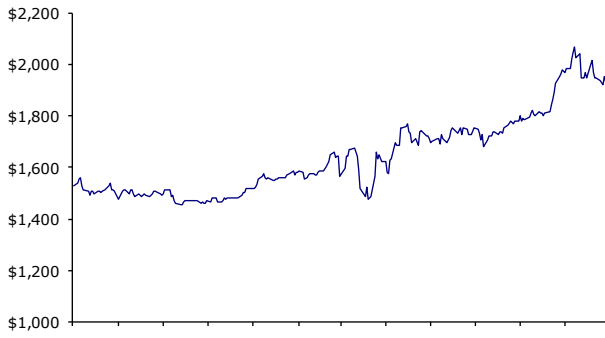
S&P Indices	30/08/2020	23/08/2020	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	7071	7321	-3.4%	-2.6%	-20.5%
S&P 200 Materials	14155	14377	-1.5%	-2.8%	43.0%
S&P 200 Industrials	5700	5683	0.3%	3.4%	11.7%
S&P 200 Consumer Disc.	2721	2718	0.1%	8.4%	30.0%
S&P 200 Consumer Staples	12954	13118	-1.2%	-1.3%	51.4%
S&P 200 Healthcare	42679	43608	-2.1%	2.6%	121.4%
S&P 200 Financials	4794	4777	0.4%	2.1%	-24.8%
S&P 200 Info Technology	1871	1808	3.5%	10.6%	140.6%
S&P 200 Telecommunicatic	1159	1181	-1.9%	-6.3%	-34.0%
S&P 200 Utilities	7092	7448	-4.8%	-7.9%	-5.9%
S&P 200 Property Trusts	1293	1276	1.3%	5.1%	-3.6%
S&P 200 Financials ex PT	5347	5328	0.4%	2.1%	-24.8%

Source: IRESS

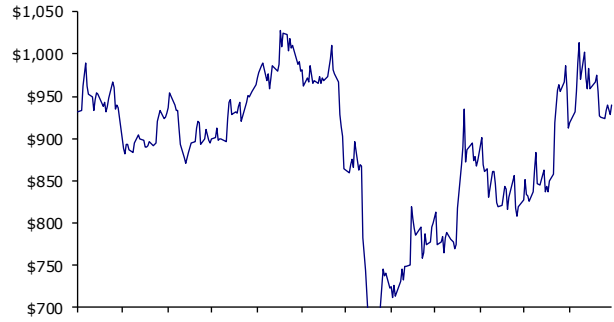


1 Year Commodity Price Charts

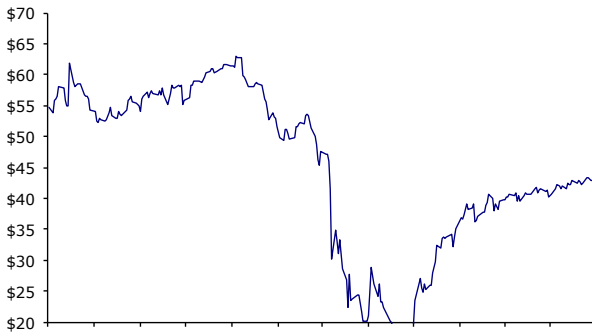
1 Year Gold



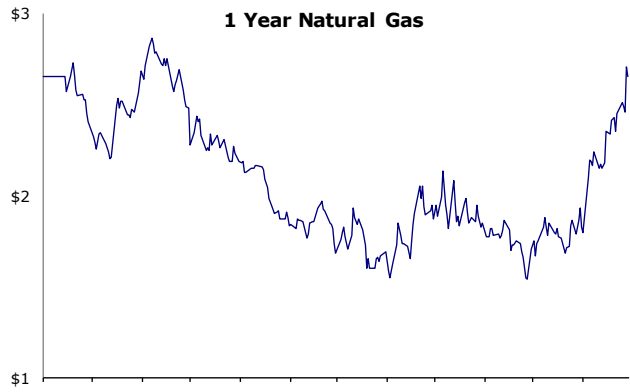
1 Year Platinum



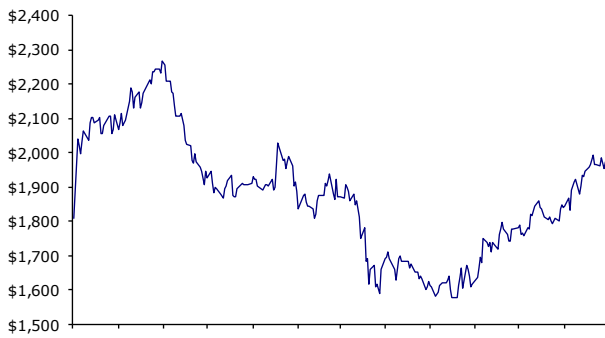
1 Year Oil



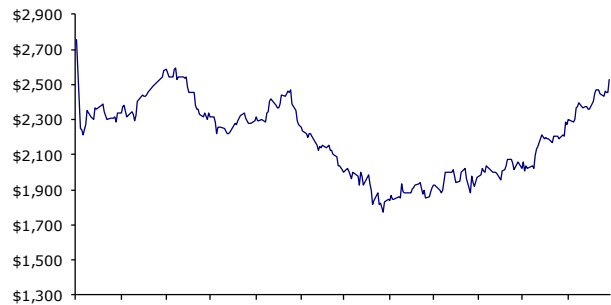
1 Year Natural Gas



1 Year Lead

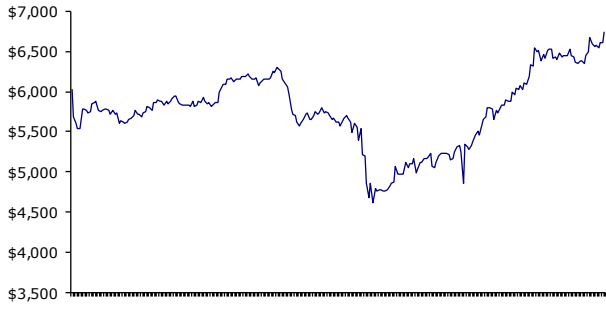


1 Year Zinc

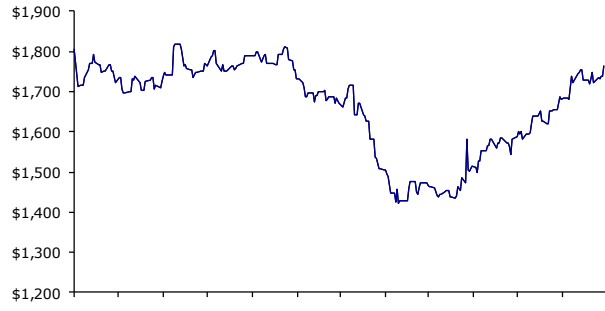




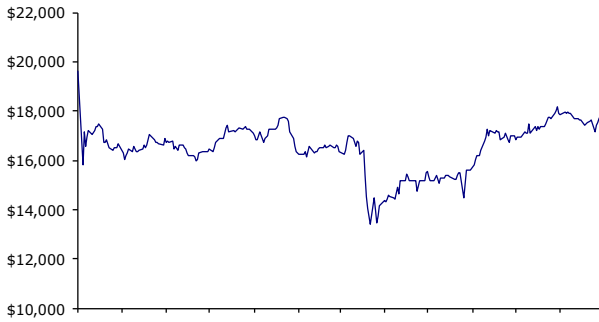
1 Year Copper



1 Year Aluminium

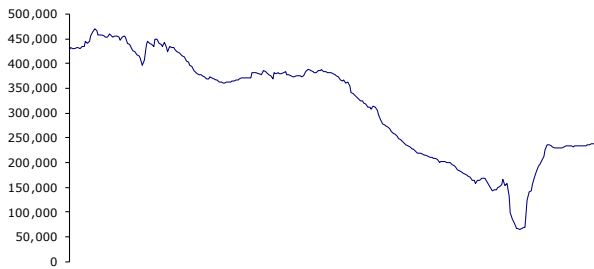


1 Year Tin

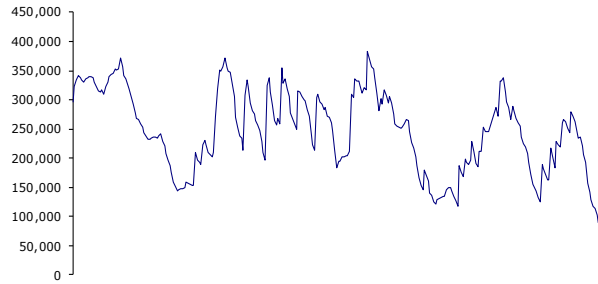


5 Year Metals Stockpiles

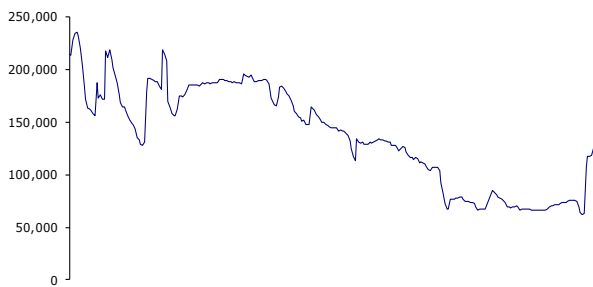
Nickel LME Stockpiles - 5 Year



Copper LME Stockpiles - 5 Year



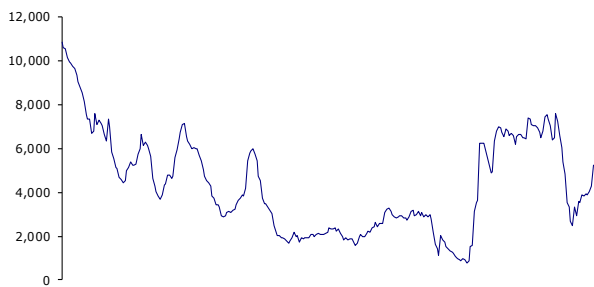
Lead LME Stockpiles - 5 Year



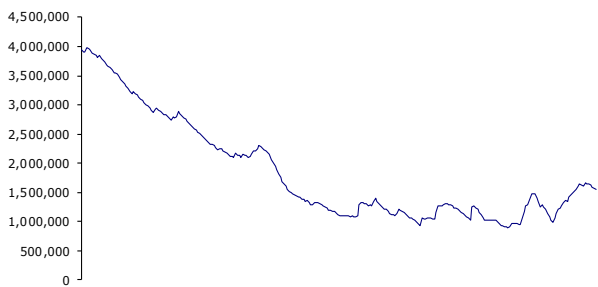
Zinc LME Stockpiles - 5 Year



Tin LME Stockpiles - 5 Year



Aluminium LME Stockpiles - 5 Year





Alan Hill
Executive Chairman
Phone: +61 8 9288 3388
ahill@stateone.com.au

Ric Heydon
Equities & Derivatives Advisor
Phone: +61 8 9288 3307
rheydon@stateone.com.au

Mark Sullivan
Institutional Dealer
Phone: +61 2 9024 9134
msullivan@stateone.com.au

Thomas Tan
Equities Advisor
Phone: +61 2 9024 9131
ttan@stateone.com.au

Morris Levitzke
Equities Advisor
Phone: +61 8 9288 3315
mlevitzke@stateone.com.au

Graeme Johnson
Equities & Derivatives Advisor
Phone: +61 8 9288 3316
gjohnson@stateone.com.au

Yitz Barber
Equities Advisor
Phone: +61 2 9024 9124
ybarber@stateone.com.au

Tammie Wong
Equities Advisor
Phone: +61 2 9024 9133
twong@stateone.com.au

David Zhang
Equities Advisor
Phone: +61 2 9024 9130
dzang@stateone.com.au

General Advice Warning

The contents of this document have been prepared by State One Stockbroking Ltd (ABN 95 092 989 083, Australian Financial Services License ("AFSL") 247100) without taking account of your objectives, financial situation or needs. To the extent that any of the content constitutes advice, it is general advice. You should, before taking any action to acquire or deal in, or follow a recommendation (if any) in respect of any of the financial products or information mentioned in this document, consult your own investment advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

Whilst State One Stockbroking Ltd believe the data and content contained in this document is based on information which is believed to be reliable, its accuracy and completeness are not guaranteed and no warranty of accuracy or reliability is given or implied and no responsibility for any loss or damage arising in any way for any representation, act or omission is accepted by State One Stockbroking Ltd or any of their officers, agents or employees. Some material is copyright and published under licence from ASX Operations Pty Limited ACN 004 523 782 ("ASXO").

If applicable, you should obtain the Product Disclosure Statement relating to the relevant financial product mentioned in this document (which contains full details of the terms and conditions of the financial product) and consider it before making any decision about whether to acquire the financial product.

For more information please refer to the State One Stockbroking Ltd Financial Services Guide (FSG) on our website:
www.stateone.com.au

Disclosure

The directors and associated persons of State One Stockbroking Ltd may have an interest in the financial products discussed in this document and they may earn brokerage, commissions, fees and advantages, pecuniary or otherwise, in connection with the making of a recommendation or dealing by a client in such financial products.

This research at all times remains the property of State One Stockbroking Ltd and is not for public circulation or reproduction whether in whole or in part and is not to be disclosed to any person other than the intended recipient, without obtaining prior written consent.