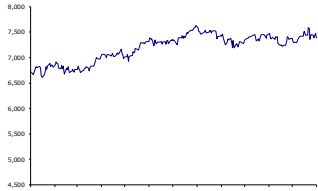
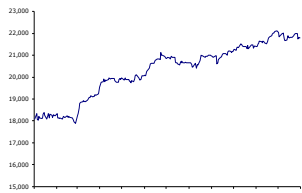


12-month XJO chart

12-month Dow Jones chart

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Global Wrap – 16 January 2022

| World Markets | 16/01/2022 | 9/01/2022 | Wkly Chg | Mthly Chg | Yearly Chg |
|--------------------|------------|-----------|----------|-----------|------------|
| ASX 200 | 7394 | 7453 | -0.8% | 0.4% | 33.4% |
| S&P 500 | 4663 | 4677 | -0.3% | -0.7% | 107.6% |
| FTSE 100 | 7543 | 7485 | 0.8% | 2.7% | 8.8% |
| DAX30 | 14050 | 13719 | 2.4% | 3.6% | 3.6% |
| Shanghai Composite | 3521 | 3594 | -2.0% | -3.4% | 9.5% |
| Nikkei 225 | 28124 | 28479 | -1.2% | -2.3% | 49.9% |
| Hang Seng | 24383 | 23493 | 3.8% | 5.5% | 6.7% |
| Currency | | | | | |
| AUD/USD | 0.7206 | 0.7182 | 0.3% | -0.2% | 4.8% |
| Commodities | | | | | |
| Oil (\$/bbl) | 83.8 | 78.9 | 6.2% | 14.8% | 57.2% |
| Gas (\$/gal) | 4.1 | 3.7 | 9.5% | 9.9% | 53.2% |
| Iron Ore (\$/t) | 0.0 | 53.9 | -100.0% | -100.0% | -100.0% |
| Copper (\$/t) | 9900 | 9615 | 3.0% | 2.9% | 69.6% |
| Lead (\$/t) | 2383 | 2342 | 1.8% | 2.3% | 2.2% |
| Zinc (\$/t) | 3582 | 3603 | -0.6% | 1.0% | 30.5% |
| Aluminium (\$/t) | 2978 | 2920 | 2.0% | 5.9% | 72.0% |
| Nickel (\$/t) | 22850 | 20725 | 10.3% | 14.3% | 101.0% |
| Tin (\$/t) | 40850 | 40650 | 0.5% | 3.5% | 90.9% |
| Gold (\$/oz) | 1817 | 1797 | 1.1% | 0.8% | 54.9% |
| Silver (\$/oz) | 22.9 | 22.4 | 2.3% | 0.4% | 34.1% |
| Platinum (\$/oz) | 965 | 957 | 0.8% | 0.1% | 2.9% |
| Wheat (\$/t) | 741.500 | 760.500 | -2.5% | -8.9% | 81.6% |

Source: Iress

Key points

1. Bank stocks drag on US stocks, but Nasdaq outperforms
2. Aussie miners buoyed by rise in iron ore price
3. What to watch this coming week

In the **US major bank stocks** declined after their **earnings reports** on Friday, weighing on the markets as Wall Street notched a second straight negative week to start the year.

The **Dow Jones Industrial Average** slid 201.81 points, or 0.56%, to 35,911.81. The **S&P 500** inched up 0.08% to 4,662.85, while the tech-heavy **Nasdaq Composite** outperformed with a 0.59% gain to close at 14,893.75.

Bank stocks, which outperformed in recent weeks as interest rates moved higher, were broadly lower as their reports appeared to underwhelm investors despite strong headline numbers.

JPMorgan Chase, the No. 1 US bank by assets, showed profit and revenue that topped estimates, but shares fell more than 6%. The company's earnings were helped by a large credit reserve release, and CFO Jeremy Barnum warned that the company would likely miss a key profit target in the next two years.

Citigroup's stock fell nearly 1.3% after the bank beat revenue estimates but showed a 26% decline in profits. Shares of **Morgan Stanley** and **Goldman Sachs**, which report next week, also declined.



Meanwhile, shares of **Wells Fargo** added close to 3.7% after the bank's revenue topped expectations.

Shares of **Netflix** jumped more than 1% after announcing a price increase for US and Canadian subscribers, helping the Nasdaq outperform on Friday.

Casino stocks were another bright spot on Friday after Macau's government announced it would allow just six casino licenses in the gambling hub. **Las Vegas Sands** surged 14.1%, while **Wynn Resorts** gained 8.6%.

Oil stocks also outperformed as crude prices rose.

On the data front, **retail sales** were down 1.9% in December, a worse reading than the 0.1% drop expected by economists surveyed by Dow Jones. January's preliminary consumer sentiment reading from the University of Michigan came in lower than expected as Americans reported higher long-term inflation expectations.

Consumer discretionary stocks were under pressure after the report. Shares of **Peloton** fell nearly 2.6% after Nasdaq announced that the stock would be dropped from the Nasdaq 100 index.

Elsewhere, money-management behemoth **BlackRock** posted earnings that beat on bottom-line earnings but missed slightly on top-line revenue. Shares fell about 2.2%.

In other data news, business inventories for November came in higher than expected, but industrial production disappointed, declining 0.1% compared to a projected 0.2% gain.

The reports follow a week where inflation data was a key factor in markets. On Wednesday, the **consumer price index showed a jump of 7% year over year, the highest reading in four decades**. Thursday's **producer price index report reflected a rise of 9.7%** over the same period. However, those results were better than some investors feared, helping markets stabilise this week.

In Asia, Japan's **Nikkei 225** fell 1.28% to close at 28,124.28, while the Topix tumbled 1.39% to 1,977.66. Autos and tech stocks declined. **SoftBank** was down 1.24%, while **Sony** lost nearly 2%.

South Korea's Kospi was down 1.36% to close at 2,921.92.

Meanwhile, [South Korea's central bank raised its benchmark rate](#) by 25 basis points to 1.25%, the highest since March 2020 and back to the rate it was at before the pandemic, according to Reuters.

Hong Kong's **Hang Seng** index fell 0.32% in the final hour of trade. The Hang Seng Tech index recovered from earlier losses to last decline 0.75%, as **Alibaba** declined 2.5% and **JD** fell 2.86%.

Mainland Chinese stocks struggled for direction as the **Shanghai composite** declined nearly 1% to 3,521.26, while the **Shenzhen component** traded little changed to close at 14,150.57.

China's exports grew slightly more than expected in December, while imports rose less than expected, according to customs data released Friday.

Exports rose by 20.9% year-on-year in US dollar-terms, above the 20% increase forecast by a Reuters poll. Imports grew by 19.5%, missing expectations of a 26.3% increase.

The **pan-European Stoxx 600** provisionally ended around 1% lower, with retail stocks dropping 2.3% to lead losses as almost all sectors and major bourses slid into negative territory.

At the top of the European blue chip index, Britain's **Countryside Properties** gained 8% as investors bought the dip following a 21% sell-off for the stock on Thursday.

Australian shares capped their worst week since November on Friday, with tech stocks once again bearing the brunt of the sell-off.

The **S&P/ASX 200 Index** fell 59.4 points, or 0.8%, to 7393.9 this week, with Friday's loss of 1.1%, or 80.5 points, weighing heavily.

The tech sector suffered heavy losses through the week, with the highest jump in US inflation in 40 years reaffirming investor expectations that central banks will begin to raise rates imminently.

Over the week **Xero** tumbled 9% to \$119.11 **Afterpay** lost 6.7% to \$69.03, its lowest level since last July, **WiseTech Global** dipped 6.8% to \$52.13, **Nuix** slid 5.2% to \$2.01, and **Nearmap** fell 4.8% to \$1.38.



Pendal Group shares tumbled 12.7% to \$5.00 after a “disappointing” fourth quarter when the group’s funds under management fell, as clients withdrew their money from the investment manager.

Healthcare stocks also came under pressure. **CSL** declined 2.3% to \$276.00, **Pro Medicus** lost 13.9% to \$46.59, **Sonic Healthcare** fell 9% to \$40.79, **Nanosonics** dipped 6.8% to \$5.50 and **Healius** slid 7.1% to \$4.69.

Consumer stocks suffered as companies stepped up warnings of supply-chain difficulties because of the rapid spread of the omicron variant.

ARB Corp lost 13.7% to \$45.59, **Reece** slid 11.2% to \$24.27, **Domino’s Pizza** fell 10.6% to \$103.35, **Ingham’s Group** declined 9.4% to \$3.27, **Collins Foods** dropped 8.3% to \$11.91 and **Breville Group** slipped 7% to \$28.84.

The major miners countered the losing trend, buoyed by the strong **price of iron ore**. **BHP Group** climbed 6.7% to \$46.68, **Rio Tinto** advanced a similar margin to \$110.60, **Fortescue Metals Group** rose 4.9% to \$21.37 and **Mineral Resources** firmed 11.1% to \$65.62.

AGL Energy helped offset some market losses, soaring 18.9% to \$7.47. Mid-week, Credit Suisse said it was its top pick among Australian energy sector equities because of its advantage in low-cost coal supply.

The **smaller miners** also ended the week higher. **Nickel Mines** firmed 13.7% to \$1.62, **South32** rose 6.6% to \$4.18, and **Liontown Resources** climbed 11.4% to \$1.72.

This coming week starts with the release of Chinese GDP, industrial production and retail sales figures. On Wednesday Australia’s Housing Industry Association sales data will be released, along with the Westpac consumer confidence reading.

Sources: CNBC, Reuters, AFR, FXStreet

**Economic Calendar 17/01/2022 – 21/01/2022**

| Monday January 17 2022 | | | Actual | Previous | Consensus | Forecast | | |
|---------------------------|----|--|--------|----------|-----------|----------|--|--|
| 10:00 AM | CN | GDP Growth Rate YoY Q4 | | 4.9% | 3.6% | 3.7% | | |
| 10:00 AM | CN | Industrial Production YoY DEC | | 3.8% | 3.7% | 3.7% | | |
| 10:00 AM | CN | Retail Sales YoY DEC | | 3.9% | 3.7% | 3.7% | | |
| Tuesday January 18 2022 | | | Actual | Previous | Consensus | Forecast | | |
| 11:00 AM | JP | BoJ Interest Rate Decision | | -0.1% | | -0.1% | | |
| 03:00 PM | GB | Claimant Count Change DEC | | -49.8K | | -36K | | |
| 03:00 PM | GB | Unemployment Rate NOV | | 4.2% | 4.2% | 4.2% | | |
| 06:00 PM | DE | ZEW Economic Sentiment Index JAN | | 29.9 | | 34 | | |
| Wednesday January 19 2022 | | | Actual | Previous | Consensus | Forecast | | |
| 07:30 AM | AU | Westpac Consumer Confidence Change JAN | | -1% | | -0.3% | | |
| 07:30 AM | AU | Westpac Consumer Confidence Index JAN | | 104.3 | | 104 | | |
| 03:00 PM | GB | Inflation Rate YoY DEC | | 5.1% | | 5.4% | | |
| 09:30 PM | CA | Inflation Rate YoY DEC | | 4.7% | | 4.8% | | |
| 09:30 PM | US | Housing Starts DEC | | 1.679M | 1.66M | 1.65M | | |
| 09:30 PM | US | Building Permits DEC | | 1.712M | 1.71M | 1.72M | | |
| Thursday January 20 2022 | | | Actual | Previous | Consensus | Forecast | | |
| 07:50 AM | JP | Balance of Trade DEC | | ¥-954.8B | | ¥-200B | | |
| 08:30 AM | AU | Unemployment Rate DEC | | 4.6% | | 4.6% | | |
| 09:30 AM | CN | Loan Prime Rate 1Y | | 3.8% | | 3.8% | | |
| 11:00 PM | US | Existing Home Sales DEC | | 6.46M | 6.44M | 6.35M | | |
| Friday January 21 2022 | | | Actual | Previous | Consensus | Forecast | | |
| 07:30 AM | JP | Inflation Rate YoY DEC | | 0.6% | | 0.7% | | |
| 08:01 AM | GB | Gfk Consumer Confidence JAN | | -15 | | -18 | | |
| 03:00 PM | GB | Retail Sales MoM DEC | | 1.4% | | 0.6% | | |

**Economic Calendar 24/01/2022 – 28/01/2022**

| Monday January 24 2022 | | Actual | Previous | Consensus | Forecast | |
|---------------------------|----|-------------------------------------|----------|-----------|----------|--|
| 06:00 AM | AU | Markit Composite PMI Flash JAN | 54.9 | | 54.5 | |
| 08:30 AM | JP | Jibun Bank Composite PMI Flash JAN | 52.5 | | 52.1 | |
| 04:15 PM | FR | Markit Composite PMI Flash JAN | 55.8 | | 55.1 | |
| 04:30 PM | DE | Markit Composite PMI Flash JAN | 49.9 | | 53.4 | |
| 05:00 PM | EA | Markit Composite PMI Flash JAN | 53.3 | | 54.6 | |
| 05:30 PM | GB | Markit/CIPS Composite PMI Flash JAN | 53.6 | | 54 | |
| 10:45 PM | US | Markit Composite PMI Flash JAN | 57 | | 56.7 | |
| Tuesday January 25 2022 | | Actual | Previous | Consensus | Forecast | |
| 08:30 AM | AU | NAB Business Confidence DEC | 12 | | | |
| 05:00 PM | DE | Ifo Business Climate JAN | 94.7 | | | |
| Wednesday January 26 2022 | | Actual | Previous | Consensus | Forecast | |
| 11:00 PM | CA | BoC Interest Rate Decision | 0.25% | | | |
| 11:00 PM | CA | BoC Monetary Policy Report | | | | |
| Thursday January 27 2022 | | Actual | Previous | Consensus | Forecast | |
| 03:00 AM | US | Fed Interest Rate Decision | 0.25% | 0.25% | 0.25% | |
| 03:00 PM | DE | GfK Consumer Confidence FEB | -6.8 | | | |
| 09:30 PM | US | Durable Goods Orders MoM DEC | 2.5% | | 1.2% | |
| 09:30 PM | US | GDP Growth Rate QoQ Adv Q4 | 2.3% | | 5.5% | |
| Friday January 28 2022 | | Actual | Previous | Consensus | Forecast | |
| 02:30 PM | FR | GDP Growth Rate QoQ PreI Q4 | 3% | | 0.6% | |
| 04:00 PM | ES | GDP Growth Rate YoY Flash Q4 | 3.4% | | | |
| 04:00 PM | ES | GDP Growth Rate QoQ Flash Q4 | 2.6% | | | |
| 09:30 PM | US | Personal Income MoM DEC | 0.4% | | 0.5% | |
| 09:30 PM | US | Personal Spending MoM DEC | 0.6% | | 0.6% | |

Source: www.tradingeconomics.com

**All Ords Top 10 Week Ending 14 January 2022**

| 10 Best Performing Stocks Weekly (%) | | | 10 Worst Performing Stocks Weekly (%) | | |
|--------------------------------------|----------------------|------|---------------------------------------|----------------------|-------|
| AGL | AGL Energy Limited. | 18.9 | PME | Pro Medicus Limited | -13.9 |
| NIC | Nickel Mines Limited | 13.7 | ARB | ARB Corporation. | -13.7 |
| LTR | Liontown Resources | 11.4 | PDL | Pendal Group Ltd | -12.7 |
| MIN | Mineral Resources. | 11.1 | REH | Reece Limited | -11.2 |
| PNV | Polynovo Limited | 10.5 | DMP | Domino Pizza Enterpr | -10.6 |
| WPL | Woodside Petroleum | 9.3 | ING | Inghams Group | -9.4 |
| AWC | Alumina Limited | 9.3 | CNI | Centuria Capital | -9.1 |
| RRL | Regis Resources | 9.0 | SHL | Sonic Healthcare | -9.0 |
| CIA | Champion Iron Ltd | 9.0 | XRO | Xero Ltd | -9.0 |
| IGO | IGO Limited | 7.8 | CKF | Collins Foods Ltd | -8.3 |

Source: IRESS

S & P Indices Week Ending 14 January 2022

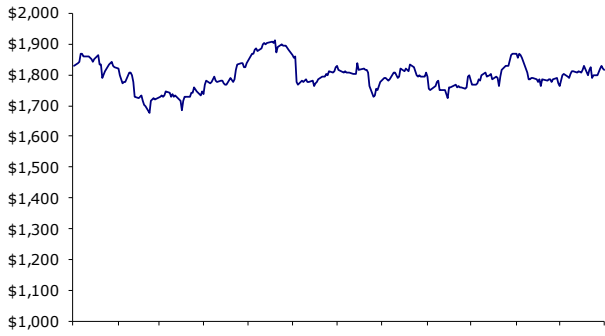
| S&P Indices | 16/01/2022 | 9/01/2022 | Wkly Chg | Mthly Chg | Yearly Chg |
|--------------------------|------------|-----------|----------|-----------|------------|
| S&P 200 Energy | 8575 | 8238 | 4.1% | 9.5% | -3.6% |
| S&P 200 Materials | 17923 | 17123 | 4.7% | 8.9% | 81.0% |
| S&P 200 Industrials | 6474 | 6608 | -2.0% | -1.0% | 26.9% |
| S&P 200 Consumer Disc. | 3334 | 3492 | -4.5% | -4.9% | 59.2% |
| S&P 200 Consumer Staples | 12582 | 13320 | -5.5% | -6.5% | 47.1% |
| S&P 200 Healthcare | 42460 | 43669 | -2.8% | -5.8% | 120.2% |
| S&P 200 Financials | 6592 | 6671 | -1.2% | 2.1% | 3.5% |
| S&P 200 Info Technology | 1913 | 2006 | -4.6% | -11.2% | 146.0% |
| S&P 200 Telecommunicatic | 1586 | 1597 | -0.7% | -1.5% | -9.7% |
| S&P 200 Utilities | 7073 | 6830 | 3.6% | 6.4% | -6.2% |
| S&P 200 Property Trusts | 1649 | 1715 | -3.9% | -4.6% | 22.9% |
| S&P 200 Financials ex PT | 7352 | 7440 | -1.2% | 2.1% | 3.5% |

Source: IRESS

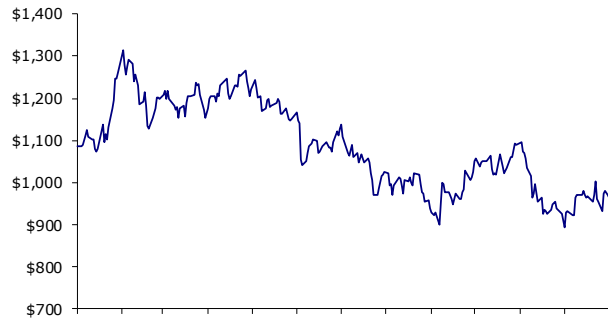


1 Year Commodity Price Charts

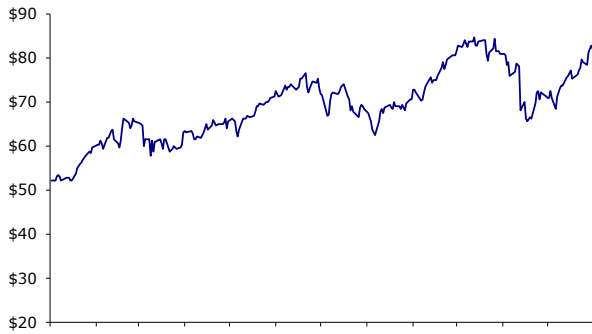
1 Year Gold



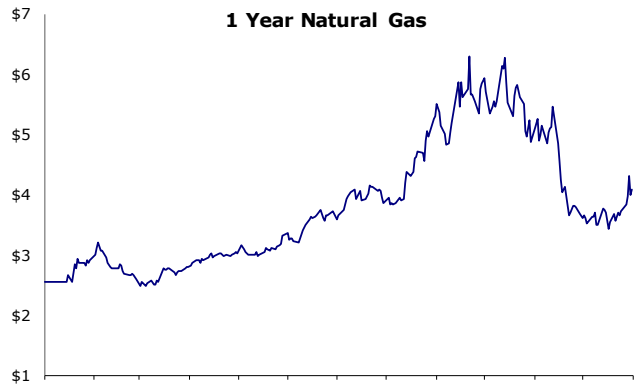
1 Year Platinum



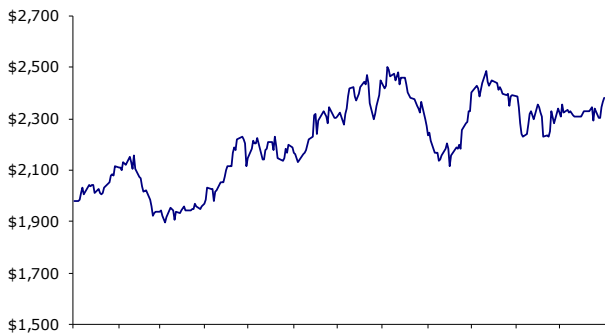
1 Year Oil



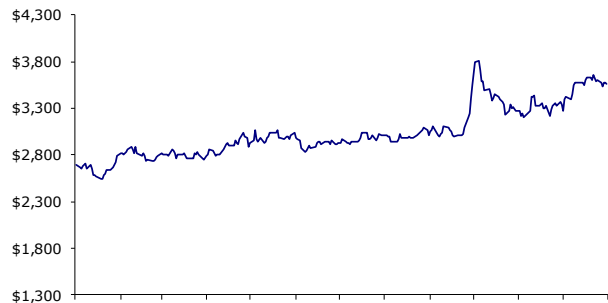
1 Year Natural Gas



1 Year Lead

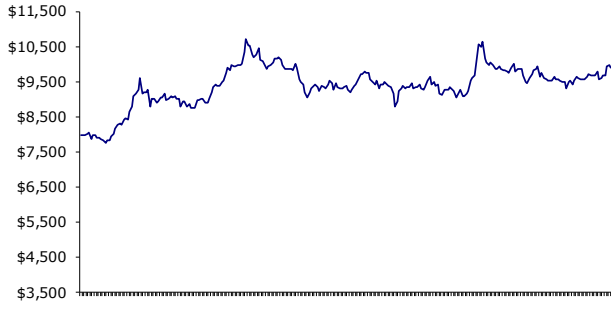


1 Year Zinc

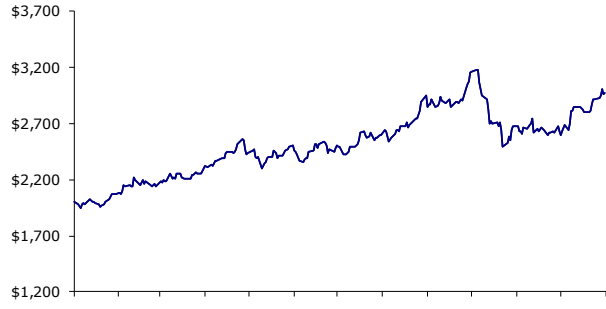




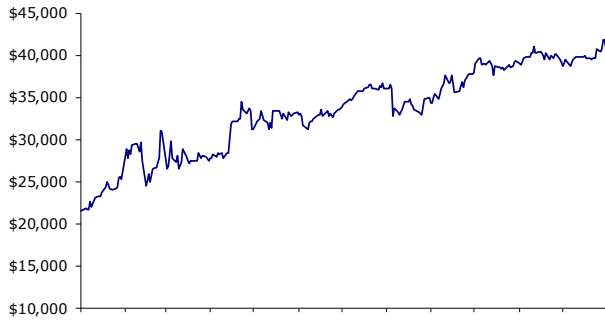
1 Year Copper



1 Year Aluminium

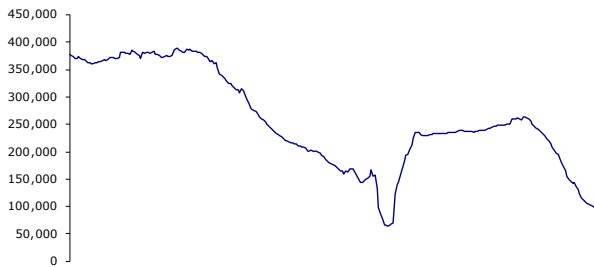


1 Year Tin

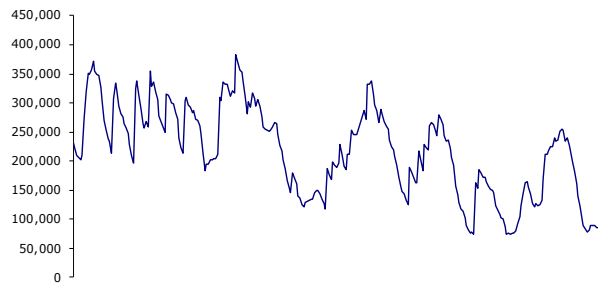


5 Year Metals Stockpiles

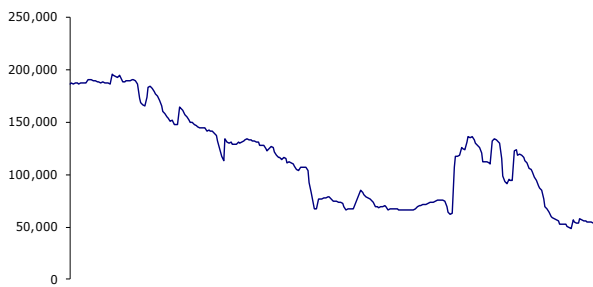
Nickel LME Stockpiles - 5 Year



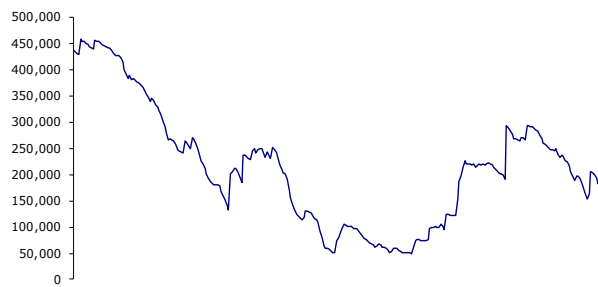
Copper LME Stockpiles - 5 Year



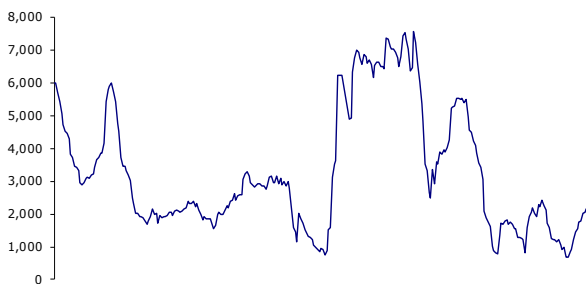
Lead LME Stockpiles - 5 Year



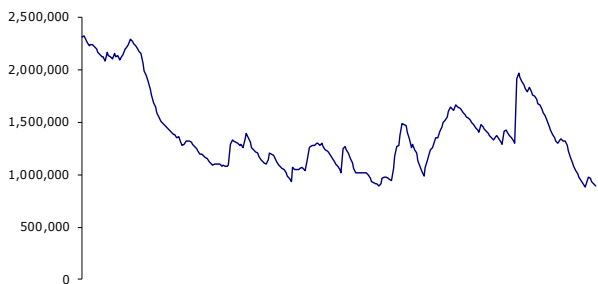
Zinc LME Stockpiles - 5 Year



Tin LME Stockpiles - 5 Year



Aluminium LME Stockpiles - 5 Year





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