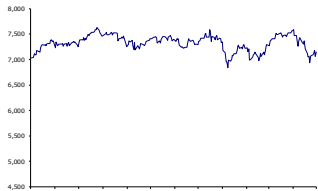
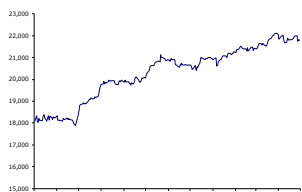


**12-month XJO chart**

**12-month Dow Jones chart**

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**Global Wrap – 22 May 2022**

World Markets	22/05/2022	15/05/2022	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	7146	7075	1.0%	-1.6%	28.9%
S&P 500	3901	4024	-3.0%	-6.8%	73.7%
FTSE 100	7390	7418	-0.4%	-0.5%	6.6%
DAX30	14050	13719	2.4%	3.6%	3.6%
Shanghai Composite	3147	3074	2.4%	5.7%	-2.1%
Nikkei 225	26739	26547	0.7%	-0.4%	42.5%
Hang Seng	20717	19899	4.1%	3.9%	-9.4%
<b>Currency</b>					
AUD/USD	0.7037	0.6940	1.4%	1.4%	2.4%
<b>Commodities</b>					
Oil (\$/bbl)	110.3	110.5	-0.2%	8.0%	106.9%
Gas (\$/gal)	8.2	7.8	5.3%	10.0%	166.3%
Iron Ore (\$/t)	0.0	53.9	-100.0%	-100.0%	-100.0%
Copper (\$/t)	9477	9064	4.6%	-4.4%	62.3%
Lead (\$/t)	2146	2064	4.0%	-7.5%	-7.9%
Zinc (\$/t)	3647	3500	4.2%	-15.6%	32.9%
Aluminium (\$/t)	2931	2723	7.6%	-5.5%	69.3%
Nickel (\$/t)	27950	27425	1.9%	-16.1%	145.8%
Tin (\$/t)	34705	34375	1.0%	-14.9%	62.2%
Gold (\$/oz)	1848	1808	2.2%	-2.1%	57.7%
Silver (\$/oz)	21.7	21.0	3.2%	-7.8%	26.8%
Platinum (\$/oz)	941	931	1.1%	3.4%	0.4%
Wheat (\$/t)	1168.750	1180.000	-1.0%	7.1%	186.3%

Source: Iress

**Key points**

- 1. S&P 500 briefly enters bear territory**
- 2. ASX bounces back after Chinese rate cut**
- 3. What to watch in post-election week**

Rising **recession fears** pushed US stocks briefly into a bear market on Friday with the **S&P 500's** decline from its all-time high in January reaching 20% at one point. A dramatic late-day reversal pushed the benchmark slightly into the green for the day at the closing bell.

The S&P 500 finished 0.01% higher to 3,901.36 on Friday after falling as much as 2.3% earlier in the session. At the day's lows, the S&P 500 was 20.9% below its intraday high in January. The index closed about 19% below its record.

The **Dow Jones Industrial Average** rose 8.77 points to 31,261.90 after being down more than 600 points at the day's lows. The **Nasdaq Composite** fell 0.3% and is already deep in bear market territory, 30% off its highs.

For the week, the Dow lost 2.9% for its first eight-week losing streak since 1923. The S&P 500 lost 3% for the week, while the Nasdaq shed 3.8% — with both posting seven-week losing streaks.

The S&P 500's brief dip into bear market territory comes as the US has been dealing with **inflationary pressures** not seen in decades. Those have been worsened by a **surge in energy prices** — which was exacerbated in large part by the start of the **Ukraine-Russia war**.



The jump in inflation then led the **Federal Reserve** to hike rates in March for the first time in more than three years. Earlier this month, the central bank got even more aggressive and hiked rates by half a percentage point.

At first, the sell-off losses were centred around highly valued growth and technology stocks. However, the drawdown eventually broadened to other parts of the market. On Friday close, **energy** was the only positive S&P 500 sector year to date.

Last week, poor quarterly reports and outlooks from **Walmart** and **Target** raised concern over companies' abilities to deal with inflation and consumers' willingness to pay higher prices — putting even more pressure on the S&P 500.

Wall Street continued dumping **semiconductor stocks** Friday on recession fears and as **Applied Materials** lowered its guidance. Applied Materials, a manufacturer of chip-making equipment, lost 3.9%. Shares of **Nvidia** and **Advanced Micro Devices** declined 2.5% and 3.3%, respectively. Elsewhere, shares of **Deere** fell 14% after the heavy equipment maker reported a revenue miss. Shares of **Caterpillar** declined more than 4%. Industrials such as Deere and Caterpillar are seen as barometers for the global economy.

Shares in Asia rose on Friday, with Hong Kong stocks leading gains as a volatile trading week comes to a close.

The **Hang Seng** index closed up 2.96% at 20,717.24, while the Hang Seng Tech index spiked 4.74% to end the session at 4,284.42.

In other developments, China kept its one-year benchmark lending rate on hold at 3.7%, but cut its five-year loan prime rate (LPR) by 15 basis points. It was the second cut this year in a bid to help boost demand.

This helped push up the **Shanghai Composite**, which closed 1.6% higher at 3,146.57, while the **Shenzhen Component** gained 1.82% to close at 11,454.53.

Shares of **Chinese electric vehicle maker Nio** surged in its Singapore debut on Friday, the third exchange its shares are listed on. The stock popped at the open, rising by nearly 20% before paring most gains to close around 2.4% higher.

Japan's **Nikkei 225** rose 1.27% to 26,739.03, and the Topix advanced 0.93% to 1,877.37. Japan's core consumer prices, which include energy costs but not fresh food, rose 2.1% in April compared to a year earlier, in line with economists' estimates, Reuters reported.

The **pan-European Stoxx 600** added 0.5% by the close, with travel and leisure stocks climbing 2% to lead gains as almost all sectors and major bourses finished in positive territory.

Investors continue to track the war in Ukraine and its geopolitical implications, which have fed into soaring energy and food prices worldwide.

The World Food Programme has said failure to reopen Ukrainian ports would be a declaration of war on global food security.

The IMF said on Friday that leaders anticipate disruption related to supply chains will ease over the coming months, alleviating some of the global price pressures. However, he cautioned that there are still a number of risks to the outlook.

**Australian shares** rebounded strongly on Friday after China cut a key interest rate to support its troubled property market and alleviate some pain caused by its strict COVID-19 lockdowns.

The **S&P/ASX 200** climbed 1.2%, or 81.1 points, to 7145.6 on Friday, lifting its weekly advance to 1%. It was the benchmark's first weekly gain since the middle of April.

The local market shook off a weak lead from Wall Street to jump 0.7% at the open, and extended those gains after China reduced the five-year loan prime rate by an unexpected 15 basis points to 4.45%.

The announcement triggered a spike in **metals and iron ore prices**, supporting **ASX-listed miners**. **BHP** added 2.1% to \$47.18, **Rio Tinto** firmed 1.5% to \$108.35, and **Fortescue** climbed 3.9% to \$20.15.



The **technology sector** rallied 4.6%, led by a 21.1% leap by **Life360** to \$3.89 after it reaffirmed revenue and earnings guidance at its annual general meeting on Friday.

**Novonix** added 11.7% to \$4.11, and **Block** jumped 9.9% to \$127.64.

Shares in **Chalice** soared 19.1% to \$6.81 after the company said it has received the final outstanding approvals to conduct low-impact exploration drilling at the Hartog-Dampier targets within its Julimar operations.

**Woolworths** edged 0.5% higher to \$35.35 after lobbing a bid to buy the 80% of **MyDeal.com.au** not owned by its management that values the online marketplace, debt inclusive, at \$243 million.

**IGO** said it has successfully produced battery-grade lithium hydroxide from the Kwinana refinery; its shares jumped 5.1% to \$11.66.

All four major banks posted modest gains; **Commonwealth Bank** rose 0.8% to \$104.60, **Westpac** firmed 0.5% to \$23.57, **National Australia Bank** climbed 0.7% to \$31.07 and **ANZ** gained 0.9% to \$25.50.

**This coming week** investors will be waiting the final results of the Australian election to see whether Labor can govern in its own right or have to form a coalition with the teal independents. In terms of data releases, Thursday is a major day with the release of the US Federal Reserve's minutes from the meeting earlier this month when it raised rates by half a percentage points on Thursday, along with US GDP, jobless figures and core personal consumption expenditures.

*Sources: CNBC, NBC, Australian Financial Review, FXStreet*

**Economic Calendar 23/05/2022 – 27/05/2022**

Monday May 23 2022		Actual	Previous	Consensus	Forecast	
04:00 PM	DE	Ifo Business Climate MAY	91.8	91.4	92.1	
Tuesday May 24 2022		Actual	Previous	Consensus	Forecast	
03:30 PM	DE	S&P Global Manufacturing PMI Flash MAY	54.6	54	54.1	
04:30 PM	GB	S&P Global/CIPS Manufacturing PMI Flash MAY	55.8	55.1	55.2	
04:30 PM	GB	S&P Global/CIPS UK Services PMI Flash MAY	58.9	57.3	58.5	
10:00 PM	US	New Home Sales APR	0.763M	0.75M	0.755M	
Wednesday May 25 2022		Actual	Previous	Consensus	Forecast	
02:00 PM	DE	GfK Consumer Confidence JUN	-26.5	-26	-25.2	
08:30 PM	US	Durable Goods Orders MoM APR	0.8%	0.6%	0.4%	
Thursday May 26 2022		Actual	Previous	Consensus	Forecast	
02:00 AM	US	FOMC Minutes				
08:30 PM	US	GDP Growth Rate QoQ 2nd Est Q1	6.9%	-1.4%	-1.4%	
Friday May 27 2022		Actual	Previous	Consensus	Forecast	
08:30 PM	US	Personal Income MoM APR	0.5%	0.6%	0.6%	
08:30 PM	US	Personal Spending MoM APR	1.1%	0.7%	0.8%	

**Economic Calendar 30/05/2022 – 3/06/2022**

Monday May 30 2022		Actual	Previous	Consensus	Forecast	
08:00 PM	DE	Inflation Rate YoY Prel MAY	7.4%		7.1%	
Tuesday May 31 2022		Actual	Previous	Consensus	Forecast	
09:30 AM	CN	NBS Manufacturing PMI MAY	47.4			
01:00 PM	JP	Consumer Confidence MAY	33.0			
02:45 PM	FR	Inflation Rate YoY Prel MAY	4.8%			
03:00 PM	TR	GDP Growth Rate YoY Q1	9.1%		3.2%	
05:00 PM	EA	Inflation Rate YoY Flash MAY	7.4%	7.6%	7.3%	
05:00 PM	IT	Inflation Rate YoY Prel MAY	6%			
08:00 PM	IN	GDP Growth Rate YoY Q1	5.4%		4.6%	
08:30 PM	CA	GDP Growth Rate Annualized Q1	6.7%		5.6%	
08:30 PM	CA	GDP Growth Rate QoQ Q1	1.6%		1.4%	
Wednesday June 01 2022		Actual	Previous	Consensus	Forecast	
09:30 AM	AU	GDP Growth Rate YoY Q1	4.2%			
09:30 AM	AU	GDP Growth Rate QoQ Q1	3.4%		0.9%	
09:45 AM	CN	Caixin Manufacturing PMI MAY	46.0			
04:00 PM	IT	Unemployment Rate APR	8.3%			
05:00 PM	EA	Unemployment Rate APR	6.8%			
10:00 PM	CA	BoC Interest Rate Decision	1%		1.5%	
10:00 PM	US	ISM Manufacturing PMI MAY	55.4			
10:00 PM	US	JOLTs Job Openings APR	11.549M			
Thursday June 02 2022		Actual	Previous	Consensus	Forecast	
09:30 AM	AU	Balance of Trade APR	A\$9.314B			
08:00 PM	BR	GDP Growth Rate YoY Q1	1.6%		0.5%	
08:15 PM	US	ADP Employment Change MAY	247K			
Friday June 03 2022		Actual	Previous	Consensus	Forecast	
02:00 PM	DE	Balance of Trade APR	€9.7B			
08:30 PM	US	Unemployment Rate MAY	3.6%			
08:30 PM	US	Non Farm Payrolls MAY	428K			
10:00 PM	CA	Ivey PMI s.a MAY	66.3			
10:00 PM	US	ISM Non-Manufacturing PMI MAY				

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

**All Ords Top 10 Week Ending 20 May 2022**

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
CHN	Chalice Mining Ltd	27.5	MTS	Metcash Limited	-9.5
AKE	Allkem Limited	17.6	BLD	Boral Limited	-9.5
PLS	Pilbara Min Ltd	15.4	NUF	Nufarm Limited	-9.1
IMU	Imugene Limited	14.3	SGM	Sims Limited	-8.3
NIC	Nickel Mines Limited	12.2	CCX	City Chic Collective	-7.6
TLX	Telix Pharmaceutical	12.0	CDA	Codan Limited	-7.4
CIA	Champion Iron Ltd	11.8	BRG	Breville Group Ltd	-6.5
NVX	Novonix Limited	11.7	MFG	Magellan Fin Grp Ltd	-6.5
ALL	Aristocrat Leisure	11.2	APE	Eagers Automotive	-6.5
LYC	Lynas Rare Earths	11.2	WES	Wesfarmers Limited	-6.4

Source: IRESS

**S & P Indices Week Ending 20 May 2022**

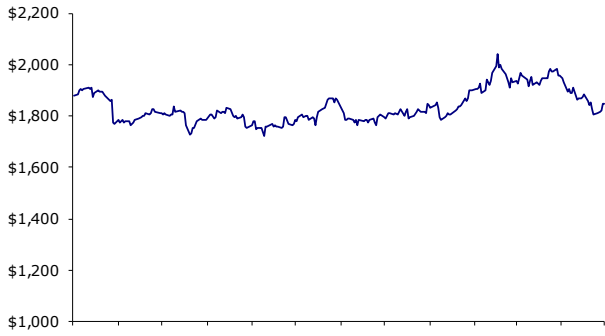
S&P Indices	22/05/2022	15/05/2022	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	9886	9965	-0.8%	-0.3%	11.2%
S&P 200 Materials	17287	16678	3.7%	0.3%	74.6%
S&P 200 Industrials	6570	6376	3.0%	1.3%	28.8%
S&P 200 Consumer Disc.	2891	2908	-0.6%	-3.3%	38.1%
S&P 200 Consumer Staples	12983	13448	-3.5%	-4.3%	51.7%
S&P 200 Healthcare	40999	41303	-0.7%	0.9%	112.6%
S&P 200 Financials	6551	6535	0.2%	-1.5%	2.8%
S&P 200 Info Technology	1518	1445	5.0%	-5.5%	95.2%
S&P 200 Telecommunicatic	1440	1431	0.6%	-3.1%	-18.0%
S&P 200 Utilities	8386	8100	3.5%	3.7%	11.2%
S&P 200 Property Trusts	1452	1457	-0.4%	-9.9%	8.2%
S&P 200 Financials ex PT	7306	7289	0.2%	-1.5%	2.8%

Source: IRESS

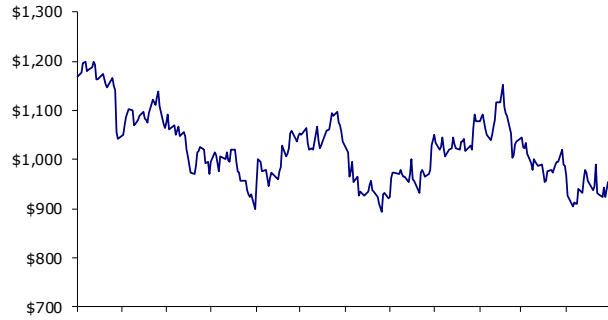


### 1 Year Commodity Price Charts

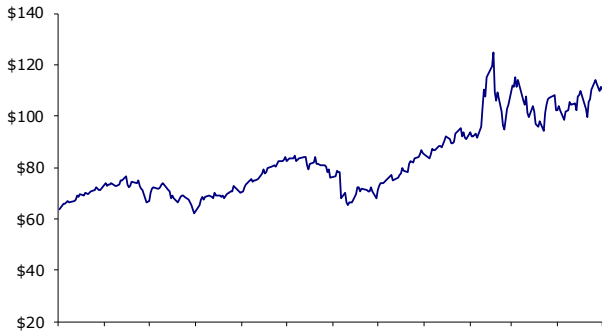
**1 Year Gold**



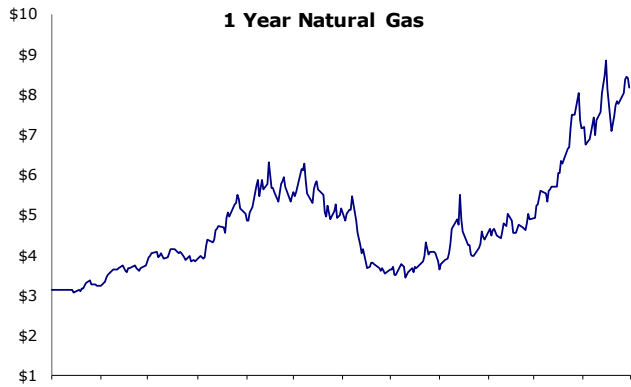
**1 Year Platinum**



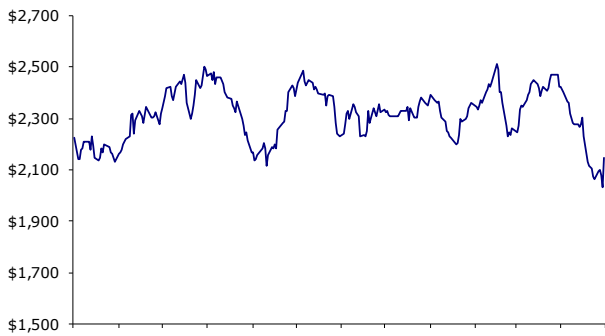
**1 Year Oil**



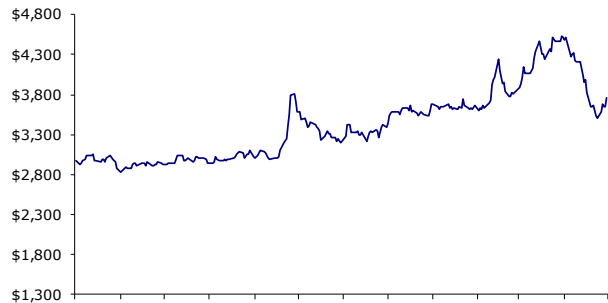
**1 Year Natural Gas**



**1 Year Lead**

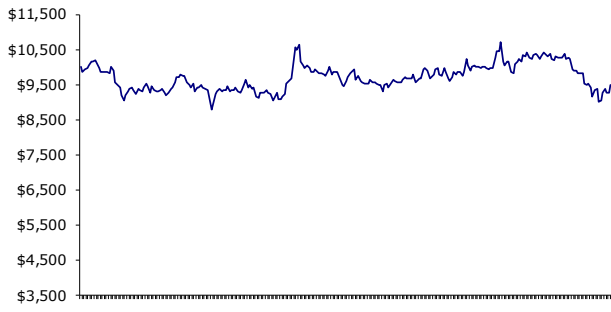


**1 Year Zinc**

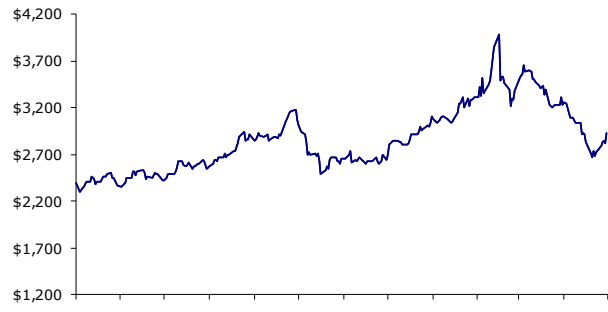




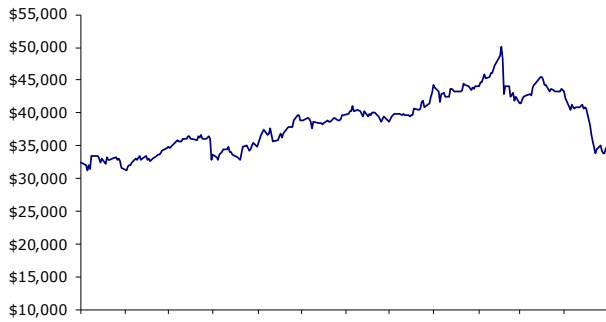
**1 Year Copper**



**1 Year Aluminium**

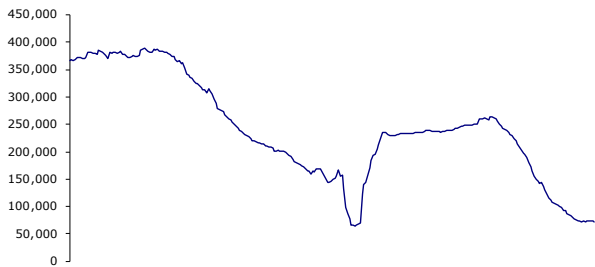


**1 Year Tin**

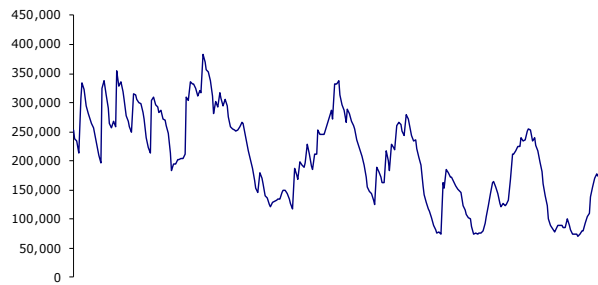


**5 Year Metals Stockpiles**

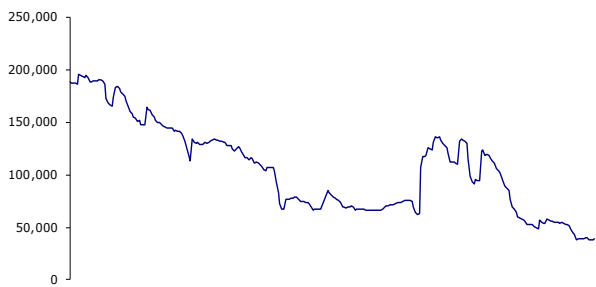
**Nickel LME Stockpiles - 5 Year**



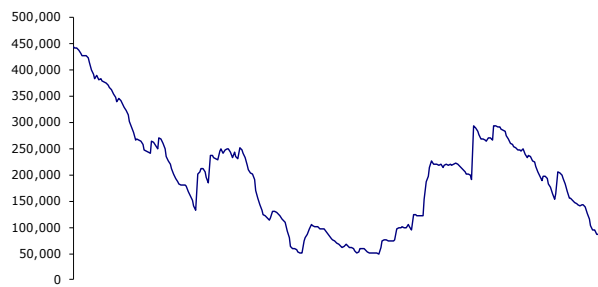
**Copper LME Stockpiles - 5 Year**



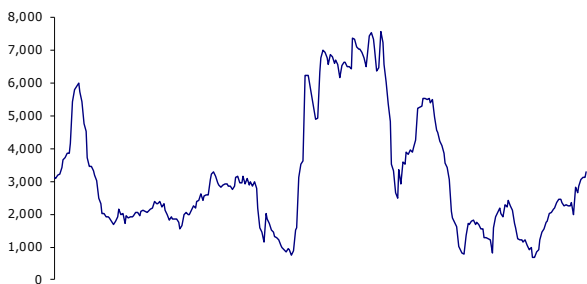
**Lead LME Stockpiles - 5 Year**



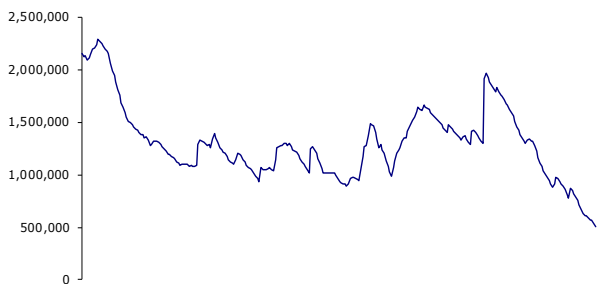
**Zinc LME Stockpiles - 5 Year**



**Tin LME Stockpiles - 5 Year**



**Aluminium LME Stockpiles - 5 Year**





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