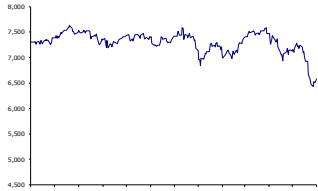
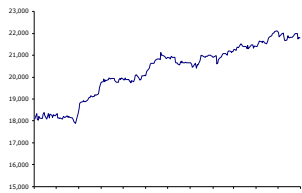


12-month XJO chart

12-month Dow Jones chart

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Global Wrap – 26 June 2022

World Markets	26/06/2022	19/06/2022	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	6579	6475	1.6%	-9.1%	18.7%
S&P 500	3912	3675	6.4%	-4.6%	74.2%
FTSE 100	7209	7016	2.7%	-4.3%	4.0%
DAX30	14050	13719	2.4%	3.6%	3.6%
Shanghai Composite	3350	3315	1.0%	4.8%	4.2%
Nikkei 225	26492	25771	2.8%	-3.4%	41.2%
Hang Seng	21719	21075	3.1%	2.0%	-5.0%
Currency					
AUD/USD	0.6949	0.6924	0.4%	-0.8%	1.1%
Commodities					
Oil (\$/bbl)	107.6	110.5	-2.6%	-6.6%	101.9%
Gas (\$/gal)	6.3	6.9	-8.8%	-28.0%	70.7%
Iron Ore (\$/t)	0.0	53.9	-100.0%	-100.0%	-100.0%
Copper (\$/t)	8281	9101	-9.0%	-12.4%	41.8%
Lead (\$/t)	1896	2073	-8.5%	-11.5%	-18.7%
Zinc (\$/t)	3700	3580	3.3%	-5.0%	34.8%
Aluminium (\$/t)	2436	2474	-1.5%	-9.8%	40.7%
Nickel (\$/t)	22900	25435	-10.0%	-17.4%	101.4%
Tin (\$/t)	25050	32600	-23.2%	-28.9%	17.1%
Gold (\$/oz)	1830	1841	-0.6%	-1.0%	56.1%
Silver (\$/oz)	21.2	21.7	-2.4%	-3.4%	23.8%
Platinum (\$/oz)	903	931	-3.0%	-9.3%	-3.7%
Wheat (\$/t)	936.500	1044.750	-10.4%	-10.1%	129.4%

Source: Iress

Key points

- 1. Stocks bounce back on softer US inflation reading**
- 2. Beaten up tech and lithium lift ASX**
- 3. What to watch this coming week**

In the US the **Dow Jones Industrial Average** rallied more than 800 points on Friday, rebounding off the lows of the bear market last week and capping its first weekly advance since May.

The Dow rose 823.32 points, or 2.68%, to 31,500.68, with gains accelerating in the final hour of trading. The **S&P 500** was 3.06% higher to 3,911.74. The **Nasdaq Composite** advanced 3.34% to 11,607.62.

The major averages leapt after a consumer sentiment reading, closely followed by the Federal Reserve, that showed a **slight easing of inflation expectations**.

Consumer sentiment hit a record low reading of 50 in June, according to the final reading from a University of Michigan survey released on Friday morning. The report showed 12-month inflation expectations by consumers easing back to 5.3%.

A preliminary reading earlier this month that was pivotal in influencing the Fed to get more aggressive with its rate hike showed inflation expectations at 5.4%.



All 11 sectors were up for the day.

Cruise line stocks led the S&P 500 gains. Shares of **Carnival Corporation** rallied 12.4% after booking volumes in its most recent quarter were “nearly double” the first quarter, meaning it saw the “best quarterly booking volumes since the beginning of the pandemic”.

Royal Caribbean Group surged about 15.8%. **Norwegian Cruise Line Holdings’** shares gained nearly 15.4%.

The **financials sector** was a notable gainer in the broader market index, up 3.8%. Shares of several of the nation’s largest banks climbed after the Federal Reserve released the results of its annual “stress test.” The central bank said companies such as Wells Fargo have strong pools of capital to weather a severe recession.

Wells Fargo’s stock price jumped nearly 7.6%. **Capital One** popped 5.6%.

Shares of **FedEx** surged about 7.2% despite a mixed fourth-quarter report after the logistics company delivered an upbeat earnings forecast.

Shares in the Asia were higher on Friday, led by tech stocks on the Hong Kong market.

Hong Kong’s **Hang Seng index** jumped 2.09% to close at 21,719.06, with the **Hang Seng Tech index** rising 4.05%. In

Japan’s **Nikkei 225** advanced 1.23% to close at 26,491.97, while the Topix climbed 0.81% to 1,866.72.

SoftBank Group’s chief executive said on Friday that chip designer **Arm** was mostly likely to be listed on the **Nasdaq**, though the decision is not final, Reuters reported.

Core consumer prices in Japan rose 2.1% for May compared to a year earlier, in line with estimates, according to Reuters. That’s above the Bank of Japan’s target of 2% inflation. However, consumer prices only rose 0.8% if fresh food and energy was taken out, Reuters said.

On mainland China the **Shanghai Composite** gained 0.89% in the afternoon to close at 3,349.75, and the **Shenzhen Component** was 1.369% higher at 12,686.03.

European markets closed sharply higher on Friday to end a volatile week, as investors assessed inflation and fears of an economic recession.

The pan-European **Stoxx 600 index** closed up by 2.6% provisionally, its best day in more than three months, with tech shares adding 3.8% to lead gains as all sectors finished in positive territory.

In terms of individual share price movement, London-listed defense firm **Ultra Electronics** jumped more than 12% after the British government moved forward in the process of signing off a takeover of the company by rival **Cobham**.

UK consumer confidence fell to its lowest level since records began, data revealed on Friday, as the country faces inflation running at a 40-year high, slowing growth and a spiralling cost of living crisis for households.

The Ifo Institute’s **business climate index for Germany** fell to 92.3 in June from 93.0 in May, while business conditions and expectations also declined slightly.

In Australia a rebound in beaten-up technology and lithium shares lifted the sharemarket on Friday as investors hunted for value and assessed the damage from this month’s sell-off.

The **S&P/ASX 200** rose 0.8% to 6578.7 on Friday, taking its weekly gain to 1.6% as the benchmark snapped a two-week losing streak. The broader All Ordinaries Index rose 1.1% to 6762.4.

Lake Resources jumped 15% to 80.5¢, recovering most of its losses from Thursday’s 16.7% plunge. The stock has dropped 48.7% in the first week of its inclusion in the S&P/ASX 200 Index following the sudden resignation of MD Stephen Promnitz on Monday morning.

Fellow Lithium play Vulcan Energy jumped 26.8% to \$6.34 after announcing it has brought European automaking giant Stellantis on board as its second-largest shareholder.

Other lithium stocks also bounced; **Liontown Resources** added 10.8% to 97.5¢, **Pilbara Minerals** climbed 8.8% to \$2.23 and **Allkem** firmed 4.7% to \$10.09.

The interest rate-sensitive technology sector rallied 6%, tracking a strong lead from the Nasdaq.

The **energy sector** was the day’s biggest laggard as concerns about a recession pushed oil prices lower. **Brent crude** has shed more than 10% in the past fortnight because of fears of slowing demand.



Beach Energy dropped 2.5% to \$1.58, **Santos** fell 1.8% to \$7.22, and **Woodside Energy** tumbled 1.7% to \$30.61.

Some of the companies worst hit by this year's tech rout found a bid, but are still nursing heavy losses from the rotation away from riskier assets. **Zip** jumped 21.6% to 53.5¢, but is down nearly 90% this year. **Life360** advanced 24.9% to \$3.01, but has fallen almost 70% year-to-date. **Megaport** rose 15.9% to \$5.60, but is also down about 70 % this year.

Copper prices dropped to a 16-month low, weighing on **OZ Minerals** which fell 2.1% to \$19.19.

The **major miners** also extended their decline despite a rebound in iron ore prices overnight. **BHP** fell 1.2% to \$40.02, and **Rio Tinto** declined 1.2% to \$101.40.

The **major banks** were mixed. **NAB** fell 0.4% to \$27.02, **ANZ** tumbled 0.7% to \$21.91, and **Westpac** declined 0.7% to \$19.48, while **Commonwealth Bank** added 0.5% to \$90.16.

Qantas dropped 1.6% to \$4.45 after saying it would be able to reduce net debt to \$4 billion by the end of the month, meaning it has paid off \$1.5 billion in the past half year.

Jetstar boss Gareth Evans said he would leave the low-cost airline next year and Qantas said it would peel off capacity in the 2023 financial year to cope with high fuel prices stemming from Russia's war in Ukraine.

Betmakers soared 20% to 36¢ after announcing it will conduct an on-market share buyback of as much as 10% of the company.

This coming week's events to watch include the release of **US Durable Goods Orders** on Monday. This measures the cost of orders received by manufacturers for goods planned to last for three years or more, such as motor vehicles and appliances.

On Wednesday **Australia's retail sales data** come out, the same day as speeches by US Fed Chair Jerome Powell and European Central Bank President Christine Lagarde.

UK gross domestic product and more key US manufacturing data will be released on Friday.

Sources: CNBC, Reuters, AFR and FXStreet

**Economic Calendar 27/06/2022 – 1/07/2022**

Monday June 27 2022		Actual	Previous	Consensus	Forecast	
08:30 PM	US	Durable Goods Orders MoM MAY	0.4%	0%	-0.3%	
	EA	ECB Forum on Central Banking				
Tuesday June 28 2022		Actual	Previous	Consensus	Forecast	
02:00 PM	DE	GfK Consumer Confidence JUL	-26	-27.7	-27.9	
	EA	ECB Forum on Central Banking				
Wednesday June 29 2022		Actual	Previous	Consensus	Forecast	
01:00 PM	JP	Consumer Confidence JUN	34.1		33	
08:00 PM	DE	Inflation Rate YoY Prel JUN	7.9%	7.9%	7.9%	
09:00 PM	EA	ECB President Lagarde Speech				
09:00 PM	GB	BoE Gov Bailey Speech				
09:00 PM	US	Fed Chair Powell Speech				
	EA	ECB Forum on Central Banking				
Thursday June 30 2022		Actual	Previous	Consensus	Forecast	
09:30 AM	CN	NBS Manufacturing PMI JUN	49.6	48.6	48.3	
02:45 PM	FR	Inflation Rate YoY Prel JUN	5.2%	5.5%	5.6%	
04:00 PM	IT	Unemployment Rate MAY	8.4%		8.5%	
05:00 PM	EA	Unemployment Rate MAY	6.8%	6.8%	6.8%	
08:30 PM	US	Personal Income MoM MAY	0.4%	0.5%	0.3%	
08:30 PM	US	Personal Spending MoM MAY	0.9%	0.5%	0.8%	
09:30 PM	EA	ECB President Lagarde Speech				
Friday July 01 2022		Actual	Previous	Consensus	Forecast	
07:50 AM	JP	Tankan Large Manufacturers Index Q2	14	13	10	
09:45 AM	CN	Caixin Manufacturing PMI JUN	48.1		50.5	
05:00 PM	EA	Inflation Rate YoY Flash JUN	8.1%	8.3%	8.3%	
05:00 PM	IT	Inflation Rate YoY Prel JUN	6.8%	7.4%	7.8%	
10:00 PM	US	ISM Manufacturing PMI JUN	56.1	55	55	

Economic Calendar 4/07/2022 – 8/07/2022

Monday July 04 2022		Actual	Previous	Consensus	Forecast	
02:00 PM	DE	Balance of Trade MAY	€1.3B			
Tuesday July 05 2022		Actual	Previous	Consensus	Forecast	
12:30 PM	AU	RBA Interest Rate Decision	0.85%		1.35%	
04:30 PM	GB	S&P Global/CIPS UK Services PMI Final JUN	53.4	53.4	53.4	
Wednesday July 06 2022		Actual	Previous	Consensus	Forecast	
10:00 PM	US	JOLTs Job Openings MAY	11.4M			
10:00 PM	US	ISM Non-Manufacturing PMI JUN	55.9	55.4	55.2	
Thursday July 07 2022		Actual	Previous	Consensus	Forecast	
02:00 AM	US	FOMC Minutes				
09:30 AM	AU	Balance of Trade MAY	A\$10.495B			
08:15 PM	US	ADP Employment Change JUN	128K			
08:30 PM	CA	Balance of Trade MAY				
08:30 PM	US	Balance of Trade MAY	\$-87.1B	\$-86.6B		
10:00 PM	CA	Ivey PMI s.a JUN	72			
Friday July 08 2022		Actual	Previous	Consensus	Forecast	
08:30 PM	CA	Unemployment Rate JUN	5.1%			
08:30 PM	US	Non Farm Payrolls JUN	390K	250K	310K	
08:30 PM	US	Unemployment Rate JUN	3.6%	3.6%	3.6%	

Source: www.tradingeconomics.com

**All Ords Top 10 Week Ending 24 June 2022**

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
SQ2	Block	21.6	LKE	Lake Resources	-48.7
	360 Life360 Inc.	19.9	SBM	St Barbara Limited	-29.3
REA	REA Group	19.7	CXO	Core Lithium	-21.1
IMU	Imugene Limited	17.9	RRL	Regis Resources	-17.9
INA	Ingenia Group	16.3	RMS	Ramelius Resources	-15.8
LIC	Lifestyle Communit.	16.2	SLR	Silver Lake Resource	-15.4
IRE	IRESS Limited	16.0	CIA	Champion Iron Ltd	-14.3
PBH	Pointsbet Holdings	15.8	NHC	New Hope Corporation	-11.7
PME	Pro Medicus Limited	15.2	BGA	Bega Cheese Ltd	-11.5
DHG	Domain Holdings Aus	14.2	DEG	De Grey Mining	-11.2

Source: IRESS

S & P Indices Week Ending 24 June 2022

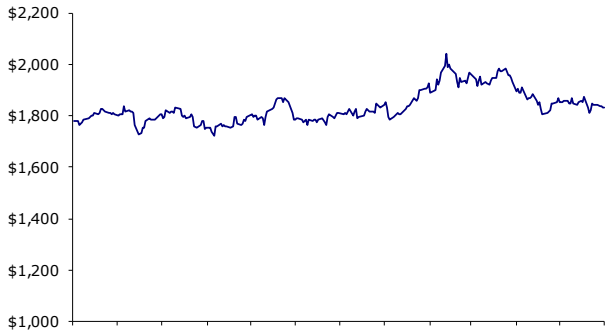
S&P Indices	26/06/2022	19/06/2022	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Energy	9659	10115	-4.5%	-4.2%	8.6%
S&P 200 Materials	15641	16443	-4.9%	-12.5%	58.0%
S&P 200 Industrials	6250	6085	2.7%	-6.1%	22.5%
S&P 200 Consumer Disc.	2716	2578	5.4%	-6.2%	29.7%
S&P 200 Consumer Staples	12840	12242	4.9%	-0.9%	50.1%
S&P 200 Healthcare	39733	37727	5.3%	-2.9%	106.1%
S&P 200 Financials	5754	5549	3.7%	-13.2%	-9.7%
S&P 200 Info Technology	1370	1268	8.1%	-7.4%	76.2%
S&P 200 Telecommunicatic	1392	1331	4.6%	-3.4%	-20.7%
S&P 200 Utilities	7567	7583	-0.2%	-3.0%	0.4%
S&P 200 Property Trusts	1378	1283	7.3%	-6.8%	2.7%
S&P 200 Financials ex PT	6417	6189	3.7%	-13.2%	-9.7%

Source: IRESS

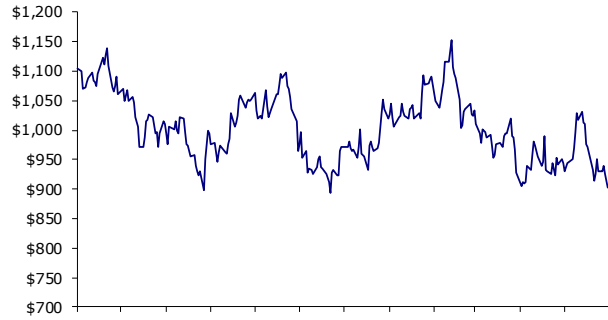


1 Year Commodity Price Charts

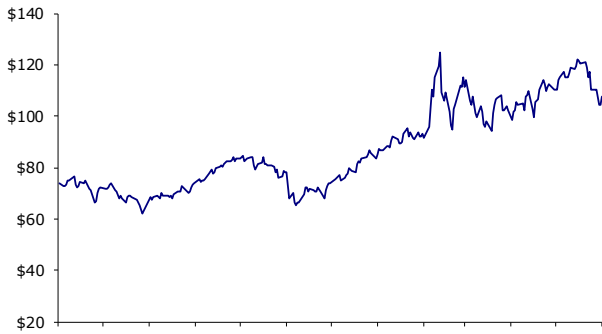
1 Year Gold



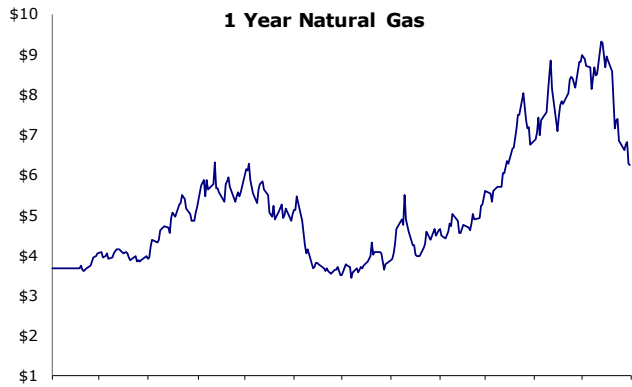
1 Year Platinum



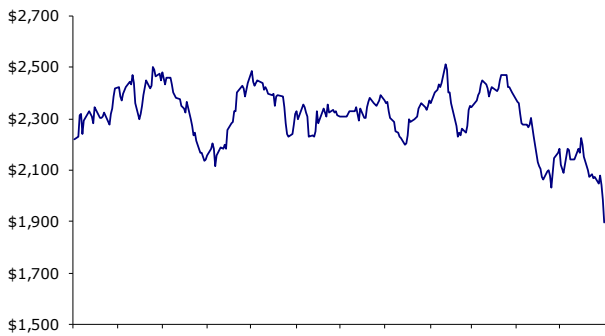
1 Year Oil



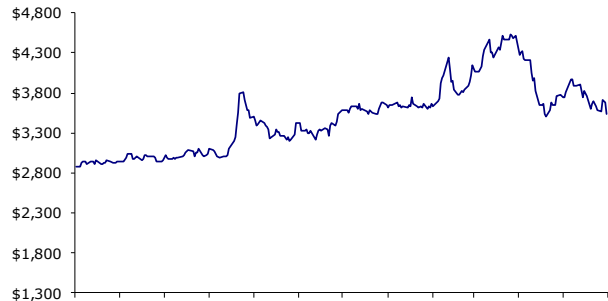
1 Year Natural Gas



1 Year Lead

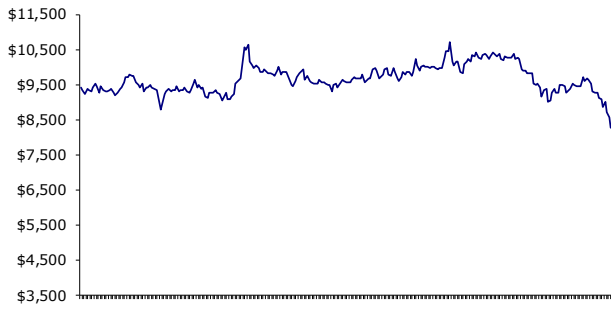


1 Year Zinc

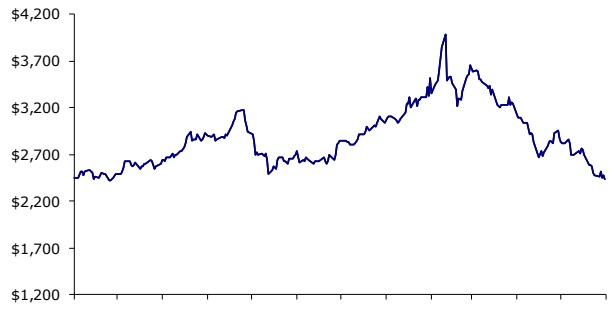




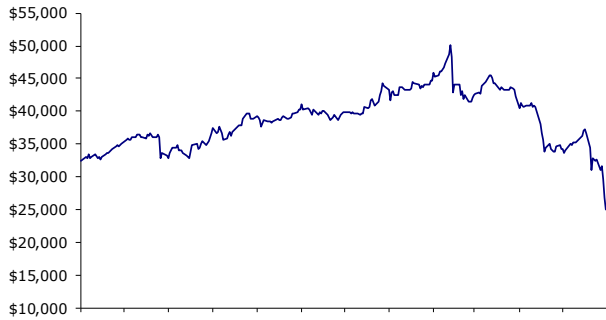
1 Year Copper



1 Year Aluminium

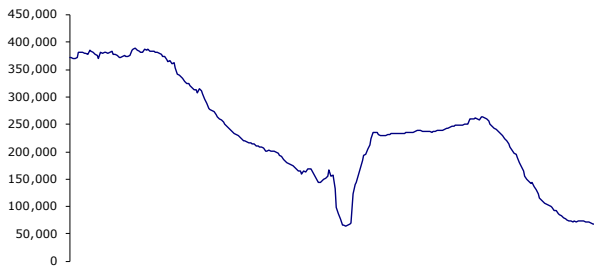


1 Year Tin

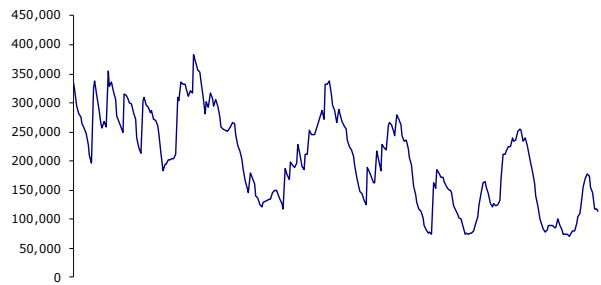


5 Year Metals Stockpiles

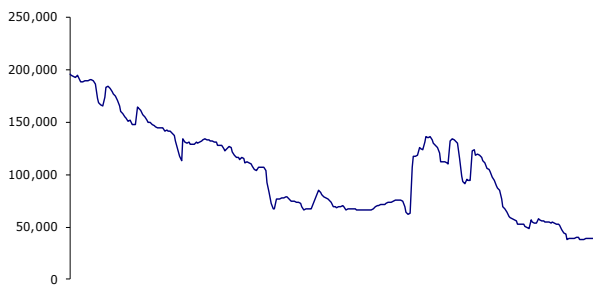
Nickel LME Stockpiles - 5 Year



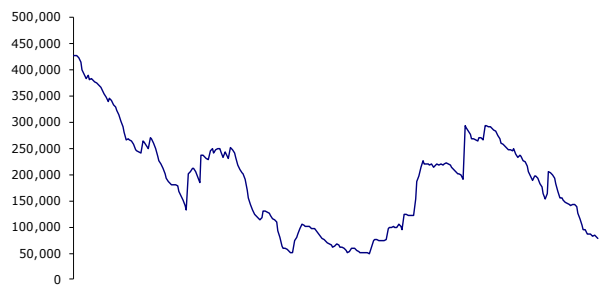
Copper LME Stockpiles - 5 Year



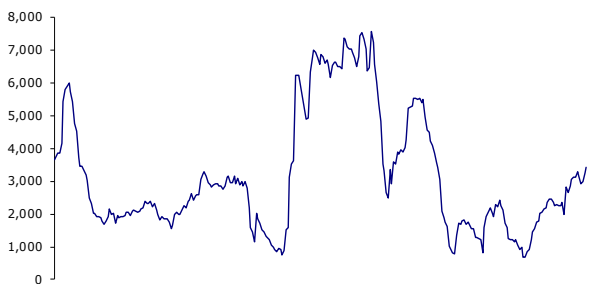
Lead LME Stockpiles - 5 Year



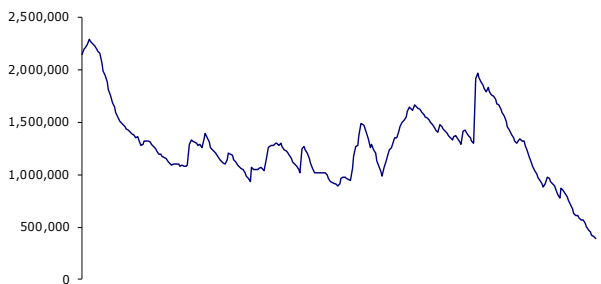
Zinc LME Stockpiles - 5 Year



Tin LME Stockpiles - 5 Year



Aluminium LME Stockpiles - 5 Year





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