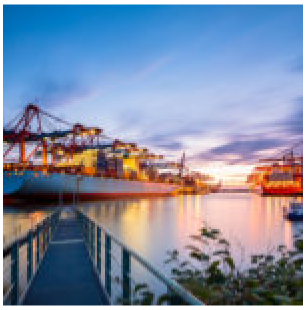

Weekly Market Update (Issue 534) – 8th February 2019

In a sign of the times in which we live, markets globally have swung from extreme greed in late September 2018, to extreme fear in December, and now back to knocking on the door of extreme greed again as recently as this week (CNN Fear & Greed index).

The ASX200 is up +8% year-to-date, and a surge of optimism overtook investors in recent days as the RBA Governor tempered his economic outlook, conceding the domestic interest rate policy to be 'more evenly balanced' than before.

Investors cheered the dovish remarks never mind the fact they were in large part motivated by a significant deceleration in domestic data over our summer – NAB Business Conditions and Australian Service sector activity collapsed to their lowest levels in 4-years.

Further grounds for investor optimism stemmed from the Banking Royal Commission where investors cheered the absence of major structural reforms or incremental penalties.

As a result, Australian shares led their global peers this week, rising +4%.

Weird huh, but don't believe the hype.

This is the time to make some sales.

Rate cuts coming, but won't push shares higher

Make no mistake, Australian interest rates will be cut in 2019 – in fact, I think there are grounds to go pre-Federal Election – but the cut to rates will be a rear-guard action designed to protect business confidence in the wake of construction weakness and political uncertainty associated with a likely Federal Labor Government.

On Friday the RBA themselves cut their FY2019 GDP forecast significantly from 3.25% to 2.5% (remember we are already 7mths into the year).

The rate cut will be welcome news, but it is the finger in the dyke, not the accelerant to the fire.

This surge in investor buying will all be in vain, as Australia's domestic economic outlook is now firmly in rapid retreat and likely to lead to ongoing corporate profit downgrades as 2019 progresses.

Where we advocated for buying the dip in late October and again in December, we are now firmly of the mindset to be TAKING PROFITS in certain Australian equity positions after this phenomenal bounce back.

In fact, local investor optimism seems to be coming precisely before the housing slowdown truly impacts employment and certainly comes with little concern for the negative impact on local asset prices (in the near term at least) associated with a likely Labor Government.

It's a little perplexing to be sure but remember too that we did start the year on a very negative footing, so this rebound might indeed be a similarly aggressive snap-back to counterbalance last year's pessimism.

Either way, I fully expect the enthusiasm to peter out, and for those of you looking to build cash war-chests, now is the perfect time.

Miners – perfect opportunity to TAKE PROFIT

The tragic dam collapse in Brazil that has forced Brazilian iron ore major Vale (VALE5) to suspend shipments, helped Australian mining shares to reach record highs this week.

Rio Tinto (RIO) shares surged to a 10-year high above $90, and **BHP (BHP)** too rose to a 4-year high.

In response to Brazilian shipment issues, iron ore futures have spiked to over $90/ton from the low $70’s only a fortnight ago and a range of $65-70/ton during much of Q4 2018.

RIO is now +30% since early December, **BHP** is +20% and **Fortescue (FMG)** is +50%.

In both **BHP** and **RIO’s** instance, the stocks are now trading at or near long-term asset valuations and at around 14x a normalized profit which assumes iron ore prices returning to a long-term average of around $65/ton).

Since this recent commodity price spike is likely to be short-term in nature, and since we feel very convinced in the likely decline in Chinese steel production in 2019 and 2020 and the subsequent iron ore surplus that is set to emerge, it seems an ideal opportunity for those investors fortunate enough to have ridden these miners up, to book some profits.

The opportunity to TAKE PROFIT here is a good one.

Global Growth – European woes continue

We rarely speak of the economic situation in Europe in this column in large part because its rarely worth mentioning, however it was notable on Thursday night to see the European Commission slash their 2019 forecast for economic growth from 1.9% to 1.3%.

Notably, the EC dropped their assumption on Italian economic growth from 1.2% to 0.2% and on the UK from 1.7% to 1.2%.

These cuts are significant in size, but also of note given the enormity of Europe’s sovereign debt.

Without growth, debt won’t be repaid, and the prospect of an escalation in intra-European haggling over financing seems assured.

Overnight the French Ambassador to Italy was recalled, taking relations between Europe’s 2nd and 3rd biggest economies to their lowest ebb since WW2.

Whilst much of our focus has been on the trade war in recent months, the structural issues facing Europe remain enormous and it wouldn't be a surprise to see a negative curve-ball emerge out of Europe in 2019.

Downner Group (DOW) – mixed results but remains a key holding

DOW results were a little light against forecasts as a couple of problem contracts hampered the group's excellent exposure to Australia's east coast infrastructure boom.

The Spotless acquisition missed earnings figures moderately, but cash conversion continues to improve, which is good news.

DOW has outperformed the market significantly in recent months, so perhaps it was due a pause, however we feel like the momentum remains strong for the group and on 14x earnings, it is far from expensive given end-markets remain so good for their key transport, rail and engineering assets.

Next Week

Result dates for corporate earnings are filed in the table below, but we are particularly interested in results from **AMCOR (AMC), Telstra (TLS)** and **Challenger (CGF).**

It will be good to get an update from **AMC** on merger plans, but also to see if the fall in key polyethylene input prices had done a good job at counteracting continued volume softness in the group's North American rigid plastics business.

On **TLS**, we think numbers will be sound and the market will continue to warm to an improving backdrop for the company.

I repeat the idea that **TLS** will outperform in 2019 and likely trade towards $3.50 on the optimism surrounding a more benign environment for mobile competition, and the likelihood of an NBN write-down by Labor soon after their May Federal Election win (this should spur great profitability for NBN resellers like **VOC, TPG** and **TLS**).

On **CGF**, though we have already seen the downgrade, we are interested to get more details on the composition of the miss, and to ascertain industry volumes currently and expectantly ahead of favourable new legislation due on July 1st this year.

Regards, Jono.

<u>Interest Rate Commentary & Update</u>

For full interest rate commentary and updates please [click here]

Term Deposit Rates

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Australian Market Index

Thursday 5pm Values

	Index	Change	%
All Ordinaries	6159	+222	**+3.7%**
S&P / ASX 200	6092	+227	**+3.9%**
Property Trust Index	1496	+36	**+2.5%**
Utilities Index	7951	+97	**+1.2%**
Financials Index	5916	+365	**+6.6%**
Materials Index	12492	+376	**+3.1%**
Energy Index	11139	+289	**+2.7%**

International Market Index

Thursday Closing Values

	Index	Change	%
U.S. S&P 500	2706	+2	**+0.1%**
London's FTSE	7094	+125	**+1.8%**
Japan's Nikkei	20751	-22	**-0.1%**
Hang Seng	27931	-11	-
China's Shanghai	2618	-	-

Key Dates: Australian Companies

Mon 11th February 2019	**Earnings** – Aurizon (AZJ), JB Hi Fi (JBH)
Tue 12th February 2019	**Earnings** – AMCOR (AMC), Challenger (CGF), Transurban (TCL) **Div Ex-Date** – IAG (IAG)
Wed 13th February 2019	**Earnings** – Cochlear (COH), Computershare (CPU), Carsales (CAR), CSL (CSL) **Div Ex Date** – Commonwealth Bank (CBA)
Thu 14th February 2019	**Earnings** – Woodside (WPL), ASX (ASX), Treasury Wine (TWE), Newcrest (NCM), Suncorp (SUN), Magellan Financial Group (MFG), Telstra (TLS), AMP (AMP) **Div Pay-Date** – Sydney Airport (SYD)
Fri 15th February 2019	**Earnings** – Healthscope (HSO), Sonic Healthcare (SHL), Medibank (MPL) **Div Pay Date** – Transurban (TCL)

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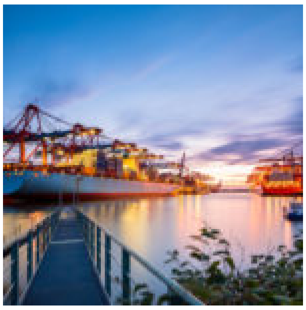

Weekly Market Update (Issue 533) – 1st February 2019

As expected, it was a big week for investors, and in large part, a good one for **PRIME's** recommended portfolio's.

U.S Federal Reserve 'blinks' – positive

The biggest news of the week was the concession made by the U.S Federal Reserve that they would countenance an earlier end to the current balance sheet unwind, leaving the central bank's balance sheet at a far larger size than previously thought.

The significance of this is simply that it means the unwind of the enormous money printing that has occurred over the past decade is going to end sooner, thus reducing the risks of a far greater liquidity crunch on financial assets than perhaps we and others had anticipated.

The pub has stopped serving beer and its past closing time, but instead of kicking us all out as feared, the landlord has just said its fine for everyone to stick around a little longer finishing their drinks.

Unsurprisingly this news was well received by investors, and most major equity markets with the exception of Australia ended the week higher.

Emerging markets in particular were deservedly strong, in large part because this new pause from the Fed is seen to be a catalyst for a weaker U.S Dollar, and a weaker U.S Dollar is ordinarily associated with stronger global growth in which emerging economies often revel.

We think our recommended international exposures in the **Platinum Asia, Antipodes Global** and **Orbis Global Equity** funds will all do well from their raised exposures to Asia and emerging markets in 2019.

RBA will cut rates by March

In Australia however, the Fed's pause creates a few headaches for the economy and the Reserve Bank, because a weaker U.S Dollar by default exerts upward pressure on the Australian Dollar, which in turn acts as a headwind for the local economy.

This week's push to nearly 73c on the AUD would be unwelcomed by the RBA, particularly after having seen a collapse in local business conditions through December according to the release from NAB this week on local business confidence.

NAB Business Conditions in December plummeted to a 4-year low in a move reminiscent of the deterioration in activity seen in both 2000 and 2008.

Our first technical recession in 30-years is in the offing.

I think prior to the last month or two, the local economy seemed to be doing well enough to weather the slowing housing market giving good grounds for the RBA to hold fire on cutting rates further than their record low 1.50% cash setting.

However, the deceleration seen over Christmas and the prospect of a 'go-slow' by businesses in the lead up to the May election will have them on notice, and the last thing they would want to exacerbate this softening is an unintended spike in the local currency.

For this reason, we now expect the **RBA to CUT DOMESTIC CASH RATES** by 0.50% between now and May, and to begin flagging these intentions as soon as next Tuesday's central bank meeting.

Rate cuts are coming.

Healthscope (HSO) – formal Brookfield bid confirmed

It's been like waiting for Godot, but finally the bid came, albeit at a slightly discounted price to the original $2.585 informal bid terms.

All the same, we are encouraged and comfortable with the new bid price of $2.50 which is still well in excess of the opening, highly-conditioned $2.36 bid from the BGH Capital consortium way back in April last year.

It seems highly likely the scheme of arrangement bid is successful and that cash is remitted back to shareholders around late July or early August I would guess, and as a result the stock today is trading at a marginal discount to the $2.50 bid terms to reflect the cost of funding between now and then.

We think there is still a modest chance that BGH Capital decide to come back with a higher, competing bid, particularly since we have seen the current bid demonstrate an underlying property portfolio of $2.5bn, being a number well in excess of both book value and analyst estimates.

For this reason, we think it's right to hold on to **HSO** for a further few weeks to try and glean whether alternate suitors are considering a bid, however should it seem unlikely, we will issue a formal TAKE PROFIT recommendation and happily walk away with a sound +10-15% profit in what has been a volatile holding this past year or two.

Magellan Financial Group (MFG) – beginning to look a fuller valuation

You will have all received our thoughts pertaining to **MFG** this morning, but a simple recap is to confirm that we now feel the **MFG** share price adequately reflects our view in the value of the business, and that the risk/reward scenario for investors seems more delicately balanced.

The holding has been a good winner for us, having jumped +30% in 6 months against a broadly flat market.

These guys remain exceptional stewards of client capital, but the share price has now simply begun to reflect this.

Telstra (TLS) – some genuinely good news. Stock is going to $3.50

TLS popped by +9% on Tuesday when it was revealed that **TPG Telecom (TPG)** had chosen to stop the rollout of their new east coast high-speed 5G mobile network.

TLS has been under significant pressure since **TPG** announced its plans to spend $600m on building out a niche 5G network across major eastern seaboard cities, with investors fearing **TPG's** likely strategy of targeting affluent post-paid users in the major cities with discounted contractual terms.

Understandably **TLS** investors were concerned this would erode the cashflow and margins of its core mobile division, so news that **TPG** would not be building out a 4^{th} network is undeniably positive.

With **TPG** in the midst of an attempted merger with **Vodafone**, and concerns that the ACCC might not allow this to occur, much of the news to stop the rollout is directed firmly at the regulator to force their hand to allow the merger, but either way, the Australian mobile market looks entirely set to remain a 3-player market for some time to come.

I would expect **TLS** continues to grind higher in 2019 and will prove to be a surprisingly good performer in portfolios after what has been a few barren years.

Next Week

Australian corporate reporting's commence next week, and we will also see the much-anticipated release of the Hayne Commission report into the Australian Banking and Financial Services industry on Monday afternoon after the market closes.

It is Chinese New Year, so much of the region will be out on holiday for the better part of the week.

The mainland is on holiday all week.

Gong Xi Fa Cai.

Regards, Jono, Guy and Jordan

Interest Rate Commentary & Update

For full interest rate commentary and updates please click here

Term Deposit Rates

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Australian Market Index

Thursday 5pm Values

	Index	**Change**	**%**
All Ordinaries	5937	+6	**0.1%**
S&P / ASX 200	5865	-1	**-**
Property Trust Index	1460	+22	**+1.5%**
Utilities Index	7854	+78	**+1.0%**
Financials Index	5551	-174	**-3.0%**
Materials Index	12116	+650	**+5.7%**
Energy Index	10850	+193	**+1.8%**

Key Dates: Australian Companies

Mon 4th February 2019	**Banking and Financial Services Royal Commission report**
Tue 5th February 2019	**Earnings –** James Hardie (JHX)
Wed 6th February 2019	**Earnings –** Commonwealth Bank (CBA) **Div Ex Date** – RESMED (RMD)
Thu 7th February 2019	**Earnings –** Downer (DOW), AGL Energy (AGL)
Fri 8th February 2019	**Earnings –** REA Group (REA), National Australia Bank (NAB) trading statement **Div Pay Date** – MCP Master Income Trust (MXT)

International Market Index

Thursday Closing Values

	Index	**Change**	**%**
U.S. S&P 500	2704	+62	**+2.3%**
London’s FTSE	6969	+150	**+2.2%**
Japan’s Nikkei	20773	+198	**+1.0%**
Hang Seng	27942	+821	**+3.0%**
China’s Shanghai	2585	-7	***-0.3%***

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Ways around the Franking Credit Issue if Labors Proposal Prevails

Karen Dezdjek
Director – Wealth and Superannuation SMSF

It's safe to say that many trustees whose funds are in full pension mode are very concerned about the possibility of losing their franking credit refunds should labor win the next election. There is a lot of noise in the media indicating that SMSF's are going to be the hardest hit and trustees are considering whether an APRA Fund (retail/industry fund) would be a better option moving forward should labor be victorious at the polls. Is "shutting up the SMSF shop" really the answer? The real question is why would a trustee find an APRA fund a better solution than an SMSF and what options are available to even up the playing field.

If Labor's proposal is passed, APRA funds face the same issue as an SMSF. However the main difference is APRA funds have members who are both in accumulation mode and pension mode. Those in accumulation mode are likely to also be making taxable contributions into the fund which means they are paying 15% tax on both the income that their member balance generates and on their contributions absorbing the franking credits received.

This mix of accumulation and pension members is absolute key in helping to solve the inequity between SMSFs and APRA funds. Following are four strategies which may be considered for those funds who are in full pension mode.

Strategy One – Roll back the pension

Where members don't need the pension income, consider rolling back to accumulation mode. The maximum tax payable on income and capital gains is 15% which still makes accumulation funds a tax effective vehicle.

Before rolling back to accumulation it's prudent to review the unrealised capital gains position of the fund and consider realising any gains prior to rolling back to take full advantage of being in a tax exempt environment.

Members that roll back to accumulation are still able to take money out of the fund via a Lump Sum Withdrawal if cash is required.

Key benefits of this strategy:

- You don’t need to draw a pension minimum if it isn’t required; and
- You can ensure the maximum amount possible is retained in a low tax environment (compared with tax rates outside of super).

Strategy Two – Reduce your pension amount

You may wish to consider rolling back part of the pension to accumulation.

Key benefits of this strategy:

- You can reduce the minimum amount required to be withdrawn; and
- You can preserve the capital for longer but leave room in the Transfer Balance Cap if a member finds themselves in receipt of a reversionary pension.

Strategy Three – Make additional contributions

Consider making taxable contributions into the fund (assuming eligibility criteria is met) if there is sufficient income outside of super to generate a tax deduction in the member’s name. The fund will then benefit from the franking credits in the SMSF offsetting any tax payable in the fund.

Strategy Four – Add more members

Consider adding members who are in accumulation mode such as adult children. If legislation passes to allow for a six-member SMSF then grandchildren who are contributing to super could also be considered to make use of the franking credits. With this strategy the SMSF is benefiting like an APRA fund through having a mix of members.

Before making the decision to implement any of these strategies consult your financial adviser as implementation may have a negative impact on Centrelink entitlements and potentially create Transfer Balance Cap issues in relation to reversionary nominations previously made.

If you are still not sold on any of the above strategies, then have a chat to your investment adviser about alternate investment options which don’t involve receiving income with franking credits attached.

The decision to wind up an SMSF and transfer to an APRA fund should not be taken lightly.

Not only can this have a disastrous impact from a centrelink point of view if your pension is grandfathered but it is important to remember why you set up an SMSF in the first place. Control, flexibility, investment choice, better performance and transparency are normally on most people’s list. At the end of the day the government will always try and interfere with superannuation but SMSF’s still remain the most tax effective wealth creation vehicle.

For more information, please talk to your financial adviser.

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Proposed Centrelink Means Testing Rules for Lifetime Annuities

22 January 2019

Michelle Bromley CFP®

Director, Private Client Adviser

The Government's 2016-17 Budget included proposed changes to how retirement income products, including lifetime annuities, are to be means tested from 1 July 2019.

The proposed changes are linked to the introduction of Comprehensive Income Products for Retirement and are intended to encourage people to use their retirement savings in a way that supports their needs and helps manage the risk of running out of money as they get older.

This article outlines the proposed changes and discusses possible benefits from using lifetime annuities as part of your retirement income strategy in combination with the Age Pension.

Means Testing

The income and assets tests assess what personal resources retirees have available to support themselves, and then calculate how much Age Pension is offered according to the lower result from the two tests.

For example, a homeowner couple can hold up to a combined $848,000 (homeowner singles $564,000) of assessable assets and/or generate up to $79,736pa (singles $52,120pa) of income and still receive a Part Age Pension.

Some assets and income receive favourable means test treatment. Your Principal Home and Pre-paid Funerals are fully exempt; some retirement income streams might be fully or partially exempt depending on when they were purchased.

For lifetime income streams (e.g. a lifetime annuity) purchased from 20 September 2007 – 30 June 2019, the means tests take into account both the annual income payment *and* the capital purchase price. Both are reduced by an annual 'Deductible Amount'. Only the amount of income above the annual deductible amount is counted for the income test, and the assessed capital declines each year by the cumulative annual deductible amount.

Under the current rules, a lifetime annuity can immediately reduce the amount counted under the income test but reduces the capital counted under the assets test slowly over time.

Proposed Changes

The proposed means test treatment is intended to apply to lifetime income products purchased after 1 July 2019. Generally, the proposed means test rules intend to:

- Assess 60% of payments from a lifetime income stream under the income test; and
- Assess 60% of the lifetime income stream capital as an asset until the recipient's age 84 (or for a minimum of 5 years) reducing to 30% counted thereafter.

Slightly different treatment will apply to a lifetime income stream that offers a death benefit or surrender value. Annuities purchased prior to 1 July 2019 will retain the current means test treatment.

Possible Opportunities and Benefits

Determination Under the Assets Test

The proposed treatment may be beneficial where a Part Age Pension would be determined under the assets test, as up to 40% of the annuity purchase price would be immediately exempt. Part Age Pensioners in this category could immediately achieve an increased Age Pension payment if they use part of their retirement savings to purchase a lifetime income stream after 1 July 2019.

However, if the income test assessment prevails in later years once the retiree's capital has declined, future Age Pension entitlements might be lower. Although there is likely to be a trade-off between higher income in earlier years and lower income in later years (a bird in the hand so to speak), industry analysis suggests the overall outcomes are broadly similar under the current and proposed tests.

Benefits Determined Under the Income Test

The proposed rules generally result in more of the annuity income being assessed under the income test compared to the current 'deductible amount' method, probably resulting in lower Age Pension payment than under the current treatment.

However, an opportunity currently exists for retirees with a Part Age Pension determined under the Income Test if they purchase a lifetime annuity ***before*** the new rules are implemented.

The expected start date for the new treatment is 1 July 2019; however, the Social Services and Other Legislation Amendment (Supporting Retirement Incomes) Bill 2018 is still before Parliament and has not yet attained Royal Assent.

What to do?

Talk to your adviser well in advance of 1 July 2019 about whether a lifetime annuity might help you increase or attain Age Pension entitlement.

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Also, while the article need not contain the link to the statement that industry analysis shows that the outcomes under the current and proposed assets tests are broadly similar, we suggest you retain the supporting material on file. This helps protect you against a suggestion that the article is misleading, deceptive or contains unsubstantiated statements.

Weekly Market Update (Issue 532) – 25th January 2019

Australian shares seem set to close out the week on a high, rallying almost 1% on Friday as we head into the long weekend.

I suspect if you asked anyone connected to the market today they would shrug their shoulders as to the reason why, but encouragingly the **ASX200** has now recouped almost 60% of their December quarter losses and stands just shy of 5% higher year-to-date.

This rally is to be welcomed and fits with our suggestions during late October and again in late December 2018, that investors would do well to buy the dip.

From optimism to caution

However, with this bounce, which is now 9%+ from its worst point, we think it is increasingly that investors again prepare themselves for the likelihood of further weakness and related share-market volatility in the months ahead.

I would expect the **ASX200** to cap out near-term at or around the 6000 level and there are a few reasons why – that is less than 2% from last traded levels of 5910 today.

Firstly, Australian reporting season commences in a fortnight's time and it is highly unlikely we will see much optimism in the corporate outlook from executives given the uncertainty surrounding global trade issues, slowing housing and related consumer spending softness and the looming Federal Election in March.

Secondly, from a foreign standpoint, markets seem increasingly willing to price in a successful resolution to the U.S/China trade issues, when it is clear that there is still plenty of water to flow under that bridge.

Though we fully expect a resolution, it could still be months away, but even more than that, it feels desperately unlikely to me that the U.S economy will regain the record rates of growth seen back in the 3rd quarter of 2018 given rising U.S interest rates.

Whilst Australian equity valuations are back at around their long-term averages, and cheap to the past 5-years, those in the U.S are not, and in fact look as much as 10-20% above their cyclically adjusted averages over the past 20 years.

We think it seems pretty likely that January's share market optimism, both here and in the U.S, peters out during the early weeks of February.

Challenger (CGF) – profit warning, but still an excellent likely future performer

CGF disappointingly, but not entirely unexpectedly, lowered profit guidance for the June 2019 financial year, blaming falling asset markets in Q4 for the miss.

Though we thought it possible this might occur, after all, **CGF's** business model is entirely dependent on earning more from their portfolio than they pay to their customers, we didn't expect the market reaction to be quite as dramatic as it was, particularly with **CGF** shares already nearly -40% from their highs.

The downgrade to guidance was around -8%, but the stock lost -16% on the week.

It was suggested that investors were concerned about a contraction in margins for **CGF**, which has been a creeping issue for the past 12 months and relates to **CGF's** need to take a more conservative portfolio mix as valuations have become expensive, thus reducing the returns from which they pay annuity holders.

That may be the case, but with the pullback in both equity and corporate bond markets, it does suggest a more fertile opportunity set for **CGF** to again expand their investment margins in the months and years ahead.

In short, we feel like this concern has been overplayed, and that the underlying volume growth **CGF** seem set to enjoy from legislative changes due to impact from the 1st July this year, make the stock look outstanding value at today's share price of $7.55.

Next Week

There is a lot to expect next week, including the final release of the Royal Commission into Banking & Financial Services, the U.S Federal Reserve meeting, earnings from **Apple (AAPL),** an expected final bid from Brookfield for **Healthscope (HSO)** and perhaps most importantly, the latest round of trade discussions between the U.S and China involving Chinese Vice Premier Liu He.

Additionally, we will begin to get the early data releases for January economic activity in each of the U.S, China and here in Australia.

With the U.S government shutdown now having lasted well over a month, it is hard to expect too many positives from the U.S data, and ditto Australia's softening consumption picture should cast a pall over the upcoming January data here locally.

We would expect that any continuation of January's share-market strength into next week and beyond is likely to offer us the chance to take profit in one or more of our Australian equity portfolio positions.

Watch this space.

Enjoy the long weekend.

Regards,

Jono, Guy and Jordan

Interest Rate Commentary & Update

For full interest rate commentary and updates please click here

Term Deposit Rates

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Australian Market Index

Thursday 5pm Values

	Index	**Change**	**%**
All Ordinaries	5931	+21	**+0.4%**
S&P / ASX 200	5866	+16	**+0.3%**
Property Trust Index	1438	+4	**+0.3%**
Utilities Index	7776	+139	**+1.8%**
Financials Index	5725	-34	**-0.6%**

Materials Index	11466	-126	**-1.1%**
Energy Index	10657	+90	**+0.9%**

Key Dates: Australian Companies

Mon 28th January 2019	**AUSTRALIA DAY PUBLIC HOLIDAY**
Tue 29th January 2019	**N/A**
Wed 30th January 2019	**Earnings – Apple (AAPL)**
Thu 31st January 2019	**N/A**
Fri 1st February 2019	**Final Report from Royal Commission into Banking & Financial Services**

International Market Index

Thursday Closing Values

	Index	**Change**	**%**
U.S. S&P 500	2642	+6	**+0.2%**
London's FTSE	6819	-16	**-0.2%**
Japan's Nikkei	20575	+173	**+0.8%**
Hang Seng	27121	+365	**+1.4%**
China's Shanghai	2592	+32	***+1.3%***

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