

CASHBOOK

Mon
8:30 AM - Marketing System meeting
1:15 PM - Review PPA User manual
John again to arrange meeting

Sydney

Flight



SUPER NETWORK

TAILORED INVESTMENT ADVICE

MONTHLY REPORT

FEBRUARY

your
market.
w
communicate w
aving good busi
allows you to have
advantage in gaining
ions in your market
ons your brand talks yo
from the products and
offer. The branding
have should be con
leads to a strong busi
branding strategy yo
be consistent a

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Total	Overview
Total Funding Diff	99,341	116,696	93,519	78,462	31,047	68,092	817,103
Other goals							
Total Goals							
Total Funding Diff							
Other goals							
Total Goals							
Total Funding Diff							
Other goals							
Total Goals							
Total Funding Diff							
Other goals							
Total Goals							

MONTHLY REPORT

Monthly Report

Our February monthly report is out now. See the global and Australian updates and trends.

+1.00%

ASX performance

+3.17%

US markets were stronger in the month, with the Dow Jones up +3.17% and S&P500 up +2.61%, as coronavirus infection rates continued to decline.



- Long-dated US treasury yields were higher, with the 2-Yr yield at 0.13% and 10-Yr yield at 1.4%.
- European markets. European markets were higher with the Stoxx Europe 600 Index up +2.31% and German DAX up +2.63%. The UK FTSE gained +1.19%, after U.K. Prime Minister Boris Johnson detailed a four-step plan to open the economy.
- Asian markets. Asian markets were higher over the month, after data revealed manufacturing in Asia remained strong in February with Japan recording strongest PMI reading since 2018, while India, Indonesia, Philippines, and Vietnam all remaining above the 50 level that separates expansion from contraction, however, China's economic recovery slowed in February with manufacturing PMI falling to a nine-month low of 50.6.
- Commodities. Over the month, WTI oil price gained +18.1% to US\$61.50/bbl, iron ore gained +5.9% to US\$165.38 per tonne, whilst spot gold fell -6.2% to US\$1,734 per ounce.
- ASX performance. The ASX200 gained +1%.

IN POLITICAL NEWS:

- Mario Draghi, the former head of the ECB, formed Italy's next government after winning initial backing of some of the biggest parties.
- Tensions between the U.S. and Iran flared up after the UN confirmed that Iran has begun the production of uranium metal, another violation of the 2015 landmark nuclear deal with world powers, with Iranian President announcing the nuclear deal wasn't up for renegotiation and the only way to restore the accord was for the U.S. to formally re-join.
- The EU and the U.S. agreed to suspend tariffs on billions of dollars of each other's products for at least four months, easing a 17-year transatlantic dispute over illegal aid to the world's biggest aircraft makers.

IN ECONOMIC NEWS:

- Australian RBA decision. The RBA kept the 0.10% target for the cash rate and A\$200bn bond purchase program unchanged. According to RBA's quarterly update, Australia's economic recovery is intensifying, with GDP to rise to 8% in the year through June before easing to 3.5% in December; annual inflation to lift to 3% in mid-2021 before ending the year at 1.5%, and unemployment to fall to 5.5% by end-2021.
- U.S. The Congressional Budget Office forecast the U.S. federal debt will grow to more than double the size of the economy in three decades, increasing the risk of a fiscal crisis, with debt to be equivalent to 202% of GDP by 2051 from 102% this year and net interest payments on the debt remaining relatively low for the next decade before rising rapidly over the following 20 years.
- US trade deficit widened to the third-biggest on record in January, expanding to \$68.2bn, as imports surged +1.2% to \$260.2bn, the highest since mid-2019 and exports climbed +1% to \$191.9bn. For the month of February, U.S. consumer sentiment fell to a six-month low, however, labor market remained strong with U.S. employers adding more jobs than forecast leading to the unemployment rate dropping to 6.2% from 6.3% in prior month.
- Australia. The economy maintained its rapid recovery in 4Q20, with GDP increasing +3.1% qoq (down -1.1% yoy), powering into 2021 on solid footings as households remained cashed up to consume. Unemployment rate declined in January with jobless rate falling -20bps to 6.4%.
- Europe. The eurozone's economy contracted by -0.6% qoq (-5% yoy) in 4Q20, and European Commission cut its forecast for euro-area growth in 2021 to 3.8% from 4.2%, announcing the economy should reach its pre-crisis level in mid-2022, earlier than previously anticipated, however, the recovery will be uneven, and Spain and Italy won't cross that watershed by the end of 2022. In February, business activity in the euro-area economy shrank for a fourth month, however, economic confidence improved with a European Commission sentiment index increasing to the highest level in almost a year.
- U.K. The economy grew at double the pace expected in 4Q20 with GDP growing +1% qoq, leading to total GDP contraction of -9.9% yoy for 2020, and BOE said U.K.'s economy is poised for a rapid recovery amid a vaccination push with GDP to recover rapidly towards pre-COVID levels over 2021, forecasting growth of +5% in the year.
- Japan. The economy grew an annualized +12.7% qoq in 4Q20, ending 2020 with a -4.8% contraction, however, Japan's government cut its assessment of the economy for the first time in 10 months, saying the consumer spending was weakening again, as the country struggles through a renewed state of emergency to respond to a winter jump in coronavirus cases, however, assessments of capital spending, imports and corporate earnings saw an upgrade amid improving overseas trade, especially with China.

ON STOCK SPECIFIC NEWS (WHICH CAUSED SIGNIFICANT INTRADAY MOVES DURING THE MONTH):

- A2 Milk Co Ltd (A2M) - declined -16.2%, after downgrading its FY21 guidance and reporting -35% fall in 1H21 NPAT.
- AMP Ltd (AMP) - fell -11.0%, after Ares Management Corp scrapped a A\$6.4bn bid for the Company.
- Avita Medical Inc (AVH) - slumped -11.1%, after reporting weak 2Q21 results and failing to provide a financial guidance.
- Challenger Ltd (CGF) - slumped -14.8%, after reporting 1H21 normalized NPAT of A\$136.8m, down -29% yoy.
- Costa Group Holdings Ltd (CGC) - gained +13.0%, after providing positive outlook on growing conditions.
- EML Payments Ltd (EML) - surged +16.4%, after reporting a +30% y/y increase in 1H21 NPATA and forecasting FY21 NPATA of A\$30-33.5m.
- Lynas Rare Earths Ltd (LYC) - gained +13.4%, underpinned by threat of a China crackdown on rare earths exports for use by U.S. defence companies.
- Nearmap Ltd (NEA) - surged +19.0%, after announcing it expects FY21 Group ACV portfolio to be at the upper end of the A\$120-128m guidance range.

Disclaimer

This document has been prepared without taking into account your personal circumstances, financial situation, needs or objectives. You should consult with a Super Network Financial Services Pty Ltd Investment Advisor prior to implementing any investment decision.

The information contained within this document has been prepared in good faith and has used sources that are considered reliable. Whilst all information is believed to be true and accurate at the time of sending, Super Network Financial Services Pty Ltd, its Directors, employees and consultants do not guarantee, expressly or impliedly, that the information is complete or accurate. You should discuss any material contained within this document which you do not understand with your Super Network Financial Services Pty Ltd Investment Advisor and ask for an explanation and if a particular investment may be suitable for you.

Super Network Financial Services Pty Ltd does not accept any responsibility to inform you of any matter that subsequently comes to its notice, which may affect any of the information contained in this document. This document is a private communication to the intended recipient only and is not intended for public circulation or for the use of any third party, without the prior approval of Super Network Financial Services Pty Ltd.

Disclosure of Interest: Super Network Financial Services receives commission from dealing in securities and its authorised representatives, or introducers of business, may directly share in this commission. Super Network Financial Services Pty Ltd and its associates may hold shares in the companies recommended.

Super Network Financial Services Pty Ltd ACN 600 099 410 is a Corporate Authorised Representative 461918 of ANDIKA Pty Ltd AFSL 297069