

For the week ending Friday, 23 June 2017

## Quote of the week <sup>1</sup>

“Genius isn't anything more than elegant common sense”: Josh Billings (1818 -1885).

## Market summary <sup>2</sup>

- The **S&P/ASX200 index** fell just over **1%** across the week, closing at **5715**.
- The **Aussie Dollar** gave up **0.66%** against the US on the way down to **\$US0.7565**.

## Key data <sup>3, 4</sup>

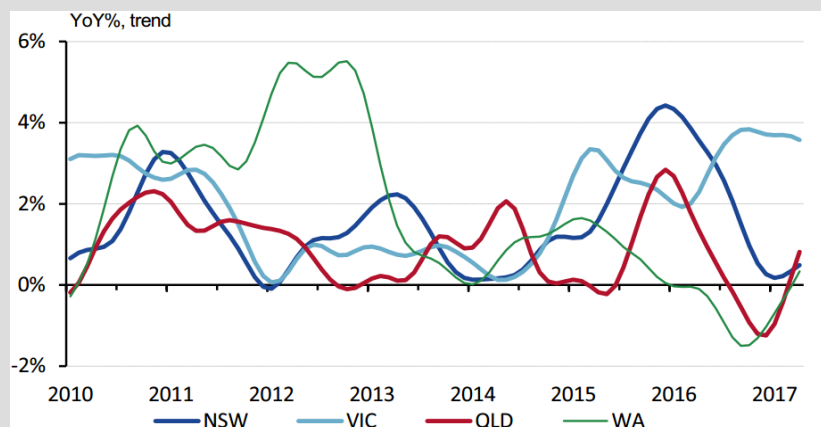
- **ABS** data showed the number of **new motor vehicles** sold in May grew by **0.6%** to **95,534**.
- Australia's **Department of Employment** released the latest **Internet Vacancy Index**, showing the number of job vacancies posted online grew by **1.2%** in May, taking the annual increase to **2.7%**.
- **US initial jobless claims** edged higher to **241,000**, while the number of people already collecting benefits remained around **1.94 million**. Both numbers continue to be significantly under their long term averages.

## In the News <sup>3, 4</sup>

- **Glencore** has raised its bid for Rio's Coal & Allied **thermal coal assets** to over **\$3.5 billion**.
- **Pilbara Minerals'** **\$234 million** Pilgangoora **lithium mine** could be operational within a year after receiving the green light from the developer's board.
- **Murray Goulburn** has raised its farm-gate milk price by around 10% to **\$5.20** per kilogram of milk solids. This came just weeks after setting the price at \$4.70 and facing intense competition from rivals **Bega** and **Fonterra**.

## 'Eye-opener of the week <sup>5</sup>

The May labour force numbers were generally healthy, with resource-state recovery in QLD & WA starting to overtake NSW (annual change shown below). Pleasingly the number of both full-time jobs and hours worked in the economy have been growing steadily since February. However, underutilisation remains an issue as the underemployment rate remains a fraction below its 48-year high at 8.8% and youth unemployment remains elevated at 12.8%.



## Sources

1. brainyquote.com 2. Commsec. 3. Business Spectator 4. Australian Financial Review 5. ABS, Morgan Stanley

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