

For the week ending Friday, 28 July 2017

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

"It is not length of life, but depth of life": Ralph Waldo Emerson (1803 - 1882).

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

- The **S&P/ASX200 index** dropped **0.35%** during the week, falling to **5702**.
- The **Aussie Dollar** gained **0.91%** in another strong week, closing at **\$US0.79836**.

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

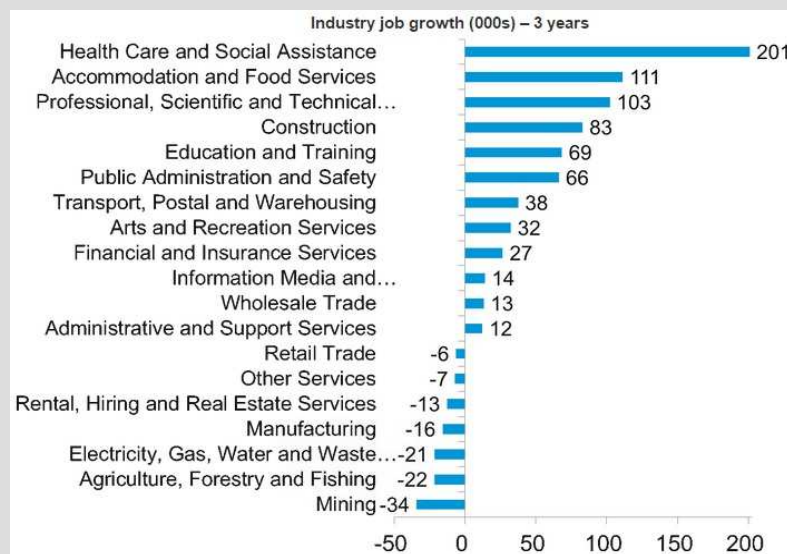
- **ABS** data showed **consumer prices** rose only **0.2%** in the June quarter, pushing the **annual inflation** rate down to **1.9%**.
- **US GDP growth** met expectations in the second quarter, increasing at a **2.6% annual rate**.
- **China's** production of steel and aluminium (**73 million tonnes** and **2.9 million tonnes** respectively) hit record highs in June. This occurred while China's overseas sales of steel **contracted 28%** and exports of aluminium **increased 6%**.
- The ANZ-Roy Morgan **consumer confidence index** showed a **2.3% increase** to 115.1 points.

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

- **Glencore** announced it has signed agreements to buy a **49%** stake in coal mines in Australia's **Hunter Valley** for just over **\$US1.1 billion**.
- **Downer EDI** has secured **over 80%** of **Spotless Group** and will now seek to have Spotless removed from the ASX, after Spotless' board recommended investors accept the **\$1.2 billion hostile takeover**.

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

As shown in the chart below, jobs growth in recent years has largely been in service sectors. A downturn in resources investment and the rise of the Asian middle class means that sectors such as health care, professional services and education have driven job creation.



## Sources

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