

1 October 2021

US markets move lower in the final hour of trade, ASX futures off ~1.5%

- Stocks sink on the last day of September.** After trading between modest gains and losses for most of the day, US stocks took a sharp turn lower in the final hour of trading overnight, to see the Dow Jones and S&P 500 off by ~550 points and 1.2% respectively. The Nasdaq managed to relatively outperform – only losing 0.4% - as yields fell over the day. Weakness in the final hour topped off what was already a very poor month for US stocks – the weakest since March 2020 – with the Nasdaq off 5.3%, S&P 500 4.8% and Dow 4.3% for the month.
- US avoids shutdown.** In economic news, the major event overnight was the ongoing back and forth on Capitol Hill, with US lawmakers ultimately passing a short-term appropriations bill which will allow the Government to continue running through December. All Democrats and some republicans supported the bill in both the House and Senate.
- In company news,** shares of **Bed Bath & Beyond** fell 22% overnight as it became the latest victim of global supply chain issues – with its poor second quarter result also weighing on other retail stocks, including **Home Depot** and **Walgreens Boots** – each off ~3% for the day. Elsewhere, **energy** and **financials** were weaker after recent outperformance, while **tech** was the day's best performing sector.
- In other markets,** the day's equity market volatility saw **Treasuries** bid – with yields on the 10-year 4bps lower and back under 1.50% - while the **USD** was essentially flat, **commodities** were mixed – **oil, gold, silver** up, **tin, uranium** down) – and the **VIX Index** rose very slightly, by 3% for the day.
- Futures off 1.5%, big day for economic news.** As expected, local stocks appear likely to open sharply lower when trading commences this morning – with futures currently down 114 points, or ~1.5%. While in economic news, being the 1st day of the month there will be a raft of data out, including: local housing data, manufacturing PMIs and lending data, while globally PMIs are due from the US, Eurozone and UK.

World Indices	Close	Prior	% Δ
<u>Local Markets</u>			
All Ordinaries	7,629.7	7,500.2	1.7%
ASX 200	7,332.2	7,196.7	1.9%
ASX Emerging Companies	2,535.0	2,522.9	0.5%

<u>US Markets</u>			
Dow Jones	33,843.9	34,390.7	-1.6%
S&P500	4,307.5	4,359.5	-1.2%
Nasdaq	14,448.6	14,512.4	-0.4%
Russell 2000	2,204.4	2,225.3	-0.9%

<u>Asian & European Markets</u>			
Shanghai Composite	3,568.2	3,536.3	0.9%
Nikkei	29,452.7	29,544.3	-0.3%
Hang Seng	24,575.6	24,663.5	-0.4%
FTSE 100	7,086.4	7,108.2	-0.3%
DAX 30	15,260.7	15,365.3	-0.7%
CAC 40	6,520.0	6,560.8	-0.6%

Economic Releases	Time	F'cast	Prior
AiG Manufacturing Index	8:30		51.6
Markit Manufacturing PMI	9:00		52.0
Home Loans (MoM)	10:30	-2.0%	-0.4%
Investment Lending (MoM)	10:30		1.8%
Eurozone Core Inflation	19:00	1.9%	1.6%
Global PMIs	Various		

Key BW Names	Close	Prior	% Δ
Elementos	0.025	0.022	13.6%
Forbidden Foods	0.260	0.240	8.3%
BetMakers Tech. Group	1.075	1.040	3.4%
Little Green Pharma	0.700	0.695	0.7%

Commodities	Close	Prior	% Δ
Oil - West Texas Crude	75.03	74.83	0.3%
Gold	1,757.5	1,726.4	1.8%
Gold (Aus)	2,432.1	2,406.1	1.1%
Silver	22.18	21.53	3.0%
Uranium (Spot)	42.50	43.00	-1.2%
Tin (Futures)	33,278	35,523	-6.3%

Currency	Close	Prior	% Δ
DXY Index	94.24	94.37	-0.1%
AUD/USD	0.7226	0.7175	0.7%
AUD/GBP	0.5363	0.5344	0.4%
AUD/EUR	0.6238	0.6187	0.8%
AUD/YEN	80.42	80.35	0.1%
AUD/NZD	1.0475	1.0445	0.3%
AUD/CAD	0.9164	0.9153	0.1%

Other Markets	Close	Prior	% Δ
VIX Index	23.14	22.56	2.6%
2-Year Treasury Yield (%)	0.281	0.297	-5.4%
10-Year Treasury Yield (%)	1.487	1.521	-2.2%

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