

10 December 2021

## Futures ~flat despite a 2% sell-off in tech & small cap names overnight

- Global markets.** It was a mixed, albeit mostly softer session for international equities overnight, with European stocks closing only modestly lower and the Dow Jones ending ~unchanged (down less-than 1pt), while small caps and tech names saw a wave of selling – with the Nasdaq off 1.7% and the Russell 2000 ending down by >2% for the session. The day saw both the S&P and Nasdaq break 3-day winning streaks as markets bounced sharply following a sell-off late last week and early this week.
- In company news,** shares of bellweather tech names were leading the day's moves lower, with **Tesla** off 6% for the day and barely holding on to \$1000/Sh, while **Netflix** lost 3%, **Zoom** continued its horror run – off another 3% and now down by nearly 70% from its highs – as did **Robinhood** which lost another 8% overnight, to likewise be ~70% off from its highs. Elsewhere, chip-maker **Nvidia** lost 4%, while **CVS** bucked the trend and put on 5% as it provided positive guidance ahead of its investor day.
- US inflation out tonight.** Adding to the downbeat sentiment overnight were nerves ahead of US CPI figures, which are out early tomorrow morning (local time), where economists are forecasting a continued rise in the headline inflation rate – to 6.8% YoY (from 6.2% last month) – while core inflation is also forecast to pick up pace – rising to 4.9%, from 4.6% last month. Encouragingly, both measures are expected to moderate on a MoM basis.
- In other markets,** commodities were weak across the board, with **oil, gold** and **silver** all down, while **spot uranium** was unchanged, albeit sector ETFs were down ~3% for the day. **Tin** managed to add another 0.1%. Elsewhere, the **USD** was higher, as were **bond yields**, while the **VIX Index** rose 8% on account of the day's heightened equity market volatility.

World Indices	Close	Prior	% Δ
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Local Markets			
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All Ordinaries	7,689.4	7,707.2	-0.2%
ASX 200	7,384.5	7,405.4	-0.3%
ASX Emerging Companies	2,567.4	2,557.2	0.4%

US Markets			
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Dow Jones	35,754.7	35,754.8	0.0%
S&P500	4,667.5	4,701.2	-0.7%
Nasdaq	15,517.4	15,787.0	-1.7%
Russell 2000	2,222.2	2,271.7	-2.2%

Asian & European Markets			
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Shanghai Composite	3,673.0	3,637.6	1.0%
Nikkei	28,725.5	28,860.6	-0.5%
Hang Seng	24,254.9	23,996.9	1.1%
FTSE 100	7,321.3	7,337.1	-0.2%
DAX 30	15,639.3	15,687.1	-0.3%
CAC 40	7,008.2	7,014.6	-0.1%

Economic Releases	Time	F'cast	Prior
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German Inflation	09:00	5.2%	4.5%
UK GDP	12:30	4.9%	5.3%
ECG President Lagarde Speaks	00:30		
US Inflation	00:30	6.8%	6.2%
US Core Inflation	00:30	4.9%	4.6%
Michigan Cons. Sentiment	02:00	67.1	67.4

Key BW Names	Close	Prior	% Δ
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Lotus Resources	0.340	0.320	6.3%
Alderan Resources	0.034	0.033	3.0%
Little Green Pharma	0.630	0.620	1.6%
Jervois Mining	0.530	0.525	1.0%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	70.50	72.62	-2.9%
Gold	1,775.2	1,783.9	-0.5%
Gold (Aus)	2,483.4	2,487.3	-0.2%
Silver	21.95	22.44	-2.2%
Uranium (Spot)	44.75	44.75	0.0%
Tin (Futures)	39,443	39,360	0.2%

Currency	Close	Prior	% Δ
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DXY Index	96.25	95.90	0.4%
AUD/USD	0.7148	0.7172	-0.3%
AUD/GBP	0.5408	0.5426	-0.3%
AUD/EUR	0.6331	0.6321	0.2%
AUD/YEN	81.11	81.55	-0.5%
AUD/NZD	1.0520	1.0534	-0.1%
AUD/CAD	0.9087	0.9076	0.1%

Other Markets	Close	Prior	% Δ
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VIX Index	21.58	19.92	8.3%
2-Year Treasury Yield (%)	0.694	0.679	2.2%
10-Year Treasury Yield (%)	1.498	1.479	1.3%

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