

30 November 2021

Markets stage a strong rebound overnight, tech leads, small caps lower

- Global markets recover.** Stocks staged a strong recovery overnight, as investors decided Friday's night's Omicron sell-off was slightly overblown, while President Biden also said there would be no need for a fresh round of lockdowns, which further supported sentiment. For the day, all three major US indices ended up, led by the Nasdaq, which gained 1.9%, while the S&P 500 put on 1.3% and the Dow Jones and Russell 2000 were relative underperformers, up 0.7% and down for the day. In Europe all major markets ended higher by <1%.
- Tech the standout.** Given recent experience with Covid outbreaks and lockdowns (ie. tech tends to outperform), investors piled into the sector, with bellweather stocks **Tesla** (+5%), **Microsoft** (+2%) and **Apple** (+2%) all up strongly, while shares in **Twitter**, which ultimately finished lower, were up 11% at one stage on news that CEO Jack Dorsey would step down. Finally, **Moderna** rose another 12% following a 20% rally on Friday.
- In other markets,** the **USD** was higher against a basket of currencies, **oil** was up 2%, albeit well off the highs of the day, **spot uranium** was lower, **tin** was up, the **VIX** declined 21% and **bond yields** were higher along the curve.
- Futures higher by 0.7%.** Given the strong lead from Wall Street and general commodity market strength, it appears local shares will open sharply higher this morning, with ASX futures currently up by 47 points, or ~0.7% at the time of writing.
- Today's agenda.** It will be a reasonably busy day for economic releases today, with local building permits data and a speech from the RBA's Guy Debelle both on deck. Internationally, China PMIs will be out around midday, German employment figures are due, as is a flash reading of Eurozone inflation. Finally, Fed Chair Jerome Powell will testify in front of the US Senate's Committee on Banking, Housing and Urban Affairs.

World Indices	Close	Prior	% Δ
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Local Markets

All Ordinaries	7,562.5	7,599.9	-0.5%
ASX 200	7,239.8	7,279.3	-0.5%
ASX Emerging Companies	2,569.8	2,596.0	-1.0%

US Markets

Dow Jones	35,135.9	34,899.3	0.7%
S&P500	4,655.3	4,594.6	1.3%
Nasdaq	15,782.8	15,491.7	1.9%
Russell 2000	2,243.8	2,245.9	-0.1%

Asian & European Markets

Shanghai Composite	3,562.7	3,564.1	0.0%
Nikkei	28,283.9	28,751.6	-1.6%
Hang Seng	23,852.2	24,080.5	-0.9%
FTSE 100	7,110.0	7,044.0	0.9%
DAX 30	15,280.9	15,257.0	0.2%
CAC 40	6,776.3	6,739.7	0.5%

Economic Releases	Time	F'cast	Prior
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Building Permits	11:30	-2.0%	-4.3%
China Manufacturing PMI	12:00	49.6	49.2
RBA's Debelle Speaks	13:00		
Germany Unemployment Rate	19:55	5.3%	5.4%
Eurozone Flash Inflation	21:00	4.5%	4.1%
US CB Cons. Confidence	02:00		
Fed Chair Powell Testifies	02:00		

Key BW Names	Close	Prior	% Δ
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Forbidden Foods	0.215	0.200	7.5%
Elementos	0.625	0.600	4.2%
Selfwealth	0.320	0.310	3.2%
Dubber Corporation	3.520	3.460	1.7%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	69.62	68.15	2.2%
Gold	1,783.2	1,793.7	-0.6%
Gold (Aus)	2,500.6	2,512.2	-0.5%
Silver	22.85	23.16	-1.3%
Uranium (Spot)	46.13	46.63	-1.1%
Tin (Futures)	39,235	39,163	0.2%

Currency	Close	Prior	% Δ
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DXY Index	96.27	96.07	0.2%
AUD/USD	0.7131	0.7140	-0.1%
AUD/GBP	0.5361	0.5354	0.1%
AUD/EUR	0.6322	0.6317	0.1%
AUD/YEN	81.07	81.19	-0.1%
AUD/NZD	1.0471	1.0440	0.3%
AUD/CAD	0.9096	0.9111	-0.2%

Other Markets	Close	Prior	% Δ
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VIX Index	22.61	28.62	-21.0%
2-Year Treasury Yield (%)	0.512	0.504	1.6%
10-Year Treasury Yield (%)	1.512	1.479	2.2%

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