

6 December 2021

Markets lower on Friday night, despite a late-day rally, AUD @ 70c

- **Futures point higher.** Despite another poor session from Wall Street on Friday night, it appears that local shares may actually start modestly higher at the open this morning – with ASX futures up by 11 points, or ~0.2% at the time of writing. There will be no major economic news today.
- **This week in economics.** It will be a reasonably slow week in general for economic releases, with key local releases including: the RBA's interest rate decision for December (Tue) and a speech from Governor Lowe on Thursday, while internationally, outside of Eurozone GDP and US inflation figures there are no major items of note.
- **Global markets on Friday.** US stocks dropped again on Friday, although managed to close well off their lows of the day – with a final hour rally adding ~1% to each of the major indices. For the session, the Nasdaq was worst performing of the major markets, down 1.9% (after having been down by nearly 3% earlier), while the small cap Russell 2000 also underperformed, off 2%. Elsewhere, the Dow Jones lost 0.2% (and briefly turned positive in the final minutes of trade), the S&P 500 was down 0.8% and all markets across Europe were lower in a range of 0.1% - 0.6%.
- **Tech names and re-opening plays weak.** From a sector perspective, it was technology stocks and those exposed to an economic re-opening which were by-far the weakest on the day, with names such as **Tesla** (-6%) and **Zoom** (-4%) leading the losses in the former group, while **Norwegian** (-5%), **Carnival** (-4%) and **Las Vegas Sands** (-4%) were weakest amongst the latter.
- **In other markets,** the **USD** was flat against a basket of currencies, the **AUD** was sharply lower against all major crosses, and briefly fell below US\$0.70. **WTI crude** dropped another 4%, **uranium** was flat, while **gold, silver** and **tin** all managed to buck the trend and close higher. Finally, the **VIX Index** closed above 30 and **bond yields** were weak along the curve, with the US 10-year closing at just 1.36%.

World Indices	Close	Prior	% Δ
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Local Markets

All Ordinaries	7,543.6	7,536.1	0.1%
ASX 200	7,241.2	7,225.2	0.2%
ASX Emerging Companies	2,546.9	2,553.9	-0.3%

US Markets

Dow Jones	34,580.1	34,639.8	-0.2%
S&P500	4,538.4	4,577.1	-0.8%
Nasdaq	15,085.5	15,381.3	-1.9%
Russell 2000	2,159.3	2,203.0	-2.0%

Asian & European Markets

Shanghai Composite	3,607.4	3,573.8	0.9%
Nikkei	28,029.6	27,753.4	1.0%
Hang Seng	23,766.7	23,788.9	-0.1%
FTSE 100	7,122.3	7,129.2	-0.1%
DAX 30	15,170.0	15,263.1	-0.6%
CAC 40	6,765.5	6,795.8	-0.4%

Economic Releases	Time	F'cast	Prior
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No major economic news today

Key BW Names	Close	Prior	% Δ
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Family Zone Cyber Security	0.550	0.525	4.8%
Alderaan Resources	0.035	0.034	2.9%
Lotus Resources	0.310	0.305	1.6%
BetMakers Tech. Group	0.860	0.855	0.6%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	66.26	68.84	-3.7%
Gold	1,784.5	1,768.7	0.9%
Gold (Aus)	2,548.9	2,494.3	2.2%
Silver	22.55	22.40	0.7%
Uranium (Spot)	45.25	45.25	0.0%
Tin (Futures)	39,288	39,050	0.6%

Currency	Close	Prior	% Δ
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DXY Index	96.15	96.14	0.0%
AUD/USD	0.7001	0.7091	-1.3%
AUD/GBP	0.5296	0.5331	-0.7%
AUD/EUR	0.6190	0.6275	-1.4%
AUD/YEN	79.02	80.24	-1.5%
AUD/NZD	1.0367	1.0402	-0.3%
AUD/CAD	0.8987	0.9082	-1.0%

Other Markets	Close	Prior	% Δ
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VIX Index	30.67	27.75	10.5%
2-Year Treasury Yield (%)	0.595	0.623	-4.5%
10-Year Treasury Yield (%)	1.357	1.449	-6.3%