

9 December 2021

Markets higher again as Pfizer says its vaccine may work on Omicron

- Global markets.** Markets continued to regain ground overnight, with all three major indices in the US closing higher, albeit not as emphatically as in past sessions, with the major averages gaining in a range of just 0.1% to 0.6%. The Nasdaq once again led the gains, while the small cap Russell 2000 was also an outperformer, up 0.8% for the day. Over in Europe, markets were flat-to-lower, with the DAX worst performing of the major's, closing down 0.8%.
- Vaccines effective on Omicron.** Much of last night's positive sentiment was driven by comments from both **Pfizer** and its partner **BioNTech** that three doses of its vaccine appeared effective in fighting the Omicron variant of Covid during recent lab tests. The pair also noted two doses may be effective at fighting severe effects of the disease. The news sent **Pfizer** shares higher by 6% for the day.
- Re-opening and tech strong again.** From a stock perspective, it was the re-opening and tech names leading the charge once again, with **United Airlines** and **Las Vegas Sands** both up 4% and strongest amongst the former group, while names such as **Apple**, **Meta** and **Tesla** each climbed 2% for the day and led the latter.
- In other markets,** the **USD** gave up a little ground against a basket of currencies, the **AUD** continued its sharp bounce off US\$70c, with another 0.7% rise, **precious metals** were slightly lower, **tin** was up another 2% to continue its run toward \$40k/tonne and **uranium** prices were unchanged. Elsewhere, the **VIX Index** lost another 9% for the day (taking its 2-day decline to >30%) and **bond yields** were mixed – with the 10-year closing higher by 4bps at 1.52%.
- Futures lower.** Despite the strong lead from Wall Street, it appears local stocks will actually open slightly lower when trading commences this morning – with ASX futures currently down by 27 points, or ~0.4% at the time of writing. In economic news, RBA Governor Lowe will be speaking this morning, while US weekly jobless claims are out overnight.

World Indices	Close	Prior	% Δ
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Local Markets			
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All Ordinaries	7,707.2	7,605.2	1.3%
ASX 200	7,405.4	7,313.9	1.3%
ASX Emerging Companies	2,557.2	2,515.2	1.7%

US Markets			
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Dow Jones	35,754.8	35,719.4	0.1%
S&P500	4,701.2	4,686.8	0.3%
Nasdaq	15,787.0	15,686.9	0.6%
Russell 2000	2,271.7	2,253.8	0.8%

Asian & European Markets			
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Shanghai Composite	3,637.6	3,595.1	1.2%
Nikkei	28,860.6	28,455.6	1.4%
Hang Seng	23,996.9	23,983.7	0.1%
FTSE 100	7,337.1	7,339.9	0.0%
DAX 30	15,687.1	15,813.9	-0.8%
CAC 40	7,014.6	7,065.4	-0.7%

Economic Releases	Time	F'cast	Prior
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RBA Governor Lowe Speaks	9:00		
China Inflation	12:30	2.5%	1.5%
US Initial Jobless Claims	0:30		
US Continuing Jobless Claims	0:30		

Key BW Names	Close	Prior	% Δ
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Lotus Resources	0.320	0.305	4.9%
Family Zone Cyber Security	0.580	0.560	3.6%
Webecentral	0.440	0.425	3.5%
Alderan Resources	0.033	0.032	3.1%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	72.62	71.76	1.2%
Gold	1,783.9	1,784.2	0.0%
Gold (Aus)	2,487.3	2,505.9	-0.7%
Silver	22.44	22.52	-0.4%
Uranium (Spot)	44.75	44.75	0.0%
Tin (Futures)	39,360	38,670	1.8%

Currency	Close	Prior	% Δ
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DX Index	95.90	96.28	-0.4%
AUD/USD	0.7172	0.7120	0.7%
AUD/GBP	0.5426	0.5377	0.9%
AUD/EUR	0.6321	0.6318	0.0%
AUD/YEN	81.55	80.84	0.9%
AUD/NZD	1.0534	1.0487	0.5%
AUD/CAD	0.9076	0.9000	0.8%

Other Markets	Close	Prior	% Δ
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VIX Index	19.92	21.89	-9.0%
2-Year Treasury Yield (%)	0.692	0.695	-0.4%
10-Year Treasury Yield (%)	1.522	1.481	2.8%

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