

17 January 2022

Futures higher by 0.4%, US banks tumble on Friday, bond yields spike

- Futures point higher.** Despite a mixed session on Wall Street Friday night, it appears local stocks will begin the week on a positive footing – with ASX futures currently guiding to a 28 point, or ~0.4% rise at the open. In economic news, today will see building permit data released locally and various Chinese datapoints out around midday, including: GDP, retail sales, fixed asset investment and industrial production.
- This week in economics.** Over the balance of the week major local news to look out for will be Westpac's consumer confidence on Wednesday and December jobs numbers and inflation expectations Thursday. Then internationally this week will see UK jobs data, inflation figures from Germany, the UK, Canada, Japan and the Eurozone and a BOJ rate decision tomorrow.
- Global markets on Friday.** It was a mixed night for Wall Street on Friday, with the industrial-heavy Dow closing off by 0.6%, while the S&P closed modestly higher (0.1%), as did the Russell 2000 (also, 0.1%), while the tech-heavy Nasdaq led the day's gains with a 0.6% rise. Over in Europe, all markets were lower as they played catch-up with the prior day's selling.
- In company news,** it was a big day for bank earnings in the US on Friday night with **JP Morgan**, **Citigroup** and **Wells Fargo** all reporting quarterly results – with all three topping analyst expectations, although both **JP Morgan** and **Citigroup** came under pressure – off 6% and 1% for the day. Other banks fell in sympathy. Elsewhere, **casino** stocks had an incredibly strong day as the Macau government announced it would only allow six casino licences in the region, sending shares of **Las Vegas Sands** 14% higher, with **Wynn Resorts** also up 9% on the day.
- In other markets,** the big story of the day was a sharp move up in **bond yields**, with the US 2-year jumping 7bps and nearly back at 1% (closed at 0.96%), while the 10-year added 9bps and is nearly touching 1.8% currently. Elsewhere, **commodity** prices were mixed, the **USD** was higher against a basket of currencies and the **VIX Index** declined by 6%.

World Indices	Close	Prior	% Δ
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Local Markets

All Ordinaries	7,717.1	7,797.5	-1.0%
ASX 200	7,393.9	7,474.4	-1.1%
ASX Emerging Companies	2,782.2	2,780.0	0.1%

US Markets

Dow Jones	35,911.8	36,113.6	-0.6%
S&P500	4,662.9	4,659.0	0.1%
Nasdaq	14,893.8	14,806.8	0.6%
Russell 2000	2,162.5	2,159.4	0.1%

Asian & European Markets

Shanghai Composite	3,521.3	3,555.3	-1.0%
Nikkei	28,124.3	28,489.1	-1.3%
Hang Seng	24,383.3	24,429.8	-0.2%
FTSE 100	7,543.0	7,563.9	-0.3%
DAX 30	15,883.2	16,031.6	-0.9%
CAC 40	7,143.0	7,201.1	-0.8%

Economic Releases	Time	F'cast	Prior
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Building Permits (Nov)	11:30	3.6%	-13.6%
China Data	13:00		

Key BW Names	Close	Prior	% Δ
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LiveHire	0.375	0.360	4.2%
Webcentral	0.445	0.430	3.5%
Jervois Mining	0.690	0.680	1.5%
Dubber Corporation	2.240	2.240	0.0%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	83.82	81.52	2.8%
Gold	1,817.9	1,822.6	-0.3%
Gold (Aus)	2,518.6	2,503.9	0.6%
Silver	22.96	23.09	-0.6%
Uranium (Spot)	45.75	45.75	0.0%
Tin (Futures)	40,351	41,402	-2.5%

Currency	Close	Prior	% Δ
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DX Index	95.17	94.87	0.3%
AUD/USD	0.7218	0.7279	-0.8%
AUD/GBP	0.5276	0.5309	-0.6%
AUD/EUR	0.6323	0.6354	-0.5%
AUD/YEN	82.38	83.08	-0.8%
AUD/NZD	1.0592	1.0604	-0.1%
AUD/CAD	0.9044	0.9110	-0.7%

Other Markets	Close	Prior	% Δ
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VIX Index	19.19	20.31	-5.5%
2-Year Treasury Yield (%)	0.961	0.895	7.4%
10-Year Treasury Yield (%)	1.792	1.700	5.4%