

2 February 2022

## Markets rise again overnight, futures up 1%, Lowe to speak today

- **Global markets.** Another strong session overnight saw all major US indices continue their recovery, with the Russell 2000 leading the charge (+1.1%), followed by the Dow (+0.8%), and both the S&P 500 and Nasdaq (+0.7%). In Europe, the session saw the major indices also finish higher, with the FTSE 100, DAX 30 and CAC 40 each adding at least +1%.
- **Alphabet rallies after hours.** In after-hours reporting news, **Alphabet** ripped higher after beating on Q4 earnings (EPS up >25%) and announcing a 20-for-1 stock split in order to make shares more accessible to some investors. **Netflix** was also strong, adding 7% overnight despite not releasing any news, while **Paypal** shares fell by -14% after-hours on an underwhelming first quarter and full-year guidance.
- **In economic news,** the NZ unemployment rate has hit a record low 3.2% this morning – down from 3.4% in the December quarter – and comfortably beating economists' expectation of 3.3%. While overnight, the US Markit Manufacturing PMIs came in slightly above forecast at 55.5 vs 55.0.
- **In other markets,** the **DXY Index** fell again (-0.4%), as the **AUD** spiked 0.9% to close at 0.7129, continuing Monday's growth. **Silver** and **gold** both ended higher as they moved +0.8% and +0.1% respectively. **AUD** gold, **oil** and **uranium** remained flat whilst **tin** futures gained another 3.2% to close above \$43k/tonne. And finally, the **VIX Index** declined by another 11% on account of the day's equity market strength.
- **Futures higher by 1.0%.** Following a strong session in Wall Street overnight, local stocks look likely to rise at the open – with ASX Futures currently up by 69 points or 1.0% at the time of writing.
- **Today's agenda.** Europe's January core inflation YoY will be released overnight which is expected to drop to 1.9% from 2.6% in December. The RBA will also release its chart pack later this morning, followed by a speech from RBA Governor Lowe.

World Indices	Close	Prior	% Δ
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### Local Markets

All Ordinaries	7,312.8	7,268.3	0.6%
ASX 200	7,006.0	6,971.6	0.5%
ASX Emerging Companies	2,587.9	2,530.7	2.3%

### US Markets

Dow Jones	35,405.2	35,131.9	0.8%
S&P500	4,546.5	4,515.6	0.7%
Nasdaq	14,346.0	14,239.9	0.7%
Russell 2000	2,050.7	2,028.5	1.1%

### Asian & European Markets

Shanghai Composite	3,361.4	3,361.4	0.0%
Nikkei	27,078.5	27,002.0	0.3%
Hang Seng	23,802.3	23,802.3	0.0%
FTSE 100	7,535.8	7,464.4	1.0%
DAX 30	15,619.4	15,471.2	1.0%
CAC 40	7,099.5	6,999.2	1.4%

Economic Releases	Time	F'cast	Prior
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NZ Unemployment Rate	8:45	3.2%	3.4%
RBA Chart Pack	11:30		
Governor Lowe Speaks	12:30		
Eurozone Core Inflation	21:00	1.9%	2.6%

Key BW Names	Close	Prior	% Δ
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Elementos	0.570	0.525	8.6%
Dubber Corporation	1.925	1.775	8.5%
Forbidden Foods	0.185	0.175	5.7%
Family Zone Cyber Security	0.490	0.465	5.4%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	88.27	88.28	0.0%
Gold	1,801.1	1,799.4	0.1%
Gold (Aus)	2,526.4	2,546.6	-0.8%
Silver	22.66	22.49	0.8%
Uranium (Spot)	43.10	43.10	0.0%
Tin (Futures)	43,023	41,684	3.2%

Currency	Close	Prior	% Δ
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DXY Index	96.26	96.63	-0.4%
AUD/USD	0.7129	0.7066	0.9%
AUD/GBP	0.5271	0.5256	0.3%
AUD/EUR	0.6324	0.6291	0.5%
AUD/YEN	81.77	81.35	0.5%
AUD/NZD	1.0747	1.0749	0.0%
AUD/CAD	0.9042	0.8981	0.7%

Other Markets	Close	Prior	% Δ
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VIX Index	21.96	24.71	-11.1%
2-Year Treasury Yield (%)	1.165	1.181	-1.4%
10-Year Treasury Yield (%)	1.794	1.780	0.8%
US 2-10-Year Spread	0.629	0.599	5.0%