

24 February 2022

US markets fall sharply again overnight, closing at fresh 2022 lows

- **Global markets.** Overnight saw another very weak session in the US, with all the major indices losing at least -1.4% (**Dow Jones**), with the **Nasdaq** tumbling -2.6%, which closed at a record low for 2022 (~18% off the recent highs). Despite this, the European markets had a better night, with all major indices in that region closing ~flat.
- **Russia/Ukraine tensions continue to weigh.** Key news last night included Russia reportedly mobilising more troops into attacking positions along the boarder of Ukraine. Overnight, the US and Europe Union also threatened further sanctions on Russia, on top of those already imposed, if Russia continue with their threats.
- **Bond yields rise, curve steepens.** Bond yields continued to rise overnight, with the **2-Year** adding ~3bps and the **10-Year** adding ~5bps – this saw the curve steepening slightly, back to 39bps from 38bps in the prior session. The **VIX** also closed higher, adding 8% for the day. The precious metals had a solid day, with **silver** improving +1.8% and **gold** +0.5%, whilst **uranium** and **tin** both grew +0.9%.
- **Futures lower.** The market is expected to open in the red this morning, with ASX 200 futures down by ~0.6% as of the time of writing. As expected, this is predominantly due to the concerns and tensions in Russia and the poor lead from overseas markets.
- **In reporting news,** today will be another busy day for ASX larger cap names, with **Qantas** already reporting a \$1.3bn loss for the half year, down ~20% pcp. Some other notable results out today include; **TPG Telecom** (TPG), **Blackmores** (BLK), **Life360** (360) and **Ramsay Health Care** (RHC).
- **Lots of central bank speak.** In economic news, there will be plenty of central bank speakers over the next 24 hours, including BOE's Bailey, ECB's Schnabel and Fed's Bostic, Mester and Waller – all early tomorrow morning.

World Indices	Close	Prior	% Δ
<u>Local Markets</u>			
All Ordinaries	7,473.9	7,422.2	0.7%
ASX 200	7,205.7	7,161.3	0.6%
ASX Emerging Companies	2,501.6	2,435.0	2.7%

<u>US Markets</u>			
Dow Jones	33,131.8	33,596.6	-1.4%
S&P500	4,225.5	4,304.8	-1.8%
Nasdaq	13,037.5	13,381.5	-2.6%
Russell 2000	1,944.1	1,980.2	-1.8%

<u>Asian & European Markets</u>			
Shanghai Composite	3,489.2	3,457.2	0.9%
Nikkei	26,449.6	26,449.6	0.0%
Hang Seng	23,660.3	23,520.0	0.6%
FTSE 100	7,498.2	7,494.2	0.1%
DAX 30	14,631.4	14,693.0	-0.4%
CAC 40	6,780.7	6,787.6	-0.1%

Economic Releases	Time	F'cast	Prior
US Initial Jobless Claims	0:30	235k	248k
US Continuing Jobless Claims	0:30	1.58m	1.59m
US Q4 GDP (2nd est.)	0:30	7.0%	2.3%
CB Speakers	Various		

Key BW Names	Close	Prior	% Δ
Family Zone Cyber Security	0.445	0.415	7.2%
Jervois Mining	0.740	0.695	6.5%
Lotus Resources	0.235	0.225	4.4%
Elementos	0.600	0.580	3.4%

Commodities	Close	Prior	% Δ
Oil - West Texas Crude	92.34	92.35	0.0%
Gold	1,908.9	1,899.3	0.5%
Gold (Aus)	2,639.5	2,630.7	0.3%
Silver	24.56	24.12	1.8%
Uranium (Spot)	43.25	42.88	0.9%
Tin (Futures)	44,375	43,975	0.9%

Currency	Close	Prior	% Δ
DX Index	96.21	96.07	0.1%
AUD/USD	0.7232	0.7220	0.2%
AUD/GBP	0.5339	0.5314	0.5%
AUD/EUR	0.6396	0.6375	0.3%
AUD/YEN	83.16	83.09	0.1%
AUD/NZD	1.0677	1.0724	-0.4%
AUD/CAD	0.9212	0.9218	-0.1%

Other Markets	Close	Prior	% Δ
VIX Index	31.04	28.81	7.7%
2-Year Treasury Yield (%)	1.599	1.562	2.4%
10-Year Treasury Yield (%)	1.993	1.943	2.6%
US 2-10-Year Spread	0.394	0.381	3.4%