

31 January 2022

Wall Street rallies hard on Friday night, a big week of economics ahead

- **Futures point lower.** Despite a very strong Friday night session on Wall Street, it appears local stocks will start the week on a softer note when trading commences this morning, with ASX futures currently lower by 16 points, or ~0.2% at the time of writing. In economics, today will see the release of GDP figures from Italy and Eurozone more-broadly, while Germany inflation data is also due early tomorrow morning.
- **This week in economics.** It will be a very busy week for economic data, given tomorrow marks the start of a new month: with AiG manufacturing figures, lending data and the RBA's latest rate decision all due tomorrow, followed by an RBA chart deck and Governor Lowe speech on Wednesday, Service PMIs, balance of trade figures and building permits data on Thursday and the RBA's SoMP Friday. Internationally, it will be similarly busy, with main events including US Non-Farm payrolls on Friday (early Sat local time), and inflation, employment and PMI data from most major regions over the course of the week.
- **Global markets on Friday.** US stocks continued their recovery on Friday night, following multi-week declines, with all major indices sharply higher – led by the Nasdaq, which added 3.1% for the session (staging a 4% intraday rally after opening lower) – followed by the S&P 500 at +2.4%, Russell 2000 (+1.9%) and Dow (+1.7%). Over in Europe, all major indices closed lower as trading ended prior to the US intraday recovery.
- **Apple jumps 7%.** From a company perspective, the key driver of Friday's strength was a 7% surge from **Apple**, after the company reported an 11% jump in revenues to \$124bn for Q4, a 25% jump in EPS YoY and 24% jump in services revenues. The strong results also lifted other big tech names, with **Facebook** (+2%), **Amazon** (+3%), **Alphabet** (+3%), **Tesla** (+2%), **Microsoft** (+3%) and **Nvidia** (+4%) all rising in unison.
- **In other markets,** the **USD** rallied against a basket of currencies, the **AUD** was sharply lower (by 0.6% vs the USD), the **VIX** fell 11%, **bond yields** were lower along the curve and **commodities** were mixed – with **oil** up and **gold, silver, tin, uranium** lower.

World Indices	Close	Prior	% Δ
---------------	-------	-------	-----

Local Markets

All Ordinaries	7,266.3	7,114.5	2.1%
ASX 200	6,988.1	6,838.3	2.2%
ASX Emerging Companies	2,491.2	2,440.0	2.1%

US Markets

Dow Jones	34,725.5	34,160.8	1.7%
S&P500	4,431.9	4,326.5	2.4%
Nasdaq	13,770.6	13,352.8	3.1%
Russell 2000	1,968.5	1,931.3	1.9%

Asian & European Markets

Shanghai Composite	3,361.4	3,394.3	-1.0%
Nikkei	26,717.3	26,170.3	2.1%
Hang Seng	23,550.1	23,807.0	-1.1%
FTSE 100	7,466.1	7,554.3	-1.2%
DAX 30	15,319.0	15,524.3	-1.3%
CAC 40	6,965.9	7,023.8	-0.8%

Economic Releases	Time	F'cast	Prior
-------------------	------	--------	-------

Italy GDP	20:00	6.2%	3.9%
Eurozone GDP	21:00	4.7%	3.9%
German Inflation	0:00	4.3%	5.3%

Key BW Names	Close	Prior	% Δ
--------------	-------	-------	-----

Selfwealth	0.210	0.195	7.7%
Dubber Corporation	1.900	1.770	7.3%
Lotus Resources	0.250	0.240	4.2%
Family Zone Cyber Security	0.455	0.440	3.4%

Commodities	Close	Prior	% Δ
-------------	-------	-------	-----

Oil - West Texas Crude	86.82	86.61	0.2%
Gold	1,792.1	1,796.0	-0.2%
Gold (Aus)	2,564.2	2,555.1	0.4%
Silver	22.47	22.73	-1.1%
Uranium (Spot)	43.50	44.38	-2.0%
Tin (Futures)	41,684	41,895	-0.5%

Currency	Close	Prior	% Δ
----------	-------	-------	-----

DXY Index	97.22	97.23	0.0%
AUD/USD	0.6989	0.7029	-0.6%
AUD/GBP	0.5216	0.5254	-0.7%
AUD/EUR	0.6269	0.6308	-0.6%
AUD/YEN	80.54	81.08	-0.7%
AUD/NZD	1.0667	1.0689	-0.2%
AUD/CAD	0.8924	0.8959	-0.4%

Other Markets	Close	Prior	% Δ
---------------	-------	-------	-----

VIX Index	27.66	31.02	-10.8%
2-Year Treasury Yield (%)	1.164	1.191	-2.3%
10-Year Treasury Yield (%)	1.771	1.810	-2.2%
US 2-10-Year Spread	0.607	0.619	-1.9%