

4 February 2022

A/H results from Amazon (+18%) and Snap (+54%) stem overnight losses

- Global markets.** It was a poor session for US stocks overnight (at least until **Amazon** and **Snap** reported after-hours), with the big three major US indices down in a range of 1.5% to 3.7% led lower by the tech-heavy Nasdaq as **Meta** results in the prior session saw the company's stock collapse, with a 26% decline taking it all the way back to mid-2020 levels. Elsewhere, the Russell 2000 was also down by a relatively large 1.9% and markets in Europe lost 0.7% - 1.6%, with the FTSE best of the group.
- Amazon +18% after-hours.** While the general market was weak over the day, a very strong Q4 result from **Amazon** after-hours has essentially cut the Nasdaq's losses in half as the company announced a strong beat to AWS revenues (\$17.8bn vs \$17.4bn) and guided to an increase in Amazon Prime subscriptions. The company also announced a solid profit on its stake in **Rivian**, which contributed to a massive EPS beat of \$27 vs \$3 expected. In other after-hours result news, shares of **Snap** have ripped 54% as it too comfortably beat expectations.
- In other markets,** the price of **oil** continued to move higher (+2.1%), closing above US\$90/bbl, while **bond yields** began climbing again following a multi-session lull, with the 2-year adding 5bps and 10-year 6bps, the yield curve thus steepened by 1bp. Elsewhere, **tin** was higher, **uranium** flat, **gold** and **silver** slightly lower and the **VIX** added 11% on account of the day's equity market volatility.
- Futures lower by >1%.** Following the poor lead from Wall Street, it appears local stocks will open lower when trading commences this morning, with futures off by 78 points, or ~1.1% at the time of writing. However, it is worth noting these moves do not include the after-hours impact from **Amazon** and **Snapchat** results.
- US jobs out tonight.** In economic news, the major event in markets today will be US non-farm payrolls data, where 150k jobs are expected for January, the unemployment rate is forecast to stay flat at 3.9% and average hourly earnings are seen rising to 5.2%.

World Indices	Close	Prior	% Δ
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Local Markets

All Ordinaries	7,374.6	7,399.6	-0.3%
ASX 200	7,078.0	7,087.7	-0.1%
ASX Emerging Companies	2,549.5	2,616.5	-2.6%

US Markets

Dow Jones	35,111.2	35,629.3	-1.5%
S&P500	4,477.4	4,589.4	-2.4%
Nasdaq	13,878.8	14,417.6	-3.7%
Russell 2000	1,991.0	2,029.5	-1.9%

Asian & European Markets

Shanghai Composite	3,361.4	3,361.4	0.0%
Nikkei	27,241.3	27,533.6	-1.1%
Hang Seng	23,802.3	23,802.3	0.0%
FTSE 100	7,528.8	7,583.0	-0.7%
DAX 30	15,368.5	15,613.8	-1.6%
CAC 40	7,005.6	7,115.3	-1.5%

Economic Releases	Time	F'cast	Prior
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RBA SoMP	11:30		
Eurozone Retail Sales	21:00	5.1%	7.8%
US Non-Farm Payrolls	0:30	150k	211k
US Unemployment Rate	0:30	3.9%	3.9%
US Average Hourly Earnings	0:30	5.2%	4.7%

Key BW Names	Close	Prior	% Δ
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LiveHire	0.420	0.390	7.7%
Webcentral	0.390	0.370	5.4%
Selfwealth	0.205	0.195	5.1%
Elementos	0.540	0.540	0.0%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	90.04	88.20	2.1%
Gold	1,805.1	1,807.1	-0.1%
Gold (Aus)	2,528.4	2,532.0	-0.1%
Silver	22.40	22.65	-1.1%
Uranium (Spot)	43.00	43.00	0.0%
Tin (Futures)	43,050	42,763	0.7%

Currency	Close	Prior	% Δ
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DXY Index	95.37	95.99	-0.6%
AUD/USD	0.7139	0.7137	0.0%
AUD/GBP	0.5249	0.5258	-0.2%
AUD/EUR	0.6242	0.6313	-1.1%
AUD/YEN	82.08	81.67	0.5%
AUD/NZD	1.0712	1.0761	-0.4%
AUD/CAD	0.9052	0.9042	0.1%

Other Markets	Close	Prior	% Δ
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VIX Index	24.60	22.09	11.4%
2-Year Treasury Yield (%)	1.206	1.154	4.5%
10-Year Treasury Yield (%)	1.841	1.779	3.5%
US 2-10-Year Spread	0.635	0.625	1.6%