

21 March 2022

Futures +0.6% following another strong session in the US on Friday

- **Futures point higher.** Following yet another strong session on Wall Street Friday night, it appears local stocks will begin the week on a positive note – with ASX futures currently higher by 45 points, or ~0.6% at the time of writing.
- **This week in economics.** There will be no major economic news out today, while over the balance of the week, key events will include: UK inflation figures (Wed), US durable goods orders (Thu) and global PMIs scattered over the week. While elsewhere there will be a raft of central bankers speaking this week, including Fed Chair Powell (x2), RBA Governor Lowe (tomorrow) and Fed members Williams (x2), Daly (x2), Mester, Waller (x2), Evans, Bostic and Barkin.
- **Global markets Friday night.** Friday's session saw the continuation of Thursday's positive reaction to the FOMC's rate hike decision, with all US indices ending in the green, with the Nasdaq +2.0% (+8.6% for the week) leading the way and the other indices all contributing between 0.8-1.2%. This saw the US stocks have their best week since November 2020. Elsewhere, Europe saw marginal gains, whilst Asia had a mixed performance as the Shanghai Composite added +1.1% whereas the Hang Seng lost -0.4%.
- **Yield curve continues to flatten.** Given the Fed's quite aggressive policy shift, a continuation of the yield curve flattening was seen on Friday night, with the 2-year rising another 2pbs (to 1.94%), while the 10-year actually declined 2bps (to 2.15%). This saw the curve (as measured by the 2-10-spread) flatten to just 21bps to end of the week.
- **In other markets,** the AUD finished the week at 0.74c, as commodity prices continued to rise. The **VIX** (-7.0%) continued to ease from its recent highs – now sitting at ~24 (down from ~33 last week). **WTI crude** continued to bounce around, finishing the Friday session at ~\$105/barrel, **tin** (-1.6%) fell slightly, **uranium** was ~flat and precious metals had a weak end to the week, with **gold** -1.1% and **silver** -1.7%.

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

Local Markets

All Ordinaries	7,571.2	7,521.6	0.7%
ASX 200	7,294.4	7,250.8	0.6%
ASX Emerging Companies	2,662.0	2,614.7	1.8%

US Markets

Dow Jones	34,754.9	34,480.8	0.8%
S&P500	4,463.1	4,411.7	1.2%
Nasdaq	13,893.8	13,614.8	2.0%
Russell 2000	2,086.1	2,065.0	1.0%

Asian & European Markets

Shanghai Composite	3,251.1	3,215.0	1.1%
Nikkei	26,827.4	26,652.9	0.7%
Hang Seng	21,412.4	21,501.2	-0.4%
FTSE 100	7,404.7	7,385.3	0.3%
DAX 30	14,413.1	14,388.1	0.2%
CAC 40	6,620.2	6,612.5	0.1%

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

No major economic news today

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

Lotus Resources	0.355	0.325	9.2%
Forbidden Foods	0.150	0.140	7.1%
Jervois Mining	0.850	0.795	6.9%
Family Zone Cyber Security	0.400	0.375	6.7%

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

Oil - West Texas Crude	104.70	103.72	0.9%
Gold	1,921.5	1,942.5	-1.1%
Gold (Aus)	2,596.6	2,633.5	-1.4%
Silver	24.96	25.38	-1.7%
Uranium (Spot)	55.75	56.00	-0.4%
Tin (Futures)	42,375	43,050	-1.6%

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

DXY Index	98.23	98.01	0.2%
AUD/USD	0.7400	0.7376	0.3%
AUD/GBP	0.5616	0.5610	0.1%
AUD/EUR	0.6693	0.6650	0.6%
AUD/YEN	88.18	87.48	0.8%
AUD/NZD	1.0735	1.0718	0.2%
AUD/CAD	0.9336	0.9315	0.2%

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

VIX Index	23.87	25.67	-7.0%
2-Year Treasury Yield (%)	1.944	1.922	1.1%
10-Year Treasury Yield (%)	2.153	2.177	-1.1%
US 2-10-Year Spread	0.209	0.255	-18.0%