

5 April 2022

Tech sharply higher again overnight, ASX futures +0.7%, RBA on deck

- Global markets.** It was another strong session for US stocks overnight, with all major indices closing higher in a range of 0.2% (Russell) to 1.9% (Nasdaq). The strong moves in tech came as growth broadly outperformed value, with the inverted 2-10-year yield curve continuing to suggest rates are nearing a cycle high. Over in Europe, stocks all finished up in a range of 0.3%-0.7%.
- Musk has a big day.** In company news, shares of social media giant **Twitter** popped 27% (the largest single day advance since its IPO) on news that Elon Musk had taken a 9% stake in the company. While elsewhere, **Tesla** shares were also strong (+6%) as the company reported better-than-expected delivery figures over the weekend.
- In other company news,** mega tech names were all sharply higher, with **Netflix** (+5%) and **Meta** (+4%) leading the charge, followed by solid moves amongst **Amazon** (+3%), **Apple** (+2%), **Alphabet** (+2%), **Nvidia** (+2%) and **Microsoft** (+2%). However, it was the higher-beta tech names which really caught a bid, with the likes of **Roblox** (+9%), **Peloton** (+6%) and **Palantir** (+6%) all extremely strong.
- In other markets,** the price of **oil** moved back above US\$100/bbl as hawkish comments from Presidents Biden and Zelensky suggested the Russia/Ukraine conflict is far from over. Elsewhere, the **USD** moved back to ~99 as measured by the DXY, the **AUD** was higher against all major crosses and **commodities** were mixed – with **uranium** up 2%, **tin** down 3% and **gold** and **silver** each ~unchanged. Finally, the **VIX Index** fell below 19, to finish the day at 18.57.
- Futures point higher.** Following the strong lead from Wall Street overnight, it appears local stocks will open higher when trading commences this morning – with ASX futures currently up by 50 points, or 0.7% at the time of writing. In economics, today's major local news will be the RBA's latest rate decision at 2:30pm, while ISMs are due out from several regions and a host of FOMC members will speak tomorrow morning.

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

<u>Local Markets</u>			
----------------------	--	--	--

All Ordinaries	7,818.9	7,785.9	0.4%
ASX 200	7,513.7	7,493.8	0.3%
ASX Emerging Companies	2,779.6	2,745.4	1.2%

<u>US Markets</u>			
-------------------	--	--	--

Dow Jones	34,921.9	34,818.3	0.3%
S&P500	4,582.6	4,545.9	0.8%
Nasdaq	14,532.6	14,261.5	1.9%
Russell 2000	2,095.4	2,091.1	0.2%

<u>Asian & European Markets</u>			
-------------------------------------	--	--	--

Shanghai Composite	3,282.7	3,282.7	0.0%
Nikkei	27,736.5	27,666.0	0.3%
Hang Seng	22,502.3	22,039.6	2.1%
FTSE 100	7,558.9	7,537.9	0.3%
DAX 30	14,518.2	14,446.5	0.5%
CAC 40	6,731.4	6,684.3	0.7%

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

S&P Services PMI	9:00	57.9	57.4
RBA Rate Decision	14:30	0.1%	0.1%
Global S&P PMIs	Various		
US ISM Non-Manu. PMI	0:00	58.4	56.5
Fed Speakers	Various		

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

Jervois Mining	0.885	0.820	7.9%
Alderan Resources	0.024	0.023	4.3%
Elementos	0.805	0.775	3.9%
Family Zone Cyber Security	0.475	0.470	1.1%

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

Oil - West Texas Crude	103.64	98.42	5.3%
Gold	1,933.3	1,922.5	0.6%
Gold (Aus)	2,562.3	2,566.1	-0.1%
Silver	24.55	24.59	-0.2%
Uranium (Spot)	59.50	58.63	1.5%
Tin (Futures)	43,413	44,767	-3.0%

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

DXY Index	98.99	98.64	0.4%
AUD/USD	0.7545	0.7492	0.7%
AUD/GBP	0.5754	0.5718	0.6%
AUD/EUR	0.6875	0.6784	1.3%
AUD/YEN	92.61	91.93	0.7%
AUD/NZD	1.0859	1.0835	0.2%
AUD/CAD	0.9420	0.9380	0.4%

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

VIX Index	18.57	19.63	-5.4%
2-Year Treasury Yield (%)	2.432	2.465	-3 bp
10-Year Treasury Yield (%)	2.405	2.385	2 bp
US 2-10-Year Spread	-0.027	-0.080	5 bp