

13 April 2022

## Markets close lower in a volatile session overnight, futures -0.1%

- Global markets.** It was another volatile overnight session for global equities, with most of the major indices finishing in the red. In the US, the Dow Jones, S&P500 and Nasdaq all lost -0.3%, with the sell off occurring towards the end of the day. The European equities also moved in unison, as the FTSE, DAX and CAC all lost between -0.3 - 0.5%.
- A day of two halves.** Overnight was a story of two halves, with the kicking off with strongly as US core inflation came in lower than expected (6.5% vs 6.6%), while headline inflation hit at an incredible 8.5%. However, the party was abruptly halted as Lael Brainard reiterated that the Fed is committed to fighting inflation, which saw yields move sharply higher over the back half of the session.
- Yields.** Overnight saw another interesting day in the bond market, with the 2-Year losing ~10bps and the 10-Year remaining ~flat. The resulting 2-10-Year spread thus continued to steepen and now sits at 37bps. Elsewhere, the VXTLT suggests that fear and uncertainty is reaching levels only rivalled by the COVID-19 pandemic, with VXTLT adding 7% for the day, and being up ~100% in the last 6 months, of which 37% came in the last 30 days.
- Futures marginally lower.** At the time of writing, ASX futures are off by just 7 points, or ~0.1%, as it reacts to the poor US lead. In economics, key data today will include Westpac's Consumer Confidence Index, the UK March YoY Core Inflation Figures, the US PPI MoM and the BoC Interest rate decision.
- In other markets, WTI Crude** crossed back over the \$100/bbl mark overnight, as it gained +5.6% for the session thanks to easing restrictions in China. The precious metals saw strong gains, with **Gold** and **Silver** adding +0.7% and +1.3% respectively. The **DXY** added +0.4% after a slow start (due to doveish inflation figures), the **VIX Index** fell slightly and **spot uranium** prices were ~flat.

World Indices	Close	Prior	% Δ
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Local Markets			
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All Ordinaries	7,735.5	7,773.2	-0.5%
ASX 200	7,454.0	7,485.2	-0.4%
ASX Emerging Companies	2,686.9	2,715.7	-1.1%

US Markets			
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Dow Jones	34,220.4	34,308.1	-0.3%
S&P500	4,397.5	4,412.5	-0.3%
Nasdaq	13,371.6	13,412.0	-0.3%
Russell 2000	1,986.9	1,980.3	0.3%

Asian & European Markets			
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Shanghai Composite	3,213.3	3,167.1	1.5%
Nikkei	26,335.0	26,821.5	-1.8%
Hang Seng	21,319.1	21,208.3	0.5%
FTSE 100	7,576.7	7,618.3	-0.5%
DAX 30	14,125.0	14,192.8	-0.5%
CAC 40	6,537.4	6,555.8	-0.3%

Economic Releases	Time	F'cast	Prior
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Westpac Cons. Confidence	10:30		96.6
UK Core Inflation	16:00	5.4%	5.2%
US PPI	22:30	1.1%	0.8%
BOC Rate Decision	00:00		

Key BW Names	Close	Prior	% Δ
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Selfwealth	0.195	0.195	0.0%
Jervois Mining	0.860	0.880	-2.3%
LiveHire	0.340	0.350	-2.9%
Forbidden Foods	0.145	0.150	-3.3%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	100.60	95.25	5.6%
Gold	1,966.3	1,952.3	0.7%
Gold (Aus)	2,636.5	2,630.4	0.2%
Silver	25.37	25.05	1.3%
Uranium (Spot)	63.75	63.50	0.4%
Tin (Futures)	43,025	43,813	-1.8%

Currency	Close	Prior	% Δ
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DXY Index	100.33	99.98	0.4%
AUD/USD	0.7458	0.7422	0.5%
AUD/GBP	0.5733	0.5696	0.6%
AUD/EUR	0.6884	0.6818	1.0%
AUD/YEN	93.45	93.08	0.4%
AUD/NZD	1.0882	1.0868	0.1%
AUD/CAD	0.9425	0.9376	0.5%

Other Markets	Close	Prior	% Δ
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VIX Index	24.26	24.37	-0.5%
2-Year Treasury Yield (%)	2.405	2.500	-3.8%
10-Year Treasury Yield (%)	2.777	2.774	0.1%
US 2-10-Year Spread	0.372	0.274	9 bps

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