

16 May 2022

Futures sharply higher following a big Friday night rally on Wall Street

- Futures point higher.** Local stocks look likely to start the week on a positive note, with ASX futures currently higher by 54 points, or 0.8%, following an exceptionally strong rally on Wall Street Friday night. In economics news, today will see key Chinese data released around midday, including: fixed asset investment, retail sales and industrial production figures.
- This week in economics.** Over the balance of this week, key releases will include: RBA meeting minutes (tomorrow), local wages (Wed) and employment data (Thu). While internationally, the week will see UK jobs data and inflation figures, Eurozone GDP and inflation figures, US retail sales and lots of central bank speak including Powell and Lagarde.
- Global markets on Friday night.** It was a strong end to a poor week for global markets, as all US indices ended significantly higher. The Nasdaq added +3.8%, to make up for the ~-4.5% that had been lost through Thursday. Indeed, the Russell 2000 gained +3.1%, S&P added +2.4% and the Dow +1.5%. Elsewhere, European indices followed suit, as the FTSE, DAX and CAC all added between +2.1-2.6% and Asian markets had a similar performance.
- Beaten down tech rallies hard.** Friday night's gains were very much driven by the 'beaten down' names of the recent sell-off, with **consumer discretionary** and **technology** the best two performing sectors on Friday. Notable outperformers included the **ARK Innovation ETF** (+12%), **Shopify** (+14%), **Coinbase** (+14%) and **Robinhood** (+25%).
- In other markets, WTI Crude** was one of the only strong performers throughout the whole week, adding a further 4.0% on Friday, and over +10% for the week. **Gold** had a quiet day, **Silver** added +2.5%, **Tin** was down -4.7% and **uranium** was ~flat (although ETFs rallied hard). In currencies, the **DXY** (-0.2%) held its price above a level of 104, the **AUD/USD** appreciated +1.3%. And finally, the **VIX** (-9.1%) edged lower to end at a level of 28.87.

World Indices	Close	Prior	% Δ
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<u>Local Markets</u>			
All Ordinaries	7,307.7	7,166.6	2.0%
ASX 200	7,075.1	6,941.0	1.9%
ASX Emerging Companies	2,299.5	2,265.1	1.5%
<u>US Markets</u>			
Dow Jones	32,196.7	31,730.3	1.5%
S&P500	4,023.9	3,930.1	2.4%
Nasdaq	11,805.0	11,371.0	3.8%
Russell 2000	1,792.7	1,739.4	3.1%
<u>Asian & European Markets</u>			
Shanghai Composite	3,084.3	3,055.0	1.0%
Nikkei	26,427.7	25,748.7	2.6%
Hang Seng	19,898.8	19,380.3	2.7%
FTSE 100	7,418.2	7,233.3	2.6%
DAX 30	14,027.9	13,739.6	2.1%
CAC 40	6,362.7	6,206.3	2.5%

Economic Releases	Time	F'cast	Prior
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China Data, Various	12:00		
Fed's Williams Speaks	22:55		

Key BW Names	Close	Prior	% Δ
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Family Zone Cyber Security	0.345	0.310	11.3%
Elementos	0.700	0.645	8.5%
Jervois Mining	0.775	0.715	8.4%
Lotus Resources	0.270	0.255	5.9%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	111.10	106.83	4.0%
Gold	1,811.9	1,817.4	-0.3%
Gold (Aus)	2,682.3	2,650.4	1.2%
Silver	21.19	20.68	2.5%
Uranium (Spot)	50.25	50.50	-0.5%
Tin (Futures)	33,925	35,600	-4.7%

Currency	Close	Prior	% Δ
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DXY Index	104.52	104.75	-0.2%
AUD/USD	0.6944	0.6857	1.3%
AUD/GBP	0.5661	0.5621	0.7%
AUD/EUR	0.6687	0.6606	1.2%
AUD/YEN	89.83	88.13	1.9%
AUD/NZD	1.1045	1.1003	0.4%
AUD/CAD	0.8962	0.8946	0.2%

Other Markets	Close	Prior	% Δ
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VIX Index	28.87	31.77	-9.1%
2-Year Treasury Yield (%)	2.590	2.643	-5 bp
10-Year Treasury Yield (%)	2.932	2.852	8 bp
US 2-10-Year Spread	0.342	0.209	13 bp