

## Futures off 1.3% following 3-4% declines on Wall Street Friday night

- Futures guide lower.** Following an extremely poor session for US stocks on Friday evening, it appears our market will come under pressure this morning – with ASX futures currently guiding to a 94 point, or ~1.3% decline at the open. In economic news, being the first trading day of a new month, PMIs will be released from several major regions including here in Aus, Germany, Italy, France, the broader Eurozone and the US.
- This week in economics.** Over the balance of this week, key events will include the RBA's rate decision tomorrow – which remains a coin-toss at this stage – while both the Fed and BoE will also hand down rate decisions this week. Elsewhere, jobs data is due from Germany, New Zealand, Canada and the US and the RBA's SoMP will be released Friday.
- Global markets on Friday night.** The final trading session of the month saw some colossal losses in the US, with the Nasdaq suffering the greatest loss, off 4.2% the day and taking its YTD loss to 21% (its worst start to a year in history). Elsewhere, the S&P (-3.6%), Dow (-2.8%) and Russell (-2.8%) were also down sharply. European markets ended higher as markets closed prior to the late-day selling.
- Amazon and Apple lead the losses.** Amazon and Apple's results were released post-market Thursday, with the two companies disappointing on a range of metrics and falling by 14% and 4% respectively. The 14% decline for Amazon was its worst single day decline since 2006.
- Spiking yields added to the pain.** Elsewhere, it was another painful session for fixed income, as calls for a 75bp hike in June became louder, while release of the Employment Cost Index (ECI) – a key input for inflation – showed a 1.4% QoQ gain, well ahead of expectations for 1%. These forces combined to see the 2-Year yield rise 15bps and the 10-Year 12bps. The yield curve flattened by ~2bps on these moves and is currently at 19bps.

World Indices	Close	Prior	% Δ
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### Local Markets

All Ordinaries	7,724.8	7,642.4	1.1%
ASX 200	7,435.0	7,356.9	1.1%
ASX Emerging Companies	2,614.6	2,581.2	1.3%

### US Markets

Dow Jones	32,977.2	33,916.4	-2.8%
S&P500	4,131.9	4,287.5	-3.6%
Nasdaq	12,334.6	12,871.5	-4.2%
Russell 2000	1,864.1	1,917.9	-2.8%

### Asian & European Markets

Shanghai Composite	3,047.1	2,975.5	2.4%
Nikkei	26,847.9	26,386.6	1.7%
Hang Seng	21,089.4	20,276.2	4.0%
FTSE 100	7,544.6	7,509.2	0.5%
DAX 30	14,097.9	13,979.8	0.8%
CAC 40	6,533.8	6,508.1	0.4%

Economic Releases	Time	F'cast	Prior
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AiG Manufacturing Index	8:30		55.7
S&PG Manufacturing PMI	9:30		57.7
Global PMIs	Various		

Key BW Names	Close	Prior	% Δ
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Elementos	0.800	0.760	5.3%
Frontier Energy	0.320	0.305	4.9%
Family Zone Cyber Security	0.410	0.400	2.5%
Jervois Mining	0.905	0.885	2.3%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	104.27	104.69	-0.4%
Gold	1,897.5	1,897.6	0.0%
Gold (Aus)	2,682.3	2,669.7	0.5%
Silver	22.79	22.78	0.0%
Uranium (Spot)	53.88	52.88	1.9%
Tin (Futures)	40,375	40,045	0.8%

Currency	Close	Prior	% Δ
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DXY Index	103.16	102.96	0.2%
AUD/USD	0.7074	0.7108	-0.5%
AUD/GBP	0.5622	0.5697	-1.3%
AUD/EUR	0.6708	0.6761	-0.8%
AUD/YEN	92.09	93.25	-1.2%
AUD/NZD	1.0939	1.0971	-0.3%
AUD/CAD	0.9083	0.9098	-0.2%

Other Markets	Close	Prior	Δ
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VIX Index	33.40	29.99	11.4%
2-Year Treasury Yield (%)	2.698	2.552	15 bp
10-Year Treasury Yield (%)	2.889	2.765	12 bp
US 2-10-Year Spread	0.191	0.213	-2 bp