

26 April 2022

US stocks rebound overnight, Twitter accepts Elon Musk's offer

- Global markets.** It has been a mixed 24hrs for global markets, with Asian stocks sliding during yesterday's session on fears that Beijing would soon be joining Shanghai in lockdown – sending the Nikkei down 2%, Hang Seng ~4% and Shanghai Composite ~5% for the latter's worst session in a month. The European indices subsequently followed Asia's lead, with all major markets there off by ~2% for the day. However, US stocks bucked the trend with a mid-session rally early this morning – where all major indices ultimately closed higher, led by the Nasdaq which gained 1.3% for the session.
- Tech strong, energy weak.** Overnight gains were led by **communication services** and **information technology** sectors, as global growth concerns saw **10-year yields** fall by 7bps over the day, while **Elon Musk's** successful bid for **Twitter** (+6%) also saw some positivity return to the space. At the other end of the spectrum, recent market-leaders like **energy** and **materials** were notably weak.
- In other markets,** the **USD** continued its relentless rise against other major currencies – with the DXY adding another 0.5% overnight to close at a level just shy of 102. Elsewhere, yields were down at the long-end and higher at the short-end, **commodities** were broadly weak – **oil, gold, silver, tin** and **uranium** all lost ground – and the **VIX Index** fell 4% on account of the day's rebound in equity markets.
- Futures point lower.** Despite the strong lead from Wall Street overnight, it appears local stocks will still open lower when trading commences this morning, as the ASX plays catch-up for Friday's sell-off. ASX futures are currently down 25 points, or ~0.4% at the time of writing.
- A big week for earnings.** In earnings news, this week will see quarterly results out from the major US tech names, including **Amazon, Apple, Alphabet, Meta** and **Microsoft**. There will be 160 S&P 500 companies in total report this week.

World Indices	Close	Prior	% Δ
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Local Markets

All Ordinaries	7,768.2	7,886.7	-1.5%
ASX 200	7,473.3	7,592.8	-1.6%
ASX Emerging Companies	2,701.3	2,734.3	-1.2%

US Markets

Dow Jones	34,049.5	33,811.4	0.7%
S&P500	4,296.1	4,271.8	0.6%
Nasdaq	13,004.9	12,839.3	1.3%
Russell 2000	1,954.2	1,940.7	0.7%

Asian & European Markets

Shanghai Composite	2,928.5	3,086.9	-5.1%
Nikkei	26,590.8	27,105.3	-1.9%
Hang Seng	19,869.3	20,638.5	-3.7%
FTSE 100	7,380.5	7,521.7	-1.9%
DAX 30	13,924.2	14,142.1	-1.5%
CAC 40	6,449.4	6,581.4	-2.0%

Economic Releases	Time	F'cast	Prior
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US Durable Goods Orders	22:30	1.0%	-2.2%
US CB Cons. Confidence	0:00	108.0	107.2

Key BW Names	Close	Prior	% Δ
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Frontier Energy	0.260	0.240	8.3%
Hydralyte	0.250	0.240	4.2%
Lotus Resources	0.360	0.355	1.4%
Alderan Resources	0.026	0.026	0.0%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	98.54	102.07	-3.5%
Gold	1,897.7	1,933.0	-1.8%
Gold (Aus)	2,642.6	2,665.5	-0.9%
Silver	23.61	24.13	-2.2%
Uranium (Spot)	54.00	55.00	-1.8%
Tin (Futures)	41,800	42,165	-0.9%

Currency	Close	Prior	% Δ
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DXY Index	101.74	101.22	0.5%
AUD/USD	0.7181	0.7252	-1.0%
AUD/GBP	0.5639	0.5648	-0.2%
AUD/EUR	0.6703	0.6711	-0.1%
AUD/YEN	92.02	93.20	-1.3%
AUD/NZD	1.0852	1.0923	-0.7%
AUD/CAD	0.9146	0.9218	-0.8%

Other Markets	Close	Prior	Δ
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VIX Index	27.02	28.21	-4.2%
2-Year Treasury Yield (%)	2.722	2.699	2 bp
10-Year Treasury Yield (%)	2.828	2.896	-7 bp
US 2-10-Year Spread	0.106	0.197	-9 bp