

8 June 2022

Futures +0.6% following strong US lead, uranium ETFs +6-7% overnight

- **Global markets.** It was another strong overnight session in the US, with all major indices closing in the black – led by the small cap Russell 2000, which rose 1.6%, the S&P 500 (+1.0%), Nasdaq (+0.9%) and Dow (+0.8%) were also all strong. In Europe, all markets ended comfortably lower, with the DAX and CAC both giving up 0.7% for the day.
- **From a sector perspective,** 10 of the S&P 500's 11 sectors finished higher (with only **consumer discretionary** off 0.4%), with the best performing sector once again being **energy**, as it added 3.1% on strength in **oil** and **gas**. Elsewhere, **industrials** and **healthcare** sectors were also strong, +1.3% each.
- **World Bank cuts growth forecasts.** The day's moves came despite (or perhaps because of) a cut to global economic growth forecasts from the World Bank – who now expects 2022 GDP growth to be just 2.9% (down from 4.1% as recently as January). The Bank cited a surge in inflation and the ongoing Russia/Ukraine conflict as key reasons for the downgrade. Global growth was 5.7% last year.
- **In other markets,** the **USD** fell slightly over the day (-0.1%) and the **AUD** moved higher (+0.5%) after yesterday's surprise 50bp RBA hike. Elsewhere, **commodities** were mostly higher, with **oil, gold, silver, tin** and **copper** all up, while **spot uranium** added 1% (now up >10% from its lows) and key sector ETFs rose by as much as 7% on news the US would look to end its reliance on Russian enriched uranium. Finally, **bond yields** were mixed along the curve, with short-end yields up the long-end down, seeing a flattening of the curve of ~7bps (as measured by the 2-10-year spread).
- **Futures guide higher.** Following the strong lead from Wall Street, it appears local stocks will open higher when trading commences this morning – with ASX futures currently up by 45 points, or 0.6% at the time of writing.

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

Local Markets

All Ordinaries	7,318.6	7,433.1	-1.5%
ASX 200	7,095.7	7,206.3	-1.5%
ASX Emerging Companies	2,285.4	2,330.1	-1.9%

US Markets

Dow Jones	33,180.1	32,915.8	0.8%
S&P500	4,160.7	4,121.4	1.0%
Nasdaq	12,175.2	12,061.4	0.9%
Russell 2000	1,919.6	1,889.9	1.6%

Asian & European Markets

Shanghai Composite	3,241.8	3,236.4	0.2%
Nikkei	27,944.0	27,915.9	0.1%
Hang Seng	21,531.7	21,653.9	-0.6%
FTSE 100	7,598.9	7,608.2	-0.1%
DAX 30	14,556.6	14,653.8	-0.7%
CAC 40	6,500.4	6,548.8	-0.7%

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

Eurozone GDP (YoY)	19:00	5.1%	4.7%
--------------------	-------	------	------

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

Forbidden Foods	0.120	0.105	14.3%
Selfwealth	0.185	0.175	5.7%
Dubber Corporation	0.730	0.720	1.4%
Frontier Energy	0.245	0.245	0.0%

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

Oil - West Texas Crude	119.61	118.91	0.6%
Gold	1,852.1	1,841.3	0.6%
Gold (Aus)	2,562.1	2,559.9	0.1%
Silver	22.24	22.06	0.8%
Uranium (Spot)	51.13	50.75	0.7%
Tin (Futures)	35,575	34,975	1.7%

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

DXY Index	102.33	102.41	-0.1%
AUD/USD	0.7229	0.7193	0.5%
AUD/GBP	0.5741	0.5741	0.0%
AUD/EUR	0.6753	0.6727	0.4%
AUD/YEN	95.91	94.91	1.1%
AUD/NZD	1.1142	1.1088	0.5%
AUD/CAD	0.9061	0.9049	0.1%

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

VIX Index	24.02	25.07	-4.2%
2-Year Treasury Yield (%)	2.741	2.720	2 bp
10-Year Treasury Yield (%)	2.983	3.049	-7 bp
US 2-10-Year Spread	0.242	0.329	-9 bp