

15 September 2022

Markets solid overnight, futures higher, jobs data out at 11:30am

- **Global markets.** Following Tuesday night's sell-off, it was a much better session for equities last night – with all US indices ahead in a range of 0.1% (Dow) to 0.7% (Nasdaq). European equities were down by ~1% as they played catch-up to the prior session's selling.
- **From a sector perspective,** 6 of the S&P 500's 11 sectors were in the green, led (once again) by **Energy** names, which added 2.9% as the price of **oil** continued to rise – this time by 2%, including a brief touch of \$90/bbl. Other notable performance came from **Consumer Discretionary** (+1.3%), **Utilities** (+0.8%) and to the downside, **Real Estate** and **Materials**, which fell 1.4% and 1.2% respectively.
- **Yields ~unchanged.** Following a continued run-up in recent weeks, yields were relatively quiet overnight, with the chance of a 100bp hike from the Fed next week declining slightly – to 25% from 33%. For the day, the 2-year was 4bps higher, the 10-year 1bp lower, and the yield curve ended at a (still heavily) inverted -38bps.
- **In other markets,** commodities were mixed, with **tin** and **silver** strong (in addition to oil), while **gold** and **spot uranium** both declined. Elsewhere, the **VIX Index** remains relatively muted, despite all the happenings in equity markets; closing last night down 4% at just 26. And finally, the **USD** was slightly lower against a basket of currencies, while the **AUD** was mixed.
- **Futures point higher.** Following the reasonable lead from Wall Street, it appears local stocks will open higher this morning – with ASX futures up by 9 points, or ~0.1% at the time of writing.
- **Local jobs data due.** It will be a busy day for data releases, with consumer inflation expectations and jobs data due locally. While internationally, US retail sales and weekly jobless claims will also be released.

World Indices	Close	Prior	% Δ
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Local Markets

All Ordinaries	7,071.8	7,253.7	-2.5%
ASX 200	6,828.6	7,009.7	-2.6%
ASX Emerging Companies	2,256.3	2,278.5	-1.0%

US Markets

Dow Jones	31,135.1	31,105.0	0.1%
S&P500	3,946.0	3,932.7	0.3%
Nasdaq	11,719.7	11,633.6	0.7%
Russell 2000	1,838.5	1,831.6	0.4%

Asian & European Markets

Shanghai Composite	3,237.5	3,263.8	-0.8%
Nikkei	27,818.6	28,614.6	-2.8%
Hang Seng	18,847.1	19,326.9	-2.5%
FTSE 100	7,277.3	7,385.9	-1.5%
DAX 30	13,028.0	13,189.0	-1.2%
CAC 40	6,222.4	6,245.7	-0.4%

Economic Releases	Time	F'cast	Prior
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Cons. Inflation Expectations	11:00		5.9%
Employment Change	11:30	35k	-41k
Unemployment Rate	11:30	3.4%	3.4%
US Retail Sales	22:30	0.0%	0.0%
US Initial Jobless Claims	22:30	226k	222k
US Continuing Jobless Claims	22:30	1.48m	1.47m
US Industrial Production	23:15		3.9%

Key BW Names	Close	Prior	% Δ
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Forbidden Foods	0.096	0.090	6.7%
Family Zone Cyber Security	0.320	0.310	3.2%
Dubber Corporation	0.660	0.655	0.8%
Jervois Mining	0.545	0.545	0.0%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	89.11	87.66	1.7%
Gold	1,697.4	1,702.2	-0.3%
Gold (Aus)	2,513.1	2,526.9	-0.5%
Silver	19.64	19.32	1.7%
Uranium (Spot)	50.50	51.25	-1.5%
Tin (Futures)	21,995	21,375	2.9%

Currency	Close	Prior	% Δ
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DXY Index	109.62	110.01	-0.4%
AUD/USD	0.6754	0.6736	0.3%
AUD/GBP	0.5851	0.5863	-0.2%
AUD/EUR	0.6767	0.6757	0.1%
AUD/YEN	96.64	97.55	-0.9%
AUD/NZD	1.1221	1.1231	-0.1%
AUD/CAD	0.8889	0.8875	0.2%

Other Markets	Close	Prior	% Δ
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VIX Index	26.16	27.27	-4.1%
2-Year Treasury Yield (%)	3.784	3.746	4 bp
10-Year Treasury Yield (%)	3.408	3.415	-1 bp
US 2-10-Year Spread	-0.376	-0.331	-4 bp