

17 August 2022

Equities broadly higher overnight, oil loses another 2%, futures +0.2%

- Global markets.** It was a quiet day in global markets, as the major global indices stayed within +/- 1%. In the US, indices were slightly up, as the Dow Jones gained +0.7% and the S&P added +0.2%, whilst the Russell remained ~flat and the Nasdaq slipped -0.2%. In other continents, European indices all saw green and Asian indices had a mixed performance.
- Oil closes at 6 month low.** Overnight, **WTI Crude** slipped another ~2%, falling below \$87/bbl, reaching its lowest price since late January this year. This comes as a result of numerous headwinds, including bearish economic data, slower Chinese growth and ongoing concerns re: a deal between Iran and the US which could add an additional ~1.3 million barrels per day to global supplies.
- In other markets,** precious metals had a weak session, as **gold** slipped -0.2% and **silver** lost -0.6%. **Tin** slipped another -2.2% and **uranium** remained unchanged. It was a quiet day for currencies, as the **DX** stayed put at 106.5. This lack of volatility in markets was confirmed in the **VIX Index**, which fell 1.3%, hitting its lowest point since April. In the fixed income market, the 2-Year added +6bps and the 10-Year added +2bps. This further flattened the 2-10 year curve, now sitting at -43bps.
- Futures point higher.** ASX Futures indicate markets are poised to open higher, following another mostly positive performance from US equities. As of writing, ASX futures are up 12bps or ~0.2%.
- A busy day for economics awaits,** both locally and internationally. Domestically, the Westpac Leading Index and the Wage Price Index will be announced – the latter of which is forecasting a 2.7% YoY gain. Overseas, the RBNZ are expected to increase their interest rate by 50bps, the UK Core inflation figures are forecasted at +5.9%, US retail sales along with FOMC minutes and a Fed Bowman presentation are also all occurring throughout the evening.

World Indices	Close	Prior	% Δ
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Local Markets

All Ordinaries	7,361.9	7,324.9	0.5%
ASX 200	7,105.4	7,064.3	0.6%
ASX Emerging Companies	2,329.1	2,330.2	0.0%

US Markets

Dow Jones	34,152.0	33,912.4	0.7%
S&P500	4,305.2	4,297.1	0.2%
Nasdaq	13,102.6	13,128.1	-0.2%
Russell 2000	2,020.5	2,021.4	0.0%

Asian & European Markets

Shanghai Composite	3,277.9	3,276.1	0.1%
Nikkei	28,868.9	28,871.8	0.0%
Hang Seng	19,830.5	20,040.9	-1.0%
FTSE 100	7,536.1	7,509.2	0.4%
DAX 30	13,910.1	13,816.6	0.7%
CAC 40	6,592.6	6,570.0	0.3%

Economic Releases	Time	F'cast	Prior
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Westpac Leading Index	10:30		-0.2%
Wage Price Index	11:30	2.7%	2.4%
RBNZ Rate Decision	13:00	3.0%	2.5%
UK Core Inflation	16:00	5.9%	5.8%
Eurozone GDP	19:00	4.0%	5.4%
US Retail Sales	22:30	0.1%	1.0%
FOMC Minutes	4:00		
Fed's Bowman Speaks x 2	Various		

Key BW Names	Close	Prior	% Δ
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Elementos	0.380	0.370	2.7%
Frontier Energy	0.295	0.290	1.7%
Family Zone Cyber Security	0.410	0.410	0.0%
Alderan Resources	0.011	0.011	0.0%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	86.94	88.37	-1.6%
Gold	1,775.3	1,779.3	-0.2%
Gold (Aus)	2,528.2	2,534.8	-0.3%
Silver	20.14	20.27	-0.6%
Uranium (Spot)	47.50	47.50	0.0%
Tin (Futures)	24,250	24,808	-2.2%

Currency	Close	Prior	% Δ
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DX Index	106.48	106.49	0.0%
AUD/USD	0.7022	0.7020	0.0%
AUD/GBP	0.5805	0.5823	-0.3%
AUD/EUR	0.6904	0.6911	-0.1%
AUD/YEN	94.26	93.44	0.9%
AUD/NZD	1.1067	1.1028	0.4%
AUD/CAD	0.9022	0.9058	-0.4%

Other Markets	Close	Prior	% Δ
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VIX Index	19.69	19.95	-1.3%
2-Year Treasury Yield (%)	3.241	3.178	6 bp
10-Year Treasury Yield (%)	2.812	2.787	2 bp
US 2-10-Year Spread	-0.429	-0.391	-4 bp

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