

3 August 2022

Markets lower overnight as Pelosi's visit to Taiwan raises tensions

- Global markets. Global markets traded cautiously overnight, as all eyes were focused on Nancy Pelosi's controvesial and "unofficial" trip to Taiwan. For this reason, US equities finished in the red. The Dow lost the most ground, slipping -1.2%, followed by the S&P (-0.7%) and the Nasdaq (-0.2%), whilst the Russell 2000 remained ~flat. Asian markets reacted worse, all losing >1% and European markets were only marginally down.
- Pelosi lands in Taiwan. Overnight, the 3rd highest ranking US government offical, and House Speaker, Nancy Pelosi, landed in Taiwan for an "unofficial" visit, despite warnings from China that the trip would be considered "a provocative act". Interestingly, upon Pelosi's touchdown, a wave of buying occurred in US equities, as China did not immediately react to the provocation.
- Fed speakers remain hawkish. Further contributing to the overnight drama, numerous Fed speakers presented with hawkish comments. Such remarks include: Fed Daly reinforcing that the Fed is "nowhere near done" fighting inflation and Chicago Fed President Evans indicating that more rate hikes would be "reasonable"
- Yields explode. It was a very poor night for yields overnight following the Fed's comments. The 2-Year rose 17bps and the 10-Year added 18bps – ensuring the yield curve remained well-inverted, extending its recorded as the most inverted yield curve since early 2000.
- In other markets. WTI Crude added +0.9% despite being up >2% intraday. Gold also touched \$1800, before settling back to ~\$1760 whilst silver lost -1.8%. In the currency market, the DXY appreciated, breaking over 106 again, whilst the AUD/USD deprecaited -1.5%.
- Futures point lower. Following the weak overseas session, the ASX is set to slip. As of writing, ASX futures are down ~14 points or -0.2%.

| World Indices | Close | Prior | % ∆ |
|---|--|--|---|
| Local Markets | | | |
| Local Markets All Ordinaries | 7,216.4 | 7,213.0 | 0.0% |
| ASX 200 | 6,998.1 | 6,993.0 | 0.0% |
| ASX Emerging Companies | 2,212.3 | 2,225.4 | -0.6% |
| | 2,212.0 | 2,220.1 | 0.070 |
| US Markets | 20 200 0 | 20.700.4 | 4.00/ |
| Dow Jones S&P500 | 32,396.2 | 32,798.4 4,118.6 | -1.2% |
| Nasdaq | 4,091.2 12,348.8 | 12,369.0 | -0.7% -0.2% |
| Russell 2000 | 1,882.5 | 1,883.3 | 0.0% |
| | 1,002.5 | 1,000.0 | 0.076 |
| Asian & European Markets | 0.400.0 | 0.000.0 | 0.00/ |
| Shanghai Composite | 3,186.3 | 3,260.0 | -2.3% |
| Nikkei | 27,594.7 | 27,993.4 | -1.4% -2.4% |
| Hang Seng FTSE 100 | 19,689.2 7,409.1 | 20,165.8 7,413.4 | |
| DAX 30 | 13,449.2 | 13,479.6 | -0.1% -0.2% |
| CAC 40 | 6,409.8 | 6,436.9 | -0.2% |
| | | | |
| Economic Releases | Time | F'cast | Prior |
| NZ Unemployment Rate | 8:45 | 3.1% | 3.2% |
| S&PG Services PMI | 9:00 | | 52.6 |
| Retail Sales | 11:30 | | -0.9% |
| Global PMIs | Various | | |
| US ISM Non-Manufacturing PMI | 0:00 | 52.5 | 55.3 |
| Fed's Harker Speaks | 0:30 | | |
| Key BW Names | Close | Prior | % ∆ |
| | | | |
| Family Zone Cyber Security | 0.350 | 0.320 | 9.4% |
| Family Zone Cyber Security Selfwealth | 0.350 0.185 | 0.320 0.180 | 9.4% 2.8% |
| | | | |
| Selfwealth | 0.185 | 0.180 | 2.8% |
| Selfwealth Frontier Energy Jervois Mining | 0.185 0.250 0.390 | 0.180 0.245 0.385 | 2.8% 2.0% 1.3% |
| Selfwealth Frontier Energy Jervois Mining Commodities | 0.185 0.250 0.390 | 0.180 0.245 0.385 Prior | 2.8% 2.0% 1.3% |
| Selfwealth Frontier Energy Jervois Mining Commodities Oil - West Texas Crude | 0.185 0.250 0.390 Close 93.80 | 0.180 0.245 0.385 Prior 94.62 | 2.8% 2.0% 1.3% % Δ -0.9% |
| Selfwealth Frontier Energy Jervois Mining Commodities Oil - West Texas Crude Gold | 0.185 0.250 0.390 Close 93.80 1,760.1 | 0.180 0.245 0.385 Prior 94.62 1,772.6 | 2.8% 2.0% 1.3% Δ -0.9% -0.7% |
| Selfwealth Frontier Energy Jervois Mining Commodities Oil - West Texas Crude Gold Gold (Aus) | 0.185 0.250 0.390 Close 93.80 1,760.1 2,543.0 | 0.180 0.245 0.385 Prior 94.62 1,772.6 2,521.9 | 2.8% 2.0% 1.3% • Δ -0.9% -0.7% 0.8% |
| Selfwealth Frontier Energy Jervois Mining Commodities Oil - West Texas Crude Gold Gold (Aus) Silver | 0.185 0.250 0.390 Close 93.80 1,760.1 2,543.0 19.97 | 0.180 0.245 0.385 Prior 94.62 1,772.6 2,521.9 20.34 | 2.8% 2.0% 1.3% % Δ -0.9% -0.7% 0.8% -1.8% |
| Selfwealth Frontier Energy Jervois Mining Commodities Oil - West Texas Crude Gold Gold (Aus) Silver Uranium (Spot) | 0.185 0.250 0.390 Close 93.80 1,760.1 2,543.0 19.97 48.63 | 0.180 0.245 0.385 Prior 94.62 1,772.6 2,521.9 20.34 48.75 | 2.8% 2.0% 1.3% • Δ -0.9% -0.7% 0.8% |
| Selfwealth Frontier Energy Jervois Mining Commodities Oil - West Texas Crude Gold Gold (Aus) Silver Uranium (Spot) Tin (Futures) | 0.185 0.250 0.390 Close 93.80 1,760.1 2,543.0 19.97 48.63 25,575 | 0.180 0.245 0.385 Prior 94.62 1,772.6 2,521.9 20.34 48.75 25,047 | 2.8% 2.0% 1.3% % Δ -0.9% -0.7% 0.8% -1.8% -0.3% 2.1% |
| Selfwealth Frontier Energy Jervois Mining Commodities Oil - West Texas Crude Gold Gold (Aus) Silver Uranium (Spot) | 0.185 0.250 0.390 Close 93.80 1,760.1 2,543.0 19.97 48.63 | 0.180 0.245 0.385 Prior 94.62 1,772.6 2,521.9 20.34 48.75 | 2.8% 2.0% 1.3% % Δ -0.9% -0.7% 0.8% -1.8% -0.3% |
| Selfwealth Frontier Energy Jervois Mining Commodities Oil - West Texas Crude Gold Gold (Aus) Silver Uranium (Spot) Tin (Futures) | 0.185 0.250 0.390 Close 93.80 1,760.1 2,543.0 19.97 48.63 25,575 | 0.180 0.245 0.385 Prior 94.62 1,772.6 2,521.9 20.34 48.75 25,047 | 2.8% 2.0% 1.3% % Δ -0.9% -0.7% 0.8% -1.8% -0.3% 2.1% |
| Selfwealth Frontier Energy Jervois Mining Commodities Oil - West Texas Crude Gold Gold (Aus) Silver Uranium (Spot) Tin (Futures) Currency | 0.185 0.250 0.390 Close 93.80 1,760.1 2,543.0 19.97 48.63 25,575 Close | 0.180 0.245 0.385 Prior 94.62 1,772.6 2,521.9 20.34 48.75 25,047 Prior 105.45 0.7029 | 2.8% 2.0% 1.3% -0.9% -0.7% 0.8% -1.8% -0.3% 2.1% |
| Selfwealth Frontier Energy Jervois Mining Commodities Oil - West Texas Crude Gold Gold (Aus) Silver Uranium (Spot) Tin (Futures) Currency DXY Index AUD/USD AUD/GBP | 0.185 0.250 0.390 Close 93.80 1,760.1 2,543.0 19.97 48.63 25,575 Close | 0.180 0.245 0.385 Prior 94.62 1,772.6 2,521.9 20.34 48.75 25,047 Prior | 2.8% 2.0% 1.3% % \(\Delta \) -0.9% -0.7% 0.8% -1.8% -0.3% 2.1% % \(\Delta \) 0.9% |
| Selfwealth Frontier Energy Jervois Mining Commodities Oil - West Texas Crude Gold Gold (Aus) Silver Uranium (Spot) Tin (Futures) Currency DXY Index AUD/USD AUD/GBP AUD/EUR | 0.185 0.250 0.390 Close 93.80 1,760.1 2,543.0 19.97 48.63 25,575 Close 106.35 0.6921 0.5687 0.6807 | 0.180 0.245 0.385 Prior 94.62 1,772.6 2,521.9 20.34 48.75 25,047 Prior 105.45 0.7029 0.5734 0.6849 | 2.8% 2.0% 1.3% *\Delta \Delta -0.9% -0.7% 0.8% -1.8% -0.3% 2.1% *\Delta \Delta 0.9% -1.5% -0.8% -0.6% |
| Selfwealth Frontier Energy Jervois Mining Commodities Oil - West Texas Crude Gold Gold (Aus) Silver Uranium (Spot) Tin (Futures) Currency DXY Index AUD/USD AUD/GBP AUD/EUR AUD/YEN | 0.185 0.250 0.390 Close 93.80 1,760.1 2,543.0 19.97 48.63 25,575 Close 106.35 0.6921 0.5687 0.6807 92.04 | 0.180 0.245 0.385 Prior 94.62 1,772.6 2,521.9 20.34 48.75 25,047 Prior 105.45 0.7029 0.5734 0.6849 92.49 | 2.8% 2.0% 1.3% -0.9% -0.7% 0.8% -1.8% -0.3% 2.1% -0.9% -1.5% -0.8% -0.6% -0.5% |
| Selfwealth Frontier Energy Jervois Mining Commodities Oil - West Texas Crude Gold Gold (Aus) Silver Uranium (Spot) Tin (Futures) Currency DXY Index AUD/USD AUD/GBP AUD/EUR AUD/YEN AUD/NZD | 0.185 0.250 0.390 Close 93.80 1,760.1 2,543.0 19.97 48.63 25,575 Close 106.35 0.6921 0.5687 0.6807 92.04 1.1063 | 0.180 0.245 0.385 Prior 94.62 1,772.6 2,521.9 20.34 48.75 25,047 Prior 105.45 0.7029 0.5734 0.6849 92.49 1.1092 | 2.8% 2.0% 1.3% -0.9% -0.7% 0.8% -1.8% -0.3% 2.1% -0.9% -1.5% -0.6% -0.6% -0.5% -0.3% |
| Selfwealth Frontier Energy Jervois Mining Commodities Oil - West Texas Crude Gold Gold (Aus) Silver Uranium (Spot) Tin (Futures) Currency DXY Index AUD/USD AUD/GBP AUD/EUR AUD/YEN | 0.185 0.250 0.390 Close 93.80 1,760.1 2,543.0 19.97 48.63 25,575 Close 106.35 0.6921 0.5687 0.6807 92.04 | 0.180 0.245 0.385 Prior 94.62 1,772.6 2,521.9 20.34 48.75 25,047 Prior 105.45 0.7029 0.5734 0.6849 92.49 | 2.8% 2.0% 1.3% -0.9% -0.7% 0.8% -1.8% -0.3% 2.1% -0.9% -1.5% -0.8% -0.6% -0.5% |
| Selfwealth Frontier Energy Jervois Mining Commodities Oil - West Texas Crude Gold Gold (Aus) Silver Uranium (Spot) Tin (Futures) Currency DXY Index AUD/USD AUD/GBP AUD/EUR AUD/YEN AUD/NZD | 0.185 0.250 0.390 Close 93.80 1,760.1 2,543.0 19.97 48.63 25,575 Close 106.35 0.6921 0.5687 0.6807 92.04 1.1063 | 0.180 0.245 0.385 Prior 94.62 1,772.6 2,521.9 20.34 48.75 25,047 Prior 105.45 0.7029 0.5734 0.6849 92.49 1.1092 | 2.8% 2.0% 1.3% -0.9% -0.7% 0.8% -1.8% -0.3% 2.1% -0.9% -1.5% -0.6% -0.6% -0.5% -0.3% |
| Selfwealth Frontier Energy Jervois Mining Commodities Oil - West Texas Crude Gold Gold (Aus) Silver Uranium (Spot) Tin (Futures) Currency DXY Index AUD/USD AUD/GBP AUD/EUR AUD/YEN AUD/YEN AUD/CAD Other Markets | 0.185 0.250 0.390 Close 93.80 1,760.1 2,543.0 19.97 48.63 25,575 Close 106.35 0.6921 0.5687 0.6807 92.04 1.1063 0.8914 | 0.180 0.245 0.385 Prior 94.62 1,772.6 2,521.9 20.34 48.75 25,047 Prior 105.45 0.7029 0.5734 0.6849 92.49 1.1092 0.9024 Prior | 2.8% 2.0% 1.3% -0.9% -0.7% 0.8% -1.8% -0.3% 2.1% -0.9% -1.5% -0.6% -0.5% -0.3% -1.2% |
| Selfwealth Frontier Energy Jervois Mining Commodities Oil - West Texas Crude Gold Gold (Aus) Silver Uranium (Spot) Tin (Futures) Currency DXY Index AUD/USD AUD/GBP AUD/EUR AUD/YEN AUD/NZD AUD/CAD Other Markets VIX Index | 0.185 0.250 0.390 Close 93.80 1,760.1 2,543.0 19.97 48.63 25,575 Close 106.35 0.6921 0.5687 0.6807 92.04 1.1063 0.8914 Close | 0.180 0.245 0.385 Prior 94.62 1,772.6 2,521.9 20.34 48.75 25,047 Prior 105.45 0.7029 0.5734 0.6849 92.49 1.1092 0.9024 | 2.8% 2.0% 1.3% -0.9% -0.7% 0.8% -1.8% -0.3% 2.1% |
| Selfwealth Frontier Energy Jervois Mining Commodities Oil - West Texas Crude Gold Gold (Aus) Silver Uranium (Spot) Tin (Futures) Currency DXY Index AUD/USD AUD/GBP AUD/EUR AUD/YEN AUD/YEN AUD/CAD Other Markets | 0.185 0.250 0.390 Close 93.80 1,760.1 2,543.0 19.97 48.63 25,575 Close 106.35 0.6921 0.5687 0.6807 92.04 1.1063 0.8914 | 0.180 0.245 0.385 Prior 94.62 1,772.6 2,521.9 20.34 48.75 25,047 Prior 105.45 0.7029 0.5734 0.6849 92.49 1.1092 0.9024 Prior 22.84 | 2.8% 2.0% 1.3% -0.9% -0.7% 0.8% -1.8% -0.3% 2.1% -0.9% -1.5% -0.6% -0.5% -0.3% -1.2% |
| Selfwealth Frontier Energy Jervois Mining Commodities Oil - West Texas Crude Gold Gold (Aus) Silver Uranium (Spot) Tin (Futures) Currency DXY Index AUD/USD AUD/GBP AUD/EUR AUD/YEN AUD/YEN AUD/NZD AUD/CAD Other Markets VIX Index 2-Year Treasury Yield (%) | 0.185 0.250 0.390 Close 93.80 1,760.1 2,543.0 19.97 48.63 25,575 Close 106.35 0.6921 0.5687 0.6807 92.04 1.1063 0.8914 Close 23.93 3.037 | 0.180 0.245 0.385 Prior 94.62 1,772.6 2,521.9 20.34 48.75 25,047 Prior 105.45 0.7029 0.5734 0.6849 92.49 1.1092 0.9024 Prior 22.84 2.867 | 2.8% 2.0% 1.3% *\infty \Delta -0.9% -0.7% 0.8% -1.8% -0.3% 2.1% *\infty \Delta -0.5% -0.6% -0.5% -0.3% -1.2% *\infty \Delta 4.8% 17 bp |

Disclosure: BW Equities advise that they and persons associated with them may have an interest in the above securities and that they may earn brokerage, commissions, fees and other benefits and advantages in connection with the making of a recommendation or a dealing by a client in these securities or by seeking to do business with companies covered in this report. Investors should consider investment risks and conflicts highlighted at the end of this report and not only consider this report in making an investment decision.