

4 August 2022

Stocks rip higher overnight (Nasdaq +3%) despite hawkish Fed speak

- Global markets. It was another extremely strong session for equities overnight, with all major indices in the US up by >1%, paced by the Nasdaq which added nearly 3% for the day and the S&P 500, which closed higher by 1.6%. Over in Europe, it was a similar story, with all indices higher in a range of 0.5% 1.0%.
- ISM strong, hawkish Fed speakers. The strength overnight came despite a slew of strong economic releases (ie. bolstering the case for more rate hikes), which included a huge beat in the ISM's non-manufacturing PMI (at 56.7 vs 53.5 expected). While, elsewhere, a host of Fed speakers lined up to deliver hawkish messages, yet the market took little notice closing essentially at the highs of the day.
- Yield curve inverts further. In fixed income markets US Treasury yields were higher at the short-end of the curve (2-year +3bps), while the long-end rallied (10-year -5bps), resulting in a further steepening of the 2-10-year curve to 36bps at the time of writing – the steepest such inversion since the dot com bubble of the early 2000's (again, suggesting the market is sceptical of the Fed's ability to hold rates at current levels for too long).
- In other markets, the price of oil continued to soften with WTI crude closing at \$91/bbl; being off >30% from its recent highs and below the levels prior to Russia invading Ukraine. Elsewhere, other major commodities were mixed, with gold and silver each higher, while tin and uranium closed lower. The USD was ~flat against a basket of currencies and the VIX Index fell 8% on account of the day's equity market strength.
- Futures point higher. Unsurprisingly, given the lead from Wall Street overnight, it appears local stocks will open sharply higher when trading commences this morning – with ASX futures currently up by 32 points, or ~0.5%. In economic news, today's major releases include a BOE rate decision and weekly jobless claims from the US.

World Indices	Close	Prior	%Δ
Local Markets All Ordinaries	7 202 0	7 216 4	0.29/
ASX 200	7,202.9 6,975.9	7,216.4 6,998.1	-0.2% -0.3%
ASX Emerging Companies	2,245.0	2,212.3	1.5%
ASA Emerging Companies	2,245.0	2,212.3	1.5%
US Markets			
Dow Jones	32,812.5	32,396.2	1.3%
S&P500	4,155.2	4,091.2	1.6%
Nasdaq	12,668.2	12,348.8	2.6%
Russell 2000	1,908.9	1,882.5	1.4%
Asian & European Markets			
Shanghai Composite	3,163.7	3,186.3	-0.7%
Nikkei	27,741.9	27,594.7	0.5%
Hang Seng	19,767.1	19,689.2	0.4%
FTSE 100	7,445.7	7,409.1	0.5%
DAX 30	13,587.6	13,449.2	1.0%
CAC 40	6,472.1	6,409.8	1.0%
Economic Releases	Time	F'cast	Prior
BOE Rate Decision	21:00	1.75%	1.25%
US Initial Jobless Claims	22:30	259k	256k
US Continuing Jobless Claims	22:30		1370k
Fed Speakers	Various		
Key BW Names	Close	Prior	%Δ
Frontier Energy	0.300	0.250	20.0%
		0.390	
Jervois Mining	0.430	0.390 0.350	10.3%
Jervois Mining Family Zone Cyber Security	0.430 0.370	0.350	10.3% 5.7%
Jervois Mining Family Zone Cyber Security Lotus Resources	0.430 0.370 0.240	0.350 0.230	10.3% 5.7% 4.3%
Jervois Mining Family Zone Cyber Security	0.430 0.370	0.350	10.3% 5.7%
Jervois Mining Family Zone Cyber Security Lotus Resources	0.430 0.370 0.240	0.350 0.230	10.3% 5.7% 4.3%
Jervois Mining Family Zone Cyber Security Lotus Resources Commodities	0.430 0.370 0.240	0.350 0.230 Prior	10.3% 5.7% 4.3%
Jervois Mining Family Zone Cyber Security Lotus Resources Commodities Oil - West Texas Crude	0.430 0.370 0.240 Close 91.07	0.350 0.230 Prior 93.80	10.3% 5.7% 4.3% % Δ -2.9%
Jervois Mining Family Zone Cyber Security Lotus Resources Commodities Oil - West Texas Crude Gold	0.430 0.370 0.240 Close 91.07 1,763.7	0.350 0.230 Prior 93.80 1,760.1	10.3% 5.7% 4.3% % Δ -2.9% 0.2%
Jervois Mining Family Zone Cyber Security Lotus Resources Commodities Oil - West Texas Crude Gold Gold (Aus)	0.430 0.370 0.240 Close 91.07 1,763.7 2,539.0	0.350 0.230 Prior 93.80 1,760.1 2,543.0	10.3% 5.7% 4.3% % Δ -2.9% 0.2% -0.2%
Jervois Mining Family Zone Cyber Security Lotus Resources Commodities Oil - West Texas Crude Gold Gold (Aus) Silver	0.430 0.370 0.240 Close 91.07 1,763.7 2,539.0 20.01	0.350 0.230 Prior 93.80 1,760.1 2,543.0 19.97	10.3% 5.7% 4.3% % Δ -2.9% 0.2% -0.2% 0.2%
Jervois Mining Family Zone Cyber Security Lotus Resources Commodities Oil - West Texas Crude Gold Gold (Aus) Silver Uranium (Spot)	0.430 0.370 0.240 Close 91.07 1,763.7 2,539.0 20.01 48.25	0.350 0.230 Prior 93.80 1,760.1 2,543.0 19.97 48.63	10.3% 5.7% 4.3% % Δ -2.9% 0.2% -0.2% 0.2% -0.8%
Jervois Mining Family Zone Cyber Security Lotus Resources Commodities Oil - West Texas Crude Gold Gold (Aus) Silver Uranium (Spot) Tin (Futures)	0.430 0.370 0.240 Close 91.07 1,763.7 2,539.0 20.01 48.25 24,525	0.350 0.230 Prior 93.80 1,760.1 2,543.0 19.97 48.63 25,575	10.3% 5.7% 4.3% % Δ -2.9% 0.2% -0.2% -0.2% -0.8% -4.1%
Jervois Mining Family Zone Cyber Security Lotus Resources Commodities Oil - West Texas Crude Gold Gold (Aus) Silver Uranium (Spot) Tin (Futures) Currency DXY Index	0.430 0.370 0.240 Close 91.07 1,763.7 2,539.0 20.01 48.25 24,525 Close	0.350 0.230 Prior 93.80 1,760.1 2,543.0 19.97 48.63 25,575 Prior 106.35	10.3% 5.7% 4.3% % \(\Delta \) -2.9% 0.2% -0.2% -0.8% -4.1% \(\Delta \) \(\Delta \)
Jervois Mining Family Zone Cyber Security Lotus Resources Commodities Oil - West Texas Crude Gold Gold (Aus) Silver Uranium (Spot) Tin (Futures) Currency	0.430 0.370 0.240 Close 91.07 1,763.7 2,539.0 20.01 48.25 24,525 Close 106.38 0.6947	0.350 0.230 Prior 93.80 1,760.1 2,543.0 19.97 48.63 25,575 Prior 106.35 0.6921	10.3% 5.7% 4.3% % Δ -2.9% 0.2% -0.2% -0.8% -4.1%
Jervois Mining Family Zone Cyber Security Lotus Resources Commodities Oil - West Texas Crude Gold Gold (Aus) Silver Uranium (Spot) Tin (Futures) Currency DXY Index AUD/USD	0.430 0.370 0.240 Close 91.07 1,763.7 2,539.0 20.01 48.25 24,525 Close	0.350 0.230 Prior 93.80 1,760.1 2,543.0 19.97 48.63 25,575 Prior 106.35	10.3% 5.7% 4.3% % Δ -2.9% 0.2% -0.2% -0.8% -4.1% % Δ 0.0% 0.4%
Jervois Mining Family Zone Cyber Security Lotus Resources Commodities Oil - West Texas Crude Gold Gold (Aus) Silver Uranium (Spot) Tin (Futures) Currency DXY Index AUD/USD AUD/GBP	0.430 0.370 0.240 Close 91.07 1,763.7 2,539.0 20.01 48.25 24,525 Close 106.38 0.6947 0.5721	0.350 0.230 Prior 93.80 1,760.1 2,543.0 19.97 48.63 25,575 Prior 106.35 0.6921 0.5687	10.3% 5.7% 4.3% *A -2.9% 0.2% -0.2% -0.8% -4.1% *A 0.0% 0.4% 0.6%
Jervois Mining Family Zone Cyber Security Lotus Resources Commodities Oil - West Texas Crude Gold Gold (Aus) Silver Uranium (Spot) Tin (Futures) Currency DXY Index AUD/USD AUD/GBP AUD/EUR	0.430 0.370 0.240 Close 91.07 1,763.7 2,539.0 20.01 48.25 24,525 Close 106.38 0.6947 0.5721 0.6835	0.350 0.230 Prior 93.80 1,760.1 2,543.0 19.97 48.63 25,575 Prior 106.35 0.6921 0.5687 0.6807	10.3% 5.7% 4.3% *\Delta \textsup \textsup \Delta \textsup \text
Jervois Mining Family Zone Cyber Security Lotus Resources Commodities Oil - West Texas Crude Gold Gold (Aus) Silver Uranium (Spot) Tin (Futures) Currency DXY Index AUD/USD AUD/GBP AUD/EUR AUD/YEN	0.430 0.370 0.240 Close 91.07 1,763.7 2,539.0 20.01 48.25 24,525 Close 106.38 0.6947 0.5721 0.6835 93.05	0.350 0.230 Prior 93.80 1,760.1 2,543.0 19.97 48.63 25,575 Prior 106.35 0.6921 0.5687 0.6807 92.04	10.3% 5.7% 4.3% % \(\Delta \) -2.9% 0.2% -0.2% -0.2% -0.8% -4.1% \(\Delta \) \(\Delta \) \(\Delta \) 0.0% 0.4% 0.6% 0.4% 1.1%
Jervois Mining Family Zone Cyber Security Lotus Resources 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	0.430 0.370 0.240 Close 91.07 1,763.7 2,539.0 20.01 48.25 24,525 Close 106.38 0.6947 0.5721 0.6835 93.05 1.1075	0.350 0.230 Prior 93.80 1,760.1 2,543.0 19.97 48.63 25,575 Prior 106.35 0.6921 0.5687 0.6807 92.04 1.1063	10.3% 5.7% 4.3% % \(\Delta \) -2.9% 0.2% -0.2% -0.2% -0.8% -4.1% % \(\Delta \) 0.0% 0.4% 0.6% 0.4% 1.1% 0.1%
Jervois Mining Family Zone Cyber Security Lotus Resources 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	0.430 0.370 0.240 Close 91.07 1,763.7 2,539.0 20.01 48.25 24,525 Close 106.38 0.6947 0.5721 0.6835 93.05 1.1075 0.8925	0.350 0.230 Prior 93.80 1,760.1 2,543.0 19.97 48.63 25,575 Prior 106.35 0.6921 0.5687 0.6807 92.04 1.1063 0.8914 Prior	10.3% 5.7% 4.3% % \(\Delta \) -2.9% 0.2% -0.2% -0.2% -0.8% -4.1% \(\Delta \) \(\Delta \) \(\Delta \) 0.0% 0.4% 0.6% 0.4% 1.1% 0.1% 0.1% \(\Delta \) \(\Delta \) \(\Delta \)
Jervois Mining Family Zone Cyber Security Lotus Resources 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 VIX Index	0.430 0.370 0.240 Close 91.07 1,763.7 2,539.0 20.01 48.25 24,525 Close 106.38 0.6947 0.5721 0.6835 93.05 1.1075 0.8925 Close	0.350 0.230 Prior 93.80 1,760.1 2,543.0 19.97 48.63 25,575 Prior 106.35 0.6921 0.5687 0.6807 92.04 1.1063 0.8914 Prior	10.3% 5.7% 4.3% % \(\Delta \) -2.9% 0.2% -0.2% -0.28% -4.1% \(\Delta \) \(\Delta \) \(\Delta \) 0.0% 0.4% 0.6% 0.4% 0.1% 0.1% \(\Delta \) \(\Delta \) \(\Delta \) \(\Delta \) -8.3%
Jervois Mining Family Zone Cyber Security Lotus Resources 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 VIX Index 2-Year Treasury Yield (%)	0.430 0.370 0.240 Close 91.07 1,763.7 2,539.0 20.01 48.25 24,525 Close 106.38 0.6947 0.5721 0.6835 93.05 1.1075 0.8925 Close	0.350 0.230 Prior 93.80 1,760.1 2,543.0 19.97 48.63 25,575 Prior 106.35 0.6921 0.5687 92.04 1.1063 0.8914 Prior 23.93 3.037	10.3% 5.7% 4.3% % \(\Delta \) -2.9% 0.2% -0.2% -0.8% -4.1% \(\Delta \) \(\Delta \) \(\Delta \) \(\Delta \) 0.0% 0.4% 0.4% 0.4% 0.1% 0.1% 0.1% \(\Delta \) \(\Delta \
Jervois Mining Family Zone Cyber Security Lotus Resources 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 VIX Index	0.430 0.370 0.240 Close 91.07 1,763.7 2,539.0 20.01 48.25 24,525 Close 106.38 0.6947 0.5721 0.6835 93.05 1.1075 0.8925 Close	0.350 0.230 Prior 93.80 1,760.1 2,543.0 19.97 48.63 25,575 Prior 106.35 0.6921 0.5687 0.6807 92.04 1.1063 0.8914 Prior	10.3% 5.7% 4.3% % \(\Delta \) -2.9% 0.2% -0.2% -0.28% -4.1% \(\Delta \) \(\Delta \) \(\Delta \) 0.0% 0.4% 0.6% 0.4% 0.1% 0.1% \(\Delta \) \(\Delta \) \(\Delta \) \(\Delta \) -8.3%

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