

8 September 2022

## US stocks up ~2% overnight as Nasdaq snaps 7-day losing streak

- **Global markets.** It was a much better session for stocks overnight, with all US indices higher in a range of 1.4% (Dow) to 2.2% (Russell 2000), which allowed the Nasdaq to snap its 7-day losing streak (+2.1% for the day). Over in Europe, it was a mixed session with the FTSE lower, CAC flat and DAX +0.3%.
- **From a sector perspective,** 10 of the S&P's 11 sub-sectors closed in the green (**Energy** being the only exception, down 1.2%). For the day, best performers were **Utilities** (+3.2%), **Consumer Discretionary** (+3.1%) and **Materials** (+2.7%).
- **Yields sharply lower.** Undoing some of the recent spike, **US Treasury** yields were sharply lower last night – with the 2-year closing down 7bps and 10-year down 8bps. However, the yield curve remains heavily inverted at ~18bps at the time of writing.
- **In other markets,** the price of **oil** continued to fall from its recent multi-year highs (despite no shortage of oil bulls at the top), with **WTI crude** off another 6% last night to close below US\$82/bbl. Elsewhere, **gold** and **silver** were higher by 1% and 3% respectively, **uranium** was up 0.5% and **tin** was ~1% lower. Finally, the **VIX Index** lost 8% on account of the day's equity market strength.
- **Futures point higher.** Given the strong lead from Wall Street, it appears local stocks will open sharply higher when trading commences this morning – with ASX futures currently ahead by 29 points, or ~0.4% at the time of writing.
- **Lots of CB speak today.** In economics, today will see Japanese Q2 GDP figures and local balance of trade data released during trading hours. However, the key events over the next 24 hours will all be central bank-related, with the ECB handing down its latest rate decision (a 75bp hike is forecast), while speeches from the heads of the RBA (Lowe), Fed (Powell) and ECB (Lagarde) will also all occur over the day.

World Indices	Close	Prior	% Δ
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### Local Markets

All Ordinaries	6,959.3	7,055.9	-1.4%
ASX 200	6,729.3	6,826.5	-1.4%
ASX Emerging Companies	2,210.7	2,226.6	-0.7%

### US Markets

Dow Jones	31,581.3	31,145.3	1.4%
S&P500	3,979.9	3,908.2	1.8%
Nasdaq	11,791.9	11,544.9	2.1%
Russell 2000	1,832.0	1,792.3	2.2%

### Asian & European Markets

Shanghai Composite	3,246.3	3,243.5	0.1%
Nikkei	27,430.3	27,626.5	-0.7%
Hang Seng	19,044.3	19,202.7	-0.8%
FTSE 100	7,237.8	7,300.4	-0.9%
DAX 30	12,916.0	12,871.4	0.3%
CAC 40	6,105.9	6,104.6	0.0%

Economic Releases	Time	F'cast	Prior
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Japan Q2 GDP	9:50	2.9%	0.1%
Balance of Trade	11:30	A\$14.5b	A\$17.7b
RBA's Lowe Speaks	13:05		
ECB Rate Decision	22:15	1.25%	0.50%
ECB Press Conference	22:45		
Fed's Powell Speaks	23:10		
ECB's Lagarde Speaks	0:15 (+1)		

Key BW Names	Close	Prior	% Δ
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BetMakers Tech. Group	0.420	0.395	6.3%
Dubber Corporation	0.615	0.580	6.0%
Elementos	0.280	0.275	1.8%
Hydralyte	0.120	0.120	0.0%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	81.85	86.87	-5.8%
Gold	1,718.0	1,700.8	1.0%
Gold (Aus)	2,539.2	2,527.2	0.5%
Silver	18.47	17.97	2.8%
Uranium (Spot)	51.25	51.00	0.5%
Tin (Futures)	21,450	21,698	-1.1%

Currency	Close	Prior	% Δ
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DXY Index	109.53	110.25	-0.7%
AUD/USD	0.6766	0.6730	0.5%
AUD/GBP	0.5863	0.5848	0.3%
AUD/EUR	0.6762	0.6802	-0.6%
AUD/YEN	97.42	96.42	1.0%
AUD/NZD	1.1140	1.1156	-0.1%
AUD/CAD	0.8876	0.8853	0.3%

Other Markets	Close	Prior	% Δ
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VIX Index	24.64	26.91	-8.4%
2-Year Treasury Yield (%)	3.443	3.509	-7 bp
10-Year Treasury Yield (%)	3.267	3.342	-8 bp
US 2-10-Year Spread	-0.176	-0.167	-1 bp

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