

3 October 2022

Futures ~flat, US markets weak again Fri night, RBA meets tomorrow

- **Futures ~flat.** Despite another poor session in the US on Friday night, it appears local stocks will open the week ~unchanged, with ASX futures currently higher by 5 points, or <0.1%. In economic news, it will be a busy day given it's the 1st day of a new month, with PMIs out from regions including Australia, India, Russia, Spain, Switzerland, Italy, France, Germany, the Eurozone broadly, UK and US. While elsewhere, three Fed speakers are due to speak – Bostic, Barkin and George.
- **RBA meets tomorrow.** Over the balance of this week, the key local economic event will of course be the RBA's latest rate decision tomorrow – where the market is somewhat split between a 50bp and 25bp hike (consensus is slightly on the side of the former). While other key events will include: services PMIs from all major regions, ECB policy minutes and non-farm payrolls on Friday. The week will also be littered with central bank speakers, with the ECB's Lagarde up on Wednesday and 14 separate Fed members scheduled.
- **Global markets on Friday.** It was another poor night for US equities – not so much in Europe – where markets traded relatively flat throughout the session before a big late-day sell-off saw all US indices close deeply in the red – leading the declines was the Dow, off 1.7%, while the Nasdaq/S&P 500 both lost 1.5% and small cap Russell did relatively well at -0.6%.
- **From a sector perspective,** only **Real Estate** (+1%) managed to deliver any gains, with the day's worst performers being **Utilities** (-2.0%), **Tech** (-1.9%) and **Consumer Discretionary/Staples** (-1.8% each).
- **In other markets,** the **USD** was slightly higher vs a basket of currencies (+0.4%), while the **AUD** was hammered – down against every major cross except the **NZD**. Yields were once again higher over the day – though not yet back at their highs – with the 2-year ended at 3.83%. And finally, **commodities** were a mixed bag, **oil** off 3%, **gold** and **silver** higher and the **VIX Index** lost just 1%.

World Indices	Close	Prior	% Δ
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Local Markets

All Ordinaries	6,678.7	6,760.6	-1.2%
ASX 200	6,474.2	6,555.0	-1.2%
ASX Emerging Companies	2,043.3	2,065.3	-1.1%

US Markets

Dow Jones	28,725.5	29,225.6	-1.7%
S&P500	3,585.6	3,640.5	-1.5%
Nasdaq	10,575.6	10,737.5	-1.5%
Russell 2000	1,664.7	1,674.9	-0.6%

Asian & European Markets

Shanghai Composite	3,024.4	3,041.2	-0.6%
Nikkei	25,937.2	26,422.1	-1.8%
Hang Seng	17,222.8	17,165.9	0.3%
FTSE 100	6,893.8	6,881.6	0.2%
DAX 30	12,114.4	11,975.6	1.2%
CAC 40	5,762.3	5,676.9	1.5%

Economic Releases	Time	F'cast	Prior
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Global PMIs	Various		
US ISM Manufacturing PMI	1:00	52.2	52.8
3 x Fed Speakers	Various		

Key BW Names	Close	Prior	% Δ
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Jervois Mining	0.515	0.495	4.0%
Frontier Energy	0.370	0.360	2.8%
Selfwealth	0.210	0.205	2.4%
Family Zone Cyber Security	0.320	0.320	0.0%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	79.49	81.68	-2.7%
Gold	1,660.6	1,663.8	-0.2%
Gold (Aus)	2,591.9	2,556.6	1.4%
Silver	19.03	18.88	0.8%
Uranium (Spot)	48.25	48.25	0.0%
Tin (Futures)	20,725	20,993	-1.3%

Currency	Close	Prior	% Δ
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DXY Index	112.17	111.77	0.4%
AUD/USD	0.6407	0.6508	-1.6%
AUD/GBP	0.5740	0.5824	-1.4%
AUD/EUR	0.6550	0.6623	-1.1%
AUD/YEN	92.67	93.96	-1.4%
AUD/NZD	1.1440	1.1333	0.9%
AUD/CAD	0.8857	0.8902	-0.5%

Other Markets	Close	Prior	% Δ
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VIX Index	31.62	31.84	-0.7%
2-Year Treasury Yield (%)	4.279	4.217	6 bp
10-Year Treasury Yield (%)	3.829	3.788	4 bp
US 2-10-Year Spread	-0.450	-0.429	-2 bp