

9 November 2022

Crypto sell-off rattles broader equity markets overnight, futures +0.5%

- **Global markets.** Solid headline closing prices for US indices masked a relatively frantic day, as news of crypto insolvencies and widespread selling weighed on sentiment. For the day, the Dow Jones continued its positive momentum, adding +1.0%. The S&P and Nasdaq closed up +0.6% and +0.5% respectively as the Russell 2000 slipped -0.1%. In Europe, indices were up as a whole whilst Asian indices were mixed.
- **Crypto rattles the broader market.** The major news overnight surrounded rumours that the FTX Token (FTT) was being forced to liquidate in order to cover clients withdrawals. This news sent all major crypto currencies crashing, with Bitcoin below its 2022 lows. This news spilled over into broader markets, with the **VIX Index** spiking intraday, and settling 5% higher. Ultimately, Binance, the world's leading exchange has since announced its intentions to acquire FTX.
- **In other markets.** It was a solid day for commodities with **tin** jumping +4.3%, while precious metals also surged, with **gold** adding +2.3% and **silver** +2.7%. **WTI Crude** slipped -3.6% however after API reported a larger than anticipated inventory build. In currency markets, the **USD** tumbled to a 7-week low against a basket of currencies, as the **DX** had its biggest 3-day fall since March 2020, losing -0.5% overnight. A quiet day for **Treasuries** saw the 2-Year gain 1bp and the 10-Year lose -1bp – resulting in a 2bp decline in the 2-10-Year spread
- **Futures higher.** Following the broadly positive result of the US market, the ASX looks set to rise at the open, with ASX futures up 34 points or +0.5% as of writing.
- **Mid-term results out today.** An important day for economics awaits, with all eyes on the US Mid-term election results – which will be filtering through over the course of the day. Furthermore, Chinese inflation figures will also be announced around midday and Australia September building permits results are out early this morning.

World Indices	Close	Prior	% Δ
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Local Markets

All Ordinaries	7,150.1	7,129.2	0.3%
ASX 200	6,958.9	6,933.7	0.4%
ASX Emerging Companies	2,142.5	2,134.7	0.4%

US Markets

Dow Jones	33,160.8	32,827.0	1.0%
S&P500	3,828.1	3,806.8	0.6%
Nasdaq	10,616.2	10,564.5	0.5%
Russell 2000	1,808.9	1,811.2	-0.1%

Asian & European Markets

Shanghai Composite	3,064.5	3,077.8	-0.4%
Nikkei	27,872.1	27,527.6	1.3%
Hang Seng	16,557.3	16,595.9	-0.2%
FTSE 100	7,306.1	7,300.0	0.1%
DAX 30	13,688.8	13,533.5	1.1%
CAC 40	6,441.5	6,416.6	0.4%

Economic Releases	Time	F'cast	Prior
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Midterm Election Results	All day		
Building Permits	11:30		23.1%
China Inflation	12:30	2.4%	2.8%
2 x Fed Speakers	Various		

Key BW Names	Close	Prior	% Δ
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Elementos	0.280	0.265	5.7%
Lotus Resources	0.230	0.225	2.2%
Frontier Energy	0.530	0.525	1.0%
Jervois Mining	0.605	0.600	0.8%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	88.64	91.91	-3.6%
Gold	1,712.3	1,674.6	2.3%
Gold (Aus)	2,636.0	2,584.7	2.0%
Silver	21.35	20.79	2.7%
Uranium (Spot)	49.75	49.50	0.5%
Tin (Futures)	19,750	18,939	4.3%

Currency	Close	Prior	% Δ
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DX Index	109.63	110.18	-0.5%
AUD/USD	0.6496	0.6479	0.3%
AUD/EUR	0.6457	0.6465	-0.1%
AUD/YEN	94.79	95.01	-0.2%
AUD/GBP	0.5636	0.5628	0.1%
AUD/NZD	1.0902	1.0906	0.0%
AUD/CAD	0.8737	0.8742	-0.1%

Other Markets	Close	Prior	% Δ
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VIX Index	25.54	24.35	4.9%
2-Year Treasury Yield (%)	4.730	4.716	1 bp
10-Year Treasury Yield (%)	4.211	4.220	-1 bp
US 2-10-Year Spread	-0.519	-0.496	-2 bp