

10 February 2023

Stocks continue lower overnight, RBA SoMP due today, URNM +2%

- **Global markets.** It was another day in the red for US equities following the hawkish sentiment from Fed speakers in the session prior. The small cap Russell 2000 was the day's biggest loser, falling -1.3%, followed by the Nasdaq (-1.0%), S&P500 (-0.9%) and the Dow Jones (-0.7%). From a sector perspective, all 11 sectors finished in the red, led by **Communication Services**, falling -2.8%, with **Materials** and **Utilities** each off 1.4%. Elsewhere, European and Asian indices were up, with the Hang Seng being the best performer, adding +1.6%.
- **In company news, Disney** released its earnings overnight, which saw the share price jump ~+8%, however, the post-earnings surge could not be supported as the stock fell back below its pre-earnings price. Elsewhere, **Google** continued to tumble for a second day, slipping another ~-5% overnight. In the last 2 days, the stock has lost ~\$200bn in value.
- **In other markets,** it was a mixed day for commodities as **WTI Crude** lost -0.9%, closing at \$77.7/bbl. Precious metals also lost value as **gold** fell -0.9% and **silver** lost -1.6%. However, battery metals were green, with **tin** jumping +1.4% and **copper** +0.7%. The fixed income market saw yields across the board increase due to the hawkish comments from the fed this week. The 2-Year added +6bps whilst the 10-Year added +4bps, resulting in a further inversion of the 2-10-year spread, which now sits at -83bps.
- **Futures point lower.** Following the weak overnight performance of US equities, the ASX is set to fall at the open, with futures down -26 points or ~-0.4% as of writing. Today, some important economic data will be released which may have material impacts on financial markets. For example, the RBA will be releasing its statement on monetary policy whilst China's inflation rate and the UK's GDP figures will also be announced over the course of the day.

World Indices	Close	Prior	% Δ
<u>Local Markets</u>			
All Ordinaries	7,695.8	7,740.5	-0.6%
ASX 200	7,490.3	7,530.1	-0.5%
ASX Emerging Companies	2,259.4	2,278.2	-0.8%

<u>US Markets</u>			
Dow Jones	33,699.9	33,949.0	-0.7%
S&P500	4,081.5	4,117.9	-0.9%
Nasdaq	11,789.6	11,910.5	-1.0%
Russell 2000	1,916.4	1,942.6	-1.3%

<u>Asian & European Markets</u>			
Shanghai Composite	3,270.4	3,232.1	1.2%
Nikkei	27,584.4	27,606.5	-0.1%
Hang Seng	21,624.4	21,283.5	1.6%
FTSE 100	7,911.2	7,885.2	0.3%
DAX 30	15,523.4	15,412.1	0.7%
CAC 40	7,188.4	7,119.8	1.0%

S&P500 Sectors	Close	Prior	% Δ
Utilities	337.0	341.8	-1.4%
Materials	515.1	522.4	-1.4%
Communication Services	181.5	186.7	-2.8%

Economic Releases	Time	F'cast	Prior
RBA SoMP	11:30		
China Inflation Rate	12:30	2.2%	1.8%
UK GDP (Dec)	18:00	-0.2%	0.2%
Michigan Cons. Sentiment	2:00	65.0	64.9
2 x Fed Speakers	Various		

Key BW Names	Close	Prior	% Δ
Elementos	0.300	0.280	7.1%
Frontier Energy	0.440	0.430	2.3%
Alderan Resources	0.008	0.008	0.0%

Commodities	Close	Prior	% Δ
Oil - West Texas Crude	77.68	78.41	-0.9%
Gold	1,859	1,876	-0.9%
Gold (Aus)	2,681	2,709	-1.0%
Silver	21.92	22.28	-1.6%
Uranium (Spot)	50.50	50.50	0.0%
Tin (Futures)	27,925	27,550	1.4%
Copper	4.07	4.04	0.7%

Other Markets	Close	Prior	% Δ
DXY Index	103.3	103.5	-0.2%
AUD/USD	0.6934	0.6924	0.1%
2-Year Treasury Yield (%)	4.497	4.433	6 bp
10-Year Treasury Yield (%)	3.670	3.628	4 bp
US 2-10-Year Spread	-0.827	-0.805	-2 bp
VIX Index	20.73	19.63	5.6%