

13 February 2023

Futures ~flat, US CPI and local employment data on deck this week

- **Futures.** Following lacklustre performance of US equities on Friday night, the ASX is set to open broadly flat at the open, with ASX futures down by just 0.1% as of writing.
- **This week in economics.** It will be another busy week of economic news, with the key event being release of US CPI figures on Wednesday morning (local time), while UK employment, Eurozone GDP, Australian employment, UK inflation, US PPI and retail sales all due over the week.
- **Global markets on Friday.** The final trading day of the week came to a close and left all indices in the red for the week. On the day, the Dow rose +0.5%, the S&P500 0.2% and Russell +0.1%. The Nasdaq lost value, falling another -0.6%. Elsewhere, both Asian and European indices were down as a whole, with the Hang Seng the biggest loser, off 2.0%.
- **Sectors.** **Energy** names vastly outperformed the other 10 sectors over the last week, adding +5.0% this week alone = up 3.9% on Friday. Other notable performances on Friday include **Utilities** (+2.0%) and **Healthcare** (+0.9%), while **Discretionary** (-1.2%) and **Communication Services** (-0.9%) fell.
- **In other markets.** Commodities finished the week on a high, as **WTI Crude** jumped +2.6%, nearing \$80/bbl. **Gold** and **silver** also performed well, gaining +0.6% and +0.5% respectively. However, battery metals did not perform as well, as both **tin** (-2.3%) and **copper** (-1.3%) finished in the red. In the currency market, the USD appreciated against a basket of currencies, causing the **DX** to gain +0.3% on Friday.
- **Yields.** It was a one way street for yields last week following the better than expected payrolls print and hawkishly perceived comments from the Fed. Despite the 2-Year and 10-Year remaining broadly unchanged on Friday, the former jumped +20bps for the week and latter +19bps. 2-10-year spread remains heavily inverted at -82bps.

World Indices	Close	Prior	% Δ
<u>Local Markets</u>			
All Ordinaries	7,631.1	7,695.8	-0.8%
ASX 200	7,433.7	7,490.3	-0.8%
ASX Emerging Companies	2,246.1	2,259.4	-0.6%

<u>US Markets</u>			
Dow Jones	33,869.3	33,699.9	0.5%
S&P500	4,090.5	4,081.5	0.2%
Nasdaq	11,718.1	11,789.6	-0.6%
Russell 2000	1,918.8	1,916.4	0.1%

<u>Asian & European Markets</u>			
Shanghai Composite	3,260.7	3,270.4	-0.3%
Nikkei	27,671.0	27,584.4	0.3%
Hang Seng	21,190.4	21,624.4	-2.0%
FTSE 100	7,882.5	7,911.2	-0.4%
DAX 30	15,308.0	15,523.4	-1.4%
CAC 40	7,129.7	7,188.4	-0.8%

S&P500 Sectors	Close	Prior	% Δ
Energy	692.1	666.0	3.9%
Utilities	343.7	337.0	2.0%
Consumer Discretionary	1,150.5	1,164.8	-1.2%

Economic Releases	Time	F'cast	Prior
No major economic news today			

Key BW Names	Close	Prior	% Δ
Lotus Resources	0.235	0.225	4.4%
Family Zone Cyber Security	0.245	0.245	0.0%
Selfwealth	0.180	0.180	0.0%

Commodities	Close	Prior	% Δ
Oil - West Texas Crude	79.72	77.68	2.6%
Gold	1,870	1,859	0.6%
Gold (Aus)	2,699	2,681	0.7%
Silver	22.02	21.92	0.5%
Uranium (Spot)	50.50	50.50	0.0%
Tin (Futures)	27,270	27,925	-2.3%
Copper	4.01	4.07	-1.3%

Other Markets	Close	Prior	% Δ
DX Index	103.6	103.3	0.3%
AUD/USD	0.6928	0.6934	-0.1%
2-Year Treasury Yield (%)	4.502	4.497	0 bp
10-Year Treasury Yield (%)	3.682	3.670	1 bp
US 2-10-Year Spread	-0.820	-0.827	1 bp
VIX Index	20.53	20.73	-1.0%