

23 January 2023

Futures +0.5% following broad-based stock/commodity rally Fri night

- **Futures higher by 0.5%.** With Wall Street ripping higher on Friday night (and virtually all commodities also strong), it appears local stocks will begin the week on strong footing – with ASX futures ahead by 34 points, or ~0.5% at the time of writing.
- **Global markets on Friday.** It was a broad-based risk-on session on Friday night, with most major asset classes rallying sharply – stocks were all up 1-3% in the US and also comfortably higher in Asia and Europe, while commodities also rallied across the board. For the session, the Nasdaq led with a 2.7% rise.
- **From a sector perspective,** it was rate-sensitive and economically-exposed names that led the charge, with **Communication Services** (+4.0%), **Information Technology** (+2.7%) and **Consumer Discretionary** (+2.5%) best performers. All other sectors ended higher to varying degrees.
- **In other markets,** the **USD** was slightly lower against a basket of currencies, the **AUD** was +1.0% vs the **USD** on broad-based commodity strength – including a 3% gain in **tin**, 1.3% rise in **oil** and gains from **gold, silver, copper** and **iron ore**. Elsewhere, **bonds** were largely unchanged and the **VIX Index** fell 3% to close below 20 on the day's equity market strength.
- **Economics this week.** It will be a quiet start to the week for economic data with US leading indices and a Christine Lagarde speech tomorrow morning. Over the balance of the week, key events include: PMIs from most regions globally, local inflation data (Wed) – quarterly measure, not the new monthly version – US durable goods orders and PCE data (Fri morning) and a BOC rate decision.

World Indices	Close	Prior	% Δ
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Local Markets

All Ordinaries	7,666.3	7,648.4	0.2%
ASX 200	7,452.2	7,435.3	0.2%
ASX Emerging Companies	2,272.2	2,262.1	0.4%

US Markets

Dow Jones	33,375.5	33,044.6	1.0%
S&P500	3,972.6	3,898.9	1.9%
Nasdaq	11,140.4	10,852.3	2.7%
Russell 2000	1,867.3	1,836.4	1.7%

Asian & European Markets

Shanghai Composite	3,264.8	3,240.3	0.8%
Nikkei	26,553.5	26,405.2	0.6%
Hang Seng	22,044.7	21,651.0	1.8%
FTSE 100	7,770.6	7,747.3	0.3%
DAX 30	15,033.6	14,920.4	0.8%
CAC 40	6,996.0	6,951.9	0.6%

S&P500 Sectors	Close	Prior	% Δ
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Communication Services	177.1	170.4	4.0%
Info. Technology	2,292.6	2,231.9	2.7%
Cons. Discretionary	1,081.8	1,055.8	2.5%

Economic Releases	Time	F'cast	Prior
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US CB Leading Index	2:00	-0.7%	-1.0%
ECB's Lagarde Speaks	4:45		

Key BW Names	Close	Prior	% Δ
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Hydralyte	0.105	0.100	5.0%
Forbidden Foods	0.028	0.027	3.7%
Frontier Energy	0.485	0.480	1.0%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	81.64	80.57	1.3%
Gold	1,930	1,932	-0.1%
Gold (Aus)	2,768	2,795	-1.0%
Silver	23.94	23.85	0.4%
Uranium (Spot)	48.75	48.75	0.0%
Tin (Futures)	29,600	28,735	3.0%
Copper	4.28	4.25	0.7%

Other Markets	Close	Prior	% Δ
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DXY Index	102.0	102.1	-0.1%
AUD/USD	0.6973	0.6912	0.9%
2-Year Treasury Yield (%)	4.127	4.129	0 bp
10-Year Treasury Yield (%)	3.405	3.399	1 bp
US 2-10-Year Spread	-0.722	-0.730	1 bp
VIX Index	19.85	20.52	-3.3%