

27 February 2023

## Markets to open lower following another weak US lead, futures -0.7%

- **Global markets.** US indices were all significantly lower on Friday as hotter than expected inflation (PCE) struck fear into the markets. It was the tech-heavy Nasdaq that was the biggest loser, falling -1.7% on the day, followed by the S&P500 (-1.1%), Dow Jones (-1.0%) and Russell 2000 (-0.9%). Elsewhere, Asian and European indices were also down significantly, with the Nikkei (+1.3%) being the exception.
- **In other markets.** Commodities were broadly down on the day, as **gold** slipped -0.2% and **silver** dropped -2.6%. **WTI Crude** added +0.9% on the day however and now sits at ~\$76.3/bbl. Battery metals were sold off, with **tin** losing -2.1% and **copper** -2.4%, falling below \$4/lb. In the currency market, the USD appreciated against a basket of currencies, causing the **DX** to jump +0.7%. Finally, the **VIX** jumped +2.5% but still sits at a relatively tame level of 21.7.
- **Futures.** Following weak performance of US equities on Friday night, the ASX is set to drop at the open, with ASX futures down -51 points or -0.7% as of writing.
- **Economics.** A busy week for economic data awaits, starting today with numerous Eurozone sentiment indicators along with US durable goods orders early tomorrow morning. Over the rest of the week, some notable economic events include the CB Consumer Confidence (Wed), Australia GDP Figures (Wed), China's NBS Manufacturing PMIs (Wed), Eurozone inflation figures (Thu), and US Non-Manufacturing PMIs (Fri).
- **Yields.** Yields were up noticeably again on Friday, as the 2-Year jumped +11bps and the 10-Year added +6bps. This further inverted the yield curve, which now sits at -87bps.

World Indices	Close	Prior	% Δ
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### Local Markets

All Ordinaries	7,512.7	7,492.5	0.3%
ASX 200	7,307.0	7,285.4	0.3%
ASX Emerging Companies	2,168.6	2,168.3	0.0%

### US Markets

Dow Jones	32,816.9	33,153.9	-1.0%
S&P500	3,970.0	4,012.3	-1.1%
Nasdaq	11,394.9	11,590.4	-1.7%
Russell 2000	1,890.5	1,908.1	-0.9%

### Asian & European Markets

Shanghai Composite	3,267.2	3,287.5	-0.6%
Nikkei	27,453.5	27,104.3	1.3%
Hang Seng	20,010.0	20,351.4	-1.7%
FTSE 100	7,878.7	7,907.7	-0.4%
DAX 30	15,209.7	15,475.7	-1.7%
CAC 40	7,187.3	7,317.4	-1.8%

S&P500 Sectors	Close	Prior	% Δ
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Consumer Discretionary	1,117.5	1,135.2	-1.6%
Information Technology	2,372.4	2,415.2	-1.8%
Real Estate	239.5	243.9	-1.8%

Economic Releases	Time	F'cast	Prior
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Eurozone Cons. Confidence	21:00	-19.0	-20.7
Eurozone Economic Sentiment	21:00	101.0	99.9
Eurozone Industrial Sentiment	21:00	2.0	1.3
US Durable Goods Orders	0:30	-4.0%	5.6%

Key BW Names	Close	Prior	% Δ
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Selfwealth	0.193	0.170	13.2%
Family Zone Cyber Security	0.220	0.215	2.3%
Lotus Resources	0.220	0.215	2.3%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	76.32	75.63	0.9%
Gold	1,818	1,822	-0.2%
Gold (Aus)	2,700	2,676	0.9%
Silver	20.76	21.32	-2.6%
Uranium (Spot)	51.50	51.75	-0.5%
Tin (Futures)	25,630	26,180	-2.1%
Copper	3.95	4.05	-2.4%

Other Markets	Close	Prior	% Δ
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DX Index	105.3	104.6	0.7%
AUD/USD	0.6733	0.6810	-1.1%
2-Year Treasury Yield (%)	4.814	4.704	11 bp
10-Year Treasury Yield (%)	3.947	3.890	6 bp
US 2-10-Year Spread	-0.867	-0.814	-5 bp
VIX Index	21.67	21.14	2.5%