

1 May 2023

## Futures +0.7% as US stock rally continues on Fri night, URMN +3%

- **Futures.** Following the strong performance for US markets on Friday night, the ASX is poised to rise at the open, with ASX futures currently higher by 54 points or +0.7% as of writing.
- **This week in economics.** Key economic events over the balance of the week include: Australia and US manufacturing PMIs today, the key local event which will be the RBA's latest rate decision (Tue), Euro inflation figures (Tue), US services PMIs and rate decision (Thu), the ECB rate decision (Thu) and US payroll and employment data (Fri).
- **Global markets on Friday night.** It was a strong end to the week for US stocks with all major indices finishing in the green. It was the small cap Russell 2000 that lead the charge on Friday, adding +1.0%, followed by the Dow and S&P 500 (both +0.8%) and the Nasdaq (+0.7%). Despite this, the Russell 2000 was down -1.5% over the week, whilst the Nasdaq was up 1.8%, largely thanks to strong mega-tech earnings. Elsewhere, European and Asian indices were also up, with the Nikkei being the stand out performer (+1.4%).
- **Yields.** US Treasuries yields were 11-13bps lower for the week. On Friday, the 2-Year fell -6bps and the 10-Year lost -10bps, resulting in a -4bp change in the 2-10-Year curve, which now sits at -59bps.
- **In other markets.** It was a relatively strong day for commodities, as **WTI Crude** gained +2.4%, **gold** added +0.1% and **silver** +0.6%. **Tin** (+1.2%) saw strong improvements, while **copper** lost -0.1%, down over 5% in April. In the currency sector, the USD appreciated against a basket of currencies, causing the **DX** to add +0.1%, with the AUD/USD falling -0.3%. Finally, the **VIX** fell sharply, tumbling -7.3% for the session to close below a level of 16 – noting its long-run average is ~20.

World Indices	Close	Prior	% Δ
<u>Local Markets</u>			
All Ordinaries	7,501.0	7,482.2	0.3%
ASX 200	7,309.2	7,292.7	0.2%
ASX Emerging Companies	2,154.7	2,137.8	0.8%

<u>US Markets</u>			
Dow Jones	34,098.2	33,826.2	0.8%
S&P500	4,169.5	4,135.4	0.8%
Nasdaq	12,226.6	12,142.2	0.7%
Russell 2000	1,769.0	1,751.2	1.0%

<u>Asian &amp; European Markets</u>			
Shanghai Composite	3,323.3	3,285.9	1.1%
Nikkei	28,856.4	28,457.7	1.4%
Hang Seng	19,894.6	19,840.3	0.3%
FTSE 100	7,870.6	7,831.6	0.5%
DAX 30	15,922.4	15,800.5	0.8%
CAC 40	7,491.5	7,483.8	0.1%

S&P500 Sectors	Close	Prior	% Δ
Energy	655.2	645.7	1.5%
Financials	551.4	545.0	1.2%
Real Estate	236.7	234.1	1.1%

Economic Releases	Time	F'cast	Prior
Aus Manufacturing PMI	9:00		49.1
Global Manufacturing PMIs	Various		
US ISM Manufacturing PMI	0:00	46.7	46.3

Key BW Names	Close	Prior	% Δ
Lotus Resources	0.195	0.180	8.3%
Selfwealth	0.195	0.185	5.4%
Family Zone Cyber Security	0.185	0.185	0.0%

Commodities	Close	Prior	% Δ
Oil - West Texas Crude	76.59	74.76	2.4%
Gold	1,991	1,988	0.1%
Gold (Aus)	3,011	2,998	0.4%
Silver	25.09	24.93	0.6%
Uranium (Spot)	53.50	53.83	-0.6%
Tin (Futures)	26,089	25,790	1.2%
Copper	3.89	3.89	-0.1%

Other Markets	Close	Prior	% Δ
DX Index	101.7	101.6	0.1%
AUD/USD	0.6611	0.6631	-0.3%
2-Year Treasury Yield (%)	4.021	4.080	-6 bp
10-Year Treasury Yield (%)	3.433	3.528	-10 bp
US 2-10-Year Spread	-0.588	-0.552	-4 bp
VIX Index	15.78	17.03	-7.3%