

12 May 2023

Markets flat overnight, Disney loses 8%, commodities weak on USD

- **Global markets.** It was a mixed night for equities in the US, with the Nasdaq managing to eek out 0.2% gains, while all other majors closed in the red – the Russell 2000 was worst of the group, down 0.8%. Performance was driven by earnings (below), weak jobless claims and a softer-than-expected PPI print; which offered some hope to the bulls. European markets ended ~flat.
- **In earnings news,** Disney shares fell by over 8% following the release of its Q2 results, showing that while higher prices helped its streaming division, it had also weighed on subscriber growth. Elsewhere, shares of **Pacwest** closed 23% lower as the under-siege bank announced an acceleration of depositor outflows last week.
- **Commodities.** It was a poor night for **commodities** with **silver** losing 5%, **copper** off 4%, **tin** 3%, **gold** 1% and **oil** 2%. The driver appeared to be ongoing recession fears and a ~1% spike in the **USD** against other key currencies. Encouragingly, **uranium** spot prices rose for the day.
- **In other markets,** yields moved lower again after the worse-than-expected economic data, with the 2-year ending at 3.90% (down 2bps, having traded as low as 3.80% intraday). Meanwhile, the 10-year was -6bps, sending the curve further into inverted territory, closing at -51bps.
- **Futures lower.** With a poor lead again from Wall Street, it appears local stocks will open modestly lower when trading commences this morning – with ASX futures off by 8 points, or ~0.1%.
- **In economics,** today's key economic releases will include consumer confidence readings both here and the US and UK GDP figures (with YoY growth expected to fall slightly to just 0.4%).

World Indices	Close	Prior	% Δ
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Local Markets

All Ordinaries	7,449.7	7,452.3	0.0%
ASX 200	7,251.9	7,255.7	-0.1%
ASX Emerging Companies	2,125.9	2,118.9	0.3%

US Markets

Dow Jones	33,309.5	33,531.3	-0.7%
S&P500	4,130.6	4,137.6	-0.2%
Nasdaq	12,328.5	12,306.4	0.2%
Russell 2000	1,744.7	1,759.5	-0.8%

Asian & European Markets

Shanghai Composite	3,309.6	3,319.2	-0.3%
Nikkei	29,126.7	29,122.2	0.0%
Hang Seng	19,743.8	19,762.2	-0.1%
FTSE 100	7,730.6	7,741.3	-0.1%
DAX 30	15,834.9	15,896.2	-0.4%
CAC 40	7,381.8	7,361.2	0.3%

S&P500 Sectors	Close	Prior	% Δ
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Communication Services	201.8	198.6	1.6%
Utilities	347.8	351.9	-1.1%
Energy	603.1	610.7	-1.2%

Economic Releases	Time	F'cast	Prior
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Westpac Cons. Confidence	10:30		85.8
UK GDP (YoY)	16:00	0.4%	0.5%
Michigan Cons. Sentiment	0:00	63.0	63.5

Key BW Names	Close	Prior	% Δ
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Forbidden Foods	0.022	0.020	10.0%
Prospec Ltd	0.034	0.033	3.0%
Family Zone Cyber Security	0.170	0.170	0.0%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	71.41	72.77	-1.9%
Gold	2,016	2,030	-0.7%
Gold (Aus)	3,008	2,996	0.4%
Silver	24.17	25.39	-4.8%
Uranium (Spot)	53.40	53.30	0.2%
Tin (Futures)	25,250	26,088	-3.2%
Copper	3.70	3.85	-3.9%

Other Markets	Close	Prior	% Δ
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DXY Index	102.1	101.6	0.5%
AUD/USD	0.6703	0.6777	-1.1%
2-Year Treasury Yield (%)	3.899	3.916	-2 bp
10-Year Treasury Yield (%)	3.389	3.445	-6 bp
US 2-10-Year Spread	-0.510	-0.471	-4 bp
VIX Index	16.93	16.94	-0.1%