

21 April 2023

Futures lower as Tesla/AT&T lose 10% overnight, global PMIs on deck

- **Global markets.** It was a volatile overnight session for US equities – driven by a mix of debt ceiling concerns, poor earnings from several bellweathers and hawkish Fed speak. For the session all major US indices were lower, for the S&P 500 (-0.6%) and Nasdaq (-0.8%) it was their worst session in nearly a month. In Europe stocks were also mostly lower, led by the DAX which lost 0.6% for the day.
- **In company news,** shares of **Tesla** fell ~10% in its worst session since January as the car maker reported weaker-than-expected margins on Wednesday after-market. Elsewhere, **AT&T** was also off 10% following results as revenues missed expectations.
- **Economics.** It was a reasonably busy night for data – most of which painted a poor picture of the US macro backdrop – weekly jobless claims came in above expectations, weak home sales data was released and a continued fall in the Conference Board's Leading Index (which printed -1.2% MoM vs -0.6% expected). Elsewhere, a host of Fed speakers delivered hawkish messages, including Waller, Mester, Logan, Bowman and Goolsbee.
- **In other markets,** the **USD** was broadly flat, **oil** and other **commodities** were mostly weak, **gold** was an exception, rising 0.5% as yields tumbled across the curve. Over the session the 2-year lost 10bps and 10-year 6bp. Finally, the **VIX Index** was modestly higher, to end at 17.17, on the day's slightly heightened equity market volatility.
- **Futures lower.** Given the poor lead from Wall Street, it appears local stocks will open lower when trading commences this morning – with ASX futures currently down by 38 points, or ~0.6% at the time of writing.
- **Today's agenda** will include Japanese inflation data at 9:30am this morning and is otherwise consumed by PMI prints across the globe, including here in Australia, the US, Eurozone, France, Germany and the UK.

World Indices	Close	Prior	% Δ
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Local Markets

All Ordinaries	7,555.4	7,561.3	-0.1%
ASX 200	7,362.2	7,365.5	0.0%
ASX Emerging Companies	2,153.7	2,166.3	-0.6%

US Markets

Dow Jones	33,786.6	33,897.0	-0.3%
S&P500	4,129.8	4,154.4	-0.6%
Nasdaq	12,059.6	12,157.2	-0.8%
Russell 2000	1,789.7	1,799.7	-0.6%

Asian & European Markets

Shanghai Composite	3,367.0	3,370.1	-0.1%
Nikkei	28,657.6	28,606.8	0.2%
Hang Seng	20,397.0	20,367.8	0.1%
FTSE 100	7,902.6	7,898.8	0.0%
DAX 30	15,796.0	15,895.2	-0.6%
CAC 40	7,538.7	7,549.4	-0.1%

Economic Releases	Time	F'cast	Prior
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Aus Manufacturing PMI	9:00		49.1
Aus Services PMI	9:00		48.6
Japan Core Inflation	9:30	3.1%	3.1%
Global PMIs	Various		

Key BW Names	Close	Prior	% Δ
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Jervois Mining	0.110	0.100	10.0%
Lotus Resources	0.185	0.180	2.8%
Frontier Energy	0.425	0.425	0.0%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	77.29	79.16	-2.4%
Gold	2,004.4	1,995.0	0.5%
Gold (Aus)	2,972.9	2,970.5	0.1%
Silver	25.29	25.29	0.0%
Uranium (Spot)	51.13	51.13	0.0%
Tin (Futures)	26,650	27,125	-1.8%
Copper	4.02	4.07	-1.3%

Other Markets	Close	Prior	% Δ
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DXY Index	101.81	101.90	-0.1%
AUD/USD	0.6742	0.6716	0.4%
VIX Index	17.17	16.46	4.3%
2-Year Treasury Yield (%)	4.144	4.248	-10 bp
10-Year Treasury Yield (%)	3.534	3.591	-6 bp
US 2-10-Year Spread	-0.610	-0.657	5 bp