

26 April 2023

## Markets off ~2% overnight, MSFT/GOOGL pop on earnings, CPI due

- **Global markets.** It was a weak day for US financial markets, with all major indices down over -1.5%. The small cap Russell 2000 was weakest of the group, falling -2.4%, followed by the Nasdaq, S&P 500 and the Dow Jones. This was the first close down more than -1.0% for the S&P in over a month.
- **Tech earnings.** Counteracting some of the day's weakness, **Microsoft** and **Alphabet** each released results after-hours. The former beat expectations across the board – revenue clocked in at \$52.9bn and EPS was \$2.45 (\$2.24e). **Alphabet** also released strong results, with revenue of \$69.79bn and EPS = \$1.17 (\$1.09 est.). After hours, Microsoft and Alphabet shares are up 8.3% and +1.2% respectively.
- **Yields.** It was a chaotic day for the US fixed income market, with yields across the board falling. It was the short end that outperformed, with the 2-Year falling -14bps, falling below a 4.00% yield, whilst the 10-Year fell -10bps, resulting in a +5bp change in the 2-10-Year spread, which now sits at -55bps.
- **In other markets, WTI Crude** remained relatively stable overnight, adding +0.2% and closing at \$77.2/bbl. **Gold** re-tested \$2000/oz a couple times overnight but could not hold the level, closing just below at \$1997/oz whilst **silver** fell -0.6%. **Uranium** was up +2.2% and battery metals were sold off sharply, with **tin** and **copper** falling -4.0% and -2.2% respectively.
- **Futures.** Following the weak performance of US equities, the ASX is set to slip at the open, with ASX futures down -38 points or -0.5% as of writing.
- **CPI due.** A busy day for Australian economic data awaits, with the all-important quarterly CPI due at 11:30am. German consumer confidence and US durable goods orders will also be released over the course of the day.

World Indices	Close	Prior	% Δ
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### Local Markets

All Ordinaries	7,512.2	7,523.0	-0.1%
ASX 200	7,322.0	7,330.4	-0.1%
ASX Emerging Companies	2,124.7	2,141.9	-0.8%

### US Markets

Dow Jones	33,530.8	33,875.4	-1.0%
S&P500	4,071.6	4,137.0	-1.6%
Nasdaq	11,799.2	12,037.2	-2.0%
Russell 2000	1,746.0	1,788.9	-2.4%

### Asian & European Markets

Shanghai Composite	3,264.9	3,275.4	-0.3%
Nikkei	28,620.1	28,593.5	0.1%
Hang Seng	19,617.9	19,959.9	-1.7%
FTSE 100	7,891.1	7,912.2	-0.3%
DAX 30	15,872.1	15,864.0	0.1%
CAC 40	7,531.6	7,573.9	-0.6%

S&P500 Sectors	Close	Prior	% Δ
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Consumer Discretionary	1,126.1	1,102.6	2.1%
Information Technology	2,522.4	2,576.1	-2.1%
Materials	500.6	511.6	-2.1%

Economic Releases	Time	F'cast	Prior
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Inflation Rate (YoY)	11:30	6.9%	7.8%
Inflation Rate (QoQ)	11:30	1.3%	1.9%
German Consumer Confidence	16:00	-27.9	-29.5
US Durable Goods Orders	22:30	0.7%	-1.0%

Key BW Names	Close	Prior	% Δ
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Elementos	0.170	0.165	3.0%
Selfwealth	0.190	0.185	2.7%
Way2Vat	0.011	0.011	0.0%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	77.20	77.07	0.2%
Gold	1,997	1,995	0.1%
Gold (Aus)	3,010	2,980	1.0%
Silver	25.04	25.20	-0.6%
Uranium (Spot)	53.38	52.25	2.2%
Tin (Futures)	25,584	26,646	-4.0%
Copper	3.87	3.96	-2.2%

Other Markets	Close	Prior	% Δ
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DX Index	101.8	101.6	0.3%
AUD/USD	0.6635	0.6696	-0.9%
2-Year Treasury Yield (%)	3.948	4.091	-14 bp
10-Year Treasury Yield (%)	3.400	3.495	-10 bp
US 2-10-Year Spread	-0.548	-0.596	5 bp
VIX Index	18.76	16.89	11.1%