

27 April 2023

## Tech strong overnight, other sectors weak – Meta +12% in A/Hs trade

- **Global markets.** it was a relatively soft overnight session in both the US and Europe, with most major indices (ex-Nasdaq) closing lower in a range of 0.5% to 0.9%. The small cap Russell 2000 was the day's worst performer.
- **Tech supports the market.** While the above index moves look relatively subdued, below the surface there was major selling in virtually all non-tech corners of the market. For the day, **Information Tech** rose 1.7% (driven by **Microsoft**, which rallied 7% on earnings), while all other sectors were down including a 2.4% decline in **Utilities** and 1.9% fall in **Industrial names**. After-hours this morning, **Meta** is trading +12% on solid earnings.
- **Banks under pressure.** Elsewhere, the pain for banks – particularly the US regionals – is not letting up, with **First Republic** losing another ~30% last night following 50% in the session prior. As a result, the **KBW Bank Index** was off >1% again last night and remains heavily lower YTD (-22%).
- **Yields ~flat.** There was some intraday volatility in fixed income markets, although yields were more-or-less unchanged at the close. For the day, the US 2-year was flat while the 10-year rose 4bps. The curve remains heavily inverted at -50bp.
- **In other markets,** the **USD** slipped slightly against most other currencies (the **AUD** was weaker still, down 0.4% vs the greenback). This weakness was supportive for **commodities**, with **uranium, tin** and **AUD gold** all higher. **Oil** fell ~4% to close at just US\$74/bbl and the **VIX Index** was ~unchanged, settling just under a level of 19.
- **Futures lower.** Given the poor lead from all but the tech sector overnight, it appears local stocks will open lower when trading commences this morning – with ASX futures currently down by 16 points, or ~0.3% at the time of writing.

World Indices	Close	Prior	% Δ
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### Local Markets

All Ordinaries	7,502.8	7,512.2	-0.1%
ASX 200	7,316.3	7,322.0	-0.1%
ASX Emerging Companies	2,123.4	2,124.7	-0.1%

### US Markets

Dow Jones	33,301.9	33,530.8	-0.7%
S&P500	4,056.0	4,071.6	-0.4%
Nasdaq	11,854.4	11,799.2	0.5%
Russell 2000	1,730.4	1,746.0	-0.9%

### Asian & European Markets

Shanghai Composite	3,264.1	3,264.9	0.0%
Nikkei	28,416.5	28,620.1	-0.7%
Hang Seng	19,757.3	19,617.9	0.7%
FTSE 100	7,852.6	7,891.1	-0.5%
DAX 30	15,795.7	15,872.1	-0.5%
CAC 40	7,466.7	7,531.6	-0.9%

S&P500 Sectors	Close	Prior	% Δ
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Information Technology	2,566.0	2,522.4	1.7%
Industrials	822.1	837.7	-1.9%
Utilities	346.8	355.2	-2.4%

Economic Releases	Time	F'cast	Prior
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German Sentiment Indices	19:00		
US Q1 GDP	22:30	2.0%	2.6%

Key BW Names	Close	Prior	% Δ
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Way2Vat	0.014	0.011	27.3%
Aldran Resources	0.008	0.007	14.3%
Family Zone Cyber Security	0.165	0.165	0.0%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	74.32	77.20	-3.7%
Gold	1,991	1,997	-0.3%
Gold (Aus)	3,013	3,010	0.1%
Silver	24.90	25.04	-0.6%
Uranium (Spot)	53.63	53.38	0.5%
Tin (Futures)	25,805	25,584	0.9%
Copper	3.86	3.87	-0.4%

Other Markets	Close	Prior	% Δ
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DXY Index	101.4	101.6	-0.1%
AUD/USD	0.6607	0.6635	-0.4%
2-Year Treasury Yield (%)	3.945	3.948	0 bp
10-Year Treasury Yield (%)	3.445	3.400	4 bp
US 2-10-Year Spread	-0.500	-0.548	5 bp
VIX Index	18.84	18.76	0.4%