

12 July 2023

## Futures +0.5% ahead of Lowe, RBNZ and US inflation data today

- **Global markets.** It was another solid night for US and European equities; with all major indices rising by 0.1% (FTSE) to 1.1% (CAC), with the Nasdaq, Dow, S&P and Russell all higher by >0.5%. All 11 of the S&P's sub-sectors were also green, making it a rather broad-based rally; with **Energy, Utilities** and **Industrials** out ahead – all rising by >1.2%.
- **In company news,** shares of **Activision** rallied by 11% as a US judge cleared the way for **Microsoft** to buy the company (the UK also paused its fight on the back of the decision). Shares of other game makers were strong in sympathy, with **Electronic Arts** +4%. Elsewhere, **Meta** (+1.4%) and **Amazon** (+1.3%) were notable outperformers also.
- **In other markets,** the **USD** was lower against a basket of currencies (-0.3%), while the **AUD** moved 0.2% higher. **Yields** were largely unchanged (2yr +2bp, 10yr -2bp), while **commodities** had a solid night – with **oil** +2% and now back trading at nearly US\$75/bbl – **gold** and **silver** were both up, as was **tin** (which is nearing \$30k again). Finally, the **VIX Index** fell by 2% and closed back below a level of 15.
- **Futures +0.5%.** Following the solid lead from Wall Street, it appears local stocks will open higher when trading commences this morning – with futures up by 35 points, or ~0.5% at the time of writing.
- **Big day for economics.** Today will see multiple key economic events taking place – with the **RBA's Lowe** giving a speech at ~1pm local time, while the **RBNZ** is due to hand down its latest rate decision (exp: a pause) at midday. Elsewhere, **US inflation** data is out tonight, with markets expecting a sharp decline in YoY headline (3.1% vs 4.0%) and modest pullback in core (5.0% vs 5.3%) prints. Finally, the **BOC** will hand down its latest rate decision (exp: a 25bp hike) at midnight local time.

World Indices	Close	Prior	% Δ
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### Local Markets

All Ordinaries	7,315.8	7,206.9	1.5%
ASX 200	7,108.9	7,004.0	1.5%
ASX Emerging Companies	2,126.2	2,082.6	2.1%

### US Markets

Dow Jones	34,261.4	33,944.4	0.9%
S&P500	4,439.3	4,409.5	0.7%
Nasdaq	13,760.7	13,685.5	0.5%
Russell 2000	1,913.4	1,895.3	1.0%

### Asian & European Markets

Shanghai Composite	3,221.4	3,203.7	0.6%
Nikkei	32,203.6	32,189.7	0.0%
Hang Seng	18,659.8	18,479.7	1.0%
FTSE 100	7,282.5	7,273.8	0.1%
DAX 30	15,790.3	15,673.2	0.7%
CAC 40	7,220.0	7,143.7	1.1%

S&P500 Sectors	Close	Prior	% Δ
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Energy	637.8	624.1	2.2%
Utilities	334.9	330.7	1.2%
Industrials	922.1	911.1	1.2%

Economic Releases	Time	F'cast	Prior
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RBA Governor Lowe Speaks	13:10		
US Core Inflation (YoY)	22:30	5.0%	5.3%
US Core Inflation (MoM)	22:30	0.3%	0.4%
US Inflation (YoY)	22:30	3.1%	4.0%
US Inflation (MoM)	22:30	0.3%	0.1%
BOC Rate Decision	0:00	5.00%	4.75%
3 x Fed Speakers	Various		

Key BW Names	Close	Prior	% Δ
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Rubix Resources	0.250	0.190	31.6%
Qoria	0.210	0.195	7.7%
Jervois Mining	0.058	0.056	3.6%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	74.81	73.15	2.3%
Gold	1,933	1,926	0.4%
Gold (Aus)	2,890	2,885	0.2%
Silver	23.13	23.09	0.2%
Uranium (Spot)	55.35	55.64	-0.5%
Tin (Futures)	27,945	27,800	0.5%
Copper	3.77	3.79	-0.5%

Other Markets	Close	Prior	% Δ
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DXY Index	101.7	102.0	-0.3%
AUD/USD	0.6689	0.6676	0.2%
2-Year Treasury Yield (%)	4.887	4.864	2 bp
10-Year Treasury Yield (%)	3.978	4.000	-2 bp
US 2-10-Year Spread	-0.909	-0.864	-4 bp
VIX Index	14.84	15.07	-1.5%