

4 February 2025

## Dow rebounds from steep decline after Trump Pauses tariffs; ASX to rise

- Global markets.** The Dow Jones Industrial Average on Monday staged a major comeback, recovering steep losses from earlier in the session after President Donald Trump said tariffs against Mexico would be paused for one month.

The 30-stock average ended the day down 122.75 points, or 0.28%, to close at 44,421.91. At its lows of the day, the Dow was down 665.6 points, or 1.5%. The S&P 500 slid 0.76% to 5,994.57, and the Nasdaq Composite slumped 1.2% to 19,391.96.

The iShares MSCI Mexico ETF (EWW), which tracks Mexican stocks, rebounded to close more than 2% higher.

Stocks initially dropped Monday after Trump hit Canada and Mexico with a 25% levy on imported goods over the weekend. The U.S. also issued a 10% tariff on Chinese goods. The news sparked a major global sell-off, with equities in the U.S. and abroad tumbling.

Trump later confirmed the temporary deal on Truth Social. "It was a very friendly conversation wherein she agreed to immediately supply 10,000 Mexican Soldiers on the Border separating Mexico and the United States," he wrote, adding that negotiations for a more permanent deal would continue for the month.

The pausing of the tariffs on Mexico reinforced the bullish view of some investors that tariffs for all countries could be Trump's negotiating tool and that investors shouldn't overreact initially.

- In economic news.** n/a
- In other markets.** Iron ore extended losses on fears tariffs would hurt demand for Chinese steel. Singapore's benchmark iron ore futures contract closed down 1.3 per cent. Gold prices notched a record high overnight, hitting \$US2830.49, as volatility in equity markets sent the price of the precious metal soaring. Bitcoin rallied 4 per cent to \$US101,130, reversing heavy losses on Monday.
- Futures.** Futures rose 76 points, or 0.9 per cent, indicating the S&P/ASX 200 index would pare back around half the losses from the prior session

World Indices	Close	Prior	% Δ
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Local Markets			
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All Ordinaries	8,328.4	8,328.4	0.0%
ASX 200	8,379.4	8,379.4	0.0%
ASX Emerging Companies	2,275.2	2,275.2	0.0%

US Markets			
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Dow Jones	44,421.9	44,421.9	0.0%
S&P500	5,994.6	5,994.6	0.0%
Nasdaq	21,297.6	21,297.6	0.0%
Russell 2000	2,258.4	2,258.4	0.0%

Asian & European Markets			
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Shanghai Composite	3,250.6	3,250.6	0.0%
Nikkei	38,520.0	38,520.0	0.0%
Hang Seng	20,217.3	20,217.3	0.0%
FTSE 100	8,583.6	8,583.6	0.0%
DAX 30	21,428.3	21,428.3	0.0%
CAC 40	7,854.9	7,854.9	0.0%

S&P500 Sectors	Close	Prior	% Δ
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Information Technology	4,393.5	4,393.5	0.0%
Communication Services	372.1	372.1	0.0%
Consumer Discretionary	1,885.8	1,885.8	0.0%

Economic Releases	Time	F'cast	Prior
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USD - Factory Orders MoM	2:00	-0.80%	-0.40%
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Key BW Names	Close	Prior	% Δ
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Lotus Resources	0.230	0.230	0.0%
Elementos	0.065	0.065	0.0%
Frontier Energy	0.115	0.115	0.0%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	72.25	72.33	-0.1%
Gold	2,857	2,857	0.0%
Gold (Aus)	4,520	4,520	0.0%
Silver	31.58	31.58	0.0%
Uranium (Spot)	76.00	76.00	0.0%
Global X Uranium ETF	27.99	27.99	0.0%
Sprott Uranium Miners ETF	39.94	39.94	0.0%
Sprott Physical Uranium Trust	16.13	16.13	0.0%
Tin (Futures)	30,102	30,102	0.0%
Copper	4.31	4.31	0.0%

Other Markets	Close	Prior	% Δ
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SPI200 Futures	8,385.0	8,385.0	0.0%
DX Index	108.5	108.5	0.0%
AUD/USD	0.6221	0.6221	0.0%
2-Year Treasury Yield (%)	4.25	4.25	0 bp
10-Year Treasury Yield (%)	4.55	4.55	0 bp
US 2-10-Year Spread	0.30	0.30	0 bp
VIX Index	18.61	18.61	0.0%