

5 February 2025

## Dow rebounds from steep decline after Trump pauses tariffs; ASX to rebound

- 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.

But a post from Mexico's President Claudia Sheinbaum following a conversation with Trump appeared to calm investors.

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.** Gold rose to a new all-time high after US President Donald Trump's 10 per cent tariffs on China prompted swift retaliation from Beijing, buoying haven demand.
- Bullion gained as much as 1 per cent to \$US2844.35 an ounce, surpassing the previous record reached on Monday, as the dollar weakened after China announced measures in retaliation. A softer greenback makes the precious metal more appealing to investors holding other currencies.
- Futures.** ASX futures rose 51 points, or 0.6 per cent, at 8am AEDT, indicating the index would pare losses from the prior two sessions.

World Indices	Close	Prior	% Δ
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Local Markets	Close	Prior	% Δ
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All Ordinaries	8,633.4	8,328.4	3.7%
ASX 200	8,374.0	8,379.4	-0.1%
ASX Emerging Companies	2,302.1	2,275.2	1.2%

US Markets	Close	Prior	% Δ
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Dow Jones	44,556.1	44,421.9	0.3%
S&P500	6,037.9	5,994.6	0.7%
Nasdaq	21,566.9	21,297.6	1.3%
Russell 2000	2,290.2	2,258.4	1.4%

Asian & European Markets	Close	Prior	% Δ
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Shanghai Composite	3,250.6	3,250.6	0.0%
Nikkei	38,798.2	38,520.0	0.7%
Hang Seng	20,790.0	20,217.3	2.8%
FTSE 100	8,570.8	8,583.6	-0.1%
DAX 30	21,505.7	21,428.3	0.4%
CAC 40	7,906.4	7,854.9	0.7%

S&P500 Sectors	Close	Prior	% Δ
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Information Technology	4,458.2	4,393.5	1.5%
Communication Services	377.6	372.1	1.5%
Consumer Discretionary	1,912.9	1,885.8	1.4%

Economic Releases	Time	F'cast	Prior
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CNY - Caixin Services PMI	12:45		
USD - ADP Employment Change	0:15		

Key BW Names	Close	Prior	% Δ
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Lotus Resources	0.235	0.230	2.2%
Elementos	0.065	0.065	0.0%
Frontier Energy	0.125	0.115	8.7%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	72.68	72.33	0.5%
Gold	2,875	2,857	0.6%
Gold (Aus)	4,543	4,520	0.5%
Silver	32.13	31.58	1.7%
Uranium (Spot)	76.00	76.00	0.0%
Global X Uranium ETF	28.91	27.99	3.3%
Sprott Uranium Miners ETF	41.45	39.94	3.8%
Sprott Physical Uranium Trust	16.46	16.13	2.0%
Tin (Futures)	29,924	30,102	-0.6%
Copper	4.35	4.31	1.1%

Other Markets	Close	Prior	% Δ
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SPI200 Futures	8,396.0	8,385.0	0.1%
DXY Index	108.4	108.5	-0.1%
AUD/USD	0.6251	0.6221	0.5%
2-Year Treasury Yield (%)	4.22	4.25	-4 bp
10-Year Treasury Yield (%)	4.51	4.55	-4 bp
US 2-10-Year Spread	0.30	0.30	0 bp
VIX Index	17.20	18.61	-7.6%