BW EQUITIES RESEARCH

17 October 2025

Dow drops 300pts on bad loans in banking industry grow; ASX to fall

- **Global markets.** Stocks closed lower on Thursday, giving up earlier gains, led by declines in bank stocks on worries about bad loans. Traders also juggled persistent trade tensions and an ongoing U.S. government shutdown.

  The Dow Jones Industrial Average lost 301.07 points, or nearly 0.7%, to close at 45,952.24. Earlier in the day, the 30-stock index had gained 170 points. The S&P 500 finished 0.6% lower at 6,629.07, giving up a 0.6% gain at the highs of the session.
  The Nasdaq Composite fell 0.5% to settle at 22,562.54.

  Regional banks Zions and Western Alliance fell to their lows of the day as indexes rolled over. Zions plunged 13% after taking a sizable charge because of bad loans to a couple borrowers. Western Alliance dropped 11% after alleging a borrower had committed fraud.

  The banking industry has been on edge lately following the bankruptcies of two auto industry-related companies that have raised concerns about loose lending practices, especially in the opaque private credit market.

  Trade tensions between China and the U.S. recently increased, adding to volatility on Wall Street.

  President Donald Trump last week threatened to place an additional 100% tariff on any goods coming from China in response to the country's new export controls on rare earth minerals. The trade tone softened over subsequent days, but tensions increased again Tuesday, when Trump threatened China with a cooking oil trade ban.

  Investors are also keeping a watchful eye as the U.S. government shutdown continues for a third week. The stoppage has led to an indefinite shutdown of crucial economic data releases from federal agencies.

- **In economic news**.

- **In other markets.** Holding annual meetings on Friday are, among others, Clinuvel Pharmaceuticals, PWR Holdings and Silex Systems.

- **Futures.** ASX 200 futures are pointing down 31 points or 0.3 per cent to 9068.

World Indices	Close	Prior	% Δ
Local Markets			
All Ordinaries	9,375.9	9,299.0	0.8%
ASX 200	9,068.4	8,990.9	0.9%
ASX Emerging Companies	3,165.6	3,157.5	0.3%
US Markets			
Dow Jones	45,952.3	46,253.3	-0.7%
S&P500	6,629.1	6,671.1	-0.6%
Nasdaq	24,657.2	24,745.4	-0.4%
Russell 2000	2,467.0	2,519.8	-2.1%
Asian & European Markets			
Shanghai Composite	3,916.2	3,912.2	0.1%
Nikkei	48,277.7	47,672.6	1.3%
Hang Seng	25,888.5	25,910.6	-0.1%
FTSE 100	9,436.1	9,424.8	0.1%
DAX 30	24,272.2	24,180.0	0.4%
CAC 40	8,188.6	8,077.0	1.4%

S&P500 Sectors	Close	Prior	% Δ
Information Technology	5,612.1	5,564.1	0.9%
Communication Services	420.1	422.0	-0.4%
Consumer Discretionary	1,861.9	1,878.3	-0.9%

Economic Releases	Time	F'cast	Prior
USD - Building Permits MoM			
USD - Industrial Production MoM		0.10%	0.10%

Key BW Names	Close	Prior	% Δ
Lotus Resources	0.245	0.245	0.0%
Elementos	0.280	0.280	0.0%
Frontier Energy	0.260	0.275	-5.5%

Commodities	Close	Prior	% Δ
Oil - West Texas Crude	57.03	58.76	-2.9%
Gold	4,353	4,201	3.6%
Gold (Aus)	6,689	6,461	3.5%
Silver	54.05	53.04	1.9%
Uranium (Spot)	79.50	79.50	0.0%
Global X Uranium ETF	55.74	58.11	-4.1%
Sprott Uranium Miners ETF	63.37	66.18	-4.2%
Sprott Physical Uranium Trust	18.61	19.20	-3.1%
Tin (Futures)	35,332	35,136	0.6%
Copper	5.00	5.01	-0.3%

Other Markets	Close	Prior	% Δ
SPI200 Futures	9,068.0	9,024.0	0.5%
DXY Index	98.7	99.0	-0.4%
AUD/USD	0.6489	0.6511	-0.3%
2-Year Treasury Yield (%)	3.42	3.50	-7 bp
10-Year Treasury Yield (%)	3.98	4.03	-5 bp
US 2-10-Year Spread	0.55	0.53	2 bp
VIX Index	25.30	20.63	22.6%