

20 October 2025

Stocks higher as bank credit worries, China trade tensions ease; ASX to slip

- **Global markets.** The Dow Jones Industrial Average rose Friday as traders digested the U.S.' softening tone on its trade talks with China and tried to move past credit concerns that sparked a big sell-off in regional banks Thursday.

The Dow finished 238.37 points, or 0.52%, higher at 46,190.61. The S&P 500 settled up 0.53% at 6,664.01, while the Nasdaq Composite added 0.52% to finish at 22,679.98.

Stocks extended their gains in afternoon trading after Treasury Secretary Scott Bessent said he would be speaking with his Chinese trade counterpart Friday evening. Trump also said from the White House that a meeting with China President Xi Jinping was still likely at the end of the month. The comments suggested the threat of 100% additional tariffs against China on Nov. 1 might not come to pass.

Shares of companies that led Thursday's bank rout rebounded Friday, as traders bet any bad credit bets were one-offs and not part of a bigger crisis. Zions and Western Alliance disclosed bad loans over the last 48 hours, which sparked a big sell-off in the stocks that eventually dragged down the whole market Thursday. Zion lost 13%, while Western Alliance tanked by 11% Thursday.

Despite the recent volatility, all three major indexes finished the week higher. The S&P 500 rose 1.7% fueled by a strong start to the third-quarter earnings. The Dow added 1.6% week to date, while the Nasdaq gained 2.1% over the same period.

- **In economic news.** China's growth is expected to slow from the first half of 2025 for the world's second-largest economy. Subsidies for consumption have waned, and a pick-up in exports is unlikely to be enough to offset softness in investment and the property market, according to a note from the National Australia Bank.
- **In other markets.** Gold recorded its biggest weekly gain in five years as economic dark clouds and trade tensions spurred a flight to safety. It climbed to \$US4380 per ounce on Friday, as cracks emerged in credit markets.
- **Futures.** Futures for the S&P/ASX 200 Index suggest a softer start to the week, pointing down 8 points, 0.1 per cent, to 9002

World Indices	Close	Prior	% Δ
<u>Local Markets</u>			
All Ordinaries	9,293.2	9,375.9	-0.9%
ASX 200	8,995.3	9,068.4	-0.8%
ASX Emerging Companies	3,064.6	3,165.6	-3.2%

<u>US Markets</u>			
Dow Jones	46,190.6	45,952.3	0.5%
S&P500	6,664.0	6,629.1	0.5%
Nasdaq	24,818.0	24,657.2	0.7%
Russell 2000	2,452.2	2,467.0	-0.6%

<u>Asian & European Markets</u>			
Shanghai Composite	3,839.8	3,916.2	-2.0%
Nikkei	4,582.1	48,277.7	-90.5%
Hang Seng	25,247.1	25,888.5	-2.5%
FTSE 100	9,354.6	9,436.1	-0.9%
DAX 30	23,831.0	24,272.2	-1.8%
CAC 40	8,174.2	8,188.6	-0.2%

S&P500 Sectors	Close	Prior	% Δ
Information Technology	5,633.0	5,612.1	0.4%
Communication Services	423.3	420.1	0.8%
Consumer Discretionary	1,873.9	1,861.9	0.6%

Economic Releases	Time	F'cast	Prior
CNY - Interest Rate	11:15	3.00%	3.00%
CNY - GDP YoY	12:00	4.80%	5.20%
CNY - Retail Sales YoY	12:00	2.90%	3.4%

Key BW Names	Close	Prior	% Δ
Lotus Resources	0.210	0.245	-14.3%
Elementos	0.250	0.280	-10.7%
Frontier Energy	0.255	0.260	-1.9%

Commodities	Close	Prior	% Δ
Oil - West Texas Crude	57.24	57.03	0.4%
Gold	4,213	4,353	-3.2%
Gold (Aus)	6,548	6,689	-2.1%
Silver	51.91	54.05	-4.0%
Uranium (Spot)	77.00	79.50	-3.1%
Global X Uranium ETF	53.31	55.74	-4.4%
Sprott Uranium Miners ETF	59.59	63.37	-6.0%
Sprott Physical Uranium Trust	18.14	18.61	-2.5%
Tin (Futures)	34,962	35,332	-1.0%
Copper	4.97	5.00	-0.6%

Other Markets	Close	Prior	% Δ
SPI200 Futures	9,003.0	9,068.0	-0.7%
DX Index	98.5	98.7	-0.1%
AUD/USD	0.6495	0.6489	0.1%
2-Year Treasury Yield (%)	3.46	3.42	4 bp
10-Year Treasury Yield (%)	4.01	3.98	4 bp
US 2-10-Year Spread	0.55	0.55	-1 bp
VIX Index	20.77	25.30	-17.9%