



Morning Report

Global Markets Update

- **U.S.** Equity markets closed higher overnight, with both the S&P 500 and Dow Jones up +0.3% and NASDAQ up +0.6%, however, sentiment remained weak amid rising geopolitical tensions with the U.S. ordering family members at its embassy in Kyiv to leave “due to the continued threat of Russian military action,” signaling a further turn of the screw in the standoff over Ukraine. U.S. business activity came close to stalling in January, with services PMI plummeting to the lowest level since July 2020 as labor shortages and employee absences weighed on activity and manufacturing PMI reporting the weakest reading since October 2020 as supply chains remained in disarray and hampered production.
- **Long-dated U.S. treasury yields** were mixed, with the 2-Yr yield lower at 0.965% and the 10-Yr yield higher at 1.774%.
- **European markets.** European equity markets closed lower overnight, with the Stoxx Europe 600 declining -3.8% to pierce below its 200-day moving average for the first time in nearly 15 months, sending a bearish technical signal, after data revealed Euro-area economic activity increased at its slowest pace in almost a year in January with composite PMI falling for a second straight month, as infections of the coronavirus’s omicron strain ripped through the services industry. German DAX was down -3.8% and U.K. FTSE 100 declined -2.6%.
- **Asian markets.** Asian equity markets closed mixed overnight, with the Shanghai Composite flat, with Chinese developers rallying, as the sector was boosted by news of asset sales and signs of improved access to funding. The Hang Seng was down -1.2%, KOSPI down -1.5% and Nikkei 225 gained +0.2%.
- **WTI oil** is trading at US\$83.82 a barrel. **Iron ore price** is at US\$124.92 per ton. **Spot gold** is trading at US\$1,843 per oz.

ASX Market Update

- **ASX performance.** The S&P/ASX 200 closed -0.51% lower yesterday.
- **Regis Resources Ltd (RRL)** slumped -14.3%, after downgrading FY22 gold production to 420,000-475,000 oz from 460,000-515,000 oz, due to a geotechnical incident involving a wall slip at its Rosemont Main Pit and other operational challenges limiting its ability to absorb the loss of high-grade feed.
- **Today’s trading.** In Australia, CPI data is to be published.

Figure 1: Key Market Summary

ASX Performance	1D Chg (%)	5D Chg (%)
ASX/S&P 200	-0.51%	-3.7%
ASX/S&P All Ords	-0.65%	-3.8%

By Sector

Banks	-0.49%	-3.7%
Insurance	-0.95%	-5.0%
Diversified Financials	-0.77%	-8.1%
Real Estate	1.44%	-1.1%
Consumer Discretionary	-0.41%	-4.8%
Industrials	-0.39%	-3.3%
Telcos	-0.48%	-4.4%
Utilities	-1.29%	-3.5%
Healthcare	-0.62%	-5.5%
Consumer Staples	0.36%	-1.9%
Energy	-0.53%	-2.1%
Metals & Mining	-1.15%	-2.2%

ASX200 Top 5	Price (A\$)	1D Chg (%)
GOODMAN GROUP	23.43	3.5%
CORPORATE TRAVEL MANAGE	20.79	3.1%
REA GROUP LTD	151.02	2.9%
ORICA LTD	14.11	2.7%
DOMINO'S PIZZA ENTERPRISE	103.41	2.5%

ASX200 Bottom 5	Price (A\$)	1D Chg (%)
REGIS RESOURCES LTD	1.80	-14.3%
RESOLUTE MINING LTD	0.32	-11.3%
POINTSBET HOLDINGS LTD	5.68	-6.1%
NUIX LTD	1.50	-6.0%
LYNAS RARE EARTHS LTD	9.84	-4.7%

Market Valuations	PE-Multiple	Div. Yield
ASX200	17.5.x	3.8%
FTSE 100 Index	12.0.x	4.0%
DAX Index	13.4.x	3.0%
CAC 40 Index	14.2.x	2.9%
S&P 500 Index	19.6.x	1.5%
Dow Jones Ind. Avg	17.9.x	2.0%
NASDAQ	25.3.x	0.8%
NZX All Ords	30.7.x	2.7%
HANG SENG Index	11.6.x	3.0%
NIKKEI 225	16.5.x	1.9%
Shanghai Composite	11.4.x	2.7%

Source: Bloomberg, BTIG

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Figure 2: Around the Grounds – Price movements across key markets

	Units	Current Value	Price Performance (% Chg)			
			1-day	1-month	6-months	1-year
Developed Markets Equities						
Dow Jones	USD	34,365	0.3%	-4.4%	-2.0%	10.9%
S&P 500	USD	4,410	0.3%	-6.7%	0.0%	14.8%
NASDAQ Composite	USD	13,855	0.6%	-11.5%	-6.6%	2.3%
Stoxx Europe 600	EUR	456	-3.8%	-5.4%	-1.1%	11.7%
FTSE 100 (UK)	GBP	7,297	-2.6%	-1.0%	3.8%	9.0%
DAX (Germany)	EUR	15,011	-3.8%	-4.7%	-4.2%	8.2%
CAC (France)	EUR	6,788	-4.0%	-4.2%	3.3%	22.1%
Nikkei 225	JPY	27,588	0.2%	-4.1%	0.1%	-4.3%
ASX 200	AUD	7,140	-0.5%	-3.8%	-3.4%	4.6%
ASX 200 Futures	AUD	6,960	-1.3%	-5.1%	-3.6%	5.7%
Emerging Markets Equities						
MSCI Emerging Markets	USD	1,244	-0.9%	1.9%	-5.1%	-10.7%
Hang Seng (HK)	HKD	24,656	-1.2%	6.2%	-9.8%	-18.2%
Shanghai Composite	CNY	3,524	0.0%	-2.6%	-0.7%	-2.8%
Korea	KRW	2,792	-1.5%	-7.3%	-14.2%	-13.0%
Taiwan	TWD	17,989	0.5%	0.2%	2.4%	12.8%
Brazil	BRL	107,989	-0.9%	3.0%	-13.6%	-8.0%
Bombay Stock Exchange (India)	INR	57,492	-2.6%	0.6%	8.5%	18.9%
South Africa	ZAR	65,653	-3.7%	1.0%	6.0%	11.5%
Foreign Exchange						
AUDUSD	Currency	0.7143	-0.6%	-1.1%	-3.3%	-7.4%
AUDGBP	Currency	0.5295	0.1%	1.9%	0.9%	6.5%
AUDEUR	Currency	0.6307	0.3%	1.3%	-0.8%	0.7%
AUDCNY	Currency	4.50	1.4%	2.3%	6.4%	11.1%
Commodities						
LME ALUMINUM 3MO (\$)	USD/mt	3,041	-2.3%	10.4%	23.9%	52.2%
LME COPPER 3MO (\$)	USD/mt	9,941	-0.5%	4.3%	6.4%	23.9%
LME NICKEL 3MO (\$)	USD/mt	24,028	1.0%	22.5%	29.3%	30.6%
SILVER FUTURE Mar22	USD/oz	24.00	-1.3%	4.6%	-5.3%	-7.4%
ICE Newc Coal Fut Feb22	USD/mt	220.00	2.3%	32.9%	80.3%	173.0%
62% Import Fine Ore in USD	USD/t	124.92	3.1%	8.1%	-39.0%	-23.6%
Gold Spot \$/Oz	USD/oz	1,843	0.4%	1.8%	2.5%	-0.7%
WTI Oil	USD/bbl	83.82	-1.6%	14.2%	24.0%	70.2%
Henry Hub	USD/mmBtu	4.09	-1.9%	5.7%	4.9%	63.7%
Corn	USD/Bu	621.25	0.8%	2.6%	13.5%	24.1%
Wheat	USD/Bu	801.50	2.8%	-1.6%	17.2%	26.3%
Fixed Interest						
10-Yr Bond Yield						
Australia	AUD	1.94%	1.0%	22.9%	61.9%	72.0%
US	USD	1.77%	0.9%	18.9%	39.0%	63.4%
Germany	EUR	-0.11%	-64.6%	57.2%	74.5%	79.1%
Japan	JPY	0.14%	3.7%	111.9%	688.9%	189.8%
Italy	EUR	1.28%	-0.3%	15.4%	107.8%	71.0%
Australian Rates						
Cash Rate	AUD	0.10%	0.0%	0.0%	0.0%	0.0%
90-Day BBSW	AUD	0.07%	-6.5%	16.7%	180.0%	600.0%
180-Day BBSW	AUD	0.24%	0.9%	12.1%	336.4%	1100.0%
CBOE Options						
CBOE VIX (Volatility Index)	Index	29.83	3.4%	66.1%	73.4%	36.1%

Source: BTIG, Bloomberg

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