



Global Markets Update

- **U.S.** Equity markets closed higher overnight, with the S&P 500 up +1.6%, NASDAQ up +2.5% and Dow Jones gaining +1.2%. Prices paid to U.S. producers jumped in January by more than forecast with PPI for final demand increasing +9.7% yoy (+1.0% MoM), pointing to persistent inflationary pressures as companies contend with supply-chain and labor constraints.
- **Long-dated U.S. treasury yields** were higher, with the 2-Yr yield at 1.577% and the 10-Yr yield at 2.052%.
- **European markets.** European equity markets closed higher overnight, with Stoxx Europe 600 up +1.4% and U.K. FTSE 100 up +1.0%. German DAX gained +2.0%, after data revealed investor confidence in Germany's economic recovery improved further in February, as the country edges closer to loosening its coronavirus restrictions.
- **Asian markets.** Asian equity markets closed mostly lower overnight, with the Shanghai Composite up +0.5%, after PBOC stepped up support for the slowing economy, injecting a net 100bn yuan into the banking system with its medium-term lending facility, while leaving the borrowing rate unchanged. Both the Hang Seng and Nikkei 225 were down -0.8% and KOSPI declined -1.0%. Japan's economy returned to growth in 4Q21, with GDP increasing an annualized +5.4% qoq, fueled by the power of consumer spending.
- **WTI oil** declined -3.8% and is trading at US\$91.85 a barrel, as U.S.-Russia tensions eased after President Vladimir Putin said he hopes for a diplomatic solution to tensions with the U.S. and its allies and announced a partial pullback of thousands of troops massed near the Ukrainian border. **Iron ore price** is at US\$135.87 per ton. **Spot gold** is trading at US\$1,853 per oz.

ASX Market Update

- **ASX performance.** The S&P/ASX 200 closed -0.51% lower yesterday.
- **Sims Ltd (SGM)** surged +13.7%, after reporting 1H22 net income of A\$253.2m, up +377.7% y/y and declaring interim dividend of 41cps. **SEEK Ltd (SEK)** was up +6.1%, after reporting 1H22 net income of A\$88.1m, up +32% y/y and upgrading FY22 NPAT (excluding Seek Growth Fund) guidance to A\$230-250m.
- **Today's trading.** In China, CPI and PPI data is to be published.

Figure 1: Key Market Summary

ASX Performance	1D Chg (%)	5D Chg (%)
ASX/S&P 200	-0.51%	0.3%
ASX/S&P All Ords	-0.59%	0.0%

By Sector

Banks	-1.11%	6.0%
Insurance	-0.17%	0.7%
Diversified Financials	-0.42%	-3.4%
Real Estate	0.90%	-0.8%
Consumer Discretionary	0.52%	0.1%
Industrials	0.29%	-1.6%
Telcos	-0.25%	-0.6%
Utilities	-1.88%	-1.6%
Healthcare	-0.59%	-4.4%
Consumer Staples	0.75%	0.3%
Energy	-3.10%	-1.4%
Metals & Mining	-1.03%	-1.1%

ASX200 Top 5	Price (A\$)	1D Chg (%)
SIMS LTD	17.04	13.7%
BRAMBLES LTD	10.00	6.2%
SEEK LTD	29.47	6.1%
BLOCK INC - CDI	156.50	4.2%
JB HI-FI LTD	53.70	3.8%

ASX200 Bottom 5	Price (A\$)	1D Chg (%)
BEACH ENERGY LTD	1.46	-10.5%
CHALICE MINING LTD	7.46	-9.6%
MINERAL RESOURCES LTD	48.44	-5.3%
FORTESCUE METALS GROU	21.59	-5.1%
RESOLUTE MINING LTD	0.30	-4.8%

Market Valuations	PE-Multiple	Div. Yield
ASX200	16.6.x	4.0%
FTSE 100 Index	12.2.x	3.8%
DAX Index	13.7.x	2.9%
CAC 40 Index	14.0.x	3.0%
S&P 500 Index	20.1.x	1.5%
Dow Jones Ind. Avg	18.4.x	2.0%
NASDAQ	25.7.x	0.7%
NZX All Ords	30.5.x	2.7%
HANG SENG Index	11.5.x	3.0%
NIKKEI 225	16.4.x	2.0%
Shanghai Composite	11.1.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	34,989	1.2%	-2.6%	-1.5%	11.2%
S&P 500	USD	4,471	1.6%	-4.1%	0.1%	13.6%
NASDAQ Composite	USD	14,140	2.5%	-5.1%	-4.6%	0.3%
Stoxx Europe 600	EUR	468	1.4%	-2.8%	-1.7%	11.5%
FTSE 100 (UK)	GBP	7,609	1.0%	0.9%	5.4%	12.6%
DAX (Germany)	EUR	15,413	2.0%	-3.0%	-3.5%	9.2%
CAC (France)	EUR	6,980	1.9%	-2.3%	1.2%	20.6%
Nikkei 225	JPY	26,865	-0.8%	-4.5%	-2.4%	-11.8%
ASX 200	AUD	7,207	-0.5%	-2.5%	-5.0%	4.2%
ASX 200 Futures	AUD	7,174	1.0%	-1.8%	-3.1%	7.4%
Emerging Markets Equities						
MSCI Emerging Markets	USD	1,220	-1.6%	-2.9%	-4.7%	-15.1%
Hang Seng (HK)	HKD	24,356	-0.8%	-0.1%	-7.0%	-20.8%
Shanghai Composite	CNY	3,446	0.5%	-2.1%	-2.0%	-5.7%
Korea	KRW	2,677	-1.0%	-8.4%	-15.6%	-15.4%
Taiwan	TWD	17,952	-0.3%	-2.5%	6.5%	13.6%
Brazil	BRL	114,739	0.7%	7.3%	-5.3%	-3.9%
Bombay Stock Exchange (India)	INR	58,142	3.1%	-5.0%	4.6%	11.6%
South Africa	ZAR	69,169	0.1%	1.1%	9.3%	12.2%
Foreign Exchange						
AUDUSD	Currency	0.7150	0.3%	-0.9%	-2.6%	-8.1%
AUDGBP	Currency	0.5282	-0.3%	0.1%	0.3%	6.0%
AUDEUR	Currency	0.6295	0.1%	0.4%	-1.0%	1.9%
AUDCNY	Currency	4.53	0.0%	1.1%	4.9%	10.9%
Commodities						
LME ALUMINUM 3MO (\$)	USD/mt	3,215	2.5%	8.0%	23.6%	53.8%
LME COPPER 3MO (\$)	USD/mt	9,920	0.6%	2.1%	3.7%	19.1%
LME NICKEL 3MO (\$)	USD/mt	23,170	0.5%	4.4%	17.9%	24.8%
SILVER FUTURE May22	USD/oz	23.44	-1.9%	2.1%	-2.0%	-14.7%
ICE Newc Coal Fut Apr22	USD/mt	190.00	-0.7%	11.1%	50.3%	147.1%
62% Import Fine Ore in USD	USD/t	135.87	-0.9%	15.5%	-17.8%	-15.1%
Gold Spot \$/Oz	USD/oz	1,853	-1.0%	1.8%	3.6%	1.9%
WTI Oil	USD/bbl	91.85	-3.8%	10.3%	38.9%	70.0%
Henry Hub	USD/mmBtu	4.05	3.3%	-7.1%	3.8%	-32.6%
Corn	USD/Bu	637.00	-2.9%	6.8%	12.1%	18.2%
Wheat	USD/Bu	778.25	-2.6%	5.0%	2.1%	22.2%
Fixed Interest						
10-Yr Bond Yield						
Australia	AUD	2.19%	2.3%	18.2%	79.8%	65.5%
US	USD	2.05%	3.3%	15.0%	60.7%	69.8%
Germany	EUR	0.31%	8.8%	769.6%	166.0%	180.8%
Japan	JPY	0.22%	0.5%	53.1%	606.5%	170.4%
Italy	EUR	1.96%	-0.7%	53.7%	258.4%	271.3%
Australian Rates						
Cash Rate	AUD	0.10%	0.0%	0.0%	0.0%	0.0%
90-Day BBSW	AUD	0.08%	0.0%	15.4%	400.0%	900.0%
180-Day BBSW	AUD	0.28%	0.0%	17.0%	685.7%	1275.0%
CBOE Options						
CBOE VIX (Volatility Index)	Index	25.48	-10.1%	32.8%	64.9%	27.6%

Source: BTIG, Bloomberg

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