



Morning Report

Global Markets Update

- **U.S.** Equity markets closed higher overnight, with the S&P 500 up +1.5%, NASDAQ up +2.1% and Dow Jones gaining +0.9%.
- **Long-dated U.S. treasury yields** were mixed, with the 2-Yr yield higher at 1.362% and the 10-Yr yield lower at 1.947%.
- **European markets.** European equity markets closed higher overnight, with Stoxx Europe 600 up +1.7%, as concerns over aggressive monetary policy tightening eased after France's central banker said that markets may be getting ahead of themselves in pricing rate hikes for this year. The U.K. FTSE 100 gained +1.0%, after U.K. Prime Minister Boris Johnson announced plans to scrap self-isolation rules for people in England who test positive for Covid-19. German DAX closed +1.6% higher.
- **Asian markets.** Asian equity markets closed higher overnight, with the Shanghai Composite up +0.8%, as financial stocks rallied after PBOC, and various regulators issued a five-year plan on enhancing standards in the financial industry. The Hang Seng was up +2.1% and KOSPI closed +0.8% higher. Nikkei 225 gained +1.1%, led by gains in semiconductor stocks after Sumco Corp, a key supplier of silicon wafers for the semiconductor industry, said it has already sold out its production capacity through 2026, a sign shortage in the industry may not abate for years.
- **WTI oil** is trading at US\$90.06 a barrel. **Iron ore price** is at US\$137.50 per ton. **Spot gold** is trading at US\$1,833 per oz.

ASX Market Update

- **ASX performance.** The S&P/ASX 200 closed +1.14% higher yesterday. Australia's consumer sentiment fell in January on concerns that borrowing costs are set to begin climbing this year, intensifying pressure on highly-indebted households already struggling with soaring gasoline prices.
- **Computershare Ltd (CPU)** surged +11.2%, after raising FY22 EPS (in constant currency) growth guidance to +9% y/y from +2% y/y. **Mineral Resources Ltd (MIN)** declined -8.9%, after reporting 1H22 underlying loss of A\$36m and scrapping dividend. **Bapcor Ltd (BAP)** was down -7.9%, after reporting 1H22 net income of A\$57.7m, down -15% y/y. **Commonwealth Bank of Australia Ltd (CBA)** was up +5.6%, after reporting 1H22 cash profit from continuing operations of A\$4.75bn, up +23% y/y.
- **Today's trading.** In Japan, PPI data is to be published.

Figure 1: Key Market Summary

ASX Performance	1D Chg (%)	5D Chg (%)
ASX/S&P 200	1.14%	2.5%
ASX/S&P All Ords	1.12%	2.3%

By Sector		
Banks	3.48%	4.5%
Insurance	2.03%	6.4%
Diversified Financials	-0.38%	2.4%
Real Estate	1.19%	0.6%
Consumer Discretionary	0.80%	1.5%
Industrials	1.46%	2.3%
Telcos	0.65%	2.2%
Utilities	1.38%	4.2%
Healthcare	0.42%	-1.3%
Consumer Staples	1.47%	0.5%
Energy	-0.36%	2.3%
Metals & Mining	-0.56%	4.2%

ASX200 Top 5	Price (A\$)	1D Chg (%)
COMPUTERSHARE LTD	22.17	11.2%
RESOLUTE MINING LTD	0.32	10.5%
COMMONWEALTH BANK OF A	99.56	5.6%
MAGELLAN FINANCIAL GROUP	18.59	5.6%
SOUTH32 LTD	4.42	5.5%

ASX200 Bottom 5	Price (A\$)	1D Chg (%)
MINERAL RESOURCES LTD	52.72	-8.9%
BAPCOR LTD	6.50	-7.9%
NANOSONICS LTD	4.51	-6.0%
FORTESCUE METALS GROUP LT	21.43	-3.6%
IDP EDUCATION LTD	30.67	-3.1%

Market Valuations	PE-Multiple	Div. Yield
ASX200	17.0.x	4.0%
FTSE 100 Index	12.3.x	3.8%
DAX Index	13.7.x	2.9%
CAC 40 Index	14.5.x	2.9%
S&P 500 Index	20.7.x	1.4%
Dow Jones Ind. Avg	18.9.x	1.9%
NASDAQ	26.5.x	0.7%
NZX All Ords	31.6.x	2.6%
HANG SENG Index	11.7.x	3.0%
NIKKEI 225	16.9.x	1.9%
Shanghai Composite	11.2.x	2.7%

Source: Bloomberg, BTIG

Research – Sales & Trading

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	35,768	0.9%	-1.3%	1.9%	14.0%
S&P 500	USD	4,587	1.5%	-1.9%	3.5%	17.3%
NASDAQ Composite	USD	14,490	2.1%	-3.0%	-2.5%	3.4%
Stoxx Europe 600	EUR	473	1.7%	-2.7%	0.6%	15.3%
FTSE 100 (UK)	GBP	7,643	1.0%	2.1%	7.2%	17.0%
DAX (Germany)	EUR	15,482	1.6%	-2.9%	-1.7%	10.5%
CAC (France)	EUR	7,131	1.5%	-1.2%	4.7%	25.3%
Nikkei 225	JPY	27,580	1.1%	-3.2%	-1.1%	-6.7%
ASX 200	AUD	7,268	1.1%	-2.4%	-3.9%	6.0%
ASX 200 Futures	AUD	7,193	0.6%	-2.0%	-2.4%	8.6%
Emerging Markets Equities						
MSCI Emerging Markets	USD	1,220	0.0%	-0.5%	-5.7%	-13.4%
Hang Seng (HK)	HKD	24,830	2.1%	4.6%	-6.7%	-17.3%
Shanghai Composite	CNY	3,480	0.8%	-3.2%	-1.4%	-4.8%
Korea	KRW	2,769	0.8%	-5.4%	-14.6%	-10.7%
Taiwan	TWD	18,152	1.0%	-0.5%	4.8%	14.9%
Brazil	BRL	112,469	0.2%	9.5%	-8.6%	-5.9%
Bombay Stock Exchange (India)	INR	58,466	1.1%	-3.2%	7.2%	13.9%
South Africa	ZAR	70,106	0.8%	4.2%	12.2%	17.5%
Foreign Exchange						
AUDUSD	Currency	0.7182	0.5%	0.2%	-2.1%	-7.2%
AUDGBP	Currency	0.5306	-0.6%	-0.4%	-0.2%	5.6%
AUDEUR	Currency	0.6286	-0.4%	0.7%	-0.6%	1.6%
AUDCNY	Currency	4.58	-0.9%	-0.4%	4.1%	8.5%
Commodities						
LME ALUMINUM 3MO (\$)	USD/mt	3,183	1.6%	9.2%	23.5%	57.0%
LME COPPER 3MO (\$)	USD/mt	9,781	0.0%	1.4%	3.3%	21.7%
LME NICKEL 3MO (\$)	USD/mt	22,692	-3.0%	9.4%	18.1%	24.9%
SILVER FUTURE Mar22	USD/oz	23.30	0.4%	4.0%	-0.3%	-15.3%
ICE Newc Coal Fut Apr22	USD/mt	196.00	-1.0%	31.1%	58.5%	150.3%
62% Import Fine Ore in USD	USD/t	137.50	1.4%	17.2%	-19.5%	-12.7%
Gold Spot \$/Oz	USD/oz	1,833	0.4%	1.7%	5.9%	-0.3%
WTI Oil	USD/bbl	90.06	0.8%	14.8%	39.8%	68.8%
Henry Hub	USD/mmBtu	4.29	-1.8%	12.0%	3.5%	30.4%
Corn	USD/Bu	646.25	2.2%	6.5%	17.4%	16.2%
Wheat	USD/Bu	784.50	0.7%	3.4%	10.3%	20.8%
Fixed Interest						
10-Yr Bond Yield						
Australia	AUD	2.11%	-0.7%	13.5%	74.7%	71.1%
US	USD	1.95%	-0.8%	10.5%	47.1%	68.3%
Germany	EUR	0.21%	-20.0%	593.0%	146.1%	147.5%
Japan	JPY	0.21%	-3.7%	50.0%	1300.0%	187.7%
Italy	EUR	1.75%	-5.2%	33.3%	217.2%	241.3%
Australian Rates						
Cash Rate	AUD	0.10%	0.0%	0.0%	0.0%	0.0%
90-Day BBSW	AUD	0.07%	0.0%	0.0%	333.3%	550.0%
180-Day BBSW	AUD	0.24%	2.1%	2.1%	585.7%	1100.0%
CBOE Options						
CBOE VIX (Volatility Index)	Index	20.06	-6.4%	6.9%	20.0%	-7.3%

Source: BTIG, Bloomberg

Research – Sales & Trading

Disclaimer

This document is provided by Banyan Tree Investment Group (ACN 611 390 615; AFSL 486279) (“Banyan Tree”).

The material in this document may contain general advice or recommendations which, while believed to be accurate at the time of publication, are not appropriate for all persons or accounts. This document does not purport to contain all the information that a prospective investor may require. The material contained in this document does not take into consideration an investor's objectives, financial situation or needs. Before acting on the advice, investors should consider the appropriateness of the advice, having regard to the investor's objectives, financial situation and needs. The material contained in this document is for sales purposes. The material contained in this document is for information purposes only and is not an offer, solicitation or recommendation with respect to the subscription for, purchase or sale of securities or financial products and neither or anything in it shall form the basis of any contract or commitment. This document should not be regarded by recipients as a substitute for the exercise of their own judgment and recipients should seek independent advice.

The material in this document has been obtained from sources believed to be true but neither Banyan Tree nor its associates make any recommendation or warranty concerning the accuracy, or reliability or completeness of the information or the performance of the companies referred to in this document. Past performance is not indicative of future performance. Any opinions and or recommendations expressed in this material are subject to change without notice and Banyan Tree is not under any obligation to update or keep current the information contained herein. References made to third parties are based on information believed to be reliable but are not guaranteed as being accurate.

Banyan Tree and its respective officers may have an interest in the securities or derivatives of any entities referred to in this material. Banyan Tree does, and seeks to do, business with companies that are the subject of its research reports. The analyst(s) hereby certify that all the views expressed in this report accurately reflect their personal views about the subject investment theme and/or company securities.

Although every attempt has been made to verify the accuracy of the information contained in the document, liability for any errors or omissions (except any statutory liability which cannot be excluded) is specifically excluded by Banyan Tree, its associates, officers, directors, employees and agents. Except for any liability which cannot be excluded, Banyan Tree, its directors, employees and agents accept no liability or responsibility for any loss or damage of any kind, direct or indirect, arising out of the use of all or any part of this material. Recipients of this document agree in advance that Banyan Tree is not liable to recipients in any matters whatsoever otherwise recipients should disregard, destroy or delete this document. All information is correct at the time of publication. Banyan Tree does not guarantee reliability and accuracy of the material contained in this document and is not liable for any unintentional errors in the document.

The securities of any company(ies) mentioned in this document may not be eligible for sale in all jurisdictions or to all categories of investors. This document is provided to the recipient only and is not to be distributed to third parties without the prior consent of Banyan Tree.