Morning Report

iInvest Securities

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Global Markets Update

- **U.S.** Equity markets closed lower overnight, with the S&P 500 down -1.8%, NASDAQ down -2.1% and Dow Jones declining -1.5%, after Fed Bank of St. Louis President James Bullard said he supported raising rates by a full percentage point by July as data revealed inflation accelerated to a four-decade high in January with CPI increasing +7.5% yoy and core-CPI rising +6% yoy, most since 1982.

- **Long-dated U.S. treasury yields** were higher, with the 2-Yr yield at 1.611% and the 10-Yr yield at 2.050%.

- **European markets.** European equity markets closed mostly higher overnight, with Stoxx Europe 600 down -0.2%, U.K. FTSE 100 up +0.4% and German DAX gaining +0.1%. EU downgraded euro-area GDP forecast for 2022 by -30bps to +4% and upgraded 2023 forecast by +30bps to 2.7%, predicting that all member-states will have reached pre-pandemic levels of GDP by the end of 2022, while upgrading CPI forecast for 2022 by +130bps to 3.5% and 2023 forecast by +30bps to 1.3%, below ECB's 2% target.

- **Asian markets.** Asian equity markets closed higher overnight, with the Shanghai Composite up +0.2%, after data revealed China's credit growth accelerated in January with financial institutions offering 3.98 trillion yuan of new loans in the month, the highest in data going back to 1992, leading to aggregate financing of 6.17 trillion yuan. The Hang Seng was up +0.4% and KOSPI gained +0.1%. Nikkei 225 gained +0.4%, after BOJ reaffirmed its commitment to its stimulus framework, offering to buy unlimited amount of 10-year bonds at 0.25%. RBI stuck to its dovish tone to ensure an economic recovery in a surprise move, predicting GDP growth slowing to 7.8% in FY22 from a world-beating 9.2% estimated by the government and lowering the inflation outlook to 4.5% for FY23 from 5.3% in FY22.

- **WTI oil** is trading at US$90.00 a barrel, after OPEC said the recovery in global oil demand could surpass its forecasts this year, growing by more than the 4.2m barrels a day. **Iron ore price** is at US$137.50 per ton. **Spot gold** is trading at US$1,827 per oz.

ASX Market Update

- **ASX performance.** The S&P/ASX 200 closed +0.28% higher yesterday.

- **Megaport Ltd (MP1)** was up +7.6%, after reporting 1H22 revenue of A$51.2m, up +42% y/y and net loss of A$20.2m, down -47% y/y.

- **Today's trading.** In the U.K., GDP data is to be published.

Figure 1: Key Market Summary

ASX Performance	1D Chg (%)	5D Chg (%)
ASX/S&P 200	0.28%	3.0%
ASX/S&P All Ords	0.30%	3.0%
By Sector		
Banks	1.87%	6.4%
Insurance	-1.13%	4.1%
Diversified Financials	-1.65%	2.3%
Real Estate	0.00%	0.8%
Consumer Discretionary	-0.02%	2.1%
Industrials	-0.78%	2.2%
Telcos	-0.74%	0.6%
Utilities	-0.79%	1.7%
Healthcare	-0.83%	-0.6%
Consumer Staples	-0.79%	-0.3%
Energy	-0.44%	2.5%
Metals & Mining	0.52%	3.2%

ASX200 Top 5	Price (A$)	1D Chg (%)
BAPCOR LTD	7.15	10.0%
BLOCK INC - CDI	158.01	9.7%
MEGAPORT LTD	14.65	7.6%
PALADIN ENERGY LTD	0.79	6.8%
AMP LTD	1.07	5.9%

ASX200 Bottom 5	Price (A$)	1D Chg (%)
CIMIC GROUP LTD	15.89	-7.1%
ASX LTD	83.41	-3.8%
AGL ENERGY LTD	7.27	-3.5%
RESOLUTE MINING LTD	0.31	-3.2%
ADBRI LTD	2.93	-3.0%

Market Valuations	PE-Multiple	Div. Yield
ASX200	***16.9.x***	***4.0%***
FTSE 100 Index	12.4.x	3.8%
DAX Index	13.7.x	2.9%
CAC 40 Index	14.5.x	2.9%
S&P 500 Index	20.6.x	1.4%
Dow Jones Ind. Avg	18.9.x	1.9%
NASDAQ	26.4.x	0.7%
NZX All Ords	31.6.x	2.6%
HANG SENG Index	11.8.x	3.0%
NIKKEI 225	17.0.x	1.9%
Shanghai Composite	11.3.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	35,242	-1.5%	-2.3%	-0.1%	12.1%
S&P 500	USD	4,504	-1.8%	-3.6%	1.5%	15.2%
NASDAQ Composite	USD	14,186	-2.1%	-5.1%	-4.1%	1.5%
Stoxx Europe 600	EUR	472	-0.2%	-1.4%	0.0%	15.4%
FTSE 100 (UK)	GBP	7,672	0.4%	3.1%	7.1%	17.6%
DAX (Germany)	EUR	15,490	0.1%	-1.8%	-1.8%	11.2%
CAC (France)	EUR	7,102	-0.4%	-0.2%	4.1%	25.2%
Nikkei 225	JPY	27,696	0.4%	-1.9%	-1.3%	-6.3%
ASX 200	AUD	7,288	0.3%	-1.4%	-3.9%	6.4%
ASX 200 Futures	AUD	7,128	-0.8%	-2.3%	-3.6%	8.0%
Emerging Markets Equities						
MSCI Emerging Markets	USD	1,240	1.6%	0.6%	-4.7%	-12.9%
Hang Seng (HK)	HKD	24,924	0.4%	5.0%	-6.5%	-17.4%
Shanghai Composite	CNY	3,486	0.2%	-2.3%	-1.3%	-4.6%
Korea	KRW	2,772	0.1%	-5.3%	-13.9%	-10.6%
Taiwan	TWD	18,338	1.0%	0.3%	6.4%	16.0%
Brazil	BRL	113,232	0.7%	11.1%	-7.3%	-4.4%
Bombay Stock Exchange (India)	INR	58,926	0.8%	-2.8%	8.1%	14.3%
South Africa	ZAR	69,944	-0.2%	4.2%	10.1%	15.3%
Foreign Exchange						
AUDUSD	Currency	0.7157	-0.3%	-0.2%	-2.6%	-7.3%
AUDGBP	Currency	0.5282	0.4%	0.0%	0.5%	5.7%
AUDEUR	Currency	0.6264	0.4%	1.1%	0.1%	1.7%
AUDCNY	Currency	4.59	-0.2%	-0.6%	3.9%	9.0%
Commodities						
LME ALUMINUM 3MO ($)	USD/mt	3,266	2.6%	12.1%	28.1%	59.0%
LME COPPER 3MO ($)	USD/mt	10,059	2.8%	4.3%	7.4%	23.5%
LME NICKEL 3MO ($)	USD/mt	23,187	2.2%	11.8%	24.5%	26.2%
SILVER FUTURE Mar22	USD/oz	23.21	-0.6%	3.3%	-1.2%	-14.6%
ICE Newc Coal Fut Apr22	USD/mt	190.85	-2.6%	30.6%	55.4%	143.9%
62% Import Fine Ore in USD	USD/t	137.50	1.4%	17.2%	-19.5%	-12.7%
Gold Spot $/Oz	USD/oz	1,827	-0.4%	1.4%	5.7%	-0.9%
WTI Oil	USD/bbl	90.00	0.4%	15.8%	36.5%	67.9%
Henry Hub	USD/mmBtu	4.04	-5.8%	5.5%	-2.2%	24.6%
Corn	USD/Bu	641.75	-0.8%	7.0%	16.8%	20.1%
Wheat	USD/Bu	771.25	-1.8%	1.2%	6.1%	21.4%
Fixed Interest						
10-Yr Bond Yield						
Australia	AUD	2.11%	0.0%	9.7%	75.4%	72.3%
US	USD	2.05%	5.6%	16.5%	52.0%	82.7%
Germany	EUR	0.28%	34.0%	935.3%	162.1%	165.0%
Japan	JPY	0.23%	10.0%	65.0%	824.0%	178.3%
Italy	EUR	1.89%	8.0%	47.0%	244.4%	275.2%
Australian Rates						
Cash Rate	AUD	0.10%	0.0%	0.0%	0.0%	0.0%
90-Day BBSW	AUD	0.07%	7.7%	7.7%	366.7%	600.0%
180-Day BBSW	AUD	0.24%	2.1%	2.1%	700.0%	1100.0%
CBOE Options						
CBOE VIX (Volatility Index)	Index	24.11	20.8%	24.3%	43.6%	9.6%

Source: BTIG, Bloomberg

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