



Global Markets Update

- **U.S.** Equity markets closed mostly lower overnight, with the S&P 500 down -0.4%, NASDAQ down -0.6% and Dow Jones closing flat, after a new study from the Federal Reserve Bank of San Francisco showed maximum employment in the U.S. will remain out of reach for now, as two key U.S. labor-market metrics, the labor-force participation rate and the employment-to-population ratio, may take until 2024 to recover to their pre-pandemic growth trend, as aging population continues to keep both series well below trend.
- **Long-dated U.S. treasury yields** were mixed, with the 2-Yr yield lower at 1.294% and the 10-Yr yield higher at 1.921%.
- **European markets.** European equity markets closed higher overnight, with Stoxx Europe 600 up +0.7%, after ECB President Christine Lagarde pledged gradual adjustment to monetary policy. The U.K. FTSE 100 gained +0.8% and German DAX closed +0.7% higher.
- **Asian markets.** Asian equity markets closed mixed overnight, with the Hang Seng flat, after Hong Kong reported a record number of coronavirus infections, with cases doubling every three days. Shanghai Composite was up +2.0%, KOSPI down -0.2% and Nikkei 225 declined -0.7%.
- **WTI oil** declined -0.9% and is trading at US\$91.52 a barrel, after the U.S. signed several waivers related to Iran's civilian nuclear activities to ease diplomatic efforts, with the Diplomats now set to return to Vienna on Tuesday to resume Iran nuclear negotiations. **Iron ore price** is at US\$132.50 per ton. **Spot gold** is trading at US\$1,821 per oz.

ASX Market Update

- **ASX performance.** The S&P/ASX 200 closed -0.13% lower yesterday. Australian retail sales soared to a record high in 4Q21, increasing +8.2% qoq, fueled by a combination of relaxed virus restrictions and holiday shopping that are set to underpin a robust rebound in the economy.
- **GrainCorp Ltd (GNC)** surged +12.3%, after forecasting FY22 underlying EBITDA of A\$480-540m, amid strong global demand and a bumper crop deliver. **Magellan Financial Group Ltd (MFG)** slumped -11.2%, after announcing founder Hamish Douglass will take a medical leave of absence.
- **Today's trading.** In Australia, business confidence data is to be published.

Figure 1: Key Market Summary

ASX Performance	1D Chg (%)	5D Chg (%)
ASX/S&P 200	-0.13%	2.0%
ASX/S&P All Ords	-0.06%	2.0%

By Sector	1D Chg (%)	5D Chg (%)
Banks	-0.66%	1.7%
Insurance	0.95%	5.7%
Diversified Financials	0.06%	3.8%
Real Estate	-1.38%	-0.2%
Consumer Discretionary	-0.09%	2.3%
Industrials	-0.17%	1.9%
Telcos	-0.58%	2.1%
Utilities	-0.25%	4.2%
Healthcare	-1.28%	-0.9%
Consumer Staples	-0.78%	1.5%
Energy	1.59%	5.2%
Metals & Mining	0.78%	3.3%

ASX200 Top 5	Price (A\$)	1D Chg (%)
GRAINCORP LTD-A	8.10	12.3%
FLIGHT CENTRE TRAVEL GROU	18.94	7.8%
CORPORATE TRAVEL MANAGE	22.02	7.0%
WEBJET LTD	5.51	6.2%
NEARMAP LTD	1.39	6.1%

ASX200 Bottom 5	Price (A\$)	1D Chg (%)
MAGELLAN FINANCIAL GROU	16.43	-11.2%
APPEN LTD	8.91	-5.8%
UNIBAIL-RODAMCO-WESTFIEI	5.05	-5.3%
VIRGIN MONEY UK PLC - CDI	3.69	-3.7%
JANUS HENDERSON GROUP-CI	50.18	-3.5%

Market Valuations	PE-Multiple	Div. Yield
ASX200	16.6.x	4.1%
FTSE 100 Index	12.3.x	3.8%
DAX Index	13.5.x	3.0%
CAC 40 Index	14.3.x	2.9%
S&P 500 Index	20.3.x	1.5%
Dow Jones Ind. Avg	18.5.x	1.9%
NASDAQ	25.7.x	0.7%
NZX All Ords	31.3.x	2.7%
HANG SENG Index	11.6.x	3.0%
NIKKEI 225	16.6.x	1.9%
Shanghai Composite	11.1.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	35,091	0.0%	-3.1%	-0.3%	12.7%
S&P 500	USD	4,484	-0.4%	-4.1%	1.1%	15.4%
NASDAQ Composite	USD	14,016	-0.6%	-6.2%	-5.5%	1.2%
Stoxx Europe 600	EUR	465	0.7%	-4.3%	-1.0%	13.6%
FTSE 100 (UK)	GBP	7,573	0.8%	1.2%	6.3%	16.7%
DAX (Germany)	EUR	15,207	0.7%	-4.6%	-3.5%	8.2%
CAC (France)	EUR	7,009	0.8%	-2.9%	2.8%	23.9%
Nikkei 225	JPY	27,249	-0.7%	-4.3%	-2.1%	-7.3%
ASX 200	AUD	7,111	-0.1%	-4.6%	-5.7%	3.3%
ASX 200 Futures	AUD	7,001	-0.2%	-4.7%	-4.7%	5.5%
Emerging Markets Equities						
MSCI Emerging Markets	USD	1,221	0.9%	-0.4%	-5.5%	-12.5%
Hang Seng (HK)	HKD	24,580	0.0%	4.6%	-6.1%	-16.2%
Shanghai Composite	CNY	3,430	2.0%	-4.2%	-0.8%	-2.9%
Korea	KRW	2,745	-0.2%	-7.1%	-16.1%	-11.2%
Taiwan	TWD	17,900	1.3%	-1.5%	2.1%	13.3%
Brazil	BRL	112,037	-0.2%	9.1%	-8.8%	-6.8%
Bombay Stock Exchange (India)	INR	57,621	-1.7%	-3.6%	6.2%	12.2%
South Africa	ZAR	69,198	0.8%	2.9%	10.7%	17.5%
Foreign Exchange						
AUDUSD	Currency	0.7122	0.7%	-0.8%	-2.9%	-7.5%
AUDGBP	Currency	0.5263	-0.5%	0.4%	0.6%	6.5%
AUDEUR	Currency	0.6227	-0.8%	1.5%	0.3%	2.7%
AUDCNY	Currency	4.53	-0.8%	0.9%	5.2%	9.7%
Commodities						
LME ALUMINUM 3MO (\$)	USD/mt	3,074	0.8%	8.3%	19.8%	54.2%
LME COPPER 3MO (\$)	USD/mt	9,842	0.1%	0.8%	4.0%	25.8%
LME NICKEL 3MO (\$)	USD/mt	22,991	0.5%	8.8%	19.5%	30.3%
SILVER FUTURE Mar22	USD/oz	23.04	2.5%	2.8%	-5.7%	-15.1%
ICE Newc Coal Fut Apr22	USD/mt	193.60	2.1%	29.5%	61.3%	150.5%
62% Import Fine Ore in USD	USD/t	132.50	0.0%	17.6%	-25.8%	-15.1%
Gold Spot \$/Oz	USD/oz	1,821	0.7%	1.4%	5.3%	-0.5%
WTI Oil	USD/bbl	91.52	-0.9%	16.7%	38.6%	75.4%
Henry Hub	USD/mmBtu	5.34	-12.5%	43.2%	27.8%	80.6%
Corn	USD/Bu	636.50	2.6%	4.9%	14.7%	16.0%
Wheat	USD/Bu	770.00	0.9%	1.5%	7.1%	20.1%
Fixed Interest						
10-Yr Bond Yield						
Australia	AUD	2.00%	1.8%	7.5%	67.6%	67.1%
US	USD	1.92%	0.7%	9.0%	48.1%	65.1%
Germany	EUR	0.23%	11.2%	630.2%	150.0%	150.9%
Japan	JPY	0.20%	-0.5%	40.7%	1213.3%	228.3%
Italy	EUR	1.78%	2.0%	35.5%	213.6%	233.5%
Australian Rates						
Cash Rate	AUD	0.10%	0.0%	0.0%	0.0%	0.0%
90-Day BBSW	AUD	0.07%	-6.7%	4.0%	366.7%	600.0%
180-Day BBSW	AUD	0.24%	5.7%	2.1%	585.7%	1100.0%
CBOE Options						
CBOE VIX (Volatility Index)	Index	22.95	-1.2%	22.3%	42.1%	10.0%

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.