



NOT A PRODUCT OF CITI RESEARCH

Daily Market Overview

September 26, 2024

Overnight Headlines:

- The People's Bank of China has made a historic cut to its one-year policy loan rate, reducing it from 2.3% to 2% as part of a broader strategy to rejuvenate the economy. This 30-basis-point reduction is the largest since the introduction of the medium-term lending facility in 2016. The move signals potential additional easing measures aimed at restoring confidence in the world's second-largest economy amid ongoing economic challenges ([BBG](#)).
- New World Development Co., the Hong Kong property developer owned by the Cheng family, is contemplating a leadership change following its first annual loss in 20 years. Reports indicate that Adrian Cheng, the current CEO, may be replaced by COO Ma Siu-Cheung. This decision comes amid significant financial write-downs, and the company is set to announce its financial results soon. No official comment has been made regarding these internal discussions ([BBG](#)).
- Tesla Inc. may be on track for its best quarter ever in China, prompting several banks to raise their delivery estimates for the third quarter. Analysts note a positive trend in sales in this crucial market, which is vital for Tesla's global electric vehicle strategy. With quarterly delivery numbers expected next week, the optimistic projections could ease concerns ahead of an important Robotaxi event ([BBG](#)).

Please click on the following links to view today's indicative pricing sheets:

[CitiFirst MINIs and GSL MINIs \(PDF\)](#)

[CitiFirst MINIs and GSL MINIs \(excel\)](#)

[CitiFirst Instalment MINIs \(PDF\)](#)

Top Warrants by Value and Volume From Last Trading Day:

Warrant Code	Value	Citi	Warrant Code	Volume	Citi
ANZJOB	\$691,813	Citi Buys	ZSIKCE	230,000	Citi Buys
ZGCKOB	\$423,026	Citi Sells	CBAWOR	100,956	Citi Sells
WDSKOE	\$375,344	Citi Buys	NABWOR	78,000	Citi Sells
BHPKOF	\$343,900	Citi Sells	ANZJOB	76,414	Citi Buys
CBAMOB	\$324,755	Citi Buys	CHNKOA	71,714	Citi Buys

Stopped Out Warrants:

Warrant Code	Strike	Stop Loss	Remaining Value	Stop Loss Date	Final Listing Date
FMGKOR	22.5657	19.04	\$3.52	25/09/2024	27/09/2024
NABKCD	34.0039	37.87	\$3.88	25/09/2024	27/09/2024
RIOKOT	139.2619	119.73	\$19.47	25/09/2024	27/09/2024

Overnight Summary:

RATES	
AUS 3yr 96.57 (-5.0bp) AUS 10yr 96.04 (-4.0bp) US 10yr 3.78 (+5.7bp) Bund 10yr 2.18 (+2.7bp)	
<ul style="list-style-type: none"> US: US treasuries declined with a solid 5y auction amid a solid corporate issuance slate including Oracle's four part offering, part of a \$25bn forecasted this week. Early morning saw systematic selling from fast money names in the front end, further supported by the largest block trade on record of \$3mil/DV01 SFRZ4 selling at 9:40am NY time. The 1pm \$70bn 5y auction saw a smooth operation, with a bid to cover ratio of 2.38x paired with a solid non-dealer takedown at 88.5%, leaving dealers with the lowest allocation since last September (at 11.5%). 2y treasuries ended up +5.1bps to 3.559% and the 10y ended up +5.68bps to 3.768% (BBG). EU: European bonds declined, in line with its US counterparts. 2y bunds ended up +2.38bps to 2.118% and the 10y ended up +2.71bps to 2.173%. Front end BTPs outperformed its peers, up +1.35bps to 2.537% and the 10y up +4.49bps to 3.523%, pushing the BTP-bund spread wider by 2bps to 135bps. The OAT-bund spread also ended wider by 3bps to 80bps. 2y gilts ended up +4.25bps to 3.958% and the 5y led underperformance up +6.23bps to 3.832% (BBG). AU: Aussie bond futures bear flattened with the 3y price down -5bps and the 10y down -4.bps. 	
EQUITIES	
S&P500 5,722.26 (-0.19%) Stoxx600 519.14 (-0.11%) FTSE100 8,268.70 (-0.17%)	
<ul style="list-style-type: none"> US equities retreated overnight with the S&P500 (-0.19%) and Dow (-0.70%) both declining while the NASDAQ (+0.04%) eked out a small gain. On the S&P500, Utilities (+0.54%) was the top performing GICS sector while Energy (-1.90%) fell on a weaker oil price. Apple (-0.52%) fell following new data that showed foreign-branded smartphone sales in China, including the iPhone 16, fell in August on an annual basis (WSJ). KB Home (-5.35%) fell after the home builder reported fiscal third-quarter profit of \$2.04 a share, rising from a year earlier but missing Wall Street estimates of \$2.06 (Barron's). Progress Software (+11.85%) 3Q earnings topped analysts' estimates and the company raised its profit and revenue outlook for the fiscal year. Progress Software said it expects adjusted earnings per share of \$4.75 to \$4.85 for the fiscal year on revenue of \$745 million to \$755 	

million. The company previously forecast adjusted earnings per share of \$4.70 to \$4.80 on revenue of \$725 million to \$735 million ([Barron's](#)).

- European equities also tracked lower with a weaker oil price weighing on Energy names. The Stoxx600 was down -0.11% with gains led by Industrials (+0.63%) and losses led by Energy (-2.07%). SAP (-2.44%) fell after Bloomberg News reported late on Tuesday that the U.S. is investigating the company in a civil probe for allegedly conspiring to overcharge government agencies over the course of a decade ([BBG](#)). Valmet Oyj (+11.71%) gained after the Finnish engineering company secured an order worth more than 1 billion euros in Brazil ([Reuters](#)). Bavarian Nordic (+3.87%) rose after the Danish biotech firm said it had received a \$63 million order from the U.S. government to produce additional bulk product and the final freeze-dried doses of its mpox and smallpox vaccine ([Reuters](#)).

FOREIGN EXCHANGE

AUDUSD 0.6823 (-0.82%) | DXY 100.927 (+0.53%) | EURUSD 1.1132 (-0.51%)

- The dollar firmed overnight, up +0.53% as new home sales fell to 716k (v 700k exp) in August from an upwardly revised 751k in July. Going forward, our economists suspect that even with falling rates, a weakening labour market will constrain housing demand for at least a few quarters ([Citi](#)). USDJPY followed US yields higher during the NY session to be up +0.64%. We look ahead to the results of the LDP election on Friday, where a Takaichi win could drive USDJPY higher, as she is against BoJ policy normalization, whereas a Ishiba win could drive spot lower, as he is in favour of BoJ policy normalization ([Citi](#)).
- Both the Aussie and Kiwi bore the impact of the night's dollar strength, down -0.82% and -0.94% respectively. Australia's in-line CPI yesterday didn't help support the currency, while the declines likely also represent somewhat of a giveback of the advances on the back of recent China stimulus measures.

COMMODITIES

Gold 2,657.28 (+0.13%) | WTI 69.69 (-1.99%) | Copper 9813.00 (+0.17%) ^

- **Energy:** Oil prices fell over 2% on Wednesday as concerns over supply disruptions in Libya eased, despite China's latest stimulus plans. However, declining crude inventories in the U.S. and rising tensions in the Middle East provided some support. Brent crude futures dropped \$1.71 (-2.27%) to settle at \$73.46 per barrel, while WTI slipped \$1.87 (-2.61%) to settle at \$69.69 per barrel. Libya's factions signed an agreement on appointing a central bank governor, aiming to resolve disputes affecting oil output and exports ([Reuters](#)). U.S. natural gas futures surged about 3% to a 12-week high amid forecasts of increased demand over the next two weeks and reduced output ahead of Hurricane Helene. The U.S. National Hurricane Center forecast that Helene would strengthen into a major hurricane as it moves across the Gulf of Mexico before making landfall in the Florida Panhandle late on Thursday ([Reuters](#)). About 29% of crude production and 17% of natural gas output in the U.S. Gulf of Mexico were shut in response to Hurricane Helene, according to the U.S. Bureau of Safety and Environmental Enforcement ([Reuters](#)).
- **Metals:** Spot gold edged up 0.1%, trading as high as \$2,670.43 per troy ounce. The XAU/USD pair retreated slightly as the U.S. Dollar strengthened during American trading hours amidst a bearish sentiment on Wall Street, with the Dow Jones Industrial Average losing over 240 points. Gold remained resilient due to its safe-haven appeal, bolstered by escalating geopolitical tensions. U.S. President Joe Biden stated that an all-out war is possible in the Middle East but also mentioned the possibility of a settlement.

Meanwhile, Russian President Vladimir Putin once again threatened the use of nuclear weapons ([FXStreet](#)).

*At time of writing

Overnight Summary					
	Last Price	1d (net)	1d (%)	1m (%)	YTD (%)
Equities					
S&P 500	5,732.93	14.36	0.3%	1.7%	20.2%
Nasdaq	18,074.52	100.25	0.6%	1.1%	20.4%
Dow Jones	42,208.22	83.57	0.2%	2.5%	12.0%
Euro Stoxx 50	4,940.72	55.15	1.1%	0.6%	9.3%
FTSE100	8,282.76	23.05	0.3%	-0.5%	7.1%
TOPIX	2,656.73	14.38	0.5%	-1.0%	12.3%
KOSPI	2,631.68	29.67	1.1%	-2.6%	-0.9%
Shanghai Comp	2,863.13	114.21	4.2%	0.3%	-3.8%
ASX200 Futures	8,230.00	25.00	0.3%	3.1%	8.5%
VIX Index	15.39	-0.50			
Foreign Exchange					
DX	100.3620	-0.61	-0.6%	-0.4%	-1.0%
AUDUSD	0.6894	0.01	0.9%	1.8%	1.2%
EURUSD	1.1179	0.01	0.6%	0.2%	1.3%
GBPUSD	1.3412	0.01	0.5%	1.7%	5.3%
USDJPY	143.2400	-1.19	-0.8%	0.9%	-1.5%
USDCHF	0.8435	0.00	-0.6%	0.5%	-0.2%
Fixed Income - 10y					
	%	bps		bps	bps
Aus (Fut.)	3.90%	-0.50		-2.50	-6.50
United States	3.73%	-2.09		-7.00	-15.01
United Kingdom	3.94%	1.76		2.85	40.99
Germany	2.14%	-0.89		-7.74	12.46
France	2.91%	-2.20		-1.55	35.82
Italy	3.48%	-2.84		-8.79	-21.26
Commodities					
WTI Crude	71.56	1.19	1.7%	-4.4%	-0.1%
Brent Crude	75.15	1.25	1.7%	-4.9%	-2.5%
Copper c/lb	442.95	14.05	3.3%	5.4%	13.9%
Nickel	16,544.00	34.00	0.2%	-1.3%	-0.4%
Zinc US\$/mt	2,885.00	11.00	0.4%	-0.9%	8.5%
Aluminium US\$/mt	2,494.50	9.50	0.4%	-1.9%	4.6%
Iron Ore US\$/mt	93.00	0.40	0.4%	-4.7%	-31.8%
Gold US\$/oz t	2,657.10	28.32	1.1%	5.5%	28.8%
Silver US\$/oz t	32.10	1.23	3.8%	7.3%	34.9%
Bitcoin USD	63,994.94	-232.07	-0.4%	-0.4%	50.5%
Lithium (ETF)	39.47	2.21	5.9%	4.7%	-22.5%
DLCs					
	Last Price	Aud Price			Spread
Rio PLC	5,049.00	98.23	4.5%	6.0%	18.5%
South 32 - Lon	171.50	3.34	5.6%	9.0%	-0.2%
South 32 - J'burg	3,750.00	3.15	0.8%	1.6%	5.7%
Janus Henderson	38.68	56.11	0.8%	3.8%	#VALUE!
Virgin Money	217.20	4.23	0.1%	0.7%	0.6%
NWS A	26.71	38.74	0.8%	-5.1%	4.8%
ADRs					
	Last Price	Aud Price			Spread
BHP	57.35	41.59	5.1%	3.9%	-1.1%
Rio	67.42	97.80	4.4%	7.0%	19.1%
CSL	99.43	288.45	-0.2%	-5.9%	-0.3%
James Hardie	38.99	56.56	0.8%	9.2%	0.2%
ResMed	247.15	35.85	0.4%	9.0%	-0.4%
Amcor	11.19	16.23	1.0%	0.8%	-0.4%
Square	67.54	97.97	-0.4%	3.3%	1.7%

Source: Bloomberg

Citifirst Warrants

1300 30 70 70

citifirst.warrants@citi.com

For further information please contact the CitiFirst Sales desk on 1300 30 70 70. To unsubscribe, please email citifirst.warrants@citi.com.

DISCLAIMER

General:

This communication is provided in Australia by Citigroup Global Markets Australia Pty Limited (ABN 64 003 114 832 and AFSL 240992, Participant of the ASX Group and of Cboe Australia), Citigroup Pty Limited (ABN 88 004 325 080, AFSL No. 238098) and/or Citibank, N.A., Sydney Branch (ARBN 34 072 814 058). Citigroup Global Markets Australia Pty Limited (CGMA) is not an Authorised Deposit-Taking Institution under the Banking Act 1959, nor is it regulated by the Australian Prudential Regulation Authority, neither Citigroup Pty Limited, Citibank NA nor any other Authorised Deposit-Taking Institution guarantees the performance or obligations of CGMA. If you invest with CGMA you will be exposed to counterparty credit risk of CGMA which could give rise to delays in repayment and/or the loss of income or principal amounts invested.

Although the information contained herein is based upon generally available information and has been obtained from sources believed to be reliable, we do not guarantee its accuracy, and such information may be incomplete or condensed. CGMA makes no representation or warranty as to the appropriateness of the material for use in jurisdictions other than in Australia. The material on this website, including any pricing, opinions or estimates is subject to change without notice to you and we are not required to update the information. CGMA does not represent or warrant that this website functions without error or interruption.

Any price indications or market quotations (for example, in relation to the financial products or any relevant underlying) are provided solely for your information. Such prices, bids, quotations are not firm bids or offers and may not reflect current prices, due to delays in transmission or otherwise. Nothing in this website shall form the basis of or be relied on in connection with any transaction you enter into, other than as explicitly specified in the relevant Product Disclosure Statement.

The information provided on or via this website is provided for informational purposes only and should not be construed as a recommendation or an offer to buy or sell any product or to enter into any particular transaction. The information does not take into account the investment objectives or financial situation of any particular person. Investors should be aware that there are risks of investing and that prices both rise and fall. Past performance is not a reliable indicator of future performance. Investors should seek their own independent financial advice based on their own circumstances before making a decision. The terms set forth herein are intended for discussion purposes only and subject to the final expression of the terms of a transaction as set forth in a definitive agreement and/or confirmation. Before entering into a transaction, you should ensure that you fully understand the terms of the transaction, relevant risk factors, the nature and extent of your risk of loss and the nature of the contractual relationship into which you are entering and you should carefully read the relevant Product Disclosure Statement for the product before making any decision to invest. You should also carefully evaluate whether the transaction is appropriate for you in light of your experience, objectives, financial resources, and other relevant circumstances and whether you have the operational resources in place to monitor the associated risks and contractual obligations over the term of the transaction. A copy of the relevant Product Disclosure Statement for any product issued by CGMA is available by contacting us on 1300 30 70 70 or on the Product Disclosure Statements section of this website.

The ultimate decision to proceed with any transaction rests solely with you. We are not acting as your advisor or agent. Therefore prior to entering into the proposed transaction you should determine, without reliance upon us or our affiliates, the economic risks and merits, as well as the legal, tax and accounting characterizations and consequences of the transaction, and independently determine that you are able to assume these risks. In this regard, by acceptance of these materials, you acknowledge that you have been advised that (a) we are not in the business of providing legal, tax or accounting advice, (b) you understand that there may be legal, tax or accounting risks associated with the transaction, (c) you should receive legal, tax and accounting advice from advisors with appropriate expertise to assess relevant risks, and (d) you should apprise senior management in your organization as to the legal, tax and accounting advice (and, if acceptable, risks) associated with this transaction and our disclaimers as to these matters. If you are acting as a financial adviser or agent, you should evaluate these considerations in light of the circumstances applicable to your principal and the scope of your authority. If you believe you need assistance in evaluating and understanding the terms or risks of a particular derivative transaction, you should consult appropriate advisers before entering into the transaction.

Citi is affiliated with Citibank NA and its subsidiaries and branches worldwide (collectively "Citi"). Despite those affiliations, any financial products offered, or sold by CGMA: (i) are not insured by the Federal Deposit Insurance Corporation; (ii) are not deposits or other obligations of any insured depository institution (including Citi); and (iii) are subject to investment risks, including the loss of the investment amount. Financial products issued by CGMA do not represent a deposit or other liability of Citigroup Pty Limited or Citibank NA and these entities do not stand in any way behind the credit and/or performance of other Citi entities such as CGMA. Conflicts: We and/or our affiliates (together, the "Firm") may from time to time take proprietary positions and/or make a market in instruments identical or economically related to derivative transactions entered into with you, or may have an investment banking or other commercial relationship with and access to information from the issuer(s) of financial products underlying derivative transactions entered into with you. We may also undertake proprietary activities, including hedging transactions related to the initiation or termination of a derivative transaction with you, that may adversely affect the market price, rate, index or other market factors(s) underlying a derivative transaction entered into with you and consequently the value of the transaction.

No liability for content or arising from use: None of Citigroup Global Markets CGMA or its employees, officers, representatives, agents or contractors shall be liable for any loss, liability, damage, cost or expense, whether direct, indirect, special, incidental, consequential, punitive, or exemplary, including (but not limited to) loss of profits, in connection with or arising in any way from: (i) any defects, viruses and any other malfunctions caused to any equipment and other software in connection with access or use of this website; (ii) the

information provided on or via this website; (iii) the interception, modification or misuse of information transmitted to CGMA or transmitted to you; (iv) the functioning or non-availability of this website; (v) the misuse of this website; (vi) the loss of data; (vii) downloading or use of any software made available by this website; or (viii) claims of third parties in connection with the use of this website.

Citi specifically prohibits the redistribution of this website in whole or in part without the written permission of Citi and Citi accepts no liability whatsoever for the actions of third parties in this respect.

Copyright © 2024 Citigroup Inc. and/or its affiliates. All rights reserved. CITI, CITI and Arc Design, CITIBANK and CITIGROUP are trademarks and service marks of Citigroup Inc. and/or its affiliates and are used and registered throughout the world