



CitiFirst Warrants (Australia)

NOT A PRODUCT OF CITI RESEARCH

Daily Market Overview

September 5, 2024

Overnight Headlines:

- Starlink has backtracked on its initial refusal to comply with a Brazilian Supreme Court order, after the court froze their assets. They have now agreed to block X, with the legal action stemming from fines on X for hosting accounts accused of spreading hate speech ([BBG](#)).
- US job openings dropped to a 3.5 year low in July, falling to a lower than expected 7.673mil from a revised 7.91mil. The JOLTS report also indicated layoffs rising to 1.762mil, the highest since March 2023. Markets look towards Friday's NFP payrolls number to build a better understanding of the US labour market ([BBG](#)).
- Kamala Harris has announced her intention to push a 28% capital gains tax rate on \$1mil earners, up from the current 20%. This is a reduction from the 39.6% rate that Joe Biden had originally put forward. She noted "while we ensure that the wealth and big corporations pay their fair share, we will tax capital gains at a rate that rewards investment in America's innovators, founders and small businesses ([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 Traded Warrants By Value and Volume From Last Trading Day

Warrant Code	Value	Citi	Warrant Code	Volume	Citi
XJOKCQ	\$903,213	Citi Buys	DEGKCA	358,600	Citi Sells

SPFKCW	\$783,580	Citi Buys	INGKOD	203,000	Citi Sells
MINKOY	\$706,761	Citi Buys	XJOVOA	200,000	Intraday
XJOKCA	\$649,255	Citi Sells	CIAJOE	154,000	Citi Sells
XJOKCO	\$562,728	Intraday	PLSKCF	153,000	Citi Buys

Stopped Out Warrants:

Warrant Code	Strike	Stop Loss	Remaining Value	Stop Loss Date	Final Listing Date
BOEKOA	2.1685	2.49	\$0.315	4/09/2024	6/09/2024
DRRJCA	3.1005	3.57	\$0.310	4/09/2024	6/09/2024
FMGJOL	14.2045	16.32	\$1.960	4/09/2024	6/09/2024
FMGKOE	14.3160	16.59	\$1.930	4/09/2024	6/09/2024
LTRKOB	0.4841	0.6	\$0.120	4/09/2024	6/09/2024
MP1KOA	7.0200	8.06	\$0.715	4/09/2024	6/09/2024
NDXKOJ	17978.1572	18872	\$13.110	4/09/2024	6/09/2024
PDNKOD	7.1313	8.91	\$1.650	4/09/2024	6/09/2024
PLSJOC	2.1361	2.67	\$0.530	4/09/2024	6/09/2024
PRUKOD	2.0172	2.42	\$0.390	4/09/2024	6/09/2024
RIOJCC	91.7585	105.47	\$13.480	4/09/2024	6/09/2024
WESKOE	60.6904	69.92	\$9.110	4/09/2024	6/09/2024
WHCKCB	4.9143	6.17	\$1.205	4/09/2024	6/09/2024
XJOKCB	7517.7916	7966	\$4.400	4/09/2024	6/09/2024

Overnight Summary:

RATES
AUS 3yr 96.49 (+5.0bp) AUS 10yr 96.09 (+4.5bp) US 10yr 3.76 (-7.6bp) Bund 10yr 2.22 (-5.3bp)
<ul style="list-style-type: none"> US: US treasuries advanced following softer than expected July JOLTS data, at a 3.5 year low at 7.373mil. Fed OIS dated swaps were added to with 34bps priced for September and 32bps at Tuesday's close. A combined 108bps of cuts by year-end, extended from 101bps on Tuesday. Front-end led gains with the 2y down -10.92bps to 3.754% and the 10y down -7.58bps to 3.755%. Following the morning's soft JOLTS print, the 5s30s and 2s10s steepened too session wides. BoC cut rates as expected by 25bps, causing a slight paring of Canadian gains with the 10y down -6.1bps to 3.002%. The Fed's reverse repo operation saw 64 counterparties, with significant demand for the 10y and 20y tenors, with expectations of a volatile repo

market in September ([BBG](#)). The market looks towards Friday's payrolls number, where Citi's rates strategy believes that a release in line with consensus will lead to a higher rate from current levels, on relief that the labour market is not deteriorating. Otherwise, a weak payrolls report may see yields as low from Aug 5 (3.66% in 10s) ([Citi](#)).

- **EU:** European bonds advanced, led by the belly of the curve as US JOLTS data printed softer, as markets continue to add ECB rate cut wagers for 2024 year. ECB dated OIS ended the day at 61bps of cuts for year-end and 166bps by end of 2025 (vs 161bps at yesterday's close), the most in a month. 2y bunds ended -5.59bps lower to 2.32% and the 5y ended -5.93bps to 2.109%. The BTP-bund spread tightened by -3bps to 144bps, with BTPs outperforming its euro-area peers. The 2y ended -9.89bps lower to 2.773% and the 10y ended -8.56bps lower to 3.656%. Similarly, gilts rallied led by the belly with money markets betting on BOE rate cut wagers to 43bps to year-end and 136bps by year-end ([BBG](#)).
- **AU:** Aussie bond futures bull steepened with the 3y price up +5bps and the 10y up +4.5bps.

EQUITIES

S&P500 5,520.07 (-0.16%) | Stoxx600 514.82 (-0.97%) | FTSE100 8,269.60 (-0.35%)

- US equities posted a small loss overnight following a day of choppy trading as Labor Department data showed US job openings fell to a 3.5yr low. The S&P500 (-0.16%) and NASDAQ (-0.30%) edged lower while the Dow (+0.09%) posted a slight gain. On the S&P500, Utilities (+0.85%) was the top performing GICS sector while Energy (-1.42%) lagged. Nvidia (-1.66%) continued to fall following yesterday's \$US378.9bn loss. The company also denied a media report that it received a subpoena from the US DoJ for an antitrust probe. Antitrust officials worry that Nvidia is making it hard for customers to switch to rival suppliers and punish those that don't only use its AI chips. The DoJ probe includes Nvidia's planned acquisition of RunAI, which makes software for managing AI computing ([IBD](#)). Other megacap names including Apple (-0.86%), Alphabet (-0.58%) and Microsoft (-0.13%) fell. Tesla (+4.18%) posted a gain after declining yesterday on reports the EV maker is set to produce a six-seater version of its Model Y ([Reuters](#)). AMD (+2.87%) rose with the company naming former Nvidia executive Keith Strier as senior VP of Global AI Markets ([Reuters](#)). Dollar Tree (-22.16%) fell with the discount store trimming annual EPS forecasts. The company sees annual adjusted earnings per share in the range of \$5.20 to \$5.60, compared with its prior forecast range of \$6.50 to \$7 per share with the company saying 2Q sales weakness was partially attributable to a "financially constrained" core customer. Shares of the company are down ~50% YTD ([Barron's](#)).
- European markets were also weaker overnight with the Stoxx600 (-0.97%) falling on weakness in technology stocks and concerns of a slowdown in the US. Real Estate (+0.91%) posted the largest percentage point gain of the GICS sectors while Information Technology (-3.70%) led losses. With Chinese manufacturing activity falling to a six-month low in August, luxury stocks including Burberry (-4.53%), Christian Dior (-3.06%) and LVMH Holdings (-2.7%) fell. ASML Holding (-4.01%) fell on broader tech sector weakness. Volvo Cars (-5.88%) fell with the automaker scrapping targets of offering only electric vehicles by 2030 ([Reuters](#)).

FOREIGN EXCHANGE

AUDUSD 0.6723 (+0.25%) | DXY 101.286 (-0.30%) | EURUSD 1.1083 (+0.21%)

- The rest of the G10 complex was well bid against the dollar overnight (DXY -0.30%) after the July JOLTs report showed that job openings fell from 8184k in June to a below-consensus 7673k in July, the lowest level since early 2021. There are caveats to the weakness - June openings were revised lower by 0.27mn and the hiring rate actually rose to 3.5% from 3.3% prior. However, if Friday's jobs report confirms the softening labour market, our economists expect the Fed to cut rates by 50bp in September, and again by 50bp in November as the labour market continues to weaken ([Citi](#)). USDJPY followed the rally in USTs, declining -0.79% to below 144. Flow-wise, NY voice sales saw RM selling USDJPY, prior to JOLTS and not much after interestingly, with the rest of the session being pretty quiet.
- The Aussie and Kiwi dollars were up +0.25% and +0.23% respectively despite softness across other risk assets, with UST/USD moves being the main drivers overnight. Our eTrading desk saw above-average interest to buy AUDUSD and chase the moves higher, with no one particular client base standing out ([Citi](#)). Bullock will speak today, where she should retain a hawkish bias, supported by the recent CPI beat.
- The EUR moved +0.21% higher to 1.1083 on little to no catalysts aside from moves in the USD while the pound moved +0.27% higher.

COMMODITIES

Gold 2,495.29 (+0.46%) | WTI 69.20 (-0.27%) | Copper 8960.00 (+0.07%) ^

- **Energy:** Crude oil prices fell on pessimism about demand in the coming months as crude producers offered mixed signals about supply increases. Cooling data from the U.S. and China have added to expectations for a weaker global economy. U.S. crude settled down 1.6% at around ~\$69.20/bbl while Brent settled at ~\$72.70/bbl, down 1.4% ([Reuters](#)). Crude futures fell by more than \$1 a barrel on Wednesday in see-saw trading, with traders worried about demand in coming months as crude producers offered mixed signals about supply increases ([Reuters](#)).
- **Metals:** Gold prices reversed course to gain on Wednesday, helped by a softer dollar and lower yields after falling U.S. job openings signalled a possibility of an over-sized rate cut from the U.S. Federal Reserve at its policy meeting this month. Meanwhile, spot silver rose ~0.5%, platinum gained ~0.5% and palladium dipped nearly 1% ([Reuters](#)).

Overnight Summary					
	Last Price	1d (net)	1d (%)	1m (%)	YTD (%)
Equities					
S&P 500	5,520.07	-8.86	-0.2%	3.2%	15.7%
Nasdaq	17,084.30	-52.00	-0.3%	1.8%	13.8%
Dow Jones	40,974.97	38.04	0.1%	3.1%	8.7%
Euro Stoxx 50	4,848.18	-64.34	-1.3%	4.5%	7.2%
FTSE100	8,269.60	-28.86	-0.3%	1.2%	6.9%
TOPIX	2,633.49	-99.78	-3.7%	18.2%	11.3%
KOSPI	2,580.80	-83.83	-3.1%	5.7%	-2.8%
Shanghai Comp	2,784.28	-18.70	-0.7%	-2.7%	-6.4%
ASX200 Futures	7,940.00	2.00	0.0%	4.4%	4.7%
VIX Index	21.32	0.60			
Foreign Exchange					
DX	101.2780	-0.35	-0.3%	-1.9%	-0.1%
AUDUSD	0.6724	0.00	0.2%	3.5%	-1.3%
EURUSD	1.1083	0.00	0.3%	1.2%	0.4%
GBPUSD	1.3148	0.00	0.3%	2.9%	3.3%
USDJPY	143.6400	-1.24	-0.9%	0.4%	-1.8%
USDCHE	0.8465	0.00	-0.2%	0.7%	-0.6%
Fixed Income - 10y	%	bps		bps	bps
Aus (Fut.)	3.91%	-4.50		5.00	-5.00
United States	3.76%	-7.58		-3.31	-12.38
United Kingdom	3.93%	-5.52		6.60	40.40
Germany	2.22%	-5.29		3.49	20.11
France	2.93%	-6.73		-5.00	37.52
Italy	3.65%	-8.58		-2.69	-3.49
Commodities					
WTI Crude	69.20	-1.14	-1.6%	-5.9%	-3.4%
Brent Crude	72.70	-1.05	-1.4%	-5.4%	-5.6%
Copper c/lb	401.95	-1.25	-0.3%	-2.0%	3.3%
Nickel	16,462.00	-163.00	-1.0%	1.2%	-0.8%
Zinc US\$/mt	2,846.00	5.00	0.2%	7.3%	7.1%
Aluminium US\$/mt	2,407.50	-16.50	-0.7%	6.4%	1.0%
Iron Ore US\$/mt	92.75	0.22	0.2%	-10.6%	-32.0%
Gold US\$/oz t	2,495.29	11.12	0.4%	3.5%	21.0%
Silver US\$/oz t	28.27	0.43	1.5%	3.7%	18.8%
Bitcoin USD	58,023.24	-20.44	0.0%	6.7%	36.5%
Lithium (ETF)	36.72	0.09	0.2%	-1.5%	-27.9%
DLCs	Last Price	Aud Price			Spread
Rio PLC	4,581.00	89.57	-0.3%	-7.4%	18.0%
South 32 - Lon	153.70	3.01	-0.3%	1.3%	-0.2%
South 32 - J'burg	3,584.00	2.98	-0.6%	0.7%	0.5%
Virgin Money	215.60	4.22	-0.2%	0.3%	-0.4%
NWS A	27.14	40.36	0.6%	3.2%	3.1%
ADRs	Last Price	Aud Price			Spread
BHP	52.25	38.85	-0.2%	-3.3%	-0.5%
Rio	60.09	89.37	-0.4%	-5.6%	18.3%
CSL	102.44	304.70	-1.5%	4.8%	-0.2%
James Hardie	36.90	54.88	0.2%	9.1%	0.3%
ResMed	244.75	36.40	-0.1%	9.4%	-0.5%
Amcor	11.33	16.85	0.2%	7.7%	-0.5%
Square	64.08	95.30	-0.1%	6.1%	-0.2%

*At time of writing

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