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Daily Market Overview

January 08 2025

- Donald Trump announces a US\$20B commitment from Chairman of Damac Group Hussain Sajwani to build US data centres. Trump outlined plans for the deal's first phase across Texas, Arizona, Oklahoma, Louisiana, Ohio, Illinois, Michigan and Indiana. At a press conference in Florida, Trump said, "The investment will support massive new data centres across the Midwest, the Sun Belt area, and also to keep America on the cutting edge of technology and artificial intelligence" ([BBG](#)).
- On the topic of Trump, the president-elect has threatened Denmark with high tariffs as an attempt to drive Greenland under US control. During his announcement, he also refused to rule out military action over Greenland territory or the Panama Canal. Furthermore, Trump spoke of employing 'economic force' to persuade Canada in becoming the 51st state ([MSN](#)).
- US job openings increased to 8.1M in November 2024, beating market consensus set at 7.7M ([BBG](#)). This unexpected outcome defies expectation of a labour market slowdown and is the highest surge in job openings since May 2023. On the other hand, the Labor Department's JOLT report also stated hiring fell to 5.27M from 5.39M in October 2024, and the quits rate fell to 1.9% from 2.1%, showing a decline in worker confidence ([AP](#)).

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
CIAJOB	\$309,228	Citi Buys	CIAJOB	306,350	Citi Buys
XJOKCO	\$301,040	Citi Buys	BGLKOB	191,041	Citi Buys
WBCKCZ	\$293,916	Citi Sells	SGRKCB	100,000	Citi Sells
XJOKCT	\$253,050	Citi Sells	FMGJOA	64,300	Citi Sells
FMGJOA	\$249,274	Intraday	BHPKOD	44,872	Citi Buys

Stopped Out Warrants:

Warrant Code	Strike	Stop Loss	Remaining Value	Stop Loss Date	Final Listing Date
RIOKOC	100.3258	114.2	\$13.620	7/01/2025	9/01/2025

Overnight Summary:

RATES
AUS 3yr 96.03 (-4.0bp) AUS 10yr 95.44 (-5.5bp) US 10yr 4.69 (+5.7bp) Bund 10yr 2.48 (+3.6bp)
<ul style="list-style-type: none"> • US: USTs bear steepened overnight following the 10y auction which drew its highest yield since 2007, as well as ISM Services PMI printing at 54.1 above 53.5 consensus. 10y yields were +6.11bps to 4.691% with the auction yield of 4.68%, 2.2bps higher than the pre-issued yield. Comparing to the previous 10y auction where the yield was 4.235% and bid-to-cover ratio of 2.70x vs 2.53x yesterday, the market is clearly pricing in stickier inflation and economic resilience, drawing less FOMC cuts. (BBG). Elsewhere, the US trade deficit widened on its largest jump in imports since 2022, as companies accelerated shipments ahead of potential Trump tariffs. (BBG). 2y yields were +1.87bps to 4.29% and the 2s10s curve steepened 3.63bps, whilst Trump continued his tariff threats, this time on Denmark, to try gain control of Greenland. Markets have pushed back FOMC pricing with the first cut now fully priced by the July meeting and only -38bps of easing in 2025, down 3bps from yesterday. (Citi). • EU: European bonds mirrored UST moves, bear steepening overnight, following CPI estimates printing in line at 2.4% Y/Y. The rise in inflation was driven by energy prices which rose for the first time in July with core CPI at 2.7%, driven by services inflation rising to 4%. However there was little change in yields following the data with 2y Bunds moving only 1bp lower. (BBG). The ECB is fully priced for a January cut with -51.5bps of easing priced into the next two meetings. (Citi). Bunds front-end was little changed overnight, however 10y yields were +3.53bps similar to OATs 10y which were +4.04bps, on the back of UST 10y moves. In the UK, back-end yields continued to rise past its 1998 highs with 10y Gilts +7.31bps and 30y yields +6.78bps, echoing the belief that Chancellor Reeves will need to raise taxes to meet her fiscal spending. (BBG). • AU: Aussie bond futures bear steepened overnight with 3y prices-4bps and 10y prices -5.50bps. Aus Monthly CPI is out today at 11:30am.

EQUITIES

S&P500 5,928.50 (-0.78%) | Stoxx600 514.67 (+0.32%) | FTSE100 8,245.28 (-0.05%)

- **US:** US shares fell yesterday with the S&P 500 (-0.78%) falling after the service PMI and JOLTs prints came in above expectations, showing signs that the Fed could rethink their pace of easing. The ISM Service PMI numbers came in at 54.1, which was above expectations of 52.1 and the JOLTs was at 8.098m, which was above expectations of 7.839m. Among the GICS sector, Energy (+1.26%) was the top performer due to a rise in oil prices while Consumer Discretionary (-2.07%) led the decline. Among the Individual names, Moderna (+12.57%) grew after the first human death was reported due to the bird flu. With Moderna being one of the few drugmakers currently developing a Vaccine for this bird flu, their stocks grew on Tuesday([Barrons](#)). Additionally, Cintas (+2.31%) grew after the company proposed to acquire UniFirst for a US\$5.3 m cash offer ([BBG](#)). On the other hand, Apollo Global Management (-3.96%) fell after GFI Environmental agreed to sell its environmental services division for US\$8 bn which Apollo Global Management have invested in ([MSN](#)). Additionally, Technology stocks such as Nvidia (-5.83%) and Plantar Technologies (-7.88%) fell after the treasury yields rose yesterday.
- **EU:** European stocks rose yesterday, with the Stoxx600 (+0.32%) rising despite the MoM December inflation rate in the Euro area coming in 0.7% above market expectations. Among the GICS sector, Energy (+1.04%) was the top performing sector after Oil prices rose while Real Estate (-0.61%) led the decline. Among the individual names, UK clothing retailer Next PLC (+3.75%) rose after their full price sales growth forecast for FY25/26 grew by 3.6% after their sales growth came in 6% above market expectations for the last quarter of 2024 ([Reuters](#)). Additionally, Frontline PLC (+10.34%) grew after the oil price grew yesterday ([MSN](#)). On the other hand, French food caterer Sodexo (-6.20%) fell after the company reported its consolidated revenue was €6.4 bn in the three months through November, compared with the €6.5 billion expected by market ([Reuters](#)).

FOREIGN EXCHANGE

AUDUSD 0.6241 (-0.40%) | DXY 108.565 (+0.39%) | EURUSD 1.0358 (-0.42%)

- Yesterday the DXY grew +0.39% to 108.565. Net flows were contradicting for the dollar with investors buying into the currency while corporate clients were selling off ([Citi](#)). The USDJPY pair sat unchanged at 157.79. Market reactions were mixed through juxtaposed US data with strong ISM and JOLTS in the morning followed by a mediocre bond auction in the afternoon. Tomorrow, ADP and initial jobless claims reports loom as the next potential injection of volatility into the pair ([BBG](#)).
- AUDUSD dropped -0.4% to 0.6241. The pair edges lower as speculation cools that a narrower scope for higher American tariffs would be less damaging to the US's trading partners including Australia ([BBG](#)). NZDUSD similarly dropped -0.41% to 0.5642. Net flows were negative with hedge funds and other leveraged companies providing the majority proportion in selling off the currency ([Citi](#)).
- The EURUSD pair also fell -0.42% to 1.0358. A further decline is expected with traders seeing Euro hitting dollar parity as soon as this month. The ECB stated Inflation

expectations of consumers in the euro area increased in November, with Euro-area realised inflation also accelerated last month, supporting the ECB's gradual approach to reducing interest rates, without derailing them altogether. The GBPUSD exchange rate concurrently dropped -0.40% to 1.2493 ([BBG](#)).

COMMODITIES

Gold 2,649.87 (+0.16%) | WTI 74.43 (+1.26%) | Copper 9003.00 (0.00%) ^

- **Energy:** Oil prices saw notable gains overnight with Brent finishing at \$77.21 (+1.18%) and WTI at \$74.43 (+1.26%). The primary driver of this move was concerns regarding western sanctions on both Russia and Iran tightening supply going forward. Concerns over these sanctions were seen in increased demand for Middle Eastern oil which is reflected in the increase in Saudi Arabian Feb prices to Asia – first increase in three months. In China, Shandong Port Group also banned US-sanctioned oil vessels from its ports which further prompt upward pressure on prices as China continues its efforts to stimulate growth. Meanwhile, colder than expected in both the US and Europe is continuing to support prices as well ([Reuters](#)).
- **Metals:** Spot Gold edged higher overnight by 0.16% to finish at \$2,649.87. Gold continued its resilience due to a selloff in the USD which rebounded amidst diminishing odds of rate cuts from the Federal Reserve due to a rise in US job openings. Historically, this period has also shown an anomalous premium on gold prices due to increased demand for jewellery during Chinese New Year. This was further supported by data which showed that China's central bank added to its gold reserves in December for the second straight month. Spot Silver meanwhile shed 0.10% to finish at \$30.12, while platinum rose 1.8% to \$949.74, and Palladium increased by 0.3% to finish at \$923.25 ([Reuters](#)).

Overnight Summary					
	Last Price	1d (net)	1d (%)	1m (%)	YTD (%)
Equities					
S&P 500	5,909.03	-66.35	-1.1%	-3.0%	0.5%
Nasdaq	19,489.68	-375.30	-1.9%	-1.9%	0.9%
Dow Jones	42,528.36	-178.20	-0.4%	-4.7%	0.0%
Euro Stoxx 50	5,011.82	25.18	0.5%	0.7%	2.4%
FTSE100	8,245.28	-4.38	-0.1%	-0.8%	0.9%
TOPIX	2,786.57	30.19	1.1%	2.2%	0.1%
KOSPI	2,492.10	3.46	0.1%	2.6%	3.9%
Shanghai Comp	3,229.64	22.72	0.7%	-5.1%	-3.6%
ASX200 Futures	8,259.00	-10.00	-0.1%	-2.2%	1.4%
VIX Index	17.82	1.78			
Foreign Exchange					
DXY	108.6880	0.51	0.5%	2.5%	0.2%
AUDUSD	0.6232	0.00	-0.6%	-3.2%	0.7%
EURUSD	1.0341	-0.01	-0.5%	-2.0%	-0.1%
GBPUSD	1.2479	-0.01	-0.5%	-2.1%	-0.3%
USDJPY	158.0700	0.20	0.1%	-4.3%	-0.6%
USDCHF	0.9097	0.01	0.6%	-3.4%	-0.3%
Fixed Income - 10y	%	bps		bps	bps
Aus (Fut.)	4.57%	5.50		33.50	17.00
United States	4.69%	5.51		53.21	11.40
United Kingdom	4.68%	7.33		40.84	11.79
Germany	#VALUE!	#N/A	N/A	34.00	8.13
France	3.30%	4.04		42.30	10.56
Italy	3.63%	5.80		43.66	10.80
Commodities					
WTI Crude	74.41	0.85	1.2%	10.7%	3.8%

*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.

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