



## CitiFirst Warrants (Australia)

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# Daily Market Overview

March 5, 2024

### Overnight Headlines:

- China's Premier Li has opted to not include a press conference following the annual briefing, the first in 30 years. It is expected that Beijing will unveil a ~5% GDP target, amid fears of an economic slowdown ([BBG](#)).
- Apple fined \$3bn by the EU after an anti-trust case, instigated by Spotify. The case comes after Apple broke the bloc's competition laws by unfairly favouring their own music streaming service. Apple claims it will challenge the EU'S decision in court ([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
<b>NDXKOU</b>	\$845,852	Citi Sells	<b>PL8JCA</b>	282,600	Citi Buys
<b>XJOMOZ</b>	\$486,168	Citi Buys	<b>PDNKOA</b>	219,736	Citi Sells
<b>QANJOB</b>	\$474,000	Citi Buys	<b>QANJOB</b>	200,000	Citi Sells
<b>SUNJOI</b>	\$457,193	Citi Buys	<b>LTRKOG</b>	134,000	Citi Sells
<b>XJOKOA</b>	\$296,400	Citi Buys	<b>PLSKCD</b>	123,200	Citi Buys

### Stopped Out Warrants:

Warrant Code	Strike	Stop Loss	Remaining Value	Stop Loss Date	Final Listing Date
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<b>CBAKOY</b>	134.0932	118	\$16.05	4/03/2024	6/03/2024
<b>PLSKCQ</b>	5.6762	4.54	\$1.135	4/03/2024	6/03/2024
<b>WBCKOW</b>	30.2686	26.64	\$3.61	4/03/2024	6/03/2024

## Overnight Summary:

### RATES

**AUS 3yr 96.30 (-2.0bp) | AUS 10yr 95.88 (-0.5bp) | US 10yr 4.22 (+3.9bp) | Bund 10yr 2.39 (-2.2bp)**

- US treasuries bear flattened in the buildup to the Fed Chair Jerome Powell's two-day Congressional testimony starting Wednesday. The Fed Bank of Atlanta President Raphael Bostic said he expects the Fed's first cut, which he pencilled in for the third quarter, will be followed by a pause, extending front-end losses. The flattening move extended out the curve with the 5s30s spread on session lows and tighter by 2.5bps compared to Friday close. Heavy corporate issuance also weighed on Treasuries including a range of multi-tranche offerings, expected to be front-end loaded ([BBG](#)). The 10y yield sold off by +3.72bps to 4.217%, whilst the 2y yield underperformed by +7.25bps to 4.604%.
- European bonds had a mixed session with bunds twist flattening, whilst gilts underperformed as traders pulled BOE rate cut bets back ahead of the UK budget on Wednesday, with the market closely following for signs that the UK's fiscal plans may drive inflation higher. Belgium retail-bond issuance drew weak interest, with less than €500m orders, a fraction of the demand the securities saw at a similar auction last year. Bund yields saw the 2y up +1.26bps to 2.899%, whilst the 10y yield rallied by -2.18bps to 2.39%. BTPs bull steepened with the 2y rallying by -2.46bps to 3.442% and the 10y yield outperforming by -8.18bps to 3.801%, tightening the BTP-bund spread by -6bps to 142bps. Gilts saw the front-end sell off with 2y yields up +2.78bps to 4.304% and the 10y up +0.31bps to 4.115% as traders cut BOE rate cuts to 59bps of easing by December, compared to 66bps at the start of the session ([BBG](#)).

### EQUITIES

**S&P500 5,136.81 (-0.01%) | Stoxx600 497.41 (-0.03%) | FTSE100 7,640.33 (-0.55%)**

- US markets have traded sideways at the time of writing with very marginal changes in all major indices. The S&P500 is down -0.01%, the NASDAQ is up +0.01% while the Dow Jones is down -0.03%. Sector-wise, Utilities is the best performing sector at the time of writing and is up +1.29% while Communication Services is the worst performer down -1.21%. AI server maker Super Micro Computer gained 24.1% after the S&P Dow Jones Indices said on Friday last week that the company will be added to the S&P500 before the opening of trade on March 18 ([Reuters](#)). Macy's jumped 16.2% after real-estate-

focused investing company Arkhouse Management raised its offer for the American department store chain. Arkhouse is now offering USD\$24 per share, a 14% increase on the previous offer of USD\$21 per share ([Reuters](#)). Meanwhile, JetBlue and Spirit Airlines have called off a USD\$3.8 billion merger after a U.S. judge blocked the deal over anti-competition concerns. The deal would have created the fifth-largest U.S. carrier but was blocked following the judge's comments that it would hurt consumers. Following the news, beleaguered carrier Spirit Airlines has seen its share price fall 14% at the time of writing as the ultra-low-cost carrier faces weak demand in key markets ([Reuters](#)).

- European markets have seen slightly more noticeable declines compared to their US counterparts with the Stoxx600 down -0.03% while the FTSE100 is down -0.55%. On the FTSE100, only Information Technology and Industrials closed in the green up +0.38% and +0.03% respectively. The remaining 10 sectors closed down with Energy the worst performing sector down -1.05%. It was a similar story on the Stoxx600 which saw only 3 of the 11 sectors close in the green. Information Technology led the gains and finished up +1.24% while Real Estate was the biggest drag and closed down -0.94%. Swedish aerospace and defence company Saab rose 4.1% on news that the company had signed a contract with the Polish Ministry of Defence for training equipment ([BBG](#)). Ocado shares continued to fall again on Monday as investors continue to mull over a spat with joint-venture partner Marks & Spencer. Ocado argues that the contractual agreement between the pair allows for automatic payment of the contingent consideration even if Ocado fails to meet performance measures required for the payment. The shares closed down -6.51% ([BBG](#)).

#### FOREIGN EXCHANGE

**AUDUSD 0.6511 (-0.12%) | DXY 103.837 (-0.04%) | EURUSD 1.0858 (+0.13%)**

- The Dollar traded mixed overnight (DXY -0.04%) with traders seemingly preferring to wait for this week's batch of jobs data and remarks from Fed officials before making big bets. Fed's Bostic suggested overnight that the first Fed cut could be followed by a pause - a policy step that markets were not previously considering. Only 1bps of cuts were removed from Fed pricing, explaining the limited impact on USD pairs. Key this week will be labour data for the dollar, our FX strats noted that the employment subcomponent of ISM services will be a good predictor of Friday's payrolls print. Our econ team is below consensus on payrolls, expecting a 145k print v 200k consensus and 353k previously. They highlight however that a beat in ISM as well as higher JOLTS and/or still-low jobless claims, would add upside risks. The Dollar outperformed against the Yen on the back of 8% overnight Volatility as markets await Tokyo inflation data and BoJ Gov Ueda's speech today ([BBG](#)).
- The Euro advanced +0.13% overnight to 1.0858. The Sentix Euro Area investor confidence index rose from -12.9 in February to -10.5 in March (Consensus -10.6, Citi -12.2). Despite being below it's long-run average of +1, the march increase provides an early indication of improving business and consumer confidence in March. The pound outperformed against G10 peers, up +0.24% ahead of the UK budget this week, where Citi Econ expects the government to push ahead with a 2% cut to income tax ([Citi](#)).

#### COMMODITIES

**Gold 2,116.31 (+1.63%) | WTI 78.73 (-1.46%) | Copper 8542.00 (+0.46%) ^**

- **Energy:** Oil fell overnight, in response to demand headwinds counteracting the extension of OPEC+ output cuts through to the middle of the year. Growing global growth concerns coupled with the end of a warm winter across the northern hemisphere weighed on oil prices ([Reuters](#)). WTI is now trading 1.46% lower at US\$78.73.
- **Metals:** Precious metals gained overnight, spot gold had risen 1.63% to US\$2,116.31, and spot silver was up 3.46% to US\$23.86, at the time of writing ([Reuters](#)). This rise came off the back of increasing expectations of rate Fed interest rate cuts starting in June. Base metals, with copper up 0.46% to US\$ 8,542 and nickel up +1.60% to \$17,945 at the time of writing.

\*At time of writing

Overnight Summary					
	Last Price	1d (net)	1d (%)	1m (%)	YTD (%)
<b>Equities</b>					
S&P 500	5,130.95	-6.13	-0.1%	3.5%	7.6%
Nasdaq	16,207.51	-67.43	-0.4%	3.7%	8.0%
Dow Jones	38,989.83	-97.55	-0.2%	0.9%	3.5%
Euro Stoxx 50	4,912.92	18.06	0.4%	5.6%	8.7%
FTSE100	7,640.33	-42.17	-0.5%	0.3%	-1.2%
TOPIX	2,706.28	-3.14	-0.1%	5.9%	14.4%
KOSPI	2,674.27	31.91	1.2%	3.2%	0.7%
Shanghai Comp	3,039.31	12.28	0.4%	12.5%	2.2%
ASX200 Futures	7,703.00	-3.00	0.0%	1.5%	1.6%
VIX Index	13.47	0.36			
<b>Foreign Exchange</b>					
DXY	103.8340	-0.04	0.0%	-0.1%	2.5%
AUDUSD	0.6508	0.00	-0.1%	0.4%	-4.5%
EURUSD	1.0855	0.00	0.1%	1.0%	-1.7%
GBPUSD	1.2687	0.00	0.2%	1.2%	-0.3%
USDJPY	150.5300	0.22	0.1%	-1.2%	-6.3%
USDCHE	0.8849	0.00	0.2%	-1.6%	-4.9%
<b>Fixed Income - 10y</b>					
	%	bps		bps	bps
Aus (Fut.)	4.12%	0.50		1.00	15.50
United States	4.22%	3.82		6.11	33.99
United Kingdom	4.11%	0.30		11.01	58.48
Germany	2.39%	-2.18		7.60	36.89
France	2.86%	-4.01		4.78	30.38
Italy	3.80%	-8.19		-7.90	11.02
<b>Commodities</b>					
WTI Crude	78.78	-1.19	-1.5%	9.0%	10.0%
Brent Crude	82.86	-0.69	-0.8%	7.2%	7.6%
Copper c/lb	385.30	-0.20	-0.1%	0.8%	-1.0%
Nickel	17,662.00	-234.00	-1.3%	8.8%	6.4%
Zinc US\$/mt	2,417.00	-9.00	-0.4%	-2.5%	-9.1%
Aluminium US\$/mt	2,245.00	17.00	0.8%	-0.1%	-5.8%
Iron Ore US\$/mt	116.95	-0.08	-0.1%	-8.4%	-14.2%
Gold US\$/oz t	2,115.82	34.22	1.6%	4.5%	2.6%
Silver US\$/oz t	23.91	0.88	3.7%	7.0%	0.5%
Bitcoin USD	67,159.77	4,304.75	6.8%	57.1%	58.0%
Lithium (ETF)	45.77	-1.39	-2.9%	12.9%	-10.1%
<b>DLCs</b>					
	Last Price	Aud Price			Spread
Rio PLC	5,090.00	99.22	-0.7%	-5.9%	24.4%
South 32 - Lon	151.40	2.95	-2.6%	-10.9%	0.0%
South 32 - J'burg	3,704.00	2.99	-1.0%	-9.3%	-1.3%
Virgin Money	156.50	3.05	-1.4%	3.0%	-0.7%
NWS A	25.93	39.84	-1.5%	5.0%	4.9%
<b>ADRs</b>					
	Last Price	Aud Price			Spread
BHP	58.06	44.61	-0.5%	-5.0%	-0.8%
Rio	64.85	99.65	-0.4%	-5.3%	23.8%
CSL	90.90	279.35	-1.4%	-6.3%	0.0%
James Hardie	40.21	61.79	-0.2%	4.0%	-0.4%
ResMed	180.72	27.77	3.5%	-5.8%	-0.9%
Amcor	9.17	14.09	0.9%	-2.3%	-0.9%
Square	77.00	118.32	-2.8%	13.4%	3.3%

Source: Bloomberg

## Citifirst Warrants

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