

Tech leads rally as markets soothes

Stocks found a footing and swinging bond markets calmed down on Wednesday, with testimony from U.S. Federal Reserve chair Jerome Powell providing investors with reassurance that the central bank has an eye on inflation but is not hastening to hike rates.

The Fed had knocked stocks and boosted the dollar last week with a surprise projection for rate hikes as soon as 2023, however overnight Powell reiterated the Fed's goal of a broad labour market recovery and said fear of inflation alone would not be enough to prompt rate rises.

"We will wait for evidence of actual inflation or other imbalances," Powell said in a hearing before a U.S. House of Representatives panel, Powell's comments helped the yield on benchmark 10-year U.S. Treasuries lower and put the brakes on a rising U.S. dollar. The 10-year Treasury yield fell to 1.4666% on Tuesday and stayed there early in the Asia session.

The U.S. dollar lost a little ground overnight, but it remains near multi-month highs after the Fed's change in tone cleared out a heap of short positions.

Elsewhere, cryptocurrencies were licking their wounds after heavy selling drove bitcoin to its lowest since early January - although it has since recovered back above \$30,000.

In commodity markets, reopening confidence helped oil prices hover near multiyear peaks even as producers discuss output increases.

Brent crude futures were last up 0.5% to \$75.22 a barrel, while U.S. crude futures rose 0.4% to \$73.16 a barrel.

Gold, which pays no income and has been hammered by rises in the U.S. dollar and in Treasury yields, steadied at \$1,780 an ounce.

