

MARKET UPDATE

26/04/2022

Dollar Stabilizes Near Two-Year High; Chinese Lockdowns Hit Growth Outlook

The U.S. dollar stabilized in early European trade Tuesday but remained near a two-year high on demand for this safe haven as traders fretted about the impact on global growth from China's COVID lockdowns while the Federal Reserve prepares for more aggressive tightening.

At 3:15 AM ET (0715 GMT), the Dollar Index, which tracks the greenback against a basket of six other currencies, traded just higher at 101.787, after hitting a two-year peak of 101.86 overnight.

The index has gained almost 3% so far this month, which would be its largest month of gains since November 2015.

Bezos asks will Musk's Twitter deal signal change in its China content policy

Amazon.com Inc founder Jeff Bezos has asked in a post on Twitter (NYSE:TWTR) if Elon Musk's \$44 billion cash deal to buy Twitter gives China "a bit of leverage over the town square".

Twitter is blocked in China, where Musk, the world's richest person, has key business interests.

Musk, who calls himself a free speech absolutist and has criticised Twitter's content moderation policy, reached a deal on Monday to buy the social media platform.

Political activists expect that Musk's ownership of Twitter will mean less moderation and reinstatement of banned individuals including former U.S. President Donald Trump.

European stocks bounce as earnings lend support

European shares breathed a sigh of relief on Tuesday, as earnings from companies including UBS and Maersk boosted sentiment, following an equity sell-off in the previous session driven by global growth fears.



Fidelity to allow investors to put bitcoin in their 401(k) accounts

Fidelity Investments plans to allow investors to put a bitcoin account in their 401(k)s, the first major retirement-plan provider to do so.

Employees won't be able to start adding cryptocurrencies to their nest eggs right away, but later this year, the 23,000 companies that use Fidelity to administer their retirement plans will have the option to put bitcoin BTCUSD, 1.25% on the menu. The endorsement of the nation's largest retirement-plan provider suggests crypto investing is moving further into the mainstream, but it remains to be seen whether employers will embrace it for their workers.

Oil steadies after sharp fall; focus on China growth

Oil prices bounced on Tuesday, steadying after a sharp fall of 4% in the previous session, as worries over China's fuel demand were soothed by the central bank's pledge to support an economy hit by renewed COVID-19 curbs.

Brent crude futures were up 59 cents, or 0.58%, at \$102.91 a barrel after rising to \$103.93 earlier in the session.

U.S. West Texas Intermediate contracts were up 34 cents, or 0.35%, at \$98.88 per barrel at 0658 GMT after climbing to \$99.82 a barrel in early trade.

Both contracts had settled around 4% lower on Monday, with Brent falling as much as \$7 a barrel in the session and WTI dipping roughly \$6 a barrel.

Important Note: The information found on Ausprime platform is intended only to be informative, is not advice nor a recommendation, nor research, or a record of our trading prices, or an offer of, or solicitation for a transaction in any financial instrument and thus should not be treated as such. The information provided does not include any specific investment objectives, financial situation and needs of any specific person who may receive it. The past performance is not a reliable indicator of future performance and/or results. Past Performance or Forward-looking scenarios are not a guarantee of future performance. Actual results may differ materially from those anticipated in forward-looking or past performance statement