

### Fundamentals:

U.S. stocks ended sharply lower Wednesday, with all 11 of the S&P 500's sectors falling, as higher interest rates and recession fears continued to weigh on the market as investors near the end of a bruising 2022.

The Dow Jones Industrial Average closed more than 350 points lower, falling 1.1%, while the S&P 500 slid 1.2% and the technology-laden Nasdaq Composite dropped around 1.4%, according to preliminary data from FactSet. Energy was the hardest hit sector of the S&P 500 on Wednesday, down more than 2%. The S&P 500 has tumbled around 20.6% this year, FactSet data show.

Sentiment soured after Italian health authorities said they would begin testing all arrivals from China for Covid after almost half of the passengers on two flights to Milan were found to have the virus.

If a new strain is found, officials may impose stricter curbs on travel from China, the Health Ministry said. The US said later it will require all air passengers aged 2 years and older originating from China to get a Covid-19 test no more than two days before their departure.

The yield on the benchmark U.S. 10-year Treasury turned higher after falling earlier, following its biggest one-day jump in just over two months on Tuesday.

In currencies, the dollar gained some gains after hitting a one-week high against the yen and it regained some ground against sterling after earlier falling sharply.

MSCI's broadest index of global stocks was down 0.54% as investors stayed on the sidelines at the end of a brutal year for equities. The global index is on course to end 2022 down about 20%, in its biggest percentage decline since 2008 during the financial crisis.

China's government had announced on Monday that they would end requirements for inbound travellers to quarantine on Jan. 8. The country's health system has come under heavy stress since lifting restrictions.

The reopening of the world's second largest economy is expected to ultimately benefit the U.S. economy even if the current uptick in infections is raising concerns.

The Dow Jones Industrial Average, DJI fell 167.43 points, or 0.5%, to 33,074.13, the S&P 500, SPX lost 24.18 points, or 0.63%, to 3,805.07 and the Nasdaq Composite, IXC dropped 93.23 points, or 0.9%, to 10,260.00.

In Treasuries, benchmark 10-year notes US10YT=RR were up 2.7 basis points to 3.885%, from 3.858% late on Tuesday. The 30-year bond US30YT=RR was last up 3.1 basis points to yield 3.9738%, from 3.943%. The 2-year note US2YT=RR was last down 0.9 basis points to yield 4.3594%, from 4.368%.

In foreign exchange markets, the dollar index =USD rose 0.202%, with the euro EUR= down 0.17% to \$1.062.

(Source: Reuters)

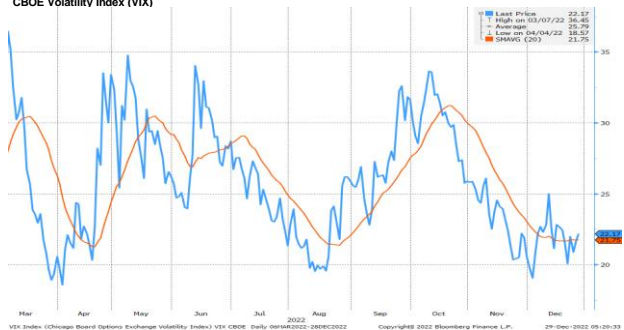
Contract	Close	Change	High	Low
E-Mini Dow MAR 23	33,046.00	-359.00	33,567.00	33,026.00
E-Mini S&P MAR 23	3,807.50	-45.250	3,875.00	3,804.50
E-Mini NASDAQ MAR 23	10,772.75	-133.75	10,995.50	10,758.75
Micro Russell 2K JUN 22	1733.6	-27.2	1769.7	1731.2
USD Nikkei MAR 23	26,055.0	-150.0	26,335.00	26,050.00
Euro Dollar MAR 23	94.94	0.045	94.96	94.92
US Dollar Index	104.56	0.376	104.56	103.85
DJIA	32,875.71	-365.850	33,379.55	32,869.15
S&P 500	3,783.00	-46.250	3,848.32	3,780.78
NASDAQ	10,213.29	-139.940	10,414.82	10,207.47
Nikkei 225	26,340.50	-107.370	26,354.27	26,199.67
Hang Seng	19,898.91	305.850	20,099.77	19,787.94
Straits Times	3,266.97	0.590	3,270.33	3,256.24
DAX	13,925.60	-69.500	14,018.47	13,914.62
CAC	6,510.49	-40.170	6,572.12	6,505.67
FTSE100	7,497.19	24.180	7,547.00	7,473.01

Historical Volatility	10 Days	30 Days	60 Days	90 Days
E-Mini Dow Futures	18.38	15.93	19.71	21.37
E-Mini S&P Futures	19.40	18.77	24.44	25.13
E-Mini Nasdaq Futures	17.68	14.06	14.33	15.60

### U.S. Government Treasuries Yield

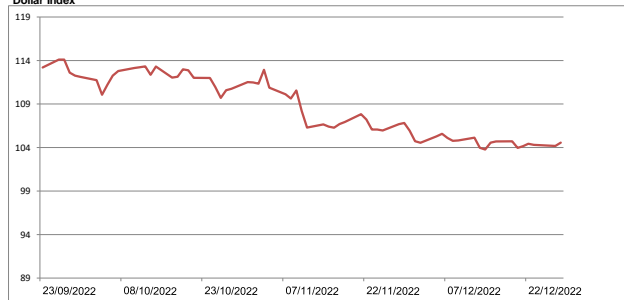


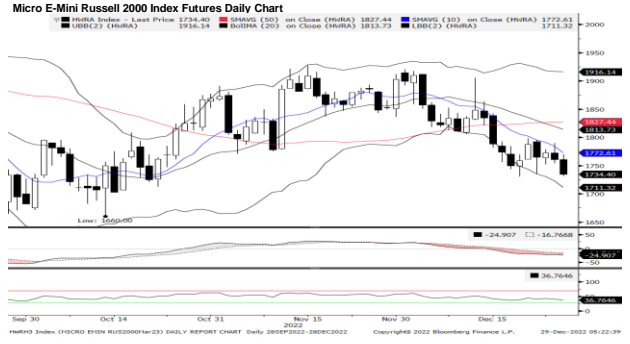
### CBOE Volatility Index (VIX)



Economic Releases	Period	Survey	Actual	Prior	Revised	
12/23/2022 02:00	Baker Hughes U.S. Rig Count	45261	--	779	77600.00%	--
12/23/2022 02:00	Baker Hughes U.S. Rotary Gas Rigs	45261	--	155	15400.00%	--
12/23/2022 02:00	Baker Hughes U.S. Rotary Oil Rigs	45261	62100.00%	622	62000.00%	--
12/23/2022 21:30	Personal Income	Nov	0.30%	0.004	0.70%	--
12/23/2022 21:30	Personal Spending	Nov	0.002	0.001	0.008	0.009
12/23/2022 21:30	Real Personal Spending	Nov	0.001	0	0.005	--
12/23/2022 21:30	PCE Deflator MoM	Nov	0.10%	0.001	0.30%	0.004
12/23/2022 21:30	PCE Deflator YoY	Nov	0.055	0.055	0.06	0.061
12/23/2022 21:30	PCE Core Deflator MoM	Nov	0.20%	0.002	0.20%	0.003
12/23/2022 21:30	PCE Core Deflator YoY	Nov	4.60%	0.047	5.00%	--
12/23/2022 21:30	Durable Goods Orders	Nov P	-1.00%	-0.021	1.10%	0.007
12/23/2022 23:00	New Home Sales	Nov	600k	640k	632k	605k
12/23/2022 23:00	New Home Sales MoM	Nov	-5.10%	0.058	7.50%	0.082
12/28/2022 23:00	Richmond Fed Manufact. Index	Dec	-1000.00%	1	-900.00%	--
12/28/2022 23:00	Pending Home Sales MoM	Nov	-1.00%	-0.04	-4.60%	-0.047
12/28/2022 23:00	Pending Home Sales NSA YoY	Nov	--	-0.386	-36.70%	--
12/29/2022 00:30	U.S. Sales USD22 Bin 2-Year FRN Reopening, High Yld 0.239%					
12/29/2022 21:30	Initial Jobless Claims	45627	--	225k	216k	--
12/29/2022 21:30	Continuing Claims	43070	--	1706k	1672k	--
12/29/2022 23:30	EIA Natural Gas Storage Change	45261	-199	--	-87	--
12/29/2022 23:30	EIA Working Natural Gas Implied Flow	45261	-199	--	-87	--

### Dollar Index





**Technical Analysis**

Dow			S&P			Nasdaq			Micro Russell						
1st Resistance:	33542	2nd Resistance:	34037	1st Resistance:	3864.61	2nd Resistance:	3921.73	1st Resistance:	10934.34	2nd Resistance:	11095.93	1st Resistance:	1759.60	2nd Resistance:	1785.61
1st Support:	32550	2nd Resistance:	32055	1st Support:	3750.39	2nd Resistance:	3693.28	1st Support:	10611.16	2nd Resistance:	10449.57	1st Support:	1707.60	2nd Resistance:	1681.59
MACD:	-86.027			MACD:	-34.396548			MACD:	-204.996			MACD:	-24.931		
MACD DIFF:	-131.093			MACD DIFF:	-20.479776			MACD DIFF:	-98.292			MACD DIFF:	-8.170		
RSI:	43.467			RSI:	38.575337			RSI:	33.179			RSI:	36.712		

**Strategy**

	Long:	Profit target:	Stop-loss:		Long:	Profit target:	Stop-loss:		Short:	Profit target:	Stop-loss:		Short:	Profit target:	Stop-loss:
Dow	32550	32876	32388		32055	32375	31894		33542	33206	33709		34037	33697	34208
S&P	3750.39	3787.89	3731.64		3693.28	3730.21	3674.81		3864.61	3825.97	3883.94		3921.73	3882.51	3941.33
Nasdaq	10611.16	10717.27	10558.10		10449.57	10554.06	10397.32		10934.34	10825.00	10989.01		11095.93	10994.97	11151.41
Micro Russell	1707.6	1724.67	1699.06		1681.59	1698.41	1673.18		1759.604	1742.01	1768.40		1785.608	1767.75	1794.54

Source: Bloomberg

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