


Support / Potential "buy" levels
\$8,700.
Resistance
\$9,000.
KEY TAKEAWAYS
Friday Flush Hits ASX as Tech Rout Deepens and Volatility Spikes

Australian shares closed sharply lower on Friday, with the S&P/ASX 200 sliding 2.03% to a four-week low near 8,702, as a global technology sell-off and softer commodity prices triggered broad based selling. Every sector finished in the red, with IT, A-REITs and Gold leading the declines, while market breadth was decisively negative as falling stocks overwhelmed advancers. Volatility jumped, with the ASX 200 VIX rising more than 21% to a one month high, underscoring how quickly risk appetite faded following the Reserve Bank's recent rate hike and a renewed bout of global market anxiety.

Losses were heaviest across technology and resources, where WiseTech, Xero and TechnologyOne fell sharply, and miners such as BHP and Rio Tinto tracked weaker iron ore and copper prices. Gold stocks also slid as bullion stayed under pressure. A few names resisted the sell-off, with Brambles and ResMed ending higher, but overall, the session felt like a classic Friday flush, erasing recent gains and leaving investors cautious heading into the new week.

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MARKET MOVERS

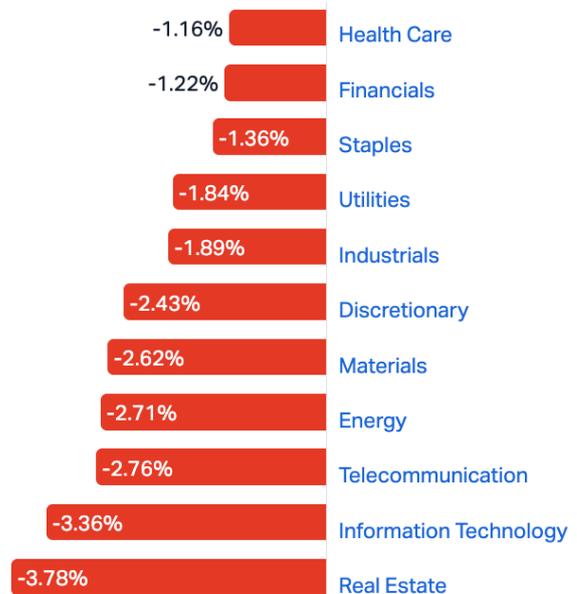
Australian equities closed sharply lower on Friday, capping a bruising end to the week as a global technology rout, softer commodity prices and heightened volatility converged on local markets. At the close in Sydney, the S&P/ASX 200 fell 2.03%, sliding to a four-week low near 8,702 points and marking its worst single session in months. Losses were broad based, with A-REITs, IT and Gold leading the retreat, and every sector finishing firmly in the red. Market breadth underscored the severity of the sell-off, with declining stocks outnumbering advancers by 1,099 to 190, while 341 names ended unchanged.



Volatility surged alongside the sell-off. The S&P/ASX 200 VIX jumped 21.46% to 13.93, its highest level in a month, reflecting rising demand for downside protection as

investors rushed to de-risk. The move effectively erased most of the index's recent gains and delivered what traders described as a classic "Friday flush", coming just days after the Reserve Bank of Australia raised interest rates and as global risk sentiment deteriorated.

↓ 11 Sectors Down



Stock movers highlight stress across sectors as technology and resources capitulate

Despite the heavy tone, a handful of stocks managed to swim against the tide. Brambles Ltd (ASX: BXB) was the standout performer on the S&P/ASX 200, rising 3.48% to 23.51, as investors rotated into more defensive logistics exposures. ResMed Inc DRC (ASX: RMD) added 1.23% to 37.92, extending gains following its strong earnings update earlier in the week, while PEXA Group Ltd (ASX: PXA) climbed 1.10% to 13.74.

Losses, however, were both deep and widespread. Paladin Energy Ltd (ASX: PDN) slumped 10.92% to 11.01 as uranium names came under renewed pressure. Flight Centre Ltd (ASX: FLT) fell 10.27% to 13.81 amid concerns about discretionary spending in a higher rate environment, while DroneShield Ltd (ASX: DRO) dropped 9.09% to 2.90 as risk appetite evaporated across high beta growth stocks.

The technology sector (ASX: XIJ) was once again the epicentre of the sell-off, plunging more than 4% on the day and extending its losing streak to a sixth consecutive week. Local heavyweights WiseTech Global (ASX: WTC), Xero (ASX: XRO) and TechnologyOne (ASX: TNE) all fell between 3% and

6%, tracking a sharp overnight decline in US tech stocks. The sector is now trading at its most oversold levels since the height of the 2020 pandemic, reflecting growing unease over stretched valuations and the sustainability of AI-driven growth narratives.

Materials and mining stocks (ASX: XMJ) were also under sustained pressure as metal prices retreated. BHP Group (ASX: BHP) slid nearly 3.7%, while Rio Tinto (ASX: RIO) also posted significant losses as iron ore and copper prices softened. Gold miners fared particularly poorly, with Northern Star Resources (ASX: NST) and Evolution Mining (ASX: EVN) falling sharply as bullion prices remained under pressure from a firmer US dollar. Adding to the sector's woes, Lotus Resources (ASX: LOT) saw its shares collapse 27% after announcing a heavily discounted \$76 million institutional placement.

Reporting season delivers sharp single stock moves amid fragile sentiment

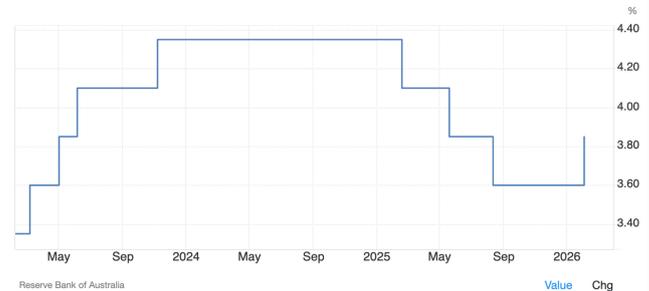
Earnings updates amplified volatility at the stock level. REA Group (ASX: REA) dropped around 9% after its half year results revealed a 6% decline in national property listings, overshadowing modest revenue growth. Web Travel Group (ASX: WEB) plunged 29% following news of a special delegation investigation in Europe, sparking a wholesale reassessment of near-term risks. Electro Optic Systems (ASX: EOS) fell 16% before entering a trading halt, after a short seller report questioned the credibility of recent contract wins and acquisitions.

There were few bright spots, though ResMed and Brambles provided some relief. In addition, Friday marked a key dividend payment date for several income focused vehicles, including BKI Investment Company (ASX: BKI) and a number of REITs, offering a modest cash flow buffer for investors navigating the sharp drawdown.

Macro forces dominate as RBA tightens and global risk appetite frays

The equity sell-off unfolded against an increasingly complex macro backdrop. Earlier in the week, the Reserve Bank of Australia unanimously raised the cash rate by 25 bps to 3.85% at its first policy meeting of 2026, the first hike since November 2023. The move reversed one of last year's rate cuts and reflected renewed cost pressures in the second half of 2025, driven by elevated services inflation and a tight

labour market. The RBA reiterated that inflation is likely to remain above the 2–3% target band for some time and stressed that further policy decisions will be data dependent, with price stability remaining its primary focus.



The Australian dollar traded below \$0.70 on Friday, extending recent losses as global equities sold off and risk sentiment deteriorated. The pullback unwound gains made earlier in the week following the RBA decision. Markets are now pricing roughly a 70% chance of another hike in May to 4.10%, with a 50% probability of a further move to 4.35% by year end. Attention is turning to next week's household spending data for clearer signals on the policy outlook.



Crosses	Price	Day	Year	Date	
AUDUSD	0.69610	0.00344	0.50%	10.98%	13:21
EURAUD	1.6945	-0.0055	-0.33%	2.97%	Feb/06
GBPAUD	1.9496	-0.0038	-0.20%	-1.36%	Feb/06
AUDNZD	1.1640	-0.0007	-0.06%	5.01%	Feb/06
AUDJPY	109.2310	0.4445	0.41%	14.97%	Feb/06
AUDCNY	4.8311	0.0230	0.48%	5.20%	Feb/06
AUDCHF	0.5406	0.0017	0.31%	-5.32%	Feb/06
AUDCAD	0.9529	0.0031	0.33%	6.26%	Feb/06

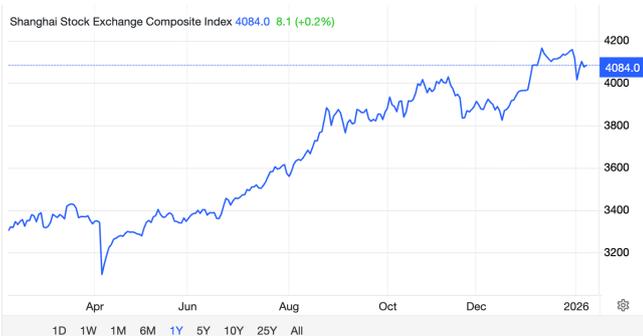
Global markets add to pressure as US tech slides and commodities wobble

Offshore, the tone remained defensive. US stock futures fell sharply, led by a more than 10% drop in Amazon shares after the company flagged plans to lift capital expenditure to around \$200 billion this year, largely for AI infrastructure.



Indexes	Price	Day	Month	Year	Date	
US30	48903	▼ 6	-0.01%	-0.22%	10.34%	13:22
US400	3,480.14	▼ -16.82	-0.48%	1.07%	7.16%	Feb/05
US2000	2,577.65	▼ -46.90	-1.79%	-0.20%	11.73%	Feb/05
US500	6796.42	▼ 1.98	-0.03%	-1.83%	12.75%	13:22
US100	24512	▼ 37	-0.15%	-4.47%	14.03%	13:22
USVIX	21.77	▲ 3.13	3.13%	7.02%	6.27%	Feb/05

Nasdaq 100 futures slid more than 1%, while S&P 500 and Dow futures fell 0.7% and 0.4%, respectively. On Thursday, the S&P 500 and Nasdaq Composite declined 1.23% and 1.59%, extending a third straight session of losses. Chipmakers were hit hard, with Qualcomm down 8.5% on a cautious outlook, while software stocks continued to slide amid concerns that AI could disrupt traditional business models.



Indexes	Price	Day	Month	Year	Date	
HK50	26,613.00	▼ -272.24	-1.01%	0.58%	25.93%	Feb/06
SHANGHAI	4084	▲ 8	0.19%	-0.04%	23.62%	13:21
CSI 300	4,664.17	▼ -6.25	-0.13%	-2.36%	19.82%	Feb/06
SHANGHAI 50	3,046.97	▼ -12.04	-0.39%	-3.12%	16.83%	Feb/06
CH50	14,924.77	▼ -21.98	-0.15%	-4.44%	14.24%	Feb/06

In Asia, Chinese equities struggled for direction, with the Shanghai Composite and Shenzhen Component on track for a second weekly decline. Tech stocks lagged, though some resource names rebounded as precious metals stabilised.

Commodity markets were mixed. WTI crude oil slipped below US\$63 per barrel, heading for its first weekly decline in six weeks amid easing geopolitical risk around Iran-US talks and signs of oversupply.



	Price	Day	Month	Year	Date	
Crude Oil	64.194	▲ 0.904	1.43%	14.61%	-9.62%	13:22
Brent	68.493	▲ 0.943	1.40%	14.12%	-8.35%	13:22
Natural gas	3.4666	▼ 0.0424	-1.21%	-1.63%	4.79%	13:22
Gasoline	1.9520	▲ 0.0339	1.77%	14.71%	-7.38%	13:22
Heating Oil	2.4269	▲ 0.0337	1.41%	17.93%	-0.43%	13:22
Coal	116.00	▼ -0.10	-0.09%	8.16%	6.47%	Feb/05
Ethanol	1.63	▲ 0.0075	0.46%	2.04%	-7.54%	Feb/05
Urals Oil	55.69	▲ 1.85	3.44%	8.39%	-18.74%	Feb/04

Gold, meanwhile, rebounded to around US\$4,870 per ounce after recent volatility, though it remained on track for a second consecutive weekly loss.



	Price	Day	Month	Year	Date	
Gold	4864.83	▲ 86.24	1.80%	9.16%	70.13%	13:22
Silver	74.377	▲ 3.542	5.00%	-4.86%	133.97%	13:22
Copper	5.7857	▼ 0.0353	-0.61%	-1.38%	26.07%	13:22
Steel	3,070.00	▼ -10.00	-0.32%	-2.79%	-6.40%	Feb/06
Lithium	134,500.00	▼ -9500	-6.60%	0.75%	74.00%	Feb/06
Platinum	1,982.60	▼ -88.00	-4.25%	-12.61%	98.76%	Feb/06
Iron Ore	101.03	▼ -1.14	-1.12%	-5.39%	-4.90%	Feb/05

Taken together, Friday's sell-off on the ASX reflected a potent mix of tightening domestic monetary policy, fragile global tech sentiment and softer commodity prices. With volatility rising and global markets under strain, investors appear firmly in capital preservation mode, setting a cautious tone heading into the new week.

Regards,
Mark Elzayed
Investor Pulse

MARKET DATA
ASX Top 20

 CBA^D Commonwealth Bank	158.91 -0.37 -0.23%	 WOW^D Woolworths	31.45 -0.16 -0.51%
 BHP^D BHP	48.79 -1.57 -3.12%	 TLS^D Telstra	4.88 -0.05 -1.01%
 CSL^D CSL	180.50 -0.74 -0.41%	 GMG^D Goodman Group	28.89 -1.86 -6.05%
 WBC^D Westpac Bank	39.43 -0.48 -1.20%	 TCL^D Transurban	13.64 -0.36 -2.57%
 NAB^D National Australia Bank	43.36 -0.69 -1.57%	 SQ2 Block Inc	
 ANZ^D ANZ	37.01 -0.57 -1.52%	 ALL^D Aristocrat Leisure	50.79 -1.43 -2.74%
 FMG^D Fortescue Metals	21.23 -0.25 -1.16%	 NCM Newcrest Mining	
 WES^D Wesfarmers	85.04 -1.15 -1.33%	 REA^D REA Group	168.10 -14.29 -7.83%
 MQG^D Macquarie Group	207.83 -4.61 -2.17%	 WDS^D Woodside Energy	25.48 -0.42 -1.62%
 RIO^D Rio Tinto	157.08 -0.05 -0.03%	 XRO^D Xero	81.76 -0.33 -0.40%

TV
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Commodities & Forex

 TIO1! IRON ORE	 AUDUSD Australian Dollar / U.S. Dollar	0.69609 +0.51% +0.00
 GC1! GOLD	 AUDGBP AUSTRALIAN DOLLAR / BRITISH POUND	0.5125 +0.18% +0.0009
 SI1! SILVER	 AUDEUR AUSTRALIAN DOLLAR / EURO	0.5900 +0.32% +0.0019
 HG1! COPPER	 AUDNZD Australian Dollar / New Zealand Dollar	1.16417 +0.04% +0.00048
 ZW1! WHEAT	 AUDJPY Australian Dollar / Japanese Yen	109.200 +0.45% +0.49
 CL1! CRUDE OIL	 AUDCNY AUSTRALIAN DOLLAR / CHINESE YUAN	4.8301 +0.50% +0.0239
 NG1! NATURAL GAS	 AUDTHB AUSTRALIAN DOLLAR / THAI BAHT	22.052 +0.06% +0.014
 NCF1! COAL	 AUDIDR AUSTRALIAN DOLLAR / INDONESIAN ...	11,749.3 +0.78% +91.2
 LTH1! LITHIUM		

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Economic Calendar

  +3						
February 7						
15:00			FX Reserves (Monthly)* ∨	3.372 Tln \$	3.358 Tln \$	
February 10						
14:00			FDI (YTD)* ∨			-9.5%
20:30			Retail Sales MM ∨	0.5%	0.6%	
February 11						
08:30			CPI MM * ∨	0.2%	0.2%	
			CPI YY * ∨	0.3%	0.8%	
			PPI YY * ∨	-1.5%	-1.9%	
20:30			Non-Farm Payrolls ∨	70 KPerson	50 KPerson	
			Unemployment Rate ∨	4.4%	4.4%	
February 12						
20:30			Initial Jobless Clm * ∨			231 KPerson
22:00			Existing Home Sales ∨	4.25 MNumber of	4.35 MNumber of	
February 13						
20:30			Core CPI MM, SA ∨	0.3%	0.2%	
			Core CPI YY, NSA ∨			2.6%