

**Tuesday trading session in the American stock market can be generally characterized as a day of abrupt movements.** At the opening, the market entered active correction due to growing inflation expectations; however, by the time of writing this review, it recouped about a half of the decline.

*As at 8:00 p.m. (MSK), S&P500 index fell by 0.65%, Dow Jones went down about 0.4%, and NASDAQ technology index lost 1.9% — more than the others — due to many IT companies' stock being overbought.*

Key indicators as of Tuesday evening (February 23<sup>rd</sup>, 2021):

- S&P 500: -0.65%
- Dow Jones: -0.40%
- NASDAQ: -1.9%
- IMOEX: N/A; RTSI: N/A
- Gold: \$1,807 (-0.14%)
- Copper: \$9,217 (+1.3%)
- Brent: \$64.5 (+0.2%)
- USD/RUB: RUB 74.0 (-0.57%)

**The market's behavior is surely counter-intuitive sometimes.** Approval of new stimulus package have long been waited for, but inflation expectations have increased closer to this event.

*Eventually, yield of 10-year USTs gradually went up (getting close to 1.4%) which indicated declining appetite for risk among major investors. The result is evident.*

**It seems that the market wants to play safe in the run-up to U.S. RFS head Jay Powell's 2-day speech before the Congress.** Needless to say that his every word will be under a very close study, and there will be a variety of interpretations. Fortunately, Powell has always been rather straightforward and unambiguous in his statements.

**So, current correction:** a) *is planting expectations of a change in Powell's tone with regard to monetary policy; and b) may grow into something far bigger if expectations come true.*

**The market is extremely unstable today, so we keep our trading activity at a low level.**

Only spot deals. In the **Aggressive** portfolio, we enhanced position in relatively volatile stock **Farfetch (FTCH US)**.

**It was priced low enough at the trade session's opening, so that was a somewhat logical decision, though highly risky.** High beta index makes the stock reactive which may be beneficial if the market rebounds.

**We also decided to buy a small additional amount of Alteryx (AYX US) shares.** The asset had been declining over several sessions. In our view, this market's reaction is too emotional. We decided to increase share in this fundamentally attractive business. **We are going to study the condition of Alteryx even more closely.**

In the **Optimum** portfolio, we sold a part of position in **Fox Corporation (FOXA US) stock** with a fairly good profit. The main purpose of the deal was to secure profit in business which performed very well.

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