

**Asia****Asian markets track overnight drop in US stocks**

S&P 500 sees biggest one-day fall since May as traders react to US political turmoil

**Global Market Overview**

Traders on the floor of the New York Stock Exchange © Reuters

3 HOURS AGO by: Alice Woodhouse in Hong Kong

**Friday 05.10 BST****What you need to know**

- Asia stocks unsettled by US political turmoil
- Yen strengthens against greenback
- Brent hovers at \$51 a barrel

Asia Pacific equities tracked a sharp sell-off overnight on Wall Street amid doubts over US President Donald Trump's ability to push through fiscal stimulus measures, and a terrorist attack in Barcelona.

**Hot topic**

The S&P 500 suffered its biggest one-day fall since May, down 1.5 per cent at the close on Thursday, as business leaders fled Mr Trump's business councils over his handling of white supremacist violence at the weekend.

That fall had a knock-on effect as trading began in Asia with indexes paring losses as the day went on. Japanese equities fell 0.9 per cent with the financials sector taking the biggest hit,

declining 1.6 per cent while the consumer discretionary sector slid 1 per cent.

Chinese personal computer maker [Lenovo](#) was one of the worst performers on Hong Kong's benchmark Hang Seng index, falling as much as 4.2 per cent after it reported an unexpected net loss in the first quarter. The index was down 0.7 per cent as the financials sector fell 0.7 per cent and the real estate sector shed 0.5 per cent.

Australian stocks pulled back slightly from a 1.2 per cent fall at the open and were down 0.7 per cent at midday in Sydney. The financial sector slipped 1.3 per cent as the country's four major banks fell more than 1.3 per cent.



## Forex

The flight to haven assets — sparked by the US political turmoil and a terrorist attack in Spain that killed 13 people — saw the Japanese yen strengthen to ¥109.36 to the dollar.

The dollar index, a measure of the currency against a basket of its peers, was flat at 93.631.

The euro edged higher to \$1.1734 after hitting a three-week low against the dollar on Thursday as the European Central Bank's minutes highlighted worries about the strength of the single currency.



## Fixed income

The yield on the 10-year US Treasury, which moves inversely to price, continued to fall as equities slumped. The yield was down 2.3bp to 2.199 per cent.

## Commodities

Brent crude, the international benchmark, was holding at \$51 a barrel after rallying 1.5 per cent on Thursday. West Texas Intermediate was down 0.1 per cent \$47.04 a barrel.

Gold fell 0.1 per cent to \$1,287.49 following a \$5.04 rise in the previous session after the Barcelona terrorist attack.

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