

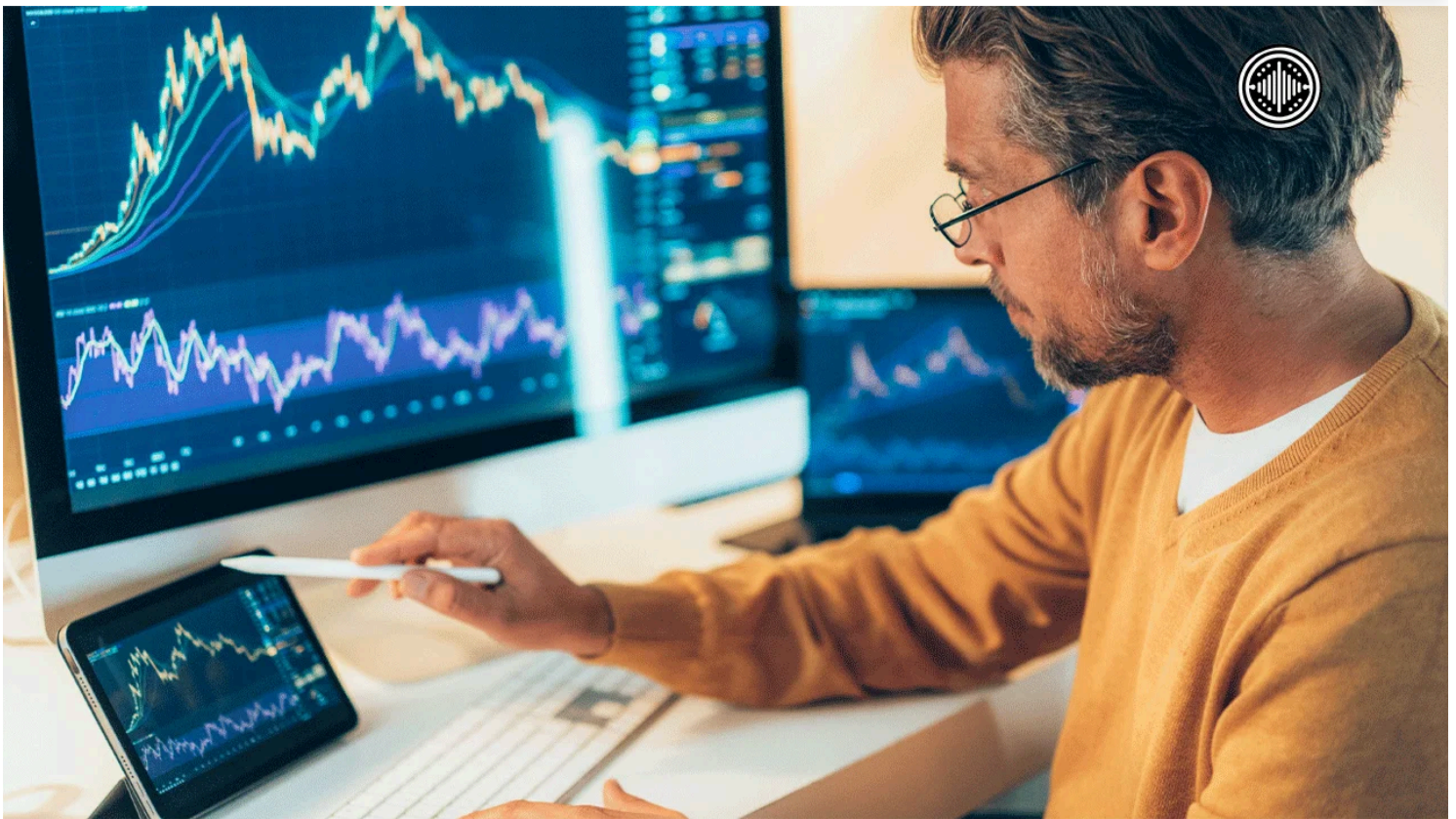
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ASX 200 Eyes Rebound After Monday's Sharp Fall: Five Key Factors to Watch

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A brighter session is on the cards for Australian investors following Monday's pullback in the S&P/ASX 200 Index (ASX: XJO), which dropped by 1 percent to close at 8,668.2 points. Tuesday's trade brings with it cautious optimism, with several key factors poised to influence the day's performance, including global market cues, commodity trends, earnings reports, and movements in heavyweight stocks.

First, international sentiment is expected to provide a supportive backdrop. Wall Street finished higher overnight, led by gains in the tech sector and a stronger outlook for second-

quarter earnings. Australian markets often mirror US momentum, and with investor nerves still sensitive from last week's volatility, a firmer lead from overseas could help the local market regain its footing. Traders will be closely watching US futures and Federal Reserve commentary for any shift in rate expectations, as global monetary policy continues to shape risk appetite.

Secondly, all eyes remain on iron ore and energy prices, with particular focus on heavyweight mining and resource companies. Iron ore has been rallying on the back of strong Chinese demand and weather-related supply disruptions in Brazil. This could provide upward pressure on stocks like Fortescue Metals Group (ASX: FMG) and Rio Tinto (ASX: RIO). Similarly, strength in oil prices may buoy energy names such as Woodside Energy (ASX: WDS), although investor confidence remains tempered by ongoing geopolitical uncertainties and supply chain risks.



Finally, domestic company news and sector-specific developments could move markets. Earnings season is gaining pace, and updates from key players in retail, healthcare, and financials will be watched closely. Commonwealth Bank of Australia (ASX: CBA), for instance, has been under scrutiny amid questions about margins and its loan book performance. Meanwhile, attention will also turn to how consumer-driven sectors are faring under current economic conditions. With households still squeezed by inflation and muted wage growth, any surprises in corporate results could shift sentiment quickly.

Today's session presents a fresh chance for investors to reposition following Monday's slump. However, it is not blind optimism that will lead the charge, but rather a disciplined focus on fundamentals and sectors showing resilience. As the ASX 200 looks to stabilize, the strength of Australia's resource engine and prudent stock selection will be critical for navigating the short term.