

23 JUNE 2022

Dow, S&P500 end lower after Powell says Fed isn't trying to provoke a recession

- US markets closed lower.** U.S. stock indexes closed lower in choppy trade Wednesday, after Federal Reserve Chairman Jerome Powell reiterated his commitment to combat inflation through higher interest rates, but said a recession couldn't be ruled out. President Joe Biden also called on a temporary gas-tax holiday and for ramped up U.S. refinery activity to help offset high energy prices that he blamed on Russia's invasion of Ukraine. The Dow Jones Industrial Average DJIA, -0.15% rallied 641.47 points, or 2.2%, to finish at 30,530.25 on Tuesday. The S&P 500 SPX, -0.13% rose 2.5% to 3,764.79, and the Nasdaq Composite COMP, -0.15% climbed 2.5%, to finish at 11,069.30. With the Dow's roughly 16.1% decline so far in 2022 it was on pace for its worst first-half to a year since 1962.
- Futures to open higher.** Australian shares are poised to rise, though futures were paring earlier gains as Wall Street was heading for a flat finish. ASX futures were up 31 points or 0.49 per cent to 6420 near 6.30am AEST. The local currency slid 0.6 per cent; the Bloomberg dollar spot index slipped 0.2 per cent. The yield on the US 10-year note tumbled 12 basis points to 3.15 per cent at 4.32pm in New York.
- The ASX was lower on Wednesday.** The S&P/ASX 200 closed Wednesday's session down 0.2 per cent, or 15.3 points, to 6508.5, dragged lower by losses across the consumer discretionary and technology sectors. The benchmark reversed the gains posted in morning trade when it was up as much as 0.5 per cent. St Barbara plunged 18.1 per cent to 92.5¢ after announcing a strategic review about whether to proceed with a project to extend the life of its Simberi mine in Papua New Guinea.
- In other company news.** Ramelius Resources has warned that gold production for the 2022 financial year will fall marginally short of its current guidance range of 260,000 to 265,000 ounces. This is due to more persistent rain than forecast to both the Mount Magnet and Edna May operations and a lower than forecast head grade from Tampia. The production estimate for FY22, based on gold outturns received this week and updated road haulage and head grade estimates, has been revised down to 255,000 to 260,000 ounces.

World Indices	Close	Prior	% Δ
<u>Local Markets</u>			
All Ordinaries	6,682.3	6,700.8	-0.3%
ASX 200	6,508.5	6,523.8	-0.2%
ASX Emerging Companies	1,959.6	1,984.7	-1.3%

<u>US Markets</u>			
Dow Jones	30,483.1	30,530.3	-0.2%
S&P500	3,764.8	3,674.8	2.4%
Nasdaq	11,053.1	11,069.3	-0.1%

<u>Asian & European Markets</u>			
Shanghai Composite	3,267.2	3,306.7	-1.2%
Nikkei	26,149.6	26,246.3	-0.4%
Hang Seng	21,008.3	21,559.6	-2.6%
FTSE 100	7,089.2	7,152.1	-0.9%
DAX 30	13,144.3	13,292.4	-1.1%
CAC 40	5,916.6	5,964.7	-0.8%

Economic Releases	Time	F'cast	Prior
AU Manufacturing PMI Flash	9:00		
US Jobless Claims	22:30		

Key BW Names	Close	Prior	% Δ
Selfwealth	0.145	0.145	0.0%
Alderman Resources	0.014	0.015	-6.7%
Lotus Resources	0.215	0.225	-4.4%
Elementos	0.470	0.410	14.6%

Commodities	Close	Prior	% Δ
Oil - West Texas Crude	104.29	110.58	-5.7%
Gold	1,839.5	1,832.3	0.4%
Gold (Aus)	2,653.5	2,629.0	0.9%
Silver	21.4	21.6	-0.9%
Copper	3.9150	4.0200	-2.6%
Nickel	11.3400	11.5500	-1.8%
Aluminium	1.2197	1.2450	-2.0%
Zinc	1.6615	1.6685	-0.4%
Lead	0.9174	0.9337	-1.7%
Uranium	48.35	47.08	2.7%

Currency	Close	Prior	% Δ
AUD/USD	0.6924	0.6964	-0.6%
AUD/GBP	0.5646	0.5676	-0.5%
AUD/EUR	0.6550	0.6610	-0.9%
AUD/JPY	94.24	94.90	-0.7%
AUD/NZD	1.1017	1.1021	0.0%
AUD/CAD	0.8966	0.9004	-0.4%