

4 July 2023

## Futures flat, US markets closed tonight (Indep. Day), RBA on deck

- **Global markets.** It was an Independence Day-shortened trading session in the US overnight, with low volumes and a lack of direction the key themes. For the session, all four indices closed higher in a range of <0.1% (Dow) to +0.4% (Russell), while in Europe all three major indices were lower by <1%.
- **In company news,** shares of **Tesla** ripped higher, up 7% for the session, as the company announced an 83% spike in deliveries – following price cuts during the period. Amongst the ‘magnificent seven’ it was really the only performer of note, which all other megacap tech names higher/lower in a range of <1%.
- **In other markets,** the **USD** and **AUD** were both essentially unchanged, as was the **VIX**. Yields were higher along the curve (by 3bps in the 2-year and 1bp in the 10-year) and **commodities** were mixed – **oil** off 0.5%, **tin** sharply higher (+2.5%), **copper** and **silver** each up nearly 1%, **gold** was flat.
- **In economic news,** yesterday was the first trading session of the month, and thus, a big day for global PMIs – with virtually all underwhelming. US ISM's printed 46 vs 47 expected, Australia came in under (48.2 vs 48.6), as did Italy (44 vs 45), Germany (40.6 vs 41.0) and the Eurozone as a whole (43.4 vs 43.6). The UK was the only region to beat (and only slightly – 46.5 vs 46.2).
- **Futures flat.** Given the lack of any lead from Wall Street, it appears local stocks will open broadly unchanged when trading commences this morning – with ASX futures currently down by just a single point. US markets will be closed for observance of the July 4<sup>th</sup> holiday.
- **RBA on deck.** Today's main (and only) economic news of note will of course be the RBA's latest rate decision, with markets virtually split on whether the bank will hold or hike. Consensus currently skews just in favour of a 25bp hike, to 4.35%; making it 13 hikes in the past 14 meetings.

World Indices	Close	Prior	% Δ
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### Local Markets

All Ordinaries	7,442.8	7,401.5	0.6%
ASX 200	7,246.1	7,203.3	0.6%
ASX Emerging Companies	2,097.9	2,067.4	1.5%

### US Markets

Dow Jones	34,418.5	34,407.6	0.0%
S&P500	4,455.6	4,450.4	0.1%
Nasdaq	13,816.8	13,787.9	0.2%
Russell 2000	1,896.8	1,888.7	0.4%

### Asian & European Markets

Shanghai Composite	3,244.0	3,202.1	1.3%
Nikkei	33,753.3	33,189.0	1.7%
Hang Seng	19,306.6	18,916.4	2.1%
FTSE 100	7,527.3	7,531.5	-0.1%
DAX 30	16,081.0	16,147.9	-0.4%
CAC 40	7,386.7	7,400.1	-0.2%

S&P500 Sectors	Close	Prior	% Δ
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Consumer Discretionary	1,344.9	1,330.5	1.1%
Real Estate	238.7	236.7	0.8%
Healthcare	1,535.9	1,548.6	-0.8%

Economic Releases	Time	F'cast	Prior
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RBA Rate Decision	14:30	4.35%	4.10%
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Key BW Names	Close	Prior	% Δ
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Meteoric Resources	0.230	0.205	12.2%
Selfwealth	0.150	0.145	3.4%
Frontier Energy	0.370	0.365	1.4%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	70.15	70.47	-0.5%
Gold	1,921	1,919	0.1%
Gold (Aus)	2,880	2,879	0.0%
Silver	22.90	22.76	0.6%
Uranium (Spot)	56.07	56.07	0.0%
Tin (Futures)	27,385	26,710	2.5%
Copper	3.79	3.77	0.7%

Other Markets	Close	Prior	% Δ
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DXY Index	103.0	102.9	0.1%
AUD/USD	0.6672	0.6665	0.1%
2-Year Treasury Yield (%)	4.925	4.895	3 bp
10-Year Treasury Yield (%)	3.858	3.844	1 bp
US 2-10-Year Spread	-1.067	-1.051	-2 bp
VIX Index	13.57	13.59	-0.1%