

20 November 2023

## ASX to rise; energy stocks in focus after oil boost

- **Global markets.** US stocks closed modestly higher in New York, extending the fastest start to November.

Fundstrat Global head strategist Tom Lee said the rally strengthened last week, supported by the sharp move in interest rates and by cooling inflationary pressures – “this is supportive of our year-end rally thesis”.

Mr Lee said there was room for the S&P 500 to rise another 5 per cent, lifting the index to 4750-4800 by the end of December. The index finished last week at 4514.

Michael Hartnett, investment strategist at Bank of America, called the markets’ move an “epic risk rally”, with \$US23.5 billion flowing into equities in the latest week. That’s the second-largest inflow this calendar year.

- **In stock news.** Weebit Nano, Pro Medicus and Universal Store Holdings all host AGMs.

Agilent Technologies and Keysight Technologies will release earnings.

- **In other markets.** The Brent benchmark advanced as much as 4.3 per cent to top \$US80 (\$123) a barrel, and West Texas Intermediate rallied as much as 4 per cent to trade near \$US76 a barrel in the US on Friday.

JPMorgan strategists said their base case scenario for the November 26 OPEC meeting was that existing output cuts would be extended.

The Australian dollar closed at US65.15¢, buoyed by the worst weekly decline for the greenback since mid-July.

- **Futures.** ASX futures indicated shares are poised to rise 0.4 per cent, or 28 points, at the start of trade on Monday from Friday’s 7049 points close.

World Indices	Close	Prior	% Δ
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Local Markets	Close	Prior	% Δ
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All Ordinaries	7,261.0	7,269.5	-0.1%
ASX 200	7,049.4	7,058.4	-0.1%
ASX Emerging Companies	1,927.2	1,924.0	0.2%

US Markets	Close	Prior	% Δ
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Dow Jones	34,947.3	34,945.5	0.0%
S&P500	4,514.0	4,508.2	0.1%
Nasdaq	15,838.0	15,833.2	0.0%
Russell 2000	1,797.8	1,773.8	1.4%

Asian & European Markets	Close	Prior	% Δ
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Shanghai Composite	3,247.7	3,050.9	6.5%
Nikkei	33,509.0	33,399.0	0.3%
Hang Seng	17,454.2	17,832.8	-2.1%
FTSE 100	7,504.3	7,426.8	1.0%
DAX 30	15,919.2	15,786.6	0.8%
CAC 40	7,233.9	7,168.4	0.9%

S&P500 Sectors	Close	Prior	% Δ
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Information Technology	3,247.7	3,256.9	-0.3%
Communication Services	237.3	238.4	-0.5%
Consumer Discretionary	1,323.9	1,314.3	0.7%

Economic Releases	Time	F'cast	Prior
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Key BW Names	Close	Prior	% Δ
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Lotus Resources	0.295	0.280	5.4%
Elementos	0.115	0.120	-4.2%
Frontier Energy	0.320	0.335	-4.5%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	76.05	72.90	4.3%
Gold	1,980	1,981	-0.1%
Gold (Aus)	3,040	3,063	-0.8%
Silver	23.72	23.72	0.0%
Uranium (Spot)	79.00	78.00	1.3%
Tin (Futures)	24,852	25,326	-1.9%
Copper	3.76	3.72	1.1%

Other Markets	Close	Prior	% Δ
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SPI200 Futures	7,077.0	7,053.0	0.3%
DX Index	103.8	104.4	-0.6%
AUD/USD	0.6514	0.6468	0.7%
2-Year Treasury Yield (%)	4.890	4.848	4 bp
10-Year Treasury Yield (%)	4.439	4.443	0 bp
US 2-10-Year Spread	-0.197	-0.197	0 bp
VIX Index	13.81	14.33	-3.6%