

1 December 2023

Dow ends near flat, ASX to rise, bond yields extend their slide

- Global markets.** The Dow Jones Industrial Average rallied Thursday to a new high for the year, as more cooling inflation data and strong Salesforce earnings capped the benchmark's best month since October 2022.

The 30-stock Dow gained 520 points, or 1.47%, to close at 35,950.89, surpassing its previous high for the year in August. The S&P 500 added 0.4% to 4,567.80. However, the Nasdaq Composite was about 0.2% lower at 14,226.22 as investors took some profits in Big Tech stocks that have led the November comeback.

The Dow closed out November with an 8.9% gain, breaking its three-month losing streak. The S&P 500 rose 8.9% in November, while the Nasdaq advanced 10.7%. Both averages had their best monthly performance since July 2022, and were trading about 1% away from their respective 2023 highs.

Technology shares were far and away the big winners in November, but investors were taking some of those bets off the table as the month came to a close.

Nvidia shed 2.9% on Thursday, but still ended the month up 14.7%. Tesla shares were off by 1.7% Thursday following a 19.5% comeback in November. Alphabet and Meta lost 1.8% and 1.5% during the day, respectively.

- In economic news.** Local: CoreLogic November dwelling prices

Overseas data: NZ November ANZ consumer confidence at 8am; China Caixin manufacturing PMI at 12.45pm; Manufacturing PMIs from the UK and the US

- In other markets.** US bonds reversed direction on the day. The yield on the US 10-year note was 8 basis points higher to 4.34 per cent at 4.10pm in New York.

Oil was lower even after OPEC + agreed to cut output because the group provided few details on what individual producing nations' agreed to do. A short time later, Angola rejected its new output quota, saying it planned to breach it, a rare challenge to the cartel that heralds more infighting ahead.

- Futures.** ASX futures down 9 points or 0.1% to 7085 near 8am AEDT.

World Indices	Close	Prior	% Δ
<u>Local Markets</u>			
All Ordinaries	7,297.7	7,245.8	0.7%
ASX 200	7,087.3	7,035.3	0.7%
ASX Emerging Companies	1,917.5	1,897.8	1.0%

<u>US Markets</u>			
Dow Jones	35,950.9	35,430.4	1.5%
S&P500	4,567.8	4,550.6	0.4%
Nasdaq	15,947.9	15,987.6	-0.2%
Russell 2000	1,809.0	1,803.8	0.3%

<u>Asian & European Markets</u>			
Shanghai Composite	3,029.7	3,021.7	0.3%
Nikkei	33,522.0	33,312.0	0.6%
Hang Seng	17,042.9	16,993.5	0.3%
FTSE 100	7,468.3	7,421.5	0.6%
DAX 30	16,215.4	16,166.5	0.3%
CAC 40	7,310.8	7,267.7	0.6%

S&P500 Sectors	Close	Prior	% Δ
Information Technology	3,273.1	3,275.7	-0.1%
Communication Services	234.8	237.2	-1.0%
Consumer Discretionary	1,336.9	1,339.1	-0.2%

Economic Releases	Time	F'cast	Prior
US - ISM Manufacturing PMI	1:45		
US - Fed Chair Powell Speech	3:00		

Key BW Names	Close	Prior	% Δ
Lotus Resources	0.290	0.295	-1.7%
Elementos	0.098	0.098	0.0%
Frontier Energy	0.360	0.350	2.9%

Commodities	Close	Prior	% Δ
Oil - West Texas Crude	75.72	77.67	-2.5%
Gold	2,036	2,044	-0.4%
Gold (Aus)	3,081	3,098	-0.5%
Silver	25.27	25.02	1.0%
Uranium (Spot)	81.25	81.25	0.0%
Tin (Futures)	23,501	23,322	0.8%
Copper	3.85	3.83	0.4%

Other Markets	Close	Prior	% Δ
SPI200 Futures	7,065.0	7,037.9	0.4%
DXY Index	103.5	102.8	0.6%
AUD/USD	0.6607	0.6617	-0.1%
2-Year Treasury Yield (%)	4.697	4.648	5 bp
10-Year Treasury Yield (%)	4.336	4.259	8 bp
US 2-10-Year Spread	-0.197	-0.197	0 bp
VIX Index	12.91	12.99	-0.6%