

29 February 2024

S&P 500, Nasdaq close lower as inflation report looms; ASX to fall

- **Global markets.** Stocks slid Wednesday as investors looked ahead to a key inflation report due later this week.

The S&P 500 pulled back 0.17% to close at 5,069.76. The Nasdaq Composite fell 0.55% to 15,947.74. The Dow Jones Industrial Average shed 23.39 points, or 0.06%, to end at 38,949.02 and notch a third straight day of losses.

Investors are looking toward the personal consumption expenditure reading for January on Thursday, which is the Federal Reserve's preferred measure of inflation.

The report will come as the market tries to build on the gains that took the Dow and S&P 500 to record highs. This week, the market has struggled, however, pulling back modestly. The major indexes are pacing for their second negative week in three.

The recent slump, particularly for the tech sector, has raised questions about the staying power of a rally fueled by excitement over artificial intelligence.

- **In earnings and stock news.** Local: January retail sales and private sector credit, fourth quarter private capex at 11.30am

Overseas data: NZ February ANZ business confidence at 11am; Japan January industrial production; China February manufacturing and services PMIs at 12.30pm; US January personal income, spending and PCE Core at 12.30am Friday, January pending home sales, February Chicago Fed PMI

In other markets. Crude oil futures were mixed Wednesday as U.S. crude inventories rose while OPEC+ is considering extending its production cuts into the second quarter. The West Texas Intermediate contract for April dropped 33 cents, or 0.42% to settle at \$78.54 a barrel. April Brent futures gained 3 cents, or 0.04%, to settle at \$83.68 a barrel.

- **Futures.** ASX futures down 11 points or 0.1% to 7618 near 8am AEDT

World Indices	Close	Prior	% Δ
---------------	-------	-------	-----

Local Markets

All Ordinaries	7,917.1	7,922.2	-0.1%
ASX 200	7,660.4	7,663.0	0.0%
ASX Emerging Companies	219.4	1,985.6	-89.0%

US Markets

Dow Jones	38,949.0	38,972.4	-0.1%
S&P500	5,069.8	5,078.2	-0.2%
Nasdaq	17,874.5	17,971.0	-0.5%
Russell 2000	2,040.3	2,056.1	-0.8%

Asian & European Markets

Shanghai Composite	2,957.9	3,015.5	-1.9%
Nikkei	39,208.0	39,239.5	-0.1%
Hang Seng	16,536.9	16,790.8	-1.5%
FTSE 100	7,625.0	7,683.0	-0.8%
DAX 30	17,601.2	17,556.5	0.3%
CAC 40	7,954.4	7,948.4	0.1%

S&P500 Sectors	Close	Prior	% Δ
----------------	-------	-------	-----

Information Technology	3,705.1	3,723.2	-0.5%
Communication Services	269.3	269.0	0.1%
Consumer Discretionary	1,472.0	1,464.6	0.5%

Economic Releases	Time	F'cast	Prior
-------------------	------	--------	-------

JPY - Retail Sales YoY	10:50	2.30%	2.1%
AU - Housing Credit MoM	11:30		0.4%
USA - Core PCE YoY	0:30	2.80%	2.90%

Key BW Names	Close	Prior	% Δ
--------------	-------	-------	-----

Lotus Resources	0.360	0.340	5.9%
Elementos	0.125	0.120	4.2%
Frontier Energy	0.280	0.270	3.7%

Commodities	Close	Prior	% Δ
-------------	-------	-------	-----

Oil - West Texas Crude	78.46	78.46	0.0%
Gold	2,034	2,030	0.2%
Gold (Aus)	3,132	3,103	0.9%
Silver	22.46	22.45	0.0%
Uranium (Spot)	96.00	97.00	-1.0%
Tin (Futures)	26,360	26,076	1.1%
Copper	3.84	3.85	-0.4%

Other Markets	Close	Prior	% Δ
---------------	-------	-------	-----

SPI200 Futures	7,618.0	7,642.0	-0.3%
DX Index	103.8	103.8	0.0%
AUD/USD	0.6490	0.6543	-0.8%
2-Year Treasury Yield (%)	4.644	4.693	-5 bp
10-Year Treasury Yield (%)	4.266	4.303	-4 bp
US 2-10-Year Spread	-0.197	-0.197	0 bp
VIX Index	13.83	13.42	3.1%