

5 April 2024

US rally wiped out by rate comments and spike in oil; ASX to fall

- Global markets.** Stocks tumbled on Thursday in a bout of volatile trading ahead of the March jobs report. A spike in oil prices and fears the Federal Reserve could hold off on interest rate cuts also dented investors' sentiment.

The Dow Jones Industrial Average lost 530.16 points, or 1.35%, to close at 38,596.98. The 30-stock Dow suffered its worst session since March 2023, and it logged its fourth consecutive losing day. The S&P 500 dropped 1.23% to end at 5,147.21. The tech-heavy Nasdaq Composite dipped 1.40% to close at 16,049.08.

The three major averages took a sharp downturn late in the session, falling more than 2% off their intraday highs. Between its highs and lows of the day, the Dow swung more than 860 points.

- In economic news.** Local: Trade balance February at 11.30am

Overseas data: German factory orders February, Eurozone retail sales February; US March jobs report at 11.30pm

- In other markets.** Gold pulled back from its record high. Oil eased and then rallied above \$US90 a barrel amid rising Middle East tensions in particular between the US and Israel.

Crude oil jumped midday, which coincided with the rollover in stocks Thursday. WTI oil topped \$86 a barrel to reach its highest level since October, raising concerns about energy prices helping to reaccelerate inflation.

The VIX, or volatility index ended 14 per cent higher at 16.35; its highest so far in 2024. CNN's Fear & Greed Index dropped to 49 or a 'neutral' reading from 64, or 'greed' a day earlier. It was at 78, or 'extreme greed' a month ago.

- Futures.** ASX futures down 63 points or 0.8% to 7803 near 7am AEDT

World Indices	Close	Prior	% Δ
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Local Markets	Close	Prior	% Δ
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All Ordinaries	8,072.5	8,033.6	0.5%
ASX 200	7,817.3	7,782.5	0.4%
ASX Emerging Companies	2,201.0	2,174.5	1.2%

US Markets	Close	Prior	% Δ
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Dow Jones	38,597.0	39,127.2	-1.4%
S&P500	5,147.2	5,211.5	-1.2%
Nasdaq	17,878.8	18,160.2	-1.5%
Russell 2000	2,053.8	2,076.2	-1.1%

Asian & European Markets	Close	Prior	% Δ
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Shanghai Composite	3,069.3	3,069.3	0.0%
Nikkei	39,773.1	40,008.0	-0.6%
Hang Seng	16,725.1	16,860.0	-0.8%
FTSE 100	7,975.9	7,924.3	0.7%
DAX 30	18,403.1	18,367.7	0.2%
CAC 40	8,151.6	8,153.2	0.0%

S&P500 Sectors	Close	Prior	% Δ
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Information Technology	3,731.3	3,796.7	-1.7%
Communication Services	286.7	290.7	-1.4%
Consumer Discretionary	1,443.9	1,460.8	-1.2%

Economic Releases	Time	F'cast	Prior
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Euro - Retail Sales YoY	20:00	-1.30%	-1.0%
USA - Non Farm Payrolls	23:30		
USA - Unemployment Rate	23:30	3.90%	3.90%

Key BW Names	Close	Prior	% Δ
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Lotus Resources	0.425	0.415	2.4%
Elementos	0.150	0.145	3.4%
Frontier Energy	0.350	0.350	0.0%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	86.91	85.89	1.2%
Gold	2,292	2,300	-0.3%
Gold (Aus)	3,480	3,503	-0.7%
Silver	26.93	27.18	-0.9%
Uranium (Spot)	90.00	88.00	2.3%
Tin (Futures)	28,395	27,897	1.8%
Copper	4.23	4.23	0.1%

Other Markets	Close	Prior	% Δ
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SPI200 Futures	7,803.0	7,855.0	-0.7%
DXY Index	104.2	104.3	0.0%
AUD/USD	0.6585	0.6562	0.3%
2-Year Treasury Yield (%)	4.645	4.674	-3 bp
10-Year Treasury Yield (%)	4.307	4.351	-4 bp
US 2-10-Year Spread	-0.197	-0.197	0 bp
VIX Index	16.34	14.32	14.1%