

20 May 2024

Dow closes at record high above 40,000; ASX to edge closer to record high

- **Global markets.** The Dow Jones Industrial Average closed Friday above the key 40,000 level for the first time in history, a day after hitting that benchmark in the previous trading session.

The 30-stock average rose 134.21 points, or 0.34%, to 40,003.59. The S&P 500 inched up 6.17 points, or 0.12%, to 5,303.27, while Nasdaq Composite ended down 12.35 points, or 0.07%, at 16,685.97.

Shares of Walmart and Caterpillar, both trading 1% higher, led the Dow. Chubb and Valero Energy, respectively up more than 3% and 4%, were the biggest gainers in the S&P 500.

Stocks finished the week strong, with the Dow up 1.2% to notch its fifth straight weekly gain. The S&P 500 and Nasdaq climbed 1.5% and 2.1% week to date, cinching their longest winning streak since February.

On Thursday, the Dow reached an intraday high of 40,051.05, above the psychologically important 40,000 level, before pulling back to end the day down 0.1%.

This week's ascent has helped propel the three indexes into positive territory for the second quarter despite a tough start. The S&P 500 and Nasdaq are now each up more than 11% in 2024, while the Dow has climbed more than 6% this year.

While concerns over the durability of the current rally have been voiced by some investors, Tom Hainlin believes that the combination of economic growth and decelerating inflation is the perfect catalyst.

- **In economic news.** n/a
- **In other markets.** The yield on the 10-year rose 4 basis points to 4.42 per cent on Friday (Saturday AEST). The yield has fallen 17bps over the past month.

JPMorgan said it still views the 4.58-4.60 per cent early-May breakout as a key support, which is now a likely ceiling for the yield.

- **Futures.** Futures indicate the S&P/ASX 200 will gain 0.4 per cent, or 25 points near 7am after the index advanced 0.8 per cent last week.

World Indices	Close	Prior	% Δ
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Local Markets

All Ordinaries	8,082.3	8,150.1	-0.8%
ASX 200	7,814.4	7,881.3	-0.8%
ASX Emerging Companies	2,239.3	2,236.5	0.1%

US Markets

Dow Jones	40,003.6	39,869.4	0.3%
S&P500	5,303.3	5,297.1	0.1%
Nasdaq	18,546.2	18,558.0	-0.1%
Russell 2000	2,095.7	2,096.2	0.0%

Asian & European Markets

Shanghai Composite	3,154.0	3,122.4	1.0%
Nikkei	38,787.3	38,920.2	-0.3%
Hang Seng	19,553.6	19,376.5	0.9%
FTSE 100	8,420.3	8,438.7	-0.2%
DAX 30	18,704.4	18,738.8	-0.2%
CAC 40	8,167.5	8,188.5	-0.3%

S&P500 Sectors	Close	Prior	% Δ
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Information Technology	3,897.2	3,915.9	-0.5%
Communication Services	297.3	295.8	0.5%
Consumer Discretionary	1,454.9	1,447.9	0.5%

Economic Releases	Time	F'cast	Prior
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CHN - FDI (YTD) YoY	17:50		-26.1%
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Key BW Names	Close	Prior	% Δ
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Lotus Resources	0.465	0.445	4.5%
Elementos	0.165	0.165	0.0%
Frontier Energy	0.350	0.350	0.0%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	79.54	78.93	0.8%
Gold	2,417	2,379	1.6%
Gold (Aus)	3,611	3,561	1.4%
Silver	31.38	29.73	5.5%
Uranium (Spot)	91.00	91.00	0.0%
Global X Uranium ETF	32.65	31.52	3.6%
Sprott Uranium Miners ETF	54.66	55.17	-0.9%
Sprott Physical Uranium Trust	22.49	22.15	1.5%
Tin (Futures)	33,410	32,918	1.5%
Copper	5.06	4.86	4.0%

Other Markets	Close	Prior	% Δ
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SPI200 Futures	7,876.0	7,875.0	0.0%
DX Index	104.5	104.3	0.2%
AUD/USD	0.6694	0.6682	0.2%
2-Year Treasury Yield (%)	4.827	4.795	3 bp
10-Year Treasury Yield (%)	4.422	4.375	5 bp
US 2-10-Year Spread	-0.197	-0.197	0 bp
VIX Index	11.98	12.41	-3.5%