

27 May 2024

Nasdaq closes at record high as Nvidia and AI trade rallies on; ASX to rise

- **Global markets.** The Nasdaq closed Friday at a fresh record high as gains in chipmaker Nvidia outweighed worries that the Federal Reserve will delay interest rate cuts.

The S&P 500 rose 0.7%, closing at 5,304.72, while the Nasdaq Composite advanced 1.1%, ending at 16,920.79. The Dow Jones Industrial Average edged up 4.3 points, or 0.01%, to finish at 39,069.59.

Week to date, the S&P 500 inched up just 0.03%. The tech-heavy Nasdaq outperformed, with a gain of 1.41%. Meanwhile, the Dow shed 2.33%, marking its first negative week in five.

Nvidia shares climbed around 2.6% Friday as enthusiasm continued over its blockbuster earnings report, pushing the shares above \$1,000 for the first time. The bullish sentiment on the AI giant and other tech names powered the market higher, even as concerns the Fed will not lower rates this summer lingered.

After several strong economic and labor data releases this week, Goldman pushed its forecast for the Fed's first rate cut back to September from July.

Traders are now pricing in less than a 50% chance the central bank will cut rates at its September meeting, according to the CME FedWatch Tool.

Several tech names were higher on Friday. Advanced Micro Devices and Intel rose 3.7% and 2.1%, respectively. Meta and Netflix shares also rallied 2.7% and 1.7% each. Their performance helped Nasdaq log its eleventh record close of the year.

- **In economic news.** US markets will be closed on Monday for Memorial Day.
- **In other markets.** The ASX tech sector will also be in focus on Monday, after US benchmarks were helped higher by a continuing rally in tech stocks late last week, which drove the Nasdaq to reset a record high in Friday's session.
- **Futures.** Futures are pointing 46 points, or 0.6 per cent, higher at 7798, putting the equity benchmark on track for a modest rebound from its 1.1 per cent sell-down on Friday.

World Indices	Close	Prior	% Δ
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Local Markets	Close	Prior	% Δ
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All Ordinaries	7,999.2	8,083.1	-1.0%
ASX 200	7,727.6	7,811.8	-1.1%
ASX Emerging Companies	2,231.2	2,230.5	0.0%

US Markets	Close	Prior	% Δ
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Dow Jones	39,069.6	39,065.3	0.0%
S&P500	5,304.7	5,267.9	0.7%
Nasdaq	18,808.4	18,623.4	1.0%
Russell 2000	2,069.7	2,048.4	1.0%

Asian & European Markets	Close	Prior	% Δ
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Shanghai Composite	3,088.9	3,116.4	-0.9%
Nikkei	38,645.9	39,103.2	-1.2%
Hang Seng	18,609.0	18,868.7	-1.4%
FTSE 100	8,317.6	8,339.2	-0.3%
DAX 30	18,693.4	18,691.3	0.0%
CAC 40	8,095.0	8,102.3	-0.1%

S&P500 Sectors	Close	Prior	% Δ
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Information Technology	4,031.2	3,986.1	1.1%
Communication Services	298.0	294.2	1.3%
Consumer Discretionary	1,428.0	1,417.3	0.8%

Economic Releases	Time	F'cast	Prior
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CHN - Industrial Profits (YTD) YoY	11:30		
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Key BW Names	Close	Prior	% Δ
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Lotus Resources	0.460	0.485	-5.2%
Elementos	0.145	0.160	-9.4%
Frontier Energy	0.400	0.390	2.6%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	77.78	77.12	0.9%
Gold	2,339	2,382	-1.8%
Gold (Aus)	3,528	3,596	-1.9%
Silver	30.57	30.95	-1.2%
Uranium (Spot)	92.75	92.75	0.0%
Global X Uranium ETF	32.00	32.00	0.0%
Sprott Uranium Miners ETF	56.29	56.48	-0.3%
Sprott Physical Uranium Trust	21.61	21.84	-1.1%
Tin (Futures)	33,229	34,468	-3.6%
Copper	4.77	4.80	-0.6%

Other Markets	Close	Prior	% Δ
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SPI200 Futures	7,798.0	7,796.0	0.0%
DXY Index	104.7	104.6	0.1%
AUD/USD	0.6630	0.6624	0.1%
2-Year Treasury Yield (%)	4.946	4.875	7 bp
10-Year Treasury Yield (%)	4.467	4.424	4 bp
US 2-10-Year Spread	-0.197	-0.197	0 bp
VIX Index	11.92	12.30	-3.1%