

S&P 500 closes above 5,400 for the first time on Fed notes; ASX to rise

- Global markets.** The S&P 500 jumped to a record and closed above 5,400 for the first time Wednesday after the Federal Reserve's latest policy announcement and May inflation data pointed to easing pricing pressures.

The broader market index climbed 0.85%, closing at 5,421.03, while the Nasdaq Composite gained 1.53%, ending at 17,608.44. Both the S&P 500 and Nasdaq hit all-time highs and closed at records on Wednesday. The Dow Jones Industrial Average slipped 0.09%, or 35.21 points, to end at 38,712.21.

The Fed kept interest rates unchanged, as was widely expected. The central bank also indicated forward movement has been made on the inflation front, noting, "In recent months, there has been modest further progress toward the Committee's 2 percent inflation objective."

However, the Fed's latest projections, also released Wednesday, showed the central bank only sees one rate cut taking place this year. That is down from three expected rate cuts in early 2024.

The consumer price index was unchanged for the month of May, lower than the Dow Jones estimate for a 0.1% monthly increase. Year over year, the inflation metric increased 3.3%, which also came in below expectations and represented a slowing from the prior 3.4% pace.

The cooler-than-expected CPI data spurred a decline in Treasury yields, with the rate on the 10-year note falling as low as 4.25%, its lowest level since April 1.

- In economic news.** In Australia, jobs data for May at 11.30am AEST is expected to show the jobless rate declined 0.1 per cent to 4 per cent according to consensus forecasts.
- In other markets.** The yield on the US 10-year note plunged after the CPI report, then pared its decline as Powell spoke.
- Futures.** Australian shares are poised to rise 0.7 per cent, in line with gains in New York

World Indices	Close	Prior	% Δ
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Local Markets	Close	Prior	% Δ
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All Ordinaries	7,963.1	8,005.9	-0.5%
ASX 200	7,715.5	7,755.4	-0.5%
ASX Emerging Companies	2,115.0	2,130.5	-0.7%

US Markets	Close	Prior	% Δ
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Dow Jones	38,712.2	38,747.4	-0.1%
S&P500	5,421.0	5,375.3	0.9%
Nasdaq	19,465.2	19,210.2	1.3%
Russell 2000	2,057.1	2,024.3	1.6%

Asian & European Markets	Close	Prior	% Δ
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Shanghai Composite	3,037.5	3,028.1	0.3%
Nikkei	38,876.5	39,134.7	-0.7%
Hang Seng	17,937.9	18,176.4	-1.3%
FTSE 100	8,215.5	8,147.8	0.8%
DAX 30	18,630.9	18,370.0	1.4%
CAC 40	7,864.7	7,789.2	1.0%

S&P500 Sectors	Close	Prior	% Δ
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Information Technology	4,308.3	4,204.8	2.5%
Communication Services	305.3	304.8	0.2%
Consumer Discretionary	1,461.8	1,449.5	0.8%

Economic Releases	Time	F'cast	Prior
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AUS - Westpac Consumer Confidence Inde:	10:30		
AUS - Unemployment Rate	11:30	4.00%	4.1%
USA - PPI MoM	22:30	0.10%	0.5%

Key BW Names	Close	Prior	% Δ
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Lotus Resources	0.385	0.395	-2.5%
Elementos	0.135	0.135	0.0%
Frontier Energy	0.445	0.445	0.0%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	78.31	78.21	0.1%
Gold	2,322	2,317	0.2%
Gold (Aus)	3,487	3,506	-0.5%
Silver	29.59	29.29	1.0%
Uranium (Spot)	88.00	83.25	5.7%
Global X Uranium ETF	29.89	28.98	3.1%
Sprott Uranium Miners ETF	51.61	49.77	3.7%
Sprott Physical Uranium Trust	18.92	18.63	1.6%
Tin (Futures)	31,913	32,001	-0.3%
Copper	4.51	4.50	0.2%

Other Markets	Close	Prior	% Δ
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SPI200 Futures	7,782.0	7,727.0	0.7%
DX Index	105.3	105.1	0.1%
AUD/USD	0.6659	0.6607	0.8%
2-Year Treasury Yield (%)	4.756	4.834	-8 bp
10-Year Treasury Yield (%)	4.320	4.402	-8 bp
US 2-10-Year Spread	-0.197	-0.197	0 bp
VIX Index	12.03	12.86	-6.5%