

30 May 2024

S&P 500 posts a losing day as Nvidia's climb fails to lift market; ASX to fall

- **Global markets.** Stocks slid Wednesday as pressure from rising Treasury yields outweighed a continued rally in artificial intelligence darling Nvidia.

The Dow Jones Industrial Average fell 411.32 points, or 1.06%, to 38,441.54. The S&P 500 dipped 0.74% to 5,266.95, marking its first negative session of the last three. The Nasdaq Composite slipped 0.58% to 16,920.58, as Nvidia's advance somewhat mitigated losses for the technology-heavy index.

Nvidia climbed 0.8%, reversing an early loss of 2.6%. The megacap tech name has risen every trading session since issuing its blockbuster earnings report last Wednesday. Since then, the stock has surged roughly 21%.

All 11 sectors that comprise the broad S&P 500 retreated, underscoring the breadth of market weakness. More than 440 stocks in the index were lower on the day.

In all, 27 of the 30 stocks in the Dow fell. Insurance provider UnitedHealth led the blue-chip average lower with a slide of more than 3% following management commentary around its Medicaid business. Other stocks tied to the federal health insurance program dropped, including Molina Healthcare, Humana and Elevance Health.

- **In economic news.** Local: Building Permits Overseas: USA GDP Growth Rate QoQ, Initial Jobless Claims
- **In other markets.** US bond yields rose after a second consecutive day of poor demand at government debt auctions and as Fed Minneapolis president Neel Kashkari said the central bank's policy stance was restrictive, but more interest-rate hikes had not been ruled out. The US 10-year yield was 6 basis points higher to 4.16 per cent at 4.27pm in New York. Oil retreated as another weak sale of Treasuries raised concerns about rising yields, stoking a risk-off mood across financial markets. West Texas Intermediate settled below \$US80 as equities declined. The drop pared Tuesday's 2.7 per cent gains, which were driven by renewed geopolitical risks, including ship attacks in the Red Sea and Israel's advance into the Gazan city of Rafah.
- **Futures.** ASX futures down 52 points or 0.7% to 7640 near 7am AEST

World Indices	Close	Prior	% Δ
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Local Markets			
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All Ordinaries	7,935.7	8,034.9	-1.2%
ASX 200	7,665.6	7,766.7	-1.3%
ASX Emerging Companies	2,225.5	2,228.1	-0.1%

US Markets			
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Dow Jones	38,441.6	38,852.8	-1.1%
S&P500	5,267.0	5,306.0	-0.7%
Nasdaq	18,736.8	18,869.4	-0.7%
Russell 2000	2,036.2	2,066.9	-1.5%

Asian & European Markets			
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Shanghai Composite	3,111.0	3,109.6	0.0%
Nikkei	38,556.8	38,952.0	-1.0%
Hang Seng	18,477.0	18,821.2	-1.8%
FTSE 100	8,183.1	8,259.8	-0.9%
DAX 30	18,473.3	18,677.9	-1.1%
CAC 40	7,935.0	8,057.8	-1.5%

S&P500 Sectors	Close	Prior	% Δ
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Information Technology	4,072.1	4,086.7	-0.4%
Communication Services	297.7	299.4	-0.6%
Consumer Discretionary	1,418.7	1,426.7	-0.6%

Economic Releases	Time	F'cast	Prior
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AUS - Building Permits	11:30	1.50%	1.9%
USA - GDP Growth Rate QoQ	22:30	1.30%	3.4%
USA - Jobless Claims	22:30		

Key BW Names	Close	Prior	% Δ
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Lotus Resources	0.465	0.450	3.3%
Elementos	0.135	0.160	-15.6%
Frontier Energy	0.410	0.420	-2.4%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	79.25	80.22	-1.2%
Gold	2,337	2,361	-1.0%
Gold (Aus)	3,537	3,551	-0.4%
Silver	31.95	32.10	-0.5%
Uranium (Spot)	92.75	92.75	0.0%
Global X Uranium ETF	32.17	32.48	-1.0%
Sprott Uranium Miners ETF	56.38	56.66	-0.5%
Sprott Physical Uranium Trust	21.25	22.08	-3.8%
Tin (Futures)	33,928	33,229	2.1%
Copper	4.77	4.87	-2.1%

Other Markets	Close	Prior	% Δ
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SPI200 Futures	7,640.0	7,746.0	-1.4%
DXY Index	104.6	104.6	0.0%
AUD/USD	0.6600	0.6648	-0.7%
2-Year Treasury Yield (%)	4.975	4.979	0 bp
10-Year Treasury Yield (%)	4.616	4.548	7 bp
US 2-10-Year Spread	-0.197	-0.197	0 bp
VIX Index	14.27	12.91	10.5%