

6 June 2024

S&P 500 closes at a record, powered by Nvidia's rise; ASX to rise

- Global markets.** The S&P 500 rose to a fresh record Wednesday as Nvidia led major tech stocks higher and slightly weak labor market data gave investors hope the Federal Reserve might move to lower interest rates later this year.

The broad market index rose 1.18% to close at 5,354.03, a fresh record. The S&P 500 also hit a new intraday all-time high of 5,354.16. The new milestones come after the index suffered through a couple of sluggish weeks, and it is now up 12.3% year to date.

Nvidia continued its artificial intelligence-driven run, adding more than 5% to hit a new record and reach a \$3 trillion market value. The chipmaker unveiled new chips to start the week, which received more accolades from Wall Street analysts.

Private payroll data from ADP showed hiring slowed to 152,000 jobs last month, far below the 175,000 economists polled by Dow Jones expected. The data is the latest sign of weakness in the labor market that investors hope will give the Federal Reserve enough evidence to cut benchmark interest rates.

Fed funds futures trading now suggests a roughly 70% chance that central bank policymakers will ease back from the current target rate of 5.25% to 5.5% in September, according to the CME FedWatch Tool. Attention will turn to weekly jobless claims numbers on Thursday and Friday's all-important May jobs report.

Friday's jobs report will be the most important data of the week for markets, with economists polled by Dow Jones expecting 190,000 jobs were added in May, up from 175,000 in April.

- In economic news.** Local: Housing finance and goods trade balance for April at 11.30am
 Overseas data: NZ first-quarter building work at 8.45am; Eurozone April retail sales at 7pm; ECB policy decision at 10.15pm; US April trade balance at 10.30pm
- In other markets.** In commodities iron ore slipped 0.3 per cent to \$US107.10 a tonne.
 The yield on the US 10-year note fell back below 4.30 per cent.
- Futures.** ASX futures up 46 points or 0.6% to 7829 near 7am AEST

World Indices	Close	Prior	% Δ
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Local Markets

All Ordinaries	8,022.2	7,994.1	0.4%
ASX 200	7,769.0	7,737.1	0.4%
ASX Emerging Companies	2,152.3	2,183.3	-1.4%

US Markets

Dow Jones	38,807.3	38,711.3	0.2%
S&P500	5,354.0	5,291.4	1.2%
Nasdaq	19,035.1	18,654.8	2.0%
Russell 2000	2,063.9	2,033.9	1.5%

Asian & European Markets

Shanghai Composite	3,065.4	3,091.2	-0.8%
Nikkei	39,042.0	38,837.4	0.5%
Hang Seng	18,425.0	18,444.1	-0.1%
FTSE 100	8,247.0	8,232.1	0.2%
DAX 30	18,576.0	18,405.7	0.9%
CAC 40	8,006.6	7,937.9	0.9%

S&P500 Sectors	Close	Prior	% Δ
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Information Technology	4,135.6	4,027.8	2.7%
Communication Services	303.2	298.7	1.5%
Consumer Discretionary	1,437.5	1,428.0	0.7%

Economic Releases	Time	F'cast	Prior
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AUS - Balance of Trade	11:30		
AUS - Home Loans MoM	11:30		2.8%
ECB - Interest Rate Decision	22:15	4.25%	4.5%

Key BW Names	Close	Prior	% Δ
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Lotus Resources	0.410	0.440	-6.8%
Elementos	0.135	0.140	-3.6%
Frontier Energy	0.470	0.470	0.0%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	74.40	72.91	2.0%
Gold	2,357	2,327	1.3%
Gold (Aus)	3,544	3,501	1.2%
Silver	30.06	29.53	1.8%
Uranium (Spot)	89.00	90.00	-1.1%
Global X Uranium ETF	30.55	30.68	-0.4%
Sprott Uranium Miners ETF	52.91	55.70	-5.0%
Sprott Physical Uranium Trust	19.24	19.76	-2.6%
Tin (Futures)	31,932	32,350	-1.3%
Copper	4.61	4.54	1.5%

Other Markets	Close	Prior	% Δ
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SPI200 Futures	7,825.0	7,751.0	1.0%
DXY Index	104.1	104.0	0.1%
AUD/USD	0.6651	0.6648	0.1%
2-Year Treasury Yield (%)	4.724	4.477	25 bp
10-Year Treasury Yield (%)	4.277	4.332	-5 bp
US 2-10-Year Spread	-0.197	-0.197	0 bp
VIX Index	12.62	13.15	-4.0%