

28 June 2024

## S&P 500 little changed as Wall St. awaits Fed's inflation gauge; ASX to rise

- Global markets.** The S&P 500 eked out a narrow gain on Thursday as Wall Street looked ahead to fresh inflation data for clues as to when the Federal Reserve will begin to lower interest rates.

Key semiconductor stocks were in the red, raising questions on whether the artificial intelligence trade can continue to sustain markets in the back half of this year. Micron shares slipped more than 7% after the chipmaker issued fourth-quarter revenue guidance that was in line with estimates. Semiconductor giant and market bellwether Nvidia also sagged, dipping 1.9%.

Those moves come as traders look to the release of May's core personal consumption expenditures price index, which is the Fed's preferred measure of inflation. Economists polled by Dow Jones expect core PCE rose 0.1% month over month and 2.6% from the year-earlier period.

Traders hope the report will show easing pricing pressures that could cement the likelihood the Fed will lower interest rates later this year.

Several stocks slid after reporting quarterly earnings. Levi Strauss dropped 15.4% after the jeans maker's latest quarterly revenue disappointed investors. Walgreens Boots Alliance plunged more than 22% after cutting its full-year outlook and issuing lower-than-expected earnings in the previous quarter.

- In economic news.** Local: Private sector credit May at 11.30am  
 Overseas data: Japan May jobless rate, industrial production; US personal income, spending and PCE deflator May at 10.30pm, Chicago Fed manufacturing PMI June, University of Michigan consumer sentiment June final.
- In other markets.** US government bond yields fell as data pointed to slowing growth, bolstering hopes for a pivot to rate cuts as the year progresses. Pantheon Macroeconomics overnight forecast 125 basis points of cuts this year: 25bps in September and 50bps cuts in November and December. Goldman sees a 25bps cut in September and a second one in December.
- Futures.** ASX futures up 26 points or 0.3% to 7775 near 7am AEST

World Indices	Close	Prior	% Δ
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Local Markets			
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All Ordinaries	8,002.8	8,022.9	-0.3%
ASX 200	7,759.6	7,783.0	-0.3%
ASX Emerging Companies	2,115.2	2,121.8	-0.3%

US Markets			
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Dow Jones	39,164.1	39,127.8	0.1%
S&P500	5,482.9	5,477.9	0.1%
Nasdaq	19,789.0	19,751.0	0.2%
Russell 2000	2,038.3	2,018.1	1.0%

Asian & European Markets			
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Shanghai Composite	2,945.9	2,972.5	-0.9%
Nikkei	39,550.0	39,455.0	0.2%
Hang Seng	17,716.5	18,089.9	-2.1%
FTSE 100	8,189.3	8,220.3	-0.4%
DAX 30	18,210.6	18,155.2	0.3%
CAC 40	7,530.7	7,609.2	-1.0%

S&P500 Sectors	Close	Prior	% Δ
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Information Technology	4,359.8	4,362.6	-0.1%
Communication Services	315.3	312.9	0.8%
Consumer Discretionary	1,512.8	1,499.3	0.9%

Economic Releases	Time	F'cast	Prior
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AUS - Housing Credit MoM	11:30		0.4%
UK - GDP Growth Rate YoY	16:00	0.20%	-0.2%
USA - Core PCE Price Index YoY	22:30	2.60%	2.8%

Key BW Names	Close	Prior	% Δ
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Lotus Resources	0.325	0.330	-1.5%
Elementos	0.120	0.105	14.3%
Frontier Energy	0.480	0.460	4.3%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	81.87	80.74	1.4%
Gold	2,337	2,313	1.0%
Gold (Aus)	3,501	3,457	1.3%
Silver	28.96	28.77	0.7%
Uranium (Spot)	86.25	84.00	2.7%
Global X Uranium ETF	29.58	28.86	2.5%
Sprott Uranium Miners ETF	50.59	49.75	1.7%
Sprott Physical Uranium Trust	19.25	18.80	2.4%
Tin (Futures)	32,012	32,251	-0.7%
Copper	4.33	4.37	-0.8%

Other Markets	Close	Prior	% Δ
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SPI200 Futures	7,775.0	7,689.0	1.1%
DXY Index	105.9	106.0	-0.1%
AUD/USD	0.6646	0.6648	0.0%
2-Year Treasury Yield (%)	4.714	4.753	-4 bp
10-Year Treasury Yield (%)	4.286	4.329	-4 bp
US 2-10-Year Spread	-0.197	-0.197	0 bp
VIX Index	12.25	12.54	-2.3%