

3 July 2024

## S&P 500 closes >5,500 for the first time on Powell comments; ASX to rise

- **Global markets.** Stocks rose Tuesday as Federal Reserve Chair Jerome Powell noted progress on inflation, but reiterated that the central bank was not quite ready to cut rates.

The S&P 500 gained 0.62%, ending at 5,509.01 and marking its first close above the 5,500 threshold. The Nasdaq Composite jumped 0.84% to settle at 18,028.76. Both indexes closed at record highs, buoyed by a 10% jump in Tesla. The Dow Jones Industrial Average added 162.33 points, or 0.41%, closing at 39,331.85.

Tesla shares lifted the S&P 500 as Elon Musk's electric vehicle company reported better-than-expected deliveries for the second quarter.

Nvidia shares fell 1.3%, weighing on the S&P 500, as investors questioned whether the artificial intelligence darling could continue its big year. The shares are up roughly 147% in 2024. Drugmaker Eli Lilly, another winner from the first half of the year, saw shares drop about 0.8%.

Wall Street is coming off a positive session to start the second half of the year. The tech-heavy Nasdaq Composite added 0.8% to close at a record, while the S&P 500 rose 0.3%. The Dow eked out a small gain. The S&P 500 climbed 14.5% in the first half of the year.

Trading volume is likely to be muted this week. The New York Stock Exchange closes early at 1 p.m. ET on Wednesday and will be shut on Thursday for Independence Day.

- **In economic news.** Local: Retail sales and building approvals for May at 11.30am

Overseas data: China Caixin June PMI services at 11.45am; Services PMIs also for Eurozone; US June ADP employment report, May trade balance, Weekly jobless claims, May factory orders, May durable goods orders

Note: US markets will be closed on Thursday (Friday AEST) for the July 4th holiday.

- **In other markets.** Treasury yields eased a bit following Powell's comments, and the major averages rose from their lows of the session.
- **Futures.** ASX futures up 20 points or 0.3% to 7723 near 6.25am AEST

World Indices	Close	Prior	% Δ
<u>Local Markets</u>			
All Ordinaries	7,959.7	7,992.3	-0.4%
ASX 200	7,718.2	7,750.7	-0.4%
ASX Emerging Companies	2,118.8	2,117.1	0.1%

<u>US Markets</u>			
Dow Jones	39,331.9	39,169.5	0.4%
S&P500	5,509.0	5,475.1	0.6%
Nasdaq	20,011.9	19,812.2	1.0%
Russell 2000	2,033.9	2,030.1	0.2%

<u>Asian &amp; European Markets</u>			
Shanghai Composite	2,997.0	2,994.7	0.1%
Nikkei	40,074.6	39,631.0	1.1%
Hang Seng	17,769.2	17,718.6	0.3%
FTSE 100	8,121.2	8,166.8	-0.6%
DAX 30	18,164.1	18,290.7	-0.7%
CAC 40	7,538.3	7,561.1	-0.3%

S&P500 Sectors	Close	Prior	% Δ
Information Technology	4,421.1	4,397.5	0.5%
Communication Services	313.1	310.5	0.8%
Consumer Discretionary	1,530.2	1,503.1	1.8%

Economic Releases	Time	F'cast	Prior
AUS - Building Permits MoM	11:30	1.60%	-0.30%
AUS - Retail Sales MoM	11:30	0.30%	0.1%
CHN - Caixin Composite PMI	11:45		

Key BW Names	Close	Prior	% Δ
Lotus Resources	0.325	0.330	-1.5%
Elementos	0.120	0.125	-4.0%
Frontier Energy	0.470	0.475	-1.1%

Commodities	Close	Prior	% Δ
Oil - West Texas Crude	83.01	83.41	-0.5%
Gold	2,330	2,332	-0.1%
Gold (Aus)	3,493	3,504	-0.3%
Silver	29.60	29.43	0.6%
Uranium (Spot)	86.00	85.25	0.9%
Global X Uranium ETF	28.90	29.14	-0.8%
Sprott Uranium Miners ETF	49.28	49.62	-0.7%
Sprott Physical Uranium Trust	18.85	18.56	1.6%
Tin (Futures)	32,900	32,739	0.5%
Copper	4.43	4.41	0.5%

Other Markets	Close	Prior	% Δ
SPI200 Futures	7,722.0	7,720.0	0.0%
DX Index	105.8	105.9	0.0%
AUD/USD	0.6670	0.6655	0.2%
2-Year Treasury Yield (%)	4.752	4.741	1 bp
10-Year Treasury Yield (%)	4.438	4.471	-3 bp
US 2-10-Year Spread	-0.197	-0.197	0 bp
VIX Index	12.02	12.23	-1.7%