

14 August 2024

Nasdaq closes up 2%, Dow adds 400pts as PPI fuels comeback; ASX to rise

- **Global markets.** Stocks rallied Tuesday, moving closer to last month's record levels following the first of two key U.S. inflation reports this week.

The Dow Jones Industrial Average ended the day up 408 points, or 1.04%, at 39,765.64. The Nasdaq Composite jumped 2.43% to close at 17,187.61, while the S&P 500 added 1.68% to 5,434.43. The broad market index is now roughly less than 5% from its record high from July.

The producer price index — a measure of wholesale prices — increased 0.1% last month. Economists expected the reading to show a monthly gain of 0.2% in July, in line with the previous month's reading, according to Dow Jones consensus estimates.

The PPI encouraged investors ahead of the more widely followed consumer price index out Wednesday morning, which is expected to show an increase of 0.2% month over month, up from a 0.1% decline in the prior month. The data could give an uncertain market some direction after last week's wild moves.

Tuesday's rally added to the strong gains seen late last week, with the market further recovering from the steep Aug. 5 sell-off. Since that close, the S&P 500 has popped 4.2%.

Starbucks surged 24.5% after the coffee chain tapped current Chipotle chief executive Brian Niccol as its next CEO. Shares of Chipotle sank 7.5%.

- **In economic news.** Overseas: Euro GDP Growth Rate YoY, USA Inflation Rate YoY
- **In other markets.** Volatility has also eased sharply since then. The Cboe Volatility Index (VIX) hovered below 20 on Tuesday after surging above 65 last week.

WTI fell 2.1 per cent to settle at just above \$US78 a barrel, with traders taking advantage of a lull in major developments from the region to take profits. The US believes an attack by Iran on Israel has grown more likely and may come as soon as this week.

- **Futures.** ASX futures were up 0.7 per cent or 57 points near 7am AEST after a rally on Wall Street and a drop in bond yields.

World Indices	Close	Prior	% Δ
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Local Markets

All Ordinaries	8,042.2	8,028.5	0.2%
ASX 200	7,826.8	7,813.7	0.2%
ASX Emerging Companies	2,028.8	2,020.4	0.4%

US Markets

Dow Jones	39,765.7	39,357.0	1.0%
S&P500	5,434.4	5,344.4	1.7%
Nasdaq	19,006.4	18,542.0	2.5%
Russell 2000	2,095.2	2,062.1	1.6%

Asian & European Markets

Shanghai Composite	2,868.0	2,858.2	0.3%
Nikkei	36,232.4	35,024.9	3.4%
Hang Seng	17,174.1	17,111.7	0.4%
FTSE 100	8,235.2	8,210.3	0.3%
DAX 30	17,812.1	17,726.5	0.5%
CAC 40	7,275.9	7,250.7	0.3%

S&P500 Sectors	Close	Prior	% Δ
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Information Technology	4,173.7	4,052.3	3.0%
Communication Services	299.0	294.6	1.5%
Consumer Discretionary	1,428.4	1,394.6	2.4%

Economic Releases	Time	F'cast	Prior
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Euro - GDP Growth Rate YoY	19:00	0.30%	0.30%
USA - Inflation Rate YoY	22:30	2.90%	3.00%

Key BW Names	Close	Prior	% Δ
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Lotus Resources	0.240	0.240	0.0%
Elementos	0.094	0.094	0.0%
Frontier Energy	0.440	0.420	4.8%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	78.74	76.91	2.4%
Gold	2,504	2,429	3.1%
Gold (Aus)	3,714	3,696	0.5%
Silver	27.86	27.38	1.8%
Uranium (Spot)	83.00	83.00	0.0%
Global X Uranium ETF	25.03	24.72	1.3%
Sprott Uranium Miners ETF	40.76	40.20	1.4%
Sprott Physical Uranium Trust	18.12	17.72	2.3%
Tin (Futures)	31,568	31,304	0.8%
Copper	40.50	4.00	912.5%

Other Markets	Close	Prior	% Δ
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SPI200 Futures	7,827.00	7,781.0	0.6%
DX Index	103.1	103.2	0.0%
AUD/USD	0.6637	0.6574	1.0%
2-Year Treasury Yield (%)	3.94	4.059	-12 bp
10-Year Treasury Yield (%)	3.85	3.944	-10 bp
US 2-10-Year Spread	-0.09	-0.197	11 bp
VIX Index	18.11	20.36	-11.1%