

17 September 2024

## S&P500 closer to record, Dow nears highs ahead of Fed meeting; ASX to rise

- Global markets.** The S&P 500 ticked higher Monday as investors awaited the Federal Reserve's highly anticipated policy meeting, during which central bankers are expected to cut rates for the first time since 2020. Meanwhile, the Dow Jones Industrial Average rose to a new all-time high.

The S&P 500 added 0.13%, ending at 5,633.09. The 30-stock Dow advanced 228.30 points, or 0.55%, ending at 41,622.08, notching a record close. Meanwhile, the tech-heavy Nasdaq Composite shed 0.52%, falling to 17,592.13.

Apple shares declined 2.8% after analysts at firms, including Bank of America and JPMorgan, noted that shipping times could point to lighter demand for iPhone 16 Pro models than the prior year.

The Fed is set to meet Tuesday and Wednesday and is widely anticipated to lower rates for the first time since it began its hiking cycle in March 2022. A cut this week would be a pivotal move, as many investors hope the decision could lower borrowing costs for companies and improve overall earnings growth.

The overnight lending rate now stands at 5.25% to 5.5%. The market is currently pricing in a 63% possibility that the central bank will cut rates by 50 basis points, per the CME Group's FedWatch Tool that measures fed funds futures data.

The financial and energy sectors added more than 1% Monday, outperforming the broader market, while information technology slipped nearly 1% in the largest sector loss of the day.

- In stock news.** New Hope has issued a 22¢ dividend after recording a slip in earnings in the 2024 financial year.
- In other markets.** Citing oversupply, Goldman Sachs has slashed its December quarter forecast for the price of iron ore by 15 per cent to \$US85 a tonne. The previous forecast was \$US100 a tonne.

In a note, Goldman's Aurelia Waltham said strong supply is pushing the market into further surplus, even as Chinese iron ore consumption is showing signs of stabilisation.

- Futures.** ASX futures are 50 points or 0.6 per cent higher to 8168, near 8am, setting up the local bourse to top its record intraday high of 8148 points set last month.

World Indices	Close	Prior	% Δ
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### Local Markets

All Ordinaries	8,341.1	8,323.5	0.2%
ASX 200	8,121.6	8,099.9	0.3%
ASX Emerging Companies	2,150.7	2,165.1	-0.7%

### US Markets

Dow Jones	41,622.1	41,393.8	0.6%
S&P500	5,633.1	5,626.0	0.1%
Nasdaq	19,423.1	19,514.6	-0.5%
Russell 2000	2,189.2	2,182.5	0.3%

### Asian & European Markets

Shanghai Composite	2,704.1	2,704.1	0.0%
Nikkei	36,581.7	36,581.7	0.0%
Hang Seng	17,369.1	17,369.1	0.0%
FTSE 100	8,278.5	8,273.1	0.1%
DAX 30	18,633.1	18,699.4	-0.4%
CAC 40	7,449.5	7,465.3	-0.2%

S&P500 Sectors	Close	Prior	% Δ
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Information Technology	4,246.7	4,287.6	-1.0%
Communication Services	300.6	298.0	0.9%
Consumer Discretionary	1,541.8	1,546.8	-0.3%

Economic Releases	Time	F'cast	Prior
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USD - Retail Sales MoM	22:30	0.20%	1.00%
USD - Industrial Production MoM	23:15	0.00%	-0.60%

Key BW Names	Close	Prior	% Δ
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Lotus Resources	0.240	0.255	-5.9%
Elementos	0.089	0.088	1.1%
Frontier Energy	0.230	0.215	7.0%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	70.43	68.92	2.2%
Gold	2,610	2,608	0.1%
Gold (Aus)	3,825	3,845	-0.5%
Silver	30.76	30.87	-0.4%
Uranium (Spot)	83.00	83.00	0.0%
Global X Uranium ETF	25.61	25.43	0.7%
Sprott Uranium Miners ETF	40.97	40.76	0.5%
Sprott Physical Uranium Trust	17.98	17.50	2.7%
Tin (Futures)	31,805	31,805	0.0%
Copper	4.27	4.21	1.4%

Other Markets	Close	Prior	% Δ
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SPI200 Futures	8,168.00	8,116.00	0.6%
DXY Index	101.1	101.1	0.0%
AUD/USD	0.6752	0.6710	0.6%
2-Year Treasury Yield (%)	3.56	3.58	-3 bp
10-Year Treasury Yield (%)	3.62	3.66	-4 bp
US 2-10-Year Spread	0.06	0.07	-1 bp
VIX Index	17.13	16.57	3.4%