

11 October 2024

## Dow, S&P500 retreat from highs as sticky inflation report weigh in; ASX to fall

- **Global markets.** Stocks declined Thursday, with the S&P 500 and Dow Jones Industrial Average falling from records as economic data pointed to stubborn inflation.

The broad market index lost 0.21% to settle at 5,780.05, while the Dow dropped 57.88 points, or 0.14%, to finish at 42,454.12. The Nasdaq Composite dipped 0.05% to end at 18,282.05.

Wall Street digested September's consumer price index, which rose 0.2% on a monthly basis, bringing the annual inflation rate to 2.4% from the previous year. That came in ahead of the 0.1% monthly gain and 2.3% year-over-year rate expected by analysts polled by Dow Jones. The year-over-year number is the lowest since February 2021.

After the hot CPI, Atlanta Fed President Raphael Bostic told The Wall Street Journal he was OK with standing pat at November's rate meeting, instead of cutting like the market wants. "This choppiness to me is along the lines of maybe we should take a pause in November. I'm definitely open to that," Bostic told the paper.

The data comes as concerns mount that the Federal Reserve may slow the pace of future cuts, and ahead of the central bank's first policy meeting after September's supersized move. Fed funds futures trading data suggests a roughly 85% likelihood of a quarter-percentage-point cut, according to CME Group's FedWatch Tool.

In other news, Universal Insurance surged about 12% as Hurricane Milton rippled through Florida. Meanwhile, Pfizer fell roughly 3% after activist investor Starboard Value accused the drug maker of threatening litigation against two former executives.

- **In economic news.** Overseas data: German September CPI final at 5pm; UK August monthly GDP, August industrial production at 5pm; US September PPI at 11.30am;
- **In other markets.** Crude oil futures jumped about 3% on Thursday as Hurricane Milton caused a run on gas stations in Florida and the market waits for Israel to strike Iran.
- **Futures.** ASX futures are down 3 points or 0.04 per cent near 7am AEDT.

World Indices	Close	Prior	% Δ
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### Local Markets

All Ordinaries	8,498.7	8,443.7	0.7%
ASX 200	8,223.0	8,176.9	0.6%
ASX Emerging Companies	2,322.1	2,294.6	1.2%

### US Markets

Dow Jones	42,454.1	42,080.4	0.9%
S&P500	5,780.0	5,751.1	0.5%
Nasdaq	20,241.8	20,107.8	0.7%
Russell 2000	2,188.4	2,195.0	-0.3%

### Asian & European Markets

Shanghai Composite	3,301.9	3,489.8	-5.4%
Nikkei	39,380.8	38,937.5	1.1%
Hang Seng	21,252.0	20,926.8	1.6%
FTSE 100	8,237.7	8,190.6	0.6%
DAX 30	19,210.9	19,066.5	0.8%
CAC 40	7,541.6	7,521.3	0.3%

S&P500 Sectors	Close	Prior	% Δ
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Information Technology	4,491.9	4,443.1	1.1%
Communication Services	312.4	316.1	-1.2%
Consumer Discretionary	1,583.0	1,575.6	0.5%

Economic Releases	Time	F'cast	Prior
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GBP - GDP MoM	16:00	0.20%	0.00%
USD - Producer Price Index YoY	22:30	2.70%	2.40%
USD - Michigan Consumer Sentiment	0:00		

Key BW Names	Close	Prior	% Δ
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Lotus Resources	0.270	0.265	1.9%
Elementos	0.090	0.088	2.9%
Frontier Energy	0.145	0.140	3.6%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	75.65	73.79	2.5%
Gold	2,645	2,640	0.2%
Gold (Aus)	3,900	3,885	0.4%
Silver	31.10	30.66	1.4%
Uranium (Spot)	84.00	84.00	0.0%
Global X Uranium ETF	29.57	30.00	-1.4%
Sprott Uranium Miners ETF	47.42	47.68	-0.5%
Sprott Physical Uranium Trust	19.71	20.41	-3.4%
Tin (Futures)	32,485	33,905	-4.2%
Copper	4.44	4.47	-0.7%

Other Markets	Close	Prior	% Δ
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SPI200 Futures	8,256.00	8,236.00	0.2%
DX Index	102.9	102.5	0.4%
AUD/USD	0.6739	0.6745	-0.1%
2-Year Treasury Yield (%)	3.96	3.96	0 bp
10-Year Treasury Yield (%)	4.07	4.02	5 bp
US 2-10-Year Spread	0.10	0.06	5 bp
VIX Index	20.94	21.43	-2.3%