

14 October 2024

Dow jumps 400pts to a record on Friday S&P500 above 5,800; ASX to rise

- Global markets.** The S&P 500 and Dow Jones Industrial Average powered to new highs on Friday and capped off a winning week as banking behemoths ushered in a promising start to the third-quarter earnings season.

The broad index gained 0.61% to end at 5,815.03, while the Dow rallied 409.74 points, or 0.97%, to finish at 42,863.86. Both averages hit fresh all-time highs and closed at records. The Nasdaq Composite added 0.33% to finish at 18,342.94 and less than 2% below its all-time high.

The major averages also registered a fifth straight week of gains. The S&P 500 and Nasdaq jumped 1.1% each, while the Dow toted a 1.2% gain.

A strong start to the third-quarter earnings season provided a lift to stocks. JPMorgan Chase rose 4.4% after topping profit and revenue expectations, while Wells Fargo popped 5.6% on stronger-than-expected profits. Investors overlooked disappointing revenue and an 11% decline in net interest income.

Wall Street tends to view the banking sector as a barometer for the health of economy, setting the tone for the remainder of the earnings season. However, Forrest notes they lack the visibility into forward guidance that often affects the postearnings stock moves.

Fed funds futures trading suggests a nearly 90% likelihood that the Federal Reserve will dial back interest rates by a quarter point in November, according to the CME FedWatch Tool. Central bank policymakers will keep a close eye on additional data, which will shape their course on rates.

Elsewhere, Tesla shares tanked 8.8% on the back of an underwhelming robotaxi event.

- In economic news.** China Imports/Exports and Trade Balance
- In other markets.**
- Futures.** ASX futures are pointing 46 points, or 0.6 per cent higher at 8296, just above of its record closing high set in September.

World Indices	Close	Prior	% Δ
<u>Local Markets</u>			
All Ordinaries	8,491.5	8,498.7	-0.1%
ASX 200	8,214.5	8,223.0	-0.1%
ASX Emerging Companies	2,331.9	2,322.1	0.4%

<u>US Markets</u>			
Dow Jones	42,863.9	42,454.1	1.0%
S&P500	5,815.0	5,780.0	0.6%
Nasdaq	20,272.0	20,241.8	0.1%
Russell 2000	2,234.4	2,188.4	2.1%

<u>Asian & European Markets</u>			
Shanghai Composite	3,217.7	3,301.9	-2.5%
Nikkei	39,605.7	39,380.8	0.6%
Hang Seng	21,252.0	21,252.0	0.0%
FTSE 100	8,253.7	8,237.7	0.2%
DAX 30	19,377.1	19,210.9	0.9%
CAC 40	7,577.9	7,541.6	0.5%

S&P500 Sectors	Close	Prior	% Δ
Information Technology	4,490.4	4,491.9	0.0%
Communication Services	314.6	312.4	0.7%
Consumer Discretionary	1,576.5	1,583.0	-0.4%

Economic Releases	Time	F'cast	Prior
CNY - Exports YoY	13:00		8.70%
CNY - Imports YoY	13:00		0.50%
CNY - Trade Balance USD	13:00		

Key BW Names	Close	Prior	% Δ
Lotus Resources	0.275	0.270	1.9%
Elementos	0.085	0.090	-5.6%
Frontier Energy	0.135	0.145	-6.9%

Commodities	Close	Prior	% Δ
Oil - West Texas Crude	74.58	75.65	-1.4%
Gold	2,664	2,645	0.7%
Gold (Aus)	3,930	3,900	0.8%
Silver	31.08	31.10	-0.1%
Uranium (Spot)	84.00	84.00	0.0%
Global X Uranium ETF	30.00	29.57	1.5%
Sprott Uranium Miners ETF	47.96	47.42	1.1%
Sprott Physical Uranium Trust	19.64	19.71	-0.4%
Tin (Futures)	33,212	32,485	2.2%
Copper	4.41	4.44	-0.7%

Other Markets	Close	Prior	% Δ
SPI200 Futures	8,296.00	8,256.00	0.5%
DX Index	102.9	102.9	0.0%
AUD/USD	0.6731	0.6739	-0.1%
2-Year Treasury Yield (%)	3.96	3.96	0 bp
10-Year Treasury Yield (%)	4.10	4.07	4 bp
US 2-10-Year Spread	0.14	0.10	4 bp
VIX Index	20.45	20.94	-2.3%