

22 October 2024

Dow falls nearly 350 points, snapping a three day win streak; ASX to fall

- **Global markets.** The Dow Jones Industrial Average fell Monday, giving back some of the strong gains from last week, as Treasury yields rose and investors awaited new earnings reports.

The S&P 500 slipped 0.18% to 5,853.98. The 30-stock Dow lost 344.31 points, or 0.8%, to close at 42,931.60 and snap a three-day run of winning sessions. The Nasdaq Composite was the outlier, rising 0.27% and ending at 18,540.01.

Consumer and homebuilder stocks were among the biggest losers as fears about higher-for-longer interest rates crept up, with Target down 3.8% and Builders FirstSource off 5.2%. Lennar also shed 4.4%.

The yield on the 10-year Treasury jumped, rising nearly 12 basis points to 4.19%.

Earnings will be key this week with roughly one-fifth of the S&P 500 set to report. Among the companies on deck are Tesla, Coca-Cola and GE Aerospace.

Thus far, the results have been mixed. Of the roughly 14% of S&P 500 companies that have already posted third-quarter results, better than 7 in 10 have beaten expectations, according to FactSet. Analysts have significantly downgraded their earnings expectations for the quarter in recent months.

Still, investors are largely optimistic equities have more room to run, but they are mindful that stretched valuations, particularly ahead of the U.S. presidential election and amid rising geopolitical risks, could also mean further choppiness.

Monday's moves come after both the S&P 500 and 30-stock Dow registered all-time highs on Friday, cementing a sixth straight weekly advance for both benchmarks.

- **In economic news.**
- **In other markets.** In commodities, oil gained – after losing more than 8 per cent last week – as China moved again to bolster its economy and traders tracked the risk to supplies from tensions in the Middle East. Global benchmark Brent rose to settle above \$US74 a barrel.
- **Futures.** ASX futures were down 69 points or 0.8 per cent near 8am AEDT.

World Indices	Close	Prior	% Δ
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Local Markets

All Ordinaries	8,604.1	8,551.2	0.6%
ASX 200	8,344.4	8,283.2	0.7%
ASX Emerging Companies	2,357.1	2,344.9	0.5%

US Markets

Dow Jones	42,931.6	43,275.9	-0.8%
S&P500	5,854.0	5,864.7	-0.2%
Nasdaq	20,361.5	20,324.0	0.2%
Russell 2000	2,239.7	2,276.1	-1.6%

Asian & European Markets

Shanghai Composite	3,268.1	3,169.4	3.1%
Nikkei	38,954.5	38,981.7	-0.1%
Hang Seng	20,478.5	20,804.1	-1.6%
FTSE 100	8,318.2	8,358.2	-0.5%
DAX 30	19,451.7	19,657.4	-1.0%
CAC 40	7,536.2	7,613.1	-1.0%

S&P500 Sectors	Close	Prior	% Δ
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Information Technology	4,568.9	4,526.7	0.9%
Communication Services	315.4	315.7	-0.1%
Consumer Discretionary	1,585.5	1,595.8	-0.6%

Economic Releases	Time	F'cast	Prior
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Key BW Names	Close	Prior	% Δ
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Lotus Resources	0.315	0.300	5.0%
Elementos	0.081	0.084	-3.6%
Frontier Energy	0.145	0.145	0.0%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	69.71	68.61	1.6%
Gold	2,739	2,737	0.1%
Gold (Aus)	4,085	4,055	0.7%
Silver	33.78	33.86	-0.2%
Uranium (Spot)	84.00	84.00	0.0%
Global X Uranium ETF	33.25	33.46	-0.6%
Sprott Uranium Miners ETF	52.38	52.89	-1.0%
Sprott Physical Uranium Trust	19.92	20.09	-0.8%
Tin (Futures)	31,313	31,313	0.0%
Copper	4.36	4.40	-0.9%

Other Markets	Close	Prior	% Δ
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SPI200 Futures	8,308.00	8,365.00	-0.7%
DXY Index	103.5	103.5	0.0%
AUD/USD	0.6657	0.6711	-0.8%
2-Year Treasury Yield (%)	4.03	3.70	34 bp
10-Year Treasury Yield (%)	4.20	4.09	11 bp
US 2-10-Year Spread	0.16	0.39	-23 bp
VIX Index	18.38	18.02	2.0%