

13 December 2024

Dow falls >200pts after warm inflation report, Nasdaq retreats; ASX to fall

- Global markets.** Stocks fell Thursday, weighed down by a hotter-than-expected U.S. inflation report, as tech shares failed to keep the momentum seen earlier in the week.

The tech-heavy Nasdaq Composite slid 0.66%, dipping back below the 20,000 threshold to end at 19,902.84. The broad market S&P 500 shed 0.54% to close at 6,051.25. The Dow Jones Industrial Average lost 234.44 points, or 0.53%, to settle at 43,914.12. It was the 30-stock index's sixth straight losing day.

Tech names were among the notable decliners, with Nvidia losing more than 1%. Software giant Adobe declined more than 13% following the company's weaker-than-expected 2025 outlook. Meta platforms, Alphabet and Amazon ended the session lower as well.

The producer price index, which tracks wholesale prices, increased 0.4% last month. Economists polled by Dow Jones expected a 0.2% increase on a monthly basis. The 10-year Treasury yield jumped to the highest level in two weeks following the data.

This follows November's consumer price index report, which came in line with economists' estimates and has prompted investors to anticipate another interest rate cut from the Federal Reserve at its policy meeting next week.

To be sure, Buchanan still believes the Fed is going to lower rates next week. Fed funds futures trading data reflects a nearly 95% likelihood that central bank policymakers will do so by a quarter point, according to the CME FedWatch tool.

- In economic news.**
- In other markets.** In commodities, iron ore rose towards \$US106 a tonne after China signalled it will boost public borrowing and spending in 2025. Oil and gold prices fell more than 1 per cent. The Australian dollar was hovering near four-month lows at US63.65¢, having been unable to keep gains.
- Futures.** Futures indicate the S&P/ASX 200 will drop 0.7 per cent, or 58 points, at the opening bell on Friday.

World Indices	Close	Prior	% Δ
---------------	-------	-------	-----

Local Markets	Close	Prior	% Δ
---------------	-------	-------	-----

All Ordinaries	8,586.9	8,687.00	-1.2%
ASX 200	8,330.3	8,423.00	-1.1%
ASX Emerging Companies	2,292.7	2,304.90	-0.5%

US Markets	Close	Prior	% Δ
------------	-------	-------	-----

Dow Jones	43,914.1	44,401.90	-1.1%
S&P500	6,051.3	6,052.80	0.0%
Nasdaq	21,615.3	21,440.80	0.8%
Russell 2000	2,392.9	2,392.80	0.0%

Asian & European Markets	Close	Prior	% Δ
--------------------------	-------	-------	-----

Shanghai Composite	3,461.5	3,402.50	1.7%
Nikkei	39,849.1	39,163.00	1.8%
Hang Seng	20,397.1	20,414.10	-0.1%
FTSE 100	8,311.8	8,352.10	-0.5%
DAX 30	20,426.3	20,346.00	0.4%
CAC 40	7,403.0	7,482.00	-1.1%

S&P500 Sectors	Close	Prior	% Δ
----------------	-------	-------	-----

Information Technology	4,678.5	4,711.30	-0.7%
Communication Services	356.0	339.2	5.0%
Consumer Discretionary	1,912.7	1,887.90	1.3%

Economic Releases	Time	F'cast	Prior
-------------------	------	--------	-------

JPY - CPI YoY	10:30		2.30%
CNY - PBoC Interest Rate Decision	12:15		3.10%
GBP - Retail Sales MoM	18:00		-0.7%

Key BW Names	Close	Prior	% Δ
--------------	-------	-------	-----

Lotus Resources	0.215	0.235	-8.5%
Elementos	0.070	0.065	7.7%
Frontier Energy	0.130	0.135	-3.7%

Commodities	Close	Prior	% Δ
-------------	-------	-------	-----

Oil - West Texas Crude	70.03	68.09	2.8%
Gold	2,705	2,088.60	29.5%
Gold (Aus)	4,211	4,168	1.0%
Silver	30.96	31.82	-2.7%
Uranium (Spot)	76.00	74	2.7%
Global X Uranium ETF	30.10	3.08	877.3%
Sprott Uranium Miners ETF	44.06	45.79	-3.8%
Sprott Physical Uranium Trust	18.01	17.86	0.8%
Tin (Futures)	29,957	29,151	2.8%
Copper	4.24	4.28	-0.9%

Other Markets	Close	Prior	% Δ
---------------	-------	-------	-----

SPI200 Futures	8,290.00	8,447.00	-1.9%
DX Index	106.6	103.6	2.9%
AUD/USD	0.6365	0.6409	-0.7%
2-Year Treasury Yield (%)	4.20	4.13	7 bp
10-Year Treasury Yield (%)	4.33	4.1	23 bp
US 2-10-Year Spread	0.14	0.09	5 bp
VIX Index	13.91	14.18	-1.9%