

26 November 2024

Dow & Russell 2000 new all time high after Trump's Treasury pick; ASX to rise

- Global markets.** A broad stock rally pushed the Dow Jones Industrial Average, S&P 500 and small-cap focused Russell 2000 index to new records on Monday. Investors bet President-elect Donald Trump's choice for Treasury secretary, Scott Bessent, would help guide the economy without sparking inflation.

The blue-chip Dow rose 440.06 points, or 0.99%, to 44,736.57. The broad S&P 500 gained 0.3% to end at 5,987.37. Both hit new all-time highs in the session, while the Dow also notched a fresh record close. The Nasdaq Composite ticked up 0.27%, finishing the day at 19,054.84.

Monday brought a broad advance as investors cheered Trump's decision to nominate Bessent, the founder of Key Square Group. The Russell 2000 jumped 1.47% and surpassed a prior all-time high set in 2021 at session highs. More than 3 out of every 4 S&P 500 stocks traded higher in the session.

Investors see Bessent, a hedge fund manager, as someone who will be supportive of the equity market. They believe he may also help mitigate some of Trump's most extreme protectionist policies, such as his stance on taxing imports.

Big technology, on the other hand, was more of a mixed bag. While Amazon and Alphabet closed higher, Nvidia and Netflix dropped.

Investors will monitor the release of October's personal consumption expenditure price index, the Federal Reserve's preferred inflation measure, on Wednesday. Minutes from the Fed's most recent policy meeting are also due out ahead of Thanksgiving.

- In economic news.** n/a
- In other markets.** iron ore gained 2 per cent to \$US102.55 a tonne on speculation of more support coming from Chinese authorities to boost the nation's sluggish economy. Oil slumped with US crude falling below \$US69 a barrel; Brent Crude was holding at \$US73. Gold also was lower to start the week, falling more than 3 per cent.
- Futures.** ASX futures are up 26 points or 0.3 per cent near 7.10am AEDT

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

Local Markets

All Ordinaries	8,661.2	8,579.1	1.0%
ASX 200	8,417.6	8,326.3	1.1%
ASX Emerging Companies	2,289.3	2,277.8	0.5%

US Markets

Dow Jones	44,736.6	43,408.5	3.1%
S&P500	5,987.4	5,917.1	1.2%
Nasdaq	20,804.9	20,667.1	0.7%
Russell 2000	2,442.0	2,325.5	5.0%

Asian & European Markets

Shanghai Composite	3,263.8	3,368.0	-3.1%
Nikkei	38,779.9	38,352.3	1.1%
Hang Seng	19,151.0	19,705.0	-2.8%
FTSE 100	8,291.7	8,085.1	2.6%
DAX 30	19,405.2	19,004.8	2.1%
CAC 40	7,257.5	7,198.5	0.8%

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

Information Technology	4,531.4	4,531.9	0.0%
Communication Services	326.4	332.0	-1.7%
Consumer Discretionary	1,766.3	1,733.7	1.9%

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

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

Lotus Resources	0.245	0.240	2.1%
Elementos	0.069	0.072	-4.2%
Frontier Energy	0.120	0.130	-7.7%

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

Oil - West Texas Crude	69.01	68.99	0.0%
Gold	2,618	2,652	-1.3%
Gold (Aus)	4,036	4,074	-0.9%
Silver	30.30	30.86	-1.8%
Uranium (Spot)	83.00	83.00	0.0%
Global X Uranium ETF	32.07	31.97	0.3%
Sprott Uranium Miners ETF	47.77	48.03	-0.5%
Sprott Physical Uranium Trust	18.57	19.13	-2.9%
Tin (Futures)	28,914	28,880	0.1%
Copper	4.10	4.16	-1.3%

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

SPI200 Futures	8,470.0	8,370.0	1.2%
DXY Index	107.5	106.2	1.3%
AUD/USD	0.6502	0.6503	0.0%
2-Year Treasury Yield (%)	4.27	4.32	-5 bp
10-Year Treasury Yield (%)	4.28	4.41	-14 bp
US 2-10-Year Spread	0.00	0.09	-9 bp
VIX Index	14.61	17.15	-14.8%