

13 May 2025

Dow up 1,100pts, S&P500 rises 3% on Chin-US temp. tariff cut; ASX to rise

- **Global markets.** U.S. stocks roared back on Monday after the U.S. and China agreed to temporarily slash tariffs following negotiations over the weekend in Switzerland, raising hopes a trade war won't push the economy into a recession.

The Dow Jones Industrial Average surged 1,160.72 points, or 2.81%, and closed at 42,410.10. The 30-stock index ended the session near its highs of the day, with buying enthusiasm remaining strong. The S&P 500 popped 3.26% to end at 5,844.19, bringing its gain since its April intraday low at the height of tariff pessimism to more than 20%. The benchmark has cut its year-to-date losses to just 0.6%.

The Nasdaq Composite added 4.35% and settled at 18,708.34, as the initial China agreement sent technology stocks tied to the country — like Tesla and Apple — flying higher. It was the best day since April 9 for all three indexes.

Treasury Secretary Scott Bessent said on Monday that talks with China had been “very productive” and both countries had agreed to cut tariffs temporarily. U.S. tariffs on Chinese goods were brought down to 30%, and Chinese tariffs on U.S. imports were slashed to 10%. Bessent told CNBC’s “Squawk Box” on Monday that he expects to meet once again with representatives from Beijing in the “next few weeks” to start ironing out a bigger agreement.

Trump himself suggested China tariffs could be lowered to 80% if negotiations went well and a 60% number was reportedly being mulled over, much higher than 30% figure that resulted from the high-stakes weekend talks. He noted on Monday that a finalized deal with Beijing would not come to fruition quickly.

- **In economic news.** Westpac is set to release its latest consumer confidence survey report on Tuesday morning. The key overseas focus will be US April consumer price data at 10.30pm.
- **In other markets.** Oil bounced, and iron surged to the \$US100 a tonne mark for the first time since early April. Both commodities had been heavily sold amid growing concerns heavy tariffs would dent Chinese demand.
- **Futures.** ASX futures are pointing up 97 points or 1.2 per cent to 8364.

World Indices	Close	Prior	% Δ
<u>Local Markets</u>			
All Ordinaries	8,467.0	8,421.7	0.5%
ASX 200	8,233.5	8,191.7	0.5%
ASX Emerging Companies	2,279.8	2,290.7	-0.5%

<u>US Markets</u>			
Dow Jones	42,410.1	41,368.5	2.5%
S&P500	5,844.2	5,664.0	3.2%
Nasdaq	20,868.2	20,063.6	4.0%
Russell 2000	2,092.2	2,026.4	3.2%

<u>Asian & European Markets</u>			
Shanghai Composite	3,369.2	3,352.0	0.5%
Nikkei	37,644.0	36,928.4	1.9%
Hang Seng	23,549.5	22,775.9	3.4%
FTSE 100	8,605.0	8,531.6	0.9%
DAX 30	23,566.6	23,352.7	0.9%
CAC 40	7,850.1	7,694.4	2.0%

S&P500 Sectors	Close	Prior	% Δ
Information Technology	4,431.0	4,198.4	5.5%
Communication Services	337.1	328.2	2.7%
Consumer Discretionary	1,709.1	1,586.0	7.8%

Economic Releases	Time	F'cast	Prior
AUD - Westpac Consumer Confidence	10:30		
USD - CPI MoM	22:30	0.30%	-0.10%

Key BW Names	Close	Prior	% Δ
Lotus Resources	0.180	0.195	-7.7%
Elementos	0.078	0.074	5.4%
Frontier Energy	0.230	0.235	-2.1%

Commodities	Close	Prior	% Δ
Oil - West Texas Crude	61.95	60.18	2.9%
Gold	3,238	3,321	-2.5%
Gold (Aus)	5,076	5,184	-2.1%
Silver	32.57	32.48	0.3%
Uranium (Spot)	76.00	76.00	0.0%
Global X Uranium ETF	27.29	26.68	2.3%
Sprott Uranium Miners ETF	38.14	37.27	2.3%
Sprott Physical Uranium Trust	16.24	15.76	3.0%
Tin (Futures)	31,821	31,461	1.1%
Copper	4.63	4.60	0.7%

Other Markets	Close	Prior	% Δ
SPI200 Futures	8,364.0	8,216.0	1.8%
DXI Index	100.4	99.9	0.6%
AUD/USD	0.6371	0.6396	-0.4%
2-Year Treasury Yield (%)	4.01	3.88	13 bp
10-Year Treasury Yield (%)	4.47	4.38	9 bp
US 2-10-Year Spread	0.46	0.50	-4 bp
VIX Index	18.38	22.24	-17.4%