

16 May 2025

**S&P500 closes higher for 4th day, Dow jumps more than 250pts; ASX to jump**

- **Global markets.** The S&P 500 climbed for a fourth session, adding to this week's rally after the U.S. and China agreed to temporarily slash tariff rates. Treasury yields also fell, providing a tailwind to stocks.

Confidence in the immediate outlook for stocks has strengthened in the wake of last weekend's talks between Treasury Secretary Scott Bessent and Chinese officials that appeared to stave off a short-term decline in economic activity and a ratcheting up in inflation.

Tech giants are putting up a strong showing week to date. Nvidia and Tesla are both up around 15% each, while Meta Platforms has added nearly 9% during the period. Amazon and Alphabet are up more than 6% and 7%, respectively. The Nasdaq Composite is higher by 6.6% this week, trailed by the S&P 500, ahead 4.5%, and the Dow, up 2.6%.

Retail sales increased 0.1% in April, which matched consensus estimates, while industrial production numbers for April decreased slightly more than expected.

- **In economic news.** While there's no local data on Friday, across the Tasman, BusinessNZ will release its latest purchasing managers' index stats, and there are Reserve Bank of New Zealand inflation expectations. For Australian investors, the focus is on Tuesday's Reserve Bank policy meeting. Later, the University of Michigan will release its survey of US consumer sentiment and it's expected to be dire. Also on Friday, Japan will release first-quarter gross domestic product numbers.

- **In other markets.** Spot gold rose 1.5 per cent to \$US3224.54 an ounce as of 3pm in New York (5am AEST). Brent fell more than 2 per cent to settle below \$US65 a barrel after President Donald Trump said the US and Iran were getting closer to a deal regarding Tehran's nuclear program, a move that could unleash more supplies onto a market that is rapidly approaching a glut.

Bond yields slipped after the release of the soft inflation report. The 10-year Treasury yield slipped more than 8 basis points to 4.44%, while the rate on the 2-year note slid 9 basis points to 3.96%.

- **Futures.** ASX futures are pointing up 80 points or 1 per cent to 8411.

World Indices	Close	Prior	% Δ
<u>Local Markets</u>			
All Ordinaries	8,529.8	8,520.2	0.1%
ASX 200	8,297.5	8,279.6	0.2%
ASX Emerging Companies	2,276.1	2,296.1	-0.9%

<u>US Markets</u>			
Dow Jones	42,322.8	42,051.1	0.6%
S&P500	5,916.9	5,892.6	0.4%
Nasdaq	21,335.8	21,319.2	0.1%
Russell 2000	2,094.7	2,083.8	0.5%

<u>Asian &amp; European Markets</u>			
Shanghai Composite	3,380.8	3,404.0	-0.7%
Nikkei	37,755.3	38,128.1	-1.0%
Hang Seng	23,453.2	23,640.7	-0.8%
FTSE 100	8,633.8	8,585.0	0.6%
DAX 30	23,696.7	23,527.0	0.7%
CAC 40	7,853.5	7,836.8	0.2%

S&P500 Sectors	Close	Prior	% Δ
Information Technology	4,573.0	4,574.3	0.0%
Communication Services	345.2	346.7	-0.4%
Consumer Discretionary	1,727.9	1,739.8	-0.7%

Economic Releases	Time	F'cast	Prior
JPY - GDP QoQ		-0.10%	0.60%
USD - Building Permits MoM	22:30		
USD - Consumer Expectations Index	0:00		

Key BW Names	Close	Prior	% Δ
Lotus Resources	0.185	0.185	0.0%
Elementos	0.084	0.086	-2.3%
Frontier Energy	0.215	0.230	-6.5%

Commodities	Close	Prior	% Δ
Oil - West Texas Crude	61.20	62.00	-1.3%
Gold	3,255	3,187	2.1%
Gold (Aus)	5,076	4,955	2.4%
Silver	32.68	32.21	1.5%
Uranium (Spot)	76.00	76.00	0.0%
Global X Uranium ETF	28.01	28.05	-0.1%
Sprott Uranium Miners ETF	37.74	38.34	-1.6%
Sprott Physical Uranium Trust	16.07	16.07	0.0%
Tin (Futures)	32,729	32,686	0.1%
Copper	4.70	4.63	1.5%

Other Markets	Close	Prior	% Δ
SPI200 Futures	8,411.0	8,271.0	1.7%
DX Index	101.0	100.9	0.1%
AUD/USD	0.6405	0.6428	-0.4%
2-Year Treasury Yield (%)	3.95	4.06	-11 bp
10-Year Treasury Yield (%)	4.43	4.54	-11 bp
US 2-10-Year Spread	0.48	0.48	-1 bp
VIX Index	17.82	18.61	-4.2%