

23 May 2025

S&P500 little changed as investors worry on yields and economy; ASX to rise

- **Global markets.** The S&P 500 ended Thursday near flat, as investors grappled with fears of rising rates and worries about a ballooning U.S. deficit. The 30-year Treasury yield hit its highest since October 2023 as lawmakers passed a bill that investors fear could worsen the U.S. deficit.

The Dow Jones Industrial Average slipped 1.35 points, closing at 41,859.09. The S&P 500 lost 0.04% and ended at 5,842.01, while the Nasdaq Composite advanced 0.28% and settled at 18,925.73.

In a party line vote early Thursday, House members approved the bill that includes lower taxes and additional military spending. The measure — which now goes to the Senate — could increase the U.S. government's debt by trillions and raise the deficit at a time when fears of a flare-up in inflation due to Trump tariffs are already weighing on bond prices and boosting yields. The Congressional Budget Office puts the price tag for bill at nearly \$4 trillion.

- **In economic news.** While there's no Australia data on Friday's calendar, NZ is set to release first-quarter retail sales volumes and the RBNZ is set to release its latest household inflation expectations survey.

Overseas, there's Japanese CPI data, retail sales from the UK and Canada and US new home sales and the University of Michigan sentiment survey.

- **In other markets.** In commodities, oil fell to its lowest level in two weeks, with Brent settling at \$US64.05 a barrel, following a Bloomberg report that OPEC+ is weighing a further output hike in early June. And bitcoin rose as high as \$US111,971 – anew record.

The 30-year Treasury bond yield on Thursday traded at levels not seen since 2023, climbing as high as 5.161%, before retreating later in the session. The benchmark 10-year Treasury note yield also backed off its high of the day. The increase in long-term rates, which are benchmarks for consumer loans, could pressure an economy already feeling the weight of Trump's recently implemented universal tariffs.

- **Futures.** ASX futures are pointing up 0.3 per cent, or by 22 points to 8388.

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

Local Markets

All Ordinaries	8,571.4	8,611.7	-0.5%
ASX 200	8,348.7	8,386.8	-0.5%
ASX Emerging Companies	2,253.5	2,251.6	0.1%

US Markets

Dow Jones	41,859.1	41,860.5	0.0%
S&P500	5,842.0	5,844.6	0.0%
Nasdaq	21,112.5	21,080.4	0.2%
Russell 2000	2,045.6	2,046.6	0.0%

Asian & European Markets

Shanghai Composite	3,380.2	3,387.6	-0.2%
Nikkei	36,985.7	37,299.0	-0.8%
Hang Seng	23,544.3	23,827.8	-1.2%
FTSE 100	8,739.3	8,786.5	-0.5%
DAX 30	23,999.2	24,122.4	-0.5%
CAC 40	7,864.5	7,910.5	-0.6%

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

Information Technology	4,479.6	4,555.3	-1.7%
Communication Services	348.8	345.4	1.0%
Consumer Discretionary	1,704.2	1,727.7	-1.4%

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

JPY - National CPI YoY			3.60%
------------------------	--	--	-------

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

Lotus Resources	0.170	0.165	3.0%
Elementos	0.099	0.096	3.1%
Frontier Energy	0.220	0.225	-2.2%

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

Oil - West Texas Crude	60.74	63.47	-4.3%
Gold	3,297	3,294	0.1%
Gold (Aus)	5,143	5,125	0.4%
Silver	33.07	33.13	-0.2%
Uranium (Spot)	76.00	76.00	0.0%
Global X Uranium ETF	28.52	28.01	1.8%
Sprott Uranium Miners ETF	36.65	36.78	-0.4%
Sprott Physical Uranium Trust	15.56	15.43	0.8%
Tin (Futures)	33,038	32,833	0.6%
Copper	4.67	4.69	-0.2%

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

SPI200 Futures	82,388.0	8,421.0	878.4%
DXY Index	99.7	100.4	-0.7%
AUD/USD	0.6412	0.6422	-0.2%
2-Year Treasury Yield (%)	3.99	3.97	2 bp
10-Year Treasury Yield (%)	4.53	4.48	5 bp
US 2-10-Year Spread	0.54	0.51	3 bp
VIX Index	20.27	18.08	12.1%