

2 June 2025

S&P500 closed a 6% May gain as investors look past trade policy; ASX to lift

- **Global markets.** The S&P 500 was little changed on Friday to close out a big winning month, as investors shook off trade war fears after President Donald Trump said China violated its preliminary trade agreement.

Friday's trading session marked the end of a strong May trading month, with a chunk of the rally following a trade deal announcement between the U.S. and UK. Investors hoped that could pave the way for more agreements with other countries facing duties.

The S&P 500 added 6.2% this month, while the Nasdaq surged 9.6% in that time. Both notched their best months since November 2023. The 30-stock Dow has gained 3.9% on the month.

Stocks initially tumbled in Friday's session after Trump said in a social media post that China "violated" its current trade agreement with the U.S. Later in the trading day, a Bloomberg report, citing people familiar, said the administration plans to broaden restrictions on China's tech sector.

However, an appeals court granted a stay on Thursday afternoon, allowing the duties to remain in place until next week. The Trump administration considered using a provision of the Trade Act of 1974 to implement tariffs of up to 15% for 150 days, according to The Wall Street Journal.

The legal battle around tariffs offers the latest dose of uncertainty for what was already an uneasy market. Investors have contended with macroeconomic concerns tied to tariffs and worry that the shakeup to U.S. trade policy could cause a recession.

- **In economic news.** Local: Inflation Gauge
- **In other markets.** In commodities, Brent crude fell below \$US63 a barrel ahead of an OPEC+ decision to boost oil output for the third month in a row. Trump's fresh attacks on Beijing also weighed on prices, reviving concerns a US-China tariff war could hurt demand.
- **Futures.** ASX 200 futures are pointing up 0.1 per cent, or 8 points, to 8465, predicting the index will extend gains into a third session.

World Indices	Close	Prior	% Δ
<u>Local Markets</u>			
All Ordinaries	8,660.3	8,637.8	0.3%
ASX 200	8,434.7	8,409.8	0.3%
ASX Emerging Companies	2,288.7	2,274.4	0.6%

<u>US Markets</u>			
Dow Jones	42,270.1	42,215.7	0.1%
S&P500	5,911.7	5,912.2	0.0%
Nasdaq	21,341.0	21,364.0	-0.1%
Russell 2000	2,066.3	2,074.8	-0.4%

<u>Asian & European Markets</u>			
Shanghai Composite	3,347.5	3,363.5	-0.5%
Nikkei	37,964.9	38,432.8	-1.2%
Hang Seng	23,289.8	23,573.4	-1.2%
FTSE 100	8,772.4	8,726.0	0.5%
DAX 30	23,997.5	24,038.2	-0.2%
CAC 40	7,751.9	7,788.1	-0.5%

S&P500 Sectors	Close	Prior	% Δ
Information Technology	4,524.4	4,543.8	-0.4%
Communication Services	352.6	350.9	0.5%
Consumer Discretionary	1,717.4	1,727.3	-0.6%

Economic Releases	Time	F'cast	Prior
AUD - TD-MI Inflation Gauge YoY	11:00		
USD - ISM Manufacturing PMI	0:00		

Key BW Names	Close	Prior	% Δ
Lotus Resources	0.198	0.185	7.0%
Elementos	0.099	0.100	-1.0%
Frontier Energy	0.200	0.205	-2.4%

Commodities	Close	Prior	% Δ
Oil - West Texas Crude	61.88	60.85	1.7%
Gold	3,340	3,338	0.1%
Gold (Aus)	5,143	5,144	0.0%
Silver	33.11	33.27	-0.5%
Uranium (Spot)	76.00	76.00	0.0%
Global X Uranium ETF	32.01	32.26	-0.8%
Sprott Uranium Miners ETF	40.21	40.31	-0.2%
Sprott Physical Uranium Trust	16.17	16.55	-2.3%
Tin (Futures)	30,304	31,561	-4.0%
Copper	4.76	4.67	2.0%

Other Markets	Close	Prior	% Δ
SPI200 Futures	8,465.0	8,404.0	0.7%
DXI Index	99.4	99.9	-0.4%
AUD/USD	0.6448	0.6444	0.1%
2-Year Treasury Yield (%)	3.90	3.94	-4 bp
10-Year Treasury Yield (%)	4.40	4.43	-3 bp
US 2-10-Year Spread	0.50	0.49	1 bp
VIX Index	18.57	19.19	-3.2%