

2 June 2025

S&P500 posts gains to start June despite global trade tensions; ASX to rise

- **Global markets.** Stock futures were little changed on Monday night after the major averages began June's trading on a positive note.

S&P 500 futures slipped less than 0.1%, as did Dow Jones Industrial Average futures. Futures linked to the Nasdaq 100 were marginally lower.

In the regular session, the S&P 500 climbed 0.41%. The Nasdaq Composite advanced 0.67%, and the Dow added 35.41 points, or 0.08%.

Stocks ended the day higher despite rising tensions between China and the U.S., with Beijing countering President Donald Trump's accusations that it had violated a temporary trade agreement. Investors had grown hopeful that the two countries could work out a trade deal, but this latest development points to negotiations taking a turn for the worse.

Meanwhile, the European Union criticized Trump's intention to double steel tariffs to 50%, saying that such a move "undermines" its own negotiations with the U.S. An EU spokesperson said that the bloc was "prepared to impose countermeasures."

But despite volatility continuing to persist at elevated levels, Jeff deGraaf, head of technical research at Renaissance Macro, is optimistic on the stock market's short-term prospects.

- **In economic news.** A key focus on Tuesday will be the handing down of the annual award wage decision at 10am AEST. Separately, the RBA will release minutes from its May meeting at 11.30am.

There will be several GDP partial data points released on Tuesday, as well as NZ's international trade data, China Caixin PMI manufacturing, Eurozone CPI and later US durable goods, factory orders and JOLTS job openings.

- **In other markets.** The yield on thirty year Treasuries briefly topped 5 per cent amid renewed concerns about the economic impact of trade tariffs. The greenback slumped to a 2023 low, driving the Australian dollar above 1 per cent.
- **Futures.** ASX futures are pointing up 69 points, or 0.8 per cent, predicting the S&P/ASX 200 Index will reverse the prior session's losses.

World Indices	Close	Prior	% Δ
<u>Local Markets</u>			
All Ordinaries	8,637.5	8,660.3	-0.3%
ASX 200	8,414.1	8,434.7	-0.2%
ASX Emerging Companies	2,281.4	2,288.7	-0.3%

<u>US Markets</u>			
Dow Jones	42,305.5	42,270.1	0.1%
S&P500	5,936.0	5,911.7	0.4%
Nasdaq	21,491.8	21,341.0	0.7%
Russell 2000	2,071.2	2,066.3	0.2%

<u>Asian & European Markets</u>			
Shanghai Composite	3,347.5	3,347.5	0.0%
Nikkei	37,470.5	37,964.9	-1.3%
Hang Seng	23,158.0	23,289.8	-0.6%
FTSE 100	8,774.3	8,772.4	0.0%
DAX 30	23,930.7	23,997.5	-0.3%
CAC 40	7,737.2	7,751.9	-0.2%

S&P500 Sectors	Close	Prior	% Δ
Information Technology	4,564.8	4,524.4	0.9%
Communication Services	354.8	352.6	0.6%
Consumer Discretionary	1,720.0	1,717.4	0.2%

Economic Releases	Time	F'cast	Prior
AUD - RBA Minutes	11:30		
CNY - Caixin Manufacturing PMI	11:45		
USD - JOLTS Job Openings	0:00		

Key BW Names	Close	Prior	% Δ
Lotus Resources	0.175	0.198	-11.6%
Elementos	0.115	0.099	16.2%
Frontier Energy	0.195	0.200	-2.5%

Commodities	Close	Prior	% Δ
Oil - West Texas Crude	63.05	61.88	1.9%
Gold	3,415	3,340	2.2%
Gold (Aus)	5,218	5,143	1.5%
Silver	34.74	33.11	4.9%
Uranium (Spot)	76.00	76.00	0.0%
Global X Uranium ETF	31.87	32.01	-0.4%
Sprott Uranium Miners ETF	39.47	40.21	-1.8%
Sprott Physical Uranium Trust	15.84	16.17	-2.0%
Tin (Futures)	30,304	30,304	0.0%
Copper	4.85	4.76	1.8%

Other Markets	Close	Prior	% Δ
SPI200 Futures	8,503.0	8,465.0	0.4%
DXI Index	99.4	99.4	0.0%
AUD/USD	0.6495	0.6448	0.7%
2-Year Treasury Yield (%)	3.94	3.90	4 bp
10-Year Treasury Yield (%)	4.44	4.40	4 bp
US 2-10-Year Spread	0.50	0.50	1 bp
VIX Index	18.36	18.57	-1.1%