

Morning Report 25 May 2021

US share markets On Monday, they were higher, with technology leading the way. Expectations that President Joe Biden will have to settle with a lower infrastructure program have eased inflation fears (and bond rates have declined). The White House reduced President Trump's \$2.25 trillion infrastructure package to US\$1.7 trillion on Friday. The Dow Jones Industrial Average increased by 186 points, or 0.5 percent. The S&P 500 index rose by 1.0%. And the Nasdaq index gained 190 points or 1.4%

European share market On Monday, the price of climbed. With a 1% gain, technology stocks led the way. Banks and basic resources, on the other hand, fell by 0.2 percent. Investors reacted to comments made by European Central Bank President Christine Lagarde on Friday, saying it was still too early to talk about policy after the conclusion of the bank's 1.85 trillion euro (\$2.3 trillion) emergency bond purchase program. The STOXX 600 index rose 0.1 percent throughout Europe. The German stock exchange was closed for the holidays (the Dax rose 0.4 percent on Friday). In addition, the FTSE index in the United Kingdom increased by 0.6 percent. Rio Tinto's stock was steady in London trade, while BHP's stock was down 0.7 percent.

Base metals On Monday, the London Metal Exchange was mixed. Lead, tin, and zinc all dropped by 3.1 percent, with lead being the most affected. Other metals, however, climbed, with nickel up 1.9 percent.

Australian share markets The Australian stock market finished marginally higher, with energy firms leading the way. The benchmark S&P/ASX 200 Index fluctuated between gains and losses before closing at 7,045.90, up 15.60 points, or 0.2 percent. The All Ordinaries index rose 10.70 points, or 0.2 percent, to 7,276. Energy firms benefited from higher oil prices, with Woodside Petroleum, Oil Search, and Santos all climbing 1-2 percent. BHP and Fortescue Metals are two mining companies which lost 2-4 percent, tracking weak iron ore prices after China warned commodity firms on prices.

Major currencies In European and US commerce, they were stronger versus the dollar. The Euro surged from lows at US\$1.2180 to highs of US\$1.2230 before closing around US\$1.2215 in New York. The Australian dollar climbed from lows near US77.10 cents to highs of US77.57 cents at the US close. The Japanese yen was trading at JPY108.75 at the US close, with a range of 108.70 yen to JPY109.00.

Global oil prices On Monday, the stock market increased by 3-4 percent. Higher demand for oil may be able to absorb any increase in Iranian output, according to news of a speedier roll-out of Covid-19 vaccines throughout the world. Brent crude gained by US\$2.02 per barrel, or 3.0%, to US\$68.46. The price of oil on the New York Mercantile Exchange increased by US\$2.47, or 3.9 percent, to US\$66.05 a barrel.

| Global Indices | Latest Prices | | |
|-----------------------|---------------|----------|-------|
| | Level | chg | % chg |
| US Dow Jones | 34393.98 | +186.14 | 0.5 |
| US S&P500 | 4197.05 | +41.19 | 1.0 |
| US Nasdaq | 13661.17 | +190.177 | 1.4 |
| UK FTSE | 7051.59 | +33.54 | 0.5 |
| German Dax | 15437.51 | +67.25 | 0.4 |
| Toronto Composite | 19527.3 | -15.65 | -0.1 |
| ASX24 Futures (night) | 7064 | +18 | 0.3 |
| ASX200 (yesterday) | 7045.90 | | |
| Shanghai (yesterday) | 3497.28 | +10.7252 | 0.3 |
| Japan Nikkei (y'day) | 28364.61 | 46.78 | 0.2 |
| US Volatility (Vix) | 18.39 | | |

| Commodities | | | |
|---------------------------|----------|---------|-------|
| Oil Brent (\$US/b) | 68.46 | 2.02 | 3.0% |
| Oil Nymex (\$US/b) | 66.05 | 2.47 | 3.9% |
| Spot Gold (\$US/oz) | 1882.73 | | |
| Gold futures (\$US/oz) | 1884.50 | 7.80 | 0.4% |
| Spot Iron Ore (\$US/t) | 188.25 | -11.85 | -5.9% |
| Iron Ore futures (\$US/t) | 205.30 | | |
| Thermal coal (\$US/t) | 103.25 | 2.25 | 2.2% |
| Coking coal (CNY/t) | 1661 | | |
| Aluminium (\$US/t) | 2355.55 | 15.80 | 0.7% |
| Copper (\$US/t) | 9928.80 | 61.30 | 0.6% |
| Nickel (\$US/t) | 17079.50 | 323.50 | 1.9% |
| Zinc (\$US/t) | 2935.75 | -22.90 | -0.8% |
| Tin (\$US/t) | 31665.00 | -652.00 | -2.0% |

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| Forex | | |
|-------------|---------|----------|
| | Current | Aust 4pm |
| AUD/USD | 0.7754 | 0.7728 |
| EUR/USD | 1.2214 | 1.2179 |
| USD/JPY | 108.75 | 108.84 |
| GBP/USD | 1.4155 | 1.4146 |
| AUD TWI 4pm | 63.9 | |

| Fixed Interest | | |
|------------------|--------|-------|
| US 10 year (%) | 1.6029 | -0.03 |
| US 2 year (%) | 0.1513 | -0.01 |
| Aust 10 year (%) | 1.631 | -0.02 |
| Aust 3 year (%) | 0.09 | 0.00 |

TOP GAINERS & TOP LOSERS

| Top Gainers | | | |
|-------------|------------|--------|---------|
| Name | Last Price | Change | Change% |
| TNE | 9.51 | +0.52 | +5.78% |
| HUB | 24.12 | +1.01 | +4.47% |
| NXL | 3.76 | +0.11 | +3.02% |
| PBH | 12.38 | +0.36 | +3.00% |
| NWL | 13.43 | +0.31 | +2.36% |

| Top Loser | | | |
|-----------|------------|--------|---------|
| Name | Last Price | Change | Change% |
| GOR | 1.505 | -0.04 | -2.75% |
| RSG | 0.627 | -0.01 | -1.57% |
| FLT | 14.92 | -0.22 | -1.39% |
| MSB | 1.90 | -0.035 | -1.81% |
| WEB | 4.83 | -0.07 | -1.22% |

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