

Morning Report

Global Markets Update - 31 May 2023

US Markets

Equity markets closed mixed overnight, with the S&P 500 flat, Dow Jones down -0.2% and NASDAQ up +0.3%. US consumer confidence fell to a 6-month low in May.

Long-dated U.S. treasury yields were lower, with the 2-Yr yield at 4.450% and the 10-Yr yield at 3.687%.

European Markets

European equity markets closed lower overnight, with the Stoxx Europe 600 down -0.9% and German DAX down -0.3%, amid concerns over a potential flare up in geopolitical tensions after President Vladimir Putin demanded that Russia strengthen air defenses around Moscow after the biggest drone attack on the capital since he ordered the invasion of Ukraine, as his Foreign Ministry threatened "the harshest" retaliation against Kyiv. The U.K. FTSE 100 declined -1.4%, after data revealed prices in UK stores are rising at a record pace with shop price inflation accelerating to 9% in May, a new peak for the index.

Asian Markets

Asian equity markets closed higher overnight, with the Shanghai Composite paring most intraday gains to close +0.1% higher, amid concerns over rising U.S.-China trade tensions after the U.S. accused several Chinese companies of shipping machines that make counterfeit pills to the U.S. and Mexico and hit more than a dozen entities with sanctions. The Hang Seng was up +0.2% and KOSPI gained +1.0%. Nikkei 225 gained +0.3%, after data revealed Japan's unemployment rate fell for the first time in three months in April with jobless rate dropping -20bps MoM to 2.6%, potentially feeding into higher wages and providing support for the BOJ's sustainable inflation goal down the line.

ASX Market Update

The S&P/ASX 200 closed -0.1% lower yesterday, after data revealed Australia's building approvals tumbled to the lowest level in 11-years in April and consumer confidence slumped last week to the lowest since 1990s recession

Paladin Energy Ltd (PDN) slumped -19.5%, on news that Namibia is considering taking minority stakes in miners and petroleum producers.

Today's trading. In Australia, CPI data is anticipated

ASX Performance

	1D Chg (%)	5D Chg (%)
ASX/S&P 200	-0.1%	-0.7%
ASX/S&P All Ords	-0.1%	-0.8%

By Sector

	1D Chg (%)	5D Chg (%)
Banks	-0.5%	-0.8%
Insurance	0.4%	1.0%
Diversified Financials	-0.4%	-1.7%
Real Estate	-1.0%	-1.1%
Consumer Discretionary	0.0%	-2.3%
Industrials	0.1%	-0.1%
Telcos	0.6%	0.7%
Utilities	0.0%	1.6%
Healthcare	0.1%	-0.5%
Consumer Staples	-0.1%	-0.2%
Energy	-0.7%	-0.2%
Metals & Mining	0.2%	-1.3%

ASX200 Top 5

	Price (A\$)	1D Chg (%)
NICKEL INDUSTRIES LTD	0.91	4.6%
SANDFIRE RESOURCES LTD	5.84	3.7%
QANTAS AIRWAYS LTD	6.59	2.6%
CHALLENGER LTD	6.29	2.6%
DOMINO'S PIZZA ENTERPRISE	48.82	2.3%

ASX200 Bottom 5

	Price (A\$)	1D Chg (%)
PALADIN ENERGY LTD	0.54	-19.5%
SAYONA MINING LTD	0.19	-11.9%
IMUGENE LTD	0.11	-4.5%
CORE LITHIUM LTD	1.01	-3.8%
LIFESTYLE COMMUNITIES LTD	15.47	-3.6%

Market Valuations

	PE-Multiple	Div. Yield
ASX200	14.5.x	4.3%
FTSE 100 Index	10.3.x	4.3%
DAX Index	11.2.x	3.5%
CAC 40 Index	12.7.x	3.3%
S&P 500 Index	19.2.x	1.7%
Dow Jones Ind. Avg	17.0.x	2.2%
NASDAQ	27.5.x	0.8%
NZX All Ords	23.7.x	3.4%
HANG SENG Index	9.0.x	4.0%
NIKKEI 225	24.0.x	1.9%
Shanghai Composite	11.2.x	3.1%

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	Units	Current Value	Price Performance (% Chg)			
			1-day	1-month	6-months	1-year
Developed Markets Equities						
Dow Jones	USD	33,043	-0.2%	-3.1%	-2.4%	-0.5%
S&P 500	USD	4,206	0.0%	0.9%	6.3%	1.1%
NASDAQ Composite	USD	13,017	0.3%	6.5%	18.5%	7.3%
Stoxx Europe 600	EUR	457	-0.9%	-2.1%	3.8%	2.3%
FTSE 100 (UK)	GBP	7,522	-1.4%	-4.4%	0.1%	-0.8%
DAX (Germany)	EUR	15,909	-0.3%	-0.1%	10.5%	9.1%
CAC (France)	EUR	7,210	-1.3%	-3.8%	7.0%	9.9%
Nikkei 225	JPY	31,328	0.3%	8.6%	12.0%	14.8%
ASX 200	AUD	7,209	-0.1%	-1.4%	-1.0%	0.0%
ASX 200 Futures	AUD	7,188	-0.5%	-1.8%	-1.2%	2.1%
Emerging Markets Equities						
MSCI Emerging Markets	USD	972	-0.1%	-0.5%	-0.1%	-8.8%
Hang Seng (HK)	HKD	18,596	0.2%	-6.5%	0.0%	-13.2%
Shanghai Composite	CNY	3,224	0.1%	-3.0%	2.3%	1.2%
Korea	KRW	2,586	1.0%	3.4%	4.6%	-3.7%
Taiwan	TWD	16,623	-0.1%	6.7%	11.7%	-1.1%
Brazil	BRL	1,08,967	-1.2%	4.3%	-3.1%	-1.9%
Bombay Stock Exchange (India)	INR	62,969	0.2%	3.0%	-0.2%	13.3%
South Africa	ZAR	70,921	-0.7%	-2.3%	3.4%	8.5%
Foreign Exchange						
AUD / USD	Currency	0.6520	0.0%	-1.7%	-3.9%	-9.2%
AUD / GBP	Currency	0.5255	0.1%	-1.0%	-6.7%	-7.7%
AUD / EUR	Currency	0.6074	0.0%	0.5%	-6.9%	-9.1%
AUD / CNY	Currency	4.6101	-0.3%	0.5%	-2.9%	-3.8%
Commodities						
LME ALUMINUM 3MO (\$)	USD/mt	2,238	0.3%	-3.8%	-5.3%	-21.9%
LME COPPER 3MO (\$)	USD/mt	8,135	2.2%	-4.9%	1.6%	-13.0%
LME NICKEL 3MO (\$)	USD/mt	21,162	-0.3%	-10.5%	-16.7%	-22.2%
Platinum Spot \$/Oz	USD/oz	1,024	0.0%	-3.0%	-1.3%	5.7%
Palladium Spot \$/Oz	USD/oz	1,411	0.0%	-3.3%	-25.0%	-29.5%
SILVER FUTURE Jul23	USD/oz	23.30	-0.3%	-7.6%	5.4%	1.9%
ICE Newc Coal Fut Jun23	USD/mt	135.10	-3.9%	-28.0%	-61.2%	-50.3%
Iron Ore Spot Price Index 62% (CFR Qingdao Port)	USD/t	99.27	4.3%	-6.3%	5.0%	-21.1%
Gold Spot \$/Oz	USD/oz	1,959	0.0%	-1.2%	10.8%	6.6%
WTI Oil	USD/bbl	69.54	-4.3%	-9.2%	-13.1%	-24.4%
Henry Hub	USD/mmBtu	1.88	-15.7%	-14.2%	-70.4%	-79.3%
Corn	USD/Bu	594.00	-1.7%	-6.6%	-10.3%	-23.6%
Wheat	USD/Bu	590.25	-4.2%	-4.8%	-23.5%	-49.0%
Fixed Interest						
10-Yr Bond Yield						
Australia	AUD	3.68%	-0.5%	10.3%	4.3%	13.1%
U.S.	USD	3.69%	-2.9%	7.7%	2.3%	34.7%
Germany	EUR	2.34%	-3.8%	1.3%	21.3%	122.0%
Japan	JPY	0.44%	-1.4%	10.4%	71.9%	83.5%
Italy	EUR	4.15%	-2.9%	-0.6%	7.1%	38.4%
Australian Rates						
Cash Rate	AUD	3.85%	6.9%	6.9%	35.1%	3750.0%
90-Day BBSW	AUD	3.98%	0.6%	8.3%	30.7%	240.2%
180-Day BBSW	AUD	4.19%	0.2%	9.1%	20.1%	118.0%
CBOE Options						
CBOE VIX (Volatility Index)	Index	17.46	0.0%	10.6%	-20.2%	-32.1%

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