

# Morning Report

## Global Markets Update - 02 June 2023

### US Markets

Equity markets closed higher overnight, with the S&P 500 up +1.0%, NASDAQ up +1.3% and Dow Jones up +0.5%, as the U.S. House passed debt-limit legislation, sending the measure to the Senate for consideration with majority leader Chuck Schumer announcing the Senate will stay in session until we send a bill avoiding default to President Biden's desk

### European Markets

European equity markets closed higher overnight, with the Stoxx Europe 600 up +0.8% and German DAX up +1.2%, after data revealed euro zone CPI eased to 6.1% y/y in May, its lowest level in more than a year, driven primarily by lower energy costs with core-CPI easing to 5.3% y/y, despite which ECB President Christine Lagarde said there's "no clear evidence" that it's peaked and pledged to lift interest rates further. The U.K. FTSE 100 gained +0.6%.

### Asian Markets

Asian equity markets closed mixed overnight, with the Shanghai Composite paring most intraday declines to close flat after a private gauge of factory output revealed moderate improvement in China's factory activity in May. The Hang Seng declined -0.1%. KOSPI pared some intraday declines to close -0.3% lower, after data revealed South Korea's exports slump eased for a second month in May with headline exports dropping -15.2% y/y which combined with imports decline of -14% y/y resulted in a trade deficit of \$2.1bn, the narrowest in a year. Nikkei 225 gained +0.8%, after data revealed Japan's businesses increased spending for a fourth straight quarter in 1Q23 with capex excluding software rising +2.7% q/q.

WTI oil is trading at US\$70.08 a barrel. Iron ore price is at US\$98.85 per ton. Spot gold is trading at US\$1978 per oz.

### ASX Market Update

ASX performance. The S&P/ASX 200 closed +0.3% higher yesterday, after data revealed Australia's business investment rose more than expected in 1Q23, rising +2.4% q/q.

Paladin Energy Ltd surged +11.0%, after a top government official from Namibia said country's plan to benefit from natural resources does not involve taking equity stakes in mining and oil companies.

Today's trading. In the U.S., unemployment data is anticipated.

### ASX Performance

	1D Chg (%)	5D Chg (%)
ASX/S&P 200	0.3%	-0.4%
ASX/S&P All Ords	0.2%	-0.4%

### By Sector

	1D Chg (%)	5D Chg (%)
Banks	-0.1%	-1.2%
Insurance	0.5%	1.5%
Diversified Financials	0.2%	-0.7%
Real Estate	0.5%	-0.7%
Consumer Discretionary	0.3%	-1.8%
Industrials	-0.2%	-0.3%
Telcos	0.8%	1.2%
Utilities	-0.1%	0.5%
Healthcare	1.2%	0.7%
Consumer Staples	0.9%	-0.6%
Energy	0.4%	-2.4%
Metals & Mining	0.1%	0.0%

### ASX200 Top 5

	Price (A\$)	1D Chg (%)
PALADIN ENERGY LTD	0.61	11.0%
DE GREY MINING LTD	1.41	4.9%
PERSEUS MINING LTD	1.91	4.7%
RAMELIUS RESOURCES LTD	1.42	4.4%
LINK ADMINISTRATION HOLD	2.00	4.2%

### ASX200 Bottom 5

	Price (A\$)	1D Chg (%)
IMUGENE LTD	0.10	-9.1%
IDP EDUCATION LTD	20.46	-6.2%
CHAMPION IRON LTD	5.68	-5.3%
ALUMINA LTD	1.39	-4.5%
ALLKEM LTD	14.31	-3.6%

### Market Valuations

	PE-Multiple	Div. Yield
<b>ASX200</b>	<b>14.3.x</b>	<b>4.4%</b>
FTSE 100 Index	10.3.x	4.2%
DAX Index	11.2.x	3.5%
CAC 40 Index	12.5.x	3.3%
S&P 500 Index	19.3.x	1.7%
Dow Jones Ind. Avg	17.0.x	2.2%
NASDAQ	27.6.x	0.8%
NZX All Ords	23.6.x	3.4%
HANG SENG Index	8.9.x	4.1%
NIKKEI 225	18.9.x	1.9%
Shanghai Composite	11.1.x	3.1%

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	Units	Current Value	Price Performance (% Chg)			
			1-day	1-month	6-months	1-year
<b>Developed Markets Equities</b>						
Dow Jones	USD	33,062	0.5%	-2.9%	-3.9%	0.8%
S&P 500	USD	4,221	1.0%	1.3%	3.5%	2.9%
NASDAQ Composite	USD	13,101	1.3%	7.3%	14.1%	9.2%
Stoxx Europe 600	EUR	455	0.8%	-2.5%	2.5%	3.8%
FTSE 100 (UK)	GBP	7,490	0.6%	-4.8%	-0.9%	-0.6%
DAX (Germany)	EUR	15,854	1.2%	-0.4%	9.4%	10.6%
CAC (France)	EUR	7,137	0.5%	-4.7%	5.7%	11.2%
Nikkei 225	JPY	31,148	0.8%	6.8%	12.1%	13.6%
ASX 200	AUD	7,111	0.3%	-2.2%	-2.6%	-0.9%
ASX 200 Futures	AUD	7,169	0.6%	-1.4%	-1.5%	2.5%
<b>Emerging Markets Equities</b>						
MSCI Emerging Markets	USD	959	-1.2%	-1.9%	-2.0%	-10.2%
Hang Seng (HK)	HKD	18,217	-0.1%	-8.6%	-2.5%	-13.6%
Shanghai Composite	CNY	3,205	0.0%	-3.6%	1.5%	0.3%
Korea	KRW	2,569	-0.3%	1.8%	5.5%	-3.4%
Taiwan	TWD	16,513	-0.4%	5.6%	10.3%	-0.2%
Brazil	BRL	1,10,579	2.1%	5.9%	-0.3%	-0.7%
Bombay Stock Exchange (India)	INR	62,429	-0.3%	1.8%	-0.7%	11.8%
South Africa	ZAR	70,656	0.9%	-2.7%	2.6%	10.0%
<b>Foreign Exchange</b>						
AUD / USD	Currency	0.6572	1.1%	-0.9%	-3.5%	-8.4%
AUD / GBP	Currency	0.5246	0.4%	-1.1%	-5.7%	-8.7%
AUD / EUR	Currency	0.6108	0.4%	1.1%	-5.7%	-9.4%
AUD / CNY	Currency	4.6656	1.0%	1.7%	-2.8%	-2.7%
<b>Commodities</b>						
LME ALUMINUM 3MO (\$)	USD/mt	2,246	1.0%	-4.7%	-9.3%	-19.4%
LME COPPER 3MO (\$)	USD/mt	8,089	-0.4%	-5.9%	-1.8%	-14.4%
LME NICKEL 3MO (\$)	USD/mt	20,588	-2.1%	-15.0%	-23.7%	-27.5%
Platinum Spot \$/Oz	USD/oz	1,009	1.0%	-4.4%	-3.4%	1.1%
Palladium Spot \$/Oz	USD/oz	1,396	2.0%	-4.3%	-28.2%	-30.1%
SILVER FUTURE Jul23	USD/oz	23.98	1.7%	-5.0%	3.5%	5.9%
ICE Newc Coal Fut Jul23	USD/mt	130.85	-3.3%	-31.7%	-60.7%	-50.9%
Iron Ore Spot Price Index 62% (CFR Qingdao Port)	USD/t	98.85	-1.2%	-7.2%	2.0%	-24.9%
Gold Spot \$/Oz	USD/oz	1,978	0.8%	-0.2%	9.7%	7.1%
WTI Oil	USD/bbl	70.08	2.9%	-7.2%	-12.4%	-23.9%
Henry Hub	USD/mmBtu	2.10	0.0%	-7.5%	-69.1%	-75.2%
Corn	USD/Bu	593.50	-0.1%	-7.2%	-8.7%	-18.8%
Wheat	USD/Bu	611.25	2.9%	1.2%	-19.4%	-41.3%
<b>Fixed Interest</b>						
<b>10-Yr Bond Yield</b>						
Australia	AUD	3.62%	0.3%	7.9%	3.8%	5.7%
U.S.	USD	3.60%	-1.2%	0.9%	2.7%	23.8%
Germany	EUR	2.25%	-1.4%	-2.8%	24.0%	89.5%
Japan	JPY	0.42%	-2.8%	4.2%	67.6%	78.2%
Italy	EUR	4.09%	0.2%	-2.1%	10.5%	27.6%
<b>Australian Rates</b>						
Cash Rate	AUD	3.85%	6.9%	6.9%	35.1%	3750.0%
90-Day BBSW	AUD	4.03%	-0.1%	9.5%	31.8%	234.0%
180-Day BBSW	AUD	4.22%	0.2%	10.0%	20.9%	114.2%
<b>CBOE Options</b>						
CBOE VIX (Volatility Index)	Index	15.78	-12.0%	-1.9%	-20.5%	-38.6%

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